



# SPECIAL EXECUTIVE SESSION

MOJAVE CONFERENCE ROOM . 11465 WEST CIVIC CENTER DRIVE . AVONDALE, AZ 85323

**SPECIAL EXECUTIVE SESSION MEETING**  
July 19, 2010  
6:00 PM

## CALL TO ORDER BY MAYOR ROGERS

### 1 EXECUTIVE SESSION

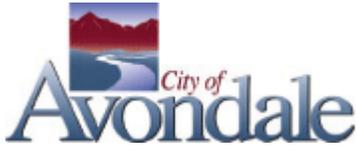
- a. The Council may hold an executive session pursuant to ARIZ. REV. STAT. § 38-431.03 (A)(7) for discussion or consultation with City representatives in order to consider its position and instruct its representatives regarding negotiations for the acquisition of real property on Avondale Boulevard.
- b. The Council may hold an executive session pursuant to ARIZ. REV. STAT. § 38-431.03 (A)(4) for discussion or consultation with the City's Attorney in order to consider its position and instruct the City Attorney regarding the Council's position regarding the Hurst Homes, Inc. complaint.

### 2 ADJOURNMENT

Respectfully submitted,

A handwritten signature in cursive script that reads "Carmen Martinez".

Carmen Martinez  
City Clerk



# CITY COUNCIL AGENDA

CITY COUNCIL CHAMBERS . 11465 WEST CIVIC CENTER DRIVE . AVONDALE, AZ 85323

REGULAR MEETING  
July 19, 2010  
7:00 PM

**CALL TO ORDER BY MAYOR ROGERS  
PLEDGE OF ALLEGIANCE  
MOMENT OF REFLECTION**

**1 ROLL CALL AND STATEMENT OF PARTICIPATION BY THE CITY CLERK**

**2 UNSCHEDULED PUBLIC APPEARANCES**

(Limit three minutes per person. Please state your name.)

**3 CONSENT AGENDA**

Items on the consent agenda are of a routine nature or have been previously studied by the City Council at a work session. They are intended to be acted upon in one motion. Council members may pull items from consent if they would like them considered separately.

**a. APPROVAL OF MINUTES**

1. Special Meeting of July 5, 2010
2. Regular Meeting of July 5, 2010

**b. RESCHEDULING OF THE AUGUST 16, 2010 CITY COUNCIL MEETING**

City Council will consider a request to reschedule the regularly scheduled meeting of August 16th to August 9, 2010. The Council will take appropriate action.

**c. SPECIAL EVENT LIQUOR LICENSES - RACEWAY ELKS - FUNDRAISING EVENTS**

City Council will consider three special event liquor license applications from Mr. Gary Bruce on behalf of the Raceway Elks #2852 for fundraising events to be held on August 21, 2010, September 18, 2010 and October 16, 2010 at the Masonic Temple located at 1015 North 8th Street in Avondale. The Council will take appropriate action.

**d. CONSTRUCTION CONTRACT AWARD - FELIX CONSTRUCTION COMPANY - ONSITE SODIUM HYPOCHLORITE GENERATION SYSTEMS, WELLS 20 & 24**

City Council will consider a request to approve a Construction Contract to Felix Construction for construction of Onsite Sodium Hypochlorite Generation Systems for Wells 20 & 24, in the amount of \$288,485, and authorize the Mayor or City Manager and City Clerk to execute the necessary documents.

**e. WATER TREATMENT SYSTEM PURCHASE AGREEMENT AND WATER SERVICES AGREEMENT - ENVIROGEN TECHNOLOGIES, INC.- NORTHEAST BOOSTER STATION**

City Council will consider a request to approve a Water Treatment System Purchase Agreement in the amount of \$100,000 and a Water Services Agreement for the maintenance of a nitrate treatment facility at Northeast Booster Station with Envirogen Technologies, Inc., and authorize the Mayor or City Manager and City Clerk to execute the necessary documents.

**f. FIRST AMENDMENT TO PURCHASE AGREEMENT - LIFE, INC. FOR THE AVONDALE TAXI SUBSIDY PROGRAM**

City Council will consider a request to approve the first amendment to the Purchase Agreement with Life, Inc. for \$28,000 and extending the term through October 31, 2010 to provide subsidized taxi service to residents for medical and dialysis treatments and authorize the Mayor or City Manager and City Clerk to execute the necessary documents. The Council will take appropriate action.

**g. PURCHASE AGREEMENT - ARIZONA SERVICE & INSTALLATION, INC. FOR SPORTS EQUIPMENT FOR THE AMERICAN SPORTS CENTER**

City Council will consider a request to approve a purchase agreement with Arizona Service & Installation, Inc. in the amount of \$227,783.54 for the purchase and installation of sports equipment for the American Sports Center and authorize the Mayor or City Manager and City Clerk to execute the necessary documents. The Council will take appropriate action.

**h. RESOLUTION 2926-710 - THIRD AMENDMENT TO IGA FOR RECIPROCAL BORROWING PROGRAM**

City Council will consider a resolution authorizing the Third Amendment to the Intergovernmental Agreement with the Maricopa County Library District increasing the Reciprocal Borrowing Program reimbursement rate to \$28.50 from \$26 per patron and authorize the Mayor or City Manager and City Clerk to execute the necessary documents. The Council will take appropriate action.

**i. RESOLUTION 2925-710 - EDWARD BYRNE MEMORIAL JUSTICE ASSISTANCE GRANT**

City Council will consider a resolution authorizing the submission and acceptance of \$47,221 from the Edward Byrne Memorial Justice Assistance Grant for the purposes of hiring a Police Department Records Clerk and authorize the Mayor or City Manager and City Clerk to execute the necessary documents. The Council will take appropriate action.

**j. ORDINANCE 1420-710 - DEDICATION OF A POWER DISTRIBUTION EASEMENT TO SRP**

City Council will consider an ordinance dedicating public right-of-way as a power distribution easement which will allow Salt River Project (SRP) to provide electrical service for the City Center Phase 1 development and authorize the Mayor or City Manager, City Clerk and City Attorney to execute the appropriate documentation. The Council will take appropriate action.

**k. ORDINANCE 1421-710 - AUTHORIZING THE ACQUISITION OF REAL PROPERTY FOR PUBLIC USE**

City Council will consider an ordinance authorizing the acquisition of real property for public use by purchase, condemnation, or dedication of approximately 32 acres of property located near Avondale Boulevard and Roosevelt Street and authorize the Mayor or City Manager, City Attorney and City Clerk to execute the necessary documents. The Council will take appropriate action.

**4 RESOLUTION 2924-710 - PROPERTY TAX LEVY FOR FISCAL YEAR 2010-2011**

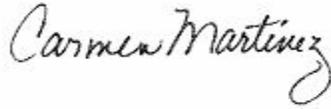
City Council will consider a resolution setting the property tax levy for fiscal year 2010-2011 in the amount of \$5,638,000. The Council will take appropriate action.

**5 PUBLIC HEARING - CONDITIONAL USE PERMIT FOR HERNANDEZ MEMORIAL CHAPEL (PL-10-0011)**

City Council will hold a public hearing and consider a request by Mr. Miguel Legaspi for a Conditional Use Permit required to establish a funeral home in the Old Town Avondale Business (OTAB) Zoning District. The Council will take appropriate action.

**6 ADJOURNMENT**

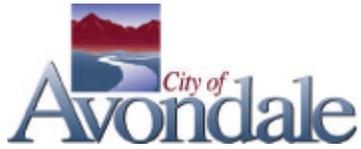
Respectfully submitted,



Carmen Martinez  
City Clerk

Individuals with special accessibility needs, including sight or hearing impaired, large print, or interpreter, should contact the City Clerk at 623-333-1200 or TDD 623-333-0010 at least two business days prior to the Council Meeting.

Personas con necesidades especiales de accesibilidad, incluyendo personas con impedimentos de vista u oído, o con necesidad de impresión grande o interprete, deben comunicarse con la Secretaria de la Ciudad at 623-333-1200 o TDD 623-333-0010 cuando menos dos días hábiles antes de la junta del Concejo.



# CITY COUNCIL REPORT

**SUBJECT:**  
APPROVAL OF MINUTES

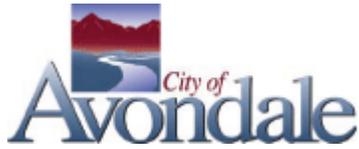
**MEETING DATE:**  
July 19, 2010

**TO:** Mayor and Council  
**FROM:** Carmen Martinez, City Clerk (623) 333-1214  
**THROUGH:** Charlie McClendon, City Manager

**ATTACHMENTS:**

[Click to download](#)

No Attachments Available



# CITY COUNCIL REPORT

**SUBJECT:**

Rescheduling of the August 16, 2010 City Council Meeting

**MEETING DATE:**

July 19, 2010

**TO:** Mayor and Council

**FROM:** Carmen Martinez, City Clerk (623) 333-1214

**THROUGH:** Charlie McClendon, City Manager

**PURPOSE:**

City Council will consider a request to reschedule the regularly scheduled meeting of August 16th to August 9, 2010.

**BACKGROUND:**

The City Charter requires that the City Council meet a minimum of two times per month. The Rules of Procedures state that these meetings are to be held the first and third Monday of the month. Meetings may be rescheduled provided that a notice is given to the public no less than seven days before the meeting.

**DISCUSSION:**

Unlike Councils in other cities, the Avondale City Council does not recess for the summer and instead has opted to reschedule meetings periodically to allow for a longer recesses between meetings. Mayor Rogers has suggested rescheduling the August 16th meeting.

The first meeting in September falls on Labor Day and Council has already taken action to reschedule this meeting to the following Tuesday, September 7, 2010. Rescheduling the August 16th meeting will allow for a three-week recess between Council Meetings.

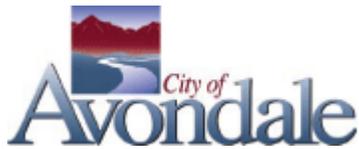
**RECOMMENDATION:**

Staff recommends that the City Council approve the request to reschedule the August 16th meeting to August 9, 2010.

**ATTACHMENTS:**

[Click to download](#)

No Attachments Available



# CITY COUNCIL REPORT

**SUBJECT:**  
Special Event Liquor Licenses - Raceway Elks -  
Fundraising Events

**MEETING DATE:**  
July 19, 2010

**TO:** Mayor and Council  
**FROM:** Carmen Martinez, City Clerk (623) 333-1214  
**THROUGH:** Charlie McClendon, City Manager

**PURPOSE:**

Staff is requesting that the City Council consider three special event liquor license applications from Mr. Gary Bruce on behalf of the Raceway Elks #2852 for fundraising events to be held on August 21, 2010, September 18, 2010 and October 16, 2010 at the Masonic Temple located at 1015 North 8th Street in Avondale.

**DISCUSSION:**

The City Clerk's Department has received three separate special event liquor license applications from Mr. Gary Bruce, on behalf of the Raceway Elks #2852, to be used in conjunction with the following charitable fundraiser events to be held at the Masonic Temple located at 1015 North 8th Street in Avondale, AZ.

Date	Event	Time
August 21, 2010	Dinner Dance Hoop-Shoot Fundraiser	5:00 to 11:00 PM
September 18, 2010	Fall Dinner Dance Fundraiser.	5:00 to 11:00 PM
October 16, 2010	Octoberfest Fundraiser	5:00 to 11:00 PM

The required fees have been paid. Staff has determined that the applicant is not requesting any city support other than normal city services. The Police and Fire Departments have reviewed the applications and are recommending approval. Their comments are attached.

Staff reviewed the applications using the 14 factors set forth in Ordinance 1031-04. The findings are as noted below:

1. The event will be restricted to members only
2. Criminal history of the applicant - A background check of the representative, Mr. Gary Bruce, revealed no contact with the Avondale Police Department
3. The event is a charitable fundraiser
4. Security measures taken by the applicant - The Police Department has reviewed the security plan and determined it to be sufficient
5. All spirituous liquors will be served
6. Beverages will be dispensed in disposable cups and cans

7. There were no neighborhood disturbances associated with the most recent event held in July 2010
8. Event activities will be confined to the Masonic Temple so there is no potential for problems in the neighborhood in terms of noise, hours and time of the event
9. The event will last six hours
10. Sanitary facilities are available at the temple
11. Zoning is C-2 Community Commercial and Development Services staff has indicated that the proposed use will not result in incompatible land uses
12. Anticipated total daily attendance is 80 people
13. Music will be provided by a disc jockey who will use his own sound amplification system
14. Per the Police Department, traffic control measures will not be necessary

**RECOMMENDATION:**

Staff is recommending approval of the three special event liquor license applications from Mr. Gary Bruce on behalf of the Raceway Elks #2852 for fundraiser events to be held on August 21, 2010, September 18, 2010 and October 16, 2010 at the Masonic Temple located at 1015 North 8th Street Avondale, Arizona.

**ATTACHMENTS:**

Click to download

- [Dinner Dance Hoop Shoot - 8.21.10](#)
- [Fall Dinner Dance Fundraiser - 9.18.10](#)
- [Octoberfest Fundraiser - 10.16.10](#)

State of Arizona Department of Liquor Licenses and Control  
 800-W. Washington, 5th Floor  
 Phoenix, AZ 85007  
 www.azliquor.gov  
 (602)542-5141

**APPLICATION FOR SPECIAL EVENT LICENSE**

Fee = \$25.00 per day for 1-10 day events only  
 A service fee of \$25.00 will be charged for all dishonored checks (A.R.S. § 44-6852)

**NOTE: THIS DOCUMENT MUST BE FULLY COMPLETED OR IT WILL BE RETURNED.  
 PLEASE ALLOW 10 BUSINESS DAYS FOR APPROVAL**

\*\*Application must be approved by local government before submission to Department of Liquor Licenses and Control. (Section #20)

DLLC USE ONLY LICENSE #
----------------------------

1. Name of Organization: RACEWAY ELKS #2852
2. Non-Profit/I.R.S. Tax Exempt Number: 80-01329241
3. The organization is a: (check one box only)

- Charitable     Fraternal (must have regular membership and in existence for over 5 years)
- Civic     Political Party, Ballot Measure, or Campaign Committee
- Religious

4. What is the purpose of this event? DINNER-DANCE HOOP-SHOOT FUNO RAISER

5. Location of the event: 1015 N. 8<sup>th</sup> ST. AVONDALE MARICOPA 85392

Address of physical location (Not P.O. Box)    City    County    Zip

**Applicant must be a member of the qualifying organization and authorized by an Officer, Director or Chairperson of the Organization named in Question #1. (Signature required in section #18)**

6. Applicant: BRUCE GARY J.    

Last    First    Middle    Date of Birth

7. Applicant's Mailing Address: 11882 W. WASHINGTON ST AVONDALE, AZ 8532

Street    City    State    Zip

8. Phone Numbers: ( )    (623) 547-2852    (623) 533-3285

Site Owner #    Applicant's Business #    Applicant's Home #

9. Date(s) & Hours of Event: (Remember: you cannot sell alcohol before 10:00 a.m. on Sunday)

	Date	Day of Week	Hours from A.M./P.M.	To A.M./P.M.
Day 1:	<u>8-21-10</u>	<u>SATURDAY</u>	<u>5:00 pm</u>	<u>11:00 pm</u>
Day 2:	_____	_____	_____	_____
Day 3:	_____	_____	_____	_____
Day 4:	_____	_____	_____	_____
Day 5:	_____	_____	_____	_____
Day 6:	_____	_____	_____	_____
Day 7:	_____	_____	_____	_____
Day 8:	_____	_____	_____	_____
Day 9:	_____	_____	_____	_____
Day 10:	_____	_____	_____	_____

10. Has the applicant been convicted of a felony in the past five years, or had a liquor license revoked?  
 YES  NO (attach explanation if yes)

11. This organization has been issued a special event license for 1 days this year, including this event  
(not to exceed 10 days per year).

12. Is the organization using the services of a promoter or other person to manage the event?  YES  NO  
If yes, attach a copy of the agreement.

13. List all people and organizations who will receive the proceeds. Account for 100% of the proceeds.  
**THE ORGANIZATION APPLYING MUST RECEIVE 25% OF THE GROSS REVENUES OF THE SPECIAL EVENT LIQUOR SALES.**

Name Procewby ELKS #2852 100%  
Address 1015 N. 8th St. AVONDALE, AZ. 85392  
Percentage

Name \_\_\_\_\_  
Address \_\_\_\_\_  
Percentage \_\_\_\_\_  
(Attach additional sheet if necessary)

14. Knowledge of Arizona State Liquor Laws Title 4 is important to prevent liquor law violations. If you have any questions regarding the law or this application, please contact the Arizona State Department of Liquor Licenses and Control for assistance.

NOTE: ALL ALCOHOLIC BEVERAGE SALES MUST BE FOR CONSUMPTION AT THE EVENT SITE ONLY.  
**"NO ALCOHOLIC BEVERAGES SHALL LEAVE SPECIAL EVENT PREMISES."**

15. What security and control measures will you take to prevent violations of state liquor laws at this event?  
(List type and number of security/police personnel and type of fencing or control barriers if applicable)

\_\_\_\_ # Police  Fencing  
\_\_\_\_ # Security personnel  Barriers

THE OFFICERS OF THE ELKS WILL CHECK MEMBERSHIP CARDS AT BOTH THE GATE AND DOOR SINCE ONLY MEMBERS WILL ATTEND

16. Is there an existing liquor license at the location where the special event is being held?  YES  NO  
If yes, does the existing business agree to suspend their liquor license during the time period, and in the area in which the special event license will be in use?  YES  NO  
**(ATTACH COPY OF AGREEMENT)**

\_\_\_\_\_  
Name of Business ( ) Phone Number

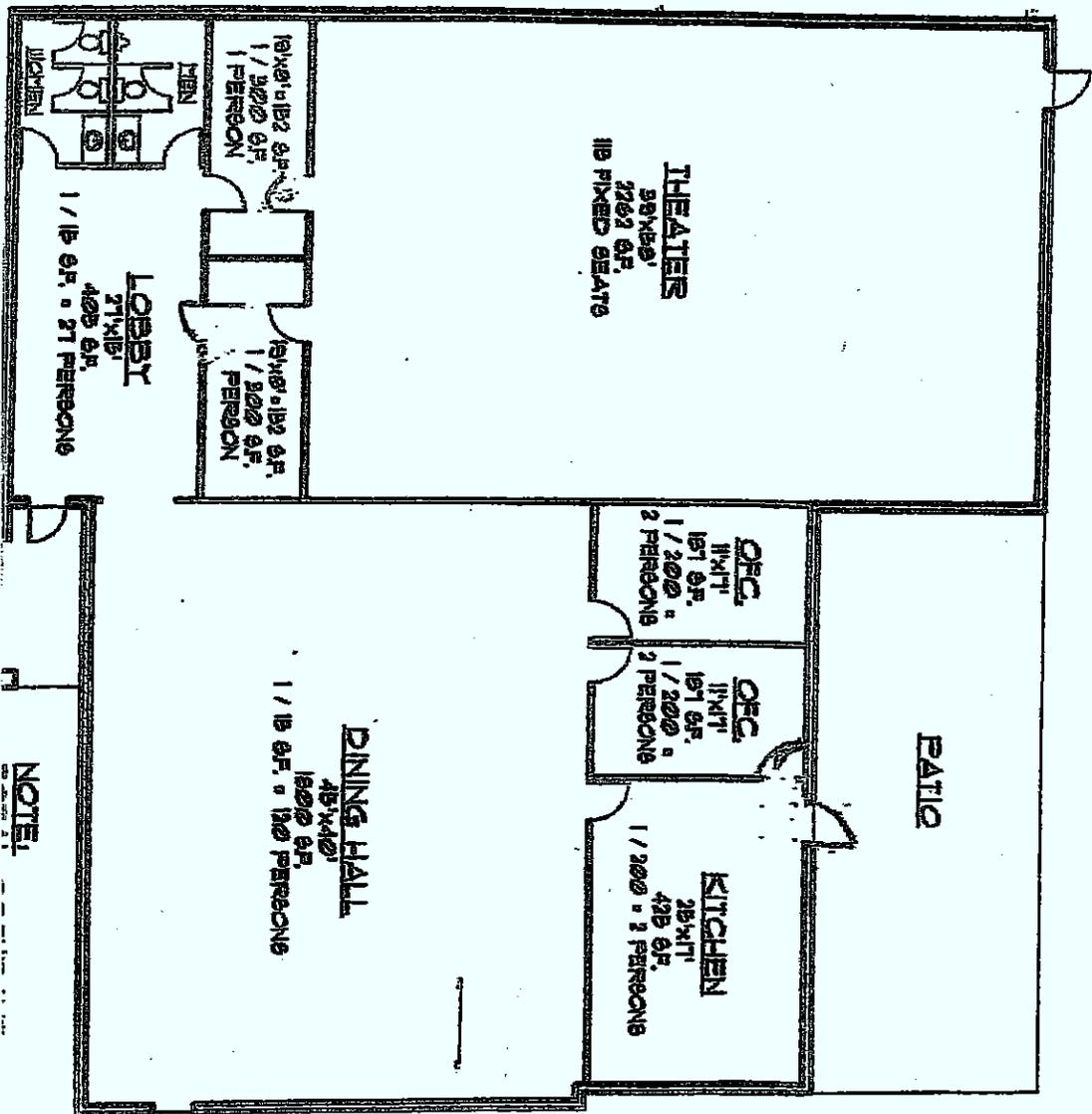
17. Your licensed premises is that area in which you are authorized to sell, dispense, or serve spirituous liquors under the provisions of your license. The following page is to be used to prepare a diagram of your special event licensed premises. Please show dimensions, serving areas, fencing, barricades or other control measures and security positions.

**SPECIAL EVENT LICENSED PREMISES DIAGRAM**  
 (This diagram must be completed with this application)

Special Event Diagram: (Show dimensions, serving areas, and label type of enclosure and security positions)  
 NOTE: Show nearest cross streets, highway, or road if location doesn't have an address.

N

CHAIN LINK FENCE



**NOTE:**  
 100 LB. OCCUPANT  
 LOAD = 270

**FLOOR PLAN**



Bill Duncan  
 Principal  
 Project Manager

**DDCA**

DUNCAN-COOR ARCHITECTS, LLC  
 3723 W BARNES LANE PHOENIX, AZ 85051

Direct: 602.841.1284  
 Cell: 602.478.3378  
 Fax: 602.841.7517

**ADDRESS:**  
 1015 N. 81st ST.  
 AVONDALE, AZ 85323

**THIS SECTION TO BE COMPLETED ONLY BY AN OFFICER, DIRECTOR OR CHAIRPERSON OF THE ORGANIZATION NAMED IN QUESTION #1**

18. I, DAVID A. BLIA declare that I am an Officer/Director/Chairperson appointing the applicant listed in Question 6, to apply on behalf of the foregoing organization for a Special Event Liquor License:

X David A. Blia (Signature) Committee Chair (Title/Position) 1-7-10 (Date) (623) 925-1245 (Phone #)



Arizona County of Maricopa  
The foregoing instrument was acknowledged before me this 7th Day of January, 2010 Year

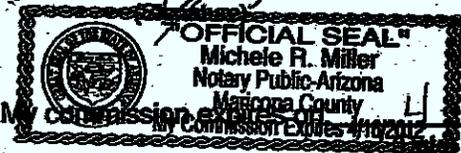
My Commission expires on: 4-16-2012 (Date)

Michele R. Miller (Signature of NOTARY PUBLIC)

**THIS SECTION TO BE COMPLETED ONLY BY THE APPLICANT NAMED IN QUESTION #6**

19. I, GARY J. BRUCE declare that I am the APPLICANT filing this application as listed in Question 6. I have read the application and the contents and all statements are true, correct and complete.

X Gary J. Bruce State of Arizona County of Maricopa  
The foregoing instrument was acknowledged before me this 7th Day of January, 2010 Year



My Commission expires on: 4-16-2012 (Date)

Michele R. Miller (Signature of NOTARY PUBLIC)

**You must obtain local government approval. City or County MUST recommend event and complete item #20. The local governing body may require additional applications to be completed and submitted 60 days in advance of the event. Additional licensing fees may also be required before approval may be granted.**

**LOCAL GOVERNING BODY APPROVAL SECTION**

20. I, \_\_\_\_\_ (Government Official) \_\_\_\_\_ (Title) hereby recommend this special event application on behalf of \_\_\_\_\_ (City, Town or County) \_\_\_\_\_ (Signature of OFFICIAL) \_\_\_\_\_ (Date)

**FOR DLLC DEPARTMENT USE ONLY**

Department Comment Section:

\_\_\_\_\_  
(Employee) \_\_\_\_\_ (Date)

APPROVED  DISAPPROVED BY: \_\_\_\_\_

\_\_\_\_\_  
(Title) \_\_\_\_\_ (Date)



**DEPARTMENTAL REVIEW FORM**

**TYPE OF LICENSE:**

SPECIAL EVENT LIQUOR LICENSE

**ROUTING:**

POLICE DEPARTMENT

FIRE DEPARTMENT

---

**APPLICANT'S NAME:** GARY BRUCE

**ORGANIZATIONS NAME:** RACEWAY ELKS

**EVENT ADDRESS:** 1015 NORTH 8<sup>TH</sup> STREET

**CITY:** AVONDALE      **STATE:** AZ      **ZIP CODE:** 85392

**PURPOSE OF EVENT:** DINNER DANCE HOOP SHOOT FUND RAISER

**DEPARTMENTAL COMMENTS:**

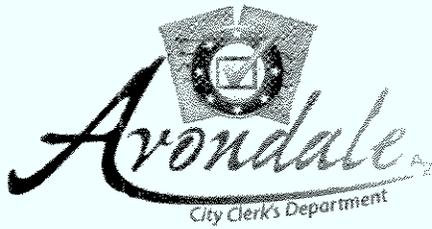
APPROVED

DENIED

  
\_\_\_\_\_  
SIGNATURE  
  
\_\_\_\_\_  
TITLE

  
\_\_\_\_\_  
DATE

**THIS LICENSE IS SCHEDULED FOR THE COUNCIL MEETING OF: JULY 19, 2010**  
**PLEASE RETURN YOUR COMMENTS TO THE CITY CLERK'S OFFICE BY: JULY 1, 2010**



**DEPARTMENTAL REVIEW FORM**

**TYPE OF LICENSE:**

SPECIAL EVENT LIQUOR LICENSE

**ROUTING:**

POLICE DEPARTMENT

FIRE DEPARTMENT

---

**APPLICANT'S NAME:** GARY BRUCE

**ORGANIZATIONS NAME:** RACEWAY ELKS

**EVENT ADDRESS:** 1015 NORTH 8<sup>TH</sup> STREET

**CITY:** AVONDALE    **STATE:** AZ    **ZIP CODE:** 85392

**PURPOSE OF EVENT:** DINNER DANCE HOOP SHOOT FUND RAISER

**DEPARTMENTAL COMMENTS:**

APPROVED

DENIED

Jane Y. Horn  
SIGNATURE

Fire Inspector  
TITLE

7/8/10  
DATE

THIS LICENSE IS SCHEDULED FOR THE COUNCIL MEETING OF: JULY 19, 2010  
PLEASE RETURN YOUR COMMENTS TO THE CITY CLERK'S OFFICE BY: JULY 1, 2010

State of Arizona Department of Liquor Licenses and Control  
 800 W. Washington, 5th Floor  
 Phoenix, AZ 85007  
 www.azliquor.gov  
 (602)542-5141

**APPLICATION FOR SPECIAL EVENT LICENSE**

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DLLC USE ONLY
LICENSE #

1. Name of Organization: RADWAY ELKS #2852

2. Non-Profit/I.R.S. Tax Exempt Number: 80-01329241

3. The organization is a: (check one box only)

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Civic             Political Party, Ballot Measure, or Campaign Committee

Religious

4. What is the purpose of this event? FALL DINNER DANCE FUNOBNISON

5. Location of the event: 1015 N. 8<sup>th</sup> ST. AVONDALE MARICOPA 85392

Address of physical location (Not P.O. Box)      City      County      Zip

**Applicant must be a member of the qualifying organization and authorized by an Officer, Director or Chairperson of the Organization named in Question #1. (Signature required in section #18)**

6. Applicant: BRUCE GARY J. [REDACTED]

Last                      First                      Middle                      Date of Birth

7. Applicant's Mailing Address: 11882 W. WASHINGTON ST AVONDALE, AZ 8532

Street                      City                      State                      Zip

8. Phone Numbers: ( ) Site Owner #      (623) 547-2852 Applicant's Business #      (623) 533-3285 Applicant's Home #

9. Date(s) & Hours of Event: (Remember: you cannot sell alcohol before 10:00 a.m. on Sunday)

	Date	Day of Week	Hours from A.M./P.M.	To A.M./P.M.
Day 1:	<u>9.18.10</u>	<u>SATURDAY</u>	<u>5:00 pm</u>	<u>11:00 pm</u>
Day 2:	_____	_____	_____	_____
Day 3:	_____	_____	_____	_____
Day 4:	_____	_____	_____	_____
Day 5:	_____	_____	_____	_____
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10. Has the applicant been convicted of a felony in the past five years, or had a liquor license revoked?  
 YES  NO (attach explanation if yes)

11. This organization has been issued a special event license for 1 days this year, including this event  
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12. Is the organization using the services of a promoter or other person to manage the event?  YES  NO  
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13. List all people and organizations who will receive the proceeds. Account for 100% of the proceeds.  
**THE ORGANIZATION APPLYING MUST RECEIVE 25% OF THE GROSS REVENUES OF THE SPECIAL  
EVENT LIQUOR SALES.**

Name Procewby ELKS #2852 100%  
Address 1015 N. 8th St. AVONDALE, AZ. 85392  
Percentage

Name \_\_\_\_\_  
Percentage

Address \_\_\_\_\_

(Attach additional sheet if necessary)

14. Knowledge of Arizona State Liquor Laws Title 4 is important to prevent liquor law violations. If you have any questions regarding the law or this application, please contact the Arizona State Department of Liquor Licenses and Control for assistance.

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THE OFFICERS OF THE ELKS WILL CHECK MEMBERSHIP  
CARDS AT BOTH THE GATE AND DOOR SINCE ONLY  
MEMBERS WILL ATTEND

16. Is there an existing liquor license at the location where the special event is being held?  YES  NO  
If yes, does the existing business agree to suspend their liquor license during the time period, and in the area in which the special event license will be in use?  YES  NO

**(ATTACH COPY OF AGREEMENT)**

\_\_\_\_\_  
Name of Business ( ) Phone Number

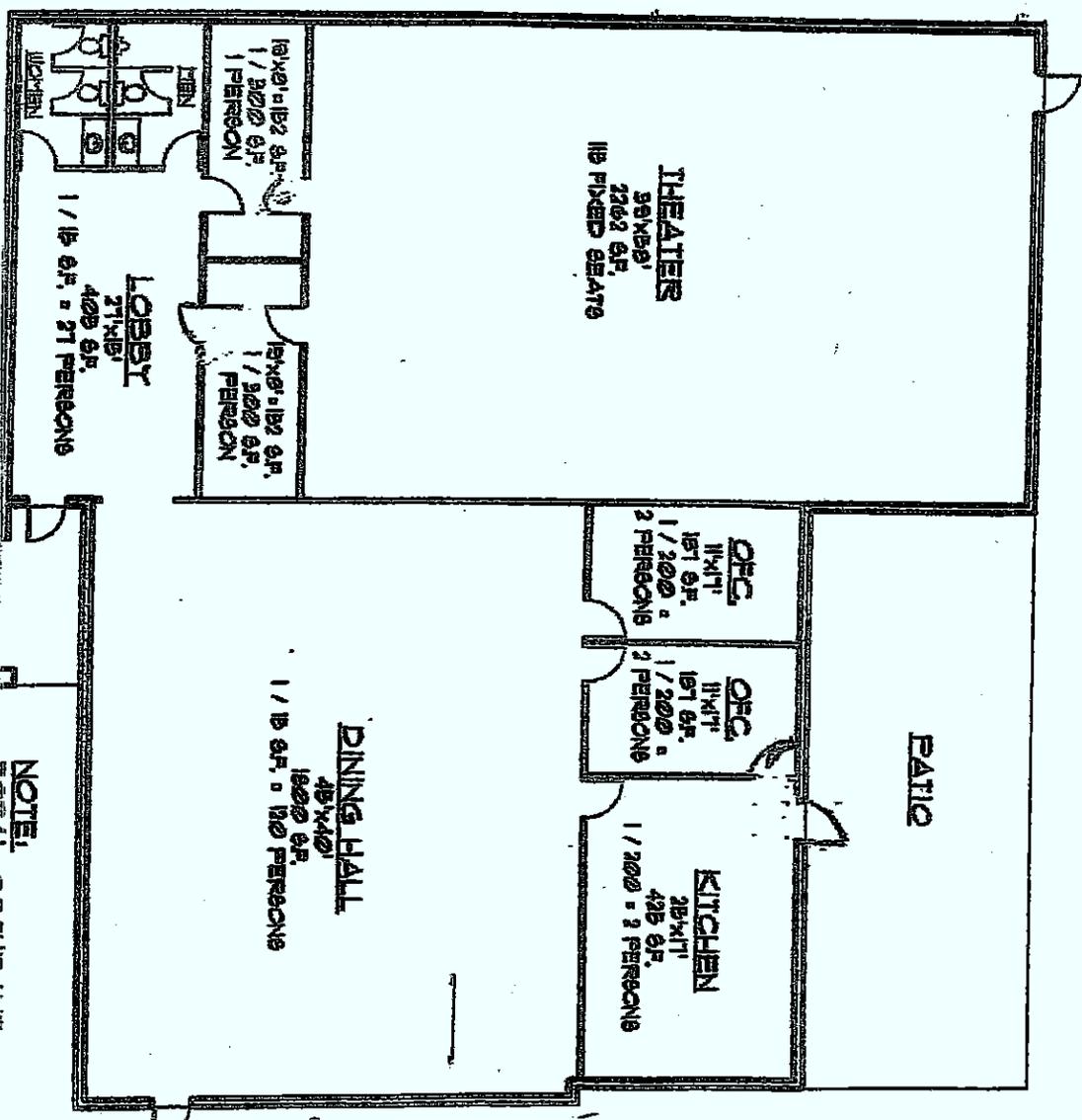
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 (This diagram must be completed with this application)

Special Event Diagram: (Show dimensions, serving areas, and label type of enclosure and security positions)  
 NOTE: Show nearest cross streets, highway, or road if location doesn't have an address.

N

CHAIN LINK FENCE



FENCE

**DCCA**

**DUNCAN-COUR ARCHITECTS LLC**  
 3723 W BARNES LANE PHOENIX, AZ 85051

Direct: 602.841.1284  
 Cell: 602.478.3378  
 Fax: 602.841.7517

**Bill Duncan**  
 Principal  
 Project Manager



**FLOOR PLAN**

N.T.S.

**ADDRESS:**  
 1015 N. 54th ST.  
 AVONDALE, AZ 85323

**NOTE:**  
 TOTAL OCCUPANT  
 LOAD = 270

**THIS SECTION TO BE COMPLETED ONLY BY AN OFFICER, DIRECTOR OR CHAIRPERSON OF THE ORGANIZATION NAMED IN QUESTION #1**

18. I, DAVID A. ELIA declare that I am an Officer/Director/Chairperson appointing the applicant listed in Question 6, to apply on behalf of the foregoing organization for a Special Event Liquor License:

X. [Signature] Committee Chair 1-7-10 (623) 925-7745  
 (Signature) (Title/Position) (Date) (Phone #)



Arizona County of Maricopa  
 The foregoing instrument was acknowledged before me this  
7th January 2010  
 Day Month Year

My Commission expires on: 4-16-2012  
 (Date)

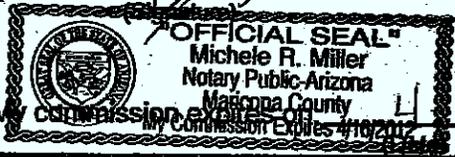
Michele R. Miller  
 (Signature of NOTARY PUBLIC)

**THIS SECTION TO BE COMPLETED ONLY BY THE APPLICANT NAMED IN QUESTION #6**

19. I, Gary J. Brees declare that I am the APPLICANT filing this application as listed in Question 6. I have read the application and the contents and all statements are true, correct and complete.

X. [Signature]

State of Arizona County of Maricopa  
 The foregoing instrument was acknowledged before me this  
7th January 2010  
 Day Month Year



My Commission expires on: 4-16-2012

Michele R. Miller  
 (Signature of NOTARY PUBLIC)

**You must obtain local government approval. City or County MUST recommend event and complete item #20. The local governing body may require additional applications to be completed and submitted 60 days in advance of the event. Additional licensing fees may also be required before approval may be granted.**

**LOCAL GOVERNING BODY APPROVAL SECTION**

20. I, \_\_\_\_\_ hereby recommend this special event application  
 (Government Official) (Title)  
 on behalf of \_\_\_\_\_  
 (City, Town or County) (Signature of OFFICIAL) (Date)

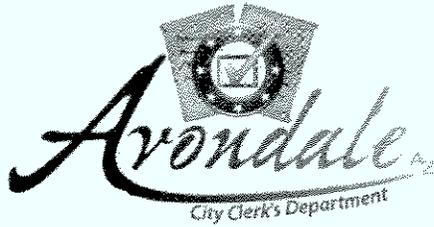
**FOR DLLC DEPARTMENT USE ONLY**

Department Comment Section:

\_\_\_\_\_  
 (Employee) (Date)

APPROVED  DISAPPROVED BY: \_\_\_\_\_

\_\_\_\_\_  
 (Title) (Date)



**DEPARTMENTAL REVIEW FORM**

**TYPE OF LICENSE:**

SPECIAL EVENT LIQUOR LICENSE

**ROUTING:**

POLICE DEPARTMENT

FIRE DEPARTMENT

---

**APPLICANT'S NAME:** GARY BRUCE

**ORGANIZATIONS NAME:** RACEWAY ELKS

**EVENT ADDRESS:** 1015 NORTH 8<sup>TH</sup> STREET

**CITY:** AVONDALE    **STATE:** AZ    **ZIP CODE:** 85392

**PURPOSE OF EVENT:** FALL DINNER DANCE FUND RAISER

**DEPARTMENTAL COMMENTS:**

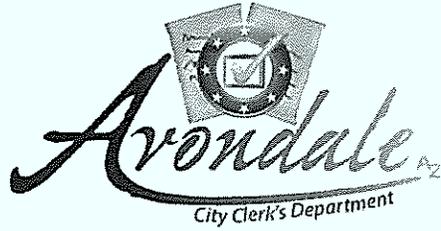
APPROVED

DENIED

Joe Y. Gomez  
SIGNATURE  
Fire Inspector  
TITLE

7/8/10  
DATE

THIS LICENSE IS SCHEDULED FOR THE COUNCIL MEETING OF: JULY 19, 2010  
PLEASE RETURN YOUR COMMENTS TO THE CITY CLERK'S OFFICE BY: JULY 1, 2010



**DEPARTMENTAL REVIEW FORM**

**TYPE OF LICENSE:**

SPECIAL EVENT LIQUOR LICENSE

**ROUTING:**

POLICE DEPARTMENT

FIRE DEPARTMENT

---

**APPLICANT'S NAME:** GARY BRUCE

**ORGANIZATIONS NAME:** RACEWAY ELKS

**EVENT ADDRESS:** 1015 NORTH 8<sup>TH</sup> STREET

**CITY:** AVONDALE      **STATE:** AZ      **ZIP CODE:** 85392

**PURPOSE OF EVENT:** FALL DINNER DANCE FUND RAISER

**DEPARTMENTAL COMMENTS:**

APPROVED

DENIED

A handwritten signature in black ink, appearing to be "Police Chief", written over a horizontal line.

SIGNATURE

TITLE

8/30/10

DATE

**THIS LICENSE IS SCHEDULED FOR THE COUNCIL MEETING OF: JULY 19, 2010  
PLEASE RETURN YOUR COMMENTS TO THE CITY CLERK'S OFFICE BY: JULY 1, 2010**

State of Arizona Department of Liquor Licenses and Control  
 800 W. Washington, 5th Floor  
 Phoenix, AZ 85007  
 www.azliquor.gov  
 (602)542-5141

**APPLICATION FOR SPECIAL EVENT LICENSE**

Fee = \$25.00 per day for 1-10 day events only  
 A service fee of \$25.00 will be charged for all dishonored checks (A.R.S. § 44-6852)

**NOTE: THIS DOCUMENT MUST BE FULLY COMPLETED OR IT WILL BE RETURNED.  
 PLEASE ALLOW 10 BUSINESS DAYS FOR APPROVAL**

\*\*Application must be approved by local government before submission to Department of Liquor Licenses and Control. (Section #20)

DLLC USE ONLY
LICENSE #

1. Name of Organization: RACEWAY ELKS #2852

2. Non-Profit/I.R.S. Tax Exempt Number: 80-01329241

3. The organization is a: (check one box only)

- Charitable
- Fraternal (must have regular membership and in existence for over 5 years)
- Civic
- Political Party, Ballot Measure, or Campaign Committee
- Religious

4. What is the purpose of this event? OCTOBER FEST FUND RAISER

5. Location of the event: 1015 N. 8th ST. AVONDALE MARICOPA 85392  
Address of physical location (Not P.O. Box) City County Zip

**Applicant must be a member of the qualifying organization and authorized by an Officer, Director or Chairperson of the Organization named in Question #1. (Signature required in section #18)**

6. Applicant: BRUCE GARY J.   
Last First Middle Date of Birth

7. Applicant's Mailing Address: 11882 W. WASHINGTON ST AVONDALE, AZ 8532  
Street City State Zip

8. Phone Numbers: ( ) (623) 547-2852 (623) 533-3235  
Site Owner # Applicant's Business # Applicant's Home #

9. Date(s) & Hours of Event: (Remember: you cannot sell alcohol before 10:00 a.m. on Sunday)

	Date	Day of Week	Hours from A.M./P.M.	To A.M./P.M.
Day 1:	<u>10-16-10</u>	<u>SPTURDAY</u>	<u>5:00 PM</u>	<u>11:00 PM</u>
Day 2:	_____	_____	_____	_____
Day 3:	_____	_____	_____	_____
Day 4:	_____	_____	_____	_____
Day 5:	_____	_____	_____	_____
Day 6:	_____	_____	_____	_____
Day 7:	_____	_____	_____	_____
Day 8:	_____	_____	_____	_____
Day 9:	_____	_____	_____	_____
Day 10:	_____	_____	_____	_____

10. Has the applicant been convicted of a felony in the past five years, or had a liquor license revoked?  
 YES  NO (attach explanation if yes)

11. This organization has been issued a special event license for 1 days this year, including this event  
(not to exceed 10 days per year).

12. Is the organization using the services of a promoter or other person to manage the event?  YES  NO  
If yes, attach a copy of the agreement.

13. List all people and organizations who will receive the proceeds. Account for 100% of the proceeds.  
**THE ORGANIZATION APPLYING MUST RECEIVE 25% OF THE GROSS REVENUES OF THE SPECIAL EVENT LIQUOR SALES.**

Name Proceed by ELKS #2852 100%  
Address 1015 N. 8th St. AVONDALE, AZ. 85392  
Percentage

Name \_\_\_\_\_  
Percentage

Address \_\_\_\_\_  
(Attach additional sheet if necessary)

14. Knowledge of Arizona State Liquor Laws Title 4 is important to prevent liquor law violations. If you have any questions regarding the law or this application, please contact the Arizona State Department of Liquor Licenses and Control for assistance.

NOTE: ALL ALCOHOLIC BEVERAGE SALES MUST BE FOR CONSUMPTION AT THE EVENT SITE ONLY.  
"NO ALCOHOLIC BEVERAGES SHALL LEAVE SPECIAL EVENT PREMISES."

15. What security and control measures will you take to prevent violations of state liquor laws at this event?  
(List type and number of security/police personnel and type of fencing or control barriers if applicable)

\_\_\_\_ # Police  Fencing  
\_\_\_\_ # Security personnel  Barriers

THE OFFICERS OF THE ELKS WILL CHECK MEMBERSHIP CARDS AT BOTH THE GATE AND DOOR SINCE ONLY MEMBERS WILL ATTEND

16. Is there an existing liquor license at the location where the special event is being held?  YES  NO  
If yes, does the existing business agree to suspend their liquor license during the time period, and in the area in which the special event license will be in use?  YES  NO  
**(ATTACH COPY OF AGREEMENT)**

\_\_\_\_\_  
Name of Business ( ) Phone Number

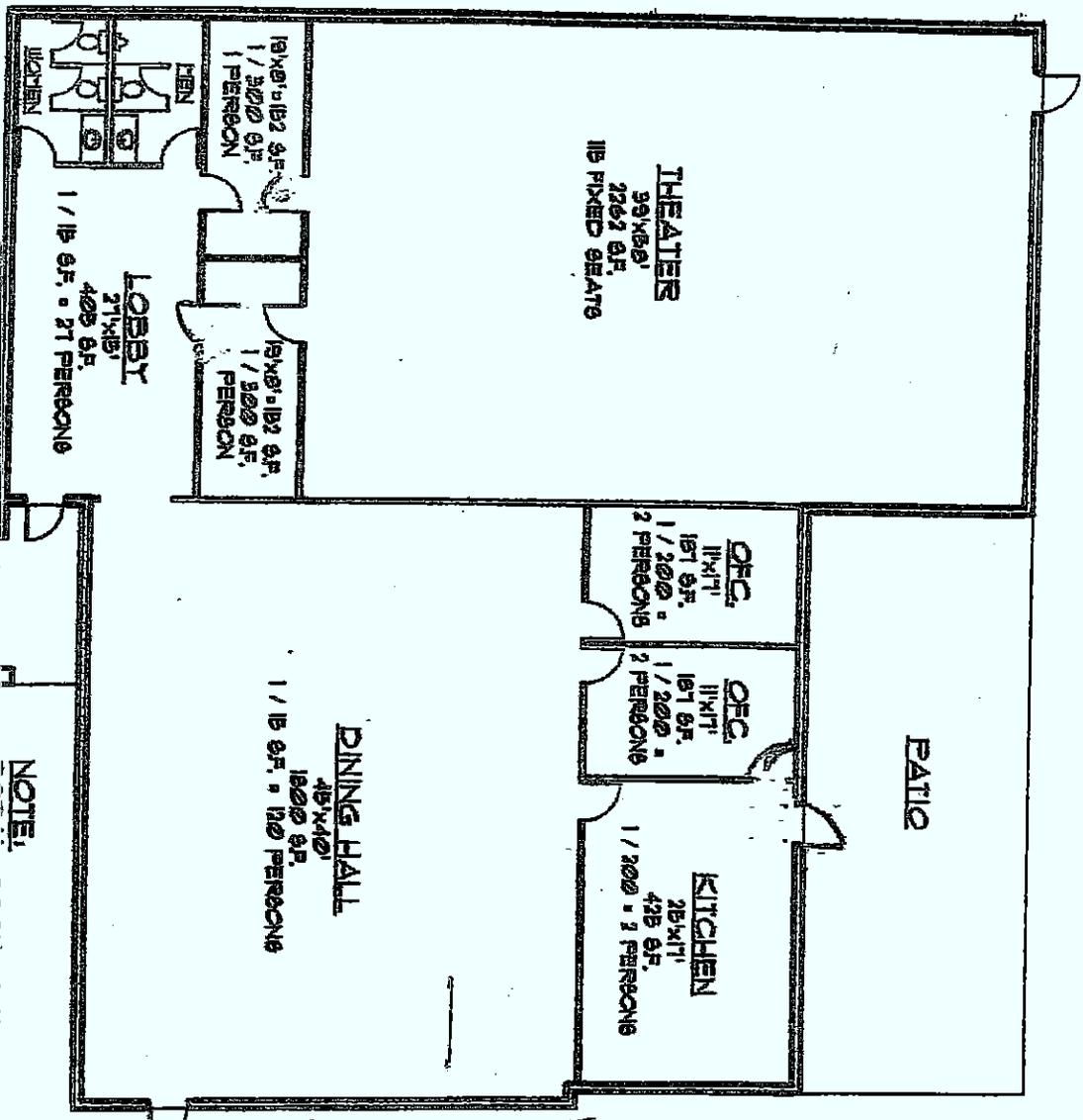
17. Your licensed premises is that area in which you are authorized to sell, dispense, or serve spirituous liquors under the provisions of your license. The following page is to be used to prepare a diagram of your special event licensed premises. Please show dimensions, serving areas, fencing, barricades or other control measures and security positions.

