City of Avondale

City Council Meeting

Monday, November 4, 2019

Mayor and Council

Kenn Weise, Mayor

Pat Dennis, Vice Mayor

Tina Conde, Council Member | Bryan Kilgore, Council Member

Veronica Malone, Council Member | Curtis Nielson, Council Member

Mike Pineda, Council Member

Administration

Charles A. Montoya, City Manager

Gina Montes, Assistant City Manager

Michael Wawro, City Attorney

Marcella Carrillo, City Clerk

City Hall – Mojave Conference Room

11465 West Civic Center Drive

Avondale, AZ 85323

City Council Meeting Agenda
Monday, November 4, 2019

CITY HALL – MOJAVE CONFERENCE ROOM

11465 WEST CIVIC CENTER DRIVE | AVONDALE, AZ 85323

Unscheduled public appearances will **not** be permitted at this meeting as City Council will be participating through a telephone conference call. Members of the public may listen to the discussions by attending the meeting at City Hall in the Mojave Conference Room located at 11465 West Civic Center Drive.

REGULAR MEETING
6:00 PM

CALL TO ORDER BY MAYOR

1. ROLL CALL BY THE CITY CLERK

2. 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. MINUTES

City Council will consider a request to approve the September 9, 2019 and September 23, 2019 City Council Meeting Minutes. The Council will take the appropriate action.

b. RESOLUTION 3591-1119 - GRANT-IN-AID AGREEMENT WITH TOHONO O'ODHAM NATION FOR BARRIER HOODS

Council will consider a request to adopt Resolution 3591-1119, authorizing the acceptance of the grant award to the City in the amount of $16,629.60 for barrier hoods; authorizing the execution of the resulting grant-in-aid agreement; and authorizing the Mayor, the City Manager, the City Clerk, and the City Attorney to execute and submit the Grant-Agreement and any other necessary or desirable instruments in connection with the grant proposal and to take all steps necessary to carryout the purpose and intent of this Resolution. The Council will take appropriate action

c. ORDINANCE 1709-1119 - ACQUISITION OF REAL PROPERTY AT CIVIC CENTER

City Council will consider a request to: (a) adopt Ordinance 1709-1119 authorizing the purchase of real property located at Avondale Boulevard between Coldwater Springs Boulevard and Civic Center Drive at the Avondale Civic Center Campus; (b) approve a General Fund Contingency Transfer not to exceed $590,000; and (c) authorize the Mayor or City Manager and City Clerk to execute the necessary documents. The Council will take appropriate action.

d. AMENDMENT NO. 1 TO JOB ORDER THREE WITH DNG CONSTRUCTION, LLC FOR A SCREEN WALL AT THE EMERGENCY OPERATIONS CENTER

City Council will consider a request to approve Amendment No. 1 to Job Order Three with DNG Construction, LLC in the amount of $21,408 for a screen wall around the emergency generator for the Emergency Operations Center, and authorize the Mayor or City Manager and City Clerk to execute the necessary documents. The Council will take appropriate action.

3. ADJOURNMENT

Council Members of the City of Avondale will attend either in person or by telephone conference call.

Los miembros del Concejo de la Ciudad de Avondale participaran ya sea en persona o por medio de llamada telefonica.

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 oido, o con necesidad de impresion grande o interprete, deben comunicarse con la Secretaria de la Ciudad at 623-333-1200 o TDD 623-333-0010 cuando menos dos dias habiles antes de la junta del Concejo.

Item Number: 2.a.

CITY COUNCIL REPORT

SUBJECT: Minutes

MEETING DATE: 11/4/2019

TO: Mayor and Council

FROM: Marcella Carrillo, City Clerk, (623) 333-1214

THROUGH: Charles A. Montoya, City Manager, (623) 333-1016

PURPOSE:
City Council will consider a request to approve the September 9, 2019 and September 23, 2019 City Council Meeting Minutes. The Council will take the appropriate action.

BACKGROUND:
n/a

DISCUSSION:
n/a

BUDGET IMPACT:
This item has no budget impact.

RECOMMENDATION:
Staff recommends City Council approval of the September 9, 2019 and September 23, 2019 City Council Meeting minutes.

MINUTES OF THE AVONDALE CITY COUNCIL
CITY OF AVONDALE, ARIZONA
CITY COUNCIL CHAMBER
September 9, 2019

A **Work Session** of the City Council of the City of Avondale, Arizona was convened at 11465 Civic Center Drive in open and public session at 6:02 p.m.

Members Present: Mayor Kenn Weise; Vice Mayor Pat Dennis; Council Members Tina Conde, Bryan Kilgore, Veronica Malone, Curtis Nielson, and Mike Pineda.

Members Absent: None.

Other Municipal Officials Present: Charles Montoya, City Manager; Gina Montes, Assistant City Manager; Tracy Stevens, Deputy City Manager; Michael Wawro, City Attorney; Marcella Carrillo, City Clerk; Cindy Blackmore, Public Works Director; Jessica Blazina, Intergovernmental Affairs Administrator; Jeff Case, Fire Chief; Dan Davis, Economic Development Services Director; Lindsey Duncan, Finance and Budget Director; Chris Lopez, Neighborhood and Family Services Director; Dale Nannenga, Police Chief; Cherlene Penilla, Human Resources Director; Jeffrey Scheetz, Chief Information Officer; and Pier Simeri, Community Relations and Public Affairs Director.

Audience: Approximately 20 members of the public were present.

1. ROLL CALL BY THE CITY CLERK

Note from the City Clerk: Work Session Item 3 was presented first, followed by Work Session Item 2.

2. 2020 CENSUS UPDATE

Emily Webb, Executive Management Assistant, provided an update regarding the upcoming 2020 Census. This item is for information.

Presentation by Ms. Webb included the following:

- The Census is mandated by the constitution and serves to collect various data from the population.
- Approximately $700 billion in federal funding will be distributed to states and communities for the next decade and $13.5 billion is distributed within Arizona.
- Funding is used to allocate resources for job creation, housing, infrastructure and essential services.
- The goal is to ensure that Avondale receives its fair share of the federal funding.
- Accurate population counts also play a role in redistricting of state legislative districts and may determine representation in congress.
- After the 2010 census, Arizona was given an additional seat in congress and it is possible that the 2020 census could bring another additional seat.
- Key communication phases include:

  - Education phase from 2018 through 2019.
  - Awareness phase in January 2020.
  - Motivation phase from March through May 2020.
  - Reminder phase from May through July 2020.
  - Thank you phase in July 2020.
- Items sent through mail.
- Regional efforts include partnership with Maricopa Association of Governments (MAG) through bimonthly communication meetings, a contract with a public relations firm, RIESTER, and mapping assistance.
- Avondale's efforts include the creation of a Complete Count Committee to provide employee training to raise awareness and increase participation, particularly with hard-to-count demographics, such as minorities, lower income individuals, transient populations, children under age five and persons for whom English is a second language.
- In October, efforts will be made to expand the training to other trusted voices in the community to help spread the word.
- Working with Community Relations, street banners, pull-up signs Zoom bus posters, and social media efforts are being utilized to promote the event.
- The census commercial will be shown during the movie night events and staff will have census tables at upcoming events.
- The Complete Count Committee is formed to raise awareness & increase participation by using trusted voices of the community.

Mayor Weise commented that MAG is working hard on the issue with significant input from Valley cities as well as a budget increase. He stressed the importance of Avondale residents having access to the funds that the voters have paid taxes for.

Vice Mayor Dennis inquired on the new online options for census responses. Ms. Webb explained that confirmation will be based upon the address submitted. She clarified that a reminder postcard will be sent if an online response is not received by March 16th.

3. ASSESSMENT OF HOUSING AND SERVICES FOR PERSONS EXPERIENCING HOMELESSNESS

Chris Lopez, Neighborhood and Family Services Director, provided an update regarding the assessment of housing and services for persons experiencing homelessness conducted by Sheila D. Harris Consulting Services. This item is for information only.

Presentation by Mr. Lopez included:

- Purpose of the presentation to include a review of background information, summarize the efforts to date, review recommendations, explore the timeline, and discuss next steps.
- In September of 2018, staff provided City Council with an update on the status of homelessness in the community, the results of the homeless street count, as well as promising practices, including the implementation of the pilot street outreach program.

- Staff procured professional consultation services with Dr. Sheila Harris to perform an evaluation of Avondale's homeless services.
- The City was recently awarded Community Services Block Grant (CSBG) funding from Maricopa County.
- Current efforts include a variety of programs with a total investment of $1.1 million:
    - Contributions Assistance Program provides funding to non-profit partners.
    - Community Action Program provides rent and utility assistance.
    - Collaboration with food banks in the community to provide food drives.
    - Heat Relief Network, Project Connect, and Phoenix Rescue Mission Partnership.
- New resources include expansion of the iHELP Program, addition of a Homeless Support Specialist, enhancement of the partnership with Phoenix Rescue Mission, and additional allocation of funds for emergency rental assistance.
- Recommendations by Dr. Harris:
    - Prioritize coordinating shelter services provided by iHELP to seven days a week.
    - Focus on long term data-driven strategies.
    - Broad spectrum of affordable housing options for the entire community.
    - Strengthen the partnership with the Housing Authority of Maricopa County.
    - Partner with Low Income Housing Tax Credit developers.
    - Explore zoning barriers to affordable housing development.
- Timeline:
    - The remainder of 2019 goals involve a focus on expanding the shelter through iHELP seven days per week.
    - The 2020 goals include implementation of a point-in-time summer count and identification of additional partnerships and collaborations within the City.
    - The 2021 and beyond goals include a focus on affordable housing available at all income levels.
- Next steps:
    - Implementation of new programs and services.
        - Expansion of the street outreach program.
        - Expansion of casework capacity.
        - Hiring of a homeless support specialist.
        - Implementation of homeless navigation services.
        - New emergency rental assistance strategies.
    - Implement strategy to increase iHELP to seven nights
    - Plan for a summer Point-In-Time Count
    - Enhancement of coordination with housing partners
    - Evaluation of progress.

Mayor Weise acknowledged Dr. Harris for her efforts and recognized dignitaries in the audience. He asked for Council Member Conde's thoughts on the progress as she took a lead on the issue.

In response to Mayor Weise, Council Member Conde noted the necessary data needed to secure resources for this issue. The process requires a joint effort of local officials,

nonprofits and community leaders. Council Member Conde recognized additional dignitaries who were in the audience. While iHELP has been very successful, she would like to see it fully operational seven days a week. She stressed the importance of iHELP as a program and not a shelter and requested everyone be mindful of how they speak regarding this topic. She noted that participants would like to have showers and an opportunity to do their laundry. Council Member Conde thanked everyone in attendance and requested staff be mindful of grant opportunities as well as resources for those with pets. If the seven nights of shelter is not possible, she would like to see a physical shelter to provide security and dignity to the homeless population.

Mayor Weise stressed the importance of joint-effort partnerships, stating that the City cannot do this alone. He stated the private sector companies moving into the city should also be included as a resource.

Council Member Malone thanked staff and commented on the positive resources available through the resource center. She concurred with the idea of extending the iHELP program to seven days a week. In response to a question from Council Member Malone, Mr. Lopez explained the additional point-in-time count will occur in the summer of 2020. To clarify, Mr. Lopez explained Maricopa County will cover the cost of training the new Homeless Services Specialist in the county platform. Council Member Malone inquired about the homeless school liaison connections in schools. Mr. Lopez acknowledged that a staff liaison resource to all schools has been a goal as well as a challenge in terms of capacity and staffing levels. The new position will assist in outreach to churches and school partners.

Mr. Montoya explained that the Mayor meets with the school superintendents on a quarterly basis and this issue was brought forward at the last meeting. He further explained that this resources in the schools will be expanded moving forward.

Council Member Malone inquired on the effective date of House Bill 2358 - a measure that will limit efforts of nonprofits in assisting low income families. Dr. Sheila D. Harris noted House Bill 2358 will be effective now or in the near future. She explained that nonprofit organizations, such as St. Vincent DePaul might be collecting funds to prevent people from being evicted from apartments and landlords now have greater ability to refuse this as a valid revenue source that they recognize.

Council Member Nielson noted that since funding is available in various, he suggested one point of contact for each source. Mr. Lopez stated that is something the new staff member would be responsible for in collaboration with the team. In closing, Council Member Nielson thanked Dr. Harris for her efforts.

Council Member Kilgore thanked everyone in attendance for humbly and nobly supporting the initiative. He thanked Mr. Lopez and his department for their wonderful work. After looking at the statistics, Council Member Kilgore stated he was impressed by the funding received thus far for homeless emergency rental assistance, homeless navigation

services, Avondale homeless support specialist, caseworker and the street outreach program. He commended the department by acknowledging that the funds will be used to the fullest. He explained how grateful he is for Vice Mayor Dennis, Council Member Malone, and Council Member Conde for taking on the initiative.

Council Member Malone noted the homeless service referral cards provided by the Neighborhood and Family Services department.

Council Member Pineda thanked Mr. Lopez for the presentation as well as the individuals in the audience. He stressed the importance of reaching out to private companies for donations. He noted the art funds that developers currently have the option to donate money towards in exchange for fees. He inquired on the summer point-in-time count. Mr. Lopez stated that the approach will not create assumptions but rather be used as an effective tool to gather data.

