

THE MINUTES OF THE WORK SESSION MEETING OF THE MAYOR AND CITY COUNCIL OF THE CITY OF WILLCOX, COCHISE COUNTY, AZ HELD ON THIS 26th DAY OF NOVEMBER 2012

CALL TO ORDER- Mayor Bob Irvin called the Work Session to order on Monday, November 26, 2012 at 6:30 p.m. and welcomed everyone in attendance

ROLL CALL- City Clerk Virginia A. Mefford, called the roll:

PRESENT

Mayor Robert A. Irvin
Vice Mayor Bill Holloway
Councilman Gerald W. Lindsey
Councilman Elwood A. Johnson
~~Councilwoman Monika Cronberg~~
Councilman Earl Goolsby
Councilman William "Bill" Nigh

STAFF

City Manager Pat McCourt
City Clerk Virginia A. Mefford
City Attorney Ann Roberts
Finance Director Ruth Graham
Public Services & Works Director Dave Bonner
Development Services Jeff Stoddard
Library Director Tom Miner

Absent

Monika Cronberg

PLEDGE OF ALLEGIANCE TO THE FLAG lead by Mayor Irvin

DECLARATION ON CONFLICT OF INTEREST

None Declared

ADOPTION OF THE AGENDA

MOTION: Councilman Johnson moved to adopt the agenda as presented.

SECONDED: Vice Mayor Holloway seconded the motion. **CARRIED**

DISCUSSION ON CAPITAL EXPENSE NEEDS WATER SYSTEM & SOLID WASTE (GARBAGE)

Discussion- City Manager McCourt stated: Mr. Bonner will give the presentation on the Solid Waste first and then the Water System. Mr. Bonner gave a presentation from the material in the Council packets. Councilman Johnson asked: if Southwest Disposal is the ones called to pick up the tree trimmings. Mr. Bonner stated: they do pick it up and if they don't pick it up the City does. What is the impact of trash cans to our budget? City Manager McCourt stated: we have been anticipating this on our first year budget, but we have seen a reduction in the number of cans. Mr. Bonner gave an overview of the regulation and capital budget on the Water System from the packet presented. He indicated the wells #1, # 2, and #3 are within ¼ mile of each other within the same vicinity. Councilman Lindsey asked: what the horsepower (hp) is for well #3 run at. Mr. Bonner stated: it is 50 hp but runs at about 33 hp and also stated: well #3 runs downhill during the day as the other two wells are running uphill. Councilman Nigh asked: what the water level was. Mr. Bonner stated: 18 to 30 feet, and it does shut off when it hits the 30 feet level. Councilman Lindsey asked: where Well #3 is located. It is located by the gun range on Saguaro. Mr. Bonner stated: the Regulatory compliance is by ADEQ. We do chlorine residual test in house and once a month we send it to Turner Laboratory for testing for Coli-form. Mr. Bonner explained the Consumer Confidence report. The City has been required to maintain a back low/cross-connection system. (Ordinance NS 149), this ordinance is on our website; this ordinance explains what is required. Water System Integrity supply lines in the city are comprised of AC Pipe, C900 PVC and Schedule 40 PVC. When leaks occur there are four reasons; ground shrinkage or swelling caused by dry or wet conditions. Meter updates; our current goal is to replace 10% of the meters in a given year, this is a perpetual program. Councilman Lindsey stated: you replaced 50% already how many meters do you get for \$35,000. Mr. Bonner stated: he didn't have that figure. Mr. Bowen apologized, for not having the figure, and we are going to have to change to lead free pipes; which are more expensive. Mr. Bonner stated: we can give you how many meters have been replaced and get those numbers for you. Future Plans- Install a secondary pipeline from the tank to the City and raise the water to be able to supply water in the event of a pipeline break on Joe Hines road. Provide backup, system for well to operate in the event of a significant power outage. - Install a separate line to tank from wells to eliminate water reversal and pressure spikes. Mr. Bonner asked: does the Council want to see a backup system. We did present this idea but we put it on the back burner, we could put it back as a discussion item if you like to revisit it. Councilman Johnson asked: when the last