**SPECIAL EVENT LICENSED PREMISES DIAGRAM**  
 (This diagram must be completed with this application)

Special Event Diagram: (Show dimensions, serving areas, and label type of enclosure and security positions)  
 NOTE: Show nearest cross streets, highway, or road if location doesn't have an address.

N

CHAIN LINK FENCE



Fence

**DDCA**

**DUNCAN-COOR ARCHITECTS, LLC**  
 3723 W BARNES LANE PHOENIX, AZ 85051  
 Bill Duncan  
 Principal  
 Project Manager



**FLOOR PLAN**

N.T.S.

**NOTE:**  
 OCCUPANT LOAD = 270

**ADDRESS:**  
 1015 N 81st ST.  
 AVONDALE, AZ 85323

Direct: 602.841.1284  
 Call: 602.478.3378  
 Fax: 602.841.7517

**THIS SECTION TO BE COMPLETED ONLY BY AN OFFICER, DIRECTOR OR CHAIRPERSON OF THE ORGANIZATION NAMED IN QUESTION #1**

18. I, DAVID A. ELVA declare that I am an Officer/Director/Chairperson appointing the applicant listed in Question 6, to apply on behalf of the foregoing organization for a Special Event Liquor License.

X Michael A. Elva Committee Chair 1-7-10 (623) 925-1245  
 (Signature) (Title/Position) (Date) (Phone #)



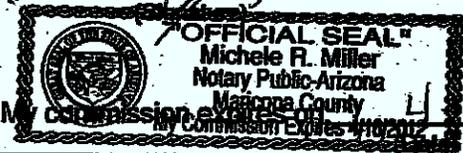
Arizona County of Maricopa  
 The foregoing instrument was acknowledged before me this 7th January 2010  
 Day Month Year

My Commission expires on: 4-16-2012 Michelle R. Miller  
 (Date) (Signature of NOTARY PUBLIC)

**THIS SECTION TO BE COMPLETED ONLY BY THE APPLICANT NAMED IN QUESTION #6**

19. I, GARY J. BROCK declare that I am the APPLICANT filing this application as listed in Question 6. I have read the application and the contents and all statements are true, correct and complete.

X Gary J. Brock State of Arizona County of Maricopa  
 The foregoing instrument was acknowledged before me this 7th January 2010  
 Day Month Year



4-16-2010 Michelle R. Miller  
 My Commission Expires (Date) (Signature of NOTARY PUBLIC)

**You must obtain local government approval. City or County MUST recommend event and complete item #20. The local governing body may require additional applications to be completed and submitted 60 days in advance of the event. Additional licensing fees may also be required before approval may be granted.**

**LOCAL GOVERNING BODY APPROVAL SECTION**

20. I, \_\_\_\_\_ hereby recommend this special event application  
 (Government Official) (Title)  
 on behalf of \_\_\_\_\_  
 (City, Town or County) (Signature of OFFICIAL) (Date)

**FOR DLLC DEPARTMENT USE ONLY**

Department Comment Section:  
 \_\_\_\_\_  
 \_\_\_\_\_  
 (Employee) (Date)

APPROVED  DISAPPROVED BY: \_\_\_\_\_  
 \_\_\_\_\_  
 (Title) (Date)



**DEPARTMENTAL REVIEW FORM**

**TYPE OF LICENSE:**

SPECIAL EVENT LIQUOR LICENSE

**ROUTING:**

POLICE DEPARTMENT

FIRE DEPARTMENT

**APPLICANT'S NAME:** GARY BRUCE

**ORGANIZATIONS NAME:** RACEWAY ELKS

**EVENT ADDRESS:** 1015 NORTH 8<sup>TH</sup> STREET

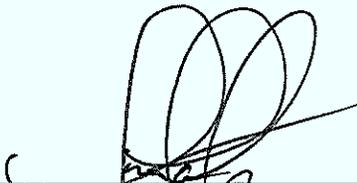
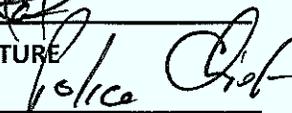
**CITY:** AVONDALE    **STATE:** AZ    **ZIP CODE:** 85392

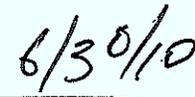
**PURPOSE OF EVENT:** OCTOBER FEST FUND RAISER

**DEPARTMENTAL COMMENTS:**

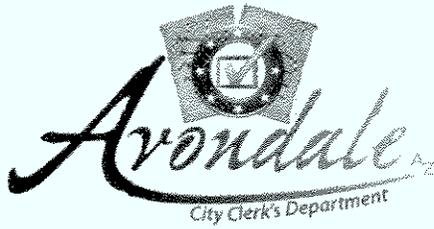
APPROVED

DENIED

  
\_\_\_\_\_  
SIGNATURE  
  
\_\_\_\_\_  
TITLE

  
\_\_\_\_\_  
DATE

**THIS LICENSE IS SCHEDULED FOR THE COUNCIL MEETING OF: JULY 19, 2010**  
**PLEASE RETURN YOUR COMMENTS TO THE CITY CLERK'S OFFICE BY: JULY 1, 2010**



**DEPARTMENTAL REVIEW FORM**

**TYPE OF LICENSE:**

SPECIAL EVENT LIQUOR LICENSE

**ROUTING:**

POLICE DEPARTMENT

FIRE DEPARTMENT

---

**APPLICANT'S NAME:** GARY BRUCE

**ORGANIZATIONS NAME:** RACEWAY ELKS

**EVENT ADDRESS:** 1015 NORTH 8<sup>TH</sup> STREET

**CITY:** AVONDALE    **STATE:** AZ    **ZIP CODE:** 85392

**PURPOSE OF EVENT:** OCTOBER FEST FUND RAISER

**DEPARTMENTAL COMMENTS:**

APPROVED

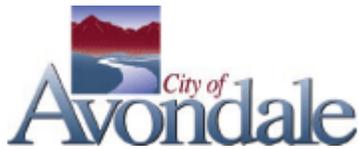
DENIED

Jane Y. Gomez  
SIGNATURE

Fire Inspector  
TITLE

7/8/10  
DATE

THIS LICENSE IS SCHEDULED FOR THE COUNCIL MEETING OF: JULY 19, 2010  
PLEASE RETURN YOUR COMMENTS TO THE CITY CLERK'S OFFICE BY: JULY 1, 2010



# CITY COUNCIL REPORT

**SUBJECT:**

Construction Contract Award - Felix Construction Company - Onsite Sodium Hypochlorite Generation Systems, Wells 20 & 24

**MEETING DATE:**

July 19, 2010

**TO:** Mayor and Council

**FROM:** Wayne Janis, Public Works Director (623)333-4444

**THROUGH:** Charlie McClendon, City Manager

**PURPOSE:**

Staff is requesting that the City Council award a Construction Contract to Felix Construction for construction of Onsite Sodium Hypochlorite Generation Systems for Wells 20 & 24, in the amount of \$288,485, and authorize the Mayor or City Manager and City Clerk to execute the necessary documents.

**BACKGROUND:**

City Council approved construction contracts for construction of well head improvements for both Wells 20 & 24 in 2009. The well head construction was started as soon as possible to provide supplementary water supply for the summer of 2010. Provisions were made in the design and construction to add Onsite Sodium Hypochlorite Generation Systems (OSHGS) after construction. The City has begun to construct OSHGS with new well sites to help protect the quality of water supplied by the wells. In the past, OSHGS units have been bid based on costs, which has resulted in different manufacturers supplying the units, with varying results. Due to this fact, Staff commissioned a study to evaluate the different OSHGS units currently used by the City, investigate the positive and negative features of each manufacturer, compare life cycle costs, and recommend specifications for the units that would best fit the needs of the City. As part of this study, interviews were held with the manufacturers of the systems on the market at that time. After the study was completed, design of the OSHGS systems for both Wells 20 & 24 were completed, and specifications written for a system that would best fit the needs of the City. This design was then bid, so the OSHGS systems could be installed at the well sites.

**DISCUSSION:**

The scope of this project will include supplying and installing an OSHGS system in both Well 20 & 24 sites, provision of unit housing, construction of an eye wash system, and miscellaneous piping and electrical improvements.

Invitation for Bid notices were published in the West Valley View on June 1 & June 8, 2010, and in the Arizona Business Gazette on June 3, 2010. Two bids were received and opened on June 23, 2010. Each bid package was reviewed and both met the bidding requirements. The firms submitting bids and the amount of their bids are as follows:

Felix Construction Co.	\$288,485.00
Hunter Construction	\$398,030.00

The attached Bid Tabulation Sheet has the detailed bid item breakdown of each submitted bid. Felix Construction Company with a bid of \$288,485 was determined to have submitted the lowest responsive bid. Staff contacted references provided and Felix Construction Company did receive positive recommendations. Felix Construction Company has successfully completed similar work. Staff contacted the Registrar of Contractors and found no claims on file against this contractor. Staff determined that Felix Construction Company is competent and qualified for this project. A tentative construction schedule is as follows:

City Council Approval	7/19/10
Notice of Award	7/20/10
Notice to Proceed	8/16/10
Completion	12/20/10

**BUDGETARY IMPACT:**

Funding of \$100,000 is currently available in the Water Capital Budget, line item 514-1074-00-8520 (Well #20 - El Mirage/Indian School Rds) and \$100,000 is currently available in line item 514-1160-00-8520 (Well #24 Gateway Crossing - 99th/McDowell). We are requesting a transfer of \$44,243 to each line item from 514-1090-00-8520 (Well #26 - AG well South of I-10/East of Agua Fria) for a total of \$88,246 to complete the project. Funds for Well 26 will not be expended this fiscal year.

**RECOMMENDATION:**

Staff recommends that the City Council award a construction contract to Felix Construction Company for construction of Onsite Sodium Hypochlorite Generation Systems for Wells 20 & 24, in the amount of \$288,485, authorize the required budget transfers and authorize the Mayor or City Manager and City Clerk to execute the necessary documents.

**ATTACHMENTS:**

Click to download

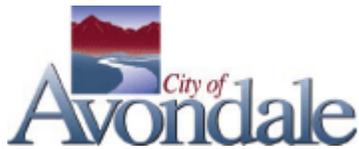
[Bid Tabulation](#)

**BID TABULATION**

**WR10-065 - Onsite Sodium Hypochlorite Geration System**

**BID OPENING DATE: June 23, 2010**

Item No.	Description of Materials and/or Services	Qty	Unit	Felix Construction		Hunter Contracting	
				Unit Price	Total Price	Unit Price	Total Price
1	Permits	1	Allowance	\$2,500.00	\$2,500.00	\$2,500.00	\$2,500.00
2	Mob/Demob	1	LS	\$3,800.00	\$3,800.00	\$11,000.00	\$11,000.00
3	Allowance for Extra Work	1	Allowance	\$10,000.00	\$10,000.00	\$10,000.00	\$10,000.00
4	Misc Removals	1	LS	\$2,400.00	\$2,400.00	\$2,000.00	\$2,000.00
5	Structural Concrete Slabes and Supports	12	CY	\$1,000.00	\$12,000.00	\$920.00	\$11,040.00
6	Bollards	2	EA	\$450.00	\$900.00	\$650.00	\$1,300.00
7	Disinfection System: Well 20	1	LS	\$85,800.00	\$85,800.00	\$114,820.00	\$114,820.00
8	Disinfection System: Well 24	1	LS	\$85,800.00	\$85,800.00	\$114,820.00	\$114,820.00
9	Disinfection Enclosure	2	EA	\$19,300.00	\$38,600.00	\$37,020.00	\$74,040.00
10	Emergency Eyewash	2	EA	\$3,000.00	\$6,000.00	\$2,650.00	\$5,300.00
11	Yard Piping	1	LS	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00
12	Programming	1	Allowance	\$5,000.00	\$5,000.00	\$5,000.00	\$5,000.00
13	Security Systems	1	Allowance	\$2,000.00	\$2,000.00	\$2,000.00	\$2,000.00
13	Electrical Improvements	1	LS	\$24,600.00	\$24,600.00	\$30,710.00	\$30,710.00
	<b>SUBTOTAL</b>				\$281,400.00		\$386,530.00
	<b>TAXES (As Applicable)</b>				\$7,085.00		\$11,500.00
	<b>TOTAL SUBMITTED BY BIDDER</b>				\$288,485.00		\$398,030.00



# CITY COUNCIL REPORT

**SUBJECT:**

Water Treatment System Purchase Agreement and  
Water Services Agreement - Envirogen  
Technologies, Inc.- Northeast Booster Station

**MEETING DATE:**

July 19, 2010

**TO:** Mayor and Council

**FROM:** Wayne Janis, Public Works Director (623)333-4444

**THROUGH:** Charlie McClendon, City Manager

**PURPOSE:**

Staff is requesting that the City Council approve a Water Treatment System Purchase Agreement in the amount of \$100,000 and a Water Services Agreement for the maintenance of a nitrate treatment facility at the Northeast Booster Station with Envirogen Technologies, Inc., and authorize the Mayor or City Manager and City Clerk to execute the necessary documents.

**BACKGROUND:**

In 2004, City Council approved construction of a shared well with Salt River Project (Well 17), construction of a reservoir and booster station site and facilities, and installation of a nitrate treatment facility to supplement the water supply in the area. The treatment facility was owned by a water treatment company, and the City leased the facility and paid the owners for the maintenance and treatment of the water from the well. The original agreement was for 5 years, and expired in 2009. The City paid the company approximately \$170,000 per year for lease payment and operational maintenance services.

During this last year, the water treatment company went into bankruptcy, and was taken over by Envirogen Technologies, Inc. Staff has been in discussions with Envirogen Technologies, Inc about this facility. This treatment facility was constructed in a permanent building, and will be difficult to remove and replace with another system. Due to this fact, Envirogen Technologies, Inc. has considered selling the treatment facility to the City, and would like to continue the maintenance of the unit.

**DISCUSSION:**

The City Attorney has been working with Staff and Envirogen Technologies, Inc. to develop terms for the purchase and maintenance of the facility. Envirogen Technologies, Inc. has proposed selling the unit to the City for \$100,000. This will remove the large lease payment required in the old agreement. The Water Systems Agreement will require the City to pay \$340 per acre foot for the treatment of water, adjusted by inflation, and require treatment of a minimum of 425 acre feet of water per year or \$144,500 per year. Envirogen Technologies, Inc. will be responsible for the maintenance of the facility and costs related to the treatment and disposal of waste from the facility. Staff feels that the purchase and treatment costs proposed in the agreements is good for the City, and will help supplement the City's water supply especially in the summer.

**BUDGETARY IMPACT:**

The purchase amount of \$100,000 is available in line item 514-1068-00-8520 (Well Head Treatment.) The maintenance costs are budgeted in the Department Operations budget.

**RECOMMENDATION:**

Staff recommends that the City Council approve a Water Treatment System Purchase Agreement in the amount of \$100,000 and a Water Services Agreement for the maintenance of a nitrate treatment facility at the Northeast Booster Station with Envirogen Technologies, Inc., and authorize the Mayor or City Manager and City Clerk to execute the necessary documents.

**ATTACHMENTS:**

Click to download

-  [Water Treatment System Purchase Agreement](#)
-  [Water Services Agreement](#)

**WATER TREATMENT SYSTEM  
PURCHASE AGREEMENT  
BETWEEN  
ENVIROGEN TECHNOLOGIES, INC.  
AND  
THE CITY OF AVONDALE**

THIS WATER TREATMENT SYSTEM PURCHASE AGREEMENT (this “**Purchase Agreement**”) is made as of July 19, 2010 (the “Effective Date”) by and between Envirogen Technologies, Inc., a Delaware corporation (“**Envirogen**”) and the City of Avondale, an Arizona municipal corporation (the “**City**”). Envirogen and the City sometimes hereinafter are referred to collectively as the “Parties” and individually as a “Party.”

**RECITALS**

A. Envirogen is the owner of a water treatment system installed on City land as such system is more particularly described in attached Exhibit A and incorporated herein by reference (the “**Treatment System**”).

B. Previously, Envirogen leased the Treatment System to the City in order for the City to treat groundwater containing levels of nitrate. This lease has since terminated.

C. Envirogen desires to sell the Treatment System to the City and the City desires to purchase the Treatment System from Envirogen.

D. Concurrently with the execution of this Purchase Agreement, the City is entering into a Water Services Agreement with Envirogen, pursuant to which Envirogen will provide maintenance and other services with respect to the Treatment System (the “**Water Services Agreement**”). Pursuant to the terms of the Water Services Agreement, the City will operate the Treatment System.

**AGREEMENT**

**NOW, THEREFORE**, in consideration of the premises above and the mutual covenants and agreements contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, City and Envirogen, intending to be legally bound, covenant and agree, for themselves, and their successors and assigns, as follows:

1. Recitals. The foregoing recitals are an integral part of this Purchase Agreement.
2. Purchase and Sale of Treatment System. Envirogen agrees to sell to City, and City agrees to buy from Envirogen, on the terms and conditions contained herein, the Treatment System.

3. Bill of Sale. Envirogen shall deliver to City an executed copy of this Purchase Agreement and an executed Bill of Sale, substantially in the form of the Bill of Sale attached hereto as Exhibit B and incorporated herein by reference. Upon receipt of Envirogen executed copies of the Purchase Agreement and the Bill of Sale, the City will present this Purchase Agreement, the Bill of Sale and the Water Services Agreement to the City Council for approval. If the City Council fails to approve either this Purchase Agreement or the Water Services Agreement on or before August 31, 2010, the City shall return to Envirogen the Envirogen executed copy of this Purchase Agreement and the Bill of Sale which shall, for all purposes, be considered thereafter as null and void.

4. Purchase Price. Within thirty (30) calendar days after the City Council approves this Purchase Agreement and the Water Services Agreement, the City shall deliver to Envirogen fully executed copies of this Purchase Agreement and the Water Services Agreement and shall deliver to Envirogen, by certified check or wire funds transfer, the sum of \$100,000.00 without requirement of invoice.

5. Warranty. Subject to the obligations and responsibilities of Envirogen as set forth in the Water Service Agreement and the representations and warranties set forth in this Purchase Agreement at Section 8, the Treatment System is sold to the City **AS IS - WHERE IS**.

6. Intellectual Property.

6.1 Patent. Envirogen hereby grants to City a perpetual, non-exclusive, royalty-free license under any issued and pending United States and international patents and patent applications to maintain and operate the Treatment System to remove the nitrate from the groundwater (collectively, the "Contaminant"). Such license shall continue after the expiration or termination of the Water Services Agreement and such license is transferable, provided that such license may only be transferred with the sale, transfer or lease of the Treatment System as a complete system. Except as otherwise provided in this Section 6.1, no license is granted to use the Treatment System to remove pollutants other than the Contaminant. No license is granted to use any expansion or duplication of the existing Treatment System.

6.2 License. Envirogen hereby grants to City a perpetual, non-exclusive, royalty-free license to use the copyrighted proprietary operating software contained in the System to perform routine operational activities, or routine maintenance of, or emergency repairs, to the Treatment System. Such license shall continue after the expiration or termination of the Water Services Agreement and such license is transferable, provided that such license may only be transferred with the sale, transfer or lease of the Treatment System as a complete system. No license is granted to adopt, modify or reproduce this proprietary software.

6.3 Trade Secrets. City acknowledges that the Treatment System contains trade secrets and other materials that are proprietary to Envirogen. City agrees that it shall not, nor shall it permit any person, partnership, corporation, joint venture, limited liability company or other form of organization or association of any kind that is not a party to this Purchase Agreement (collectively "**Third-Parties**") to, modify, translate, reverse engineer, decompile, disassemble, create derivative works upon, or copy the Treatment System without Envirogen's prior written consent, which Envirogen may withhold in its sole and absolute discretion.

7. Indemnification and Release.

7.1 Envirogen Indemnification. To the fullest extent permitted by law, Envirogen shall indemnify, defend and hold harmless the City and each Council member, officer, employee or agent thereof (the City and any such person being herein called a “City Indemnified Party”), for, from and against any and all losses, claims, damages, liabilities, costs and expenses (including, but not limited to, reasonable attorneys’ fees, court costs and the costs of appellate proceedings) to which any such City Indemnified Party may become subject, under any theory of liability whatsoever (“Claims”), insofar as such Claims (or actions in respect thereof) relate to, arise out of, or are caused by or based upon the negligent acts, intentional misconduct, errors, mistakes or omissions of Envirogen in connection with the Treatment System and/or this Purchase Agreement.

7.2 City Indemnification. To the fullest extent permitted by law, City shall indemnify, defend and hold harmless the Envirogen and its officer, employee or agent thereof (Envirogen and any such person being herein called an “Envirogen Indemnified Party”), for, from and against any and all losses, claims, damages, liabilities, costs and expenses (including, but not limited to, reasonable attorneys’ fees, court costs and the costs of appellate proceedings) to which any such Envirogen Indemnified Party may become subject, under any theory of liability whatsoever (“Claims”), insofar as such Claims (or actions in respect thereof) relate to, arise out of, or are caused by or based upon the negligent acts, intentional misconduct, errors, mistakes or omissions of City in connection with the Treatment System and this Purchase Agreement.

7.3 Release. Envirogen knowingly and voluntarily forever releases and discharges the City and Council member, officer, employee or agent thereof from all rights, legal and equitable claims, causes of action, debts, accounts, and damages, known or unknown, asserted or unasserted, that Envirogen itself has against the City in connection with the Treatment System, and arising from actions, omissions, delays or other events that occurred prior to the date of execution by Envirogen of this Purchase Agreement; provided, however, that this release does not apply to claims by Envirogen for contribution from City on any third-party claims, causes of action, debts, accounts, and damages asserted against Envirogen which are, as of the date of this Agreement, unknown to Envirogen.

8. Representations of Envirogen. Envirogen represents and warrants to, and covenants with, City that:

8.1 Envirogen’s Authority. Envirogen owns title to the Treatment System. Envirogen has full authority to sell the Treatment System pursuant to the terms of this Purchase Agreement. Envirogen will convey to the Treatment System to City free and clear of all liens and encumbrances.

8.2 Claims. To the best of Envirogen’s knowledge including specific inquiries made by Envirogen, there are no pending or threatened claims or litigation affecting the Treatment System.

8.3 Violations of Law; Default. To the best of Envirogen's knowledge including specific inquiries made by Envirogen, (i) there is no violation of any laws, ordinances, rules or regulations with respect to the Treatment System, (ii) no default exists under any covenant, condition or restriction applicable to the Treatment System, and (iii) Envirogen has not received notice from any governmental or other agency of any violation of any laws or ordinances with respect to the Treatment System.

8.4 Authority to Execute. The persons executing this Purchase Agreement are duly authorized to do so and thereby bind Envirogen hereto.

**ENVIROGEN MAKES NO WARRANTY, EXPRESSED OR IMPLIED, PURSUANT TO THIS AGREEMENT OTHER THAN AS IS SPECIFICALLY SET FORTH IN THIS SECTION 8 AND NONE SHALL BE IMPLIED. THE WARRANTIES SET FORTH IN THIS SECTION 8 ARE EXCLUSIVE. THE WARRANTIES ARE GIVEN AND ACCEPTED BY CITY IN LIEU OF ANY AND ALL OTHER WARRANTIES, WHETHER EXPRESSED OR IMPLIED, INCLUDING WITHOUT LIMITATION ALL WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, ALL SUCH WARRANTIES BEING HEREBY EXPRESSLY DISCLAIMED BY ENVIROGEN AND WAIVED BY CITY.**

9. Representations of City. City represents and warrants to, and covenants with, Envirogen that:

9.1 Authority to Execute. The persons executing this Purchase Agreement are duly authorized to do so and thereby bind City hereto.

9.2 Municipal Organization. City is a municipal corporation duly organized, validly existing and in good standing under the laws of the State of Arizona, and has full power and authority to enter into and perform this Purchase Agreement in accordance with its terms. All proceedings of City to consummate the transaction contemplated by this Purchase Agreement and all documents and instruments required to be executed and delivered hereunder by City have been duly and validly authorized, and upon execution and delivery by City will constitute the valid and binding obligations of City in accordance with their terms.

10. Miscellaneous.

10.1 Assignment. This Purchase Agreement shall be binding upon and shall inure to the benefit of the parties to this Purchase Agreement and their respective legal representatives, successors and assigns; provided, however, that none of the parties hereto shall be entitled to assign its right hereunder or under any document contemplated hereby except as provided in this Purchase Agreement or by the prior written consent of the other parties to this Purchase Agreement, which consent shall not be unreasonably withheld or delayed.

10.2 Further Instruments and Assurances. Each party hereto shall, promptly upon the request of any other, have acknowledged and delivered to the other any and all further

instruments and assurances reasonably requested or appropriate to evidence or give effect to the provisions of this Purchase Agreement.

10.3 Entire Agreement; Interpretation; Parol Evidence. This Purchase Agreement, the Bill of Sale and the Water Services Agreement set forth the entire understanding of the parties as to the matters set forth herein as of the Effective Date and cannot be altered or otherwise amended except pursuant to an instrument in writing signed by each of the parties hereto. No representations, warranties, inducements or oral agreements have been made by any of the parties except as expressly set forth herein, or in any other contemporaneous written agreement executed for the purposes of carrying out the provisions of this Purchase Agreement. This Purchase Agreement shall be construed and interpreted according to its plain meaning, and no presumption shall be deemed to apply in favor of, or against the party drafting the Purchase Agreement. The parties acknowledge and agree that each has had the opportunity to seek and utilize legal counsel in the drafting of, review of, and entry into this Purchase Agreement.

10.4 Applicable Law; Venue. This Purchase Agreement shall be governed by and interpreted in accordance with the laws of the State of Arizona and suit pertaining to this Purchase Agreement may be brought only in courts in the State of Arizona.

10.5 Waiver. The waiver by any party hereto of any right granted to it under this Purchase Agreement shall not be deemed to be a waiver of any other right granted in this Purchase Agreement nor shall the same be deemed to be a waiver of a subsequent right obtained by reason of the continuation of any matter previously waived under or by this Purchase Agreement.

10.6 Counterparts. This Purchase Agreement may be executed in any number of counterparts, each of which, when executed and delivered, shall be deemed to be an original, but all of which taken together shall constitute one of the same instrument.

10.7 Conflict of Interest. This Purchase Agreement is subject to the provisions of ARIZ. REV. STAT. § 38-511. City may cancel this Purchase Agreement without penalty or further obligations by City or any of its departments or agencies if any person significantly involved in initiating, negotiating, securing, drafting or creating this Purchase Agreement on behalf of City or any of its departments or agencies is, at any time while the Purchase Agreement or any extension of the Purchase Agreement is in effect, an employee of any other party to the Purchase Agreement in any capacity or a consultant to any other party of the Purchase Agreement with respect to the subject matter of the Purchase Agreement.

10.8 Gratuities. City may, by written notice to Envirogen, cancel this Purchase Agreement if it is found by City that gratuities, in the form of economic opportunity, future employment, entertainment, gifts or otherwise, were offered or given by Envirogen or any agent or representative of Envirogen to any officer, agent or employee of City for the purpose of securing this Purchase Agreement. In the event this Purchase Agreement is cancelled by City pursuant to this provision, City shall be entitled, in addition to any other rights and remedies, to recover or withhold from Envirogen an amount equal to 150% of the gratuity.

10.9 Notices and Requests. Any notice, approval, consent, waiver or other communication required or permitted to be given or to be served upon either party in connection with this Purchase Agreement shall be in writing. Such notice shall be personally served, sent by facsimile, sent prepaid by registered or certified mail with return receipt requested, or sent by a reputable national overnight delivery service, and shall be deemed given: (a) if personally served, when delivered to the party to whom such notice is addressed; (b) if given by facsimile, when sent, provided that the confirmation sheet from the sending fax machine confirms that the total number of pages were successfully transmitted; (c) if given by prepaid or certified mail with return receipt requested, on the date of execution of the return receipt; or (d) if sent by reputable national overnight delivery service, when received. Such notices shall be addressed to the party to whom such notice is to be given at the party's address set forth below or as such party shall otherwise direct in writing to the other party delivered or sent in accordance with this Section.

If to Envirogen Technologies, Inc., to:                      Envirogen Technologies, Inc.  
700 Rockmead Drive, Suite 105  
Kingwood, TX 77339  
Attn: Richard A. Reese  
Fax No. (281) 358-2443

If to City, to:    City of Avondale  
11465 West Civic Center Drive  
Avondale, Arizona 85323  
Facsimile: (623) 333-0100  
Attn: Charles P. McClendon, City Manager

With a copy to:    GUST ROSENFELD, P.L.C.  
One East Washington Street, Suite 1600  
Phoenix, Arizona 85004-2327  
Facsimile: (602) 340-1538  
Attn: Andrew J. McGuire, Esq.

10.10 Severability. If any provision of this Purchase Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision thereof.

10.11 Headings. The headings or titles of the several articles and sections hereof and in the Exhibits hereto, and any table of contents appended to copies hereof and thereof, shall be solely for convenience of reference and shall not affect the meaning, construction or effect of this Purchase Agreement.

10.12 Legal Obligations. This Purchase Agreement does not relieve any party hereto of any obligation or responsibility imposed upon it by law.

10.13 Non-Merger. Unless otherwise expressly provided, the representations, covenants, indemnities and other agreements contained herein shall be deemed to be material and continuing, shall not be merged and shall survive any conveyance or transfer provided herein.

10.14 Consent. Whenever the consent or approval of any party hereto, or of any agency therefor, shall be required under the provisions hereof, such consent or approval shall not be unreasonably withheld, conditioned or delayed.

10.15 Records and Audit Rights. To ensure that Envirogen and its subcontractors (if any) are complying with the warranty under subsection 10.16 below, Envirogen's and its subcontractor's books, records, correspondence, accounting procedures and practices, and any other supporting evidence relating to this Purchase Agreement, including the papers of any Envirogen's and its subcontractors' employees (all the foregoing hereinafter referred to as "Records"), shall be open to inspection and subject to audit and/or reproduction during normal working hours by the City, to the extent necessary to adequately permit evaluation of Envirogen's and its subcontractors' compliance with the Arizona employer sanctions laws referenced in subsection 10.16 below. To the extent necessary for the City to audit Records as set forth in this subsection, Envirogen and its subcontractors hereby waive any rights to keep such Records confidential. For the purpose of evaluating or verifying such actual or claimed costs or units expended, the City shall have access to said Records, even if located at its subcontractors' facilities, from the effective date of this Purchase Agreement until three years after the Effective Date. Envirogen and its subcontractors shall provide the City with adequate and appropriate workspace so that the City can conduct audits in compliance with the provisions of this subsection. The City shall give Envirogen or its subcontractors reasonable advance notice of intended audits.

10.16 E-verify Requirements. To the extent applicable under ARIZ. REV. STAT. § 41-4401, Envirogen and its subcontractors warrant compliance with all federal immigration laws and regulations that relate to their employees and compliance with the E-verify requirements under ARIZ. REV. STAT. § 23-214(A). Envirogen's or its subcontractor's failure to comply with such warranty shall be deemed a material breach of this Purchase Agreement and may result in the termination of this Purchase Agreement by the City.

10.17 Scrutinized Business Operations. Pursuant to ARIZ. REV. STAT. §§ 35-391.06 and 35-393.06, Envirogen certifies that it does not have scrutinized business operations in Sudan or Iran. For the purpose of this subsection the term "scrutinized business operations" shall have the meanings set forth in ARIZ. REV. STAT. § 35-391 or 35-393, as applicable. If the City determines that Envirogen submitted a false certification, the City may impose remedies as provided by law including terminating this Purchase Agreement.

**[SIGNATURES ON FOLLOWING PAGE]**

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

ENVIROGEN TECHNOLOGIES, INC.

CITY

Envirogen Technologies, Inc., a Delaware corporation

City of Avondale, an Arizona municipal corporation

By: \_\_\_\_\_  
Michael M. Stark, President and Chief Executive Officer

By: \_\_\_\_\_  
Marie Lopez Rogers, Mayor

ATTEST:

\_\_\_\_\_  
Carmen Martinez, City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
Andrew J. McGuire, City Attorney

(ACKNOWLEDGEMENTS)

STATE OF TEXAS )  
 ) ss.  
COUNTY OF MONTGOMERY )

This instrument was acknowledged before me on July \_\_\_\_, 2010, by MICHAEL M. STARK as President and Chief Executive Officer of ENVIROGEN TECHNOLOGIES, INC., a Delaware corporation, on behalf of the corporation.

\_\_\_\_\_  
Notary Public in and for the State of Texas

My Commission Expires:

\_\_\_\_\_

STATE OF ARIZONA )  
 ) ss.  
COUNTY OF MARICOPA )

This instrument was acknowledged before me on July \_\_\_\_, 2010, by Marie Lopez Rogers, the Mayor of the CITY OF AVONDALE, an Arizona municipal corporation, on behalf of the City of Avondale.

\_\_\_\_\_  
Notary Public in and for the State of Arizona

My Commission Expires:

\_\_\_\_\_

**EXHIBIT A  
TO  
WATER TREATMENT SYSTEM PURCHASE AGREEMENT**

**Description of the Treatment System**

Treatment Module (1,000-gpm capacity), 10'W x 40'L x 9'H

- One (1) – 1,000-GPM treatment unit
- 16 - 36" bed configuration
- Internal brine system
- Process control system

Pre-Treatment filter system

- Bag filters
- Inlet, outlet, filter header system

Brine filter system

Waste storage tanks

- 2 Polypro tanks
- 4" Waste discharge system (to lockbox)

Salt storage tank

- 1 Polypro tank
- 4" Transfer system

**EXHIBIT B  
TO  
WATER TREATMENT SYSTEM PURCHASE AGREEMENT**

**Form of Bill of Sale**

BILL OF SALE  
BETWEEN  
ENVIROGEN TECHNOLOGIES, INC.  
AND  
THE CITY OF AVONDALE

IN CONSIDERATION of the sum of Ten Dollars (\$10.00) lawful money of the United States, and other valuable consideration, receipt of which is hereby acknowledged, ENVIROGEN TECHNOLOGIES, INC., a Delaware corporation (“Envirogen”) hereby grants, bargains, sells, and transfers unto the CITY OF AVONDALE, an Arizona municipal corporation (“City”), and its assigns, to have and to hold forever, the water treatment system as more particularly described in attached Exhibit 1, incorporated herein by reference (the “Treatment System”).

Furthermore, Envirogen warrants that (i) it is the lawful owner of the Treatment System (ii) it has good right to sell the same as aforesaid, (iii) the Treatment System is free and clear of all claims, liens, and other encumbrances whatsoever and (iv) Envirogen will and does warrant and defend same against the lawful claims and demands of all persons whomsoever and entities whatsoever.

Envirogen agrees to execute and deliver to City such certificate(s) of title or other instruments of sale, transfer, assignment and conveyance and all consents of third parties necessary thereto, in form and substance reasonably satisfactory to City, to effectively vest in City good indefeasible, marketable and merchantable title to the Treatment System, free and clear of all security interests, liens, claims or encumbrances of any nature or kind whatsoever.

Dated July \_\_\_\_, 2010.

ENVIROGEN TECHNOLOGIES, INC.

Envirogen Technologies, Inc., a Delaware corporation

By: \_\_\_\_\_  
Michael M. Stark, President and Chief Executive Officer



EXHIBIT 1  
TO  
BILL OF SALE  
BETWEEN  
ENVIROGEN TECHNOLOGIES, INC.  
AND  
THE CITY OF AVONDALE

Description of the Treatment System

Treatment Module (1,000-gpm capacity), 10'W x 40'L x 9'H

- One (1) – 1,000-GPM treatment unit
- 16 - 36" bed configuration
- Internal brine system
- Process control system

Pre-Treatment filter system

- Bag filters
- Inlet, outlet, filter header system

Brine filter system

Waste storage tanks

- 2 Polypro tanks
- 4" Waste discharge system (to lockbox)

Salt storage tank

- 1 Polypro tank
- 4" Transfer system

## WATER SERVICES AGREEMENT

THIS WATER SERVICES AGREEMENT (“**Agreement**”), is made as of July 19, 2010 by and between ENVIROGEN TECHNOLOGIES, INC., a Delaware corporation (“**Envirogen**”) and the City of Avondale, an Arizona municipal corporation (“**City**”) (Envirogen and City sometimes hereinafter are referred to collectively as the “**Parties**” and individually as a “**Party**”).

### **RECITALS**

A. The Salt River Project owns a water well, commonly identified as the Northeast Pump Station well (the “**Well**”), from which the City purchases water. The Well currently produces groundwater containing levels of elevated levels of nitrate (the “**Contaminant**”). The Well is more particularly described in **Exhibit A** attached hereto and incorporated herein by this reference.

B. Concurrently with the execution of this Agreement, City is entering into a Water Treatment System Purchase Agreement (“**Purchase Agreement**”), pursuant to which City will purchase from Envirogen a water treatment system (“**Treatment System**”) to treat the Contaminant. The Treatment System is more particularly described in **Exhibit B**.

C. The Parties desire for the City to operate the Treatment System and the City possesses the requisite skill, expertise, and qualifications to operate the Treatment System consistent with Prudent Industry Practices and the Operating Standards.

D. The City desires for Envirogen to provide maintenance, repairs and other services to the Treatment System.

E. This Agreement sets forth the terms and conditions under which Envirogen agrees to provide certain maintenance and other services to the City.

**NOW, THEREFORE**, in consideration of the foregoing recitals, which are an integral part of this Agreement, and in consideration of the mutual covenants contained in this Agreement, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the Parties hereto agree as follows:

### **AGREEMENT**

**1. Definitions.** For purposes of this Agreement, the defined terms and phrases shall have the meanings set forth in **Exhibit C**.

**2. Term.** This Agreement shall commence on the date first set forth above and shall continue for a period of five (5) years following the earlier of (i) the first day after the successful startup of the Treatment System or (ii) thirty days after the execution of this Agreement by the City (the “**Term**”).

### 3. Envirogen Services.

3.1 Envirogen Services. Envirogen shall perform the services set forth in **Exhibit D** (“**Services**”) in consideration for payment by the City of the fees set forth in Section 7 and **Exhibit H**. City shall pay Envirogen for any ancillary services not set forth in Exhibit D but requested in writing by City at Cost plus a mark-up for overhead and profit of twenty percent (20%) on the Cost.

3.2 Maintenance and Repairs. During the Term, Envirogen shall be responsible for all maintenance and all repairs necessary to maintain the Treatment System in good condition in accordance with Envirogen’s Operations and Maintenance Manual. During the Term of this Agreement, Envirogen will replace or repair non-consumable parts of the Treatment System proved to be defective in material or workmanship provided that City gives prompt written notice of each defect to Envirogen, and provided that the equipment is operated by City in accordance with the Operating Standards and this Agreement. Notwithstanding anything contained in this Agreement to the contrary, the City specifically acknowledges and agrees (A) that damage resulting from water delivered by the City to the Treatment System at the incorrect water pressure or water containing Abnormal Substances is not a defect in material or workmanship for which Envirogen is responsible pursuant to this Agreement; and (B) that damage resulting from Uncontrollable Circumstances (including third party vandalism) is not to be considered a repair requirement for which Envirogen is responsible.

3.3 Third-Party Service Providers. Envirogen, at its option, may contract with third parties (“**Third-Party Service Providers**”), to perform routine operational activities and routine maintenance of the Treatment System during the Term. Envirogen shall obtain City’s prior written authorization prior to it allowing or contracting with a Third-Party Service Provider to repair or perform routine operational activities and routine maintenance of the Treatment System.

3.4 Changes in Scope of Services. Changes in the scope of the services may be accomplished only by a written instrument signed by both the City and Envirogen, stating the Parties’ mutual agreement as to: (i) the change in the scope of the Services; (ii) the adjustment, if any, in the Compensation; and (iii) the adjustment, if any, in the time for performing the services.

### 4. Envirogen Guarantees.

4.1 Water Treatment Guarantee. The Treatment System will produce water leaving the Treatment System (“**Treated Water**”) which meets the specifications for Treated Water set forth in **Exhibit E** (the “**Water Treatment Guarantee**”). Envirogen’s obligation to comply with the Water Treatment Guarantee is conditioned upon the City meeting its obligations under Section 5 and providing raw water at the influent to the Treatment System (“**Raw Water**”) which: (i) meets the specifications for Raw Water set forth in **Exhibit F** (the “**Raw Water Specifications**”), including, but not limited to pressure and flow rates; and (ii) does not contain any Abnormal

Substances. (Raw Water which meets the criteria of (i) and (ii) shall be referred to as “**Specification Raw Water.**”) In the event the City provides Raw Water which does not meet the Raw Water Specifications or which contains Abnormal Substances, then: (i) Envirogen shall use reasonable efforts to assist the City in determining how to treat such Raw Water such that the Treated Water meets the Treated Water specification set forth in **Exhibit E**, but Envirogen shall have no responsibility or liability to the City in the event the Treated Water continues to meet the specification set forth in **Exhibit E**; and (ii) the City shall continue to make all required payments to Envirogen, and shall pay all costs to repair any damage to the Treatment System save and except for those repairs which are the responsibility of Envirogen as set forth in Section 3.2.1.

4.2 Operating Costs Unit Usage Guarantee. For each Unit Volume of Specification Raw Water treated by the Treatment System, Envirogen guarantees the Process Chemicals Unit Consumption Rates and the Waste Generation Unit Rates for those Process Chemicals used, and Wastes generated during treatment as set forth in **Exhibit I** (“**Unit Rates Guarantee**”). In the event that costs per unit for any Process Chemicals or Wastes increase above the respective Unit Cost Assumption, City shall pay Envirogen the amount of increase in costs per unit provided, however, that in the event the treatment of Specification Raw Water requires more units of Process Chemicals or generates greater amounts of Wastes than the quantities upon which the Unit Rates Guarantee is based, then Envirogen shall be responsible for 100% of the costs for the additional units of Process Chemicals or additional Wastes generated in excess of the amount upon which the Unit Rate Guarantee is based. In the event that costs per unit for any Process Chemicals or Wastes increase above the respective Unit Cost Assumption and in the event that the treatment of Raw Water that does not meet the Raw Water Specifications or contains Abnormal Substances requires more units of Process Chemicals or generates greater amounts of Wastes, then City shall pay Envirogen for the amount of increase in costs per unit for the amount of Process Chemicals or Wastes greater than the Unit Cost Assumption, and City shall be responsible for 100% of the costs for the additional units of Process Chemicals or additional Wastes greater than the Unit Cost Assumption.

4.3 Service Response Time. For the Term of the Agreement, Envirogen shall meet the response times set forth in **Exhibit J**.

4.4 Exclusive Warranty. The Water Treatment Guarantee and Unit Rates Guarantee shall be the exclusive warranty or guarantee under this Agreement. ENVIROGEN DISCLAIMS ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, AND DISCLAIMS THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

4.5 Waste. As part of the Unit Volume Treatment Fee, Envirogen shall dispose of City’s Wastes resulting from the treatment of City’s Raw Water through the Treatment System. Envirogen’s participation in this process shall not relieve City of its ultimate obligation to dispose of all brine and other Wastes in accordance with all Applicable Laws (the “**Waste Disposal Standards**”). Envirogen may request others to assist in these matters, the cost of which shall be

borne by Envirogen. The Unit Volume Treatment Fee is based upon the Waste Disposal Standards existing as of the Effective Date. If the Waste Disposal Standards or disposal costs (including without limitation the costs of fuel or Wastes transportation) are changed during the Term, Envirogen may adjust the Unit Volume Treatment Fee to reflect the direct costs associated with these changes. City shall approve Envirogen's disposal site. Such approval shall not be unreasonably withheld.

4.6 No Title. At no time shall Envirogen be deemed to have taken title to any Raw Water, Treated Water, sludge, solids, wastes, or any other materials or substances in process at the Treatment System.

## **5. City Responsibilities.**

5.1 City Service. City shall perform the services, supply the utilities, and supply all other items set forth in **Exhibit G**.

5.2 Governmental Approvals. City shall obtain and maintain all Governmental Approvals necessary to meet its responsibilities and to operate the Treatment System.

5.3 Operation. City shall be solely responsible for operating the Treatment System as required by Applicable Laws and in accordance with the Governmental Approvals. City shall assume sole responsibility for operating the Treatment System, and City shall supply appropriately qualified and certified personnel to operate the Treatment System in a skillful and competent manner, consistent with the Operating Standards. Subject to those costs specifically assigned to Envirogen in this Agreement, all operating costs for the Treatment System, including but not limited to all electrical usage costs, including any electrical costs related to the pumps or booster stations, shall be borne by City subject to Section 4.2 and Exhibit I. Envirogen, as part of the Unit Volume Treatment Fee, shall be responsible for all costs of Consumables to treat water in the Treatment System, disposal of City Wastes as set forth in Exhibit I, and all costs for the services set forth in Exhibit D.

5.4 Nonspecification Operating Costs. If City operates the Treatment System so as to treat the Contaminants in the Treated Water to levels below the Treated Water Specifications, City shall pay Envirogen's increased costs including but not limited to, Envirogen's increased Process Chemicals and Wastes costs.

**6. Measurements.** Each Party at any time shall have the right to verify, at its own expense, the amount and quality of the Raw Water entering, and the quality of the Treated Water exiting, the Treatment System and to conduct independent testing thereof. Notwithstanding the foregoing, at least annually, City, at its expense, shall test the meter to verify that such equipment is properly measuring water processed through the Treatment System. City. These test results shall be made promptly available to Envirogen. City, at its expense, shall make or cause to be made any repairs to the meter to ensure such equipment is measuring properly and shall supply such information to

Envirogen, including appropriate certification by equipment testing professionals.

## 7. Fees.

7.1 Service Fees. City shall pay Envirogen all of the fees listed in Exhibit H (“**Compensation**”). Envirogen shall send the City an invoice setting forth the fees due for the preceding month. City shall pay Envirogen within thirty (30) after the invoice date. Fees properly due to Envirogen that are not received within thirty (30) days after the date of the invoice therefore after the invoice date shall bear interest from the date due until paid at the lesser of twelve percent (12%) per annum from the date due until payment is received by Envirogen provided that in no event shall the interest rate be greater than the maximum rate permitted by law.

7.2 Taxes. Envirogen shall not be liable for any taxes and governmental charges of any kind whatsoever, whether present or future, federal, state or municipal, including but not limited to sales, use, excise, gross receipts, gross value, real property, personal property or similar taxes, that may at any time be assessed or levied against, or with respect to, the Unit Volume Treatment Fees, or the use, possession, occupation, and/or ownership of any property, or part thereof, involved in the implementation of this Agreement (including, but not limited to, the Well, the Treatment System, and the real property upon which the Well and the Treatment System are located and upon which Envirogen has a license to enter pursuant to Subsection 13.1 below), or any and all general or special taxes, fees, assessments, interest, penalties and/or charges made by any Governmental Body for any improvements made to such property, or part thereof, and/or for any services or activities performed hereunder (collectively “**Tax**” or “**Taxes**”). In the event Envirogen receives notice from any Governmental Body seeking payment of any Taxes, Envirogen shall provide City with notice of any such Tax and shall cooperate with City to seek any applicable exemption. In the event that City is unable to obtain and furnish a valid and properly executed exemption certificate or direct pay permit relieving City and Envirogen of the obligation for such Taxes, City shall pay such Taxes within thirty (30) days of receipt of an invoice therefore from Envirogen, but in any event City shall pay such Taxes before they become delinquent. If City fails to pay such Taxes or indicates to Envirogen that it will not be paying such Taxes, then Envirogen may pay such Taxes, in which case City shall reimburse Envirogen for any Taxes, together with interest at the maximum rate permitted by law from the date paid by Envirogen until reimbursed by City. Wherever applicable, any such Tax shall be added as a separate charge to be paid by City in addition to the Unit Volume Treatment Fees and other fees set forth in Section 7. Notwithstanding any of the foregoing, Envirogen shall be solely liable for any franchise taxes, any income taxes payable as a result of fees or charges paid to Envirogen by City under this Agreement, and all employment taxes and withholding for wages and salaries paid to its employees.

7.3 Agreement Subject to Appropriation. The provisions of this Agreement for payment of funds by City shall be effective when funds are appropriated for purposes of this Agreement and are actually available for payment. City shall be the sole judge and authority in determining the availability of funds under this Agreement and City shall keep Envirogen fully informed as to the availability of funds for the Agreement. The obligation of City to make any payment pursuant to this Agreement is a current expense of City, payable exclusively from such

annual appropriations, and is not a general obligation or indebtedness of City. If City Council fails to appropriate money sufficient to pay the amounts as set forth in this Agreement during any immediately succeeding fiscal year, this Agreement shall terminate at the end of then-current fiscal year and City and Envirogen shall be relieved of any subsequent obligation under this Agreement.