Vice Mayor Dennis thanked everyone for their efforts and noted how she was impressed by how much the City, staff and partners support the community. She commented how a small amount of tweaking would make the program that much better. She noted on the importance of reviewing the budget to possibly include a diversion program to help individuals connect back with family. Vice Mayor Dennis inquired on the certified intake that was referenced within the report. In response, Mr. Lopez explained that reference could be added to the department's upcoming strategies. Vice Mayor Dennis added that it would be helpful to improve knowledge regarding Medicare, Medicaid and Social Security. She expressed the importance of an expansion of the community outreach efforts. In response, Mr. Lopez explained the police department works in conjunction with Community Bridges and Intensive Treatment Systems of Arizona for substance abuse and behavioral health. Vice Mayor Dennis suggested taking a deeper dive into the City's resources in terms of affordable housing and relevant zoning issues. In closing, she thanked all the community partners who have participated in the process.

Mayor Weise stated that the Opportunity Zones provide an opportunity for investment in affordable housing. Many of the residents of Avondale are unaware of the City's efforts to address homelessness and he encouraged those present to assist in getting the message out. Data should drive the initiatives and the results will identify which approaches are working. The City will build upon what is working and improve upon what is not working. The timeline is critical, and the plan must remain flexible as information is assimilated.

4. ADJOURNMENT

There being no further business before the Council, Council Member Conde moved to adjourn the Work Session meeting; Council Member Malone seconded the motion.

Upon vote, the motion was carried unanimously 7 to 0.

Council Member Conde	Aye
Council Member Kilgore	Aye
Council Member Malone	Aye
Council Member Nielson	Aye
Council Member Pineda	Aye
Vice Mayor Dennis	Aye
Mayor Weise	Aye

Meeting adjourned at 6:54 p.m.

A **Regular Meeting** of the City Council of the City of Avondale, Arizona was convened at 11465 Civic Center Drive in open and public session at 7:08 p.m.

Followed by a moment of silent reflection in remembrance of Austin Peck Goodyear Fire Fighter and Sergeant Ellos Ortiz, Mayor Kenn Weise led the Pledge of Allegiance.

Members Present: Mayor Kenn Weise; Vice Mayor Pat Dennis; Council Members Tina Conde, Bryan Kilgore, Veronica Malone, Curtis Nielson, and Mike Pineda.

Members Absent: None.

Other Municipal Officials Present: Charles Montoya, City Manager; Gina Montes, Assistant City Manager; Tracy Stevens, Deputy City Manager; Michael Wawro, City Attorney; Marcella Carrillo, City Clerk; Cindy Blackmore, Public Works Director; Jessica Blazina, Intergovernmental Affairs Administrator; Jeff Case, Fire Chief; Dan Davis, Economic Development Services Director; Lindsey Duncan, Finance and Budget Director; Chris Lopez, Neighborhood and Family Services Director; Dale Nannenga, Police Chief; Cherlene Penilla, Human Resources Director; Jeffrey Scheetz, Chief Information Officer; and Pier Simeri, Community Relations and Public Affairs Director.

Audience: Approximately 5 members of the public were present.

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

2. UNSCHEDULED PUBLIC APPEARANCES

None.

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.

Mayor Weise asked if any Council Member wished to have an item removed from the Consent Agenda. Having no requests from Council, motion was made by Vice Mayor Dennis, seconded by Council Member Malone, to approve the Consent Agenda.

Upon vote, the motion carried unanimously 7 to 0.

Council Member Conde	Aye
Council Member Kilgore	Aye
Council Member Malone	Aye
Council Member Nielson	Aye
Council Member Pineda	Aye
Vice Mayor Dennis	Aye
Mayor Weise	Aye

a. MINUTES
City Council approved the June 3, 2019 and June 17, 2019 City Council Meeting Minutes.

b. FISCAL YEAR 2018-2019 YEAR END BUDGET AMENDMENTS
City Council approved a budget amendment utilizing contingency for certain departments which exceeded the Fiscal Year (FY) 2018-2019 amended budget appropriation.

c. USE OF GENERAL CONTINGENCY FOR CONTRACTED SERVICES TO COMPLETE THE HUD FIVE-YEAR CONSOLIDATED PLAN
City Council (a) approved the use of General Fund contingency funds to cover the cost of contracted services with Western Environmental Services, LLC for the preparation of Avondale's Five-Year HUD Consolidated Plan; (b) authorized all necessary budget transfers; and (c) authorized the Mayor, or City Manager and City Clerk to execute the necessary documents.

d. FIRST AMENDMENT TO THE COOPERATIVE PURCHASING AGREEMENT WITH TRAFFICADE SERVICES, INC. FOR THE CYCLE AVONDALE SPECIAL EVENT
City Council (a) approved the First Amendment to Cooperative Purchasing Agreement with Trafficade Services, Inc. in the amount of $60,000 with an aggregate not-to-exceed amount of $120,000 for the Cycle Avondale Special Event; (b) authorized expense of funds from the Economic Development Department, Economic Opportunities Fund; and (c) authorized the Mayor, or City Manager and City Clerk to execute the necessary documents.

e. DESIGN-BUILD AGREEMENT WITH HAYDON BUILDING CORP. FOR THE AVONDALE STREET & INFRASTRUCTURE PROJECT, PHASE 1
City Council (a) approved a Design-Build Agreement with Haydon Building Corp. to provide design and pre-construction services for the Avondale Street and Utility Improvement Project Phase 1 in the amount of $463,285.00; (b) authorized the necessary budget transfers; and (c) authorized the Mayor, or City Manager and City Clerk to execute the necessary documents and any future amendments.

f. ORDINANCE 1702-919 DEDICATING AN IRRIGATION EASEMENT TO SALT RIVER PROJECT AT EL MIRAGE ROAD AND DURANGO STREET

City Council adopted Ordinance 1702-919 dedicating an Irrigation Easement to Salt River Project (SRP) at El Mirage Road and Durango Street and authorized the Mayor or City Manager, and City Clerk to execute the necessary documents.

g. MINOR LAND DIVISION FOR GOMEZ, APPLICATION PL-19-0136

City Council approved application PL-19-0136, a request by Dejan Knezevic of Miller Land Surveying for approval of a Minor Land Division (MLD). The 0.37-acre subject property (Exhibits A, B, C) is located approximately 38 feet north of the northeast corner of 2nd Street and Davis Lane in Historic Avondale, approximately 637 feet east of Central Avenue and 1,317 feet south of Main Street. The proposed MLD will dedicate 25' of right-of-way along 2nd Street.

h. RESOLUTION 3587-919 AND ORDINANCE 1704-919 AMENDING CITY CODE CHAPTER 2, PERTAINING TO EMPLOYEE GROUPS AND THE MEET AND CONFER PROCESS

City Council (a) adopted Ordinance 1704-919 amending Chapter 2 of the Avondale City Code pertaining to Employee Groups and the Meet and Confer process; (b) adopted Resolution 3587-919 expressing the continued city commitment to an open door policy with its employees; and (c) authorized the Mayor and City Clerk to execute the necessary documents.

4. REGULAR AGENDA

Note from the City Clerk: Items 4a, 4b, and 4c were presented together. Item 4b was presented first, followed by Items 4a and 4c. Each item was voted on individually.

a. PUBLIC HEARING - RESOLUTION 3584-919 GENERAL PLAN 2030 MINOR TEXT AMENDMENT AND RESOLUTION 3585-919 MINOR MAP AMENDMENT, THE BLVD SPECIFIC PLAN - APPLICATION PL-19-0151

City Council considered a request to: (a) adopt Resolution 3584-919 approving a Minor General Plan Text Amendment; (b) adopt Resolution 3585-919 approving a Minor General Plan Land Use Map Amendment related to the City's The BLVD Specific Plan (formerly City Center Specific Plan); and (c) authorize the Mayor, or City Manager and City Clerk to execute the necessary documents. The proposed Text Amendment will amend the existing City Center land use categories that reflect the six new land use "Districts" proposed as part of The BLVD Specific Plan. The proposed Map Amendment will apply the new land use designations to approximately 356 acres generally bounded by the I-10 Freeway, Coldwater Springs Boulevard, 113th Avenue, and 117th Avenue. Additionally, the proposed Map Amendment will revise the land use designation of approximately 87.6 acres located at the northeast corner of 119th Avenue and Van Buren Street to Mixed Use; this portion of land is proposed to be removed from the City Center/The BLVD area as part of the accompanying update.

Presentation by Ken Galica, Lead Planner, included the following:

- The General Plan 2030 was adopted in April 2012 and included a City Center land use category that was based on a 2007 version of the City Center Specific Plan.
- This category included five subdistricts to include employment mixed use, residential mixed use, gateway employment, townhouse residential, and neighborhood commercial.
- Each of the subdistricts were applied in a checker pattern throughout the area.
- The general plan designated the entire 402 acres that were part of the 2008 City Center plan.
- Proposed amendments:
    - Delete the City Center land use category from the general plan text and the land use map.
    - Create a new "The BLVD" land use category that includes six subdistricts in conformance with the Boulevard-Specific Plan.
    - Applies the new BLVD category with the subdistricts to the general plan land use map that is applicable to the 356 acres, subject to the proposed plan.
    - Applies the mixed-use land use category to the 87.6 acres west of 117th Avenue that have been removed from the BLVD.

Mayor Weise opened the public hearing and did not receive any requests to speak.

Mayor Weise closed the public hearing and opened the floor for comments from Council.

Motion was made by Council Member Pineda, seconded by Council Member Malone, to accept the findings and adopt **Resolution 3584-919** approving Application PL-19-0151, a City-initiated request for a Minor Text Amendment and authorize the Mayor, or City Manager and City Clerk to execute the necessary documents.

Upon vote, the motion carried unanimously 7 to 0.

Council Member Conde	Aye
Council Member Kilgore	Aye
Council Member Malone	Aye
Council Member Nielson	Aye
Council Member Pineda	Aye
Vice Mayor Dennis	Aye
Mayor Weise	Aye

Motion was made by Council Member Nielson, seconded by Vice Mayor Dennis, to adopt **Resolution 3585-919** approving a Minor Land Use Map Amendment to General Plan 2030 related to the City's The BLVD Specific Plan Update and authorize the Mayor, or City Manager and City Clerk to execute the necessary documents.

Upon vote, the motion carried unanimously 7 to 0.

Council Member Conde	Aye
Council Member Kilgore	Aye
Council Member Malone	Aye
Council Member Nielson	Aye
Council Member Pineda	Aye
Vice Mayor Dennis	Aye
Mayor Weise	Aye

b. PUBLIC HEARING - RESOLUTION 3586-919 - THE BLVD SPECIFIC PLAN (CITY CENTER SPECIFIC PLAN UPDATE) - APPLICATION PL-19-0075

City Council considered a request to adopt Resolution 3586919 approving The BLVD (The Boulevard) Specific Plan, previously named the City Center Specific Plan and authorize the Mayor, or City Manager and City Clerk to execute the necessary documents. This Plan is intended to reflect evolving conditions impacting the implementation of the adopted Vision for The BLVD. The intent of the update is to reflect the City's current level of expectation for a quality, unique, and pedestrian-friendly area that will create a place of significance in Avondale.

Presentation by Jodie Novak, Assistant Director of Development and Engineering Services, included the following:

- Originally adopted as a City Center Specific Plan in 2008 which resulted in the development of the American Sports Center and retail shops.
- Various onsite improvements were completed, including streets, landscaping and installation of traffic signals.
- The purpose of the update is to create a more urban, innovative, and pedestrian-friendly plan to creates a sense of place.
- The update provides a flexible environment and a framework for developers.
- It was determined that the 402 acres needed to be reduced in size.
- The identified land to be reduced on the west side will be included in the General Plan change as a re-designation of land use.
- Additional acreage is now included on the east side of the property to allow for more residential development.
- Market analysis was completed to explore plan implementation and marketing strategies to help identify land uses.
- Ad-hoc meetings were held to analyze street network, rebranding and City Council's desires for the plan.
- Land use categories are similar with some newly added uses, such as education, medical campuses and retail.
- The central district will highlight a 76-acre Park Avenue District to be the core of the area.
- An overview of the map describing the various districts was reviewed.
- The plan includes multi-modal streets, pedestrian connections, bikeways and focal points on the corners.

Mayor Weise opened the public hearing and did not receive any requests to speak.

Mayor Weise closed the public hearing and opened the floor for comments from Council.

Motion was made by Vice Mayor Dennis, seconded by Council Member Kilgore, to adopt **Resolution 3586-919** approving Application PL-19-0075 The BLVD Specific Plan (City Center Specific Plan Update) and authorize the Mayor, or City Manager and City Clerk to execute the necessary documents.

Upon vote, the motion carried unanimously 7 to 0.

Council Member Conde	Aye
Council Member Kilgore	Aye
Council Member Malone	Aye
Council Member Nielson	Aye
Council Member Pineda	Aye
Vice Mayor Dennis	Aye
Mayor Weise	Aye

c. PUBLIC HEARING - ORDINANCE 1703-919 - ZONING ORDINANCE TEXT AMENDMENTS, AMENDING VARIOUS SECTIONS - APPLICATION PL-19-0156

City Council considered a staff-initiated request to adopt Ordinance 1703-919 approving text amendments to the Zoning Ordinance and authorize the Mayor, or City Manager and City Clerk to execute the necessary documents. The amendments to Avondale Zoning Ordinance Section 1 (Administration and Procedures), Section 2 (Residential Districts), Section 3 (Commercial Districts), Section 4 (Employment Districts), Section 5 (Special Districts; Overlays), Section 6 (Planned Area Development District), Section 7 (Supplementary Regulations), Section 8 (Parking), Section 9 (Signs), Section 11 (Required Public Art for New Planned Area Development (PAD), Commercial, Employment, and Municipal Construction), Section 12 (Landscape, Walls and Fences), and Section 13 (Medical Marijuana Uses) will allow for continued refinement of the Zoning Ordinance to reflect changes in policies and procedures, new development trends, address changes to industry standards, enhance the overall usability and accuracy, and allow for general housekeeping and clerical corrections.