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time we had a power outage was. Mr. Bonner stated: it was in 2002 or 03. Councilman Lindsey asked: what about the gas engine. Mr. Bonner stated: we can bring this back for discussion. Councilman Nigh asked: if propane gas could be used instead. Mr. Bonner stated: we were looking at natural gas because it is cheaper. City Manager McCourt asked: am I hearing correctly you want to have this subject brought back. Vice Mayor Holloway stated: one of the Councilmen who voted it down last time needs to ask for this to be brought back at an item. Councilman Lindsey stated: he was probably one of the ones that voted it down. Vice Mayor Holloway stated: than you need to have this stated: to be brought back. Mr. Bonner explained the Capital budget that was in the Council packets. City Manager McCourt asked: is this being discussed as an operating budget? Mr. Bonner stated: that was correct. Mr. Bonner stated: we currently have a 12 inch line but we would like to bring in another 12 inch line and then connect in. City Manager McCourt stated: this would be a second supply line into the City. Mr. Bonner stated: this is up for debate to do any of these items, if you think we have missed anything please let us know. Councilman Lindsey stated: I feel there are better ways of spending our money than to put in secondary line right now. Councilman Johnson stated: we need to prioritize some of these items. Mr. Bonner stated: we will bring back the backup on Well #3 again and prioritize this list. City Manager McCourt stated: we should examine these options and bring it back. Vice Mayor Holloway stated: looking into the future we may have someone who wants to develop that land. City Manager McCourt stated: we will get you estimated figures next time. Mr. Bonner stated: we will look into the security system and well #3. City Manager McCourt stated: we will have a meeting on December 10th on the sewer system.

ADJOURN

Being no further business before the Mayor and Council Mayor Irvin adjourned at 7:50 p.m.

CERTIFICATION

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the special meeting of the City Council of the City of Willcox held on the 26th day of November 2012. I further certify that the meeting was duly called and held, and that a quorum was present.

Dated this 26th day of November 2012

City Clerk Virginia A. Mefford

PASSED, APPROVED AND ADOPTED this 22nd day of January, 2013.

MAYOR ROBERT A IRVIN

Signed _____

ATTEST:

City Clerk Virginia A. Mefford

**THE MINUTES OF THE REGULAR MEETING OF THE MAYOR AND
CITY COUNCIL OF THE CITY OF WILLCOX, COCHISE COUNTY, AZ
HELD ON THIS 3rd DAY OF DECEMBER 2012**

CALL TO ORDER- Mayor Bob Irvin called the regular meeting to order on Monday, December 3, 2012 at 7:00 p.m. and welcomed everyone in attendance

ROLL CALL-City Clerk Virginia A. Mefford, called the roll:

PRESENT

Mayor Robert A. Irvin
~~Vice Mayor Bill Holloway~~
Councilman Gerald W. Lindsey
Councilman Elwood A. Johnson
Councilwoman Monika Cronberg
Councilman Earl Goolsby
Councilman William "Bill" Nigh

STAFF

City Manager Pat McCourt
City Clerk Virginia A. Mefford
City Attorney Ann Roberts
Finance Director Ruth Graham
Public Services & Works Director Dave Bonner
Development Services Jeff Stoddard
Library Director Tom Miner

ABSENT

Vice Mayor Bill Holloway

PLEDGE OF ALLEGIANCE TO THE FLAG led by Mayor Irvin.

DECLARATION ON CONFLICT OF INTEREST

None Declared

ADOPTION OF THE AGENDA

MOTION: Councilwoman Cronberg moved to adopt the agenda as presented and remove item 8A-D and 15-18.

SECONDED: Councilman Johnson seconded the motion **CARRIED**

PUBLIC HEARINGS, PETITIONS AND COMMUNICATIONS

Public Hearings: The Mayor and Council will hold a public hearing at the regular meeting on Monday, December 3, 2012 at 7:00 p.m., City Council Chambers, 300 W. Rex Allen Drive on:

1. Application for Bingo License by the Willcox Benevolent and Protective Order of Elks 247 E. Stewart Street Willcox, AZ 85643. Open 7:05 no public commit Closed at 7:06 pm.

8A MINUTES OF PREVIOUS MEETINGS

Minutes approve on consent agenda.