**8. Change of Law.** In an event of a Change of Law, including a Change of Law affecting the Services or the standards and conditions governing Treated Water discharged from the Treatment System, Envirogen shall use reasonable efforts to comply with such Change of Law, but such Change of Law shall not modify or expand the Water Treatment or Unit Rates Guarantees. In the event of a Change of Law, the parties will negotiate in good faith with each other to effect: (i) any of the necessary modifications to the Treatment System; (ii) applicable modifications to the Water Treatment or Unit Rates Guarantees in light of the Change of Law and the modifications to the Treatment System described in clause (i) herein; and (iii) equitable adjustments to the Compensation in order to comply with such Change of Law, as more particularly provided in Section 7 and Exhibit H.

**9. Intellectual Property.** Pursuant to the Purchase Agreement, Envirogen granted City perpetual, non-exclusive, royalty-free licenses to use the patents, patent applications and copyrighted proprietary operating software to operate the Treatment System. Pursuant to the Purchase Agreement, such licenses are transferable by City but solely in connection with the sale, transfer or lease of the Treatment System as a complete system.

**10. Confidentiality** Envirogen or City may from time to time disclose to the other party confidential information relating to the Services and the terms of this Agreement (“**Confidential Information**”). Neither party shall disclose Confidential Information of the other to any third party, or use such Confidential Information for any purpose other than as specified herein, without the express written consent of the other party. Each party will use at least the same degree of care to avoid disclosure of Confidential Information as it uses with respect to its own Confidential Information, but in no event less than a reasonable standard of care. Either party may seek injunctive relief to enforce its rights under this Section. Confidential Information does not include information: (a) generally available to or known to the public; (b) previously known to the recipient; (c) independently developed by the recipient outside the scope of this Agreement; (d) lawfully disclosed by a third party; or (e) required to be disclosed by operation of Applicable Laws. City agrees to keep all Trade Secrets confidential in accordance with the provisions of this Section. Upon any termination or expiration of this Agreement in accordance with its terms, each party will, within a reasonable period of time thereafter return all confidential or proprietary information received from the other party under the terms of this Agreement, except that each party may retain a legal file copy. The covenants contained in this paragraph shall survive the termination or expiration of this Agreement. Envirogen may disclose the existence of the project, client name, and general descriptive information of the project in brochures, trade publications, internal publications, other media and securities filings.

**11. Uncontrollable Circumstances.** In the event either Party is rendered unable, wholly or in part, to carry out its respective obligations under this Agreement, except for any

obligations to make payment when due, due to circumstances beyond its reasonable control, including, without limitation, riots, strikes, lockouts, sabotage, labor shortages or other disturbances, flood, lightning, natural disaster, acts of God, war, terrorism or civil disturbances, epidemics, accidents, thefts, Change of Law or other acts of Governmental Bodies, delay in permitting or other Governmental Approvals, unavailability or excessive cost of natural resources, fuel, electrical power or other materials, discovery of any concealed or unknown physical condition or substance at City's location of the Treatment System or acts or omissions of City or its employees, (sub)contractors, or other persons for whom City may be liable or other circumstances beyond its reasonable control ("**Uncontrollable Circumstances**"), then the affected obligations such Party shall be suspended during the period of the Uncontrollable Circumstances. Every reasonable effort shall be made by the parties to avoid delay and limit any period during which such obligations might be suspended. Envirogen shall be entitled to an adjustment to its fees if its direct costs are increased as a result of such Uncontrollable Circumstances.

**12. Resolution Procedures.** Any claim, controversy, or dispute arising out of or relating to this Agreement, or to the threatened, alleged or actual breach thereof by either Party, shall be resolved exclusively as hereinafter set forth. These resolution procedures shall be invoked when either Party sends a written notice to the other Party of the occurrence of a claim, controversy or dispute, or of the threatened, alleged or actual breach of this Agreement. The notice shall describe the nature of the dispute and the Party's position with respect to such dispute.

12.1 Mutual Discussions. The Parties shall first expeditiously schedule consultations or a meeting between representatives designated by each Party in an effort to resolve the dispute informally. If the representatives appointed by each Party are unable to resolve the dispute within fifteen (15) days, the dispute shall be submitted in writing to more senior management representatives designated by each Party. The designated representative of City shall be the director of City's Public Works Department, or his designee; and the designated representative of Envirogen shall be Richard A. Reese, Chief Operating Officer. The designated management representatives shall attempt to resolve such dispute through consultation and negotiation, within thirty (30) days after such submittal (or such longer period as mutually agreed by the Parties).

12.2 Mediation. If the management representatives have not resolved the dispute within thirty (30) days of submission, the dispute shall undergo mediation using a mediator mutually selected by, and unaffiliated with any of, the Parties, having a background in the industry and subject matter of the dispute.

12.3 Litigation. Finally, if mediation does not resolve the dispute, or the Parties are unable to agree on a mediator, then as a last resort, either Party may commence litigation in a state or federal court, tribunal, or magistrate located in the County of Maricopa, State of Arizona. PARTY IRREVOCABLY WAIVES ITS RIGHT TO A JURY TRIAL AS TO ANY CLAIMS OR DISPUTES ARISING FROM, OR RELATING TO, THIS AGREEMENT. The prevailing Party shall be entitled, in addition to such other relief as may be granted, to be reimbursed by the losing Party for all costs and expenses incurred, including without limitation all attorneys' fees and costs for services rendered to the prevailing Party and any attorneys' fees and costs incurred in enforcing

any judgment or order entered. The prevailing Party shall be determined by the court in the initial or any subsequent proceeding.

12.4 Confidentiality. All negotiations between the Parties pursuant to this Section 12 shall be confidential and treated as compromise and settlement negotiations for purposes of the applicable rules of evidence. Accordingly, all of such negotiations are inadmissible in any legal proceeding pursuant to Arizona law and any other state or federal law applicable to settlement communications generally.

12.5 Injunctive Relief. Nothing in this Section 12 shall preclude either Party from taking any action necessary to prevent immediate or irreparable harm to it, but these methods are otherwise exclusive and shall be fully exhausted before the commencement of any litigation.

**13. Site License and Security.**

13.1 Site License. conveys to Envirogen free of charge an exclusive irrevocable license coupled with an interest to full and complete access to maintain and repair the Treatment System, and use of all equipment, improvements, structures and the personal property located therein, and over the real property on which the Treatment System and all of the foregoing equipment, improvements, structures and personal property are located, at all times during the Term of this Agreement, so that Envirogen may perform its obligations and enforce its rights under this Agreement. If Envirogen so requests, the license herein conveyed shall be formalized by a separate written instrument consistent with the scope of the license set forth above and in a form satisfactory to Envirogen.

13.2 Site Security. City, at its expense, shall have the sole responsibility for providing security for the Treatment System.

**14. Insurance.**

14.1 Envirogen Insurance. Throughout the term of this Agreement, Envirogen shall procure and maintain the following insurance coverages:

<u>Coverage</u>	<u>Policy Limits</u>
(i) Workers' Compensation Policy;	Statutory
(ii) Employer's Liability Insurance;	\$1,000,000 per accident or disease
(iii) Commercial General Liability Policy;	\$1,000,000 per occurrence and \$1,000,000 in the aggregate
(iv) Business Automobile Liability Policy (including owned, non-owned, and hired vehicles) combined single limit.	\$1,000,000 per occurrence

All such policies shall name the City as an additional insured as respects liability arising from work or operations performed by or on behalf of Envirogen (excluding the Workers' Compensation Policy). Envirogen shall provide City at least thirty (30) days notice prior to the cancellation, non-renewal or material modification of any such policy. Envirogen shall promptly furnish the City with certificates of insurance evidencing the preceding coverages.

14.2 City Insurance. Throughout the term of this Agreement, may, but is not required to, procure insurance.

## **15. Indemnities.**

15.1 By Envirogen. To the fullest extent permitted by law, Envirogen shall indemnify, defend and hold harmless the City and each Council member, officer, employee or agent thereof (the City and any such person being herein called a "City Indemnified Party"), for, from and against any and all losses, claims, damages, liabilities, costs and expenses (including, but not limited to, reasonable attorneys' fees, court costs and the costs of appellate proceedings) to which any such City Indemnified Party may become subject, under any theory of liability whatsoever ("Claims"), insofar as such Claims (or actions in respect thereof) relate to, arise out of, or are caused by or based upon the negligent acts, intentional misconduct, errors, mistakes or omissions of Envirogen in connection with the Treatment System and/or this Agreement.

15.2 By City. To the fullest extent permitted by law, City shall indemnify, defend and hold harmless the Envirogen and its officer, employee or agent thereof (Envirogen and any such person being herein called an "Envirogen Indemnified Party"), for, from and against any and all losses, claims, damages, liabilities, costs and expenses (including, but not limited to, reasonable attorneys' fees, court costs and the costs of appellate proceedings) to which any such Envirogen Indemnified Party may become subject, under any theory of liability whatsoever ("Claims"), insofar as such Claims (or actions in respect thereof) relate to, arise out of, or are caused by or based upon the negligent acts, intentional misconduct, errors, mistakes or omissions of City in connection with the Treatment System and/or this Agreement.

15.3 Environmental Indemnification. City shall indemnify, defend and hold harmless Envirogen, and its affiliates, and their respective officers, directors, employees, agents and representatives, from and against any and all Losses arising or resulting from: (a) any environmental conditions on, in, under, around or at the Treatment System; (b) any release or threatened release of a regulated substance from the Treatment System, or from any location used for the storage, treatment, disposal or beneficial use of Treated Water, sewage, sludge or other wastes produced, generated or discharged by the Treatment System; and/or (c) any violation of any Environmental Laws; provided, however, the foregoing indemnity shall not apply to the extent that any such Losses are caused by: (i) the negligent or willful misconduct or omissions of a Envirogen Indemnitees; or (ii) the failure by Envirogen to fulfill its obligations under this Agreement.

**16. Disclaimer.** UNDER NO CIRCUMSTANCES SHALL EITHER PARTY BE LIABLE TO THE OTHER PARTY FOR ANY CONSEQUENTIAL, INCIDENTAL, INDIRECT, SPECIAL, EXEMPLARY, PUNITIVE OR OTHER DAMAGES, EXCEPT ACTUAL DIRECT DAMAGES, REGARDLESS OF WHETHER ANY OF THE FOREGOING DAMAGES ARISE DIRECTLY OR INDIRECTLY THROUGH AN INDEMNIFICATION OR CONTRIBUTION OBLIGATION AND WHETHER ARISING OUT OF BREACH OF CONTRACT OR WARRANTY, TORT, PRODUCT LIABILITY, STRICT LIABILITY OR ANY OTHER LEGAL OR EQUITABLE THEORY.

**17. Default.**

17.1 City Default. If City fails to comply in any material respect with any of its obligations under this Agreement, or any of the Governmental Approvals are revoked, then Envirogen, at its option, may deem said act or omission to constitute an event of default and shall give City written notice thereof and City must cure said default to the reasonable satisfaction of Envirogen within thirty (30) days of said notice. If the default is not timely cured to the reasonable satisfaction of Envirogen, then Envirogen may declare a material breach of this Agreement and, upon written notice to City may terminate this Agreement.

17.2 Envirogen Default. If Envirogen fails to comply in any material respect with any of its obligations under this Agreement, then City, at its option, may deem said act or omission to constitute an event of default and shall give Envirogen written notice thereof and Envirogen must cure said default to the reasonable satisfaction of City within thirty (30) days of said notice. If the default is not timely cured to the reasonable satisfaction of City, then City may declare a material breach of this Agreement and, upon written notice to Envirogen may terminate this Agreement.

17.3 Conflict of Interest. This Agreement is subject to the provisions of ARIZ. REV. STAT. § 38-511. City may cancel this Agreement without penalty or further obligations by City or any of its departments or agencies if any person significantly involved in initiating, negotiating, securing, drafting or creating this Agreement on behalf of City or any of its departments or agencies is, at any time while the Agreement or any extension of the Agreement is in effect, an employee of any other party to the Agreement in any capacity or a consultant to any other party of the Agreement with respect to the subject matter of the Agreement.

17.4 Gratuities. City may, by written notice to Envirogen, cancel this Agreement if it is found by City that gratuities, in the form of economic opportunity, future employment, entertainment, gifts or otherwise, were offered or given by Envirogen or any agent or representative of Envirogen to any officer, agent or employee of City for the purpose of securing this Agreement. In the event this Agreement is cancelled by City pursuant to this provision, City shall be entitled, in addition to any other rights and remedies, to recover or withhold from Envirogen an amount equal to 150% of the gratuity.

**18. RESERVED.**

**19. Representations and Warranties.**

19.1 Representations and Warranties of City. In addition to the representations made elsewhere in this Agreement, City represents, warranties, and covenants to Envirogen, as of the Effective Date that it has the right, power, and authority to enter into this Agreement and to perform its obligations hereunder, and the person(s) executing this Agreement on behalf of City has (have) the right, power, and authority to do so.

19.2 Representations or Warranties of Envirogen. In addition to the representations made elsewhere in this Agreement, Envirogen represents, warranties, and covenants to City, as of the Effective Date that it has the right, power, and authority to enter into this Agreement and to perform its obligations hereunder, and the person(s) executing this Agreement on behalf of Envirogen has (have) the right, power, and authority to do so.

**20. Miscellaneous Provisions.**

20.1 Further Assurances. At any time and from time to time after the date hereof, each Party agrees to take such actions and to execute and deliver such documents as the other Party may reasonably request to effectuate the purposes of this Agreement.

20.2 Assignment. Neither Party shall assign any of its rights, interests, or obligations under this Agreement without the prior written consent of the other Party such consent shall not be unreasonably withheld or delayed, provided that Envirogen may assign this Agreement pursuant to any lender or financing arrangement related to the Treatment System. Subject to the foregoing restriction, this Agreement and all provisions hereof shall be binding upon, and inure to the benefit of, the Parties hereto and their respective heirs, successors, legal representatives, and assigns.

20.3 Amendment. Except as otherwise provided in this Agreement, neither this Agreement nor any provision hereof may be waived, modified, amended, discharged, or terminated except by an instrument in writing signed by both Parties, and then only to the extent set forth in such writing.

20.4 Entire Agreement. This Agreement constitutes the entire understanding between the Parties with respect to the matters set forth herein, and supersedes all prior or contemporaneous understandings or agreements between the Parties with respect to the subject matter hereof, whether oral or written. The sale of the Treatment System by Envirogen to City are treated under a separate Purchase Agreement and Bill of Sale of even date herewith.

20.5 Notices. Any notice, approval, consent, waiver or other communication required or permitted to be given or to be served upon either Party in connection with this Agreement shall be in writing. Such notice shall be personally served, sent by facsimile, sent prepaid by registered or certified mail with return receipt requested, or sent by a reputable national overnight delivery service, and shall be deemed given: (a) if personally served, when delivered to the Party to

whom such notice is addressed; (b) if given by facsimile, when sent, provided that the confirmation sheet from the sending fax machine confirms that the total number of pages were successfully transmitted; (c) if given by prepaid or certified mail with return receipt requested, on the date of execution of the return receipt; or (d) if sent by reputable national overnight delivery service, when received. Such notices shall be addressed to the Party to whom such notice is to be given at the Party's address set forth below or as such Party shall otherwise direct in writing to the other Party delivered or sent in accordance with this Section.

If to Envirogen Technologies, Inc., to:                      Envirogen Technologies, Inc.  
700 Rockmead Drive, Suite 105  
Kingwood, TX 77339  
Attn: Richard A. Reese  
Fax No. (281) 358-2443

If to City, to:    City of Avondale  
11465 West Civic Center Drive  
Avondale, Arizona 85323  
Facsimile: (623) 333-0100  
Attn: Charles P. McClendon, City Manager

With a copy to:    GUST ROSENFELD, P.L.C.  
One East Washington Street, Suite 1600  
Phoenix, Arizona 85004-2327  
Facsimile: (602) 340-1538  
Attn: Andrew J. McGuire, Esq.

20.6 Governing Law. This Agreement shall be governed by, and construed and interpreted in accordance with, the laws of the State of Arizona, without giving effect to any choice-of-law or conflicts-of-laws rule or principle that would result in the application of any other laws.

20.7 Headings. Headings, titles, and captions are for convenience only and shall not constitute a portion of this Agreement or be used for the interpretation thereof.

20.8 Cumulative Rights; Waiver. The rights created under this Agreement, or by law or equity, shall be cumulative and may be exercised at any time and from time to time. No failure by either Party to exercise, and no delay in exercising any rights, shall be construed or deemed to be a waiver thereof or of any other right under this Agreement, nor shall any single or partial exercise by any Party preclude any other or future exercise thereof or the exercise of any other right. Any waiver of any provision or of any breach of any provision of this Agreement must be in writing, and any waiver by any Party of any breach of any provision of this Agreement shall not operate as or be construed to be a waiver of any other breach of that provision or of any breach of any other provision of this Agreement. The failure of any Party to insist upon strict adherence to any term of the Agreement on one or more occasions shall not be considered or construed or deemed

a waiver of any provision or any breach of any provision of this Agreement or deprive that Party of the right thereafter to insist upon strict adherence to that term or provision or any other term or provision of this Agreement.

20.9 Liberal Construction. This Agreement constitutes a fully-negotiated agreement among commercially sophisticated Parties, each assisted by legal counsel, and the terms of this Agreement shall not be construed or interpreted for or against any Party hereto because that Party or its legal representative drafted or prepared such provision.

20.10 Severability. If any provision of this Agreement is invalid, illegal, or unenforceable, such provision shall be deemed to be severed or deleted from this Agreement and the balance of this Agreement shall remain in full force and effect notwithstanding such invalidity, illegality, or unenforceability.

20.11 Good Faith and Fair Dealing. The Parties hereto acknowledge and agree that the performances required by the provisions of this Agreement shall be undertaken in good faith, and with each of the Parties dealing fairly with each other.

20.12 No Third-Party Beneficiaries. This Agreement does not create, and shall not be construed to create, any rights enforceable by any person, partnership, corporation, joint venture, limited liability company or other form of organization or association of any kind that is not a Party to this Agreement, except to the extent that Envirogen's rights may be enforced by a parent company thereof or a subsidiary thereto.

20.13 Relationship. Envirogen is an independent contractor and the relationship between the Parties shall be limited to performance of this Agreement in accordance with its terms. Neither Party shall have any responsibility with respect to the services to be provided or contractual benefits assumed by the other Party. Nothing in this Agreement shall be deemed to constitute either Party a partner, agent or legal representative of the other Party. No liability or benefits, such as workers' compensation, pension rights or liabilities, other provisions or liabilities arising out of or related to a contract for hire or employer/employee relationship, shall arise or accrue to any Party's agent or employee as a result of this Agreement or its performance.

20.14 Number and Gender. Where a word or phrase is defined in this Agreement, its other grammatical forms have a corresponding meaning.

20.15 Records and Audit Rights. To ensure that Envirogen and its subcontractors (if any) are complying with the warranty under subsection 20.16 below, Envirogen's and its subcontractor's books, records, correspondence, accounting procedures and practices, and any other supporting evidence relating to this Purchase Agreement, including the papers of any Envirogen's and its subcontractors' employees (all the foregoing hereinafter referred to as "Records"), shall be open to inspection and subject to audit and/or reproduction during normal working hours by Customer, to the extent necessary to adequately permit (a) evaluation and verification of any invoices, payments or claims based on Envirogen's and its subcontractors' actual costs incurred, or

units expended directly in the performance of work under this Agreement and (b) evaluation of the Envirogen's and its subcontractors' compliance with the Arizona employer sanctions laws referenced in subsection 20.16 below. To the extent necessary for Customer to audit Records as set forth in this subsection, Envirogen and its subcontractors hereby waive any rights to keep such Records confidential. For the purpose of evaluating or verifying such actual or claimed costs or units expended, Customer shall have access to said Records, even if located at its subcontractors' facilities, from the effective date of this Agreement for the duration of the work and until three years after the date of final payment by Customer to Envirogen pursuant to this Agreement. Envirogen and its subcontractors shall provide the Customer with adequate and appropriate workspace so that Customer can conduct audits in compliance with the provisions of this subsection. Customer shall give Envirogen or its subcontractors reasonable advance notice of intended audits. Envirogen shall require its subcontractors to comply with the provisions of this subsection by insertion of the requirements hereof in any subcontract pursuant to this Agreement.

20.16 E-verify Requirements. To the extent applicable under ARIZ. REV. STAT. § 41-4401, Envirogen and its subcontractors warrant compliance with all federal immigration laws and regulations that relate to their employees and compliance with the E-verify requirements under ARIZ. REV. STAT. § 23-214(A). Envirogen's or its subcontractor's failure to comply with such warranty shall be deemed a material breach of this Agreement and may result in the termination of this Agreement by City.

20.17 Scrutinized Business Operations. Pursuant to ARIZ. REV. STAT. §§ 35-391.06 and 35-393.06, Envirogen certifies that it does not have scrutinized business operations in Sudan or Iran. For the purpose of this subsection the term "scrutinized business operations" shall have the meanings set forth in ARIZ. REV. STAT. § 35-391 or 35-393, as applicable. If City determines that Envirogen submitted a false certification, City may impose remedies as provided by law including terminating this Agreement pursuant to subsection 17.2 above.

IN WITNESS WHEREOF, this Agreement has been executed as of the latest date below written.

ENVIROGEN TECHNOLOGIES, INC.

CITY

Envirogen Technologies, Inc., a Delaware corporation

City of Avondale, an Arizona municipal corporation

By: \_\_\_\_\_  
Michael M. Stark, President and Chief Executive Officer

By: \_\_\_\_\_  
Marie Lopez Rogers, Mayor

ATTEST:

\_\_\_\_\_  
Carmen Martinez, City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
Andrew J. McGuire, City Attorney

(ACKNOWLEDGEMENTS)

STATE OF TEXAS                    )  
  ) ss.  
COUNTY OF MONTGOMERY        )

This instrument was acknowledged before me on July \_\_\_\_\_, 2010, by MICHAEL M. STARK as President and Chief Executive Officer of ENVIROGEN TECHNOLOGIES, INC., a Delaware corporation, on behalf of the corporation.

\_\_\_\_\_  
Notary Public in and for the State of Texas

My Commission Expires:

\_\_\_\_\_

STATE OF ARIZONA                )  
  ) ss.  
COUNTY OF MARICOPA         )

This instrument was acknowledged before me on July \_\_\_\_\_, 2010, by Marie Lopez Rogers, the Mayor of the CITY OF AVONDALE, an Arizona municipal corporation, on behalf of the City of Avondale.

\_\_\_\_\_  
Notary Public in and for the State of  
Arizona

My Commission Expires:

\_\_\_\_\_

## **List of Exhibits**

Exhibit A – Description of Well

Exhibit B – Description of Treatment System

Exhibit C - Definitions

Exhibit D – Envirogen Scope of Services

Exhibit E – Treated Water Specifications

Exhibit F – Raw Water Specifications

Exhibit G – City Scope of Services

Exhibit H – Fee Schedule

Exhibit I – Process Chemicals \ Waste Disposal \ Disposable Pre-Filtration Media Assumptions

Exhibit J – Service Call Response Times

**EXHIBIT “A”**  
**Description of Wells**

- 1) Well pump (owned and operated by the Salt River Project), a 2 MG treated water reservoir, a four pump booster pumping station delivering treated water into the Avondale distribution system and disinfection facilities.
- 2) Location of the Well (Address, General Location, etc)
- 3) Approximate annual flow
- 4) NEPS Facility

## **EXHIBIT “B”**

### **Description of Treatment System**

Asset Description  
NEPS Equipment

#### Treatment Module (1,000-gpm capacity), 10'W x 40'L x 9'H

- One (1) – 1,000-GPM treatment unit
- 16 - 36" bed configuration
- Internal brine system
- Process control system

#### Pre-Treatment filter system

- Bag filters
- Inlet, outlet, filter header system

#### Brine filter system

#### Waste storage tanks

- 2 Polypro tanks
- 4" Waste discharge system (to lockbox)

#### Salt storage tank

- 1 Polypro tank
- 4" Transfer system

## **EXHIBIT “C”**

### **Definitions**

**“Abnormal Substances”** means substances or materials that are not identified in the Raw Water Specifications and that: (i) create a fire or explosion hazard at the Treatment System; (ii) will cause corrosive structural damage to the Treatment System; (iii) contain solid or viscous pollutants in amounts which will cause obstruction to the flow in the Treatment System; (iv) will result in the presence of toxic gases, vapors or fumes near or within the Treatment System in a quantity or concentration that may cause acute worker health and safety problems; or (v) will result in an alteration of the requirements, adjustments in bed volumes or costs for the services and maintenance of the Treatment System or any other Services to be provided by Envirogen pursuant to this Agreement.

**“Agreement”** has the meaning set forth in the first paragraph of this Water Services Agreement.

**“Acre-Foot” or “AF”** shall mean 325,851 gallons.

**“Applicable Laws”** means any applicable law, rule, code, regulation, Governmental Approval, consent decree, consent order, consent agreement, determination, judgment, order or warrant issued by any Government Body.

**“Envirogen”** has the meaning set forth in the first paragraph of this Agreement.

**“Envirogen Indemnites”** has the meaning set forth in Section 15.2.

**“Change of Law”** means any of the following events occurring after the date of this Agreement:

- (i) the adoption, modification or repeal, or official change in interpretation (including without limitation by judicial decision, legislative or regulatory act), of any Applicable Laws; or
- (ii) the modification or imposition of any material conditions, restrictions or limitations in any Governmental Approval,

which imposes limitations, additional costs, obligations, liability or burdens with respect to the operation, repair, maintenance or replacement of the Treatment System and/or the parties’ other obligations under this Agreement.

**“Compensation”** has the meaning set forth in Section 7.1.

**“Confidential Information”** has the meaning set forth in Section 10.

**“Consumables”** shall mean Process Chemicals and Disposable Pre-Filtration Media.

**“Contaminant”** has the meaning set forth in Recital A.

**“Contract Year”** shall mean consecutive 365-day periods during the Term with the first such period beginning on the earlier of (i) the first day after the successful startup of the Treatment System or (ii) thirty days after the execution of this Agreement by the City.

**“Cost”** shall mean all expenses incurred by Envirogen for materials, supplies, energy, regulatory permitting, labor, outside contractors and professionals, transportation, supervision, excise, sales and similar taxes. For all purchases of materials, supplies and services, “Costs” shall include an additional five percent (5%) of the direct expense to reimburse Envirogen for purchasing and accounting activities. Labor charges for Envirogen’s personnel will be, in the absence of any mutually agreeable specification of rate(s), at the individual’s hourly wage rate (or equivalent) plus forty-five percent (45%) for employee and group benefits and employee taxes.

**“CPI”** has the meaning set forth in Paragraph B(1) of Exhibit H

**“Critical Service Call”** means a service call made to address the inability of the Treatment System either to operate or meet the Water Treatment Guarantee.

**“City”** has the meaning set forth in the first paragraph of this Agreement.

**“City Indemnitees”** has the meaning set forth in Section 15.1.

**“Disposable Pre-Filtration Media”** means bag filters and other disposable pre-filtration media listed in Exhibit I, Table #3.

**“Disposable Pre-Filtration Media Assumption”** means those assumptions set forth in Exhibit I, Table #3.

**“Effective Date”** means the date upon which this Agreement is fully executed by the Parties.

**“Environmental Law”** means any Applicable Laws relating to: (i) the protection of public health, safety, natural resources or the environment; (ii) the manufacturing, handling, generation, storage, treatment, processing, transportation, release, discharge, emission or disposal of regulated substances; (iii) environmental conditions; or (iv) the protection of human health and safety.

**“Governmental Approval”** means any permit, license, approval, authorization, consent, waiver, exemption, variance, certification or other order, decision or authorization which is required under Applicable Laws for the operation and maintenance of the Treatment System, or for the performance of any of the obligations under this Agreement.

**“Government Body”** means any legislative, executive, judicial, or administrative department,

board, commission, court, agency or other instrumentality of the Federal, State or local government.

**“Losses”** means any losses, claims, investigations, judgments, suits, demands, charges, expenses, costs (including without limitation costs of defense, settlement and reasonable attorneys’ fees), liabilities, obligations, fines and penalties.

**“Minimum Fee”** has the meaning set forth in Exhibit H.

**“Non Critical Service Call”** means a service call for all matters which do not qualify for treatment as a Critical Service Call.

**“Operating Standards”** shall mean: (i) those standards generally recognized as being employed by water treatment professionals in the State of Arizona; (ii) Prudent Industry Practices; (iii) Envirogen’s manuals; (iv) Envirogen’s standard operating procedures; and (v) all other Envirogen written and oral instructions.

**“Party” or “Parties”** shall have the meaning set forth in the first paragraph of this Agreement.

**“Process Chemicals”** means those chemicals and other commodities listed in Exhibit I, Table #1, Column #1.

**“Process Chemicals Unit Costs Assumptions”** means those assumptions set forth in Exhibit I, Table #1, Column #3.

**“Process Chemicals Unit Consumption Rates”** means the consumption rates for the Process Chemicals set forth in Exhibit I, Table #1, Column #2.

**“Protected Information”** has the meaning set forth in Section 9.4.

**“Prudent Industry Practices”** means those methods, techniques, standards and practices which, at the time they are employed and in light of the circumstances known or believed to exist at the time, are generally accepted as reasonably prudent in the water and wastewater treatment industry as practiced in the United States with respect to a plant and equipment of similar type as the Treatment System.

**“Raw Water”** has the meaning set forth in Section 4.1.

**“Raw Water Specifications”** has the meaning set forth in Section 4.1.

**“Raw Water Battery Limits”** shall mean that point where Raw Water flowing into the Treatment System is measured.

**“Services”** has the meaning set forth in Section 3.1.

**“Specification Raw Water”** has the meaning set forth in Section 4.1.

**“Tax” or “Taxes”** has the meaning set forth in Section 7.2.

**“Term”** has the meaning set forth in Section 2.

**“Third-Parties”** has the meaning set forth in Section 9.3.

**“Third-Party Service Providers”** has the meaning set forth in Section 3.3.

**“Trade Secrets”** means information, including a formula, pattern, compilation, program, device, method, technique or process that: (1) derives independent economic value, actual or potential, from not being generally known to, and not being easily ascertainable by proper means, by other persons who can obtain economic value from its disclosure or use, and (2) is the subject of efforts that are reasonable under circumstances to maintain its secrecy.

**“Treated Water”** has the meaning set forth in Section 4.1.

**“Treated Water Specifications”** means those specifications set forth in Exhibit E.

**“Treatment System”** has the meaning set forth in Recital B.

**“Uncontrollable Circumstances”** has the meaning set forth in Section 11.

**“Unit Costs Assumptions”** means the Process Chemicals Unit Costs Assumption and the Waste Disposal Costs Assumptions.

**“Unit Cost Assumptions Baseline Values”** shall mean the Process Chemicals Unit Costs Assumptions and the Waste Disposal Costs Assumptions.

**“Unit Rates Guarantee”** has the meaning set forth in Section 4.2.

**“Unit Volume”** shall mean Acre-Foot.

**“Unit Volume Treatment Fees”** has the meaning set forth in Exhibit H.

**“Wastes”** means those materials set forth in Exhibit I, Table #2, Column #1.

**“Waste Disposal Costs Assumptions”** means those assumptions set forth in Exhibit I, Table #2, Column #3.

**“Waste Disposal Standards”** has the meaning set forth in Section 4.5.

**“Waste Generation Unit Rates”** means those unit rates set forth in Exhibit I, Table 2, Column #2.

**“Water Treatment Guarantee”** has the meaning set forth in Section 4.1.

**“Well”** has the meaning set forth in the Recital A.

**EXHIBIT “D”**  
**Envirogen Scope of Service**

Envirogen shall provide the following scope of services except as otherwise set forth in this Agreement:

1. At Envirogen’s sole expense, all required maintenance and repair of the Treatment System.
2. Provide technical advice to City.
3. Assist City in obtaining and maintaining Governmental Approval.
4. Provide consumables (e.g., salt, treatment chemicals) required for operation of the Treatment System to treat the Raw Water.
5. Dispose of Waste streams generated by the Treatment System.
6. When disposable pre-filtration is provided, provide materials for change outs of the pre-filtration media (aka bag filters).
7. Provide necessary calibration of all Envirogen-provided instruments and analyzers.
8. Provide qualified service technician to make necessary repairs in the event of a failure of the Treatment System or component.
9. Respond to all maintenance and operations issues, twenty four (24) hours per day, seven (7) days per week within the response time set forth in Exhibit J.
10. Participate in meetings, correspondence, and other interactions with regulatory agencies associated with the Treatment System as reasonably requested.
11. Provide recommendations to City on the efficient and appropriate operation of the Treatment System.

**EXHIBIT “E”**  
**Treated Water Specifications**

<b>Constituent</b>	<b>Units</b>	<b>Value</b>
Nitrate as (N)	mg/L	≤ 8

**EXHIBIT “F”**  
**Raw Water Specifications**

Constituent	Units	Value	Notes
Alkalinity in CaCO <sub>3</sub> units	mg/L	≤	
Arsenic (As), Total	ug/L	≤ 5	
Arsenic III (AsIII)	ug/L	≤	
Arsenic V (AsV)	ug/L	≤	
Bicarb.Alkalinity as HCO <sub>3</sub>	mg/L	≤	
Barium	ug/L	≤ 120	
Chloride (Cl)	mg/L	≤ 240	
Chromium (Cr), Total	ug/L	≤ 17	
Chromium 6 (CrVI)	ug/L	≤	
Coliform Bacteria		Absent	
E Coli Bacteria		Absent	
Fluoride	mg/L	< 0.25	
Heterotrophic Plate Count (HPC)		< 5	
Iron, Total,	ug/L	≤ 90	
Maximum Feed Pressure	PSI	≤	
Nitrate As (N)	mg/L	≤ 12	
Nitrate (NO <sub>3</sub> )	mg/L	≤	
Perchlorate (ClO <sub>4</sub> )	ug/L	≤	
pH	pH Units	6.5 ≤ 8.5	
Phosphorous as P	mg/L	≤	
Phosphate Total	mg/L	≤	
Selenium (Se), Total	ug/L	≤	
Silica	mg/L	≤	
Specific Conductance	microseimens	≤	
Sulfate (SO <sub>4</sub> )	mg/L	≤ 111	
Total Dissolved Solids	mg/L	≤ 763	
Uranium	pCi/L	≤	
Vanadium (V)	ug/L	≤	
Minimum Raw Water Pressure	PSI	≥ 10	
Maximum Raw Water Pressure	PSI	≤ 180	
Average Raw Water Pressure	PSI		
Abnormal Substances		nil	

**EXHIBIT “G”**  
**City Scope of Services**

*City shall provide the following services, utilities and other items:*

1. Provide appropriately certified, trained and skilled operators for operation of the Treatment System.
2. Efficient and prudent operation of the Treatment System in accordance with regulatory, requirements, Prudent Industry Practices, all Envirogen recommendations and Operating Standards.
3. Notify Envirogen of the following:
  - a) Material changes in the Treatment System operations
  - b) Material changes from the Raw Water Specification set forth in Exhibit F
  - c) Control system set-point changes
  - d) Treatment System operational schedule changes
  - e) Pressure and flow changes
  - f) Water chemistry changes
  - g) Leaks
  - h) Defective materials and workmanship in the Treatment System
  - i) Any other Treatment System problems
4. Necessary on-site staffing required to receive consumables.
5. Necessary on-site staffing as reasonably required to supervise waste removal from site by Envirogen’s waste handling subcontractor.
6. General housekeeping of the site and the Treatment System appropriate for a drinking water treatment facility.
7. Labor required for change out of pre filtration media (aka bag filters).
8. Regulatory and compliance sampling and analysis for Treated Water.
9. Notification of Envirogen of the need for service of unit.
10. Operate the Treatment System and distribution system as follows:
  - a) At minimum pressure or 35 PSI
  - b) In such a way as to prevent over pressurization, surges or water hammer

13. All utilities required for the operation of the Treatment System including, but not limited to, electricity, natural gas, sewer, phone line, “dsl” line, internet access.
14. Provide Envirogen with all data from any analysis of the Raw Water, Treated Water, brine, salt, liquid regenerate, resin and soils.
15. Provide Envirogen with copies of all Governmental Approvals related to the site and to install, service and maintain the Treatment System and Well site.

## EXHIBIT “H” Fee Schedule

A. **Fees.** City shall pay to Envirogen the following fees:

1) **Unit Volume Treatment Fee.** For each Unit Volume of Raw Water delivered to the Treatment System that is processed to meet the Water Treatment Guarantee, City shall pay to Envirogen an amount equal to Three Hundred Forty Dollars (\$340.00) per Acre Foot as measured at the Raw Water Battery Limits (the “**Acre Foot Treatment Fees**”).

(a) City shall pay Envirogen a minimum annual fee of \$144,500 (“**Minimum Fee**”) in the event that the Unit Volume quantity of Raw Water treated by the Treatment System in any Contract Year is less than 425 Acre Feet.

(b) The Minimum Fee shall be invoiced by Envirogen and paid by City in monthly installments (“**Monthly Installment**”). Except as provided in Paragraph (d) of this Section A(1), each Monthly Installment shall be equal to one-twelfth (1/12th) of the Minimum Fee (initially \$12,041.66 per month).

(c) In the event that the Treatment System requires repair by Envirogen prior to a successful startup of the Treatment System at the beginning of the initial Contract Year and the time for Envirogen to perform such repair exceeds five (5) days, neither the Minimum Fee nor the Monthly Installment shall begin to accrue during the repair period. The Minimum Fee and the Monthly Installments for partial calendar months, if any, shall be appropriately prorated.

(d) Monthly Installments shall be payable only to the extent of a cumulative shortfall in the actual Acre Feet treated during the then current Contract Year compared to an estimated monthly minimum of 35.42 Acre Feet.<sup>1</sup>

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<sup>1</sup> By way of examples only:

(A) At the end of month #3, no water has been treated. Envirogen will invoice at the end of each of the three months a Monthly Installment of \$12,041.66.

(B) At the end of month #3, 40.0 acre feet of water has been treated in each of the 3 months. No Monthly Installment shall be invoiced during any of the three months.

(C) During month #1, 40 acre feet are treated. During month #2 another 50 acre feet are treated. During month #3 no water has been treated. Envirogen will invoice at the end of each of the three months as follows:

Month #1 invoice . . . Treated water = \$13,600;	Monthly Installment = \$0.00.
Month #2 invoice . . . Treated water = \$17,000;	Monthly Installment = \$0.00.
Month #3 invoice . . . Treated water = \$0.00;	Monthly Installment = \$5,524.98.

2) **Changes in Disposal Standards/Transportation Costs and Salt.** If during the Term salt or disposal costs increase above those set forth in Exhibit I, Envirogen shall have the right to charge City for the increase in unit costs for the services and commodities.

3) **Consumable Costs.** Subject to Section 4.2 of this Agreement, City shall pay Envirogen its costs to provide all Consumables in greater quantities than those set forth in Table 3 of Exhibit I.

**B. Escalation.**

1) **CPI.** Escalation shall be determined in accordance with the U.S. Department of Labor, Bureau of Labor Statistics, Consumer Price Index for Phoenix, AZ (all Urban Consumers, all items) on the basis of December 2001=100 (“CPI”). If the CPI is discontinued or substantially modified, the parties shall mutually select another substantially equivalent index for the purpose of price escalation.

2) **Calculation of Escalation.** Starting on the first anniversary date of this Agreement and annually thereafter, the Acre Foot Treatment Fee, the Minimum Fee, and all Unit Cost Assumptions Baseline Values shall be increased for the succeeding twelve (12) month period by an amount equal to the percentage by which the CPI has increased over the prior twelve (12) month period, based on the following formulas:

**Acre Foot Treatment Fees (year 2) = Acre Foot Treatment Fees (year 1) x [1 + percentage change in CPI]**

where the percentage change in CPI is expressed as a decimal (for example, 5% written as 0.05)

In no event shall the Acre Foot Treatment Fees be decreased by an adjustment.

3) **Timing of CPI Adjustment.** The CPI adjustment shall be calculated as soon as practicable following the publication of the CPI (or other substantially equivalent index, if any, used for the adjustment escalator); and the Unit Volume Treatment Fee, the Minimum Fee, and all Unit Cost Assumptions Baseline Values shall be adjusted effective upon, and retroactive to, the applicable anniversary date. The difference in these fees, retroactive to the annual anniversary date, shall be billed and paid on the next invoice. Notwithstanding the foregoing, if Envirogen fails to make an adjustment under this Agreement as of any adjustment date during the Term, then when Envirogen makes such an adjustment thereafter, such adjustment shall capture the total increase, as measured by the CPI (or other substantially equivalent index, if any, used for the adjustment escalator), for the entire period since the last date an adjustment actually was made.

## Exhibit "I"

### Process Chemicals \ Waste Disposal \ Disposable Pre-Filtration Media Assumptions

**Table 1 - Process Chemicals Assumptions**

Column #1	Column #2	Column #3
<b>Process Chemicals</b>	<b>Process Chemicals Unit Consumption Rates (not to exceed)</b>	<b>Process Chemicals Unit Cost Assumptions</b>
Bulk Salt	.82 tons/AF	\$108.00 /delivered ton

Note: For purposes of cost escalation evaluation, the initial cost assumption will be adjusted for CPI.

**Table 2 - Waste Disposal Assumptions**

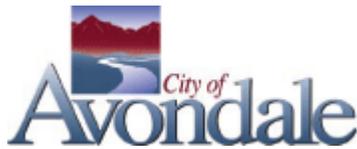
Column #1	Column #2	Column #3
<b>Wastes</b>	<b>Waste Generation Unit Rates (not to exceed)</b>	<b>Waste Disposal Costs Assumptions</b>
Waste Disposal	1,010 gals/AF	Trans= \$0.08/gal Disposal = \$0.10/gal Other fees = \$0.02/gal
Other 1		

**Table 3 - Disposable Pre-Filtration Media Assumptions**

Item	Consumables Quality - Rates
Bag filter media change outs	26 change outs/year

**EXHIBIT J**  
**Service Call Response Times**

<b>ITEM</b>	<b>TIME WITHIN WHICH ENVIROGEN SHALL ACKNOWLEDGE AND COMMENCE THE RESPONSE</b>
Phone call response time	12 hours
Non Critical Service Call	72 hours
Critical Service Call	24 hours
Unit repair request	72 hours



# CITY COUNCIL REPORT

**SUBJECT:**

First Amendment to Purchase Agreement - Life, Inc. for the Avondale Taxi Subsidy Program

**MEETING DATE:**

July 19, 2010

**TO:** Mayor and Council

**FROM:** Pier Simeri, Community Relations Director (623)333-1611

**THROUGH:** Charlie McClendon, City Manager

**PURPOSE:**

Staff is requesting that the City Council approve the First Amendment to the Purchase Agreement with Life, Inc. for \$28,000 extending the term through October 31, 2010 to provide subsidized taxi service to residents for medical and dialysis treatments.

**BACKGROUND:**

Avondale initiated the Taxi Subsidy program as a more cost effective alternative to Dial-a-Ride for residents that require transportation to obtain specific medical services such as dialysis, chemotherapy or other recurring medical treatments. The Southwest Valley Dial-a-Ride provides special needs individuals with general transportation service, but is a more costly alternative.

The Avondale Taxi Subsidy program has been in place since July 2009 and is tailored to provide transportation for persons to obtain medical treatments.

Since program inception we have been using the City of Glendale's contract with Life, Inc. That contract expired on June 30, 2010 and Glendale is currently in the process of rebidding the service for the most responsive bid. Avondale would like to extend our contract with Life, Inc. until October 31, 2010 by which time Glendale will have another contract in place that we may use for our program if it remains advantageous to do so.

**DISCUSSION:**

The Taxi Subsidy Program provides transportation for Avondale residents with non-emergency medical transportation needs, who receive recurring treatments such as dialysis and chemotherapy.

**BUDGETARY IMPACT:**

The funding for this contract was budgeted in the Transit Account line item 215-5113-00-6180.

**RECOMMENDATION:**

Staff recommends that the City Council approve the First Amendment to the Purchase Agreement with Life, Inc. for \$28,000 and authorize the Mayor or City Manager and City Clerk to execute the necessary documents.

**ATTACHMENTS:**

Click to download

[First Amendment to Purchase Agreement](#)

**FIRST AMENDMENT  
TO  
PURCHASE AGREEMENT  
BETWEEN  
THE CITY OF AVONDALE  
AND  
LIFE, INC.**

THIS FIRST AMENDMENT TO PURCHASE AGREEMENT (this "First Amendment") is entered into as of July 8, 2010, between the City of Avondale, an Arizona municipal corporation (the "City") and Life, Inc., an Arizona non-profit corporation ("Contractor").

RECITALS

A. The City and the Contractor entered into a Purchase Agreement dated October 9, 2009, for the administration of a taxi subsidy program (the "Agreement").

B. The City has determined that it is necessary to extend the term of the Agreement, to purchase additional services under the Agreement (the "Additional Services") and to increase the compensation of the Contractor for the Additional Services.

C. The City and the Contractor desire to amend the Agreement to extend the term of the Agreement, to purchase the Additional Services and to increase the compensation of the Contractor for the Additional Services.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing recitals, which are incorporated herein by reference, the following mutual covenants and conditions, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereby agree as follows:

1. Term of Agreement. This Agreement shall be effective as of the date first set forth above and shall remain in full force and effect until October 31, 2010.

2. Scope of Work. Contractor shall administer the City's taxi subsidy transportation program (the "Additional Services") under the terms and conditions of the Initial Agreement, attached hereto as Exhibit A.

3. Compensation. The Contractor's total compensation under this First Amendment and the Agreement shall be increased by no more than \$28,000.00 from \$70,000.00 to an aggregate total amount not to exceed \$98,000.00 as consideration for the Additional Services at the prices set forth in the Initial Agreement, attached hereto as Exhibit A.

4. Effect of Amendment. In all other respects, the Agreement is affirmed and ratified and, except as expressly modified herein, all terms and conditions of the Agreement shall remain in full force and effect.

5. Non-Default. By executing this First Amendment, the Contractor affirmatively asserts that the City is not currently in default, nor has been in default at any time prior to this First Amendment, under any of the terms or conditions of the Agreement.

6. Conflict of Interest. This First Amendment and the Agreement may be cancelled pursuant to ARIZ. REV. STAT. § 38-511.

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

**“City”**

CITY OF AVONDALE, an Arizona  
municipal corporation

By: \_\_\_\_\_  
Charles P. McClendon, City Manager

ATTEST:

\_\_\_\_\_  
Carmen Martinez, Acting City Clerk

**“Contractor”**

LIFE, INC. an Arizona non-profit  
corporation

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

Name: \_\_\_\_\_

Its: \_\_\_\_\_

(ACKNOWLEDGEMENTS)

STATE OF ARIZONA        )  
  ) ss.  
COUNTY OF MARICOPA    )

This instrument was acknowledged before me on \_\_\_\_\_, 2010,  
by Charles P. McClendon, the City Manager of the CITY OF AVONDALE, an Arizona  
municipal corporation, on behalf of the City of Avondale.

\_\_\_\_\_  
Notary Public in and for the State of Arizona

My Commission Expires:

\_\_\_\_\_

STATE OF ARIZONA        )  
  ) ss.  
COUNTY OF MARICOPA    )

This instrument was acknowledged before me on \_\_\_\_\_, 2010,  
by \_\_\_\_\_ as \_\_\_\_\_ of LIFE, INC., an  
Arizona non-profit corporation, on behalf of the corporation.

\_\_\_\_\_  
Notary Public in and for the State of Arizona

My Commission Expires:

\_\_\_\_\_

EXHIBIT A  
TO  
PURCHASE AGREEMENT  
BETWEEN  
THE CITY OF AVONDALE  
AND  
LIFE, INC.

[Agreement]

See following pages.

H12867

**PURCHASE AGREEMENT  
BETWEEN  
THE CITY OF AVONDALE  
AND  
LIFE, INC.**

THIS PURCHASE AGREEMENT (this "Agreement") is entered into as of October 19, 2009, between the City of Avondale, an Arizona municipal corporation (the "City") and Life, Inc., an Arizona non-profit corporation ("Contractor").

RECITALS

A. After a competitive procurement process, the City of Glendale entered into a Contract, resulting from Solicitation No. RFP 05-20, dated as of August 4, 2005, as amended, with the Contractor to provide for the administration of a taxi subsidy program (the "Glendale Contract"). The Glendale Contract is attached hereto as Exhibit A and incorporated herein by reference.