Presentation by Mr. Galica included the following:

- Zoning updates are completed on a semiannual or annual basis.
- The purposes for the current update:
    - Refine the current Zoning Ordinance.
    - Reflect changes in policies and procedures.
    - Reflect new development trends and changes to industry standards.
    - Enhance overall clarity, accuracy and usability, and general housekeeping.
- Major changes to the update include:
    - Prohibit reductions in minimum parking space sizes through the administrative relief process.

  - Revise home occupation regulations for home-run businesses.
    - Eliminate floor area limitation.
    - Prohibit vehicles with six square feet or larger signs from parking on streets or driveways to advertise home occupations.
    - Expressly prohibit service uses such as massage parlors, veterinary hospitals/offices.
    - Allow for beauty salons and barber shops with a limit of two customers per day.
    - Add mobile food vendor requirements to be allowed in commercial areas but not within residential areas or within 250 feet of a residential area.
  - Create new BLVD Zoning District.
  - Revise the process for PAD zoning and time expiration to reduce initial validity from four years to two years to provide for more timely development. The proposed change will allow one request to City Council for a one-year extension.
  - Revise City's wireless requirements to eliminate CUP requirement for towers over 35 feet tall, require a minimum 600-foot setback from residential properties, limit height to 65 feet, and require written documentation on why alternate sites were not chosen.
  - Require visitor parking for new single-family communities.
  - Create a new sign type for off-premise model homes.
  - Extend medical marijuana dispensary closing hours to 8 p.m.
- Amendments are beneficial in that they clarify inconsistencies and address market trends.
- A draft of the amendments was posted on the City's website and on the aVOICE platform.
- The Planning Commission gave approval last month at 5 to 0.

Mayor Weise opened the public hearing and received one request to speak by Ms. Carolyn Oberholtzer, with Bergin, Frakes, Smalley, & Oberholtzer, PLLC. Ms. Oberholtzer commended the process. She expressed concerns regarding the change to the PAD timing, particularly in its one size fits all approach and the ability to request only a one-time, one-year extension. She suggested reconsideration of the approach. Potentials include an alternative schedule and/or the ability to go beyond the parameters for PADs over 80 acres. She suggested the following language, "…or as otherwise approved by the City Council in the PAD."

Mayor Weise closed the public hearing and opened the floor for comments from Council.

Mayor Weise commented that the text amendment contains extensive information and many items that needed to be updated. Over the years, the Councils have seen numerous extensions, sometimes used as a delaying tactic. There should be motivation for developers, investors and builders to move forward with projects. In response to an inquiry by Mayor Weise, Mr. Montoya stated that there are numerous properties in the City that have been entitled and are simply sitting with the developer with no incentive to

proceed. Staff understands the complexities of larger developments. Staff does not argue that there is potential to make a correction to the text amendment in the future, however this proposed amendment provides a good starting position. Staff is not trying to limit Council's intentions, but rather they are providing developers with concrete timelines.

Mayor Weise expressed concern with projects reverting to original zoning at the end of year three. He stated Council should continue to have control over the outcome of a project. Mayor Weise inquired if anything prohibited City Council from allowing future extensions after an applicant made good faith efforts to complete the project. Mr. Montoya explained staff is permitted to bring back such amendments for City Council consideration.

Vice Mayor Dennis stated that she understands both sides of the process. She suggested that developers requesting a first-year extension should provide a plan and timeline for moving the process forward to provide Council with a greater understanding of the timing expectations. Vice Mayor Dennis agreed with the approval subject to certain stipulations language in the added text.

Mayor Weise commented that historically, there have been developers who have worked in good faith with the City to move projects forward and then there were others who have sat on land and sold it continuously. He is willing to be flexible on some elements and he would like to know what the stipulations are going forward.

Mr. Montoya explained that the stipulations are broad enough to allow Council flexibility to make determinations when the extension is presented.

Mr. Wawro clarified that the language provides City Council latitude to work with the terms. He quoted from Section 6.603(d), "The Zoning Administrator *may* submit the PAD to City Council for consideration of reversion of the property's prior zoning," noting the operative word is "*may"* as opposed to "*shall*."

Ms. Oberholtzer wished to clarify the City Attorney's opinion. If the flexibility is desired on the conditions by which an extension could be granted and stipulated as to new elements, there is no issue with this. However, she would like to make it clearer that such stipulations may include a different development schedule. Currently, the language does not allow for granting more than a one-time, one-year extension. Ms. Oberholtzer suggested flexibility through use of the following language, "…to allow a one-time extension subject to stipulations."

Mayor Weise commented that this may create a gray area. Mr. Montoya stated that when it comes back to Council for consideration, those stipulations should include a timeline that would allow the developer to move forward, if they have made significant progress in moving forward.

Ms. Oberholtzer asked for confirmation of the decision to strike the one-time, one-year element. Mr. Montoya clarified that it stays but each stipulation will clarify that if Council wishes to go beyond the one-year extension, there will be stipulations in the timelines. Latitude is given to the Council.

Ms. Oberholtzer asked that language be added to reflect the intent.

Mayor Weise asked Mr. Wawro if he was interested in amending any wording at this point. Mr. Wawro said he would not suggest making amendments at this point. It has been vetted through the process, including the Planning & Zoning Commission.

Mayor Weise commented that developers who have worked with and for the City understand the process. The Council has always acted in good faith on development projects. He is comfortable moving forward and asked that staff ensure stipulations are clear and that council always has the final say.

Mr. Montoya explained that staff will clarify within the documents with developers that stipulations remain at the discretion of Council.

Mayor Weise declared the public hearing closed and requested a motion on the item.

Vice Mayor Dennis referred to the Zoning Ordinance for residential home businesses, relating to allowing large vehicles with business advertising signage to be parked in residential driveways. She questioned which businesses are being categorized as home businesses and whether people who drive home large company vehicles with affixed advertising qualify to park onsite.

Mayor Weise stated that there are state and federal laws that require first responders or electric and utility workers to be able to park their vehicles, should they have to take them home. Vice Mayor Dennis stated neither of the examples she cited, a Coca-Cola vehicle nor an electrician business vehicle, are qualified under this exemption.

Mr. Galica stated that unless the Coca-Cola product was being manufactured or sold from the residence, it would be considered a for-use vehicle by the occupant and would not be differentiated in the code from any other vehicle used by a person. If the business office is operated out of the home, this would be considered a commercial vehicle and is addressed by the limiting signage requirements. The intent is to avoid advertising that a business is occurring inside the house. In addition, there are limitations to the size of work vehicle that can be taken home.

Vice Mayor Dennis pointed out that many developments have small lots and the concern of more vehicles being parked on the street. She expressed concern whether staff is available to monitor the issue and asked how many people have registered home businesses in Avondale. Mr. Galica stated that he did not have the information readily available but could be provided at a later time. In terms of changing the allowances for

vehicles, staff would need time to develop alternatives. Vice Mayor Dennis asked that this portion of the ordinance be put on hold while staff provides additional information regarding statistics and impacts to neighborhoods.

Mayor Weise stated that a 10,000-pound rated vehicle is subject to state and federal regulations. The Coca-Cola truck would be over this; however, a small box truck may not be. He asked Chief Nannenga to address enforcement. Chief Nannenga said the first option for parking violations is to contact the homeowner and have the vehicle moved. Citations can be issued for aggravated or continuing issues.

Mr. Montoya presented an option for City Council to adopt the text with the mentioned section held in abeyance. He stated additional information will then be brought forward at a later date to clarify the issue.

Vice Mayor Dennis stated she would like access to better research on the issue being discussed.

Council Member Malone expressed concern for community members' ability to bring home work vehicles. She requested staff complete the research, but also be mindful of the rights of the residents. To clarify, Vice Mayor Dennis explained she is not referring to vehicles that are covered under state law.

Mayor Weise concurred with Mr. Montoya's suggestion to pass the amendment and hold this section in abeyance for further discussion and recommendation within 45 days. Mayor Weise recognized Vice Mayor Dennis' concerns as the City moves forward with smaller residential lots.

Motion was made by Council Member Pineda, seconded by Council Member Malone, to adopt Ordinance 1703-919 Application PL-19-0075, a request for text amendments to the City of Avondale Zoning Ordinance along with the staff recommended modifications to Section 6.603.D (noted below) as well as Section 2, Residential Districts – Section G relating to home occupations being held in abeyance and to authorize the Mayor, or City Manager and City Clerk to execute the necessary documents.

> ***"Section 6.603.D**:*
> *The PAD zoning shall be conditioned on commencement of horizontal construction for the project beginning within two (2) years from the date of City Council approval. Prior to the expiration of the two (2) year time condition, the property owner or authorized representative may submit an application for a one (1) time, one (1) year extension to the City, which the Zoning Administrator shall submit to the City Council for consideration <u>AND APPROVAL SUBJECT TO CERTAIN STIPULATIONS</u>. In the event the project's Site Plan or Preliminary Plat has not been approved within the applicable two (2) year time period and no request for a time extension has been received, the Zoning*

Administrator may submit the PAD to the City Council for consideration of reversion to the property's prior zoning classification at a public hearing according to Section 1.110."

Upon vote, the motion carried unanimously 7 to 0.

Council Member Conde	Aye
Council Member Kilgore	Aye
Council Member Malone	Aye
Council Member Nielson	Aye
Council Member Pineda	Aye
Vice Mayor Dennis	Aye
Mayor Weise	Aye

5. ADJOURNMENT

There being no further business before the Council, Council Member Kilgore moved to adjourn the Regular Meeting; Council Member Conde seconded the motion.

Upon vote, the motion was carried unanimously 7 to 0.

Council Member Conde	Aye
Council Member Kilgore	Aye
Council Member Malone	Aye
Council Member Nielson	Aye
Council Member Pineda	Aye
Vice Mayor Dennis	Aye
Mayor Weise	Aye

Meeting adjourned at 8:00 p.m.

_____
Kenn Weise, Mayor

CERTIFICATION AND ATTESTATION

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Work Session and Regular Meeting of the Council of the City of Avondale held on the 9th day of September 2019. I further certify that the meeting was duly called and held and that the quorum was present.

_____
Marcella Carrillo, City Clerk

MINUTES OF THE AVONDALE CITY COUNCIL
CITY OF AVONDALE, ARIZONA
CITY COUNCIL CHAMBER
September 23, 2019

A **Work Session** of the City Council of the City of Avondale, Arizona was convened at 11465 Civic Center Drive in open and public session at 6:02 p.m.

Members Present: Mayor Kenn Weise; Vice Mayor Pat Dennis; Councilmembers Tina Conde, Bryan Kilgore, Veronica Malone, Curtis Nielson, and Mike Pineda.

Members Absent: None.

Other Municipal Officials Present: Gina Montes, Assistant City Manager; Tracy Stevens, Deputy City Manager; Michael Wawro, City Attorney; Marcella Carrillo, City Clerk; Cindy Blackmore, Public Works Director; Jessica Blazina, Intergovernmental Affairs Administrator; Jeff Case, Fire Chief; Dan Davis, Economic Development Services Director; Lindsey Duncan, Finance and Budget Director; Chris Lopez, Neighborhood and Family Services Director; Dale Nannenga, Police Chief; Cherlene Penilla, Human Resources Director; and Jeffrey Scheetz, Chief Information Officer.

Audience: Three members of the public were present.

1. ROLL CALL BY THE CITY CLERK

2. WEST VALLEY VETERAN'S SUCCESS PROJECT UPDATE

Dr. Greg Pereira, Vice President of Student Affairs, and Jacob Hall, Program Director, Military and Veteran Programs, Maricopa Community Colleges, presented an update on the Veteran's Success Project. This item is for information only.

Presentation by Mr. Hall included:

- Facts about the Maricopa community College District.
- The Military and Veteran Success Center – West (MVSC) assists veterans in the areas of transition, education, employment and human services.
- The West Valley Center for Military and Veteran Success is located just outside of Luke Air Force Base.
- A brief video on the project was played.
- Through the support of the City of Avondale and Rio Salado College, the MVSC West has served over 3,200 veterans, military members, and their families since 2017.
- Provided services include employment, financial, VA benefits, housing, and educational assistance
- The Center has partnered with several agencies and organizations throughout the community, including the Arizona Department of Veterans Services.
- The services of the full-time veterans' benefits counselor are in such demand that there is a waiting list to see him.
- They are currently exploring options to bring in another veterans' benefits counselor.

Presentation by Dr. Pereira included:

- The needs of Veterans in the West Valley were different than anticipated.
- Approximately 15% of individuals coming to the center sought educational access or services.
- Less than 1% were current or became Maricopa students.
- The vast majority have been seeking specific resources typically linked to benefits, employment or housing.

Mr. Hall reviewed a testimonial of a veteran who was assisted as he was fighting cancer and facing significant financial challenges.

Presentation by Dr. Pereira continued:

- The example mentioned highlights the challenges faced by individuals as they navigate the system without support.
- The case management model has proved to be critical in connecting veterans with available services.
- Over the next one to two years, they will be working to identify additional partners to provide more resources, including mental health services.
- The success would not be possible without the support of the community and the City of Avondale.