~~8B. Regular Meeting - November 5, 2012 and November 10, 2012~~

~~8C. Work Session - October 22, 2012~~

~~8D. Special Meeting - November 13, 2012~~

REPORT UPDATE REGARDING ON BURGLARY AT THE ELSIE S. HOGAN COMMUNITY LIBRARY:

DISCUSSION: Mr. Minor Director of Library and read his letter that was in the Council Packet explaining the updates of the Burglary at the Elsie S. Hogan Community Library. Mayor thanked Mr. Minor for his update.

DISCUSSION/DECISION REGARDING CITY ACTING AS THE FISCAL AGENT FOR GRANT APPLICATION FOR CHAMBER, WINGS OVER WILLCOX, AND STEPHAN FAIRFIELD APPLICATION FROM FOUNDATION

MOTION: Councilman Johnson moved to approve the City acting as the Fiscal Agent for grant application for Chamber, Wings over Willcox, and Stephan Fairfield application from foundation

SECONDED: Councilwoman Cronberg **DISCUSSION:** City Manager McCourt explained he was approached to act as the grant writer for this grant as the other entities do not qualify to submit this application. Councilwoman Cronberg asked if anyone is handling grants. City Manager McCourt stated not at this time and introduced Mr. Stephan Fairfield. Mr. Fairfield gave a brief

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bio of himself by saying; I am an art sculptor and have many sculptures around the country. He stated: would like to grow year round visitors to see the Sand Hill Cranes. Councilman Lindsey asked if the City would have any liability if this is not delivered. Mr. Fairfield stated they would not and he has done this with other cities. **CARRIED**

DISCUSSION/DECISION REGARDING RESOLUTION NO. 2012-87 APPROVING THE PURCHASE OF A NATURAL GAS BACKUP POWER SYSTEM FOR WELL NUMBER THREE IN THE CITY OF WILLCOX WATER SYSTEM FROM BILL'S PUMP SERVICE; DIRECTING AUTHORIZED CITY OFFICERS AND AGENTS TO CARRY OUT THE PURPOSES AND INTENT OF THIS RESOLUTION; AND, DECLARING AN EMERGENCY TO EXIST.

MOTION: Councilman Lindsey moved to approve the Resolution No. 2012-87 approving the purchase of a natural gas backup power system for well number three in the City of Willcox water system from Bill's Pump Service

SECONDED: Councilman Goolsby **DISCUSSION:** Councilman Nigh asked: is this truly used for only emergency purpose only? I propose using propane and maybe think about this, even though this was not presented. Councilman Lindsey explained propane is more costly. Councilman Johnson stated this has been brought back like four times to council it seems like the Public Works Department would be spending more money each time we have turned it down; regardless, it is a need or a want and When was the last time we needed electricity or water in an emergency situation? I can't see us spending this kind of money. Councilman Lindsey stated if we truly want a bank up system this would be what we need, looking at natural gas is cheaper at this time; I myself have voted against this, but it is one of those things that it gives us an option at this time. Councilman Johnson stated this is approving a back up system; we may or may not need this. Mr. Bonner stated we did look at a generator but the original proposed one was too small and the cost was about the same as this one. No one can guess when we would run out of electricity or water but if we don't have something in place, someone will knock on my door after knocking your door and ask why we don't have something in place. Councilman Johnson stated we should buy local and not out of town; again is this need or want. Councilman Goolsby stated on the defense of Mr. Bonner this was asked to be brought back to Council as soon as possible. **AYES:** Mayor Irvin, Councilman Lindsey, Councilman Goolsby **NAYS:** Councilwoman Cronberg, Councilman Johnson, Councilman Nigh 3 to 3. **FAILED**

DISCUSSION/DECISION REGARDING AN ORDINANCE OF THE MAYOR AND COUNCIL OF THE CITY OF WILLCOX, ARIZONA, GRANTING TO SULPHUR SPRINGS VALLEY ELECTRIC COOPERATIVE, INC., AN ARIZONA CORPORATION, ITS SUCCESSORS AND ASSIGNS, THE RIGHT, PRIVILEGE AND FRANCHISE TO CONSTRUCT, MAINTAIN AND OPERATE AN ELECTRIC ENERGY TRANSMISSION AND DISTRIBUTION SYSTEM WITHIN THE PUBLIC RIGHTS-OF-WAY WITHIN THE CORPORATE LIMITS OF THE CITY OF WILLCOX; PRESCRIBING CERTAIN RIGHTS, DUTIES, TERMS AND CONDITIONS, PROVIDING FOR THE SUBMISSION HEREOF TO THE ELECTORS FOR THEIR APPROVAL; AND DECLARING AN EMERGENCY.