B. The City is permitted by Section 25-24 of the City Code to make purchases under the Glendale Contract without any further public bidding when, in the opinion of the purchasing director, a separate bidding process is not likely to result in a lower price than would be available under the Glendale Contract.

C. The purchasing director has made the determination that a separate bidding process is not likely to result in a lower price than would be available under the Glendale Contract. The City desires to utilize the services of the Contractor for a lower cost than would otherwise be available.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing recitals, which are incorporated herein by reference, the following mutual covenants and conditions, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereby agree as follows:

1. Term of Agreement. This Agreement shall be effective as of the date first set forth above and shall remain in full force and effect until June 30, 2010.

2. Scope of Work. Contractor shall administer the City's taxi subsidy transportation program (the "Services") under the terms and conditions of the Glendale Contract, attached hereto as Exhibit A.

3. Compensation. The City shall pay Contractor an aggregate amount not to exceed \$70,000.00 for the Services, at rates set forth on Exhibit A.

4. Agreement Subject to Appropriation. The provisions of this Agreement for payment of funds by the City shall be effective when funds are appropriated for purposes of this Agreement and are actually available for payment. The City shall be the sole judge and authority

in determining the availability of funds under this Agreement and the City shall keep the Contractor fully informed as to the availability of funds for the Agreement. The obligation of the City to make any payment pursuant to this Agreement is a current expense of the City, payable exclusively from such annual appropriations, and is not a general obligation or indebtedness of the City. If the City Council fails to appropriate money sufficient to pay the amounts as set forth in this Agreement during any immediately succeeding fiscal year, this Agreement shall terminate at the end of then-current fiscal year and the City and the Contractor shall be relieved of any subsequent obligation under this Agreement.

5. Conflict of Interest. This Agreement may be cancelled pursuant to ARIZ. REV. STAT. § 38-511.

6 Records and Audit Rights. Contractor's and its subcontractor's books, records, correspondence, accounting procedures and practices, and any other supporting evidence relating to this Agreement, including the papers of any Contractor and its subcontractors' employees who perform any work or Services pursuant to this Agreement to ensure that the Contractor and its subcontractors are complying with the warranty under Section 7 below (all the foregoing hereinafter referred to as "Records"), shall be open to inspection and subject to audit and/or reproduction during normal working hours by the City, to the extent necessary to adequately permit (a) evaluation and verification of any invoices, payments or claims based on Contractor's and its subcontractors' actual costs (including direct and indirect costs and overhead allocations) incurred, or units expended directly in the performance of work under this Agreement and (b) evaluation of the Contractor's and its subcontractors' compliance with the Arizona employer sanctions laws referenced in Section 7 below. To the extent necessary for the City to audit Records as set forth in this subsection, Contractor and its subcontractors hereby waive any rights to keep such Records confidential. For the purpose of evaluating or verifying such actual or claimed costs or units expended, the City shall have access to said Records, even if located at its subcontractors' facilities, from the effective date of this Agreement for the duration of the work and until three years after the date of final payment by the City to Contractor pursuant to this Agreement. Contractor and its subcontractors shall provide the City with adequate and appropriate workspace so that the City can conduct audits in compliance with the provisions of this subsection. The City shall give Contractor or its subcontractors reasonable advance notice of intended audits. Contractor shall require its subcontractors to comply with the provisions of this subsection by insertion of the requirements hereof in any subcontract pursuant to this Agreement.

7. E-verify Requirements. To the extent applicable under ARIZ. REV. STAT. § 41-4401, the Contractor and its subcontractors warrant compliance with all federal immigration laws and regulations that relate to their employees and compliance with the E-verify requirements under ARIZ. REV. STAT. § 23-214(A). Contractor's or its subcontractor's failure to comply with such warranty shall be deemed a material breach of this Agreement and may result in the termination of this Agreement by the City.

8. Scrutinized Business Operations. Pursuant to ARIZ. REV. STAT. §§ 35-391.06 and 35-393.06, the Contractor certifies that it does not have scrutinized business operations in Sudan or Iran. For the purpose of this subsection the term "scrutinized business operations" shall have the meanings set forth in ARIZ. REV. STAT. § 35-391 or 35-393, as applicable. If the City

determines that Contractor submitted a false certification, the City may impose remedies as provided by law including terminating this Agreement pursuant to the Glendale Contract.

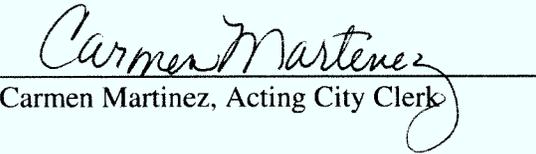
IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date and year first set forth above.

**“City”**

CITY OF AVONDALE, an Arizona  
municipal corporation

By:   
Charles P. McClendon, City Manager

ATTEST:

  
Carmen Martinez, Acting City Clerk

**“Contractor”**

LIFE, INC. an Arizona non-profit  
corporation

By: 

Name: Mia Ferguson

Its: Pres/CEO

(ACKNOWLEDGEMENTS)

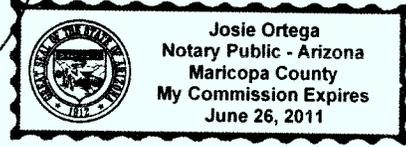
STATE OF ARIZONA )  
 ) ss.  
COUNTY OF MARICOPA )

This instrument was acknowledged before me on October 27, 2009,  
by Charles P. McClendon, the City Manager of the CITY OF AVONDALE, an Arizona  
municipal corporation, on behalf of the City of Avondale.

Josie Ortega  
Notary Public in and for the State of Arizona

My Commission Expires:

June 26, 2011



STATE OF ARIZONA )  
 ) ss.  
COUNTY OF MARICOPA )

This instrument was acknowledged before me on 11-9-, 2009,  
by Mike Fitzgerald as President of LIFE, INC., an  
Arizona non-profit corporation, on behalf of the corporation.

Barry A. Spath  
Notary Public in and for the State of Arizona

My Commission Expires:

Sept 4 2010

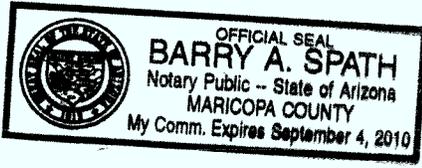


EXHIBIT A  
TO  
PURCHASE AGREEMENT  
BETWEEN  
THE CITY OF AVONDALE  
AND  
LIFE, INC.

[Glendale Contract]

See following pages.



**Contract Amendment No. Five (5)**  
**RFP 05-20**  
**Taxi Subsidy Program**

CITY OF GLENDALE  
Materials Management  
6829 N. 58<sup>th</sup> Dr., Suite 202  
Glendale, Arizona 85301

All other provisions of the solicitation shall remain the same.

Please fax the signed Amendment to the Buyer by July 15, 2009 at (623) 847-5317.

In witness whereof, the parties hereto have executed this Amendment to be effective the date first written above.

By: Brian Guzzi, C.P.M., Buyer, City of Glendale, 623-930-2863.

*ALL OTHER PROVISIONS OF THE CONTRACT SHALL REMAIN IN THEIR ENTIRETY.*

Contractor hereby acknowledges receipt of and agreement with the addendum. A signed copy must be filled with the Glendale Materials Management Office. Please provide current information if address has changed.

LIFE Inc.

Ph: 480-222-4125

Fax: 480-222-4123

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Typed/Printed Name and Title



## Contract Amendment No. Five (5)

RFP 05-20

### Taxi Subsidy Program

CITY OF GLENDALE  
Materials Management  
6829 N. 58<sup>th</sup> Dr., Suite 202  
Glendale, Arizona 85301

to requesting another supply of coupons. Contractor will print origin and destination, and customer name on voucher prior to sending to customer. Customer will hand valid voucher to taxi driver at time of ride (along with their share of trip cost) and provide identification. Taxi driver will complete required information which includes number of trip miles, total trip cost, amount paid by customer, sign the voucher, and have the passenger verify and sign voucher. The taxi company will return completed vouchers to Contractors for reimbursement. Vouchers will be sent to City at the end of each month along with an itemized invoice for services. Vouchers will have no cash value. Vouchers will have an expiration date of 6 months from date of issue. The date of issue and the expiration date are to be indicated on the voucher. Due to the nature of the Program being implemented as a one-year pilot program, unless otherwise indicated by the City, all coupons will expire by June 30, 2006.

**To: Vouchers** – Customers must obtain vouchers prior to using the service. *For trips outside Glendale, a 72 hour notice is required.* Eligible customer's name must be printed on voucher. Origin and destination must be printed on voucher for voucher to be valid. *For trips within Glendale,* the voucher should be easy to use and read and include an information table on the back showing the cost of the customer's (25%) trip cost. *For trips outside of Glendale, the voucher will read that the passenger is responsible for a \$5.00 charge.* The voucher will also clearly waive any and all claims or lawsuits that could be presented to the City, the Contractor, or the taxi company by the customer that are associated in any manner with the customer's medical condition. The customer must request vouchers from Contractor. No more than 30 coupons (one-month's worth) should be issued to a customer at one time. Customer must have used at least half of the coupons issued prior to requesting another supply of coupons. Contractor will print origin and destination, and customer name on voucher prior to sending to customer. Customer will hand valid voucher to taxi driver at time of ride (along with their share of trip cost) and provide identification. Taxi driver will complete required information which includes number of trip miles, total trip cost, amount paid by customer, sign the voucher, and have the passenger verify and sign voucher. The taxi company will return completed vouchers to Contractors for reimbursement. Vouchers will be sent to City at the end of each month along with an itemized invoice for services. Vouchers will have no cash value. Vouchers will have an expiration date of 6 months from date of issue. The date of issue and the expiration date are to be indicated on the voucher. Due to the nature of the Program being implemented as a one-year pilot program, unless otherwise indicated by the City, all coupons will expire by June 30, 2006.



**Contract Amendment No. Five (5)**  
**RFP 05-20**  
**Taxi Subsidy Program**

CITY OF GLENDALE  
Materials Management  
6829 N. 58<sup>th</sup> Dr., Suite 202  
Glendale, Arizona 85301

- f. Residents wishing to take trips outside of City borders must have taken at least one trip on Maricopa County Special Transportation Services after December 1, 2008 and are not able to use the existing dial-a-ride systems.*
- g. Residents wishing to take trips outside of City borders must be approved by the City of Glendale.*
- h. Trip purposes for trips outside of City borders must be approved by the City of Glendale.*

**Section 3.1.2 of the Specifications shall change from**

**From:** Program Subsidy Methodology – The Program will provide a subsidy not to exceed \$15.00 per trip for taxi rides. The customer will pay 25% of the fare. The Program will pay the remainder of the trip cost (75% of the fare). If a trip cost exceeds the maximum amount of \$15.00, the customer will be responsible for any amount over \$15.00. The Program will also pay an additional 15% gratuity of the actual trip cost (based on the maximum allowed trip cost of \$15.00). (See Attachment B for trip cost examples.)

**To:** Program Subsidy Methodology – *For trips within Glendale*, the program will provide a subsidy not to exceed \$15.00 per trip for taxi rides. The customer will pay 25% of the fare. The Program will pay the remainder of the trip cost (75% of the fare). If a trip cost exceeds the maximum amount of \$15.00, the customer will be responsible for any amount over \$15.00. The Program will also pay an additional 15% gratuity of the actual trip cost (based on the maximum allowed trip cost of \$15.00). (See Attachment B for trip cost examples.) *For trips outside of Glendale borders, the passenger is required to pay a \$5.00 fare. The City will pay for an additional 15% gratuity, capped at a \$15.00 trip cost.*

**Section 3.1.4 of the Specifications**

**From:** Vouchers – Customers must obtain vouchers prior to using the service. Eligible customer's name must be printed on voucher. Origin and destination must be printed on voucher for voucher to be valid. The voucher should be easy to use and read and include an information table on the back showing the cost of the customer's (25%) trip cost. The voucher will also clearly waive any and all claims or lawsuits that could be presented to the City, the Contractor, or the taxi company by the customer that are associated in any manner with the customer's medical condition. The customer must request vouchers from Contractor. No more than 30 coupons (one-month's worth) should be issued to a customer at one time. Customer must have used at least half of the coupons issued prior



**Contract Amendment No. Five (5)**  
**RFP 05-20**  
**Taxi Subsidy Program**

CITY OF GLENDALE  
Materials Management  
6829 N. 58<sup>th</sup> Dr., Suite 202  
Glendale, Arizona 85301

**Section 3.1.1 of the Specifications shall change from**

**From:** Contractor will issue applications and receive and review applications from Glendale residents requesting to use the medical-needs transportation service. Contractor will determine eligibility status based on Program eligibility requirements:

- a. Glendale resident
- b. Person with a disability requiring repetitive medical therapies (dialysis, chemotherapy, and some physical therapies which can be classified as a medical-needs service. An example would be stroke rehabilitation.)
- c. All medical-needs trips will be limited to service within Glendale city limits (origin and destination within Glendale city limits). Requests for transportation outside of Glendale will be referred to Maricopa County Special Transportation Services, which provides service for trips going outside of Glendale.
- d. All customers requesting medical-needs service must be medically stable. Medical-needs service shall not be used to provide emergency medical transportation.
- e. Contractor will provide City with indemnification against any claims related to program eligibility or selection for inclusion within the program.

**To:** Contractor will issue applications and receive and review applications from Glendale residents requesting to use the medical-needs transportation service. Contractor will determine eligibility status based on Program eligibility requirements:

- a. Glendale resident
- b. Person with a disability requiring repetitive medical therapies (dialysis, chemotherapy, and some physical therapies which can be classified as a medical-needs service. An example would be stroke rehabilitation.)
- c. *With the exception of those who have taken trips on Maricopa County STS after December 1, 2008 and are unable to transfer on dial-a-ride, medical-needs trips will be limited to service within Glendale city limits (origin and destination within Glendale city limits). Requests for transportation outside of Glendale must be approved by the City of Glendale.*
- d. All customers requesting medical-needs service must be medically stable. Medical-needs service shall not be used to provide emergency medical transportation.
- e. Contractor will provide City with indemnification against any claims related to program eligibility or selection for inclusion within the program.



**Contract Amendment No. Five (5)**  
**RFP 05-20**  
**Taxi Subsidy Program**

CITY OF GLENDALE  
Materials Management  
6829 N. 58<sup>th</sup> Dr., Suite 202  
Glendale, Arizona 85301

In accordance with the Special Terms and Conditions, the above referenced contract is amended as follows:

Effective July 15, 2009 the contract shall be amended as follows:

**Section 1.3.3. of the Specifications shall change**

**From:** Cost for gratuities paid to taxi company by contractor (up to 15% per ride cost – maximum trip cost of \$15.00 for medical trips and maximum trip cost of \$35.00 for domestic violence assistance rides.)

**To:** *For trips within Glendale*, cost for gratuities paid to taxi company by contractor (up to 15% per ride cost –maximum trip cost of \$15.00 for medical trips and maximum trip cost of \$35.00 for domestic violence assistance rides.) *For trips outside of Glendale, the cost for gratuities paid to taxi company by contractor (up to 15% per ride cost, capped at a \$15.00 per trip cost).*

**Section 2.1.3 of the Specifications shall change**

**From:** Review customer applications for the medical component and make determinations of eligibility per program standards.

**To:** Review customer applications for the medical component and make determinations of eligibility per program standards *for trips within Glendale. For trips outside the City of Glendale, register applicants approved by the city.*

**Section 2.2.5 of the Specifications shall change**

**From:** Collect twenty-five percent (25%) of total ride cost from Customer for each medical-needs transportation service provided with a trip cost not to exceed \$15.00. Customer is responsible for any trip cost overrun exceeding \$15.00.

**To:** *For trips within Glendale*, collect twenty-five percent (25%) of total ride cost from Customer for each medical-needs transportation service provided with a trip cost not to exceed \$15.00. Customer is responsible for any trip cost overrun exceeding \$15.00. *For trips outside of Glendale, collect a \$5.00 per trip charge.*



**Contract Addendum No. Four  
RFP 05-20  
Taxi Subsidy Program**

CITY OF GLENDALE  
Materials Management  
6829 North 58th Drive, Suite 202  
Glendale, Arizona 85301-2599

In accordance with the Special Terms and Conditions, the above referenced contract is amended as follows

The option to extend the term of the agreement is exercised this 22nd day of April 2009, The term of the contract is hereby extended from July 1, 2009 through June 30, 2010, unless terminated, canceled or extended as provided within the contract.

The anticipated expenditure for the next contract period will be \$70,000.

All other provisions of the contract shall remain in their entirety.

The existing insurance certificate will expire on 1/17/2010 and in order to continue with this contract a new certificate applying to the extended term is required and must be received by the Buyer at that time.

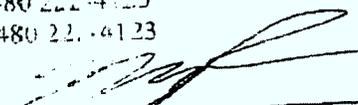
Please fax the signed addendum to the Contract Specialist by April 30, 2009 to (623) 915-2694.

By: Helga Simpson, Contract Specialist, City of Glendale, (623) 930-2864

In witness whereof, the parties hereto have executed this amendment to be effective the date first written above.

Contractor hereby acknowledges receipt of and agreement with the addendum. A signed copy must be filed with the Glendale Materials Management Office. Please provide current information if address has changed.

LIFE, Inc  
Ph: 480 222-4125  
Fax: 480 222-4123

 5/6/09  
\_\_\_\_\_  
Authorized Signature Date

Mike Lejeune Pres/CEO  
\_\_\_\_\_  
Print Name and Title

 <p><b>Contract addition # 13 Three</b> <b>REP 0108</b> <b>Final Submittal</b></p>
<p><b>CITY OF DUNDEE</b> 100 Dundee Drive Dundee, Michigan 48133 Contract # 07-0000000000</p>

In accordance with the Special Terms and Conditions of the original contract is amended as follows:

The option to extend the term of the agreement is exercised on the 14th day of April 2008. The term of the contract is hereby extended from July 1, 2007, through June 30, 2009, unless terminated, canceled or extended as provided within the contract.

The anticipated order volume for the next 12 months is \$1,000,000.

All other provisions of the contract shall remain in effect.

The existing purchase order will expire on 04/15/08 and in order to continue with this contract a new purchase order must be issued. The purchase order must be received by the Buyer at that time.

Please fax the signed addendum to the Contract Specialist at 1240 Dundee at fax number (623) 413-2394

By: Ailga Simpson, Contract Specialist, City of Dundee, 1240 Dundee

in witness whereof, the parties have hereunto set their hands and seals on the date first written above.

Contract # 07-0000000000

City of Dundee  
Fax: (623) 413-2394  
Fax: (623) 413-2394



Authorized Signature

Printed Name and Title



## **2.3 ALTERNATIVE OFFERS /EXCEPTIONS**

We respectfully request your consideration of our suggestions regarding the items which follow:

### **3.1.4 Vouchers**

It is stated in Section 3.1.4 of the RFP that customers must have used ½ their vouchers prior to requesting additional vouchers. This is a problem because voucher usage is only known after taxi invoices have been received and reconciled which is well after the time a client needs additional vouchers. We will work closely with individuals and social workers to monitor voucher use and will request that unused vouchers are returned to us.

We request an annual expiration date on the vouchers instead of a six month date. Since clients in the taxi program will be enrolled on different dates, having a six month expiration date will be confusing. In our other taxi programs we have found it effective to have all vouchers expire at the same time. This avoids problems with the taxi companies and clients and works better for our software programs.

### **4.1.3 Quarterly Evaluation Reports**

To adequately answer the question of whether clients prefer the Taxi Program or Dial-a-ride and why requires surveying the clients. In our current programs we do this annually and even at that find it a daunting task that takes repeated contacts. Trying to do this four times a year would be very difficult, so we suggest an annual survey.

EASTSEA

# ACORD™ CERTIFICATE OF INSURANCE

DATE (MM/DD/YY)  
01/13/05

**PRODUCER**

Commercial Insurance Dept.  
Schaefer-Smith-Ankeney Ins.  
P.O. Box 10067  
Phoenix, AZ 85064

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

**COMPANIES AFFORDING COVERAGE**

**COMPANY**

Aphiladelphia Insurance Company(Phx)

**INSURED**

Easter Seals Arizona, Inc.  
Easter Seals Arizona Foundation, Inc.  
2075 S. Cottonwood  
Tempe, AZ 85282

**COMPANY**

B

**COMPANY**

C

**COMPANY**

D

**COVERAGES**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED, NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

CO LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
A	<b>GENERAL LIABILITY</b>	PHPK105271	01/02/05	01/02/06	GENERAL AGGREGATE \$2,000,000
	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY				PRODUCTS-COMP/OP AGG \$2,000,000
	<input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR				PERSONAL & ADV INJURY \$1,000,000
	<input type="checkbox"/> OWNER'S & CONTRACTOR'S PROT				EACH OCCURRENCE \$1,000,000
					FIRE DAMAGE (Any one fire) \$100,000
					MED EXP (Any one person) \$5,000
A	<b>AUTOMOBILE LIABILITY</b>	PHPK105271	01/02/05	01/02/06	COMBINED SINGLE LIMIT \$1,000,000
	<input type="checkbox"/> ANY AUTO				BODILY INJURY (Per person) \$
	<input checked="" type="checkbox"/> ALL OWNED AUTOS				BODILY INJURY (Per accident) \$
	<input type="checkbox"/> SCHEDULED AUTOS				PROPERTY DAMAGE \$
	<b>GARAGE LIABILITY</b>				AUTO ONLY-EA ACCIDENT \$
	<input type="checkbox"/> ANY AUTO				OTHER THAN AUTO ONLY:
					EACH ACCIDENT \$
					AGGREGATE \$
A	<b>EXCESS LIABILITY</b>	PHUB039915	01/02/05	01/02/06	EACH OCCURRENCE \$4,000,000
	<input checked="" type="checkbox"/> UMBRELLA FORM				AGGREGATE \$4,000,000
	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b>				STATUTORY LIMITS
	<input type="checkbox"/> THE PROPRIETOR/PARTNERS/EXECUTIVE OFFICERS ARE: <input type="checkbox"/> INCL <input type="checkbox"/> EXCL				EACH ACCIDENT \$
					DISEASE-POLICY LIMIT \$
					DISEASE-EACH EMPLOYEE \$
	<b>OTHER</b>				

**DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/SPECIAL ITEMS**

This form is subject to policy terms and conditions.

**CERTIFICATE HOLDER**

**CANCELLATION**

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES AUTHORIZED REPRESENTATIVE EXCEPT 10 DAYS FOR NONPAYMENT

RH Insurance Services, Inc. Irvine, Ca 1984-1989

Vice President, Finance

Start up environment. Systems implementation, banking, finance, cash management, government reporting/audit

#### RESPONSIBILITIES AND ACHIEVEMENTS

Management of Finance, Treasury, Accounting, Tax, Risk Management and Human Resources.

\* Designed budget and cash flow system to monitor banking and credit facilities on a daily basis with a monthly variance of less than .004% from budget.

\* Development of manual and automated accounting systems integrated with the latest in computer and telecommunications technology to keep all departments in touch at the least cost, including voice over data and free long distance services.

\* Management of Banking relationships, negotiating lines of credit, increasing cash flows and reducing risk and interest expense.

\* Human Resource Administration - Cost control through automation and increasing staff effectiveness through hiring practices and training. Cut staff in half while increasing responsiveness and increasing output. Payroll, employee benefits, risk management, safety programs and labor compliance.

\* Computer Proficiency - Windows, Word, Excel, Access, Accounting and Banking software, Inventory and Cost Accounting systems, Internet, data and voice networks.

#### EDUCATION

Degree in Business Finance, Brigham Young University  
-Bachelors Degree with Minor in Business Administration  
-Special Emphasis in Tax, Accounting, and Investment

CMA - Certified Management Accountant

Douglas L. Taylor, CMA

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1803 W. San Angelo St., Gilbert, AZ 85233  
Res (480) 539-9035 Cell (602)615-2869

PROFESSIONAL EXPERIENCE

Easter Seals Arizona Tempe, AZ 2005-Current  
Chief Financial Officer

M2 Group, Inc. Mesa, AZ 2003-2005

Controller

Took this fast growing Civil Engineering Company to the next level. Implemented Accounting procedures and Converted Accounting system from Quickbooks to Wind2 software. Hired staff accountants and managed growth.

Contract Work

Phoenix, AZ 09/2001-11/2003

- Voice, Video, Data, Inc. Contract Controller for multiple start-up construction companies, accounting system, controls, Financials.

- NCS Pearson, Inc. Contract Sr. Accountant, Period-end close, Oracle Financial maintenance, Product line P&Ls, Year-end Tax Package, GL Reconciliations, Maintenance of MIS Report Distribution, SEC reports to Corporate.

- Stratco, Inc. Contract Controller for distressed company, organized records, systems and controls, Sold non-producing assets and worked with VCs in offering preparation, negotiations and acquisition by Dupont for \$55M.

Modern Industries, Inc. Phoenix, AZ 1998-August 2001

Controller

Supervision of Accounting and HR for Aerospace manufacturer. Managed 3 years growth from \$1M to \$11M per month with increased financing, managed cash flow, and no additional personnel. Moved inventory from manual tracking to full automation. Converted Accounting systems to Manuf. Software.

Bruneel Company, Inc. Lewiston, ID 1991-1998

Controller

Management of all aspects of finance, accounting, credit, tax and Systems administration. Retail, wholesale distribution, and manufacturing. Consolidated statements and tax returns for multiple corporations in multiple states. Budget, Forecasts, Inventory Control, Government Contract Admin, Risk Management and HR.

Daily Instruments Corporation Tustin, CA 1989-1990

Controller

Directed all financial functions for high tech aerospace manufacturer. Developed and maintained automated cost accounting and inventory system. Due diligence of acquisitions. Consolidated financial statements and tax returns.

CYNTHIA A. TOOLEY  
3136 North 37th Street, No. 6  
Phoenix, Arizona 85018  
602-954-7867 cynditooley@hotmail.com

**OBJECTIVE:**

A responsible position utilizing my skills in organization, management and planning

**SUMMARY OF CAPABILITIES:**

- Written and verbal communications
- Project coordination
- Detail orientation
- Word processing, WordPerfect 6.0 for Windows, Microsoft Word, Access
- People skills

**EXPERIENCE:**

- Prepared voucher forms for taxi transportation for dialysis patients and disabled workers
- Maintained mailing list database
- Fulfilled consumer requests for mobility products
- Assisted in writing and preparing grant proposals and grant reports
- Assisted in coordination of fund raising events
- Assisted in coordination of conferences, typed notes and assisted editing of publication of conference participants' recommendations
- Coordinated meetings for Board of Directors, recorded and transcribed minutes
- Edited and coordinated publication of quarterly newsletter
- Coordinated volunteers for sponsorship of 40 families in need for holiday season
- Prepared data for payroll for staff of 80 and distributed payroll checks
- Typed correspondence, composed general reply letters and performed daily office tasks
- Coordinated ordering of office supplies and maintenance of office equipment
- Prepared purchase orders, quotations and stock list catalogs for special accounts
- Prepared documents for establishing limited liability companies and corporations

**EMPLOYMENT:**

- **Administrative Assistant**  
Easter Seals Arizona, Tempe, AZ, 12/03 – Present
- **Legal Assistant**  
Plattner, Schneidman & Schneider, P.C., Phoenix, AZ, 5/02 – 11/02
- **Administrative Assistant/Office Manager**  
Phoenix Revitalization Corporation, Phoenix, AZ, 9/97 – 3/02
- **Clinical Secretary/Secretary to Executive Director**  
New Arizona Family, Inc., Phoenix, AZ, 2/89 – 9/97
- **Secretary/Assistant to Credit Manager**  
A. M. Castle & Company, Phoenix, AZ, 8/80 – 2/89
- **Secretary to Executive Director**  
Arizona Town Halls, Phoenix, AZ, 3/79 – 8/80

**EDUCATION**

Sinclair Community College, Dayton, Ohio – 35 hours in management, accounting, business law and business English

Rio Salado Community College/National Association of Credit Management, Phoenix, Arizona, 1983, Certificate of Credit Management

Her intimate knowledge of the computer software and its capabilities, combined with good people skills, have enabled her to cultivate positive relations with the social workers at the dialysis centers and the account managers at the taxi companies. This combination of skills makes her a very good candidate for the Glendale program.

She is conscientious in issuing vouchers on time and takes care to avoid any mistakes. Cynthia is proficient in using the computer mapping program to determine accuracy between taxi company invoices and used vouchers.

In order to ensure that she has adequate time to manage the Glendale program, we will assign other staff to some of the duties for which Cynthia is now responsible.

The designated staff of Easter Seals Arizona has the knowledge and experience to perform the duties as outlined in this RFP.

Consults with other organizations on transportation and related matters- during the past five years, these include:

- Arizona Industries for the Blind
- Phoenix Parks and Recreation Clear Path Program
- City of Scottsdale Cab Connection
- Maricopa County Job Links
- Maricopa Association of Governments Senior Mobility Initiative and Coordination Project
- City of Mesa Coupons for Cabs
- City of Tempe, Tempe Community Council
- Glendale Transit

### **Training**

- For Transportation Providers Disability Awareness Training  
*People with disabilities* make presentations to increase disability awareness. In 2005, this training has been provided to transit personnel in Phoenix, Tempe and Glendale.
- For Transportation Customers Peer Travel Training  
Experienced bus users with disabilities train others with disabilities to use the bus.

### **Special Projects**

#### **Ongoing**

- *Dialysis Transportation Program* –Taxi Subsidy Program for trips to dialysis supported by the City of Phoenix
- *Taxi Subsidy Program* - Taxi Subsidy Program for trips to work for people whose disability precludes bus use, supported by the City of Phoenix
- *Dial-a Ride Quality Assurance Program* – People with disabilities provide field monitoring of the Phoenix Dial-a-Ride, supported by the City of Phoenix

#### **Short Term**

- *Travel Training For People with Developmental Disabilities* – Training people with developmental disabilities and their caregivers to use the public transit system effectively and safely, supported by the Governors Council on Developmental Disabilities

#### Personal

Betsy Buxer is a long time resident of Arizona, married with two grown sons.

#### Employment

Her early career, before having children, was elementary education. Since 1979, she has been Director of the Transportation Project which was formerly with The Community Forum and has been with Easter Seals Arizona since January, 2003.

#### Education

BS in Elementary Education, State University of New York at Cortland, New York  
Graduate Studies, emphasis on Special Education, Arizona State University

Betsy Buxer  
Easter Seals Arizona  
2075 S. Cottonwood  
Tempe, Arizona 85282  
(480) 222 4132

## **Experience Summary**

Betsy Buxer is a Transportation professional with over 25 years experience in transportation program development, administration, and operations. She is active in procuring and conducting applied research at the local and national level. She specializes in improving transportation for people with disabilities including older adults. In partnership with people with disabilities, the following activities are provided.

- Information Collection and Dissemination
- Education and Problem Solving
- Technical Assistance
- Training
- Special Projects

## **Information Collection and Dissemination**

- Maintains a complete listing of transportation services in Maricopa County- publishes *The Directory of Transportation Services in Maricopa County*
- Produces a brochure- "*Selected Transportation Service in Maricopa County*"

## **Education and Problem Solving:**

- Provides Transportation Information Exchanges annually where providers and users of transportation services in Maricopa County share information, best practices and issues of concern
- Organizes task forces to address specific problems in mobility for people with disabilities, older adults and others

## **Technical Assistance**

Assists organizations and individuals with trip planning, transportation planning and interpreting the Americans with Disabilities Act.

Participates on advisory committees and proposal review panels:

- Maricopa Association of Governments 5310 Program vehicle selection panel, 2005
- Community Development Block Grant Committee 2005
- Senior Services Advisory Committee 2005
- Human Services Commission, Chair 2004-2005

In our role as a coordinator of transportation for people with disabilities, we have had the pleasure of working with many of the people who serve older adults and people with disabilities.

We have had a good deal of contact with Glendale Transit over many years and are aware of the successes and the growth that the City and the Dial-a-Ride have experienced.

**RFP 05-20 Easter Seals Arizona  
Specifications Section 5.2.8 Project Organization and Key Personnel**

**Program Management**

Easter Seals transportation staff, trained and experienced in managing the City of Phoenix Taxi Subsidy Programs, will manage the Glendale program. This includes three positions.

- **The Taxi Subsidy Program Director** provides supervision to all aspects of the program, registers customers and establishes and maintains communication with social workers, victim assistance case workers, and taxi providers. The program director is also responsible for quality control, marketing, program analysis, budget supervision and reporting quarterly and annually to the city of Glendale.
- **The Taxi Subsidy Program Manager** conducts the day-to day operation of the program including updating client records, issuing vouchers, reconciling taxi company invoices, communicating regularly with social workers and taxi companies and preparing cumulative reports.
- **Easter Seals Chief Financial Officer** will verify the voucher reconciliation provided by the program manager and pay the taxi company invoices. This position will also assist in preparing the project budget and income and expense reports.

Betsy Buxer who designed and currently directs the Phoenix programs will act as Project Director. She has advised many communities on Taxi Subsidy Programs and worked intensively with Scottsdale to develop their current Cab Connection. This experience will be useful in establishing the Glendale program.

Even though our experience and established procedures will save us time in initiating the Glendale program, the start up activities will be time-consuming in that we are serving three populations and in a sense will be providing three different programs. Therefore the time needed may exceed the funds available for staff time. If this happens, we are fully prepared to contribute additional time to the project.

Cynthia Tooley, working closely with Betsy Buxer, will conduct the day-to-day management of the program as she has been doing with the Phoenix programs for the past 1 1/2 years. Cynthia has managed other programs of this size in the past.

**RFP 05-20 Easter Seals Arizona**

**Specifications Section 5.2.6 TIME LINE FOR IMPLEMENTATION OF PROJECT**

GLENDALE TAXI USER-SIDE SUBSIDY PROGRAM	
DATE	ACTIVITY
Months One and Two	<ul style="list-style-type: none"> <li>• Meet with Glendale staff</li> <li>• Develop flyers and brochures (with Glendale staff)</li> <li>• Design vouchers</li> <li>• Identify medical and dialysis center locations</li> <li>• Meet with renal social workers</li> <li>• Meet with hospital representatives</li> <li>• Meet with victim assistance case workers</li> <li>• Identify eligible taxi companies</li> <li>• Meet with taxi companies</li> <li>• Adapt software to new programs</li> <li>• Order supplies</li> <li>• Design reporting forms</li> <li>• Prepare surveys</li> </ul>
Month 1 - Ongoing	<ul style="list-style-type: none"> <li>• Register Clients</li> <li>• Issue and send vouchers with letters and cab lists</li> <li>• Reconcile taxi bills</li> <li>• Provide monthly reports</li> <li>• Trouble shoot as necessary</li> </ul>
Months Three, Seven and Ten	<ul style="list-style-type: none"> <li>• Provide quarterly reports</li> </ul>
At completion of pilot phase	<ul style="list-style-type: none"> <li>• Survey clients, social workers and case workers</li> <li>• Provide annual report</li> </ul>

**RFP 05-20 Easter Seals Arizona**

**Specifications Section 5.2.7 Knowledge and Understanding of Local Environment and Relevant Laws**

Before moving to Easter Seals two years ago, the Transportation Project was part of Community Forum, a community coordinating and planning agency. This affiliation exposed staff to programs, agencies and organizations throughout Maricopa County. During that time the Glendale Community Council merged with the Community Forum in Phoenix providing a window into activities, organizations and businesses in Glendale. Subsequently the Glendale Community Council spun off from Community Forum and is now the Glendale Human Services Council.

### Reporting

Monthly reports will be provided to the City of Glendale showing usage of the program during that month; used vouchers will be attached. These reports will be submitted with a properly itemized invoice.

Quarterly reports will be provided and will include total number of rides, customer feedback and efforts to market the program. (We have addressed this issue in our attached Alternate Offer/Exceptions)

An Annual Report will be prepared for the City of Glendale which will compile the information on the quarterly reports as well as additional detail.

### RFP 05-20 Easter Seals Arizona

#### Specifications Section 5.2.5 ADMINISTRATIVE FEES

To operate the Taxi User-Side Subsidy Program in Glendale we propose that the budget of \$100,000 be divided in the following manner, \$71,000 to go directly to participants, \$29,000 to be used to initiate and operate the program during FY 2005-2006.

Glendale Taxi Subsidy Program Budget	FY 2005-2006	Totals
Direct assistance to participants		\$71,000
Administrative Costs		\$29,000
Salaries and Benefits Program Director 204 hours Program Manager 425 hours	\$12,840	
Travel	\$360	
Office Supplies Postage Paper supplies Equipment supplies Ink stamps	\$1,000.	
Printing costs Brochures Flyers Letters Reports	\$800	
Software update and adaptation	\$2,000	
Indirect (including accounting services)	\$12,000	
Total Budget		\$100,000

### Timelines

After initially registering the dialysis clients, patient lists will be sent to social workers for updating during the second week of each month. A month's supply of vouchers for each patient will be issued and mailed to social workers during the third week of the month. For patients who start the program at other times, the social workers will fax a request and vouchers will be mailed within three days.

Individuals requiring medical, non-dialysis trips will be screened and registered by the Program Director. The number of vouchers sent will depend on each situation. Vouchers will usually be sent within three days. Victim Assistance Caseworkers will receive numbered vouchers to have on hand. Supplies will be replenished as needed.

### Checks and balances

After the Program Manager issues and checks the vouchers, the Program Director reviews each set of vouchers before they are sent to customers. The Program Director also reviews invoices and reconciliation reports.

### Program evaluation

The program will be evaluated to determine its effectiveness, user acceptance, financial impact and effect on Glendale Transit through surveys and through trip data from Dial-a-Ride and the Taxi Subsidy Program.

Trips for dialysis will be measured by:

- Acceptance by program participants
- Acceptance by social workers
- Usage of the taxi program – by dialysis patients who previously used Glendale Dial-a-Ride and those who have not used Dial-a-Ride
- Cost of trips

Trips for other medical needs will be measured by:

- Acceptance by program participants
- Acceptance by social workers
- Cost of trips

Trips for victims of domestic violence will be measured by:

- The availability and quality of the taxi service when it was needed (including the sensitivity of drivers)
- The ease of use of the numbered vouchers from the user and program perspective
- Effectiveness of safeguards against abuse

The impact of the Taxi Program on Dial-a-Ride will be measured by:

- Dial-a-Ride usage numbers
- Dial-a-Ride cost per trip

### Using vouchers

The medical program travel vouchers pay 75% of the taxi fare to a dialysis center or other medical facility for eligible participants. The patient pays the remaining 25%. The value of a voucher is capped at \$15.00. A 15% gratuity is also paid by the program. At the time of each trip the participant in the medical programs will give the taxi driver one voucher and 25% of the fare. If the total fare exceeds \$15.00, the user is responsible for the overage. The driver fills in the voucher with mileage and costs and he and the patient sign the voucher which the driver then turns in to his company for payment. Only trips originating and ending in the City of Glendale are eligible for the subsidy. Each voucher is printed on check paper with the person's name, address and dialysis center address, providing a safeguard against abuse.

For the Victim Assistance Program, Glendale travel vouchers will be numbered and there is no user share. Each voucher is capped at \$35.00 for a one way trip.

### Customer problems and issues

We are always available to speak with customers about any problems they are having with their taxi trips. However we encourage customers to communicate directly with the taxi provider or to change companies when service is inadequate. User-side subsidy programs empower customers and we do not want to diminish that except in very selected situations.

### Reconciling Invoices

The ACCESS Software that was developed especially for Easter Seals User-Side Subsidy Taxi Programs assists in issuing vouchers, justifying taxi bills, comparing vouchers issued with vouchers used and producing reports.

Since cab drivers sometimes have difficulty filling out the vouchers accurately, we have developed checks and balances to ensure we are paying the right amount. We use a computer mapping program to determine the mileage of each trip, and based on the trip distance and the cab company rate, we calculate what the trip should cost. If the amount charged for the trip does not agree with our calculation, we discuss the discrepancies with the taxi company in question and pay the corrected amount.

The program can isolate and compile data for a time period, a taxi provider or a user. This software has proven to be versatile and has been shared with Maricopa County and Scottsdale. We propose making the necessary alterations and using the same software to run the Glendale programs.

serving. We will also identify the people we will need to communicate with in each of the facilities. Qualified taxi companies will be identified.

### **Start-up activities**

Start-up activities are very important to the success of the program. Experience has shown us that no matter how straightforward instructions seem, there is always room for misunderstanding. Therefore we will plan to meet face to face with the principals in this program. Time spent in this phase of development can ensure time saving in the long run. The goal here is to be sure that everyone involved understands and buys in to the program. This phase lays the groundwork for ongoing communication when the program is implemented. Start-up activities include:

- Meeting with Glendale staff
- Designing vouchers (with Glendale staff)
- Developing flyers and brochures for the Glendale Program that will introduce the program to medical facilities including dialysis centers
- Meeting with social workers in the five dialysis centers in Glendale and with the Arizona Kidney Foundation
- Meeting with hospital representatives and victim assistance case workers to review procedures and goals
- Meeting with the taxi companies who will provide the trips
- Adapting software to accommodate the Glendale program
- Ordering supplies including voucher paper, stationary and ink stamps, etc.
- Designing reporting forms
- Preparing evaluation surveys

### **Implementation**

#### **Registering clients**

- Dialysis patients are registered through the social workers in each of the dialysis centers. Social workers complete a form which includes name, home address dialysis address, times and days of dialysis, number of vouchers needed (up to 30) and any special instructions. Patients going to cancer treatments and other essential therapies will be registered by telephone using similar forms.

#### **Preparing vouchers**

- Information from the forms is entered into the ACCESS Database
- Travel vouchers are issued using the information in the database
- A letter of welcome and a list of participating taxi companies is prepared for each participant along with their vouchers. For dialysis patients the vouchers are sent to the social worker in each dialysis center to distribute. For other patients receiving medical treatments, their package is mailed to them at home.
- In the Victim Assistance Program vouchers will contain numbers rather than names and will be sent to Victim Assistance case workers as the RFP instructs.

The Project Manager is Gabriel Peiz Operations Manager, City of Phoenix Transit Department, 602.262.7242, who also manages several other programs operated by Easter Seals for the City of Phoenix. These include:

- Quality Assurance Monitoring of Phoenix Dial-a-Ride
- Bus Passenger Peer Travel Training
- Disability Awareness Training for Bus and Dial-a-Ride operators and other transit personnel
- Research, consultation and information collection and dissemination.

Budgets for these programs are charted below.

**TRANSPORTATION PROJECT ALLOCATION  
CITY OF PHOENIX**

Name of Program	FY 2004-2005
Coordination Program	\$175,611
Dial-a-Ride Quality Assurance	\$117,200
Dialysis Taxi Program	\$144,048
Work Trip Taxi Program	\$81,600
Peer Travel Training	\$16,200
<b>Total</b>	<b>\$534,659</b>

In addition to the Phoenix contracts Easter Seals provides Disability Awareness Training to Tempe bus operators under an ongoing contract with the City of Tempe. Also at the current time, we are providing, under a grant from the Governor's Council on Developmental Disabilities, a Travel Training Program for People with Developmental Disabilities.

**RFP 05-20 Easter Seals Arizona**

**Specifications Section 5.2.4 PROPOSED METHOD TO ACCOMPLISH THE WORK**

A number of consecutive steps comprise the method we will use to accomplish the work. These include preliminary research, start up activities, implementation of the program, billing activities, program evaluation and reporting.

**Research**

We will conduct research to assist us in understanding the size of the population we will be serving and to identify the number and location of the facilities we will likely be

**RFP 05-20 Easter Seals Arizona**

**Specifications Section 5.2.2 IDENTIFICATION OF THE CONTRACTOR**

- a. Easter Seals Arizona  
2075 S. Cottonwood  
Tempe, Arizona 85282
- b. Number of years in business – 62 years (1943)
- c. Legal form of company – Corporation 501 (C )(3) Papers have been filed for the annual certification with the Corporation Commission. Easter Seal's status can be verified by calling 602 542 3285.
- d. N/A
- e. Address of office that will work on this project  
2075 S. Cottonwood  
Tempe, Arizona 85282
- f. Easter Seals is not DBE certified though every attempt is made to use businesses operated by minorities and women. We endorse this concept of inclusion in business and employ in the Transportation Project a number of people who have disabilities.
- h. Easter Seals Arizona has not filed bankruptcy over the past 10 years

**RFP 05-20 Easter Seals Arizona**

**Specifications Section 5.2.3 EXPERIENCE AND TECHNICAL COMPETENCE**

Easter Seals Transportation Project currently operates two programs for the City of Phoenix that are similar to the proposed taxi program in Glendale.

The first, which was initiated in 1984, and has been continuous since that year, provides a taxi user-side subsidy to assist people with disabilities going to work. The second program provides trips for people going to dialysis and has been operating continually since 1999. The budgeted amount for each of the taxi programs represents the direct expenses of these programs – *but not the total costs*. The majority of the administrative and professional support to the taxi programs, as well as to other programs that Easter Seals manages for the City of Phoenix, are provided in a core contract.

These programs were developed at the Community Forum and operated since inception until three years ago when Easter Seals Arizona took over the operation. The transition was seamless.

## EXECUTIVE SUMMARY (continued)

### Billing

- Invoices are reconciled.
- Payment is issued.

### Evaluation

- Dialysis social workers and patients, patients receiving other medical therapies and case workers in the Victim Assistance program are asked to complete satisfaction surveys which are compiled and analyzed. The survey instrument will include questions about whether program participants prefer the taxi or Glendale Dial-a-Ride.
- Patterns of use of the taxi program will be reviewed and analyzed.
- At the end of the trial period, the program's effectiveness based on the two items above will be analyzed and recommendations for the future of the program will be made.

### Reporting

Reports required in the RFP will be provided to the City of Glendale. We have proposed changes in the reporting requirements (Please see attached *Alternate Offers and Exceptions*).

### **Our proposed Program Management Structure**

Easter Seal staff, trained and experienced in managing the currently operated Taxi Subsidy Programs will manage the Glendale program. This includes three positions.

- **The Taxi Subsidy Program Director** provides supervision to all aspects of the program, including communication with participants, quality control, budget supervision and reporting to the City of Glendale.
- **The Taxi Program Manager** conducts the day-to day operation of the program including preparing travel vouchers and reconciling taxi company invoices.
- **Easter Seal's Chief Financial Officer** verifies invoice reconciliations and pays bills as well as assisting in budget preparation

**RFP 05-20 Easter Seals Arizona**  
**Specifications Section 5.2.1 EXECUTIVE SUMMARY**

**Our Experience**

User-Side Subsidy Programs using taxi companies have proven to be a well accepted and cost effective means of using public transit funds to serve niche groups that are not well served by either fixed route transit or complementary paratransit. Two User-Side Subsidy Programs are currently operated by Easter Seals for the City of Phoenix. One began in 1984 for trips to employment and the other in 1999 for trips to dialysis. The trip cost is about ½ that of Dial-a-Ride and customer satisfaction is high, as measured by customer retention as well as by customer satisfaction surveys.

Customers cite freedom of choice as an advantage of a taxi user-side subsidy program since they are free to select a taxi company of their choice and to change companies at any time. They also say on surveys that rides are usually on time and that having a dedicated ride rather than a shared ride is beneficial.

**Our Proposed Approach**

Our approach for the City of Glendale would involve the following steps: research, start-up activities, implementation, billing, evaluation and reporting.

Research

- The primary destinations of participants will be identified, including dialysis centers, major rehab centers and hospitals.
- Taxi companies will be evaluated in line with the qualifications stated in the RFP including number of vehicles in their fleet, sufficient staff, approved meter rates and adequate vehicle insurance.

Start-up Activities

- Meetings are held with providers and the users of service to explain procedures and program goals.
- Software is adapted to accommodate the Glendale program.
- Vouchers are designed (with Glendale staff).
- Supplies are ordered.
- Reporting forms are designed.
- Evaluation surveys are prepared (with Glendale staff)

Implementation

- Clients are registered.
- Clients are entered in the data base.
- Letters of welcome are prepared for clients and mailed with taxi company lists.
- Travel vouchers are issued and distributed.