Mayor Weise expressed his appreciation for the update and inquired on the funding and age comparisons of the two locations, specifically related to housing and legal services. Mr. Hall stated that those seeking legal help have generally encountered some sort of resistance in the community, such as working with mortgage providers. There is a higher need for housing in the East Valley than the West Valley Center as the East Valley age range is from 25 to 60s, with a higher homeless veteran population. The East Valley Center does more veterans' courts services. The age ranges for the West Valley Center ranges from 22 to 90s.

Vice Mayor Dennis inquired on the percentage of individuals seeking transportation services. Mr. Hall clarified that this category was close to zero percent. Vice Mayor Dennis cited the transition challenges and inquired on statistics on veterans seeking services after being out of the military for numerous years. Mr. Hall stated that he does not have this information readily available, but he can access it and follow up. He explained the are more individuals seeking assistance after several years of leaving service compared to newly separated individuals. Those who transitioned several years ago may be returning for assistance with disability issues and medical needs.

Vice Mayor Dennis asked about collaboration with trade organizations. Mr. Hill stated that there is workforce development through Maricopa Community Colleges, including Estella Mountain Community College and Gateway Community College. They also work with Pipeline AZ through a grant with the Maricopa Industrial Development Authority. The program connects veterans and their spouses to gainful employment opportunities. The Center also holds hiring expos, which includes pre-matching services ahead of the event. In addition, the program has a large presence in the Valley through educational services partnerships, including employer training.

Council Member Pineda commented on the great return on investment received and explained how everyone in the community benefits from the support given to the veterans.

Council Member Conde noted the similarities in services offered at the Success Center compared to the services at the Resource Center, including meeting the needs of the community. The case management component is critical in terms of helping people know where to start and move forward. She thanked everyone for their service and for meeting the needs of veterans.

Council Member Malone thanked the presenters for their service to the veteran community. She inquired on marketing efforts. Mr. Hill stated that advertisements are done through billboards on the I-10 and around Luke Air Force Base, radio advertisements, email blasts, recruiting events, as well as Facebook, Instagram and Twitter accounts.

Council Member Kilgore thanked the presenters for their service, for their presentation, and for providing the opportunities for veterans. Council Member Kilgore stated his daughter recently finished four years in the Air Force – security forces. When she came out, she had support from airmen who went through what the presenters went through. The airmen had no idea what they were going to do, went home to live with their parents and were used to making their own money. In closing, he stated the services being provided is a blessing on the West Valley and their efforts are truly momentous.

3. OVERVIEW OF WATER AND SEWER RATES

Lindsey Duncan, Director of Finance and Budget, presented on the fiscal year 2020 water and sewer rate study, including an overview of the funds and next steps in the rate update process. This item is for information only.

Presentation by Ms. Duncan included:

- The presentation will not include rates but rather focus on approach and philosophy.
- The water and sewer funds operate similarly to businesses, including costs of human resources, finance, payroll, water/sewer systems, and faciality maintenance.
- Rates are set and charged to users through a monthly bill to cover costs.
    - Operations are 100% funded from utility rates.
    - Capital is funded from a combination of sources such as utility rates, a portion of the 0.05% dedicated sales tax, and development impact fees.
- Customer classes are charged different rates.
    - For water, rates are based on water meter size and are broken down through residential, multifamily and nonresidential uses.
    - For sewer, there are a variety of customer classes such as residential, restaurants, offices, retail and it depends on how much water is consumed and put back into the system.
- Establishment of the rate study included various goals, including:
    - Rates are fair and equitable.
    - Generate sufficient revenues.
    - System is maintained, and infrastructure is upgraded as necessary.

  - Maintain sufficient reserve balances.
  - Equity across customer classes.
  - Intergenerational equity to ensure users are paying for components of the system at the correct time.
  - Rate increases are smoothed over forecast period.
- Internal stakeholders include Public Works, Finance and Budget, and Mayor and City Council.
- External stakeholders include residents, businesses, homeowner associations, bondholders, and rating agencies.
- Staff will be presenting at the Avondale Citizens Water Alliance meeting and other stakeholder meetings to perform outreach and gather input.
- The rate study process consists of three determinations:
  - Determine the amount of money that is required to come into the system over what period of time.
  - Determine the share of the cost by customer class.
  - Determine what the rates are to meet goals.
- The process for determination the amount of money that is required to come into the system, over what period of time includes the following steps:
  - Review current status of Water and Sewer Funds.
  - Identify anticipated needs for the next ten years.
  - Examine reserve policies to ensure fiscal sustainability and equity.
  - Establish revenue requirements.
- Water Operations Fund:
  - Second largest operating fund in the City.
  - Represents 5% of total budget, 6% of total positions, and 21% of capital outlay budget.
  - There are 22-thousand active residential accounts, 846 nonresidential and multifamily accounts and 573 landscape accounts.
- Water Operations Fund Revenue Sources:
  - 95% from rates
  - 3% from interest
  - 1% from miscellaneous
  - 1% from the use of fund balance.
- There have been consistent increases over time associated with water rate revenues.
- Water Fund Expenses:
  - 64% for operations
  - 7% for indirect costs
  - 22% for transfers out (related to capital)
  - 7% for contingency
- The water operational expenses are largely personnel and services related, which includes a total of 33.3 full-time equivalent positions from a total budget of $10.2 million.
- Water Fund Transfers Out:
  - $3 million transferred out to support the capital.
  - $500 thousand transferred out to support technology and vehicle replacement.
  - Replacement and maintenance of the water system is handled through the Capital Improvement Plan rather than through a transfer.

- Significant Capital Improvements:
    - North Avondale Water Supply
    - Historic Avondale Projects
    - Four Well Additions and/or Improvements
    - Garden Lakes Second Reservoir and Booster Improvements
    - Nitrate Removal System for Coldwater Booster Station
- Water Rate Study Key Issues:
    - Water supply and portfolio
    - Age of infrastructure
    - Preparing for growth
    - Conservation
    - Aligning rates with goals
- Sewer Operations Fund:
    - Fourth largest operating fund in the City.
    - Represents 4% of total budget, 4% of total positions and 13% of capital outlay.
    - There are 21 thousand active residential accounts and 646 nonresidential and multifamily accounts.
- Sewer Operations Fund Revenue Sources:
    - 93% from rate related
    - 2% from interest
    - 5% from the use of fund balance
- Revenue has been consistent over time.
- Sewer Fund Expenses:
    - 62% operations
    - 11% indirect costs
    - 18% transfers out
    - 9% contingency
- Sewer Operational Expenses includes a total budget of $5.6 million:
    - 37% personnel
    - 40% services
    - 23% supplies
- Sewer Fund Transfers Out
    - $1.5 million transferred out to support capital.
    - $354,000 for technology and equipment replacement
- Significant Capital Improvements:
    - Water Reclamation Facility Expansion
    - Grit System and Odor Control System Improvements
    - Historic Avondale
    - Lift Station Improvements
- Fund Balance Policy:
    - Reserves are non-spendable funds that are set aside for potential cash flow issues or emergencies.
    - Protects the City against financial instability and risks.
    - The City does an assessment of the stability of the financial system and the amount of risk before a recommendation on a reserve policy.
    - Factors include volatility in revenue source; age and condition of the system; consistency of operating expenditures; balancing by multiple sources such as

rate revenue, dedicated sales tax, and development impact fees; and outstanding bonds.
    - Current fund balance policy includes nine months of operating costs held in reserve and 5% of assets - net of depreciation.
- Changes to the Fund Balance Policy:
    - Process included a comparison to other Valley cities which confirmed a change is appropriate.
    - A comparison of other cities fund balance policy was presented.
    - Staff recommends six months of operating reserves to cover 50% of operations and no capital reserve due to sufficient on-going investments through the capital improvement program which is maintaining the system.
- Based on feedback from City Council, staff will develop the revenue requirements and seek community input.
- Next Steps:
    - On September 25, 2019, staff will provide a similar presentation to the Avondale Citizen Water Alliance.
    - In October 2019, staff will present rate information at the City Council Work Session to gather additional feedback.
    - In November 2019, staff will meet with public stakeholders and a notice of intent to change the rates will be published in the newspaper, on the website, and in utility bills.
    - In January and February 2020, a City Council meeting will be held for a public hearing as well as a meeting to adopt the new rates.

In response to a question from Vice Mayor Dennis, Ms. Duncan clarified the current policy is to hold 5% of the assets in reserve which is not actually spent on capital. Vice Mayor Dennis stated that reserves are typically held for repair and replacement costs and other items that come due over time. She believed that holding reserves just for the sake of holding them is not a practical approach. She would like further information on how the reserves would be held and expended for repair and replacement. In response to a question from Mayor Weise, Vice Mayor Dennis stated that she did not disagree with reducing the operating reserves to six months. Ms. Duncan clarified there is a plan for ten years' worth of asset replacement and maintenance in capital expenditures.

Mayor Weise agreed that too much money is being held in the reserve fund. He is comfortable with the reduction to six months and would like to look at the capital plan moving forward. He provided background information on the reserve during the recession, explaining how previous Council was concerned in looking at the capital outlay for sewers and water over the next 20 to 30 years so the reserve was put into place to provide a safeguard. He agreed to the smooth, linear raise on rates. He explained that previous City Councils in the past chose not to raise rates due to the economy which is shortsighted. Rates should be raised annually based on cost of living and inflation. However, those with the lowest water usages per month should be the most protected.

Council Member Conde requested staff be mindfulness for those on fixed incomes and those with large families.

Council Member Nielson addressed HOAs, noting that the expense for homeowners is not only for the cost of water but for HOA assessments on equipment. HOAs may have valuable input in terms of how much water could be saved.

Mayor Weise stated that it is incumbent to discuss this issue with the HOAs, but it is also important for the HOAs to perform water audits and be more proactive.

Vice Mayor Dennis addressed HOAs adjusting their landscape from turf to landscape and requested staff work with the HOAs to outline the requirements for sustainable landscaping.

In response to a question from Council Member Nielson, Ms. Duncan confirmed that HOAs are nonresidential and are not charged for sewer.

Council Member Pineda asked about the timeline for replacement of systems and equipment. Ms. Duncan stated that several factors are considered, including an evaluation of the system and the technology used in determining the lifetime of the assets. Some treatments can preserve the life of the asset. It is important on the capital improvement side that the City invests in its projects to maintain the system. Council Member Pineda stated that he is also comfortable with the six-month reserve.

Council Member Malone inquired on the rate increases presented last year. Ms. Duncan stated that when the discussion took place in January of 2018, there was a 6% rate increase. There were consecutive years at 6% and then tapered down to 4%, 2% and 2%. The direction to the rate consultant is to smooth this out so that it does not increase and decrease. A final number cannot be provided this evening as final decision on the reserve has not been made. The duration of the rate study is five years. Council Member Malone requested staff be mindful of residents and agreed that there should be a steady approach to increases without significant rate hikes.

Council Member Pineda stressed the need to communicate to citizens that this department is run like a business and rate increases are needed for the upkeep of infrastructure. Ms. Duncan stated that she would return in October to share the plan for outreach messaging with City Council prior to stakeholder meetings.

Council Member Malone inquired if a reduction from nine months to six months would impact the timeframe on the historic projects. Ms. Duncan explained components of the schedule is determined by available staff resources, both in terms of contracts and construction. Generally, the schedule on the projects is not necessarily based on funding, but feasibility of timing.

4 ADJOURNMENT

There being no further business before the Council, Council Member Malone moved to adjourn the Work Session meeting; Council Member Nielson seconded the motion.

Upon vote, the motion was carried unanimously 7 to 0.

Council Member Conde	Aye
Council Member Kilgore	Aye
Council Member Malone	Aye
Council Member Nielson	Aye
Council Member Pineda	Aye
Vice Mayor Dennis	Aye
Mayor Weise	Aye

Meeting adjourned at 7:08 p.m.

A **Regular Meeting** of the City Council of the City of Avondale, Arizona was convened at 11465 Civic Center Drive in open and public session at 7:15 p.m.

The Avondale Police Explorers presented the colors and led the Pledge of Allegiance.

Members Present: Mayor Kenn Weise; Vice Mayor Pat Dennis; Councilmembers Tina Conde, Bryan Kilgore, Veronica Malone, Curtis Nielson, and Mike Pineda.

Members Absent: None.

Other Municipal Officials Present: Charles Montoya, City Manager; Gina Montes, Assistant City Manager; Tracy Stevens, Deputy City Manager; Michael Wawro, City Attorney; Marcella Carrillo, City Clerk; Cindy Blackmore, Public Works Director; Jessica Blazina, Intergovernmental Affairs Administrator; Jeff Case, Fire Chief; Dan Davis, Economic Development Services Director; Lindsey Duncan, Finance and Budget Director; Chris Lopez, Neighborhood and Family Services Director; Dale Nannenga, Police Chief; Cherlene Penilla, Human Resources Director; and Jeffrey Scheetz, Chief Information Officer.

Audience: Approximately 15 members of the public were present.

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

2. UNSCHEDULED PUBLIC APPEARANCES

None.