MOTION: Councilman Johnson moved to approve the Ordinance of the Mayor and Council of the City Of Willcox, Arizona, granting to Sulphur Springs Valley Electric Cooperative, Inc., an Arizona Corporation, its successors and assigns, the right, privilege and franchise to construct, maintain and operate an electric energy transmission and distribution system within the Public Rights-of-Way within the corporate limits of the City Of Willcox; prescribing certain rights, duties, terms and conditions. **SECONDED:** Councilman Lindsey **DISCUSSION:** City Attorney Roberts explained this was published with the franchise agreement that was approved by the voters and now we need the ordinance approve by council. **CARRIED**

CITY MANAGER REPORTS

The City Manager Mr. McCourt thanked the Council for letting him attend the ICMA conference.

- **Chamber of Commerce Annual Meeting-** December 4, 2012 at the Kiva Room at 6:30 pm.
- **Employee Appreciation Potluck-** December 6, 2012 from 11:00 am-1:00 pm.
- **Work Session-** Monday December 10, 2012 for Sewer System at 6:30 pm
- **Toys for Tots-** Deadline for pick up will be December 15, 2012 at various places around town (local event)
- **Reminder -** City Hall Closed Half day on December 24 and Closed December 25, 2012 in observance of Christmas
- **Reminder-** City Hall Closed Half day on December 31 and Closed January 1, 2013 in observance of New Years day
- **Update-** on Industrial Park Sale this was presented to the Planning and Zoning Committee.

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- **Wings Over Willcox Bird Watching-** January 17-20, 2013 please contact the Chamber of Commerce as soon as possible for tickets.
- **Report on Financial Disclosure Statements Due-**this report is due from every Council person seated as of December 31st of each year. The Council members must complete the Financial Disclosure Statement for the preceding year (2012) on or before January 31, 2013.

COMMENTS NOT FOR DISCUSSION FROM MAYOR AND COUNCIL MEMBERS

Councilwoman Cronberg: I have been approached by several people regarding the Burned down building.

Councilman Johnson: Christmas lighted parade and Apple Festival was a success.

Councilman Nigh: Attended the Planning and Zoning Meeting was disappointed the way this was handled and I would have liked to see more advertisement on the sale of property.

Mayor Irvin: Asked if the commercial property will be in the packet

~~**DISCUSSION/DECISION ENTER INTO AN EXECUTIVE SESSION PURSUANT TO ARIZONA REVISED
STATUTES §38-431.03A(3) DISCUSSION OR CONSULTATION FOR LEGAL ADVICE WITH THE ATTORNEY OR
ATTORNEYS OF THE PUBLIC BODY REGARDING
THE PURCHASE, SALE, OR LEASE OF REAL PROPERTY**~~

~~Consideration, discussion and/or decision to enter into an Executive Session pursuant to ARS §38-431.03A (1) and (3), as stated, relating to consideration of employee and consultation for legal advice with the attorney(s) of the public body regarding the purchase, sale, or lease of real property.~~

~~**RECESS TO EXECUTIVE SESSION, IF APPROVED**~~

~~**RECONVENE FROM EXECUTIVE SESSION**~~

~~**DISCUSSION/DECISION/DIRECTION TO STAFF REGARDING MATTERS DISCUSSED IN EXECUTIVE SESSION**~~

~~Consideration, discussion, decision and/or direction to staff regarding matters discussed in Executive Session and/or consultation for legal advice from City Attorney.~~

ADJOURN

Being no further business before the Mayor and Council Mayor Irvin adjourned at 7: 45 p.m.

CERTIFICATION

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the special meeting of the City Council of the City of Willcox held on the 3rd day of December 2012. I further certify that the meeting was duly called and held, and that a quorum was present.

Dated this 3rd day of December 2012

City Clerk Virginia A. Mefford

PASSED, APPROVED AND ADOPTED this 7th day of January 2013.