PROPOSAL BY EASTER SEALS ARIZONA TO THE CITY OF GLENDALE  
ARIZONA TO CONDUCT AND ADMINISTER A TAX SUBSIDY PROGRAM  
Solicitation Number RFP 05-20

August 4, 2005

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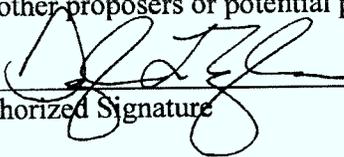
SECTION THREE  
**OFFER SHEET**

CITY OF GLENDALE  
Materials Management

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Taxi Subsidy Program

**NOTE:** In addition to completing this Section electronically and including it in the CD-ROM submittal, a printed version with original signature shall be submitted with CD-ROM at the time of Offer due date and time.

**3.1 OFFER** Proposer certifies that they have read, understand, and will fully and faithfully comply with this solicitation, its attachments and any referenced documents. Proposer also certifies that the prices offered were independently developed without consultation with any of the other proposers or potential proposers.

  
Authorized Signature

Easter Seals Arizona  
Company's Legal Name

Douglas L. Taylor  
Printed Name

2075 S. Cottonwood Drive  
Address

Chief Financial Officer  
Title

Tempe, AZ 85282  
City, State & Zip Code

489 222 4125  
Telephone Number

480 222 4123  
FAX Number

dtaylor@azseals.org  
Authorized Signature E-mail Address

N/A  
Company E-mail Address

**For questions regarding this offer: (If different from above)**

Betsy Buxer  
Contact Name

480 222 4132  
Phone Number

480 222  
Fax Number

Email Address  
bbuxer@azseals.org

FEDERAL TAXPAYER ID NUMBER: EIN860096773

Arizona Sales Tax No. N/A Tax Rate N/A  
Proposer certifies it is a: Proprietorship  Partnership  Corporation

Minority or woman owned business: Yes  No

## ATTACHMENT B

### Trip Example One

A Glendale citizen gets picked up by an authorized cab company at his/her home in South Glendale for a medical needs dialysis trip to a clinic in North Glendale that is nine miles away. The following trip costs are incurred:

#### Trip Information

Flag Drop (Pickup Fee)	\$2.50
Mileage Charge @ \$1.75/mile (9 Miles)	\$15.75
Total Trip Cost	\$18.25

#### City of Glendale Costs

75% of Total Mileage Trip Cost (up to \$15.00)	\$11.25
15% Gratuity (to 15 miles)	\$2.25
Total City of Glendale Cost	\$13.50

#### Passenger Costs

25% of Total Mileage Cost (up to \$15.00)	\$3.75
All costs over \$15.00 maximum subsidy	\$3.25
Additional gratuity over \$15.00	Optional
Total Passenger Cost	\$7.00

### Trip Example Two

A Glendale citizen is picked up at his/her residence for a medical needs physical therapy trip that is four miles away from their home. The following trip costs are incurred:

#### Total Trip Cost Information

Flag Drop (Pickup Fee)	\$2.50
Mileage Charge @ \$1.75/mile (4 Miles)	\$7.00
Total Trip Cost	\$9.50

#### City of Glendale Costs

75% of Total Trip Cost	\$7.13
15% Gratuity (up to \$15.00)	\$1.43
Total City of Glendale Cost	\$8.56

#### Passenger Costs

25% of Total Mileage Cost (up to \$15.00)	\$2.37
Total Passenger Cost	\$2.37

## **ATTACHMENT A**

“Qualified taxi service provider” means any taxi company that is licensed and complies with city, county, or state regulations. At a minimum, the taxi company must address evidence of the following:

- Sufficient numbers of vehicles in use by the taxicab company to provide the service required under the contract.
- Sufficient staff to operate the vehicles to provide the service required under the contract.
- Approved taxi meter rates for the general public.
- Adequate automobile liability insurance in regard to any local, county, state, or federal requirements.



SECTION TWO  
**TERMS AND CONDITIONS**

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immediately after the City has completed its evaluation process of the offers received. If you have any questions, or would like further information about an intended award, contact the buyer immediately. Any protest must be submitted to the Materials Manager no later than seven (7) calendar days from the date of posting on the Internet.

**2.14 COOPERATIVE USE OF CONTRACT** This agreement may be extended for use by other governmental agencies and political subdivisions of the State including all members of SAVE (Strategic Alliance for Volume Expenditures). Any such usage by other entities must be in accord with the ordinances, charter, rules and regulations of the respective entity and the approval of the Contractor and City. For a list of SAVE members click on the following link: <http://www.maricopa.gov/materials/SAVE/SAVE-members.PDF>

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policy number; liability coverage amounts; a statement the policy will not be canceled or failed to be renewed without thirty (30) days written notice to the City.

Certification to be submitted to: Materials Management, 6829 North 58th Drive, Suite 202, Glendale, Arizona 85301-2599.

<u>Type of Insurance</u> <u>(Minimum)</u>	<u>Limits of Liability</u>
Workers' Compensation	Statutory
Contractor(s) Protective Bodily Injury	\$1,000,000 each occurrence
Contractor(s) Protective Property damage	\$500,000 each accident
Contractual Bodily Injury	\$500,000 aggregate
Contractual property damage	\$1,000,000 each occurrence
Contractual property damage Automobile bodily injury & property damage	\$500,000 each accident
	\$500,000 aggregate
	\$1,000,000 each occurrence

**2.11 WORKER'S COMPENSATION** Contractor shall be in full compliance with the provisions of the Arizona Worker's Compensation Law (Title 23, Chapter 6, Arizona Revised Statutes) as amended, and all rules and regulations of the Industrial Commission of Arizona made in pursuance thereof. Contractor shall secure payment of compensation to employees by insuring the payment of such compensation with the State Compensation Fund or any insurance company authorized by the Insurance Department of Arizona to transact business in the State of Arizona.

Contractor further agrees that he shall require any and all sub-contractors performing work under the agreement to comply with said Worker's Compensation Law. It is expressly understood and agreed that all persons employed directly or indirectly by the Contractor, or any of his sub-contractors, shall be considered the employees of such Contractor, or his sub-contractor(s), and not the employees of the City of Glendale.

**2.12 REFERENCES** Provide with the offer, three letters of reference from companies for whom contractor has provided similar products/services in the last twelve months. Also include company name, address, phone number, contract person, a description of the products/services provided with a description of any major variation to the requirements of this RFP.

**2.13 NOTICE OF INTENT TO AWARD** Information about the recommended award for this solicitation will be posted on the Internet. The information will be available for review on the City of Glendale's, Materials Management Internet home page [www.glendaleaz.com/purchasing](http://www.glendaleaz.com/purchasing)

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**2.6 PANEL CONTACT** Proposer shall have no exclusive meetings, conversations or communications with an individual evaluation panel member on any aspect of the RFP, after submittal.

**2.7 PRICE** All prices quoted shall be firm and fixed for the specified contract period.

**2.8 TERM OF AGREEMENT** The term of the subsequent contract that arises from this RFP shall be for a one year initial period beginning upon the effective date as defined in the contract.

**2.9 OPTION TO EXTEND** The City may, at its option and with the approval of the contractor, extend the term of the contract an additional four (4) year(s), renewable on an annual basis. Contractor shall be notified in writing by the City Materials Manager of the City's intention to extend the contract period at least thirty (30) calendar days prior to the expiration of the original contract period. Price adjustments will only be reviewed during contract renewal. Notwithstanding the above or any other representation to the contrary, there shall be no automatic renewal of the contract.

**2.10 INSURANCE** Contractor, performing as an independent contractor hereunder, shall be fully responsible for providing Works' Compensation, or other applicable insurance coverage for itself and its employees and the City shall have no responsibility of liability for such insurance coverage.

Contractor shall provide to the City of Glendale a copy of the policy or a certification by the insurance carrier, showing the contractor to have in effect during the term of this contract, a General Liability Insurance policy, which shall be the primary coverage for Contractor activities under this contract. The coverage limits of such insurance shall not be less than those listed below.

The insurance company issuing the policy required above shall have an "BB" financial rating, or better, in the current edition of Standard & Poors Insurance Guide and be authorized by the State of Arizona, Department of Insurance to transact business within the State. The certificate and policy shall name the City of Glendale as an additional insured and shall be primary coverage for the activity of the contractor.

The City reserves the right to terminate any contractor agreement if the contractor fails to maintain such insurance coverage.

Contractor must provide certification of insurance compliance within 10 calendar days after notification of award. Certification must include: name and address of insurance company;

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herein; however, any term set forth herein may be modified should such modification be determined by the City to be in its best interests.

**2.3 ALTERNATE OFFERS/EXCEPTIONS** Offers submitted as alternates, or on the basis of exceptions to specific conditions of purchase and/or required specifications, must be submitted as an attachment referencing the specific paragraph number(s) and adequately defining the alternate or exception submitted. Detailed product brochures and/or technical literature, suitable for evaluation, must be submitted with the bid. If no exceptions are taken, City will expect and require complete compliance with the specifications and all Conditions of Purchase.

**2.4 EVALUATION CRITERIA** The criteria is listed in order of relative importance.

Contractors will be evaluated on the following criteria according to the weights assigned below. Oral interviews may be conducted with the firms short-listed from the written proposal portion of the evaluation and will be used to help determine the superior candidate. Cost may be the deciding factor if there is no clearly superior candidate.

**2.4.1. Cost [30 Points]**

Qualified Contractors will submit a reasonable cost estimate for administration and operation of the Taxi Subsidy Program comparable to similar projects where a voucher payment system is required. Identify what percent of total program cost is allocated to program overhead costs (excluding taxi ride costs) including all administrative costs. Total Program cost will not exceed \$100,000 for the initial term of the contract.

**2.4.2. Customer Service Capabilities [30 Points]**

Qualified Contractors will have an adequate number of qualified staff to sufficiently administer and operate the City of Glendale Taxi Subsidy Program.

**2.4.3. Experience with Similar Projects [30 Points]**

Qualified Contractors will have experience and the technical competence providing transportation services for other public, private, or non-profit agencies where a voucher payment system is required.

**2.4.4. Implementation Timeline [10 Points]**

It is the desire of the City to implement this program as quickly as possible on or after July 1, 2005. The ability of the qualified Contractor to implement this project in a timely manner is important to this project. Identify the timeline for implementation.

**2.5 EVALUATION PANEL** Submittals will be evaluated by an evaluation panel. Award shall be made to the responsive, responsible offeror whose proposal is determined to be the most advantageous to the City.

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**2.1 INCORPORATION BY REFERENCE** All responses shall incorporate by reference the Scope/Specifications, Terms and Conditions, General Instructions and conditions, and any attachments. The "General Instructions and Conditions" (Revision #1) applicable to this solicitation are posted on the Internet. They are available for review and download at the City of Glendale's, Materials Management Internet home page, [www.glendaleaz.com/purchasing](http://www.glendaleaz.com/purchasing). Offerors are advised to review all provisions of the General Instructions and Conditions for this solicitation.

**2.2 RETURN OF OFFER** *One CD-ROM containing the vendor's response to solicitation (Offer) and an originally signed "Offer Sheet" (Section 3.0). With exception to the signed Offer Sheet, no Paper documents will be accepted. Response to the solicitation shall be in MS Word, Excel, Powerpoint and/or PDF format. Offers submitted in a format (paper or electronic) different than specified herein, may be rejected at the discretion of the City. If the offeror does not have this capability, companies such as Kinkos or Alphagraphics can provide this service at a nominal charge.*

**The offeror shall submit a complete proposal on a CD as one file folder. The folder shall be identified as RFP # - "Name of Offeror" In order for your proposal to receive a full and complete evaluation from the evaluation committee, please label your files in the following manner. Failure to include all the items may result in an offer being rejected.**

**The file folder shall include the following files or documents and shall be identified in the following manner:**

- RFP # - "Name of Offeror" – Offer Sheet
- RFP # - "Name of Offeror" – Specifications Section 5.2.1
- RFP # - "Name of Offeror" – Specifications Section 5.2.2
- RFP # - "Name of Offeror" – Specifications Section 5.2.3
- RFP # - "Name of Offeror" – Specifications Section 5.2.4
- RFP # - "Name of Offeror" – Specifications Section 5.2.5
- RFP # - "Name of Offeror" – Specifications Section 5.2.6
- RFP # - "Name of Offeror" – Specifications Section 5.2.7
- RFP # - "Name of Offeror" – Specifications Section 5.2.8

Submittal of the CD-ROM by the offeror in response to this solicitation shall be construed as the offeror's intent to be bound by any resultant contract.

**2.2.1 Subsequent Contract** Acceptance of any offer by the City is expressly conditioned upon the offeror's agreement to a written contract in the form acceptable to the City. The contract shall more fully set forth the terms and condition under which offeror shall perform. The contract shall generally incorporate the term and condition set forth in

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b. Describe the experience of the Contractor's project team in detail, including the team's project manager, and other key staff members, on projects of similar size, capacity, and dollar value. For each similar project, include the client's name and telephone number.

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*5.2.4. Proposed Method to Accomplish the Work*

Describe the Contractor's technical and management approach to the project including a discussion of the scope of required services and program requirements and how the Contractor will plan for and accommodate each aspect of program requirements and the scope of work into the project effort. Discuss how and what lines of communication will be implemented to ensure smooth operation of the Taxi Subsidy Program. Discuss expected timelines involved in reviewing and certifying applicants, issuing vouchers, and responding to customer requests.

*5.2.5. Administration Fees*

Total cost of Program for the initial contract period is not to exceed \$100,000. Contractor is to identify what percent or amount of total program cost is allocated to program overhead costs including all administrative costs (not to include taxi ride and related gratuity costs). Identify items paid for by administrative fees and identify any and all potential costs associated with the program.

*5.2.6. Timeline for Implementation of Project*

It is the desire of the City to implement this program as quickly as possible on or after July 1, 2005. Proposals must describe the proposed timeline to implement Program showing detailed timelines and Project milestones.

*5.2.7. Knowledge and Understanding of Local Environment and Relevant Laws*

Describe the Contractor's experience working in the local environment and proposed local presence for interfacing with the City of Glendale Transit Manager or designated staff. The environment includes, but is not limited to: city, taxi firms, and other applicable agencies' regulations and policies.

*5.2.8. Project Organization and Key Personnel*

a. Describe proposed project organization, including identification and responsibilities of key personnel. Indicate the extent of the commitment of key personnel for the duration of the project and furnish resumes of key personnel. Provide an indication of the staffing level for the project. The City of Glendale's evaluation of the proposal will consider the Contractor's entire team; therefore, no changes in the team composition will be allowed without prior written approval of the City of Glendale.

**SECTION ONE**  
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**Solicitation Number: RFP 05-20**  
Taxi Subsidy Program

**5.2 Contents**

Proposals submitted in response to this RFP shall be in the following order and shall include:

*5.2.1 Executive Summary*

Include a 1-2 page overview of the entire proposal describing the most important elements of the proposal.

*5.2.2. Identification of the Contractor*

Please provide the following information:

- a. Legal name and address of Contractor's company.
- b. Number of years Contractor's company has been in business.
- c. Legal form of company (partnership, corporation, joint venture, etc.). If joint venture, identify the members of the joint venture and provide all information required within this section for each member. If a corporation, certify that the corporation is in good standing with the Secretary of State.
- d. If company is wholly owned subsidiary of a "parent company," provide the legal name and form of the parent company.
- e. Address(es) of office(s) that will work on this project.
- f. If DBE certified, identify certifying agency, as well as gender and ethnicity.
- g. Name, title, address and telephone number of the person to contact concerning the proposal.
- h. State whether the Contractor has filed bankruptcy in the last ten (10) years.

*5.2.3. Experience and Technical Competence*

Describe the Contractor's experience in completing similar efforts. List successfully completed projects of a similar nature. For each completed project, provide the name of the company and project manager the Contractor performed work for, telephone numbers, type of work performed, and dollar value of the contracts. Projects currently being performed may be submitted for consideration.

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Taxi Subsidy Program

applicable government agencies if this Agreement is funded in whole or in part with state or federal funds, to such books and records and any other books, documents, papers or records of the Contractor that are related to this Agreement. City of Glendale, the State, the State Auditor, FHWA, FTA, or any duly authorized representative of the Federal government having jurisdiction under Federal laws or regulations shall have the right to examine and audit such books and records and to make transcripts or copies from them as necessary. Contractor shall allow inspection of all work data, documents, proceedings, and activities related to this Agreement for a period of five (5) years from the date of final payment under this Agreement. This Article must be included in any subcontract entered into as a result of this Agreement.

**4.3 Payment**

Subject to the other provisions of the document, the Contractor shall be reimbursed for its reasonable costs in performing the services contained in these specifications provided, however, that such costs do not exceed \$100,000 for the initial contract period of this Agreement. To receive payment, Contractor shall present to the City an accurate and properly itemized invoice. Such invoice shall be presented monthly and include used vouchers as verification of taxi service provided. The City shall not be liable for any purchases or contracts entered into by the Contractor in anticipation of receiving payments under this Agreement.

**5.0 PROPOSAL REQUIREMENTS/INSTRUCTIONS TO BIDDERS**

**5.1 General**

- 5.1.1 The proposal should be concise, well organized and demonstrate the Contractor's qualifications and experience applicable to the project. The proposal shall be limited to 25 one-sided pages (8.5 inches x 11 inches), inclusive of resumes, graphics, forms, pictures, photographs, dividers, front and back covers, cover letter, etc. Type size and margins for text pages should be in keeping with accepted standard formats for desktop publishing and processing and should result in no more than five hundred (500) words per page.
- 5.1.2 The written proposal must include a discussion of the Contractor's approach to the project, a breakdown and explanation of project tasks, a proposed project schedule, an estimate of costs and documentation of the firm and Contractor's qualifications for the scope of work.
- 5.1.3 The Contractor will be evaluated based upon the information submitted in accordance with Section 5.2., the evaluation criteria in Section 2.4, and compliance with all requirements of this RFP.

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**SPECIFICATIONS**

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**Solicitation Number: RFP 05-20**  
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3.3.6 Vouchers used for domestic violence assistance will be numbered instead of requiring customer names.

3.3.7 Vouchers will include spaces for trip information including date of service, number of trip miles, driver signature, date and signature from Victim's Assistance caseworker issuing voucher. Vouchers will have no cash value.

**4.0 PROGRAM EVALUATION, AUDIT AND PAYMENT**

**4.1 Evaluation**

4.1.1 Contractor will provide monthly statistics indicating number of rides provided for each Program component.

4.1.2 Contractor will obtain customer feedback and provide quarterly evaluations of Program focusing on customer satisfaction including:

- a. On-time performance
- b. Driver courtesy
- c. Vehicle condition
- d. Customer perceived value of program
- e. Overall level of service
- f. Overall satisfaction with service
- g. Customer access to other forms of transportation options
- h. Marketing effort awareness

4.1.3 Contractor will provide quarterly evaluation reports within the Program to determine if Program participants prefer taxi or Dial-A-Ride, and why.

4.1.4 Contractor will provide a report at the end of the initial contract period evaluating overall Program effectiveness based on items listed in #2 and recommending Program changes to improve Program.

**4.2 Audit and Inspection of Records**

The Contractor shall maintain complete and accurate records with respect to actual time and allowable costs incurred under this Agreement. All such records shall be maintained on a generally accepted accounting basis and shall be clearly identified. The Contractor shall provide reasonable access to the representatives of City, or its designees, including representatives of the

**SECTION ONE**  
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the coupons issued prior to requesting another supply of coupons. Contractor will print origin and destination, and customer name on voucher prior to sending to customer. Customer will hand valid voucher to taxi driver at time of ride (along with their share of trip cost) and provide identification. Taxi driver will complete required information which includes number of trip miles, total trip cost, amount paid by customer, sign the voucher, and have the passenger verify and sign voucher. The taxi company will return completed vouchers to Contractors for reimbursement. Vouchers will be sent to City at the end of each month along with an itemized invoice for services. Vouchers will have no cash value. Vouchers will have an expiration date of 6 months from date of issue. The date of issue and the expiration date are to be indicated on the voucher. Due to the nature of the Program being implemented as a one-year pilot program, unless otherwise indicated by the City, all coupons will expire by June 30, 2006.

- 3.1.5 Identification of participating taxi companies – Contractor will identify and provide a current list of participating taxi companies to program customers. Customers can choose which taxi company they prefer to provide the service. Customers will call the taxi company directly for service.

**3.2 Domestic Violence Assistance**

- 3.2.1 Contractor will work with the City of Glendale's Victim Assistance Unit to provide this service.
- 3.2.2 The Contractor shall be responsible for creating and distributing vouchers (approved by the City) and assuring that the Victim's Assistance Unit has vouchers available as needed. The vouchers must state the cost of the trip will be reimbursed by the Program and the total cost of the trip shall not exceed \$35.00. An additional 15% gratuity will apply to these trips up to a maximum trip cost of \$35.00. Gratuity cost is not to exceed \$5.25. The gratuity will be paid by Contractor when reimbursing the taxi company for rides. The Contractor will include this amount in the invoice when seeking reimbursement from the City.
- 3.3.3 The Victim's Assistance Unit caseworker will provide vouchers on a one-time case-by-case basis.
- 3.3.4 Contractor will provide Victim's Assistance caseworkers with a list of current participating taxi providers. Customer can decide which taxi company to use and will use the voucher to pay for the trip (up to \$35.00 maximum).
- 3.3.5 The taxi company will complete the required information (cost of trip, mileage of trip, date of trip).

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**3.0 PROGRAM INFORMATION GUIDELINES**

**3.1 Medical-Needs Service**

3.1.1 Contractor will issue applications and receive and review applications from Glendale residents requesting to use the medical-needs transportation service. Contractor will determine eligibility status based on Program eligibility requirements:

- a. Glendale resident
- b. Person with a disability requiring repetitive medical therapies (dialysis, chemotherapy, and some physical therapies which can be classified as a medical-needs service. An example would be stroke rehabilitation.)
- c. All medical-needs trips will be limited to service within Glendale city limits (origin and destination within Glendale city limits). Requests for transportation outside of Glendale will be referred to Maricopa County Special Transportation Services, which provides service for trips going outside of Glendale.
- d. All customers requesting medical-needs service must be medically stable. Medical-needs service shall not be used to provide emergency medical transportation.
- e. Contractor will provide City with indemnification against any claims related to program eligibility or selection for inclusion within the program.

3.1.2 Program Subsidy Methodology – The Program will provide a subsidy not to exceed \$15.00 per trip for taxi rides. The customer will pay 25% of the fare. The Program will pay the remainder of the trip cost (75% of the fare). If a trip cost exceeds the maximum amount of \$15.00, the customer will be responsible for any amount over \$15.00. The Program will also pay an additional 15% gratuity of the actual trip cost (based on the maximum allowed trip cost of \$15.00). (See Attachment B for trip cost examples.)

3.1.3 Trip Limits – The number of trips will be limited to 30 one-way trips per month per customer. Trips can only be made to and from customer residence and designated treatment facilities.

3.1.4 Vouchers – Customers must obtain vouchers prior to using the service. Eligible customer's name must be printed on voucher. Origin and destination must be printed on voucher for voucher to be valid. The voucher should be easy to use and read and include an information table on the back showing the cost of the customer's (25%) trip cost. The voucher will also clearly waive any and all claims or lawsuits that could be presented to the City, the Contractor, or the taxi company by the customer that are associated in any manner with the customer's medical condition. The customer must request vouchers from Contractor. No more than 30 coupons (one-month's worth) should be issued to a customer at one time. Customer must have used at least half of

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- 2.1.9 Maintain complete and accurate records of all Project vouchers used under the terms of this Agreement.
- 2.1.10 Provide a quarterly report that shows the total number of rides provided per month for the quarter, customer feedback (complaints/comments, etc.), customer satisfaction (as identified in Program Evaluation section), and marketing efforts of the Program.
- 2.1.11 Provide an annual report of Program usage and effectiveness per guidelines.

**2.2 Services Required (Taxi Provided)**

The Contractor must seek qualified (see definition of qualified – Attachment A) taxi firms to accomplish the following services (but not limited to):

- 2.2.1 Provide personnel and vehicles needed to satisfy the requirements of the Program.
- 2.2.2 Respond in a timely and efficient manner to eligible Customers for an authorized special needs transportation request.
- 2.2.3 Upon Customer request, pick up the eligible customer within 30 minutes of service request.
- 2.2.4 Accept vouchers authorized by City as payment for taxi service.
- 2.2.5 Collect twenty-five percent (25%) of total ride cost from Customer for each medical-needs transportation service provided with a trip cost not to exceed \$15.00. Customer is responsible for any trip cost overrun exceeding \$15.00.
- 2.2.6 Require each medical-needs transportation Customer to show picture identification to the driver and verify voucher information.
- 2.2.7 At the end of the taxi ride, drivers will enter the meter fare, distance of the ride, amount paid by Customer on the voucher, sign the voucher, and have the passenger verify and sign the voucher.

**2.3. SPECIAL CONSIDERATIONS**

The Taxi Subsidy Program in an ongoing program. Services are provided on the basis of demand from the Taxi Subsidy Program participants.

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- a. Staff costs
- b. Accounting costs
- c. Printing costs
- d. Voucher costs
- e. Marketing costs
- f. Overhead costs
- g. Other administrative costs

1.3.2 Costs for taxi rides. (Used vouchers will be returned to City as verification of rides provided. Vouchers must include all completed information.)

1.3.3 Cost for gratuities paid to taxi company by contractor (up to 15% per ride cost – maximum trip cost of \$15.00 for medical trips and maximum trip cost of \$35.00 for domestic violence assistance rides.)

## **2.0 SCOPE OF REQUIRED SERVICES**

### **2.1 Services Required (Contractor Provided)**

The City of Glendale seeks a qualified firm to accomplish the following services (but not limited to):

- 2.1.1 Administer and operate the Program per guidelines set forth in this document.
- 2.1.2 Implement and monitor Program as set forth in this document.
- 2.1.3 Review customer applications for the medical component and make determinations of eligibility per program standards.
- 2.1.4 Design and print approved vouchers. Design subject to approval by designated City contact.
- 2.1.5 Issue vouchers to medical-needs transportation customers.
- 2.1.6 Work with the City of Glendale's Victim Assistance Unit to issue vouchers to provide taxi service to victims of domestic violence.
- 2.1.7 Market program to target customer groups for medical transportation needs.
- 2.1.8 Respond to customer requests and complaints pertaining to the Program.

**SECTION ONE**  
**SPECIFICATIONS**

CITY OF GLENDALE  
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Taxi Subsidy Program

**1.0 SPECIFICATIONS**

The City of Glendale is seeking proposals from qualified firms for professional services to conduct and administer a Taxi Subsidy Program (Program).

This Request for Proposals (RFP) describes the project, the required guidelines and scope of services, the Contractor selection process, and the minimum information that must be included in the proposal. Failure to submit information in accordance with the RFP requirements and procedures may be cause for disqualification.

**1.1 PROJECT DESCRIPTION**

It is the desire of the City of Glendale to provide citizens with a variety of transportation options. Recognizing the need for transportation beyond what is provided by current services, the Taxi Subsidy Program (Program) is proposed for implementation as a pilot program. The goal of this program will be to provide an effective transportation option for persons in Glendale requiring special-needs transportation.

This program will be offered as a service to support non-emergency medical needs and is offered for limited and specific purposes. The trip purposes will be offered for two specific areas of special-needs transportation. One component of the plan will provide service for persons who receive repetitive, essential medical therapy. These include medical treatments such as dialysis, chemotherapy and other qualified medical treatments including some physical therapy treatments. Another component of the program will be to provide transportation service to persons in Glendale in need of specialized community services who are victims of domestic violence.

**1.2 PROJECT LENGTH**

The Contractor who is awarded the contract for this Project will be authorized to perform the work issued in accordance with the terms of the contract. The contract will commence upon award and end on June 30, 2006. Subject to a report of satisfactory program performance, the City may extend the terms of the contract.

**1.3 PAYMENT**

Contractor will invoice the city monthly for:

1.3.1 Administrative services related to Program broken down into the following categories:

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# CITY OF GLENDALE

## MATERIALS MANAGEMENT REQUEST FOR PROPOSAL

**SOLICITATION NUMBER:** RFP 05-20  
**DESCRIPTION:** Taxi Subsidy Program  
**CLOSING AND TIME:** August 4, 2005 AT 2:00 P.M. LOCAL TIME

### PRE PROPOSAL CONFERENCE:

Offers for the materials or services specified will be received by the City of Glendale, Materials Management at the below specified location until the time and date cited. Offers received by the correct time and date will be opened and the name of each offeror will be publicly read.

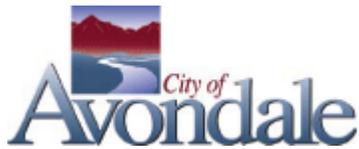
**Opening and Submittal Location:** City of Glendale  
Attn: Materials Management  
6829 North 58th Drive, Suite 202  
Glendale, Arizona 85301-2599

Offers must be in the actual possession of Materials Management on or prior to the time and date, and at the location indicated above. Late offers will not be considered. Offers must be submitted in a sealed envelope with the Solicitation Number and the offeror's name and address clearly indicated on the envelope. See Paragraph 2.2 for additional instructions for preparing an offer.

**OFFERORS ARE STRONGLY ENCOURAGED TO CAREFULLY READ THE ENTIRE SOLICITATION.**

For questions regarding  
General Terms and Conditions contact:  
**Brian Guzzi, C.P.M.**  
Materials Management  
(623) 930-2863  
Bguzzi@glendaleaz.com

For questions regarding  
Scope or Specifications contact:  
**Cathy Colbath**  
Transit Manager  
(623) 930-3508  
Ccolbath@glendaleaz.com



# CITY COUNCIL REPORT

**SUBJECT:**

Purchase Agreement - Arizona Service & Installation, Inc. for sports equipment for the American Sports Center

**MEETING DATE:**

July 19, 2010

**TO:** Mayor and Council

**FROM:** Daniel Davis, Economic Development Director (623)333-2411

**THROUGH:** Charlie McClendon, City Manager

**PURPOSE:**

Staff is requesting that the City Council approve a contract with Arizona Service and Installation, Inc. to furnish and install the sports equipment for the American Sports Center in the amount of \$227,783.54 and authorize the Mayor or the City Manager and City Clerk to execute the necessary contract documents.

**DISCUSSION:**

Development of the specifications for the necessary sports equipment was coordinated with representatives from American Sports Center. The specified equipment has been incorporated into the final plans for the building. The equipment includes basketball backboards, in-floor volleyball net system, wall padding, electronic scoreboards, player benches and bleachers. The purchase of the equipment includes shipping and installation and includes a five (5) year warranty. The vendor will coordinate the installation of the equipment with the General Contractor and the sport floor vendor and most of the equipment will be installed toward the end of the project. Arizona Service and Installation, Inc. is a local firm that will provide and install the equipment.

**BUDGETARY IMPACT:**

The sports equipment is funded from the \$1,475,000 Furniture, Fixtures, and Equipment budget for the American Sport Center. The sports equipment is being purchased via a cooperative purchasing agreement through The Cooperative Purchasing Network (TCPN). The cost for the sports equipment is summarized below.

Equipment & Installation	201,837.70
Freight	13,088.23
Sales Tax	12,857.61
<b>TOTAL</b>	<b>\$ 227,783.54</b>

**RECOMMENDATION:**

Staff recommends that the City Council approve a contract with Arizona Service and Installation, Inc. to furnish and install the sports equipment for the American Sports Center in the amount of \$227,783.54 and authorize the Mayor or the City Manager and City Clerk to execute the necessary contract documents.

**ATTACHMENTS:**

Click to download

[Purchase Agreement](#)

**PURCHASE AGREEMENT  
BETWEEN  
THE CITY OF AVONDALE  
AND  
ARIZONA SERVICE & INSTALLATION, INC.**

THIS PURCHASE AGREEMENT (this "Agreement") is made as of July 19, 2010, between the City of Avondale, an Arizona municipal corporation (the "City"), and Arizona Service & Installation, Inc., an Arizona corporation ("Contractor").

RECITALS

A. After a competitive procurement process, The Cooperative Purchasing Network, a national purchasing cooperative, entered into Contract Number # M0781 with the Contractor for major equipment installation, maintenance and service (the "TCPN Contract"). The TCPN Contract is attached hereto as Exhibit A and incorporated herein by reference.

B. The City has determined that the purchase and installation of sports equipment are required at the City's American Sports Center (the "ASC Facilities").

C. The City is permitted to make purchases under the TCPN Contract without further public bidding, and the TCPN Contract permits its cooperative use by other governmental agencies including the City.

D. The City desires to purchase the sports equipment and desires for Contractor to perform installation services for the ASC Facilities (the "Equipment and Services") under the TCPN Contract for a lower cost than would otherwise be available.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing recitals, which are incorporated herein by reference, the following mutual covenants and conditions, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the City and the Contractor hereby agree as follows:

1. Term of Agreement. This Agreement shall be effective as of the date first set forth above and shall remain in full force and effect until November 1, 2010.

2. Scope of Work. Contractor shall provide the Equipment and Services under the terms and conditions of the TCPN Contract, and as set forth in the Proposal, attached hereto as Exhibit B and incorporated herein by reference.

3. Compensation. The City shall pay Contractor an amount not to exceed \$227,783.54 for the Equipment and Services as more particularly set forth in the Proposal, attached hereto as Exhibit B.

4. Payments. The City shall pay the Contractor monthly, based upon work performed and completed to date, and upon submission and approval of invoices. All invoices shall document and itemize all work completed to date. The invoice statement shall include a record of time expended and work performed in sufficient detail to justify payment.

5. Records and Audit Rights. Contractor's and its subcontractor's books, records, correspondence, accounting procedures and practices, and any other supporting evidence relating to this Agreement, including the papers of any Contractor and its subcontractors' employees who perform any work or services pursuant to the Agreement to ensure that the Contractor and its subcontractors are complying with the warranty under Section 6 below (all the foregoing hereinafter referred to as "Records"), shall be open to inspection and subject to audit and/or reproduction during normal working hours by the City, to the extent necessary to adequately permit (a) evaluation and verification of any invoices, payments or claims based on Contractor's and its subcontractors' actual costs (including direct and indirect costs and overhead allocations) incurred, or units expended directly in the performance of work under the Agreement and (b) evaluation of the Contractor's and its subcontractors' compliance with the Arizona employer sanctions laws referenced in Section 6 below. To the extent necessary for the City to audit Records as set forth in this Section, Contractor and its subcontractors hereby waive any rights to keep such Records confidential. For the purpose of evaluating or verifying such actual or claimed costs or units expended, the City shall have access to said Records, even if located at its subcontractors' facilities, from the effective date of the Agreement for the duration of the work and until three years after the date of final payment by the City to Contractor pursuant to the Agreement. Contractor and its subcontractors shall provide the City with adequate and appropriate workspace so that the City can conduct audits in compliance with the provisions of this Section. The City shall give Contractor or its subcontractors reasonable advance notice of intended audits. Contractor shall require its subcontractors to comply with the provisions of this Section by insertion of the requirements hereof in any subcontract pursuant to the Agreement.

6. E-verify Requirements. To the extent applicable under ARIZ. REV. STAT. § 41-4401, the Contractor and its subcontractors warrant compliance with all federal immigration laws and regulations that relate to their employees and their compliance with the E-verify requirements under ARIZ. REV. STAT. § 23-214(A). Contractor's or its subcontractor's failure to comply with such warranty shall be deemed a material breach of the Agreement and may result in the termination of the Agreement by the City.

7. Scrutinized Business Operations. Pursuant to ARIZ. REV. STAT. §§ 35-391.06 and 35-393.06, the Contractor certifies that it does not have scrutinized business operations in Sudan or Iran. For the purpose of this subsection the term "scrutinized business operations" shall have the meanings set forth in ARIZ. REV. STAT. § 35-391 or 35-393, as applicable. If the City determines that the Contractor submitted a false certification, the City may impose remedies as provided by law including terminating this Agreement.

8. Conflict of Interest. This Agreement may be cancelled by the City pursuant to ARIZ. REV. STAT. § 38-511.

9. Applicable Law; Venue. In the performance of this Agreement, Contractor shall abide by and conform to any and all laws of the United States, State of Arizona and City of

Avondale, including but not limited to, federal and state executive orders providing for equal employment and procurement opportunities, the Federal Occupational Safety and Health Act and any other federal or state laws applicable to this Agreement. This Agreement shall be governed by the laws of the State of Arizona and a suit pertaining to this Agreement may be brought only in courts in the State of Arizona.

10. Agreement Subject to Appropriation. The provisions of this Agreement for payment of funds by the City shall be effective when funds are appropriated for purposes of this Contractor and are actually available for payment. The City shall be the sole judge and authority in determining the availability of funds under this Agreement and the City shall keep the Contractor fully informed as to the availability of funds for the Agreement. The obligation of the City to make any payment pursuant to this Agreement is a current expense of the City, payable exclusively from such annual appropriations, and is not a general obligation or indebtedness of the City. If the City Council fails to appropriate money sufficient to pay the amounts as set forth in this Agreement during any immediately succeeding fiscal year, this Agreement shall terminate at the end of then-current fiscal year and the City and the Contractor shall be relieved of any subsequent obligation under this Agreement.

11. Indemnification; Insurance. The City shall be afforded all of the rights, privileges and indemnifications afforded to the City under the TCPN Contract, and such rights, privileges and indemnifications shall accrue and apply with equal effect to the City under this Agreement including, but not limited to, the Contractor's obligation to provide the indemnification and insurance.

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

**“City”**  
CITY OF AVONDALE, an Arizona  
municipal corporation

**“Contractor”**  
ARIZONA SERVICE & INSTALLATION,  
INC., an Arizona corporation

\_\_\_\_\_  
Charles P. McClendon, City Manager

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

ATTEST:

Name: \_\_\_\_\_

\_\_\_\_\_  
Carmen Martinez, City Clerk

Title: \_\_\_\_\_

(ACKNOWLEDGEMENTS)

STATE OF ARIZONA        )  
  ) ss.  
COUNTY OF MARICOPA    )

This instrument was acknowledged before me on \_\_\_\_\_, 2010,  
by Charles P. McClendon, the City Manager of the CITY OF AVONDALE, an Arizona  
municipal corporation, on behalf of the City of Avondale.

\_\_\_\_\_  
Notary Public in and for the State of Arizona

My Commission Expires:

\_\_\_\_\_

STATE OF ARIZONA        )  
  ) ss.  
COUNTY OF MARICOPA    )

This instrument was acknowledged before me on \_\_\_\_\_, 2010,  
by \_\_\_\_\_ as \_\_\_\_\_ of ARIZONA SERVICE &  
INSTALLATION, INC., an Arizona corporation, on behalf of the corporation.

\_\_\_\_\_  
Notary Public in and for the State of Arizona

My Commission Expires:

\_\_\_\_\_

EXHIBIT A  
TO  
PURCHASE AGREEMENT  
BETWEEN  
THE CITY OF AVONDALE  
AND  
ARIZONA SERVICE & INSTALLATION, INC.

[TCPN Contract]

See following pages.

## VENDOR CONTRACT

Between Arizona Service & Installation, Inc. and

**THE COOPERATIVE PURCHASING NETWORK (TCPN)**

**For**

**Major Equipment Installation, Maintenance & Service**

The following pages will constitute the contract between the successful vendor(s) and TCPN. Bidders shall state, in a separate writing, and include with their response, any required exceptions or deviations from these terms, conditions, and specifications. If agreed to by TCPN, they will be incorporated into the final contract.

The Vendor Contract ("Contract") made and entered into by and between The Cooperative Purchasing Network, (hereinafter referred to as "TCPN") a government cooperative purchasing program sponsored by Region 4 Education Service Center, having its principal place of business at 7145 West Tidwell, Houston, TX 77092-2096, Mary C. O'Brien Accommodation School District, having its principal place of business at 3740 North Toltec Rd., Eloy, AZ 85231 and

Arizona Service & Installation, Inc.

This contract consists of the provisions set forth below, including provisions of all attachments referenced herein. In the event of a conflict between the provisions set forth below and those contained in any attachment, the provisions set forth shall control.

### GENERAL TERMS AND CONDITIONS

#### 1. Freight (if applicable)

All deliveries shall be freight prepaid, F.O.B. destination and shall be included in all pricing offered unless otherwise clearly stated in writing.

#### 2. Warranty conditions

All supplies, equipment and services shall include manufacturer's minimum standard warranty and one (1) year labor warranty unless otherwise agreed to in writing. Vendor shall be an authorized dealer, distributor or manufacturer for all products. All equipment proposed shall be new unless clearly stated in writing.

#### 3. Customer support

The Vendor shall provide timely and accurate technical advice and sales support to TCPN staff and TCPN participants. The Vendor shall respond to such requests within one (1) working day after receipt of the request. The Vendor shall provide free training to TCPN staff regarding products and services supplied by the Vendor if required.

#### **4. Contracts**

All contracts and agreements between a Vendor and a TCPN participant shall strictly adhere to the statutes that are set forth in the Uniform Commercial Code as most recently revised and adopted by the state in which the transaction occurs.

Contracts for purchase will normally be put into effect by means of a purchase order(s) executed by authorized agents of the participating government agencies.

#### **5. Tax exempt status**

All Texas government agencies participating in TCPN are exempt from payment of taxes under Chapter 20, Title 122A of the Revised Civil Statutes of Texas, for the purchase of tangible personal property. Laws of other states shall apply within those states.

##### **Arizona tax requirements**

Payment of Taxes by the School District/Public Entity. The School District/public entity will pay only the rate and/or amount of taxes identified in the Offer and in any resulting Contract.

State and Local Transaction Privilege Taxes. The School District/public entity is subject to all applicable state and local transaction privilege taxes. Transaction privilege taxes apply to the sales and are the responsibility of the seller to remit. Failure to remit taxes from the buyer does not relieve the seller from its obligation to remit taxes.

Tax Indemnification. Contractor and all Subcontractors shall pay all Federal, state, and local taxes applicable to its operation and any persons employed by the Contractor. Contractor shall, and require all Subcontractors to hold the School District/public entity harmless from any responsibility for taxes damages and interest. If applicable, contributions required under Federal, and/or state and local laws and regulations and any other costs including transaction privilege taxes, unemployment Compensation insurance, Social Security and Worker's Compensation.

IRS W-9. In order to receive payment under any resulting Contract, Contractor shall have a current I.R.S. W-9 Form on file with the School District/public entity. (This is required for any public agency in Arizona.)

Knowing the tax laws in other states is the responsibility of the vendor.

#### **6. Assignments of contracts**

No assignment of contract may be made without the prior written approval of TCPN. Payment can only be made to the awarded Vendor.

Vendor is required to notify TCPN when any material change in operations that may adversely affect TCPN's members, whether perceived or actual, i.e. bankruptcy, change of ownership, merger, etc.

#### **7. Disclosures**

Vendor affirms that he/she has not given, offered to give, nor intends to give at any time hereafter any economic opportunity, future employment, gift,

loan, gratuity, special discount, trip, favor or service to a public servant in connection with this contract.

Vendor shall attach, in writing, a complete description of any and all relationships that might be considered a conflict of interest in doing business with participants in TCPN.

The vendor affirms that, to the best of his/her knowledge, the offer has been arrived at independently, and is submitted without collusion with anyone to obtain information or gain any favoritism that would in any way limit competition or give an unfair advantage over other vendors in the award of this contract.

Bidder must comply with the following conflict of interest procedures – local government code Chapter 176 – Disclosure of certain relationships with local government officers, providing public access to certain information.

## **8. Renewal of Contracts**

Unless otherwise stated, all contracts are for a period of one (1) year with an option to renew annually for an additional four (4) years if agreed to by TCPN and the awarded Vendor. Vendors shall honor the administrative fee for any sales made based on a TCPN contract whether the Vendor is awarded a renewal or not.

## **9. Funding out clause.**

Any/all contracts exceeding one (1) year shall include a standard “funding out” clause. A contract for the acquisition, including lease, of real or personal property is a commitment of the Entity’s current revenue only, provided the contract contains either or both of the following provisions:

Retains to the Entity the continuing right to terminate the contract at the expiration of each budget period during the term of the contract and is conditioned on a best efforts attempt by the Entity to obtain appropriate funds for payment of the contract.

## **10. Ordering Procedures**

Purchase orders are issued by participating agencies to the Vendor per TCPN contract. Participating agencies must send purchase orders to TCPN, unless otherwise stipulated by TCPN. TCPN will review and forward orders to the Vendor within one working day. Confirmation of receipt of order may be requested by TCPN.

## **11. Shipments (if applicable)**

The Vendor shall ship ordered products within 2 days (48 hours) after the receipt of the order unless modified in the Special Terms and Conditions. If a product cannot be shipped within that time, the Vendor shall notify TCPN as to why the product has not shipped and shall provide an estimated shipping date, if applicable. The participant may cancel the order if estimated shipping time is not acceptable.

## **12. Invoices**

The Vendor shall submit invoices, in duplicate, to the TCPN participant. Each invoice shall include the TCPN participant’s purchase order number.

The shipment tracking number or pertinent information for verification of TCPN participant receipt shall be made available upon request. The Vendor shall not invoice for partial shipments unless agreed to in writing in advance by TCPN and the TCPN participant.

### **13. Payments**

The TCPN participant will make payments directly to the Vendor.

### **14. Pricing**

The Vendor agrees to provide pricing to TCPN and its participating governmental agencies that are the lowest pricing available to similar customers and the pricing shall remain so throughout the duration of the contract. The vendor agrees that no single entity or single State Contract shall receive pricing that is lower than TCPN pricing. The Vendor agrees to promptly lower the cost of any product purchased through TCPN following a reduction in the manufacturer or publisher's direct cost to the Vendor. Price increases will be honored. However, the Vendor shall honor previous prices for thirty (30) days after written notification to TCPN of an increase.

All pricing submitted to TCPN shall include the two percent (2%) participation fee to be remitted to TCPN by the Vendor. It is the vendor's responsibility to keep all pricing up to date and on file at TCPN. All price changes shall be presented to TCPN using the same format as was accepted in the original proposal.

### **15. Administrative Fees**

TCPN will invoice the Vendor on a monthly basis for the administrative participation fee. The invoice will be based on total sales made through the TCPN contract with the Vendor. The Vendor shall remit payment to TCPN at net thirty (30) day terms. Some contracts have different variations on this condition (see vendor questionnaire for more information on this).

### **16. Indemnity**

The Vendor shall protect, indemnify, and hold harmless TCPN and its participants, administrators, employees and agents against all claims, damages, losses and expenses arising out of or resulting from the actions of the Vendor, Vendor employees or Vendor subcontractors in the preparation of the RFP and the later execution of the contract. Any litigation involving Region 4, TCPN, its administrators and employees and agents will be in Harris County, Texas. Any litigation involving TCPN's participants shall be in the jurisdiction of the participating agency.

### **17. Multiple Contract Awards (if applicable)**

TCPN reserves the right to award multiple contracts for each commodity category. Commodity categories are established at the discretion of TCPN.

### **18. State Franchise Tax**

By signature hereon, the bidder hereby certifies that he/she is not currently delinquent in the payment of any franchise taxes owed to any state covered by the TCPN contract.

## **19. New Technology and Products**

New products that meet the scope of work may be added to the existing contract. Pricing shall be equivalent to the percentage discount of other products. Vendor may replace or add product lines to an existing contract if the line is replacing or supplementing products on contract, is superior to the original products offered, is discounted in a similar or to a greater degree and/or if the products meet the requirements of the original solicitation. No products may be added to avoid competitive procurement procedures. TCPN may reject any additions, without cause.

## **20. Promotion of Contract (Marketing Plan)**

Vendor shall provide to TCPN a marketing plan for promoting the TCPN contract. This plan shall cover all areas and states applicable. Vendor shall demonstrate how the TCPN contract will be used as a primary contract offering to participating agencies. Encouraging participating agencies to circumvent the contract by purchasing directly from Vendor will result in probation or termination of contract.

Vendor must obtain prior approval from TCPN before utilizing promotional material utilizing TCPN name or logo. TCPN will not unduly withhold such approval.

## **21. Website Support**

Vendor agrees to allow TCPN to publish their name and logo in our website.

## **22. Supplemental Agreements**

The TCPN participant and Vendor may enter into a separate supplemental agreement to further define the level of service requirements over and above the minimum defined in this Agreement i.e. invoice requirements, ordering requirements, on campus service, specialized delivery, etc. Any supplemental agreement developed as a result of this RFP is exclusively between the TCPN participant and Vendor. TCPN, its agents, members and employees shall not be made party to any claim for breach of such agreement. Any supplemental agreement between Vendor and the TCPN participant is exclusively between the TCPN participant and the Vendor and will be subject to immediate cancellation by the TCPN participant (without penalty to the TCPN participant) if, in the opinion of the TCPN participant, the quality, service, and specification requirements, and/or the terms and conditions are not maintained as stated in the supplemental agreement.