3. RECOGNITION ITEMS

a. NEW EMPLOYEE INTRODUCTIONS

The following employees were introduced and welcomed to the City of Avondale:

- Fire Chief Jeff Case
- Assistant Police Chief Louis Tovar
- Police Officer Chris Jacobson
- Police Officer Dedric Jones

- Police Officer David Helmer
- Police Officer Kimberly Ortega
- Police Officer Chandry Rice
- Police Officer Joseph Turitto III
- Police Officer Joseph Del Pozzo
- Edith Baltierrez, Neighborhood and Family Services Assistant Director
- Marshall Pimentel, Management Analyst for the City Manager's Office

Mayor Weise presented a service award to Dan Davis, Economic Development Services Director on recognition of his retirement.

Mr. Davis shared a few words regarding his time with the City of Avondale.

4. 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.

Mayor Weise asked if any Councilmember wished to have an item removed from the Consent Agenda. Having no requests from Council, motion was made by Vice Mayor Dennis, seconded by Council Member Conde, to approve the Consent Agenda.

Upon vote, the motion carried unanimously 7 to 0.

Council Member Conde	Aye
Council Member Kilgore	Aye
Council Member Malone	Aye
Council Member Nielson	Aye
Council Member Pineda	Aye
Vice Mayor Dennis	Aye
Mayor Weise	Aye

a. MINUTES

City Council approved the July 22, 2019 and July 29, 2019 City Council Meeting Minutes.

b. GENERAL FUND CONTINGENCY TRANSFER FOR INSTALLATION OF AN BACKUP GENERATOR FOR THE EMERGENCY OPERATIONS CENTER

City Council approved a General Fund Contingency Transfer in the amount of $131,990 for an award of a Contract Amendment with DNG, Inc. to design and install a backup generator for the Emergency Operations Center, and authorized the Mayor, or City Manager and City Clerk to execute the necessary documents.

c. CONSTRUCTION CONTRACT AWARD WITH VISUS ENGINEERING CONSTRUCTION, INC. FOR DYSART ROAD AND RANCHO SANTA FE IMPROVEMENTS

City Council approved a Construction Contract with Visus Engineering Construction, Inc. to provide construction services for the Dysart Road and Rancho Santa Fe Improvements in the amount of $685,000 and authorize the Mayor, or City Manager and City Clerk to execute the necessary documents.

d. ORDINANCE 1705-919 - LEASE AGREEMENT RENEWAL WITH VERIZON WIRELESS, LLC FOR A PERSONAL WIRELESS SERVICE FACILITY
City Council adopted Ordinance 1705-919, renewing a lease agreement with Verizon Wireless, LLC for a Personal Wireless Service Facility at the Rancho Santa Fe Water Facility, authorize monthly lease payments to the City and authorized the Mayor or City Manager and City Clerk to execute the necessary documents.

5. ADJOURNMENT

There being no further business before the Council, Vice Mayor Dennis moved to adjourn the Regular Meeting; Council Member Pineda seconded the motion.

Upon vote, the motion was carried unanimously 7 to 0.

Council Member Conde	Aye
Council Member Kilgore	Aye
Council Member Malone	Aye
Council Member Nielson	Aye
Council Member Pineda	Aye
Vice Mayor Dennis	Aye
Mayor Weise	Aye

Meeting adjourned at 7:35 p.m.

_____
Kenn Weise, Mayor

CERTIFICATION AND ATTESTATION

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Work Session and Regular Meeting of the Council of the City of Avondale held on the 23rd day of September 2019. I further certify that the meeting was duly called and held and that the quorum was present.

_____
Marcella Carrillo, City Clerk

Item Number: 2.b.

CITY COUNCIL REPORT

SUBJECT: Resolution 3591-1119 - Grant-in-Aid Agreement with Tohono O'odham Nation for Barrier Hoods

MEETING DATE: 11/4/2019

TO: Mayor and Council

FROM: Jeff Case, Fire Chief, (623) 333-6100

THROUGH: Charles A. Montoya, City Manager, (623) 333-1016

PURPOSE:

Council will consider a request to adopt Resolution 3591-1119, authorizing the acceptance of the grant award to the City in the amount of $16,629.60 for barrier hoods; authorizing the execution of the resulting grant-in-aid agreement; and authorizing the Mayor, the City Manager, the City Clerk, and the City Attorney to execute and submit the Grant-Agreement and any other necessary or desirable instruments in connection with the grant proposal and to take all steps necessary to carryout the purpose and intent of this Resolution. The Council will take appropriate action

BACKGROUND:

With more synthetic materials and plastics in today’s consumer products, structure fires resemble more of a hazardous materials event than a traditional fire.When synthetic materials burn, they release high concentrations of carcinogenic chemicals.These chemical particles saturate the environment in which firefighters operate and penetrate their Personal Protective Equipment (PPE).The result, according to multiple studies, is a cancer rate among firefighters that is up to 100 % greater than the general population.

DISCUSSION:

To Improve firefighter protection from these carcinogens particles, manufactures have developed barrier hoods that block at least 90% or more of the particulates (0.1 to 1.0 microns in size), in accordance with NFPA 1971- Standard on Protective Ensembles for Structure Fire Fighting and Proximity Fire Fighting.These hoods are also designed to provide improved fit around air masks and superior coverage of skin below the collar of the protective coat.

BUDGET IMPACT:

No matching funds are required to receive this grant, and the General Fund will not be impacted.

RECOMMENDATION:

Staff recommends that the City Council adopt the resolution authorizing the grant in amount of $16,629.60 from the Tohono O’ odham Nation, funding and authorize the Mayor, City Manager and City Clerk to execute necessary documents.

RESOLUTION NO. 3591-1119

A RESOLUTION OF THE COUNCIL OF THE CITY OF AVONDALE, ARIZONA, ACCEPTING A GRANT AWARD FROM THE TOHONO O'ODHAM NATION FOR BARRIER HOODS AND AUTHORIZING THE EXECUTION OF THE RESULTING GRANT AGREEMENT AND ANY RELATED DOCUMENTS.

WHEREAS, the Tohono O'odham Nation (the "Nation") accepted proposals for Proposition 202 funding from state and local agencies for projects in the following priority areas: (a) education; (b) health care; (c) public safety; (d) child advocacy; (e) economic development; and (f) cultural and environmental development and protection; and

WHEREAS, the City of Avondale, Arizona (the "City"), submitted a grant proposal requesting funds for barrier hoods; and

WHEREAS, the Nation has awarded the City a grant in the amount of $16,629.60; and

WHEREAS, the City Council desires to accept the award of the grant to the City, and authorize the execution of the resulting grant agreement and any related documents.

BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF AVONDALE, ARIZONA, as follows:

Section 1. The recitals above are hereby incorporated as if fully set forth herein.

Section 2. The City Council hereby (i) authorizes the acceptance of the grant award to the City in the amount of $16,629.60 for barrier hoods and (ii) authorizes the execution of the resulting grant-in-aid agreement (the "Grant Agreement").

Section 3. The Mayor, the City Manager, the City Clerk and the City Attorney are hereby authorized and directed to execute and submit the Grant-Agreement and any other necessary or desirable instruments in connection with the grant proposal 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, Arizona, November 4, 2019.

Kenneth N. Weise, Mayor

ATTEST:

Marcella Carrillo, City Clerk

APPROVED AS TO FORM:

Michael Wawro, City Attorney

Item Number: 2.c.

CITY COUNCIL REPORT

SUBJECT: Ordinance 1709-1119 - Acquisition of Real Property at Civic Center

MEETING DATE: 11/4/2019

TO: Mayor and Council

FROM: Tracy Stevens, Deputy City Manager, (623) 333-1014

THROUGH: Charles A. Montoya, City Manager, (623) 333-1016

PURPOSE:

City Council will consider a request to: (a) adopt Ordinance 1709-1119 authorizing the purchase of real property located at Avondale Boulevard between Coldwater Springs Boulevard and Civic Center Drive at the Avondale Civic Center Campus; (b) approve a General Fund Contingency Transfer not to exceed $590,000; and (c) authorize the Mayor or City Manager and City Clerk to execute the necessary documents. The Council will take appropriate action.

BACKGROUND:

When the Civic Center campus was developed in 2003, the General Contractor, Sundt Construction, purchased approximately 8 acres of property from the City. The property was planned to include three (3) parcels for development and a view corridor. One of the parcels was developed with a 31,000 SF office building that is the corporate headquarters for ISM Raceway and three other businesses. The other 2 parcels have remained vacant, even with all of the critical infrastructure in place, making them quality, shovel-ready sites.

When the city sold the property to Sundt, there was a re-purchase provision within the agreement that would allow the city to re-acquire the property if development had not occurred on the parcels within eight years.

On June 3, 2019, staff presented council with an overview of the architectural concept plans for potential office building development on the two sites. Following that presentation and with direction from City Council to move forward with land acquisition, staff sent a letter to Sundt Construction on June 12 stating our intention to acquire the property.

DISCUSSION:

Under the terms of the purchase and sale agreement, the City has exercised its option to purchase the remaining 4.45 acres and open space from Sundt Construction for a predetermined price of $3/square foot, or a total purchase price of $581,526. Sundt has determined not to develop the property at the present time. Therefore, the City can exercise its buyback option.

BUDGET IMPACT:

This land acquisition will cost approximately $581,526 plus applicable closing costs. The purchase of this property was not included in the adopted FY 2019-20 budget and authorization not-to-exceed $590,000 to cover land acquisition and closing costs will need to be transferred from the General Fund Contingency,

Account No. 101-5300-00-9900 to the One-Time Capital Improvement Fund, Account No. 322-1514-00-8200.

RECOMMENDATION:

Staff recommends that City Council adopt an ordinance authorizing the purchase of real property located at Avondale Boulevard between Coldwater Springs Boulevard and Civic Center Drive at the Avondale Civic Center Campus and approve a General Fund Contingency Transfer not to exceed $590,000.

ORDINANCE NO. 1709-1119

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 Council desires to authorize the acquisition of certain real property generally located on the Avondale Civic Center Campus on West Civic Center Drive for public use.

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 real property totaling ± 4.4 acres, generally located West Civic Center Drive, as more particularly described and depicted on Exhibit A attached hereto and incorporated herein by reference, is hereby authorized.

SECTION 3. If any provision of this Ordinance 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 Ordinance.

SECTION 4. 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, Arizona, November 4, 2019.

_____
Kenneth N. Weise, Mayor

ATTEST:

_____
Marcella Carrillo, City Clerk

APPROVED AS TO FORM:

_____
Michael Wawro, City Attorney

EXHIBIT A
TO
ORDINANCE NO. 1709-1119

[Legal Description and Map]

See following pages.

Legal Description

A portion of the Northwest quarter (NW1/4) of Section 7, Township 1 North, Range 1 East, of the Gila and Salt River Base and Meridian, Maricopa County, Arizona, being more particularly described as follows:

Lots 4 and 6 and Tract A, AVONDALE CIVIC CENTER, according to Book 642 of Maps, Page 7 and Certificate of Correction recorded in Recording No. 2004-0119395, records of Maricopa County, Arizona.

Civic Center Real Property Purchase

PURCHASE AGREEMENT
BETWEEN
SUNDT CONSTRUCTION, INC.
AND
THE CITY OF AVONDALE

THIS PURCHASE AND SALE AGREEMENT (this "Agreement") is made as of_____, 2019, between Sundt Construction, Inc., an Arizona corporation ("Seller") and the City of Avondale, an Arizona municipal corporation ("Buyer"). The Buyer and Seller are referred to collectively as "Parties" and individually as a "Party."

AGREEMENT

In consideration of the covenants, terms, conditions and agreements hereinafter set forth, and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the Parties agree as follows:

1. Purchase and Sale of Municipal Complex Open Space. Seller agrees to sell to Buyer, and Buyer agrees to buy from Seller, on the terms and conditions contained herein, approximately 4.45 net acres of real property located in Maricopa County, Arizona, as described on Exhibit A, attached hereto and incorporated herein by reference, and Tract A as designated on the Final Plat of the Avondale Civic Center together with all improvements on such land, servitudes, easements, water rights, mineral rights and other rights appurtenant thereto and all of Seller's right, title, and interest in any public rights-of-way adjoining such land, together with any and all development fees, impact fees, water, sewer or other utility tap, connection, meter or service fees or amounts which have been paid to any governmental authority in connection with any previous development of such land or any utility service provided to any improvement located on such land (collectively, the "Civic Center Open Space Property").

2. Compensation.

2.1 Original Sale from Buyer to Seller.

A. Seller and Buyer entered into that certain Purchase Agreement, dated March 22, 2003 for the Seller's development of the Avondale Civic Center Project. Certain parcels on the recorded plat of the Avondale Civic Center would be retained by Seller with Buyer having an option to re-purchase certain parcels in accordance with the terms of the March 22, 2003 Purchase Agreement (hereinafter Civic Center Purchase Agreement).

B. The Civic Center Purchase Agreement Paragraph 10.3 provided that Buyer could repurchase certain property defined in the Civil Center Purchase Agreement as the Commercial Parcels. The Purchase Price would be established as $130,680.00 x the amount of net acreage. The Civic Center Open Space consists of Lots 4 and 6 of the Recorded Plat of Avondale Civil Center recorded at Book 642, page 7, Maricopa County Records. Lots 4 and 6 have a total net acreage of 4.45 acres. Multiplied by $130,680,00 results in a total purchase price of $581,526.00. Tract A is used to convey irrigation water

on to the site and its value is included in the parcel's above. Collectively, this shall hereinafter be referred to as the "Purchase Price."