MAYOR ROBERT A IRVIN

Signed _____

ATTEST:

**THE MINUTES OF THE REGULAR MEETING OF THE MAYOR AND
CITY COUNCIL OF THE CITY OF WILLCOX, COCHISE COUNTY, AZ
HELD ON THIS 3rd DAY OF DECEMBER 2012**

City Clerk Virginia A. Mefford

DRAFT

THE MINUTES OF THE WORK SESSION MEETING OF THE MAYOR AND CITY COUNCIL OF THE CITY OF WILLCOX, COCHISE COUNTY, AZ HELD ON THIS 10TH DAY OF DECEMBER 2012

CALL TO ORDER- Mayor Bob Irvin called the Work Session to order on Monday, December 10, 2012 at 6:30 p.m. and welcomed everyone in attendance

ROLL CALL-City Clerk Virginia A. Mefford, called the roll:

PRESENT

Mayor Robert A. Irvin
Vice Mayor Bill Holloway
Councilman Gerald W. Lindsey
Councilman Elwood A. Johnson
Councilwoman Monika Cronberg
Councilman Earl Goolsby
Councilman William "Bill" Nigh

STAFF

City Manager Pat McCourt
City Clerk Virginia A. Mefford
City Attorney Ann Roberts
Finance Director Ruth Graham
Public Services & Works Director Dave Bonner
Development Services Jeff Stoddard
Library Director Tom Miner

PLEDGE OF ALLEGIANCE TO THE FLAG led by Mayor Irvin

DECLARATION ON CONFLICT OF INTEREST

None Declared

ADOPTION OF THE AGENDA

MOTION: Councilman Johnson moved to adopt the agenda as presented.

SECONDED: Councilman Lindsey seconded the motion. **CARRIED**

DISCUSSION ON CAPITAL EXPENSE NEEDS SEWER SYSTEM

Discussion- Mr. Bonner will give the presentation on the Sewer System from the material in the Council packets. He explained two main aspects, collections and treatment and three lift station on magic circle RV Park Railroad Avenue and Wood St. Railroad. The lift station has been approved to replace pumps the budget was \$45,000. He went over the Collections and stated there are 37 plus manholes in the system. The Repair budget for 2012-13 includes \$32,000 to replace/repair deteriorated manholes he stated the system overview is listed in the council packets. The primary concerns are: tree roots and the lines under the railroad. He also explained that ADEQ also have to make sure the City is in compliance. We have to have class B effluent, currently the City is under a Consent Order due to non-compliance. Wilson Engineers along with Dave Bonner and John Bowen met with ADEQ's permitting unit for a pre-application meeting. ADEQ's response may result in cost saving for the City of Willcox. In the Wilson Engineers Design, they will recommend in the PER as stated in the Council Packets. Future Plans do have options stated in the Council Packets. He explained the disinfection process the City would use the Hypochlorite disinfection because of the reliability factor. Mr. Bonner went over the Sewer Utilities Budget in the Council Packets and stated it is the same as the others we have been going over in previous Work Sessions. He asked the Council if they had any questions. Vice Mayor asked In the PER report option 3 seems like it is very similar to design option 2. Mr. Bonner explained you do have issues with rocks so in option 3 we eliminate some of the hydrogen process and it doesn't use the oxidation ditches. Mr. Bowen stated because we put the sludge in there it takes the anti-aerobic to aerobics and it would be grade B sludge. City Manager McCourt stated we will be able to set up the proper charges. Councilman Lindsey stated in Option 2, it can run two trucks a day and option 3: it takes two or three hours. Mr. Bonner stated it would be approximately 10,000 gallons and then we would have to hold it and let it set to oxidation and in option 3: you would not have to do that. Councilman Nigh asked if ours was not working properly because of two years ago decision, can it not be set right. Mr. Bowen stated we could leave it but we really can't because we would never get in class B to be reused. Councilman Nigh asked: by chance we do not get this grants what does the City do? Vice Mayor Holloway stated we have to do the way we are doing it because it has been voted to go this route. Councilwoman Johnson stated other council has dealt with this issue and it has been ongoing. Councilman Nigh asked how you pay for it. Mr. Bonner stated it was defined by the USDA. City Manager McCourt stated we do look at the 15 to 20 year projection any projection is just that; it is with the best information available, if we don't have a document of what we did last year. He stated there is not a change in Capital cost; and we don't know how much the cost is. We are estimating at this time. Mr. Bowen replied to Mr. Nigh's question regarding Serra Vista they are redesigning their Sewer Systems, and stated they are not doing B quality work. Councilman Lindsey stated he appreciates Mr. Nigh's commits but with the PER