## **23. Miscellaneous**

The Vendor acknowledges and agrees that continued participation in TCPN is subject to TCPN's sole discretion, and that any Vendor may be removed from the participation in the Program at any time with or without cause.

Nothing in the contract or in any other communication between TCPN and the Vendor may be construed as a guarantee that TCPN participants will submit any orders at any time. TCPN reserves the right to request additional proposals for items already on contract at any time.

## **SCOPE OF REQUEST FOR PROPOSAL (RFP)**

TCPN is seeking a contract for Major Equipment Installation, Maintenance & Service. The Installation contractor shall assist the end user with making a determination of their individual needs.

The contractor shall:

- Provide installation to manufacturer standards.
- Ensure maintenance of equipment in good, safe working order
- Coordinate all work schedules and activities through the Project Manager, Athletic Director or Site Facility/Maintenance Director prior to arriving on site to perform installation and/or maintenance. All work shall be scheduled around school hours, events and activities.
- Provide all equipment, supplies, labor, material and transportation of equipment as necessary to perform the work described herein. The work includes, but is not limited to safety inspections, installation of new equipment, equipment condition reports and various types of service including preventive maintenance and repair.
- Clean up and properly dispose of all debris and other materials which result from the Contractor's work prior to leaving the site each day.

### **Inspections:**

- Contractor may be called upon to perform annual, semi-annual or quarterly inspection of equipment. The inspections shall include, but are not limited to the following:

#### **Basketball Equipment:**

1. Decal main frame of units with month and year in which inspection took place.
2. Inspect for current code compliance and advise owner.
3. Visually inspect for obstructions and cable position
4. Inspect parts to ensure they have not slipped or moved
5. Inspect to insure equipment is operating correctly
6. Lubricate and adjust moving parts and cables as needed
7. Inspect and adjust all hinged parts
8. Inspect Limit switches for proper function
9. Inspect connections to ensure all bolts, nuts, screws are tight and secure.
10. Inspect for safety straps on all basketball backstops
11. Inspect for safety padding on all backboards.
12. Clean and Dust Motor area, all Pipe associated with the structure which is the Basketball backstop and clean the backboards and backboard padding with an all purpose cleaner.

### **Gymnasium/Telescopic Bleachers:**

13. Decal main frame of units with month and year in which inspection took place.
14. Inspect for current code compliance and advise owner.
15. Visually inspect for obstructions and bent or broken parts that inhibit the proper operation of the bleachers.
16. Inspect parts to ensure they have not slipped or moved
17. Inspect to insure equipment is operating correctly
18. Lubricate and adjust moving parts as needed
19. Inspect and adjust all hinged parts
20. Inspect Limit switches for proper function
21. Inspect connections to ensure all bolts, nuts, screws are tight and secure.
22. Inspect for safety rails both aisle and end types.

### **Outdoor Equipment, Aluminum Bleachers and Grandstands:**

23. Decal main frame of units with month and year in which inspection took place.\
24. Inspect for current code compliance and advise owner.
25. Visually inspect for hazards and bent or broken parts.
26. Inspect for missing parts which may be a safety hazard.
27. Adjust moving parts and cabling as needed
28. Inspect and adjust all hinged parts
29. Inspect connections to ensure all bolts, nuts, screws are tight and secure.

A full inspection report shall be completed and signed by the inspector and submitted to authorized personnel. The report should include all categories of the inspection, i.e. rails, cables, moving parts, connectors, etc. These inspections shall be done on a bi-yearly basis. The first inspection shall include a full service as stated above. The second inspection shall be a visual inspection of the site and contact with the site supervisor. A report showing the date and time of the second inspection shall also be forwarded to the owner.

The contractor shall maintain a written record of each inspection on each piece of equipment and must be identified by manufacturer, model number and serial number where applicable. Report shall be submitted to authorized personnel within 10 days of inspection.

The contractor shall be an authorized service representative of the manufacturer and shall use only manufacturer approved parts for repair. No service or repair shall be completed without first obtaining authorization from approved, authorized personnel.

**Price Schedule:**

Standard Business Hours: (Monday –Friday) 7:30 AM - 4 PM

Standard Business Hours Rates: \$ 46.00

After Hours or Weekend Hours: \$ 76.50 11 P.M – 4 AM  
These hours include holidays and emergency hours LIST HOURS NOT AVAILABLE

After Hour/Holiday/Emergency Rates: \$ 76.50

Flat Fee for Holiday/Emergency Call: \$ 150.00

**Response for emergencies must be within 24 hours**

Additional charge for mileage: \$ .50 Per Mile

Driving Time for mileage: \$ 25.00 per hour

Explain criteria for mileage charge: Mileage based from ASI office,  
45 - mile radius no-charge, trips greater than 45 miles will be charged  
from ASI office, from mile ONE

Example: (Radius of X number of miles is free of charge, more than X number of miles a mileage charge will be incurred)

Labor rates are a flat hourly rate and parts are to be discounted off of the published price list. Travel time and any other incidental fees that are not stated in this proposal will not be permitted under this contract.

If there are additional costs to the user please specify: An initial evaluation fee of \$200.00 plus travel is required for preliminary quote if needed. This charge (less travel) will be deducted off of any service work conducted by ASI within 90 days of initial evaluation. Projects requiring Davis Bacon, Wage Rated or Indian labor will add 20% to all labor costs plus fringe benefit costs if mandated.

Equipment: Overhead Basketball Equipment - Service & Inspection

Inspection Charge: \$ 250.00 (each)

Equipment: Wall-Mount Basketball Equipment - Service & Inspection

Inspection Charge: \$ 200.00 (each)

Equipment: Overhead Basketball Equipment - New Installation

Installation Charge: \$ 18'-30' \$550, 30'-38' \$600 (each)

Equipment: Wall-Mount Basketball Equipment - New Installation

Inspection Charge: \$ 450.00 (each)

Equipment: Indoor Bleacher - Service & Inspection

Inspection Charge: \$ 2.00 (per seat)

Equipment: Indoor Bleacher - Installation

Inspection Charge: \$ 10.00 (per seat)

Equipment: Outdoor Bleacher - Service & Inspection

Inspection Charge: \$ 2.00 (per seat)

Equipment: Outdoor Bleacher - Installation Elevated

Inspection Charge: \$ 13.00 (per seat)

Equipment: Outdoor Bleacher - Installation - Non Elevated

Inspection Charge: \$ 9.00 (per seat)

Please List additional equipment, inspection fees, installation fees, etc.  
Please include all catalogs and price lists with your bid.

Parts Pricing Type	* Source	% Discount	** Freight
<u>Spalding Athletic</u>	<u>Spalding (VP)</u>	<u>05%</u>	<u>Actual TBC</u>
<u>Spalding Athletic</u>	<u>Spalding (VP)</u>	<u>05%</u>	<u>Actual TBC</u>
<u>Motors, Belts Misc.</u>	<u>LynRus (VP)</u>	<u>10%</u>	<u>10% Net</u>
<u>Bleacher Parts</u>	<u>ETPAD (VP)</u>	<u>10%</u>	<u>Actual TBC</u>
<u>Boards &amp; Acc.</u>	<u>H &amp; H (VP)</u>	<u>20%</u>	<u>Actual TBC</u>
<u>Misc. Ath. Equip.</u>	<u>Jaypro (MC)</u>	<u>05%</u>	<u>20% Net</u>
<u>Misc. Ath. Equip.</u>	<u>Porter (MC)</u>	<u>05%</u>	<u>20% Net</u>
<u>Bleachers</u>	<u>Kodiak (VP)</u>	<u>05%</u>	<u>8-15% Net</u>
<u>Scoreboards</u>	<u>AllAm (VP)</u>	<u>10%</u>	<u>20% Net</u>
<u>Actual Freight to be quoted upfront and prior to issue of Purchase Order</u>			
* Source to be Manufacturers Catalog (MC), Vendors Published Price List (VP) , Other Source (OS) ** Freight PPA, % of List, Free Freight or Actual Freight to be Charged			

Under the section "Evaluation and Award", page 6, section 4 it states the following: The price point for the TCPN contract shall meet or exceed the best available pricing offered. In addition, no single public entity shall receive lower pricing than that offered by the TCPN contract.

### SIGNATURE FORM

The undersigned hereby proposes and agrees to furnish goods and/or services in strict compliance with the terms, specifications and conditions at the prices quoted unless noted in writing. The undersigned further certifies that he or she is an authorized agent of the company and has authority to negotiate and contract for the company named below.

If addenda to this RFP are released, indicate the receipt of addenda by entering the number of addenda here: 0 BLT

Prices are guaranteed for 1-year

Company name Arizona Service & Installation, Inc.  
Address 224 E. Chilton Dr. #7  
City/State/Zip Chandler, AZ 85225  
Telephone No. 480-984-7003  
Fax No. 480-984-6055  
E-mail address barry@azserviceinstall.com  
Authorized signature *Barry L. Temple*  
Printed name Barry L. Temple  
Position with company President/Sales  
Sales representative's name Barry L. Temple  
Web site URL www.azserviceinstall.com

Accepted by The Cooperative Purchasing Network:

Term of contract 6-2007 to 5-31-08

Unless otherwise stated, all contracts are for a period of one (1) year with an option to renew annually for an additional four (4) years if agreed to by TCPN and the awarded Vendor. Vendors shall honor full participation fees for any sales made based on a TCPN contract whether the Vendor is awarded a renewal or not.

*Doug Rupe* 7-10-07  
TCPN Authorized Signature Date  
Doug Rupe  
Print Name  
Approved by Region 4 ESC by *Robt Arill* 6/28/07  
Approved by Mary C. Obrien Date  
Accommodation School District by *Jack Harner* 6/18/07  
Date  
TCPN Contract No. M0781

## VENDOR PROFILE QUESTIONNAIRE

Please provide responses to the following questions that address your company's operations, organization, structure and processes for providing products and services.

1. a. **Minority/Women Business Enterprise** (Required by some participating governmental agencies)

Vendor certifies that this firm is a M/WBE

Yes  No

- b. **Historically Underutilized Businesses** (Required by some participating governmental agencies)

Vendor certifies that his firm is a HUB

Yes  No

2. **Certification of Residency** (Required by the State of Texas)

Company submitting bid is a resident bidder.

Yes  No

Vendor's principal place of business is in the city of **Chandler** State of **AZ**

3. **Felony Conviction Notice** (Required by the State of Texas)

A publicly held corporation; therefore, this reporting requirement is not applicable.

Is not owned or operated by anyone who has been convicted of a felony.

Is owned or operated by the following individual(s) who has/have been convicted of a felony: (If the

If the 3<sup>rd</sup> box is checked, a detailed explanation of the names and convictions must be attached.)

4. **Pricing Information**

- In addition to the current typical unit pricing furnished herein, the Vendor agrees to offer all future product introductions at prices that are proportionate to Dealer Pricing.

Yes  No

If answer is no, attach a statement detailing how pricing for TCPN participants would be calculated.

- Pricing submitted includes the required TCPN administrative fee.

Yes  No

- Vendor agrees to remit to TCPN the required administrative fee.

Yes  No

- Additional discounts for purchase of a guaranteed quantity?

Yes  No

**5. Processing Information**

Company **billing address** where the invoice for the administrative fee will be sent by TCPN:

Contact Person Barry L. Temple

Title: President

Company: Arizona Service & Installation, Inc.

Address: 224 E. Chilton Dr. # 7

State Chandler Zip 85225

Phone: 480-984-7003 Fax: 480-984-6055

Email: barry@azserviceinstall.com

**6. Contact person responsible for processing and confirming all purchase orders (PO's) sent by TCPN:**

Contact Person Barry L. Temple

Title: President

Company: Arizona Service & Installation, Inc.

Address: 224 E. Chilton Dr. # 7

State Chandler Zip 85225

Phone: 480-984-7003 Fax: 480-984-6055

Email: barry@azserviceinstall.com

**7. Sales inside Texas**

The Vendor can supply all areas of the state of Texas.

Yes  No

**8. Sales inside Arizona**

The Vendor can supply all areas of the state of Arizona

Yes  No

**9. Sales inside Arkansas**

The Vendor can supply all areas of the state of Arkansas

Yes  No

**10. Sales inside New Mexico**

The Vendor can supply all areas of the state of New Mexico

Yes  No

**11. Sales inside Oklahoma**

The Vendor can supply all areas of the state of Oklahoma

Yes  No

## 12. Other States Covered

TCPN may extend contracts to governmental agencies within other states in addition to Texas, Arkansas, Arizona and New Mexico. Bidder must indicate any other states where the same terms and conditions can be offered.

- |   |  |
|---|--|
| <input type="checkbox"/> Alabama              | <input type="checkbox"/> Missouri                                    |
| <input type="checkbox"/> Alaska               | <input type="checkbox"/> Montana                                     |
| <input type="checkbox"/> California           | <input type="checkbox"/> Nebraska                                    |
| <input type="checkbox"/> Colorado             | <input checked="" type="checkbox"/> Nevada - <b>Clark Cnty. Only</b> |
| <input type="checkbox"/> Connecticut          | <input type="checkbox"/> New Hampshire                               |
| <input type="checkbox"/> Delaware             | <input type="checkbox"/> New Jersey                                  |
| <input type="checkbox"/> District of Columbia | <input type="checkbox"/> New York                                    |
| <input type="checkbox"/> Florida              | <input type="checkbox"/> North Carolina                              |
| <input type="checkbox"/> Georgia              | <input type="checkbox"/> North Dakota                                |
| <input type="checkbox"/> Hawaii               | <input type="checkbox"/> Ohio  |
| <input type="checkbox"/> Idaho                | <input type="checkbox"/> Oregon                                      |
| <input type="checkbox"/> Illinois             | <input type="checkbox"/> Pennsylvania                                |
| <input type="checkbox"/> Indiana              | <input type="checkbox"/> Rhode Island                                |
| <input type="checkbox"/> Iowa                 | <input type="checkbox"/> South Carolina                              |
| <input type="checkbox"/> Kansas               | <input type="checkbox"/> South Dakota                                |
| <input type="checkbox"/> Kentucky             | <input type="checkbox"/> Tennessee                                   |
| <input type="checkbox"/> Louisiana            | <input type="checkbox"/> Utah  |
| <input type="checkbox"/> Maine                | <input type="checkbox"/> Vermont                                     |
| <input type="checkbox"/> Maryland             | <input type="checkbox"/> Virginia                                    |
| <input type="checkbox"/> Massachusetts        | <input type="checkbox"/> Washington                                  |
| <input type="checkbox"/> Michigan             | <input type="checkbox"/> West Virginia                               |
| <input type="checkbox"/> Minnesota            | <input type="checkbox"/> Wisconsin                                   |
| <input type="checkbox"/> Mississippi          | <input type="checkbox"/> Wyoming                                     |

## 13. Cooperatives

List any other cooperative contracts currently held in Texas, Arkansas, Arizona, New Mexico, and Oklahoma.

Cooperative	Discount Offered	Expires
<input type="checkbox"/> Buyboard – Texas Local Gov’t Purchasing Cooperative - Texas		
<input type="checkbox"/> Mohave Educational Services Cooperative (MESOC) - Arizona		
<input type="checkbox"/> Cooperative Educational Services (CES) – New Mexico		
<input type="checkbox"/> Texas Bldg and Procurement Commission (TBPC)		
<input type="checkbox"/> Department of Information Resources (DIR) - Texas		
<input type="checkbox"/> Western States Contracting Alliance (WSCA)		
<input type="checkbox"/> U S Communities		
<input type="checkbox"/> Other		
<input checked="" type="checkbox"/> None		

## **Company Background**

1. Provide a brief history of your company, including the year it was established.
2. Provide company's official registered name.
3. Provide your company's corporate organizational chart.
4. Provide corporate office location. List number of sales and service offices in Texas, Arizona, New Mexico, Arkansas, and Oklahoma. List the name of key contact at each with title, address, phone and fax number, e-mail address, etc. along with resume.
5. If you are a certified W/MBE vendor and what percentage of your business is with W/MBE suppliers.
6. Provide your company's Dun & Bradstreet (D&B) number.
7. Please define your standard terms of payment.

Give an example of how TCPN pricing compares to Single Entity pricing:

Give an example of how TCPN pricing compares to other Purchasing Cooperative pricing:

## VALUE ADDED SERVICES DESCRIPTION

### Operational

1. Describe how your company will interact with TCPN. Include a process map of communications.
2. Is your system a self-developed and self-managed system or an outside paid service?
3. Describe your operational methods and procedures for Distribution Center Security, including:
  - Audit Control Logs
  - Receiving
  - Production
  - Shipping
  - Personnel
4. Indicate if your company will accept all forms of purchase orders.
5. What credit requirements are needed by the government entity in order for your company to accept a purchase order?
6. Identify the process of receiving a purchase order.
7. Does your company require Tax Exempt Forms be provided by government entities for each purchase order?
8. Describe how your company will invoice the government entity. Include a process map.
9. Discuss the invoicing options your company offers and the payment terms for each.
10. Is your company capable of handling Electronic Funds Transfer (EFT) payment? If so, what EFT formats (CTX, CPT, etc.) do you currently support?
11. Is your company willing to accept a cut off of invoices not submitted within a 90- day period or 120 day period?
12. What does your company do to ensure bills are received within a reasonable time frame and issued to government entities for payment?
13. How many products do you stock? Where?
14. Provide evidence of your company's ability to work with government entities to continuously lower their process costs.
15. Provide examples of any documented cost reduction results that your company has engaged in with your customers.
16. How does your company work to continuously improve the services that you provide?
17. What states would your company not honor pricing and services for this contract, in the event that this contract is made available to states other than Texas, New Mexico, Arkansas, Arizona and Oklahoma?

18. Please specify actual price listing or common multiplier that will determine any price changes of additional states above if different.
19. Please give examples of local agencies that have purchased products from your company.
20. How flexible is this process for future changes or additions? What is the process and estimated timeline for future changes?

### **Quality Control**

1. What is your error rate?
2. How do you take responsibility for mistakes?
3. If your product is deemed defective, what is the replacement process and turnaround?
4. State whether your company provides a quality guarantee on their product/service. If so, please describe.

### **Website**

1. Describe any direct order entry system or capabilities your organization has, such as internet capabilities. If so, provide detailed information related to the features and benefits related to your solution.
2. Is there a dedicated staff to address any issues with the system or access?
3. How will your company provide for an online ordering web page? How will this page be linked to the TCPN webpage?
4. Who updates your website?
5. Please provide a list of all major upgrades that you have performed on your web site during the past 12 months and explain how the upgrades benefited or impacted the average customer.

### **Shipping**

1. What type of shipping (USPS, UPS, Fedex, etc.) do you use? Is it possible for the government entity to choose?
2. Are you able to drop ship orders directly to each of our members or their recipients?
3. Purchasers shall not be charged for shipping and handling, or for any service changers. The vendor agrees all deliveries will be F.O.B. destination.
4. Do you have special rates with your shipping company based on volume?
5. Describe your company's shipping schedule notification procedures.
6. Describe how your company deals with shipping delays. How do you notify your customer of delays?
7. Provide your shipping schedule reporting form. How many times do you update?

## **Training**

1. Describe how you intend on involving TCPN's staff or any Regional Educational Service personnel in your introduction.
2. Describe how you intend on introducing this program to your company.
3. Describe the scope of training opportunities your company would make available to government entities as needed.
4. Describe your training program with TCPN staff and a proposed schedule of topics and include any proposed training literature or materials.
5. Indicate who will be providing training including their title, telephone number, fax number and e-mail address. Include resume.
6. What is your best estimate of time needed for implementation? What are the items that most significantly impact this timeline?
7. Would any process change be required for TCPN?
8. Provide details on your proven track record for commissioning systems.

## **Customer Service and Reporting**

1. Describe your company's Customer Service Department (hours of operation, number of service centers, etc.)
2. Describe how your company handles after-hours customer service needs.
3. Indicate who will be providing technical assistance including their title, telephone number, fax number, and e-mail address. Include resume.
4. What is your time to turnaround for orders?

**Enhancement and Upgrade Policy** – Provide a clear description of the upgrade and enhancement policies for all applications proposed. Clearly state the policy going forward relative to both the vendor selling price and the total cost to the application owner for upgrades and enhancements.

**System Requirements** – Please describe the infrastructure in order to support your proposed system including hardware, network infrastructure and personnel/skills required to support the system.

**Additional Value Added Services** – Please include any additional information you think TCPN should have when making their decision to select your company.

**Certificates** – List any certificates you hold that would show value for your response.

## Company History

Arizona Service & Installation, Inc. (ASI) is an extension/continuation of two previous partnering businesses coming together to provide a consistent service offering, while enhancing our availability to the customer. ASI has over 60 years of experience in the local school and general construction industry.

BTAZ Specialty Equipment, Inc. was formed in 1998. Barry Temple was a principle in this company. BTAZ specialized in offering the finest product lines available to new school construction focusing primarily on athletic and auditorium equipment. These lines included Gymnasium Bleachers, Basketball Equipment, Auditorium Seating and Lockers, along with several other products.

Arizona Sports Installation was formed in 2000. Larry Litten was the sole owner in this company. Arizona Sports focused on installation and service of lines carried by BTAZ. Arizona Sports was the primary installation source for BTAZ. Mr. Litten has been maintaining, servicing and installing institutional and educational equipment since 1990.

In 2005 the two companies joined forces under the legal name of Arizona Service & Installation, Inc., doing business as Arizona Sports Installation. In the spring of 2006 we dropped the name of Arizona Sports and began doing business strictly under Arizona Service & Installation, Inc. or ASI. This was done mainly to increase our potential business opportunities, as much of our work is outside of the sports arena.

Besides continuing our sports business prospects, ASI works along side national and statewide companies such as School Specialties and Goodman's Interior Structures. These companies provide library furniture, classroom furniture, courtroom seating, and playground equipment to various government agencies and schools.

ASI employs between 5-8 people full time and runs three crews of between 3-4 people approximately 8-9 months a year. ASI uses only qualified labor companies to provide us with additional labor as needed. ASI uses only factory trained and certified installers for all product installations.

**Official Registered Name:** Arizona Service & Installation, Inc.

**Contractors license Number:** ROC209660 Commercial - ROC222482 Residential

**Corporate Office:**

Arizona Service & Installation, Inc.  
224 E. Chilton Dr. Ste. #7  
Chandler, AZ 85225

480.984.7003 Office – 866.984.7003 Toll Free – 480.984.6055 Fax

**Website:** [www.azserviceinstall.com](http://www.azserviceinstall.com)

Organizational Chart:

Barry L. Temple – President  
[barry@azserviceinstall.com](mailto:barry@azserviceinstall.com)  
602.684.8069 Cell

Robert E. Estes – Vice President, Operations  
[rob@azserviceinstall.com](mailto:rob@azserviceinstall.com)  
480.252.8061 Cell

Larry J. Litten – Vice President, Installation  
[larry@azserviceinstall.com](mailto:larry@azserviceinstall.com)  
480.241.0041 Cell

Estimator and office assistant fall under the direct supervision of the VP of Operations.

Installers, ASI labor and temporary labor fall beneath the VP of Installation

Standard Terms of Payment

ASI's standard terms of payment are Net 15 days after completion of work. ASI has been flexible and will continue to be flexible in terms of adjusting our standard terms to those terms which are unique and commonplace to our individual customers. We are aware that many customers must follow their districts protocol for payment including the possibility of waiting for board approval delays.

TCPN Pricing vs. Single Entity Pricing

ASI has gone to each of our manufactures and suppliers and asked them for their most aggressive pricing for their products and parts. ASI has been aggressive in our mark-ups and is offering our available products at the lowest price available. ASI will not offer any pricing below the pricing we are submitting to TCPN. All future "Single Entity" pricing inquiries will be steered toward TCPN for our services.

How Does TCPN Pricing Compare to Other Cooperatives Pricing

Although ASI does not currently have another cooperative agreement, I have personally been utilizing them for over 13 years in the State of Arizona. Unlike many of the pricing charts established for other cooperatives, our pricing begins with the bottom line costs and builds in a fair margin for our time, service and expertise in our areas of work. We have treated this bid fairly, as we do all of our bids.

## Operational

1. ASI will follow all protocol developed and requested by TCPN. ASI has full time office personnel that are available for any and all issues that may arise. We at ASI view not only TCPN but also our individual customers' partners in a process. We are one of the links in the chain that can make each transaction smooth and satisfying to our customer and to TCPN.
  - Any and all inquiries, pricing, sales, procedure and policy inquiries.  
Barry L. Temple, President [barry@azserviceinstall.com](mailto:barry@azserviceinstall.com)  
Office 480-984-7003 extension #1, 602-684-8069 cell phone
  - Inquiries regarding, shipping, delivery, accounting and installation.  
Robert E. Estes, VP Operations [rob@azserviceinstall.com](mailto:rob@azserviceinstall.com)  
Office 480-984-7003 extension #3, 480-252-8061 cell phone
2. All of ASI internal systems have been built by ASI due to our unique market niche in this marketplace. ASI is constantly looking for better ways of conducting our business and is continuously investing in training for our employees and owners. We are supported outside of ASI by well respected and extremely capable support companies for our accounting, insurance and payroll items.
3. Operational Methods
  - Audit Control - As most of our business is directly related to service and repair work a large inventory of parts and goods is not necessary.
  - Receiving - All merchandise is inspected for damage and counted for accuracy upon arrival to our warehouse, to the jobsite or project site. A record of receipt is copied and one copy will be placed in the project file and one copy is placed in the appropriate vendor file.
  - Production - Although we do not personally produce or manufacturer any of our products, our Operations Manager diligently and consistently reviews our "Current Projects" board and is on top of the production schedules for all of our vendors and suppliers. A projected ship date is given upon receipt of order and is tracked for accuracy.
  - Shipping - Although we do not personally ship any of our products, our Operations Manager diligently and consistently reviews our "Current Projects" board and is on top of the shipping schedules for all of our vendors and suppliers. A projected ship date is given upon receipt of order and is tracked for accuracy.
  - Personnel – Hires and fires are done by committee within ASI giving weight to the owner responsible for that area of business. VP of Operations will oversee the internal staff while the VP of Installation will manage the external staff of installers and labor.

4. ASI will accept all forms of purchase orders including, but not limited to, letters of intent, written purchase orders, verbal purchase order numbers and signed proposals. Any written form of the Purchase may be received via, US mail, e-mail, hand delivered or facsimile.
5. We accept all purchase orders from government entities without credit checks.
6. When a purchase order is received in any fashion stated in answer #4, a job file is created, the necessary parts or equipment are ordered or pulled from stock and a tentative date is inputted into the system.
7. Yes
8. Upon completion of our service or receipt of goods by the owner and after a sign off sheet has been signed by the customer, our standard invoicing procedures will apply. An invoice will be mailed, faxed or emailed per the customers' preference.
9. Invoices are either mailed or faxed depending on the customers' preference. Our standard terms are Net 15 or as stated in our answer "Standard Terms of Payment"
10. Routing and business checking account numbers can be supplied for electronic funds transfer. ASI is willing to invest in this technology and methodology to better serve our government clients.
11. Yes – 120 days but can be subject to special circumstances.
12. Each project is billed at completion of work or delivery of goods. During our Bi-monthly owners meeting a completed projects list is matched with a billing list to ensure all projects are complete and invoiced.
13. ASI stocks items associated with our most common parts needs. Over the past 30-years a majority of the products we service have been supplied by a handful of manufacturers. ASI tries to keep the parts most associated with failure on these products on hand; ASI also will order and stock the hard to find part. Most parts are available locally or within a 1 or a 2 day shipment.
14. ASI has worked with companies such as Goodman's Interiors Structures and Simmons Furnishing providing our services to many state and city agencies. We also have been awarded several bids listed previously due to our competitive approach.
15. As duplicated on our pricing pages and catalogs, ASI has offered substantial discounts off of published pricing issued by many suppliers. Many government agencies purchase through internet sales, ASI reduces the cost to the customer from between 10% - 25% depending on the product. ASI has obtained several contracts as a result of this competitive and aggressive approach.

16. ASI is constantly trying to improve our service and services. ASI has established a benchmark and reputation for going above and beyond. Input from our valued customers, business partners and staff continuously prompts our management team to try to improve.
17. Our pricing is based on using our standard labor rates with a qualification listed for all projects requiring special labor. We would honor any purchase order written to ASI for any service offered covering labor, parts, equipment and travel.
18. Pricing would remain the same, freight would most likely change.
19. City of Phoenix - Basketball Service & Maintenance, Kyrene School District - Basketball and Bleacher Service & Maintenance, Amphitheater High School District Basketball and Bleacher Service & Maintenance. See projects list below.
20. Following purchasing cooperative protocol and policy and State laws: changes, additions and deletions can be made in a fairly simple manner and completed in a matter of hours or days.

### Quality Control

1. Our error rate is extremely low due to our overall experience and checks and balances within our organization. It has not been necessary to keep a record of this as our incidents are minimal.
2. Our initial response is to look for a resolution based on site conditions. Can we fix it with what is available to us now? Our goal is to get the customer up and going. Placing or looking for blame delays a resolution. Any take-off errors, ordering errors, interpretation mistakes or damage attributed to ASI will be replaced or repaired immediately.
3. ASI offers a one-year warranty on parts supplied by us. Due to the nature of this bid we will be dealing with equipment up to 50 years old. Our service is guaranteed to be done correctly. Our only assurance for the quality of work we perform is that we seldom, if ever return to the same project within the same year; and never for the same problem. As this equipment is well used many of the parts are in varying degrees of fatigue. There is no way of knowing when each part will finally fail. Our service inspects these parts annually and we are looking for these potential failures. In most instances we catch them prior to failure.

## Website

1. Our website is currently set up for contact information only. Should we be successful obtaining this contract, ASI will advance the capabilities of our website allowing customers the ability to relay there problems while looking at diagrams for help. Due to the complex nature and endless parts and supplies we do not feel it would be beneficial or necessary to the customer to have pricing available. We will provide a secure means of submitting orders through the internet. A personal login will be established to allow each customer access to exclusive information about our products and services. Our response time on e-mail leads is within 4-hours.
2. ASI hires a web design firm to assist us with all web, email and computer issues.
3. A page between ASI and TCPN would be a great tool. If successful we will establish a working link between TCPN and ASI. We will also provide a link on our home page linking our customers to the TCPN homepage. A working demo has been set-up in order to demonstrate this ability. [www.azserviceinstall.com/TCPN](http://www.azserviceinstall.com/TCPN) This link has not been published.
4. Mr. Mike Zazick at [zazickdesign.com](http://zazickdesign.com), local phone number 480-375-5757
5. We implemented a mail program directing customers to our newly designed website in the summer of 2006. Some modifications were also implemented in March 2007 allowing us to track all activity on our website. An updated page was also added reflecting our change of name in March 2006.

## Shipping

1. All available shippers and carriers. Yes, the owner can choose their preferred method.
2. Yes
3. Please refer to TCPN Pricing Sheet (page 20)
4. Yes, some shippers offer us up to 50% discount.
5. All orders are tracked from date of entry by our Operations Manager. As a date draws nearer, the accuracy of proposed ship date is confirmed. We demand a 48-hour notice prior to delivery. Our customer will be kept apprised of all activity and arrival dates. This will happen via phone, fax or e-mail.
6. As stated previously we track all shipment weekly. Any variation on schedule is immediately relayed to the customer via there preferred method of communication.
7. All of our tracking is generated by our projects board and as most of our product is shipped within 24-48 hours of the service and repair items contained in this bid, we have found a shipping form is not necessary for our continued accuracy.

Training

1. ASI intends on introducing our acceptance with TCPN in several ways. First, a one on one introduction with our customers providing them with our current flier and a TCPN contract number. Second, ASI will implement an email campaign directed at all current and potential customers. Third, ASI will promote our relationship with TCPN at all school conferences attended by ASI. This would include the summer AASBO, ASBA and AAI conferences we are currently scheduled to attend.
2. All managing partners of ASI have been actively involved in the developing of our bid to TCPN. Our office staff has also been extremely helpful in putting together this project. If successful, a formal announcement will be made at the first company meeting following the award.
3. Any training required for use of our website services, product information or any other possible need area will be offered at no charge to any participating TCPN customer.
4. An in-house training will be made available at the TCPN offices for any TCPN staff member to familiarize themselves with our products, services and web-site functions.
5. Product and Service training will be conducted by Barry Temple, President of ASI. Telephone 480-984-7003 ext. #1 – [barry@azserviceinstall.com](mailto:barry@azserviceinstall.com), Barry has over 25 years experience in the construction/service/installation field. Barry has been the owner of two very successful companies focused on this line of work. Resume Attached  
Website training will be conducted by Mike Zazick, President of Zazick Design. Telephone number 480-375-5757. Resume Attached.
6. We are prepared to have a useable website within 24-hours of acceptance of our bid. We will monitor customer reaction and implement any changes or repair any glitches immediately upon identification of these matters. We do not foresee any significant timeline restrictions that will cause us any delays at this time.
7. None are anticipated at this time.
8. Please see attached resume of Michael Zazick at Zazick Design. Mike has been instrumental in the design and implementation of dozens of projects similar to ours. I have personally used Mr. Zazick on many important projects and have never been disappointed.

## Customer Service & Training

1. We view each member of the ASI team as a customer service representative. Our goal at ASI is to always be better than our competition. All customer service related calls can be received from 7:30 A.M. – 5:00 P.M, Monday through Friday. All incoming calls should be answered by an ASI employee and any customer service related item will be handled immediately.
2. Any non-emergency after hour callers has the option to leave a message on extension #3, our customer service extension. ASI also distributes each owner's cell phone for contact 24-7. We realize that many schools may have issues with non working bleachers and may have events such as games or concerts scheduled. ASI encourages all customers to utilize this opportunity and feature of our company.
3. Technical assistance will be provided by Barry Temple, President of ASI. Telephone 480-984-7003 ext. #1 – [barry@azserviceinstall.com](mailto:barry@azserviceinstall.com), Barry has over 25 years experience in the construction/service/installation field. Barry has been the owner of two very successful companies focused on this line of work. Resume Attached
4. Most products associated with general service and maintenance is readily available. Other parts and supplies associated with general service and maintenance may carry up to a two week lead time. For larger items or special order items, a three to four week lead time is not uncommon.

## Enhancement and Upgrade Policy

We do not anticipate any required upgrades for the customer to utilize our proposed program for TCPN. A customer's computer with access to the internet and any basic word or reading program will be able to utilize our product and service offerings.

## System Requirements

We do not anticipate any required upgrades for the customer to utilize our proposed program for TCPN. A customer's computer with access to the internet, and any basic word or reading program will be able to utilize our product and service offerings.

## Additional Value Added Services

ASI has developed a reputation for going the extra mile; no job is complete until the customer is satisfied. ASI has associated itself with the industry leaders in their respective fields. ASI values the customer relationship aspect of our business, focusing on each individual customer, and how we make that individual look to their person of accountability. We strive to be the BEST at all times. We choose not to be "like" the other guy. It is our goal and focus to show up on time, do the work right the first time, be respectful, honest, and careful; finishing the project in the time frame specified.

## Evaluation and Award of Proposals

### REFERENCES FOR LOCAL GOVERNMENT ENTITIES AND WITH PURCHASING COOPERATIVE PROGRAM.

- ASI supports local school agencies such as ASBA, AASBO and the AAIAAA. ASI attends at least 3-5 of the conferences and meetings throughout the year. ASI also actively pursues city and state work by registering with those agencies and bidding the specific areas of our expertise as those RFP's, RFQ's, and IFB's come out for public bid.
- **City of Phoenix** – Maintenance and Repair of Basketball Backstops (IFB-030) P-08235-08  
Awarded – November 27, 2006 – 2-year contract - Contact: Mike Casner 602-495-3734
- **Kyrene School District** – Maintenance and Repair of Basketball Equipment & Bleachers  
Awarded March 2006, and Re-Awarded April 2007 - Contact Mr. Dave Wheeler 480-783-4200
- **Amphitheater High School District** - Service and Repair of Gymnasium Equipment  
Awarded Current Contract November 2006 - Contact: Barbara "BJ" Colvin 520-696-3750

### Past Experience/Projects Reference

<u>Project Name</u>	<u>Location</u>	<u>Scope</u>	<u>Year</u>
City of Phoenix	11-locations	Service & Repair	2007
Luke AFB	Litchfield Park, AZ	Seating	2005
University of New Mexico	Albuquerque, NM	Seating	2006
Amphitheater SD	Tucson, AZ	Service & Repair	2005-07
Parker SD	Parker, AZ	Service & Repair	2006
Kyrene SD	Tempe, AZ	Service & Repair	1998-07
Grand Canyon Park	North Rim, AZ	Locker Installation	2006
NM Military Institute	New Mexico	Seating	2006
Sedona Red Rock SD	Sedona, AZ	Service & Repair	2006
Mesa Public Schools	Mesa, AZ	Service & Repair	1998-07
Murphy Elementary	Phoenix, AZ	Service & Repair	1994-07
Arizona State University	Tempe, AZ	Seating	2002
Valley Christian HS	Tempe, AZ	Service & Repair	2006
Clark County Justice Courts	Las Vegas, NV	Seating	2006-07
Sunnyside SD	Tucson, AZ	Bleachers	2002
Xavier College Prep	Phoenix, AZ	Seating, Bleachers, S&R	2000-07

Others available upon request

## Other Notable Contacts

<b>Murphy Elementary Schools</b>	Mr. Ernesto Meza	602-353-5055
<b>Xavier College Preparatory</b>	Sr. Lynn Winsor	602-240-3113
<b>Scottsdale School District</b>	Mr. Dave Peterson	480-484-6143
<b>Kyrene School District</b>	Mr. David Wheeler	480-783-4200
<b>Mesa Public Schools</b>	Ms. Karen Fleetwood	480-472-6122
<b>Goodman's Interiors</b>	Mr. Steve Kennedy	602-512-0546
<b>Mesa Public Schools</b>	Ms. Kelly McKelvey	480-472-6114
<b>Nogales Schools</b>	Mr. Ricardo De La Riva	520-287-0923
<b>Kyrene School District</b>	Mr. Ken Carter	480-783-4032

### **ABILITY TO PROVIDE AND PERFORM THE REQUIRED SERVICES FOR THE CONTRACT**

- ASI accepts and understands the scope of work as detailed in this RFP.
- ASI works closely with owners, general contractors and other various customers. ASI uses only factory trained and certified technicians/installers to accomplish our tasks. ASI invests in continued training by sending our key personnel to factory offered training as well as constantly striving to provide the customer with the very best customer service available.
- ASI has associated itself with the industry leading manufacturers and suppliers in their respective fields. ASI has been allowed to accomplish this by having a sound business plan and direction, an outstanding reputation nation wide for being innovators in customer satisfaction techniques and the repute for being fiscally responsible.
- ASI will make all information available to any and all customers. All of ASI's vendor partners have national distribution of all product catalogs and information. ASI will also deliver or mail all written material to any customer requesting such information. ASI's policy is to respond to any phone request within the same day. Messages or requests made after close are addressed the first thing the following business day.

### **TECHNOLOGY FOR SUPPORTING THE PROGRAM**

- ASI has an active and updated website linking email directly to the responsible ASI party. ASI if successful will make every effort to keep both TCPN and all TCPN customers informed and educated as to how our area of expertise works. Although we have 60+ years combined experience, we are always looking for ways or suggestions to improve our overall performance.
- As stated previously, ASI has associated itself with the industry leading suppliers and manufacturers. Most of the major professional and college customers use and have used our product offering for well over 40 years. The design teams of each of our manufacturers are second to none, looking for ways to improve both the aesthetics and performance of their products.

**PRICING FACTORS AS DETERMINED BY TCPN USING A MARKET BASKET STUDY OF RANDOMLY SELECTED ITEMS**

- ASI has provided a complete and comprehensive bid.
- ASI is offering our lowest price on all products and services being offered.

**APPLICABLE AND ADDITIONAL PRODUCT SERVICES TO OFFER TCPN'S PARTICIPATING AGENCIES.**

- ASI's overall experience in construction, sales, installation and services are unique in this industry. Our first priority is safety for the customer. Secondly we pride ourselves in finding safe but economical solutions to our customers' problems and individual circumstances. ASI will always look to get the job done to the owners' satisfaction while being cognizant of the fiscal situations our customers battle on a daily basis. Our experience gives us an advantage over our competition as we have seen most problems at least once and can provide what we feel is the best solution almost at first glance. History has proven that we are right most of the time.



The Cooperative Purchasing Network

May 29, 2007

Arizona Service & Installation, Inc.  
224 E. Chilton Dr., #7  
Chandler, AZ 85225  
Attn: Barry Temple

Dear Vendor,

The Cooperative Purchasing Network (TCPN) is pleased to announce that Arizona Service & Installation Inc. (ASI) has been awarded an annual contract for Major Equipment Installation based on the proposal submitted to TCPN referencing RFP #07-07.

The contract is effective immediately and will expire on 5/23/2008. This contract may be renewed annually for up to an additional four years, if mutually agreed to by TCPN and ASI.

The partnership between ASI and TCPN can be of great help to participating agencies. Please feel free to provide copies of this letter to your sales representatives to assist in their work with our participating agencies.

If you have any questions or concerns, please feel free to call me at the TCPN office at 602-258-8276 or on my cell phone at 602-332-6616.

Sincerely,

A handwritten signature in cursive script that reads "Carolyn Dobbins".

Carolyn Dobbins  
TCPN Contract Manager



May 14, 2008

Arizona Service & Installation, Inc.  
Attn: Mr. Barry L. Temple, President/Sales  
224 E Chilton Drive # 7  
Chandler AZ 85225

Re: Renewal Award of TCPN Annual Contract # MO781

Dear Mr. Temple:

The Cooperative Purchasing Network (TCPN) is pleased to announce that Arizona Service & Installation, Inc. has been awarded an annual contract renewal for the following, based on the sealed proposal submitted to TCPN on April 24, 2007, and subsequent performance thereafter:

**Contract**

Major Equipment Installation & Repair

The contract will expire on May 31, 2009, completing the second year of a possible five-year term of contract. **If your company is not in agreement, please contact TCPN immediately.**

The partnership between Arizona Service & Installation, Inc. and TCPN can be of great help to participating agencies. Please provide copies of this letter to your sales representatives to assist in their work.

If you have any questions or concerns, please feel free to contact me at 469-328-7157.

Sincerely,

Phillip J. Vasquez  
TCPN Contract Manager



May 12, 2009

Arizona Service & Installation, Inc.  
Attn: Mr. Barry L. Temple, President/Sales  
224 E Chilton Drive # 7  
Chandler AZ 85225

Re: Renewal Award of TCPN Annual Contract # MO781

Dear Mr. Temple:

The Cooperative Purchasing Network (TCPN) is pleased to announce that Arizona Service & Installation, Inc. has been awarded an annual contract renewal for the following, based on the sealed proposal submitted to TCPN on April 24, 2007, and subsequent performance thereafter:

**Contract**

Major Equipment Installation & Repair

The contract will expire on May 31, 2010, completing the third year of a possible five-year term of contract. **If your company is not in agreement, please contact TCPN immediately.**

The partnership between Arizona Service & Installation, Inc. and TCPN can be of great help to participating agencies. Please provide copies of this letter to your sales representatives to assist in their work.

If you have any questions or concerns, please feel free to contact me at the TCPN Office at 713-744-8115.

Sincerely,

Jason Wickel  
TCPN, Director

April 26, 2010

Arizona Service & Installation, Inc.  
Attn: Mr. Barry L. Temple, President/Sales  
224 E Chilton Drive # 7  
Chandler AZ 85225

Re: Renewal Award of TCPN Annual Contract # MO781

Dear Mr. Temple:

The Cooperative Purchasing Network (TCPN) is pleased to announce that Arizona Service & Installation, Inc. has been awarded an annual contract renewal for the following, based on the sealed proposal submitted to TCPN on April 24, 2007, and subsequent performance thereafter:

**Contract**

Major Equipment Installation & Repair

The contract will expire on May 31, 2011, completing the fourth year of a possible five-year term of contract. **If your company is not in agreement, please contact TCPN immediately.**

The partnership between Arizona Service & Installation, Inc. and TCPN can be of great help to participating agencies. Please provide copies of this letter to your sales representatives to assist in their work.

If you have any questions or concerns, please feel free to contact Matthew Mackel at the TCPN office at 713-744-6349.

Sincerely,



Jason Wickel  
TCPN Director

EXHIBIT B  
TO  
PURCHASE AGREEMENT  
BETWEEN  
THE CITY OF AVONDALE  
AND  
ARIZONA SERVICE & INSTALLATION, INC.

[Proposal]

See following page.

# Arizona Service and Installation, Inc./ASI

## QUOTATION

*Go With the Pro's*

Project: City of Avondale 28-Jun-10

Attention: Mr. Dan Davis

Address: 11465 W. Civic Center Drive **Priced using TCPN Contract**

City, State, Zip: Avondale, AZ 85323 **TCPN CONTRACT**

Phone: 623-331-1400 **NUMBER MO781**

Item #	Qty	Description	Unit Price	Total Price
1	8	Basketball Backstop 34' 8" Glass Boards, SC Brackets Remote Control, Safety Catch, 180 Breakaway Goals	\$5,540.00	\$44,320.00
2	2	Hand Held Remote Controls	\$200.00	\$400.00
3	210	2' x 6' x 2" Wall Pads - Cutouts Billed Separately	\$51.00	\$10,710.00
4	2	Gym Divider Curtains 120' x 34'	\$10,495.00	\$20,990.00
5	20	Three Tier x 15' Easy Store Aluminum Bleachers	\$1,087.00	\$21,740.00
6	12	15' Aluminum Portable Player Benches - No Backs	\$297.00	\$3,564.00
7	4	21' Aluminum Portable Player Benches - No Backs	\$384.00	\$1,536.00
8	6	Complete Telescopic Pro Volleyball Systems: <b>INCLUDES</b> Sleeves & Covers, Posts w/Padding, Nets, Cable Covers, Sideline markers & Antennas - Colors TBD	\$3,120.00	\$18,720.00
9	6	Referee's Stand w/Pads - Colors, Red, M, N, Royal, Blk	\$846.00	\$5,076.00
10	2	6 Post Equipment Cart	\$783.00	\$1,566.00
11	6	Flip Score For Volleyball - Attaches To Post	\$79.95	\$479.70
12	1	Competition Lacrosse Goal (pair)	\$531.00	\$531.00
13	2	Hockey Scoreboard w/Wireless Control Console & Case	\$3,920.00	\$7,840.00
14	1	Portable Scoreboard BB-2101-13, 5010 Controller - 4 Units	\$15,440.00	\$15,440.00
15	1	Shot/Game Clock Timer, 2-Displays, Perm. Mnt. - 4 Pairs	\$18,280.00	\$18,280.00
16	1	Decorated Corner Panel For All 6 Scoreboards	\$1,020.00	\$1,020.00

Color: TBD **ALL Equipment Per SPECIFICATIONS** Sub - Total: \$172,212.70

Finish: Standard Tax 9.8 % \$12,857.61

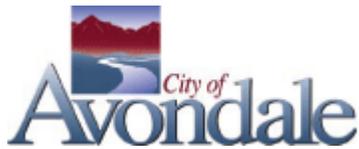
Accepted By: \_\_\_\_\_ Installation: \$29,625.00

Signature & Title Date Freight \$13,088.23

Pricing Good: 90 days Terms: **Net 30-Lead Time: 6-8 Weeks After Color Selection** Total \$227,783.54

924 E. Impala Ave. Suite #101 Mesa, AZ 85204 Commercial Lic. #ROC209660 Residential Lic.  
ROC222482

Ph: 480-984-7003 Fax: 480-984-6055 Toll Free: 866-984-7003



# CITY COUNCIL REPORT

**SUBJECT:**

Resolution 2926-710 - Third Amendment to IGA for Reciprocal Borrowing Program

**MEETING DATE:**

July 19, 2010

**TO:** Mayor and Council

**FROM:** Christopher Reams, Director of Parks, Recreation & Libraries (623)333-2412

**THROUGH:** Charlie McClendon, City Manager

**PURPOSE:**

Staff is requesting that the City Council adopt a resolution authorizing the Third Amendment to the Intergovernmental Agreement (IGA) with the Maricopa County Library District (MCLD) increasing the Reciprocal Borrowing Program (RBP) reimbursement rate to \$28.50 from \$26 per patron and authorize the Mayor or City Manager and City Clerk to execute the necessary documents.