C. With respect to the Civic Center Open Space Property, the purchase price will be paid as follows:

1. $25,000.00 as an earnest money deposit which Buyer agrees to deposit in escrow at the time this Agreement is executed by the Buyer

2. Remaining purchase price plus allocable closing expenses, as applicable to be paid by cash, cashier's check or certified funds payable to the Escrow Agent, or by wire transfer of immediately available funds to the account of the Escrow Agent to be deposited on or before the Close of Escrow.

D. Buyer will be assigned the Seller's interest and responsibilities in Avondale Business Park Owners Association (the "Association"). The Association is responsible for maintaining Civic Center Open Space Property and Tract A.

3. Open and Close of Escrow.

3.1 Escrow Agent and Instructions. In connection with this Agreement, an escrow (the "Escrow") has been opened with Security Title Agency ("Escrow Agent") to facilitate the consummation of the sale of the Civic Center Open Space Property pursuant to this Agreement. This Agreement constitutes escrow instructions to Escrow Agent; however, if required by Escrow Agent, Buyer and the Seller shall execute and deliver to the Escrow Agent printed form escrow instructions consistent with this Agreement. In the event of any conflict between the provisions of the printed form escrow instructions and this Agreement or any deed, instrument or document in connection with the transactions contemplated herein, the provisions of this Agreement or such deed, instrument or document shall control. No provision of the escrow instructions shall excuse any non-performance by either Party. The assignment by Escrow Agent of an escrow number to this transaction and the opening of the Escrow by Escrow Agent shall constitute Escrow Agent's acceptance of the instructions to, and other obligations of, Escrow Agent as set forth in this Agreement and the escrow instructions.

3.2 Date of this Agreement. Escrow Agent shall notify the Parties in writing as to the date on which it received fully executed copies of this Agreement, which date is called the "Date of this Agreement."

3.3 Closing. The consummation of the transactions contemplated by this Agreement (the "Closing") shall occur on or before 10:00 a.m. on November 15, 2019 at the office of Escrow Agent, subject to automatic extension to such other time (any such extension not to exceed 15 days) and at such location as the Parties may agree, which date shall be referred to as the "Closing Date." The Closing Date shall be deemed to be the date on which the Parties shall have performed all actions necessary for the closing of the

transaction, without regard to the date on which Escrow Agent actually records the deed or other closing documents. If this transaction has not closed by November 15, 2019 and the Parties have not agreed to extend the Closing as provided above, this Agreement shall automatically terminate as of midnight on that date, however, that the termination provision set forth in this sentence shall not be applicable if the Buyer has met all of its obligations pursuant to Section 14 below. Seller and Buyer hereby authorize Escrow Agent to execute, at the Closing, an affidavit of real property value as required by Arizona law.

3.4 IRC Reports. Escrow Agent, as the party responsible for closing the transactions contemplated hereby within the meaning of Section 6045(e)(2)(A) of the Internal Revenue Code of 1986, as amended (the "Code"), shall file all necessary information reports, returns and statements (collectively the "Reports") regarding the transactions as may be required by the Code, including, but not limited to, the reports required pursuant to Section 6045 of the Code. Escrow Agent further agrees to indemnify and hold Buyer, Seller and their respective attorneys harmless for, from and against any and all claims, costs, liabilities, penalties, or expenses resulting from Escrow Agent's failure to file the Reports that Escrow Agent is hereby required to file.

3.5 Prorations and Escrow Fees. Escrow fees shall be payable one half by Seller and one half by buyer. Real property, personal property and ad valorem taxes and other state or local taxes and charges affecting the Civic Center Open Space Property, if any, shall be prorated on the basis of the current year's rate and valuation, provided, that if the rate of, or valuation for, any such taxes, charges or assessments has not been fixed before the Closing Date, then the adjustment thereof at the Closing shall be upon the basis of the rate for the preceding year applied to the latest assessed valuation. Seller shall not, without the prior written consent of Buyer, consent to the imposition of any assessment against the Civic Center Open Space Property if such assessment would be required to be paid, in whole or in part, by Buyer.

4. Survey. In connection with this Agreement, Seller, at its expense, caused to be [1]completed and delivered to Buyer and to Escrow Agent (i) a current ALTA survey of the Civic Center Open Space Property (the "Survey") acceptable to Escrow Agent for use in connection with the title insurance policy hereinafter described prepared by a surveyor duly licensed in Arizona and (ii) a certificate by the surveyor stating the number of "Net Acres" contained in the Civic Center Open Space Property, which shall mean the number of acres within the boundaries of the Civic Center Open Space Property, including utility easements but excluding any current right-of-way dedications or roadway easements lying along or within the boundaries of the Civic Center Open Space Property. Exhibit A shall be replaced as necessary with a Legal Description reflecting the survey results; provided, however, that both Parties agree that their intent is to ensure that the substituted exhibits shall substantially conform to their counterpart replaced exhibits and that the resulting parcels shall be substantially similar in size, configuration and location to those set forth in the exhibits to be replaced.

5. Condition of Title.

5.1 Title Report. Promptly after opening of the Escrow, Escrow Agent shall deliver to Buyer and to Seller a preliminary title commitment, together with readable copies of all instruments of record referred to therein (each referred to as a "Title Report").

5.2 Title Review Period. Buyer shall have until ten business days before the Closing Date (the "Title Review Period") within which to object in writing to Seller and Escrow Agent to the legal description or any matters affecting title shown on the Title Report. Buyer's failure to timely object to any of the matters affecting title shown on the Title Report within the Title Review Period will constitute Buyer's acceptance of title subject to those matters.

5.3 Title Objections. If Buyer objects to any matters affecting title shown on the Title Report, Seller shall have until the Closing Date to cure any matters objected to by Buyer, but shall have no obligation to do so. If Seller does not cure those matters objected to by Buyer by the Closing Date, Buyer may, in its sole discretion, elect to (A) waive the matters objected to and close the Escrow subject thereto or (B) cancel this Agreement by notice to Seller and Escrow Agent, whereupon the Escrow and this Agreement shall automatically terminate and neither Party shall thereafter have any further obligations or liability to the other under this Agreement except as herein expressly provided for otherwise.

5.4 Amended Title Report. Buyer shall have ten business days after receipt of an amended Title Report disclosing new matters affecting title to the Civic Center Open Space Property (and the Closing Date shall automatically be extended for such ten business-day period, if appropriate) within which to object in writing to Seller and Escrow Agent relating to any matters affecting title set forth therein, whereupon Buyer shall have the same rights hereunder as described with respect to the objections to the first Title Report described in subsection 5.3 above. If Seller does not cure those matters objected to by Buyer within one business day after notice of Buyer's objection (and, if necessary, the Closing Date shall be appropriately extended until the expiration of the two business day period hereinabove provided and this one business day period), then Buyer may, in its sole and absolute discretion, elect either of the remedies set forth in subsection 5.3 above; provided, however, that, notwithstanding anything in this Agreement to the contrary, Buyer's rights and remedies shall not be limited with respect to any breach of Seller's covenant set forth in the following sentence. Seller covenants that between the Date of this Agreement and the Closing Date, it will not intentionally cause any material matter to arise or be imposed upon the Civic Center Open Space Property affecting title thereto.

6. Title Insurance. Buyer's obligation to close the Escrow is conditioned upon the commitment of Escrow Agent, or its affiliated title insurer, to issue to Buyer, at or promptly following the Closing, an ALTA extended coverage owner's policy of title insurance insuring title to the Civic Center Open Space Property in Buyer in the amount of the Purchase Price, the policy to be subject only to the usual printed exceptions, conditions and stipulations in the form of policy and matters affecting title shown on such Title Report not objected to by Buyer in accordance with Section 5 hereof. The premium for an extended coverage owner's policy shall be payable by the Seller. Seller and Buyer agree to use commercially reasonable efforts to comply with all

reasonable requirements imposed by the title insurer as a condition to issuance of the policy (excluding matters affecting title which, by notice given to Escrow Agent and the other Party within ten days after delivery of such Title Report, either Buyer or Seller reasonably determines should more properly be shown in the exceptions to title portion of such Title Report).

7. Conveyancing and Closing Documents.

7.1 By Seller. On the Closing Date Seller shall deliver to Buyer:

A. A special warranty deed, in the form attached hereto as Exhibit B, conveying to Buyer title to the Civic Center Open Space Property (the "Deed").

B. If applicable, a sworn affidavit, in the form attached hereto as Exhibit C and incorporated herein by reference, stating under penalty of perjury that Seller is not a "foreign person" as such term is defined in Section 1445(f)(3) of the Code. In the event the Parties determine that such sworn affidavit is required for Closing and Seller does not furnish same, Buyer may withhold (or direct Escrow Agent to withhold) from the funds due to Seller at the Closing, an amount equal to the amount required to be so withheld pursuant to Section 1445(a) of the Code, and such withheld funds shall be deposited with the Internal Revenue Service as required by Section 1445(a) and the regulations promulgated thereunder. The amount withheld, if any, shall nevertheless be deemed to be part of the Purchase Price paid to Seller.

7.2 By Escrow Agent. On the Closing Date Escrow Agent shall:

A. Record or file, as appropriate, the Deed.

B. Deliver the title insurance policy, as set forth in Section 6 of this Agreement, to the Buyer.

C. Provide each Party with a complete set of closing documents as they become available to Escrow Agent.

8. Tests.

8.1 General Tests. Buyer, its agents and designees, shall have the right to enter upon the Civic Center Open Space Property at all reasonable times prior to the Closing Date, for the purposes of inspecting the Civic Center Open Space Property and making and obtaining drainage, environmental, soil and engineering tests, and performing other tests, studies or inspections desired by Buyer. However, Buyer may not enter the Property without giving Seller advance written notice of what tests, studies or analyses Buyer intends to have performed and when and where such tests, studies or analyses will be performed. Seller shall have the right to have a representative present for all such activities. In addition to the foregoing, prior to entering the Property, Buyer shall provide to Seller proof of insurance satisfactory to Seller that Buyer has in effect, at all times when Buyer is authorized to come on the Property, commercial general liability insurance in a minimum amount of $2,000,000, combined single limit per occurrence, insuring Buyer against claims for personal injury, death, and property damage or destruction. Seller shall be named as an additional insured on such policy. Buyer agrees, to the

extent permitted by law, to indemnify, defend and hold harmless Seller for, from and against all claims, liabilities and damages, including attorneys' fees, for personal injury, physical damage to property or mechanics' or materialmen's liens which may be asserted against Seller as a result of Buyer's entry onto the Civic Center Open Space Property and inspection or testing thereof. Buyer shall, after its entry and testing, restore the Civic Center Open Space Property to substantially the same condition that existed prior to such entry and testing.

8.2 Environmental Site Assessment. In connection with this Agreement Buyer has, at its sole expense, caused a Phase I Environmental Site Assessment (the "Phase I") to be conducted by Western Technologies, Inc., for the purpose of testing and analysis of the Civic Center Open Space Property to determine the nature and extent of the existence of any Hazardous Substances (defined below), if any, present on, at or under the Civic Center Open Space Property. Buyer shall deliver to Seller and Escrow Agent a copy of the Phase I report.

9. No Alterations to Civic Center Open Space Property. Seller shall make no modifications or alterations to the Civic Center Open Space Property between the Date of this Agreement and the Closing Date, without the prior written consent of Buyer. As of the Closing Date, there will be no outstanding contracts made by Seller for any improvements to the Civic Center Open Space Property that have not been fully paid, and Seller shall cause to be discharged or bonded in accordance with law any mechanics' or materialmen's liens arising from any labor or material furnished prior to the Closing Date.

10. Representations of Seller. Seller represents and warrants to, and covenants with Buyer that (and where conditioned by "best of Seller's knowledge," such condition shall mean to Seller's reasonable knowledge acting as land owner/landlord of the Civic Center Open Space Property relating to conditions existing from and after the date Seller acquired the Civic Center Open Space Property until the Closing Date):

10.1 Seller's Ownership. Seller owns fee simple title to the Civic Center Open Space Property. Seller has full authority to sell the Civic Center Open Space Property pursuant to the terms of this Agreement. As of the Closing Date, the Civic Center Open Space Property will not be subject to any unrecorded mortgages, liens, financing statements or encumbrances.

10.2 No Claims. To the best of Seller's knowledge, there are no pending or threatened claims or litigation affecting the Civic Center Open Space Property. If Seller becomes aware of any of the foregoing after the Date of this Agreement (whether arising before or after the Date of this Agreement), but prior to the Closing Date, Seller shall give prompt written notice thereof to Buyer prior to the Closing Date.

10.3 No Violations. To the best of Seller's knowledge, there is no violation of any laws, ordinances, rules or regulations with respect to the Civic Center Open Space Property, no default exists under any covenant, condition, restriction or easement applicable to the Civic Center Open Space Property and Seller has not received notice from any governmental or other agency of any violation of any laws or ordinances with respect

to the Civic Center Open Space Property. If Seller becomes aware of any of the foregoing after the Date of this Agreement (whether arising before or after the Date of this Agreement), but prior to the Closing Date, Seller shall give prompt notice thereof to Buyer prior to the Closing Date.

10.4 Authorized Person. The person executing this Agreement on behalf of Seller is duly authorized to do so and thereby bind Seller hereto.

10.5 Valid Authority. Seller is a corporation, 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 Agreement in accordance with its terms. All proceedings of Seller to consummate the transaction contemplated by this Agreement and all documents and instruments required to be executed and delivered hereunder by Seller have been duly and validly authorized, and upon execution and delivery by Seller will constitute the valid and binding obligations of Seller in accordance with their terms.