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and ADEQ we really don't need to talk about the lagoon system. Councilman Holloway stated I hate to rely on the government but if our rates are dramatically low as other folks. ADEQ representative stated it would not go to ridiculous sewer rates. Mr. Bonner stated the grant from USDA has to be revising the language on the contract so we can work with USDA. Mr. Nigh stated he would like to see the contract when the language is changed. The Council stated we all will see the contract. Mr. Bonner stated we will know within the next three months what the USDA will give us. We have projected \$5 million in the budget. Councilman Nigh asked why it cost \$45,000, I did not understand that. Councilman Lindsey asked, it indicated to me if we get the sludge we will be able to bury it. Mr. Bonner stated we could use the top soil for irrigation. Councilwoman Cronberg asked is the future of the plumbing being considered in this design. Mr. Bonner stated we would put a T in anywhere that one would be needed. Councilman Johnson stated that is included in the blue print. Mr. Bonner stated yes. Councilman Johnson stated for the new Councilmember's we have tried to keep the rates down. One of the things we addressed is the quality of life, in order for Willcox to grow is to get the waste water treatment plant the past (4) Council have looked at lots of treatment plants and we felt this was the best one to do. When you talk about raising rates it is very sensitive to me, and if there are options down the road it helps.

ADJOURN

Being no further business before the Mayor and Council Mayor Irvin adjourned at 7:30 p.m.

CERTIFICATION

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the special meeting of the City Council of the City of Willcox held on the 26th day of November 2012. I further certify that the meeting was duly called and held, and that a quorum was present.

Dated this 10th day of December 2012

City Clerk Virginia A. Mefford

PASSED, APPROVED AND ADOPTED this 22ND day of January 2013.

MAYOR ROBERT A IRVIN

Signed _____

ATTEST:

City Clerk Virginia A. Mefford

CITY OF WILLCOX
Request for Council Action

Agenda Item: 8
Tab Number: 2
Date: 1/22/2013

Date Submitted:

1/14/2013

Action:

Resolution
 Ordinance
 Formal
 Other

Subject:

A.M.R.R.P.
2013 Liability
Insurance Policy

To: Honorable Mayor and City Council
From: Ruth Graham, Director of Finance

Discussion:

The Arizona Municipal Risk Retention Pool (A.M.R.R.P.) was started in 1986 to address the specialized insurance needs of municipalities. The City joined the Pool in 1987, and has continued to carry its liability and worker's compensation coverage with A.M.R.R.P. The board of directors is made up of representatives from Arizona cities and towns, and dividends are returned to the members. For the year ended 6/30/08, Willcox received a dividend of \$34,772, at 6/30/09 we received \$31,458, at 6/30/10 we received \$42,790, at 6/30/11 we received \$46,514, and at 6/30/12 we received \$34,031.

The liability insurance policy is issued on a calendar year basis, from January to December each year, and includes property coverage for real and personal property, including buildings, vehicles and equipment, general liability coverage, professional liability coverage, crime coverage and equipment breakdowns coverage. The Pool also provides ongoing continuing education to its members, including employment issues, liability concerns, litigation safety and other topics. In addition, the Pool provides a subscription to the City to HR Sentry, a service that addresses employment topics, areas of concern, and assistance on human resource issues.

The Worker's Compensation Policy renews on a fiscal year basis, from July to June, and will be presented to Council as a separate item at that time.

This purchase is in accord with the City of Willcox Purchasing Ordinance section 3-1-3.L "Special Procurement."

For 2013, the cost of the annual premium is \$159,676. If we add or retire equipment or vehicles the premium will be adjusted. A copy of the Rated Premium Breakdown is attached for your information.

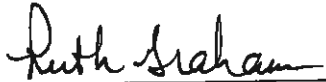
Southwest Risk Insurance services in Scottsdale is the agent for A.M.R.R.P. Our agent, Ed Bantel, will be at the meeting to present information about the Pool. Prior to the meeting he will spend the day working with City employees to provide information and education about the policies, coverage, and issues the Pool has identified with municipalities. Southwest Risk works with the City on an ongoing basis. They review all of the Certificates of Insurance provided to the City to determine that the coverage is adequate, respond to employment and litigation questions, and work with us on claims.