**BACKGROUND:**

The RBP is collaboration between MCLD and participating valley cities. The program provides a seamless use of libraries throughout Maricopa County for patrons, and offers financial reimbursement to local municipalities for non-residents who use city libraries. On July 1, 2001 the City of Avondale entered into an IGA with the MCLD authorizing the RBP. This agreement stipulates that the city will provide library services to non-residents of the City of Avondale under the same regulations as the City uses to serve Avondale residents. The services include access to and use of City library facilities for the purpose of identifying, reading, using or borrowing books and materials, library reference services, children's library services and other library services mutually agreed upon between the City and the MCLD.

The IGA further provided that the City of Avondale will receive an annual reimbursement of \$20 per patron for non-residents usage of the City of Avondale Public Library. The per-patron amount received is based on current Maricopa County tax receipts. The amount received by participating municipalities is calculated based upon non-residents using the Avondale Public Library less Avondale residents using other participating libraries. The parameters of this agreement prevent the City of Avondale from ever owing money to the Maricopa County Library District. If the City is not eligible for reimbursement, no money will change hands.

**DISCUSSION:**

This is the third amendment to this agreement. MCLD assesses the rate each year based on their financial outlook and presents an annual rate proposal to partnering municipalities.

On April 17, 2006 Council approved the First Amendment to the IGA which allowed the County to raise the reimbursement amount in two phases to \$24.50 for FY 05/06 and then again in FY 06/07 to \$29.00 based on revenue projections. On May 18, 2009 City Council approved the Second Amendment decreasing the RBP reimbursement rate to \$26.00. Approval of this amendment will allow the MCLD to amend the agreement with the City for one year to increase the reimbursement rate from \$26.00 to \$28.50. This request is for a one year increase only.

**BUDGETARY IMPACT:**

This resolution will allow the MCLD to amend the agreement with the City of Avondale for one year

to increase the Reciprocal Borrowing Program reimbursement rate from \$26.00 to \$28.50. Funds received by the City of Avondale from this program will increase from approximately \$101,000 in FY10 to approximately \$111,000 in FY11.

**RECOMMENDATION:**

Staff recommends that the City Council adopt a resolution authorizing the Third Amendment to the Intergovernmental Agreement (IGA) with the Maricopa County Library District (MCLD) increasing the Reciprocal Borrowing Program (RBP) reimbursement rate to \$28.50 and authorize the Mayor or City Manager and City Clerk to execute the necessary documents.

**ATTACHMENTS:**

Click to download

 [Resoltuion 2926-710](#)

**RESOLUTION NO. 2926-710**

A RESOLUTION OF THE COUNCIL OF THE CITY OF AVONDALE, ARIZONA, APPROVING THE THIRD AMENDMENT TO INTERGOVERNMENTAL AGREEMENT WITH THE MARICOPA COUNTY LIBRARY DISTRICT, RELATING TO THE RECIPROCAL BORROWING PROGRAM.

**BE IT RESOLVED** BY THE COUNCIL OF THE CITY OF AVONDALE as follows:

SECTION 1. The Third Amendment to Intergovernmental Agreement with the Maricopa County Library District, relating to the reciprocal borrowing program (the "Amendment") is hereby approved substantially in the form attached hereto as Exhibit A.

SECTION 2. The Mayor, the City Manager, the City Clerk and the City Attorney are hereby authorized and directed to take all steps necessary to cause the execution of the Amendment and to take all steps necessary to carry out the purpose and intent of this Resolution.

**PASSED AND ADOPTED** by the Council of the City of Avondale, July 19, 2010.

\_\_\_\_\_  
Marie Lopez Rogers, Mayor

ATTEST:

\_\_\_\_\_  
Carmen Martinez, City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
Andrew J. McGuire, City Attorney

EXHIBIT A  
TO  
RESOLUTION NO. 2926-710

(Third Amendment to Intergovernmental Agreement)

See following pages.

THIRD AMENDMENT TO  
INTERGOVERNMENTAL AGREEMENT  
BETWEEN THE  
MARICOPA COUNTY LIBRARY DISTRICT  
AND THE CITY OF AVONDALE  
FOR  
THE RECIPROCAL BORROWING PROGRAM

Agenda # \_\_\_\_\_

THIS THIRD AMENDMENT (“Amendment”) TO INTERGOVERNMENTAL AGREEMENT C-65-02-011-2 that was effective July 1, 2001, by and between the City of Avondale (“City”) and the Maricopa County Library District (“Library District”), with reference to the following facts:

RECITALS

WHEREAS, the Library District has established a Reciprocal Borrowing Program for the benefit of its members in order to expand the availability of Library Services;

WHEREAS the City has participation in this program; and

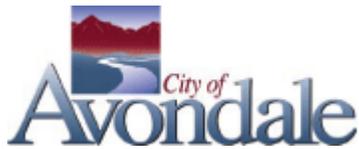
WHEREAS the Library District is willing to continue the program;

NOW THEREFORE the City and the Library District agree that the IGA, effective July 1, 2001, shall continue with the following amendments:

AMENDMENTS

- 1.1. The effective date for services under this Amendment shall be July 1, 2010 to June 30, 2011.
- 1.2. The fixed dollar amount used in the calculation for reimbursements from the Library District to the City, as set forth in Sections 3 and 4 of the IGA, as amended, is hereby increased from \$26.00 to \$28.50.





# CITY COUNCIL REPORT

**SUBJECT:**

Resolution 2925-710 - Edward Byrne Memorial Justice Assistance Grant

**MEETING DATE:**

July 19, 2010

**TO:** Mayor and Council  
**FROM:** Janeen Gaskins  
**THROUGH:** Charlie McClendon, City Manager

**PURPOSE:**

Staff is requesting that the City Council adopt a resolution authorizing the submittal and acceptance of \$47,221 from the Edward Byrne Memorial Justice Assistance program for the purpose of hiring a Records Clerk for the Police Department.

**BACKGROUND:**

The Department of Justice released the Edward Byrne Memorial Justice Assistance Grant (JAG). The JAG Program provides states, tribes, and local governments with funding to support a range of program areas including law enforcement, prosecution and court, prevention and education, corrections and community corrections, drug treatment and enforcement, planning, evaluation, and technology improvement, and crime victim and witness initiatives. Avondale must make the grant application available for review by the governing body. Avondale must include a statement that the application was made public and that, to the extent of applicable law or established procedure, an opportunity to comment was provided to citizens and to neighborhood or community-based organizations. This provision has been completed through an invitation to comment on the Avondale Website and through this City Council Action item.

**DISCUSSION:**

The Avondale Police Department will be using grant funding to hire a Records Clerk. This position will be assigned various projects within the Records Bureau, most of which pertain to a backlog of police records that need to be analyzed to determine if they can be archived, merged with existing files, or destroyed per the Arizona State Library Archives and Public Records schedule. In addition, this person will be cross trained in all other areas of records, and will be tasked with creating an efficient way to track citations for the purpose of improving accountability and cross referencing in relation to citations that have been issued.

**BUDGETARY IMPACT:**

Grant funding is in the amount of \$47,221 with no match requirements. The position includes salary and benefits. Technology related items such as computers and phones already exist due to recently vacated positions.

The position is temporary and will be terminated upon completion of the grant. The Human Resources Department will provide language regarding the temporary grant funding position in the job description.

**RECOMMENDATION:**

Staff recommends that the City Council adopt a resolution authorizing the submittal and acceptance of \$47,221 from the Edward Byrne Memorial Justice Assistance program for the purpose of hiring a

Records Clerk for the Police Department

**ATTACHMENTS:**

Click to download

 [Resolution 2925-710](#)

**RESOLUTION NO. 2925-710**

A RESOLUTION OF THE COUNCIL OF THE CITY OF AVONDALE, ARIZONA, APPROVING THE SUBMISSION OF AN APPLICATION FOR GRANT CONSIDERATION TO THE U.S. DEPARTMENT OF JUSTICE EDWARD BYRNE MEMORIAL JUSTICE ASSISTANCE PROGRAM, RELATING TO LAW ENFORCEMENT ENHANCEMENT ACTIVITIES AND AUTHORIZING THE ACCEPTANCE OF ANY RESULTING GRANT AND EXECUTION OF ANY NECESSARY AGREEMENTS.

**WHEREAS**, the U.S. Department of Justice (the “DOJ”) is accepting applications for Edward Byrne Memorial Justice Assistance Grant (the “Grant”) funding from state and local agencies for projects relating to all aspects of law enforcement; and

**WHEREAS**, the Council of the City of Avondale (the “City Council”) desires to submit a grant application for funds to assist with Police Department records management in the amount of \$47,221 (the “Application”) to be considered by the DOJ for Grant funding; and

**WHEREAS**, pursuant to the requirements of the DOJ, the Application was made public and an opportunity to comment was provided to citizens and to neighborhood or community-based organizations.

**NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF AVONDALE** as follows:

SECTION 1. The recitals above are hereby incorporated as if fully set forth herein.

SECTION 2. The submission of the Application for consideration by the DOJ is hereby approved.

SECTION 3. The Mayor, the City Manager, the City Clerk and the City Attorney are hereby authorized and directed to execute and submit all documents and any other necessary or desirable instruments in connection with the Application, to execute any resulting grant agreements and to take all steps necessary to carry out the purpose and intent of this Resolution.

[SIGNATURES ON FOLLOWING PAGE]

**PASSED AND ADOPTED** by the Council of the City of Avondale, July 19, 2010.

---

Marie Lopez Rogers, Mayor

ATTEST:

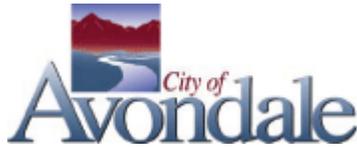
---

Carmen Martinez, City Clerk

APPROVED AS TO FORM:

---

Andrew J. McGuire, City Attorney



# CITY COUNCIL REPORT

**SUBJECT:**

Ordinance 1420-710 - Dedication of a Power  
Distribution Easement to SRP

**MEETING DATE:**

July 19, 2010

**TO:** Mayor and Council

**FROM:** Sue McDermott, P.E., Director of Development Services & Engineering, 623-333-4211

**THROUGH:** Charlie McClendon, City Manager

**PURPOSE:**

Staff is requesting that the City Council adopt an ordinance dedicating public right-of-way as a power distribution easement which will allow Salt River Project (SRP) to provide electrical service for the City Center Phase 1 development and authorize the Mayor or City Manager, and City Clerk to execute the appropriate documentation.

**BACKGROUND:**

During the past year, the City of Avondale has planned for the construction of the American Sports Centers-Avondale and the retail buildings in the City Center planning area. On July 20, 2009, Council approved the Construction Manager at Risk (CMAR) Agreement with Sundt for the construction of the public infrastructure. On November 16, 2009, Council approved Amendment No.1 to the CMAR Agreement with Sundt establishing the Guaranteed Maximum Price for infrastructure improvements and on January 4, 2010, approved Amendment No. 2 to the CMAR Agreement which authorized the construction of the 83,000 square foot facility. On July 5, 2010, Council approved Amendment No.3 to the CMAR Agreement with Sundt establishing the Guaranteed Maximum Price for the proposed retail buildings.

**DISCUSSION:**

In order to provide electrical service to the City Center Area which includes the 83,000 square foot American Sports Center Facility and the 24,540 square foot retail buildings, SRP requires a power distribution easement. The dedication of public right-of-way as a power distribution easement will allow SRP to install the required electrical improvements within the proposed easement and provide electrical service to the City Center Phase 1 Area.

**BUDGETARY IMPACT:**

The proposed dedication of the easement to SRP will have no budgetary impact on the City.

**RECOMMENDATION:**

Staff recommends that the City Council adopt an ordinance dedicating public right-of-way as a power distribution easement which will allow Salt River Project (SRP) to provide electrical service for the City Center Phase 1 development and authorize the Mayor or City Manager, and City Clerk to execute the appropriate documentation.

**ATTACHMENTS:**

Click to download

[Ordinance 1420-710](#)

**ORDINANCE NO. 1420-710**

AN ORDINANCE OF THE COUNCIL OF THE CITY OF AVONDALE, ARIZONA, GRANTING A POWER DISTRIBUTION EASEMENT TO SALT RIVER PROJECT AGRICULTURAL IMPROVEMENT AND POWER DISTRICT.

**BE IT ORDAINED** BY THE COUNCIL OF THE CITY OF AVONDALE as follows:

SECTION 1. A power distribution easement is hereby granted to Salt River Project Agricultural Improvement and Power District in the form attached hereto as Exhibit 1 and incorporated herein by reference, through, over, under and across those strips of land eight feet wide, lying four feet on each side of the centerlines described in Exhibit A to the easement form attached hereto as Exhibit 1.

SECTION 2. The Mayor, the City Manager, the City Clerk and the City Attorney are hereby authorized and directed to execute all documents and take all steps necessary to carry out the purpose and intent of this Ordinance.

**PASSED AND ADOPTED** by the Council of the City of Avondale, July 19, 2010.

\_\_\_\_\_  
Marie Lopez Rogers, Mayor

ATTEST:

\_\_\_\_\_  
Carmen Martinez, City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
Andrew J. McGuire, City Attorney

EXHIBIT 1  
TO  
ORDINANCE NO. 1420-710

[Salt River Project Power Distribution Easement Agreement]

See following pages.

**WHEN RECORDED MAIL TO:**

**SALT RIVER PROJECT**  
Land Department/PAB350  
P. O. Box 52025  
Phoenix, Arizona 85072-2025

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**POWER DISTRIBUTION EASEMENT**

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Maricopa County  
SW ¼, Sec. 6, T1N, R1E &  
SE ¼, Sec. 1, T1N, R1W

Agt. SCF  
Job # KJ6-7008  
W \_\_\_\_\_ C \_\_\_\_\_

**CITY OF AVONDALE,  
an Arizona municipal corporation,**

hereinafter called Grantor, for and in consideration of the sum of One Dollar, and other valuable consideration, receipt of which is hereby acknowledged, does hereby grant and convey to **SALT RIVER PROJECT AGRICULTURAL IMPROVEMENT AND POWER DISTRICT**, an agricultural improvement district organized and existing under the laws of the State of Arizona, its agents, employees, contractors and permittees and its and their respective successors and assigns, hereinafter called the Grantee, a non-exclusive easement in, upon, over, under, across, through and along the lands hereinafter described (such lands hereinafter described being sometimes referred to herein as the "Easement Parcel") to construct, install, reconstruct, replace, remove, repair, operate and maintain underground electrical conductors, conduits, pipes, cables, vaults, pads, switching equipment, enclosures, manholes and transformers and all other appliances, appurtenances and fixtures (collectively "Facilities") for the transmission and distribution of electricity and for all other purposes connected therewith at such locations and elevations, in, upon, over, under, across, through and along the Easement Parcel as Grantee may now or hereafter deem convenient or necessary from time to time, together with the right of ingress and egress to, from, across and along the Grantor's Property. Grantee is hereby authorized to permit others to use the Easement Parcel for additional Facilities jointly with or separately from the Grantee for their purposes.

The lands in, upon, over, under, across, through and along which this easement is granted are situated in the County of Maricopa, State of Arizona, and are more particularly described as:

**Grantor's Property:**

A portion of the Southwest Quarter of Section 6, Township 1 North Range 1 East and a portion of the Southeast Quarter of Section 1, Township 1 North, Range 1 West of the Gila and Salt River Base and Meridian, Maricopa County, Arizona.

**Easement Parcel:**

Said easement as described on Exhibit A, attached hereto and by this reference made a part hereof.

**CAUTION:** Facilities placed within the Easement Parcel may contain high voltage electrical equipment. Notice is hereby given that the location of underground electrical conductors or facilities must be verified as required by Arizona Revised Statutes, Section 40-360.21, et seq., Arizona Blue Stake Law, prior to any excavation.

Grantor shall maintain a clear area that extends 3.00 feet from and around all edges of all transformer pads and other equipment pads, and a clear operational area that extends 12.00 feet immediately in front of all transformer and other equipment openings. No obstruction, trees, shrubs, fixtures or permanent structures shall be placed within said areas.

Grantor shall not construct, install or place, or permit to be constructed, installed or placed any building or other structure, plant any trees, drill any well, store materials of any kind, or alter ground level by cut or fill, within the area of the Easement Parcel.

Grantee shall have the right (but not the obligation) to trim, cut and clear away trees, brush or other vegetation on the Easement Parcel whenever in its judgment the same shall be necessary for the convenient and safe exercise of the rights herein granted.

In the event Grantee records a document to formally abandon the easement granted herein, all Grantee's rights hereunder shall cease, except the right to remove any and all property placed upon the Easement Parcel within a reasonable time subsequent to such abandonment.

The covenants and agreements herein set forth shall extend and inure in favor and to the benefit of and shall be binding on the heirs, administrators, executors, personal representatives, legal representatives, successors (including successors in ownership and estate), assigns and lessees of the Grantor and Grantee.



# EXHIBIT A

July 7, 2010  
Avondale City Center

Salt River Project  
POWER DISTRIBUTION EASEMENT  
Grantor: City of Avondale

## LEGAL DESCRIPTION

An easement for underground power distribution purposes located within portions of the Southwest Quarter of Section 6, Township 1 North Range 1 East and within portions of the Southeast Quarter of Section 1, Township 1 North Range 1 West of the Gila and Salt River Meridian, Maricopa County, Arizona being strips of land 8 feet in width lying 4.00 feet on each side of the following described centerlines:

### Easement Part 1

Commencing at the west quarter corner of said Section 6; thence South 00 degrees 2 minutes 19 seconds East along the west line of said section 6, as the basis of bearing, a distance of 802.01 feet to the **True Point of Beginning of Easement Part 1**, being hereinafter designated as Point "A";

Thence North 89 degrees 3 minutes 16 seconds East a distance of 144.76 feet, to a point, hereinafter designated as Point "B";

Thence North 89 degrees 3 minutes 16 seconds East along a line parallel with and 21 feet north of the northern most line of Lot 3, Avondale City Center Phase 1 as recorded in Book 1027, Map 31, official records of Maricopa County, a distance of 82.00 feet to a point hereinafter designated as point "C"

Thence continuing North 89 degrees 3 minutes 16 seconds East along said parallel line a distance of 81.00 feet to a point hereinafter designated as Point "D"

Thence continuing North 89 degrees 3 minutes 16 seconds East a distance of 137.29 feet to a point hereinafter designated as Point "E";

Thence continuing North 89 degrees 3 minutes 16 seconds East a distance of 82.43 feet;

Thence North 86 degrees 41 minutes 24 seconds East a distance of 72.77 feet to a point on a line parallel with and 24 feet north of the north line of Lot 5, said Avondale City Center;

Thence North 89 degrees 3 minutes 16 seconds East a distance of 174.57 along said parallel line feet to a point hereinafter designated as Point "F";

Thence continuing North 89 degrees 3 minutes 16 seconds East a distance of 221.41 feet to a point on a line parallel with and 6 foot west of the west line of said Lot 5, said point hereinafter designated as Point “G”;

Thence South 00 degrees 2 minutes 19 seconds East along said line parallel line a distance of 459.84 feet to point hereinafter designated as point “H”;

Thence continuing South 00 degrees 2 minutes 19 seconds East along said line parallel line a distance of 6.83 feet to point hereinafter designated as point “J”;

Thence continuing South 00 degrees 2 minutes 19 seconds East along said parallel line a distance of 40.60 feet to point hereinafter designated as point “K”;

Thence continuing South 00 degrees 2 minutes 19 seconds East along said line parallel line a distance of 18.06 feet to point hereinafter designated as point “L”

Thence continuing South 00 degrees 2 minutes 19 seconds East a distance of 64.01 feet to the terminus thereof on the south right-of-way line of City Center Drive.

Together with the following:

Beginning from said Point “A”; thence South 89 degrees 3 minutes 16 seconds West a distance of 65.00 feet to the West Right-of-Way line of Avondale Boulevard.

Beginning from said Point B; thence South 00 degrees 56 minutes 44 seconds East a distance of 21.00 feet to the northern most line of Lot 3 said Avondale City Center.

Beginning from said Point C; thence South 00 degrees 56 minutes 44 seconds East a distance of 21.00 feet to the northern most line of said Lot 3.

Also Beginning from said Point C; thence North 00 degrees 56 minutes 44 seconds West a distance of 45.00 feet to the southern most line of Lot 2, said Avondale City Center.

Beginning from said Point D; thence South 00 degrees 56 minutes 44 seconds East a distance of 21.00 feet to the northern most line of said Lot 3.

Beginning from said Point E; thence North 00 degrees 02 minutes 19 seconds West a distance of 102.77 feet to the northern most south line of said Lot 2 also being the North right-of-way line of Corporate Drive.

Beginning from said Point F; thence South 00 degrees 56 minutes 44 seconds East a distance of 28.00 feet to a point 4 foot south of the northern most line of Lot 4 said Avondale City Center;

Beginning from said Point “G”; thence North 89 degrees 3 minutes 16 seconds East a distance of 6.00 feet to the west line of Lot 5, said Avondale City Center.

Beginning from said Point “H”; thence North 89 degrees 57 minutes 41 seconds East a distance of 6.00 feet to the west line of said Lot 5.

Beginning from said Point “J”; thence North 89 degrees 57 minutes 41 seconds East a distance of 6.00 feet to the west line of said Lot 5.

Beginning from said Point “K”; thence North 89 degrees 57 minutes 41 seconds East a distance of 6.00 feet to the west line of said Lot 5.

Easement Part 2

Commencing at the west quarter corner of said Section 6; thence South 00 degrees 2 minutes 19 seconds East along the west line of said section 6, as the basis of bearing, a distance of 1322.76 feet to the **True Point of Beginning of Easement Part 2**, being hereinafter designated as Point “M”;

Thence North 89 degrees 57 minutes 41 seconds East a distance of 79.18 feet to a point hereinafter designated as point “N”;

Thence North 89 degrees 57 minutes 41 seconds East a distance of 20.69 feet, to a point, on a line parallel with and 24.00 feet south of the south line of Lot 3 of said Avondale City Center;

Thence North 89 degrees 3 minutes 15 seconds East along said parallel line, a distance of 45.40 feet to a point hereinafter designated as point “O”;

Thence North 89 degrees 3 minutes 15 seconds East along said parallel line, a distance of 170.00 feet to a point hereinafter designated as point “P”;

Thence continuing North 89 degrees 3 minutes 15 seconds East a distance of 129.77 feet to a point hereinafter designated as Point “Q”;

Thence continuing North 89 degrees 3 minutes 15 seconds East a distance of 330.24 feet to a point hereinafter designated as point “R”;

Thence continuing North 89 degrees 3 minutes 15 seconds East a distance of 220.83 feet to terminate at said Point “L”;

Together with the following:

Beginning from said Point “M”; thence South 89 degrees 57 minutes 41 seconds West a distance of 65.00 feet to the West Right-of-Way line of Avondale Boulevard.

Beginning from said Point “N”; thence South 0 degrees 10 minutes 58 seconds East, a distance of 57.05 feet; Thence North 89 degrees 59 minutes 39 seconds West a distance of 68.60 feet.

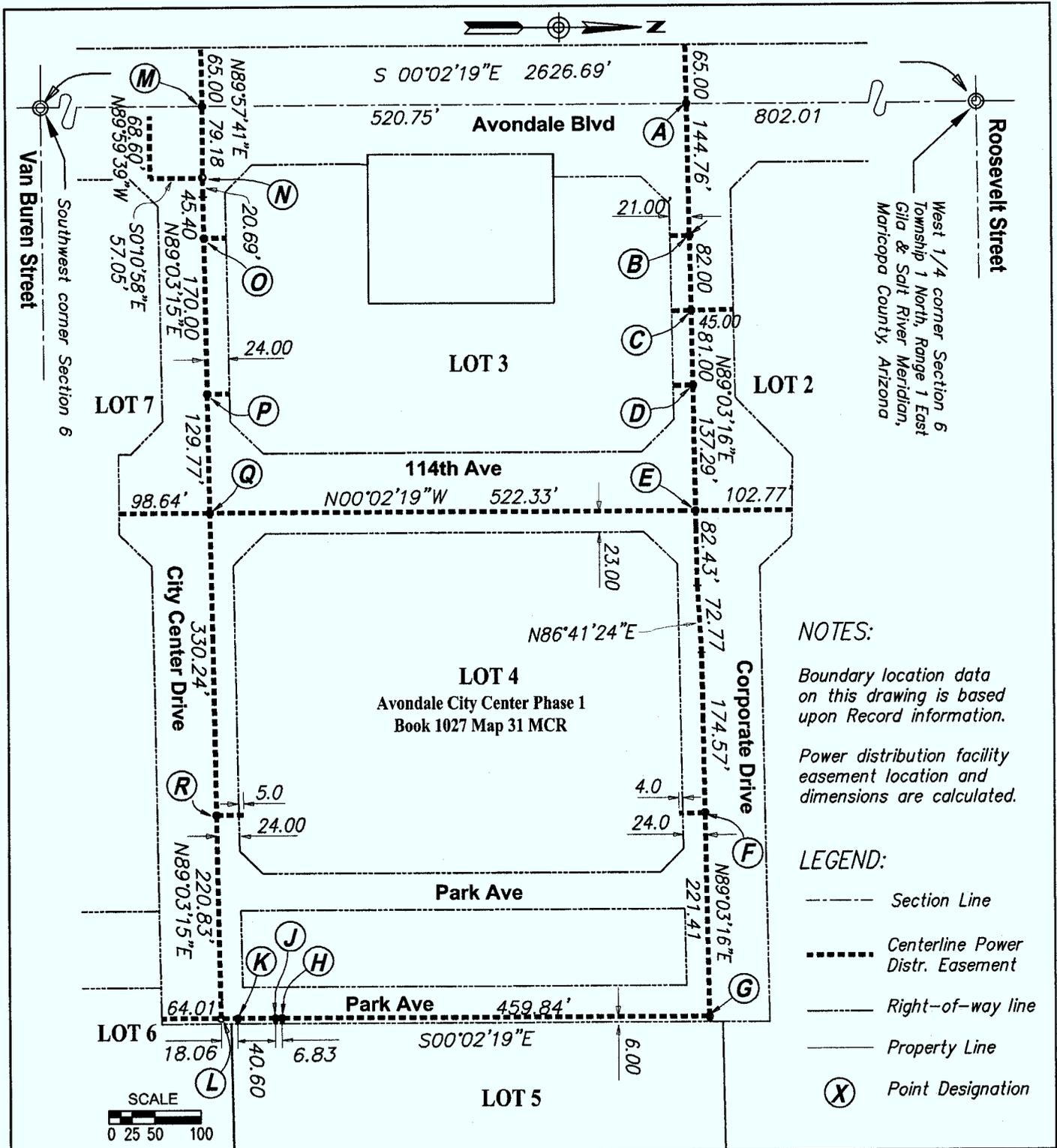
Beginning from said Point “O”; thence North 00 degrees 56 minutes 45 seconds West a distance of 24.00 feet to the southern most line of said Lot 3.

Beginning from said Point “P”; thence North 00 degrees 56 minutes 45 seconds West a distance of 24.00 feet to the southern most line of said Lot 3.

Beginning from said Point “Q”; thence North 00 degrees 02 minutes 19 seconds West a distance of 522.33 feet to said Point “E”.

Also Beginning from said Point “Q”; thence South 00 degrees 02 minutes 19 seconds East a distance of 98.64 feet to the southern most northerly line of Lot 7, said Avondale City Center.

Beginning from said Point “R”; thence North 00 degrees 56 minutes 45 seconds West a distance of 29.00 feet to a point 5 feet north of the southern most line of said Lot 4.



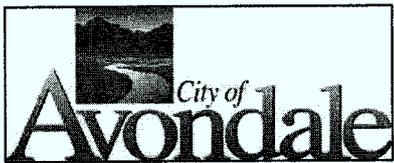
**NOTES:**

Boundary location data on this drawing is based upon Record information.

Power distribution facility easement location and dimensions are calculated.

**LEGEND:**

- Section Line
- ..... Centerline Power Distr. Easement
- Right-of-way line
- Property Line
- (X) Point Designation



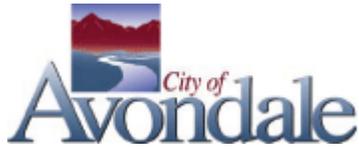
ENGINEERING  
DEPARTMENT

**EXHIBIT MAP**  
Avondale City Center Phase 1  
SRP Power Distribution Easement  
Grantor: City of Avondale

DATE: 7-7-2010  
DSN: \_\_\_\_\_  
DRN: LS  
CHK: \_\_\_\_\_

PROJECT NAME  
Avondale City Center

PAGE  
5 OF 5



# CITY COUNCIL REPORT

**SUBJECT:**

Ordinance 1421-710 - Authorizing the Acquisition of Real Property for Public Use

**MEETING DATE:**

July 19, 2010

**TO:** Mayor and Council

**FROM:** Daniel Davis, Economic Development Director (623)333-2411

**THROUGH:** Charlie McClendon, City Manager

**PURPOSE:**

Staff is requesting that the City Council adopt an ordinance authorizing the acquisition of real property by purchase, condemnation, or dedication of approximately 32 acres of property located near Avondale Boulevard and Roosevelt Street.

**DISCUSSION:**

The property is located in the City Center Specific Area Plan and could become an integral component of the overall implementation strategy. The acquisition would provide the required property for a future transit center that was identified in the site selection study along with permanent parking for the Randall McDaniel Sports Complex.

**RECOMMENDATION:**

Staff recommends that City Council adopt an ordinance authorizing the acquisition of real property by purchase, condemnation, or dedication of approximately 32 acres of property located near Avondale Boulevard and Roosevelt Street.

**ATTACHMENTS:**

Click to download

 [Ordinance 1421-710](#)

**ORDINANCE NO. 1421-710**

AN ORDINANCE OF THE COUNCIL OF THE CITY OF AVONDALE, ARIZONA, AUTHORIZING THE ACQUISITION OF REAL PROPERTY FOR PUBLIC USE.

**WHEREAS**, Article I, Section 3 of the Avondale City Charter authorizes the City of Avondale (the “City”) to acquire real property in fee simple or any lesser interest, inside or outside its corporate limits for any City purpose, when the public convenience requires it and in accordance with the provisions of State law; and

**WHEREAS**, the City desires to acquire land within the Avondale City Center area to be used for future construction of a transit center and other public uses; and

**WHEREAS**, the City Council desires to authorize the acquisition of certain real property necessary for such public use in the Avondale City Center area.

**NOW, THEREFORE, BE IT ORDAINED** BY THE COUNCIL OF THE CITY OF AVONDALE as follows:

SECTION 1. The recitals above are hereby incorporated as if fully set forth herein.

SECTION 2. The acquisition, by purchase, condemnation or dedication of a ± 32 acre parcel of real property, generally located east of Avondale Boulevard, south of Roosevelt Street, in Avondale, Arizona (the “Property”), as more particularly described and depicted in Exhibit A, attached hereto and incorporated herein by reference, is hereby authorized.

SECTION 3. In the event that a negotiated purchase cannot be reached for the Property, the City Attorney is hereby authorized to immediately initiate condemnation proceedings, including all actions necessary to enable the City to take possession of said property at the earliest possible date.

SECTION 4. If any provision of this Ordinance is for any reason held by any court of competent jurisdiction to be unenforceable, such provision of portion hereof shall be deemed separate, distinct and independent of all other provisions and such holding shall not affect the validity of the remaining portions of this Ordinance.

SECTION 5. The Mayor, the City Manager, the City Clerk and the City Attorney are hereby authorized and directed to take all steps and to execute all documents necessary to carry out the purpose and intent of this Ordinance.

**PASSED AND ADOPTED** by the Council of the City of Avondale, July 19, 2010.

---

Marie Lopez Rogers, Mayor

ATTEST:

---

Carmen Martinez, City Clerk

APPROVED AS TO FORM:

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Andrew J. McGuire, City Attorney

EXHIBIT A  
TO  
ORDINANCE NO. 1421-710

[Legal description and map of Property]

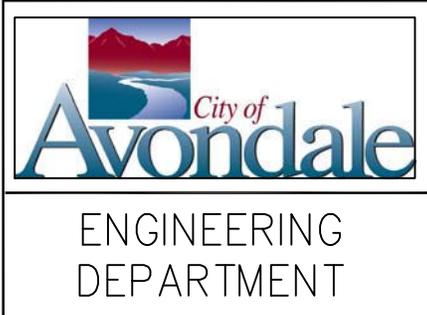
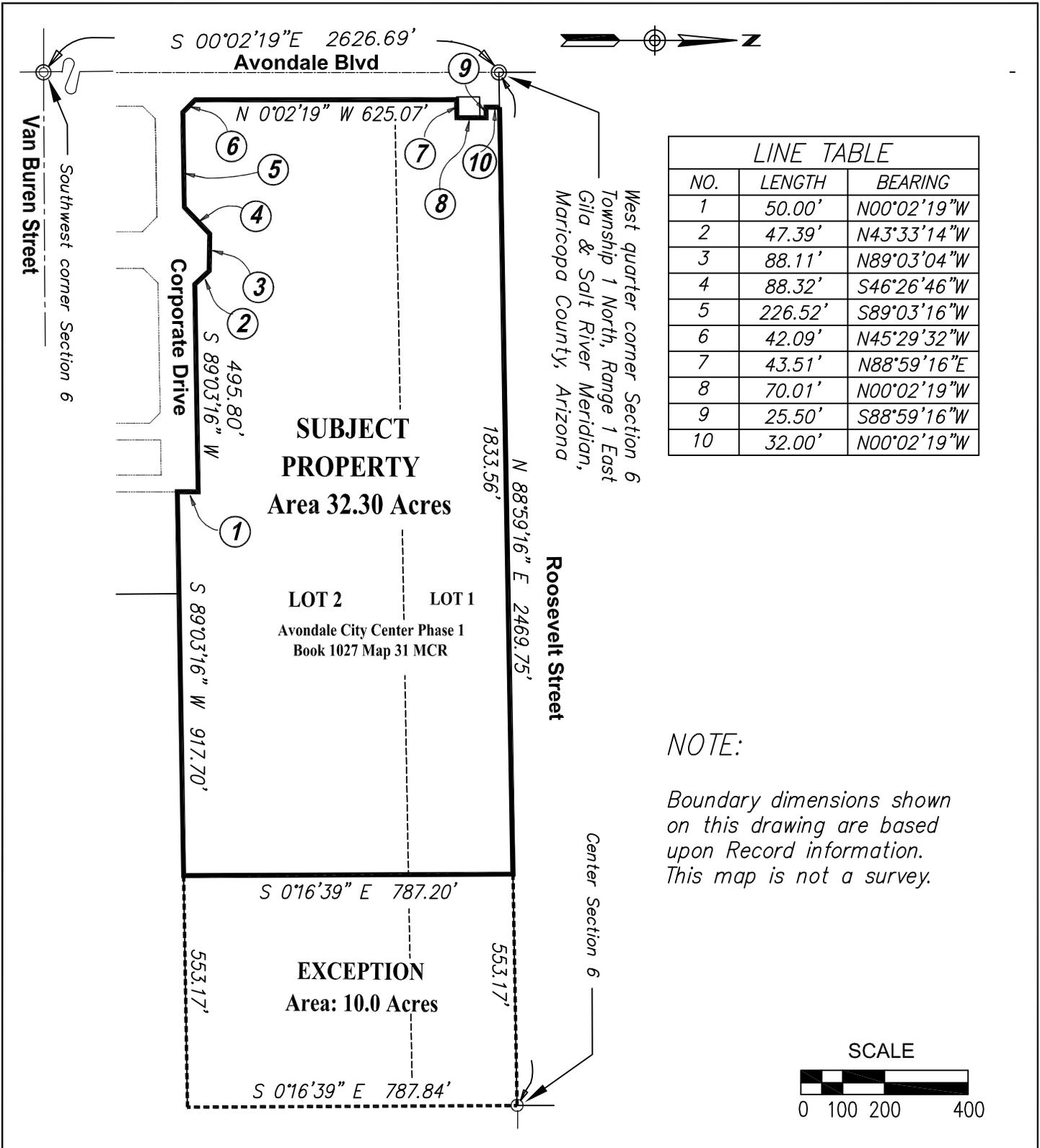
See following pages.

Leverton Property  
Parts of MCA 102-57-238 & 239

Legal Description

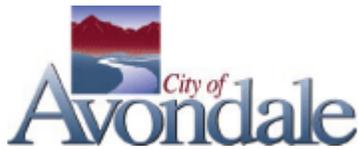
Lot 1 and Lot 2 of Avondale City Center Phase 1, as recorded in Book 1027 page 31 of the Official Records of Maricopa County Recorder, Maricopa County, Arizona.

Except that 10 acre area consisting of the East 553.17 feet thereof.



**EXHIBIT MAP**  
Leverton Property Acquisition  
Parts of Lot 1 and 2  
Avondale Center Phase 1

DATE: 7-14-2010	PROJECT NAME
DSN:	Avondale City Center
DRN: LS	PAGE
CHK:	2 OF 2



# CITY COUNCIL REPORT

**SUBJECT:**

Resolution 2924-710 - Property Tax Levy for Fiscal Year 2010-2011

**MEETING DATE:**

July 19, 2010

**TO:** Mayor and Council

**FROM:** Kevin Artz, Finance & Budget Director (623)333-2011

**THROUGH:** Charlie McClendon, City Manager

**PURPOSE:**

Staff is requesting that Council adopt a resolution setting the property tax levy for fiscal year 2010-2011, in the amount of \$5,638,000.

**DISCUSSION:**

As required by City Charter, Article VI, Section 6 and A.R.S. §42-17151, the Council must fix, levy and assess the amount to be raised by property taxes as proposed in the annual budget by the third Monday in August. In compliance with A.R.S. §42-17104, a public hearing was held on July 5, 2010 to solicit public input on the final budget and proposed tax levy. The City has also complied with all Truth in Taxation requirements of A.R.S. §42-17107 by publishing the Truth in Taxation notice in the West Valley View on June 8th, June 15th, June 25th and June 29th.

Based on the amounts presented in the final adopted budget, the City will levy the maximum allowable primary property tax levy for the 2010-2011 fiscal year. The primary property tax levy will be utilized to fund general government operations as allowed by State Law. The maximum primary property tax levy is \$2,219,010. Based on the assessed valuation provided by Maricopa County, the primary property tax rate is \$0.4537 per \$100 of assessed valuation.

The secondary tax levy will be utilized for the retirement of principal and payment of interest on general obligation bonds of the City as allowed by State Law. The secondary property tax levy is fixed at \$3,418,990. The secondary property tax rate is \$0.6521 per \$100 of assessed valuation.

The total estimated tax rate for fiscal year 2010-2011 is \$1.1058 per one-hundred dollars of assessed valuation, which maintains a level tax rate from fiscal year 2009-2010 (\$1.1058). The total tax levy is \$5,638,000.

**RECOMMENDATION:**

Staff recommends that Council adopt a resolution setting the primary and secondary property tax levies for fiscal year 2010-2011, in the amount of \$5,638,000.

**ATTACHMENTS:**

Click to download

[📎 Auditor General Form - Schedule B](#)

[📎 Resolution 2924-710](#)

**City of Avondale**  
**Summary of Tax Levy and Tax Rate Information**  
**Fiscal Year 2011**

	<u>2009-10</u> <u>Fiscal Year</u>	<u>2010-11</u> <u>Fiscal Year</u>
1. Maximum allowable primary property tax levy. A.R.S. §42-17051(A)	\$ <u>2,089,490</u>	\$ <u>2,219,010</u>
2. Amount received from primary property taxation in the current year in excess of the sum of that year's maximum allowable primary property tax levy. A.R.S. §42-17102(A)(18)	\$ _____	
3. Property tax levy amounts		
A. Primary property taxes	\$ <u>2,089,490</u>	\$ <u>2,219,010</u>
B. Secondary property taxes	<u>4,764,450</u>	<u>3,418,990</u>
C. Total property tax levy amounts	\$ <u>6,853,940</u>	\$ <u>5,638,000</u>
4. Property taxes collected*		
A. Primary property taxes		
(1) 2009-10 year's levy	\$ <u>1,936,434</u>	
(2) Prior years' levies	<u>0</u>	
(3) Total primary property taxes	\$ <u>1,936,434</u>	
B. Secondary property taxes		
(1) 2009-10 year's levy	\$ <u>4,526,228</u>	
(2) Prior years' levies	<u>_____</u>	
(3) Total secondary property taxes	\$ <u>4,526,228</u>	
C. Total property taxes collected	\$ <u>6,462,662</u>	
5. Property tax rates		
A. City/Town tax rate		
(1) Primary property tax rate	<u>0.3634</u>	<u>0.4537</u>
(2) Secondary property tax rate	<u>0.7424</u>	<u>0.6521</u>
(3) Total city/town tax rate	<u>1.1058</u>	<u>1.1058</u>
B. Special assessment district tax rates		

Secondary property tax rates - As of the date the proposed budget was prepared, the city/town was operating \_\_\_\_\_ special assessment districts for which secondary property taxes are levied. For information pertaining to these special assessment districts and their tax rates, please contact the city/town.

\* Includes actual property taxes collected as of the date the proposed budget was prepared, plus estimated property tax collections for the remainder of the fiscal year.

**RESOLUTION NO. 2924-710**

A RESOLUTION OF THE COUNCIL OF THE CITY OF AVONDALE, ARIZONA, LEVYING UPON THE ASSESSED VALUATION OF THE PROPERTY WITHIN THE CITY OF AVONDALE SUBJECT TO TAXATION, A CERTAIN SUM UPON EACH ONE HUNDRED DOLLARS (\$100.00) OF VALUATION SUFFICIENT TO RAISE THE AMOUNT ESTIMATED TO BE REQUIRED IN THE ANNUAL BUDGET; PROVIDING FUNDS FOR VARIOUS BOND REDEMPTIONS FOR THE PURPOSE OF PAYING INTEREST UPON BONDED INDEBTEDNESS; AND PROVIDING FUNDS FOR GENERAL MUNICIPAL EXPENSES; ALL FOR THE FISCAL YEAR ENDING JUNE 30, 2011.

**WHEREAS**, the Council of the City of Avondale (the "City Council") is required by ARIZ. REV. STAT. §§ 42-17151 and 42-17253 to adopt, by resolution, an annual tax levy based upon the rate to be assessed per each one hundred dollars (\$100.00) of valuation of property within the City; and

**WHEREAS**, the property taxpayers of the City of Avondale (the "City") have been notified of an increase in the primary property tax levy as required by ARIZ. REV. STAT. § 42-17107; and

**WHEREAS**, by the provisions of State Law, the resolution levying taxes for fiscal year 2010-2011 is required to be finally adopted on or before the third Monday in August and not less than fourteen days after adoption of the municipal budget; and

**WHEREAS**, the City's annual budget was adopted by Resolution No. 2919-710 at a meeting of the City Council held on July 5, 2010, at least fourteen days prior to the hearing date for this Resolution No. 2924-710; and

**WHEREAS**, Maricopa County is the assessing and collecting authority for the City.

**NOW, THEREFORE, BE IT RESOLVED** BY THE COUNCIL OF THE CITY OF AVONDALE as follows:

**SECTION 1.** The recitals above are hereby incorporated as if fully set forth herein.

SECTION 2. There is hereby levied on each one hundred dollars (\$100.00) of the assessed value of all property, both real and personal, within the corporate limits of the City, except such property as may be by law exempt from taxation, a primary property tax rate of \$0.4537 (or such other amount as deemed necessary by the Maricopa County Assessor), which is sufficient to raise the sum of \$2,219,010, the maximum levy allowed by law for the fiscal year ending on June 30, 2011.

SECTION 3. In addition to the rate set in Section 2 hereof, there is hereby levied on each one hundred dollars (\$100.00) of assessed valuation of all property, both real and personal, within the corporate limits of the City, except such property as may be by law exempt from taxation, a secondary property tax rate of \$0.6521 (or such other amount as deemed necessary by the Maricopa County Assessor), which is sufficient to raise the sum of \$3,418,990 for the purpose of providing bond interest and redemption funds for General Obligation Bond debt service for the fiscal year ending June 30, 2011.

SECTION 4. Failure by the county officials of Maricopa County, Arizona, to properly return the delinquent list, any irregularity in assessments or omissions in the same, or any irregularity in any proceedings shall not invalidate such proceedings or invalidate any title conveyed by any tax deed; failure or neglect of any officer or officers to timely perform any of the duties assigned to him or to them shall not invalidate any proceedings or any deed of sale pursuant thereto, the validity of the assessment or levy of taxes or of the judgment of sale by which the collection of the same may be enforced shall not affect the lien of the City upon such property for the delinquent taxes unpaid thereon, and no overcharge as to part of the taxes or of costs shall invalidate any proceedings for the collection of taxes or the foreclosure; and all acts of officers de facto shall be valid as if performed by officers de jure.

SECTION 5. The City Clerk is hereby authorized and directed to transmit a certified copy of this Resolution to the Maricopa County Assessor and the Maricopa Board of Supervisors.

SECTION 6. If any provision of this Resolution is for any reason held by any court of competent jurisdiction to be unenforceable, such provision or portion hereof shall be deemed separate, distinct and independent of all other provisions and such holding shall not affect the validity of the remaining portions of this Resolution.

[SIGNATURES ON FOLLOWING PAGE]

**PASSED AND ADOPTED** by the Council of the City of Avondale, July 19, 2010.

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Marie Lopez Rogers, Mayor

ATTEST:

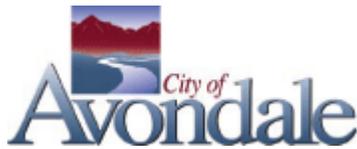
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Carmen Martinez, City Clerk

APPROVED AS TO FORM:

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Andrew J. McGuire, City Attorney



# DEVELOPMENT SERVICES

**SUBJECT:**  
Public Hearing - Conditional Use Permit for  
Hernandez Memorial Chapel (PL-10-0011)

**MEETING DATE:**  
July 19, 2010

**TO:** Mayor and Council  
**FROM:** Sue McDermott, Development Services and Engineering Department Director (623) 333-4211  
**THROUGH:** Charlie McClendon, City Manager (623) 333-1015

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**REQUEST:** Conditional Use Permit (CUP) approval for a funeral home in the Old Town Avondale Business (OTAB) Zoning District.

**PARCEL SIZE:** Approximately 0.12 acres (5,227 square feet)

**LOCATION:** 522 E. Western Avenue

**APPLICANT:** Mr. Miguel Legaspi, LD&W, LLC, (602) 740-8748

**OWNER:** Mr. David Smith, Western Avenue Baptist Church, (623) 478-7740

**BACKGROUND:**

The 5,227 square foot subject property was incorporated as part of Avondale's original town site on December 16, 1946. At the time of annexation, the property was vacant and undeveloped. Aerial photographs indicate that the existing 4,200 square foot building located on the subject property was constructed sometime between 1949 and 1969. The original uses of the building are unknown. No significant expansions to the floor area of the original building have been made since its original construction. A photograph of the building's Western Avenue elevation is attached as Exhibit D.

The property has been zoned OTAB (Old Town Avondale Business District) since 2001. Prior to 2001, the property had been zoned C-2 (Community Commercial). The General Plan land use designation for this property is Mixed Use. The OTAB Zoning is consistent with the Mixed Use General Plan land use designation.

The lot is not part of any subdivision of record.

The property is bordered to the south by Western Avenue. The uses and current zoning of the surrounding properties are as follows:

- **NORTH:** A vacant and undeveloped 0.28 acre parcel with OTAB Zoning. The property is owned by the Western Avenue Baptist Church, which also owns the subject parcel where the funeral home is proposed. Future development of this landlocked property will require access through an adjacent parcel.
- **SOUTH:** A City of Avondale facility containing a police station and jail. The property is zoned OTAB; City facilities are permitted in the OTAB District.
- **EAST:** Two commercial buildings, zoned OTAB, which contain a bakery, restaurant, and office space. The property on which these buildings are located is owned by the Western Avenue Baptist Church, which also owns the subject parcel where the funeral home is proposed. Under

the terms of the applicant's lease, parking spaces on the adjacent parcels to the east will be open to use by funeral home patrons.

- **WEST:** A 0.7 acre parcel containing the PMC Western Mobile Home Park, a combination of approximately 10 mobile homes and three site-built residential structures. The property is zoned OTAB; the use of the property as a mobile home park is non-conforming.

### **SUMMARY OF REQUEST:**

1.The applicant is requesting a Conditional Use Permit to operate a funeral home in the OTAB (Old Town Avondale Business) Zoning District. Funeral homes are not specifically listed as a conditional or permitted use in OTAB, however, “uses similar to and not more detrimental than” any listed use may be permitted subject to approval of a conditional use permit. Similar assembly type uses that are permitted in the OTAB District include churches and private clubs/lodges.