10.6 No Special Assessment. Seller has received no written notice that there are any special assessment actions being contemplated by any governmental authority.

10.7 No Hazardous Substances. To the best of Seller's knowledge, subject to any matters set forth in the Phase I, no portion of the Civic Center Open Space Property is being used or has been used at any previous time for the treatment, storage, disposal, or processing of hazardous wastes, hazardous substances, toxic substances or hazardous materials, infectious or medical waste, radioactive waste or sewer sludges (collectively the "Hazardous Substances"), as such terms are defined in the Resource Conservation and Recovery Act, as amended; the Comprehensive Environmental Response, Compensation and Liability Act, as amended; the Toxic Substances Control Act, as amended; the Clean Air Act, as amended; the Clean Water Act, as amended; the Safe Drinking Water Act, as amended; and similar state, county and local laws, ordinances and regulations, except for pesticides and other chemicals that may have been used in the ordinary course of farming operations. To the best of Seller's knowledge, there are no ongoing requirements or orders of any department of environmental resources or similar government agency for environmental cleanup with respect to the Civic Center Open Space Property.

10.8 No Underground Tanks. To the best of Seller's knowledge, subject to any matters set forth in the Phase I, the Civic Center Open Space Property does not contain and has never contained any underground storage tanks containing petroleum products or wastes or other hazardous substances regulated by 40 C.F.R. § 280 and/or other applicable, federal, state or local laws, rules and regulations and requirements.

10.9 No Soil Remediation. To the best of Seller's knowledge, the Civic Center Open Space Property has never been subject to soil remediation conducted pursuant to ARIZ. REV. STAT. § 49-151, *et seq.*, and written notice pursuant to ARIZ. REV. STAT. § 33-434.01 is not required.

10.10 No Wetlands. Seller has received no written notice that the Civic Center Open Space Property contains any areas which could be characterized as disturbed,

undisturbed or man made wetlands pursuant to federal, state or local laws, regulations, rules or procedural manuals or as "waters of the United States" pursuant to the Clean Water Act, as amended, or rules or regulations pursuant thereto, whether such characterization reflects current conditions or historic conditions which have been altered without the necessary permits or approvals. Except to the extent Seller gives Buyer notice as hereinbelow provided, Seller represents and warrants to, and covenants with, Buyer that the foregoing representations and warranties will be true and correct as of the Closing Date. Seller agrees to take no voluntary and intentional actions or omissions to act that would cause any of its representations, warranties or covenants in this Agreement to become untrue. Except for matters known to Buyer prior to the Closing Date, in the event (A) any material representation, warranty or covenant was known by Seller to be untrue or misleading when made by Seller or (B) such material representation, warranty or covenant becomes untrue because of Seller's voluntary and intentional actions or omissions, then Buyer may, in its sole and absolute discretion and without obligation to do so, and as its sole remedy, cancel this Agreement, in which event this Agreement and the applicable Escrow shall automatically terminate and neither Party shall thereafter have any further obligations or liability under this Agreement except as herein expressly provided for otherwise.

11. Conditions to Buyer's Obligation to Close. The obligation of Buyer to purchase the Civic Center Open Space Property from Seller is conditioned upon and subject to the satisfaction (unless waived in writing by Buyer in Buyer's sole and absolute discretion) of each of the following conditions on or before the Closing Date:

11.1 Seller Representations True and Correct. The representations and warranties of Seller in this Agreement shall be true and correct in all material respects on and as of the Date of this Agreement and on and as of the Closing Date (where applicable), as if made on and as of the Closing Date.

11.2 Seller Performance. Seller shall have performed and complied with all agreements and conditions contained herein required to be performed or complied with by it prior to or at the Closing Date.

11.3 Seller Deposit of Documents. Seller shall have deposited in Escrow or delivered to Buyer the documents required of Seller pursuant to this Agreement.

11.4 Escrow Agent Commitment. Escrow Agent (or its title insurance affiliate, if appropriate) shall have committed to issue to Buyer at or promptly after the Closing Date, the title insurance policy required under this Agreement.

11.5 Buyer Satisfaction with results of Tests. In connection with this Agreement, Buyer has completed the Phase I and shall have completed such other of the Tests set forth in Section 8 above as Buyer deems reasonably necessary and all matters related thereto have been resolved to its satisfaction. If any of the conditions described in this Section 11 are not satisfied, Buyer, in its sole discretion, may (i) cancel this Agreement by notice to Seller and Escrow Agent, whereupon this Agreement and the Escrow shall be terminated

or (ii) waive Seller's compliance with the condition and close the applicable Escrow subject thereto.

12. Representations of Buyer. Buyer represents and warrants to, and covenants with Seller that:

12.1 Authorized Person. The person executing this Agreement on behalf of Buyer is duly authorized to do so and thereby bind Buyer hereto. Within five days of the Date of this Agreement, Buyer shall deposit with Escrow Agent all evidence required by Escrow Agent for title insurance purposes of said person's authority to sign on behalf of and bind Buyer to this Agreement and all closing documents.

12.2 Valid Authority. Buyer 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 Agreement in accordance with its terms. All proceedings of Buyer to consummate the transaction contemplated by this Agreement and all documents and instruments required to be executed and delivered hereunder by Buyer have been duly and validly authorized, and upon execution and delivery by Buyer will constitute the valid and binding obligations of Buyer in accordance with their terms.

13. Conditions to Seller's Obligation to Close. The obligation of Seller to sell the Civic Center Open Space Property to Buyer pursuant hereto is conditioned upon and subject to the satisfaction (unless waived in writing by Seller) of each of the following conditions on or before the Closing:

13.1 Buyer Representations True and Correct. The representations and warranties of Buyer in this Agreement shall be true and correct in all material respects on and as of the opening of the applicable Escrow and on and as of the Closing Date, as if made on and as of the date of the Closing.

13.2 Buyer Performance. Buyer shall have substantially performed fully and complied with all material agreements and conditions herein required to be performed or complied with by it prior to or at the Closing Date. If any of the conditions described in this Section 13 are not satisfied, Seller, in its sole discretion, may (i) cancel this Agreement by notice to Buyer and Escrow Agent, whereupon this Agreement and the Escrow shall be terminated automatically, the Earnest Money shall be delivered to the Seller, and neither Party shall thereafter have any further obligations or liability to the other hereunder except as herein expressly provided for otherwise or (ii) waive Buyer's compliance with the condition and close the applicable Escrow subject thereto.

14. Seller's Remedies. Except as otherwise expressly provided in this Agreement, if Buyer defaults under this Agreement, Seller's sole and exclusive right and remedy shall be to seek and enforce specific performance of Buyer's obligations hereunder.

15. Buyer's Remedies. If an Escrow hereunder fails to close because of a breach by the Seller, Buyer's sole and exclusive right and remedy shall be to cancel this Agreement and elect

to pursue (i) specific performance of Seller's obligations hereunder or (ii) damages not to exceed $5,000 in addition to the return of Buyer's earnest money deposit.

16. Cure. If either Party fails to perform as required by this Agreement, such failure shall not be deemed a default until three days after the receipt of written notice thereof by the non-performing Party; if such non-performance is cured within such three-day period, no default shall be deemed to have occurred.

17. Eminent Domain. In the event that, prior to the Closing Date, any of the Civic Center Open Space Property is taken by the power of condemnation or eminent domain, or in the event notice is given by any governmental authority of, or an action is commenced with respect to, the taking of any part of the Civic Center Open Space Property by the power of condemnation or eminent domain, Seller shall give immediate written notice thereof to Buyer. Buyer may, in its sole discretion and within 20 days after receipt of such notice from Seller or prior to the Closing Date, as applicable, whichever period is shorter, elect to terminate this Agreement by written notice of such election to Seller and Escrow Agent. In the event Buyer elects to cancel this Agreement, neither Party shall thereafter have any further obligation or liability to the other except as herein expressly provided for otherwise. If Buyer does not elect to so cancel this Agreement, all condemnation awards relating to the Civic Center Open Space Property and rights thereto are hereby assigned to Buyer and shall be paid to Buyer.

18. Risk of Loss. Prior to the Closing Date, the risk of loss resulting from any cause, including, without limitation, fire or other casualty, to the improvements or any property, real or personal, subject to this Agreement shall be that of Seller. Seller shall keep the Civic Center Open Space Property insured against casualty until Closing under its existing insurance policies or replacement policies with the same coverage existing as of the Date of this Agreement. If, at any time prior to a successful closing, the improvements on the Civic Center Open Space Property are destroyed or materially damaged, the Parties shall close the applicable Escrow, in which event all insurance proceeds from Seller's insurance are hereby assigned to Buyer and shall be paid to Buyer within ten days of a demand therefore.

19. Broker's Commissions. Each Party warrants and represents to the other that no real estate sales or brokerage commissions or like commissions are or will be due from the other Party in connection with this transaction as a result of the act of the Party so warranting. Further, to the extent permitted by law, each Party agrees to indemnify and hold harmless the other Party for, from and against any claims by third parties made as a result of the act of the Party so representing, for real estate or brokerage commissions in connection with the transactions provided for herein, and all costs and expenses incurred by the indemnitee in connection therewith including, but not limited to, reasonable attorneys' fees. In any event, no commission shall be earned until the transactions contemplated by this Agreement are actually consummated.

20. General Provisions.

20.1 Further Instruments. Each Party, promptly upon the request of the other, shall execute, acknowledge and deliver to the other any and all further instruments as may be necessary or proper to carry out the purpose and intent of this Agreement.

20.2 Assignment. Either Party may assign or transfer its rights, duties and obligations under this Agreement only with the prior written consent of the other Party, which consent may be withheld for any reason or for no reason. Any such transfer or assignment shall be subject to the terms of this Agreement.

20.3 Successors and Assigns. Except as otherwise provided herein, this Agreement and all the terms and provisions hereof shall be binding upon and inure to the benefit of the Parties and their heirs, permitted successors and assigns.

20.4 Entire Agreement. This Agreement contains the entire understanding and agreement between the Parties with respect to the subject matter hereof and supersedes any prior written or oral understandings or agreements between the Parties.

20.5 Modification of Agreement. No modification of this Agreement shall be effective unless in writing and signed by the Parties hereto.

20.6 Waiver. The waiver of a breach of any term or condition of this Agreement may be made only in writing and shall not be deemed to constitute a waiver of subsequent breach of such term or condition, or a waiver of a breach or subsequent breach of any other term or condition.

20.7 Survival. All agreements, representations and warranties made in this Agreement shall survive the Closing or earlier termination of this Agreement for a period of 365 days.

20.8 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall constitute an original, but all of which shall constitute one and the same agreement.

20.9 Terms. Common nouns and pronouns shall be deemed to refer to the masculine, feminine, neuter, singular and plural, as the identity of the person may in the context require.

20.10 Descriptive Headings. The descriptive headings throughout this Agreement are for convenience and reference only, and the words contained therein shall in no way be held to explain, modify, amplify or aid in the interpretation, construction or meaning of the provisions of this Agreement.

20.11 No Third Party Beneficiary. None of the terms or provisions of this Agreement shall be deemed or construed to create any third party beneficiary rights to any person who is not a Party hereto unless expressly otherwise provided.

20.12 Notice. Any notice or other communication required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been duly given if (i) delivered to the Party at the address set forth below, (ii) deposited in the U.S. Mail, registered or certified, return receipt requested, to the address set forth below, (iii) given to

a recognized and reputable overnight delivery service, to the address set forth below or (iv) delivered by facsimile transmission to the number set forth below:

If to Seller:	Sundt Construction, Inc. 2620 S 55th St Tempe, AZ 85282 ATTN: Kevin M Burnett Senior Vice President and Chief Financial Officer Facsimile: 480 293 3079 Email: kmburnett@sundt.com
With a copy to:	Sundt Construction, Inc 2620 S 55th St Tempe, AZ 85282 ATTN: Mr. Ronald R Stuff Senior Vice President and General Counsel. Facsimile: 480 293 3079 Email: rrstuff@sundt.com
If to Buyer:	City of Avondale 11465 West Civic Center Drive Avondale, Arizona 85323 Attn: City Manager Facsimile: 623-333-0100
With a copy to:	Office of the City Attorney City of Avondale 11465 West Civic Center Drive Avondale, Arizona 85323 Attn: Michael S. Wawro, Esq. Facsimile:
If to Escrow Agent:	Security Title Agency 4722 N 24th St, Ste 200 Phoenix, AZ 85016 Attn: Victoria Smith Escrow Branch Manager

or at such other address, and to the attention of such other person or officer, as any Party may designate in writing by notice duly given pursuant to this Section. Notices shall be deemed received (a) when delivered to the Party, (b) three business days after being placed in the U.S. Mail, registered or certified, properly addressed, with sufficient postage, (c) the following business day after being given to a recognized overnight delivery service, with the person giving the notice paying all required charges and instructing the delivery service to deliver on the following business day, or (d) when received by facsimile transmission during the normal business hours of the recipient. If a copy of a notice is also given to a

Party's counsel or other recipient, the provisions above governing the date on which a notice is deemed to have been received by a Party shall mean and refer to the date on which the Party, and not its counsel or other recipient to which a copy of the notice may be sent, is deemed to have received the notice.

20.13 Governing Law and Venue. This Agreement and the rights of the Parties hereto shall be governed by and construed in accordance with the laws of the State of Arizona. Any action at law or judicial proceeding instituted by any Party relating to this Agreement shall be instituted in the state or federal courts of the State of Arizona.

20.14 Attorneys' Fees. In the event of any controversy, claim or dispute between the Parties arising out of or relating to this Agreement or the breach thereof, the prevailing Party shall be entitled, in addition to such other relief as may be granted, to recover its costs and expenses, including without limitation, reasonable attorneys' fees, expert witness fees and investigators' fees, which shall be determined by the court if the matter is litigated or otherwise in a separate action brought for that purpose.

20.15 Time of the Essence. All dates and times for performance set forth in this Agreement are of the essence.

20.16 Severability. If any provision or provisions of this Agreement, or the application thereof to any person or circumstance be determined to be invalid or unenforceable to any extent, the remainder of this Agreement, or the application of such provision to persons or circumstances other than those as to which it is so determined invalid or unenforceable, shall not be affected thereby, and each provision hereof shall be valid and shall be enforced to the fullest extent permitted by law.

20.17 Time Periods. If the time for the performance of any obligation under this Agreement expires on a Saturday, Sunday or legal holiday, the time for performance shall be extended to the next succeeding day which is not a Saturday, Sunday or legal holiday.

20.18 Cancellation. This Agreement may be cancelled by the Buyer pursuant to ARIZ. REV. STAT. § 38-511.

IN WITNESS WHEREOF, the Parties hereto have executed this instrument as of the date and year first written above.

"**Seller**"

SUNDT CONSTRUCTION, INC., an Arizona corporation

By:_____

Name:_____

Title:_____

STATE OF ARIZONA)
) ss.
COUNTY OF MARICOPA)

This instrument was acknowledged before me on _____, 2019, by _____, as _____ of SUNDT CONSTRUCTION, INC., an Arizona corporation, on behalf of the corporation.

_____
Notary Public in and for the State of Arizona

My Commission Expires:

_____

"**Buyer**"

CITY OF AVONDALE, an Arizona
municipal corporation

By:_____
Charles A. Montoya, City Manager

ATTEST:

_____
Marcella Carrillo, City Clerk

STATE OF ARIZONA)
) ss.
COUNTY OF MARICOPA)

This instrument was acknowledged before me on _____, 2019, by Charles A. Montoya, 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:

"**Escrow Agent**"

By:_____

Name:_____

Title:_____

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

[Legal description]

See following pages.

EXHIBIT B
TO
PURCHASE AGREEMENT
BETWEEN
SUNDT CONSTRUCTION, INC.
AND
THE CITY OF AVONDALE

[Special Warranty Deed]

See following pages.

When Recorded Mail To:

City Clerk
City of Avondale
11465 West Civic Center Drive, Suite 200
Avondale, Arizona 85323

SPECIAL WARRANTY DEED

For and in consideration of Ten and No/100 Dollars ($10.00), and other valuable consideration, Sundt Construction, Inc., an Arizona corporation ("Grantor"), does hereby convey to the City of Avondale, an Arizona municipal corporation ("Grantee"), certain real property located in Maricopa County, Arizona, and more particularly described on the attached Exhibit "1".

SUBJECT TO all matters of record and all matters that would be shown by a correct survey or a visual inspection of said real property.

And the Grantor binds itself and its successors to warrant the title as against its own acts, and none other, subject to the matters above set forth. No other covenants and warranties, express or implied, are given by this Special Warranty Deed.

DATED: _____, 2019.

"**GRANTOR**"

SUNCOR DEVELOPMENT
CORPORATION, an Arizona corporation

By:_____

Name:_____

Its:_____

STATE OF ARIZONA)
) ss.
COUNTY OF MARICOPA)

This instrument was acknowledged before me on _____, 2019, by _____, as _____ of SUNDT CONSTRUCTION, INC., an Arizona corporation, on behalf of the corporation.

_____
Notary Public in and for the State of Arizona

My Commission Expires:

_____

EXHIBIT 1

TO

SPECIAL WARRANTY DEED

BETWEEN

SUNDT CONSTRUCTION, INC.

AND

THE CITY OF AVONDALE

[Legal Description]

See following page.

EXHIBIT C
TO
PURCHASE AND SALE AGREEMENT
BETWEEN
THE CITY OF AVONDALE
AND
SUNDT CONSTRUCTION, INC.

[Non-foreign Person Affidavit]

See following page.

NON-FOREIGN PERSON AFFIDAVIT

Section 1445 of the Internal Revenue Code provides that a transferee of a U.S. real property interest must withhold tax if the transferor is a foreign person. For U.S. tax purposes (including section 1445), the owner of a disregarded entity (which has legal title to a U.S. real property interest under local law) will be the transferor of the property and not the disregarded entity. To inform the City of Avondale, an Arizona municipal corporation ("Transferee"), that withholding of tax is not required upon the disposition of a U.S. real property interest, the undersigned hereby certify the following on behalf of Sundt Construction, Inc., an Arizona corporation ("Transferor"):

1. Transferor is not a foreign corporation, foreign partnership, foreign trust, or foreign estate (as those terms are defined in the Internal Revenue Code and Income Tax Regulations);
2. Transferor is not a disregarded entity as defined in §1.1445-2(b)(2)(iii) of the Income Tax Regulations;
3. Transferor's U.S. employer identification number is 86-0199785; and
4. The office address for Transferor is 1501 West Fountainhead Parkway, Suite 600, Tempe, Arizona 85282

Transferor understands that this certification may be disclosed to the Internal Revenue Service by Transferee and that any false statement contained herein could be punished by fine, imprisonment, or both. Under penalties of perjury, Transferor declares that it has examined this certification and to the best of its knowledge and belief it is true, correct, and complete. Transferor further declares that the person(s) signing below has authority to sign this document on behalf of Transferor.

Dated this _____ day of _____, 2019.

OWNER:
Sundt Construction, Inc., an Arizona corporation

By:_____

Its: _____

STATE OF ARIZONA)
) ss.
COUNTY OF MARICOPA)

The foregoing instrument was acknowledged before me this ___ day of _____, 2019, by _____, the _____of Sundt Construction, Inc., an Arizona corporation, on behalf of the corporation.

_____
Notary Public

(Seal and Expiration Date)

Item Number: 2.d.

CITY COUNCIL REPORT

SUBJECT: Amendment No. 1 to Job Order Three with DNG Construction, LLC for a Screen Wall at the Emergency Operations Center

MEETING DATE: 11/4/2019

TO: Mayor and Council

FROM: Kirk Haines, Parks and Recreation Director (623-333-2411)

THROUGH: Charles A. Montoya, City Manager, (623) 333-1016

PURPOSE:

City Council will consider a request to approve Amendment No. 1 to Job Order Three with DNG Construction, LLC in the amount of $21,408 for a screen wall around the emergency generator for the Emergency Operations Center, and authorize the Mayor or City Manager and City Clerk to execute the necessary documents. The Council will take appropriate action.

BACKGROUND:

On September 23, 2019, City Council approved Job Order Three to DNG Construction, LLC to install an emergency generator for the Emergency Operation Center located at 125 South Avondale Blvd. The project is to provide backup electrical service to the EOC and the 9-1-1 backup call center in the event of discontinuance of electrical service.

DISCUSSION:

At the time of the City Council award for construction, the designs were being reviewed for a building permit. It was discovered the project did not provide a screen wall as part of the overall aesthetics enhancement to commercial buildings. Therefore, DNG quickly developed a conceptual design, submitted a follow-up permit, and provided the cost impact for this enhancement. Because the cost estimate exceeds 10% of the total project cost, the City's procurement code mandates City Council approval. Funds for this additional expense are being transferred from another Parks Development project, Sustaining Building Infrastructure for this expense with minimal impact to the current projects scheduled for building renovations.

BUDGET IMPACT:

Job Order No. 3 with DNG, LLC is an amount not to exceed $153,398. Additionally, the design costs for the project is $7,150. Therefore, funds have been transferred from 310-1409-00-8230 (Sustaining Building Infrastructure project) in the amount of $30,000 to Account # 310-1513-00-8231 to cover the total project costs for the emergency generator.

RECOMMENDATION:

Staff recommends approval of Amendment No. 1 to Job Order Three with DNG Construction, LLC in the amount of $21,408 for a screen wall around the emergency generator for the Emergency Operations Center, and authorize the Mayor or City Manager and City Clerk to execute the necessary documents.

AMENDMENT NO. ONE TO JOB ORDER THREE
TO
COOPERATIVE PURCHASING AGREEMENT NO. 19-202C
BETWEEN
THE CITY OF AVONDALE
AND
DNG CONSTRUCTION, LLC.

THIS AMENDMENT NO. ONE JOB ORDER THREE ("Job Order") between the City of Avondale, an Arizona municipal corporation (the "City"), and DNG CONSTRUCTION, LLC., an Arizona limited liability corporation ("Job Order Contractor").

RECITALS:

A. After a competitive procurement process, the City of Chandler, Arizona ("Chandler") entered into Contract No. JOC1602.401, dated April 04, 2016 (the "Chandler Contract"), for the Contractor to provide services related to major renovations, repairs, demolition and reconstruction projects.

B. The City and the Job Order Contractor entered into a Cooperative Purchasing Agreement No. 19-202C dated August 05, 2019 (the "Agreement"), based upon the Chandler Contract, for Job Order Contractor to provide services related to major renovations, repairs, demolition and reconstruction projects. All capitalized terms not otherwise defined in this Job Order have the same meanings as contained in the Agreement.

C. The Agreement contemplated the City would request proposals for job orders when Work was deemed necessary.

D. In September of 2019, the City has requested, and Job Order Contractor provided, a proposal for the purchase and installation of an emergency generator at the ISM Building located at 125 S. Avondale Boulevard, Avondale Arizona on the Civic Center Campus. These services were added to the contract as Job Order 3. After the project was designed and building permits were in for review, it was determined that a screening wall is required for the generator. Job Order Contractor has provided an amended scope and fee for this Job Order, as further defined in the scope of work attached hereto as Exhibit 1 and incorporated herein by reference.

E. Upon acceptance by the City, this Job Order will become part of the Agreement and shall be attached thereto as part of Exhibit B.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing introduction and 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 are hereby acknowledged, the City and the Job Order Contractor hereby agree as follows:

1. Scope of Work. Job Order Contractor will perform the Work in accordance with the attached proposal.

2. Compensation. The City shall pay Job Order Contractor an amount not to exceed $153, 397.28 for the Work at the rates set forth in the Proposal.

3. Assumptions. A list of assumptions and clarifications made by the Job Order Contractor in the preparation of the Proposal is attached as part of Exhibit 1.

4. City Representative. The City Representative who will accept the completed Work is Kirk Haines or Joel Evans from the City's Parks and Recreation Department.

5. Effect of Job Order. This Job Order shall have the effect of amending the Agreement as set forth herein. 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.

6. Non-Default. By executing this Job Order, the Job Order Contractor affirmatively asserts that (i) the City is not currently in default, nor has been in default at any time prior to this Job Order, under any terms or conditions of the Agreement, including any Job Orders related thereto, and (ii) any and all claims, known and unknown, relating to the Agreement or any related Job Order and existing on or before the date of this Job Order are forever waived.

7. Conflict of Interest. This Job Order and the Agreement may be canceled by the City pursuant to A.R.S. § 38-511.

SIGNATURES ON FOLLOWING PAGE

IN WITNESS WHEREOF, the parties hereto have executed this Amendment No. One to Job Order Three as of the date and year written below.

"City"
CITY OF AVONDALE,
an Arizona municipal corporation

PROCUREMENT AGENT
(CM or Procurement Manger)

Date

"Job Order Contractor"
DNG CONSTRUCTION, LLC,
an Arizona limited liability corporation

[redacted]

10/21/2019
Date

Dominic DeMark
Printed Name:

Vice President/CFO
Title:

EXHIBIT 1
AMENDMENT NO. ONE TO JOB ORDER THREE
BETWEEN
THE CITY OF AVONDALE
AND
DNG CONSTRUCTION, LLC.
(Scope & Fee)

DNG CONSTRUCTION, LLC

CHANGE ORDER REQUEST

PROJECT NAME:	AVONDALE GENERATOR INSTALL
PROJECT NUMBER:	19-01-131
GENERAL CONTRACTOR:	DNG CONSTRUCTION
DESCRIPTION:	DESIGN CHANGES TO GENERATOR INSTALL
CLIENT:	KIRK HAINES
DATE:	10/15/19
COR #:	01

Item #	Description		Amount
	STRUCTURAL ENGINEER DESIGN FEE	$	1,500.00
	CONCRETE CHANGES (ADD)	$	5,046.00
	ORIGINAL CONCRETE (DEDUCT)	$	(900.00)
	MASONRY CHANGES (ADD)	$	15,500.00
	ORIGINAL MASONRY (DEDUCT)	$	(4,500.00)
	NEW HOLLOW METAL DOOR & HARDWARE	$	1,500.00
	SUBTOTAL	$	18,146.00
	COEFFICIENT CALCULATION	$	3,266.28
	TOTAL AMOUNT OF THIS CHANGE ORDER	$	21,412.28

ORIGINAL CONTRACT AMOUNT	$	131,985.00
TOTAL PREVIOUS CHANGE ORDERS	$	-
TOTAL AMOUNT THIS CHANGE ORDER	$	21,412.28
REVISED CONTRACT AMOUNT	$	153,397.28

REQUESTED BY: DNG CONSTRUCTION, LLC

Project Manager _____ Date _____

APPROVED BY:

Signature - Authorized Agent _____ Date _____