2.The applicant has submitted a narrative which describes the use (Exhibit E). The primary assembly activity planned to occur in the building is funeral visitations, which typically take place in the evening until 9:00 P.M. Funeral services also occur on a less frequent basis, typically on mornings or afternoons.

3.The existing building has most recently been occupied by the Western Avenue Baptist Church, which intends to lease the building to the applicant. The applicant is proposing minor interior modifications to the building to accommodate the funeral home use, including conversion of the kitchen area into a prep room. Minor exterior modifications to the building are also proposed, including the addition of windows and a canopy to the Western Avenue elevation. The applicant has submitted a proposed floor plan which is included as Exhibit F.

4.Embalming will occur within the proposed prep room, however no cremation will occur on the site. Also, office space will be provided for the administration of the business. The hours of operation for non-public functions will be from 8:00 A.M. to 5:00 P.M. Monday through Friday and 10:00 A.M. through 2:00 P.M. Saturday. The business will be closed on Sundays.

5.The Zoning Ordinance requires parking for funeral homes to be provided at the ratio of 1 space for each 300 square feet of interior floor area; 14 spaces are required for the 4,200 square foot building. The OTAB District allows public parking located within 100 feet of a parcel to be counted towards the required number of spaces. Within 100 feet of the proposed funeral home, there are 15 angled parking spaces on Western Avenue and an additional 23 parking spaces in a City-owned public parking lot at the southeast corner of Western Avenue and 6<sup>th</sup> Street, for a total of 38 spaces. As a result, on-site parking spaces are not required. However, in order to provide additional parking to visitors of the funeral home, the applicant and neighboring property owner have agreed to allow for shared use of the parking spaces on the property adjacent to the east. Access to the private parking will be from existing driveways on Western Avenue and 6<sup>th</sup> Street.

6.The business may reserve the four angled public parking spaces directly in front of the business to load a casket into the funeral coach prior to departure to a cemetery. Reserving these spaces will only be allowed after 9:00 PM on the night prior to a funeral service. The spaces will be required to remain open to public use at all other times.

7.The portion of the subject parcel directly north of the building will be paved for use as a service and delivery entrance. This area, which is fenced and gated, will also be used to park the funeral coach when it is not in use.

8.Funeral processions will be managed by a licensed and insured funeral escort service. These services will be contracted by the business owner in order to control the assemblage of the procession and traffic control. To reduce instances of traffic blockages on Western Avenue, the

applicant has agreed to queue procession vehicles on 6<sup>th</sup> Street. All processions will proceed north up 6<sup>th</sup> Street and turn east on Riley Drive before turning onto Dysart Road, in accordance with the "Motor Procession Traffic Queuing and Egress" plan contained within the narrative.

9. Stipulations are recommended in order to ensure compliance with the Zoning Ordinance and other City requirements, mitigate potential adverse impacts to the City's street and sewer infrastructure, and protect the intended character of Old Town. The recommended stipulations can be found within the "Recommendation" section of this report, below.

### **PARTICIPATION:**

The applicant conducted a neighborhood meeting at 6:00 p.m. on May 26, 2010 at City Hall in the Ocotillo conference room. The neighborhood meeting was advertised in the West Valley View on May 11, 2010. The property was posted with a public hearing notice sign on April 29, 2010. Notification letters were mailed to property owners within 500 feet of the subject site on April 29, 2010.

According to the sign-in sheet and summary report provided by the applicant (Exhibit G), four citizens attended the meeting and inquired about the following:

- Will cremations be performed on the site?
- What is the significance of the name of the proposed business?
- What is the applicant's background in the funeral industry?
- What is the demand for a funeral home in the area?
- Why was the subject site chosen for this business?
- Will the separate vacant parcel north of the building be developed as part of the funeral home use?
- Will parking be an issue?

The applicant has addressed the majority of the citizens' concerns.

A notice of the Planning Commission hearing was published in the West Valley View on June 1, 2010. The sign on the property was updated to reflect the date and time of the Planning Commission meeting on June 1, 2010. Notification letters were mailed to property owners within 500 feet of the subject site on June 1, 2010. One citizen spoke on this item at the meeting but neither supported nor opposed the request. Ten additional speaker cards were turned in to the Commission's Secretary; nine cards were in support of the request and one card was in opposition to the request.

Several area business owners have discussed this proposal with staff, either over the telephone or at functions related to the OTAB Zoning Ordinance text amendment. Questions to staff were largely similar to those asked to the applicant at the neighborhood meeting and summarized above. Staff has not received written comments from any citizen indicating support for or opposition to the proposed use.

This report has been completed in advance of posting deadlines. A notice of the City Council hearing will be published in the West Valley View on June 29, 2010. The sign on the property will be updated to reflect the date and time of the City Council meeting by June 30, 2010. Notification letters will be mailed to property owners within 500 feet of the subject site by June 30, 2010. All notification requirements are the applicant's responsibility; in the event that one or more of the above listed,

required notifications are not completed in time, this item will be rescheduled for a future City Council hearing date.

### **PLANNING COMMISSION ACTION:**

The Planning Commission conducted a public hearing on June 17, 2010, and voted 6-0 to recommend approval of this request subject to the following stipulations (Exhibit H):

1. The use shall conform to the "Hernandez Memorial Chapel Project Narrative" and "Motor Procession Traffic Queuing and Egress" plan, date stamped April 7, 2010, except as modified by these stipulations.
2. All human blood waste generated by the use shall be disposed of in a manner approved by the City's Public Works Department.
3. The four (4) public parking spaces adjacent to the subject building may be reserved for funeral coach loading, provided that they shall not be reserved before 9:00 P.M. on the day preceding a planned funeral service. Spaces shall be reserved only by non-permanent methods (e.g. rubber cones) which will not damage the public right-of-way. Spaces shall remain open to public use when not reserved for funeral coach loading.
4. Cremation shall be prohibited.

Chairman Iwanski was excused from the meeting.

### **ANALYSIS:**

The Zoning Ordinance contains five required findings to be met in order to approve a Conditional Use Permit (108.C.2 A.Z.O.). These findings, with staff analysis, are as follows:

#### **1. That the proposed use (i) is consistent with the land-use designation set forth in the General Plan, (ii) will further the City's general guidelines and objectives for development of the area, as set forth in the General Plan and (iii) will be consistent with the desired character for the surrounding area.**

- The subject property is designated as Mixed Use on the General Plan Land Use Map. The existing OTAB zoning is consistent with this Mixed Use designation.
- Any use similar to and not more detrimental than the uses specifically listed as permitted in the OTAB district may be allowed subject to City Council approval of a conditional use permit. While funeral homes are not specifically listed, they are an assembly type use with many of the same land use characteristics as churches, which are permitted in OTAB.
- The general character of a funeral home is consistent with the character of Old Town and it is likely that its presence will generate sales for existing businesses in the area. For example, people attending visitations at the proposed funeral home may utilize a florist in the vicinity of the business or dine at one of the area's numerous restaurants before or after a service. Additionally, the funeral home itself may contribute to the Western Avenue economy by using services, such as engraving for urns or other items.

#### **2. That the use will be (i) compatible with other adjacent and nearby land uses and (ii) will not be detrimental to (1) persons residing or working in the area, (2) adjacent property, (3) the neighborhood or (4) the public welfare in general.**

- All activities will occur within the existing enclosed building. There are no noise, odor, dust, vibration, or light pollution issues associated with the applicant's business.
- The funeral home is expected to generate traffic and require parking equivalent to that of the church which has previously occupied the building. Approximately 30 parking spaces beyond the minimum requirement (45 total) are located in proximity to the use and will be more than

adequate to ensure there is no detrimental effect to surrounding businesses or residents.

- As mentioned above, the proposed use will contribute customers to the existing businesses in the area and generate additional pedestrian activity prior to, during, and after visitation hours.
- In general, the funeral home will not be detrimental to surrounding properties, neighborhoods, or the public welfare.

**3. That the site is adequate in size and shape to accommodate the proposed use, allow safe onsite circulation, and meet all required development standards including, but not limited to setbacks, parking, screening and landscaping.**

- The proposed use will be located in an existing building that meets all requirements of the Zoning Ordinance, including setbacks, parking, screening, and landscaping. No expansion of the existing building is proposed.

**4. That the site has appropriate access to public streets with adequate capacity to carry the type and quantity of traffic generated by the proposed use.**

- The site has appropriate access to public streets with adequate capacity to carry the type and quantity of traffic generated by the proposed use. The use will generate a greater amount of traffic than a standard retail use during evening visitation hours (typically 5:00 P.M. to 9:00 P.M.), but less traffic at all other times except when services are held.
- City Staff has worked with the applicant to develop a funeral procession queuing and egress plan designed to reduce conflicts and tie-ups on Western Avenue. Compliance with this plan by the proposed business will be mandatory.

**5. That adequate conditions have been incorporated into the approval to insure that any potential adverse effects will be mitigated.** Four stipulations are included in the recommendation, as follows:

- Stipulation 1 is a standard stipulation tying the approval of the Conditional Use Permit to the information that was submitted by the applicant, including the project narrative and motor procession traffic queuing and egress plan.
- Stipulation 2 requires the applicant to dispose of blood collected during the embalming process in a method acceptable to the City's Public Works Department.
- Stipulation 3 regulates the reservation of the public parking spaces in front of the funeral home for funeral coach loading. This stipulation clarifies that reserving these spaces will only be allowed after 9:00 PM the night prior to a funeral service; the spaces will be required to remain open to public use at all other times.
- Stipulation 4 prohibits cremation from occurring on the site.

**Conclusion:** Based on the information provided by the applicant, the public input received, the analysis by staff, and the recommendation of the Planning Commission, staff recommends approval of the requested Conditional Use Permit. This request meets the required criteria and will conform to the conditions of approval.

**RECOMMENDATION:**

The City Council should conduct a public hearing and **APPROVE** Application PL-10-0011, subject to the following four stipulations:

1. The use shall conform to the “Hernandez Memorial Chapel Project Narrative” and “Motor Procession Traffic Queuing and Egress” plan, date stamped April 7, 2010, except as modified by these stipulations.
2. All human blood waste generated by the use shall be disposed of in a manner approved by the City's Public Works Department.
3. The four (4) public parking spaces adjacent to the subject building may be reserved for funeral coach loading, provided that they shall not be reserved before 9:00 P.M. on the day preceding a planned funeral service. Spaces shall be reserved only by non-permanent methods (e.g. rubber cones) which will not damage the public right-of-way. Spaces shall remain open to public use when not reserved for funeral coach loading.
4. Cremation shall be prohibited.

**PROPOSED MOTION:**

I move that the City Council accept the findings and **APPROVE** Application PL-10-0011, a request for approval of a Conditional Use Permit for a funeral home in the OTAB (Old Town Avondale Business) Zoning District, subject to four recommended stipulations.

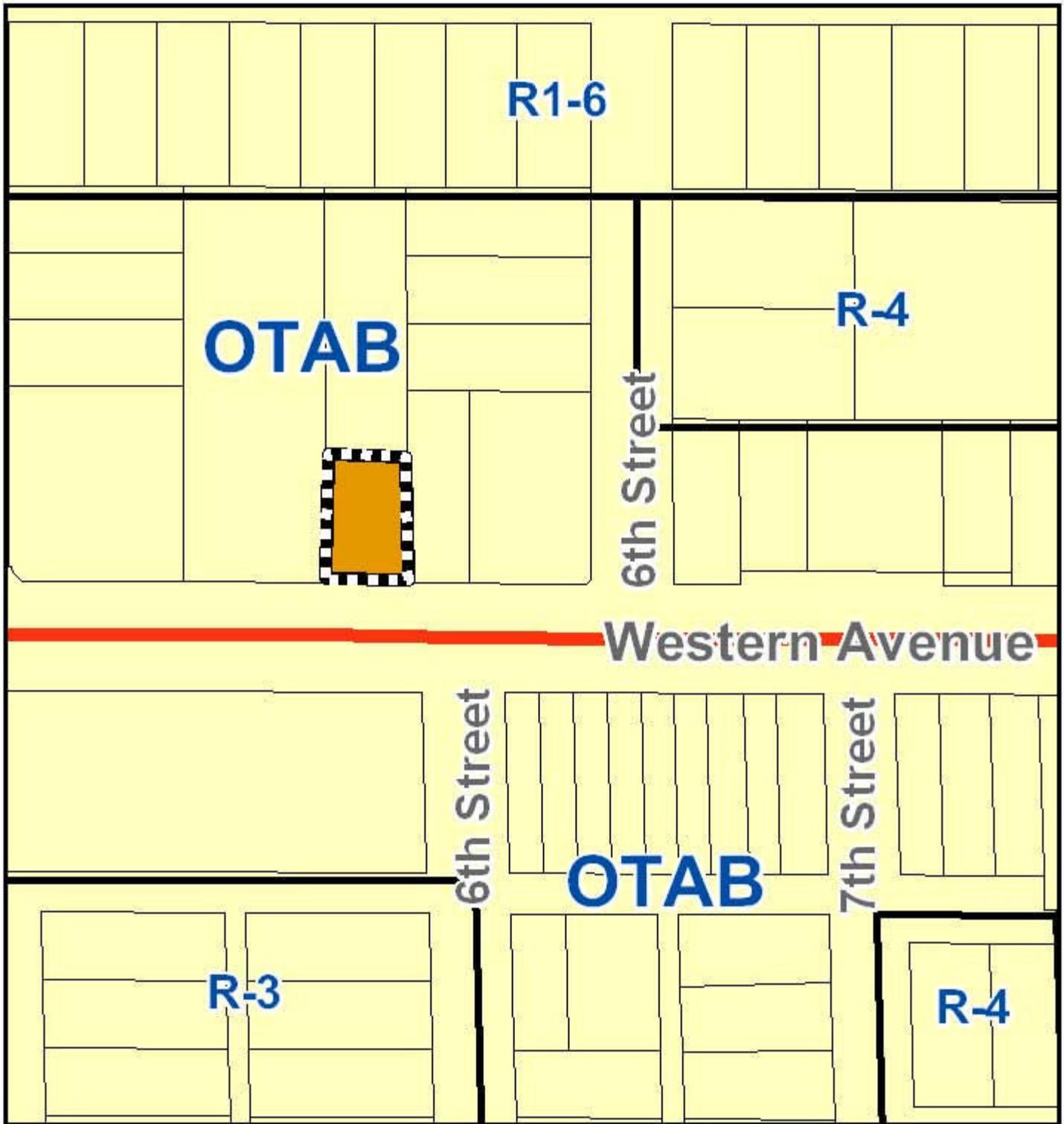
**ATTACHMENTS:**

**Click to download**

- [Exhibit A - Zoning Vicinity Map](#)
- [Exhibit B - Aerial Photograph](#)
- [Exhibit C - Summary of Related Facts](#)
- [Exhibit D - Photograph of Building \(Western Avenue Elevation\), March 2010](#)
- [Exhibit E - Applicant's Narrative and Motor Procession Traffic Queuing and Egress Plan, date stamped April 7, 2010.](#)
- [Exhibit F - Proposed Floor Plan](#)
- [Exhibit G - Neighborhood Meeting Sign-In Sheet and Summary Report](#)
- [Exhibit H - Excerpt of Planning Commission Meeting Minutes from June 17, 2010 Regular Meeting](#)

**PROJECT MANAGER:**

Ken Galica, Planner II (623) 333-4019



## Zoning Vicinity Map



Subject Property





## Aerial Photograph



Subject Property



*SUMMARY OF RELATED FACTS*

*APPLICATION PL-10-0011*

<i>THE PROPERTY</i>	
PARCEL SIZE	0.12 acres (5,227 square feet)
LOCATION	522 E. Western Avenue; approximately 90 feet west of the northwest corner of Western Avenue and 6 <sup>th</sup> Street
PHYSICAL CHARACTERISTICS	Rectangular and level surface, occupied by an approximately 4,200 square foot commercial building.
EXISTING LAND USE	Church (Western Avenue Baptist Church)
EXISTING ZONING	Old Town Avondale Business (OTAB) District
ZONING HISTORY	The subject property was incorporated as part of the original Avondale town site on 12/16/1946. The Zoning on the property was changed from C-2 (Community Commercial) to OTAB in 2001.
DEVELOPMENT AGREEMENT	None

<i>SURROUNDING ZONING AND LAND USE</i>	
NORTH	OTAB (Old Town Avondale Business District- Vacant Land
EAST	OTAB (Old Town Avondale Business District) – Bakery, Restaurant, and office.
SOUTH	OTAB (Old Town Avondale Business District) – City of Avondale Police Department
WEST	OTAB (Old Town Avondale Business District) – PMC Western Mobile Home Park

<i>GENERAL PLAN</i>	
The subject property is designated as Mixed Use on the General Plan Land Use Map.	

<i>PUBLIC SCHOOLS</i>	
SCHOOL DISTRICT(S)	Avondale Elementary School District Agua Fria Union High School District
ELEMENTARY SCHOOLS	Pioneer Elementary School
HIGH SCHOOL	Agua Fria High School

<i>STREETS</i>	
<b>Western Avenue</b>	
Classification	Minor Collector
Existing half street ROW	40 feet
Standard half street ROW	40 feet
Existing half street improvements	One traffic lane, 45° angled parking, curb and gutter, street light, sidewalk, landscaping
Standard half street improvements	One traffic lane, 45° angled parking, curb and gutter, street light, sidewalk, landscaping

<i>STREETS</i>	
<b>6<sup>th</sup> Street</b>	
Classification	Local Street
Existing half street ROW	30 feet
Standard half street ROW	25 feet
Existing half street improvements	One traffic lane, curb and gutter, sidewalk.
Standard half street improvements	One traffic lane, curb and gutter, sidewalk, and landscaping.

<i>UTILITIES</i>
There subject building is served by an existing 8” water line in Western Avenue and a 6” sewer line in 6 <sup>th</sup> Street.



SALE or LEASE, C.  
Property Dimensions, Ltd.  
623-376-9234  
CATHY CHESHIER





## Hernandez Memorial Chapel Project Narrative

### 1. Consistency with the General Plan and any applicable Specific Plan.

It is to our understanding that the General Plan and any applicable Specific Plan for the Old Town Avondale Zoning Overlay District would find our proposal in compliance with the city of Avondale's requirements for the establishment of a funeral home within its boundaries.

After thorough review of the MUNICIPAL CITY CODE OF AVONDALE, ARIZONA, APENDIX B (Zoning), SECTION 3 (Commercial Districts) PARAGRAPH 302 (Commercial Districts Statement of Purpose) through PARAGRAPH 307 (Old Town Avondale Zoning Overlay District) paying specific attention to paragraph 304 (Uses permitted with conditions) SUB PARAGRAPH H, stating that Funeral Homes are allowed in certain commercial zone districts provided that:

Sites shall be designed such that parking, circulation, and access will not adversely affect adjacent or nearby residentially zoned property or residential use.

And also in Paragraph 307 (Old Town Avondale Zoning Overlay District) Sub Paragraph B, Uses permitted subject to a conditional use permit. In the OTAB District, the following uses and activities and their accessory buildings and uses are permitted subject to the provisions of Section 107:

12. Uses similar to and not more detrimental than those permitted herein, excluding tattoo parlors, body piercing studios, pawn shops, plasma centers, and non-chartered financial services.

In reference to line 12 (above) those Items listed in paragraph 307 are:

12. Churches (Our Funeral Chapel will be a place for gathering and assembly for religious rights of passage)

24. Import stores (Our caskets and urns are imported retail items)

25. Jewelry stores (We will sell a large variety of cremation jewelry)

27. Medical, dental, and optical offices (Decedent preparation is performed by a qualified and licensed funeral director who is thoroughly educated in the knowledge of anatomy and licensed by a recognized, qualifying state board, ARIZONA STATE BOARD FUNERAL DIRECTORS AND EMBALMERS. Without the authorization and licensing from this state agency, a funeral establishment would not be allowed to operate)

31. Offices for professional, administrative, clerical, and sales service (A vast majority of time put into funeral preparation is clerical and administrative, to include sales, printing and filing)

36. Retail shops, as an accessory use to any of the primary uses permitted in this section (Urns, caskets, and funeral accessories will be sold as retail items)

## **2. Compliance with the Zoning ordinance and any other city codes and regulations.**

A funeral home is a business establishment that is zoned "C" (commercial) and either "B" (business), with an individual room large enough to accommodate up to 49 individuals, or "A" (Assembly) for 50 individuals or more in a single assembly area within the building.

The proposed funeral establishment is attempting to occupy an existing building zoned commercial by the City of Avondale with an existing zoning use of assembly.

Due to the assembly use already in existence, the only request by this proposed funeral establishment is that the City of Avondale grants a conditional use permit.

In regards to zoning for parking, it is our understanding that the building and surrounding property that it is on is within compliance. The church that currently occupies the location at this time is within compliance of the city parking ordinance and it is our intent to downsize the seating allocations within the assembly area thus decreasing the amount of parking space necessary to provide a service.

## **3. General compatibility of proposed use with adjacent property.**

This proposed funeral establishment has great potential to bring new patronage to the City of Avondale and specifically the Old Town Avondale Overlay District. This is accomplished by bringing recognition of the OTAB District's existence in the west valley to the individuals that will gather for a visitation or a service at the chapel. In addition to serving the residents of the City of Avondale, it will also provide individuals from outside the city the opportunity to see the ease of accessibility to its location, the selection of services provided in the area, its charm and appeal and can assist the OTAB District in bringing needed revenue from both local and non-local clientele.

## **4. Site and building design.**

The building was built in approximately 1952. The design is that of a pre-existing assembly structure on parcel APN-500-20-147D and is of 5,227 Square feet. The parcel is being leased from the same owner of the properties occupied by the beauty salon and Bakery, thus a written agreement is in the lease in regards for access thru the parking lot to the rear of the building for loading and unloading of equipment, supplies and human remains. The store front of the building faces south on Western Avenue. The street address is 522 E. Western Avenue.

The building is approximately 52 feet running east west and 57 feet running north south. The building is approximately 3,300 square feet. The building's main entrance is located on the south east corner, a set of double doors facing south on Western Avenue. The chapel is approximately 750 square feet running north to south on the west side of the building. There is a window on the south west corner of the building (the chapel) facing south on Western avenue. There is a door on the northwest corner of the building facing north and exiting the chapel area. There is another exit on the north east corner of the building facing north exiting a hallway that runs the interior length of the building going north south. There is yet one more exit, centered on the rear of the building facing north exiting a kitchen and storage area that separates the hallway and the chapel, running north south in the center of the building. There are three rooms all approximately the same size on the

east wall paralleling the hallway that runs north south. The handicapped restroom is in the north east corner of the building, a second restroom in the most north eastern classroom and a third restroom outside the north exit of the chapel. The roof is A-framed with access to the attic from the rear. The building is a block structure with a stucco finish.

It is our intent to maintain the majority of the interior design More than 50%) of the building with slight modifications (less than 800 square feet). Approximately 18 feet of the southern end of the chapel will be converted to a chapel lobby and entrance. The window on the south west corner of the building facing Western Avenue will be replaced with a chapel entrance consisting of double glass paneled doors. Two windows will be placed left and right of center of the front of the building and canopies will installed above the existing door, the installed door and the installed windows with possible business name in ornate script to be added on them for simple advertisement. We would like to install two benches on the outside of each door on the front of the building between the installed doors and windows. The most southern of the three rooms on the east side interior will have the south wall removed to accommodate a reception area immediately inside the south east double doors.

The remaining parcel, directly behind the building need to be paved for delivery and pickup for access to the center rear door (kitchen storage area) that is to be converted to a prep room. THIS IS NOT TO BE CONFUSED WITH THE PARCEL DIRECTLY BEHIND THE PRPERTY BEING LEASED.

#### **5. Address ingress and egress to the property and proximity to driveways and street intersections in the vicinity of subject property.**

The driveway entrance is approximately 300 feet west of the northwest corner of 5<sup>th</sup> Street and Western Avenue in Avondale. Entrance access to the parking area is located on the east side of the building from Western Avenue and is one way entering to the north. Exit access from the parking area is east straight on to 5<sup>th</sup> Avenue, a street running north south intersecting Western Avenue to the south. The exit is approximately 100 feet to the north of the northwest corner of 5<sup>th</sup> Street and Western Avenue.

#### **6. Internal vehicular circulation including emergency and delivery vehicles.**

It is our intent to use public parking, on street parking and the city lot directly across the street.

Emergency vehicles will have access to the front of the building on Western Avenue, access to the east side of the building from the shared parking lot, and to the north side of the building from the delivery/drop off area.

Delivery and unmarked removal vehicles will also enter the property through the entrance on Western Avenue, going to the end of the shared parking lot and turning left (west) to the rear (north side) of the building to unload merchandise and goods, then exiting to the east thru the normal egress route. Due to the shared nature of the properties in question, no easement is required.

## **7. Pedestrian and alternative vehicle considerations for proposed use.**

All pedestrian traffic to and from the location, with the exception of emergency use, will be through the front (south) of the building on Western Avenue, the location having a walk-up storefront access.

Vehicle and pedestrian traffic do not appear to be in conflict with each other during normal business hours, nor during daytime funeral services or evening visitations.

## **8. Volume and character of traffic.**

The character of traffic expected for the type of business is that of individuals that are attending to pay respects to the life of a loved one or friend. This is expected to be a reserved group of individuals that are closely related through family and friends that are brought together through a death. For some it is a reason for faith based celebration, but the vast majority will be that of reflection. As per any group of people there may be a few individuals of unsavory presentation of their emotions and at times, outright distasteful. But far and few are these types of individuals. It is the sole responsibility of the funeral home staff to closely monitor the actions and behavior of all individuals.

Volume of individuals will depend on the popularity of the deceased, the level of privacy requested by the family and the time of day. Traditionally visitations are held in the evening between the hours of 5:00PM and 9:00PM. Generally it is traditional for individuals to come and pay their respects throughout the visitation, some staying for a traditional prayer vigil during the scheduled visitation time.

Services are traditionally held during the day between the hours of 9:00AM and 1:00PM. A service is approximately one hour in length and is attended by perhaps maybe 50-60% of those that attended the visitation. IT IS IMPORTANT TO UNDERSTAND THAT NOT ALL FUNERAL SERVICES ARE HELD PRIMARILY AT THE PROPOSED LOCATION, BUT AT A LOCATION OTHER THAN THE FUNERAL HOME (IE CHURCHES, PLACE OF WORSHIP, ETC).

## **9. Off-street parking and loading.**

It is our intent to use the off-street parking for the loading and unloading of supplies and merchandise and to allow access to the rear of the building for human remains drop off. If a funeral service is to be conducted at the mortuary, traditionally professionally licensed and insured funeral escort services are subcontracted for traffic control for the procession to depart the area. Seeing how the chapel front is on Western Avenue, it is requested to be able to reserve the four on street parking spaces located directly in front of the chapel exit to park the hearse for loading of the casket after the service, prior to departure to the cemetery. This is a common practice observed in most store front funeral parlors. The loading of the casket into the funeral coach after a service held at the mortuary is the only occasion that loading will be conducted from the street. These spots will be reserved the night prior to the service by the funeral staffs placing of red cones to block the spaces.

#### **10. Impact of public services, including utilities, schools and recreation.**

Due to the Avondale fire station being on Western Avenue, It is our intention to stage the funeral procession heading north on N. 6<sup>th</sup> Avenue to East Riley Avenue, then East to Dysart Road. This egress rout will eliminate the chance of blocking access to and from the Avondale fire station on Western Avenue. It is also our intent to inform the fire station the morning of a service that we will be conducting a service at our location.

#### **11. Screening and buffering of uses.**

The Arizona State Board of Funeral Directors and Embalmers is responsible for licensing the legal day to day operations of the funeral home. The licensed funeral director is responsible for ensuring that the funeral home, being licensed under their name, is in compliance with the State Board's plans, procedures, and oversees the legal day to day operations of the funeral home as a "funeral home", and nothing else. The owner/manager is responsible for the behavior and proper procedure of the staff and operating the establishment to the highest code of ethics required for a state licensed business.

It is our intent to use this location for nothing more than the business it will be operated as, a funeral home. The Arizona State Board routinely conducts unannounced inspections ensuring the licensed business is in compliance.

#### **12. Proposed outdoor activities and storage.**

A funeral coach will be parked in the rear of the building for storage, behind a locked gate.

#### **13. Hours of operation.**

Hours of operations are Monday thru Friday, 8:00AM to 5:00PM. Saturdays 10:00AM to 2:00PM Closed Sundays. Visitations could run as late as 9:00PM

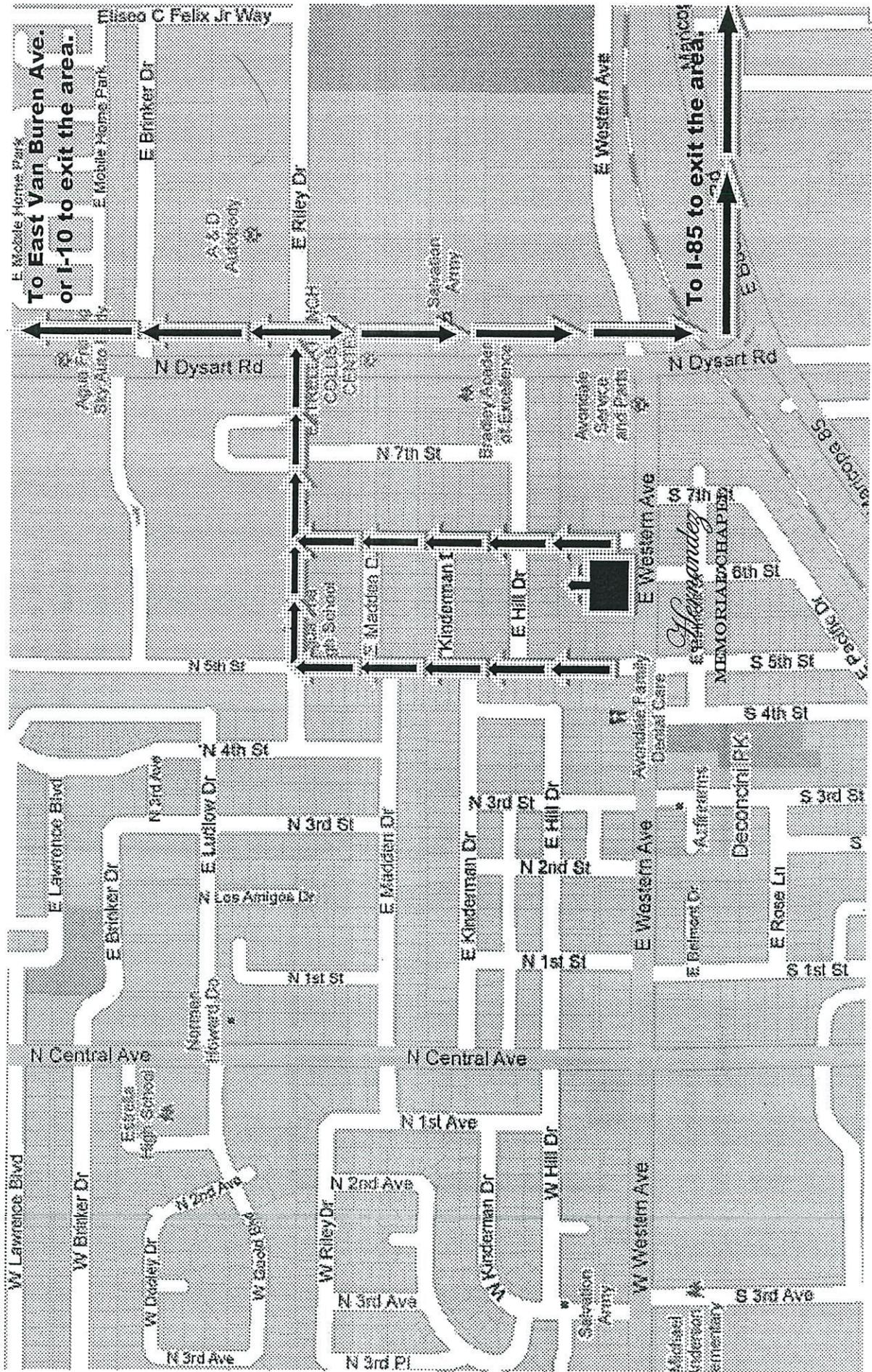
#### **14. Exterior lighting with reference to adjacent properties.**

With the exception of existing lighting in the parking area and proposed signage, none is expected.

#### **15. Noise, smoke, odor, dust, vibration or illumination created by the proposed use.**

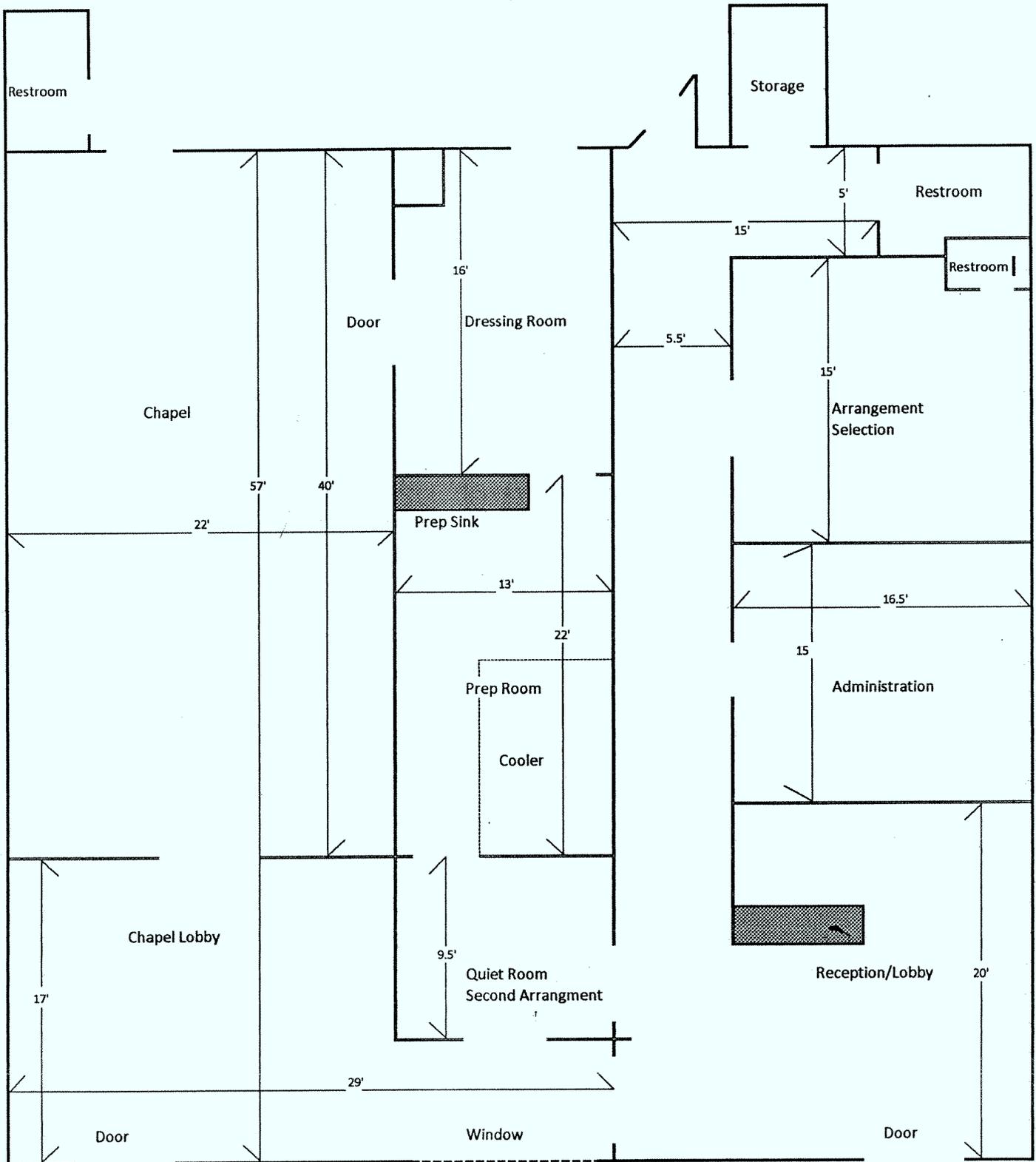
None of the above need be addressed for there will be none created by this business.

# Motor procession Traffic queuing and egress From 522 E. Western Ave.



# 522 East Western Avenue Floor Plan

Exhibit F



# Please sign in:

Name: [Signature]

Business/Organization: \_\_\_\_\_

Address: 1201 E. Edgemont Ave

City: Phx State: AZ Zip: 85006

Phone: 602 518-7853 Email: AEM 5981@yahoo.com

Name: Denise Reed

Business/Organization: \_\_\_\_\_

Address: 1201 E. Edgemont Ave

City: Phx State: AZ Zip: 85006

Phone: 602 284-7487 Email: denise.reed@bannerhealth.com

Name: Joselyn Varden

Business/Organization: Property Owner

Address: 406 E. Western Ave

City: Avondale State: AZ Zip: 85323

Phone: 623 925-9283 Email: \_\_\_\_\_

Name: DAVID W. SMITH

Business/Organization: Western Ave. Baptist Church

Address: 522 E. Western Ave

City: Avondale State: AZ Zip: 85323

Phone: 623 628 8885 Email: pastor@wsmith@netscape.com

Name: Miguel Legaspi

Business/Organization: Hernandez Memorial Chapel

Address: 5231 W Desert Blvd

City: Green State: Az Zip: 85339

Phone: 602-740-8748 Email: usmcr@red@cox.net

Name: Brandon Walls  
Business/Organization: Hernandez Memorial Chapel  
Address: 5231 W Desert Ln  
City: Queen State: AZ Zip: 85339  
Phone: 602-770-9589 Email: bwalls1973@gmail.com

Name: \_\_\_\_\_  
Business/Organization: \_\_\_\_\_  
Address: \_\_\_\_\_  
City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_  
Phone: \_\_\_\_\_ Email: \_\_\_\_\_

Name: \_\_\_\_\_  
Business/Organization: \_\_\_\_\_  
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Business/Organization: \_\_\_\_\_  
Address: \_\_\_\_\_  
City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_  
Phone: \_\_\_\_\_ Email: \_\_\_\_\_

## Notes and comments from Neighborhood Town Meeting on May 26, 2010

Will we do cremations on site? Will they ever be done in the future?

Answer: No, cremations will not be done on site now nor in the future. Explained how cremations work and that we will contract out to a local crematory for this service.

Why the name "Hernandez Memorial Chapel"?

Answer: Explained why Hernandez in honor of Miguel's grandmother and mother.

What is Miguel's background in the funeral industry?

Answer: Explained Miguel's history and experience in the funeral industry going back 1998.

Why kind of research was done in regards to the need of a funeral home in the area?

Answer: Explained research done on funeral homes in the area and the need for an economical option for families in the western valley.

Why Western Avenue and not the old Adobe Chapel on Central?

Answer: Perfect building became available which was ideal for use as funeral home. Traffic on Western Avenue, the atmosphere and small town feel will be ideal. Also to bring attention to the Old Town District of Western Avenue.

Will we develop the back lot for any use?

Answer: No

Will parking be an issue?

Answer: No, we have sufficient parking in the area including on street, use of city lot, and parking lot adjacent to building.

**Excerpt of the Minutes of the regular Planning Commission meeting held June 17, 2010 at 6:30 p.m. in the Council Chambers.**

**COMMISSIONERS PRESENT**

Angela Cotera, Vice Chair  
Michael Long, Commissioner  
Lisa Amos, Commissioner  
Grace Carrillo, Commissioner  
David Scanlon, Commissioner  
Sean Scibienski, Commissioner

**COMMISSIONERS EXCUSED**

David Iwanski, Chairman

**CITY STAFF PRESENT**

Tracy Stevens, Planning Manager, Development Services Department  
Ken Galica, Planner II, Development Services Department  
Chris Schmaltz, City Attorney

**APPLICATION NO.**                    PL-10-0011

**APPLICANT:**                        Mr. Miguel Legaspi  
LD&W LLC  
(602) 740-8748

**PROPERTY OWNER:**            Mr. David Smith  
Western Avenue Baptist Church  
(623) 478-7740

**REQUEST:**                        This is a public hearing before the Planning Commission to review and solicit public input on application PL-10-0011, a request by Mr. Miguel Legaspi for a Conditional Use Permit (CUP) to operate the "Hernandez Memorial Chapel," a proposed funeral home at 522 E. Western Avenue. The property is zoned OTAB (Old Town Avondale Business); the OTAB district requires approval of a Conditional Use Permit for any use similar to and not more detrimental than any of the uses listed as permitted in the district. Staff Contact: Ken Galica

Ken Galica, Planner II, Development Services Department, stated this is a request for a Conditional Use Permit for the Hernandez Memorial Chapel funeral home, application PL-10-0011. The subject building is located just west of the northwest corner of 6<sup>th</sup> Street and Western Avenue in Old Town Avondale. The surrounding uses to the west include the PMC Western Mobile Home Park, to the east a bakery and restaurant, directly south is an Avondale Police Department station, with a public parking lot caddy-corner from the subject property. The subject property is zoned OTAB (Old Town Avondale Business). The surrounding zoning is R1-6 (Single Family Residential), and R-3 and R-4 (Multi-Family Residential). The subject property is approximately 5,300 square feet with a building of approximately 4,200 square feet.

The applicant is requesting a Conditional Use Permit for a funeral home in Old Town Avondale. Mr. Galica explained that while the funeral home use is not listed as a conditional use in Old

Town, the zoning district contains a clause which allows for “any use similar to and not more detrimental than” those uses listed as permitted, subject to a Conditional Use Permit. Staff views funeral homes as an assembly-type use similar to a church or a reception hall as far as the services provided, hours of operation, parking, traffic, etc. Office and administrative functions will take place at the Hernandez Memorial Chapel from 9 a.m. to 5 p.m. Monday through Friday, with reduced hours on weekends. Viewings will be held in the evenings from approximately 5 p.m. to 9 p.m. Occasional services similar to a church service are typically held in the morning hours, approximately 10 a.m. to noon.

The Zoning Ordinance requires 14 parking spaces for this use. 38 public spaces are located within 100 feet of the subject parcel. Mr. Galica reminded the Commissioners that in the Old Town Avondale Business district, street and public parking located within 100 feet of the subject parcel count towards the parking requirement. The subject property will have 24 parking spaces over the parking requirement. The applicant is leasing the property from the adjacent property owner and has an agreement to use those private parking facilities on the adjacent property as well. The night before a service, the City will allow the property owner to block off four street spaces in front of the building with cones or other non-permanent method so funeral coach loading can take place in front of the funeral home. Small truck deliveries to the property will take place in the rear of the building. The funeral processions will queue within the parking lot on 6<sup>th</sup> Street and proceed north up 6<sup>th</sup> Street to Riley Drive, and then turn onto Dysart Road. Police, Fire and Planning Departments are satisfied with this queuing and procession plan. Mr. Galica showed the Planning Commission slides of the subject property, noting a canopy will be constructed and a few additional windows added. The parking and loading area of the property will be paved.

Mr. Galica explained that to grant a Conditional Use Permit, the use must be consistent with the General Plan and character of the area, compatible with nearby properties, adequate in size and shape, allow for safe circulation, meet the City’s required development standards, have appropriate access to public streets, and have adequate conditions to mitigate any adverse effects. Staff recommends approval subject to four conditions. Mr. Galica noted that while cremation will not take place on the property, the applicant will not be prevented from having services for families after the cremation has occurred elsewhere.

Vice Chair Cotera asked how often the front of the property will be coned off to allow for funeral coach loading. Mr. Galica stated that actual services occurring at the funeral home will be infrequent. Viewings will be more common, held in the evenings. Most services are held offsite at churches, synagogues, and other places of worship, etc. He does not believe funeral coach loading will occur on a regular basis.

Vice Chair Cotera stated if the funeral services will typically occur elsewhere, the queuing and procession would not be a daily occurrence, which Mr. Galica confirmed. He stated the primary use expected is viewings, which do not involve processions or coning off of the street. Viewings are an assembly.

Vice Chair Cotera invited questions, and hearing none, invited the applicant to address the Planning Commission.

Miguel Legaspi stated he is a resident of Laveen, Arizona and was raised in the Valley. Since his retirement from the Marine Corps, he has worked in the funeral industry. His opinions about the industry will be reflected in the services and pricing he will offer the residents of the West Valley. He thinks Avondale, Goodyear and Tolleson are in need of an economical funeral home, which

he can provide. He has been working on this project for approximately one year and believes the location and condition of the building are perfect for his needs, requiring very little tenant improvements. He noted for the Planning Commission that services in the funeral service industry have become far and few between and as more people are moving toward cremation, simple visitations are the trend. He noted he can bring business to the Old Town Avondale Business district, as in his experience, people attending a visitation will frequently ask if there is a place they can go to nearby. He pointed out that there is a lot to do on Western Avenue and this use will promote the area. Mr. Legaspi stated his request has been turned down in other cities and he is just asking for an opportunity.

Vice Chair Cotera invited questions for the applicant, and hearing none, invited the public to speak. She noted that Timothy White, Esther White, David White, Chris White, and William Eastwood are in favor of the item, but do not wish to speak. Peter Heineman is opposed to the request, but could not attend tonight. She invited Sally Heineman to address the Planning Commission.

Sally Heineman, 1634 N. Avondale Blvd., stated her family owns a property adjacent to the subject property. She asked why the applicant had been turned down in other locations.

Mr. Legaspi clarified that he was not turned down by cities, but rather the location or building type presented difficulty and the property owners had doubts about his project, while he is very, very confident.

Vice Chair Cotera stated that Donna White is in favor of the item, but does not wish to speak.

Vice Chair Cotera closed the public hearing and invited discussion.

Commissioner Scanlon stated his sole concern had been traffic, but he thinks the queuing and procession plan developed by Staff will not tie up Western Avenue.

Commissioner Scibienski thanked the applicant for bringing his project to Avondale. He stated a funeral procession would leave the Old Town Business district and enter a residential district. He asked how much traffic would go past residential roads with children playing on them. Mr. Galica explained that there is one block of residential property from 6<sup>th</sup> Street to Hill Drive. Riley Drive is primarily residential west of 6<sup>th</sup> Street and then transitions to Commercial at PJ's Restaurant and the ATV dealership. He pointed out that funeral processions are very slow and should not pose a safety concern for such a short stretch in the residential neighborhood.

Commissioner Scibienski asked if the residents within 500 feet of the property had an opportunity to voice concerns. Mr. Galica explained that the 500 foot radius notice probably did not reach every property owner, but did notify most. Staff received no response and no residents attended the Neighborhood Meeting.

Commissioner Scibienski asked if there is a signal light at Riley Drive and Dysart Road. Mr. Galica stated there is a traffic signal at Riley Drive and Dysart Road, but there is no traffic signal at Western Avenue.

Vice Chair Cotera asked if a funeral procession would have a police escort. Mr. Galica informed the Planning Commission that the applicant will be contracting with an escort service, which will function in a manner similar to police for the funeral processions.

Vice Chair Cotera reopened the public hearing, stating that David Smith, Joyce H. Goody, and Bernard Goody are in favor of the item, but do not wish to speak.

Vice Chair Cotera closed the public hearing and called for a motion.

Commissioner Scibienski **MOVED** that the Planning Commission accept the findings and recommend approval of application PL-10-0011, a request for Conditional Use Permit approval for a funeral home in the OTAB, (Old Town Avondale Business District) subject to the stipulations recommended by Staff. Commissioner Scanlon **SECONDED** the motion.

1. The use shall conform to the “Hernandez Memorial Chapel Project Narrative” and “Motor Procession Traffic Queuing and Egress” plan, date stamped April 7, 2010, except as modified by these stipulations.
2. All human blood waste generated by the use shall be disposed of in a manner approved by the City’s Public Works Department.
3. The four (4) public parking spaces adjacent to the subject building may be reserved for funeral coach loading, provided that they shall not be reserved before 9:00 p.m. on the day preceding a planned funeral service. Spaces shall be reserved only by non-permanent methods (e.g. rubber cones) which will not damage the public right-of-way. Spaces shall remain open to public use when not reserved for funeral coach loading.
4. Cremation shall be prohibited.

Vice Chair Cotera called for a vote.

**ROLL CALL VOTE**

Chairperson Iwanski	Excused
Vice Chair Cotera	Aye
Commissioner Long	Aye
Commissioner Amos	Aye
Commissioner Carrillo	Aye
Commissioner Scanlon	Aye
Commissioner Scibienski	Aye

**THE MOTION PASSED UNANIMOUSLY.**