Recommendation:

Motion to approve the purchase of the Liability Insurance Policy from the Arizona Municipal Risk Retention Pool for 2013 at an annual cost of \$159,676.

Fiscal Impact: 2013 Annual Cost of \$159,676.

Prepared By:



Ruth Graham, Director of Finance

Approved by:



Pat McCourt, City Manager

CITY OF WILLCOX, COCHISE COUNTY, ARIZONA

RESOLUTION 2013-05

A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF WILLCOX, ARIZONA, "CITY" FOR THE PURPOSE OF AUTHORIZING AND APPROVING THE PURCHASE OF LIABILITY INSURANCE FROM THE ARIZONA MUNICIPAL RISK RETENTION POOL, "A.M.R.R.P."; AUTHORIZING THE MAYOR TO EXECUTE THIS RESOLUTION; DIRECTING AUTHORIZED CITY OFFICERS AND AGENTS TO CARRY OUT THE PURPOSES AND INTENT OF THIS RESOLUTION AND DECLARING AN EMERGENCY TO EXIST.

WHEREAS, the CITY is authorized and empowered pursuant to Title 9, A.R.S. Section 9-240, to have control of the finances and the property of the corporation and to carry out the purposes of the corporation; and,

WHEREAS, the CITY is authorized and empowered pursuant to Title 9, A.R.S. Section 9-497, to procure liability insurance covering its officers, agents and employees; and,

WHEREAS, the CITY is authorized and empowered pursuant to the CITY Procurement Ordinance, Section 3-1-3.L, entitled "Special Procurement" to procure liability insurance from A.M.R.R.P.; and,

WHEREAS, the CITY is authorized and empowered pursuant to Title 11, A.R.S. Section 11-952.01, to enter into contracts or agreement that provide for pool retention of risks for property, fidelity and liability losses; and,

WHEREAS, for the protection of the assets of the corporation, the Mayor and City Council have determined that authorizing and approving the purchase of liability insurance from the A.M.R.R.P. at an annual premium cost of \$159,676.00 is fiscally responsible and is in the best interest of the CITY, its employees and the citizens of this CITY, and they desire to have this Resolution presented for consideration at the regular City Council Meeting on January 22, 2013; and,

WHEREAS, it is necessary for the preservation of peace, health, and the safety of the City of Willcox, Cochise County, State of Arizona, that an emergency be declared to exist and directing that this Resolution shall become effective immediately upon its passage and adoption.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF WILLCOX, COCHISE COUNTY, ARIZONA, as follows:

SECTION 1: The Mayor and City Council of the City of Willcox, hereby authorize and approve the purchase of liability insurance from the Arizona Municipal Risk Retention Pool at an annual premium cost of \$159,676.00; and,

SECTION 2: The appropriate officers and officials of the CITY are hereby authorized and directed to take all actions necessary or reasonably required to carry out the intent of this Resolution; and,

SECTION 3: That the Mayor is authorized and empowered to execute this Resolution and all other documents necessary to obtain the liability insurance policy in the name of corporation; and,

SECTION 4: That the immediate operation of the provisions of this Resolution is necessary for the preservation of the public peace, health and safety, an emergency is hereby declared to exist, and this Resolution shall be in full force and effect from and after its passage by the City of Willcox, Cochise County, Arizona.

PASSED AND ADOPTED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF WILLCOX, COCHISE COUNTY, ARIZONA, this 22nd day of January, 2013.

APPROVED/EXECUTED

ROBERT A. IRVIN, MAYOR

Dated: _____

ATTEST:

VIRGINIA A. MEFFORD, City Clerk

APPROVED AS TO FORM:

ANN P. ROBERTS, City Attorney

RESOLUTION 2013-05

Rated Premium Breakdown

Date: 01/04/2013
Policy:AM40132013

Coverage Period: 01/01/2013 - 01/01/2014

Insured: WILLCOX, CITY OF

<u>COVERAGE</u>	<u>PREMIUM</u>
PROPERTY \$ 12,701,382	<u>\$ 24,933.00</u>
INLAND MARINE	
\$ 776,134 CONTRACTORS EQUIPMENT \$1000 DE	\$ 2,258.00
\$ 4,500 MISCELLANEOUS EQUIPMENT \$250 D	\$ 20.00
\$ 50,000 VALUABLE PAPERS \$1000 DEDUCTIB	\$ 33.00
\$ 65,000 EDP EQUIPMENT EXCLUDES BREAKDO	\$ 335.00
\$ 20,000 SERVICE ANIMAL TOTAL LOSS COVE	\$ 88.00
\$ 2,500 SERVICE ANIMAL MEDICAL/SURGICA	\$ 17.00
GENERAL LIABILITY	<u>\$ 93,723.00</u>
\$ 2,000,000 GENERAL AGGREGATE	
\$ PRODUCTS/COMPLETED OPERATIONS AGGREGATE	
\$ PERSONAL/ADVERTISING INJURY	
\$ 2,000,000 EACH OCCURRENCE	
\$ DAMAGE TO PREMISES RENTED TO YOU	
\$ MEDICAL EXPENSE	
PROFESSIONAL LIABILITY	<u>\$ 11,430.00</u>
\$ 2,000,000 AGGREGATE	
\$ 2,000,000 EACH CLAIM	
AUTO LIABILITY & PHYSICAL DAMAGE	<u>\$ 20,386.00</u>
\$ 2,000,000 COMBINED SINGLE	
\$ 50,000 UNINSURED MOTORIST/UNDERINSURED MOTORIST	
CRIME	<u>\$ 2,325.00</u>
EQUIPMENT BREAKDOWN	<u>\$ 4,128.00</u>
<u>TOTAL PREMIUM</u>	<u>\$ 159,676.00</u>



Welcome to the AMRRP Human Resources Center

AMRRP is happy to be providing our AMRRP Human Resources Center, powered by HRSentry to all of our members. We have heard from you all that you value this service and we are pleased to continue our relationship with HRSentry. We hope you enjoy the new look provided here and rest assured that all the same resources are still available.

This service contains over 5,000 timely and accurate resources for compliance with employment laws and regulations, as well as sample policies, training programs, best practices and forms to help you navigate through important HR topics including:

- Hiring and Screening
- Performance Reviews and Job Descriptions
- Termination and Documentation
- Benefits and Compensation

There is also a new audit resource available that will allow users to complete a self-assessment of their human resources administration practices. If you would like more information about this feature please contact Ed Bantel at ebantel@berkeleyrisk.com or (602) 368-6618.

EXISTING USERS

Login to
AMRRP/HRSentry

Username:

Password:

Login

Guarding and Guiding the Administration of Human Resources

Personal information will be kept confidential, and not be re-sold, re-distributed, or used in any inappropriate way by employees or agents of AMRRP - HRSentry other than for the purposes of feedback in regards to this product.

WELCOME to AMRRP

AMRRP, a not-for-profit corporation, is owned and operated by its Members in a cooperative effort to provide protection from losses to Members' resources and claims due to the services provided by municipal government.

UNIQUE COVERAGES AND SERVICES



2011
Annual
Report

BENEFITS...

- Specialized municipal insurance coverage
- Ownership by Member cities and towns
- Greater control by Members over
 - Administration
 - Governance
 - Claims
- More active Member involvement
- Decisions made and problems resolved by peers
- Reduced regulatory constraints
- Premium stability
- Long term savings
 - Non profit
 - Tax exempt
 - No commissions
 - Lower expense ratio
- Members share in investment income and equity interest
- More equitable rating basis
- Broader coverage
- More aggressive defense strategy
- Customized loss control and risk management
- Innovative Member training and education programs

Interested in becoming an AMRRP Member?

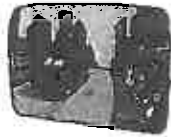
**Contact Us
to apply for coverage.**



Sponsored by the
League of Arizona Cities & Towns

MISSION

The mission of the Arizona Municipal Risk Retention Pool (AMRRP) is to provide a financially sustainable, municipally-directed self-insured pool for Arizona cities and towns. AMRRP will more than meet the insurance and risk management needs of municipalities by providing unique coverages, superior service and effective tools to reduce the overall costs of risk with long-term pricing stability and value that benefits municipal operations.



HISTORY

The Arizona Municipal Risk Retention Pool (AMRRP) was created in 1986 through legislation initiated by the League of Arizona Cities and Towns. AMRRP was first established to provide property and casualty insurance protection. In 1997, the Arizona Municipal Workers' Compensation Pool (AMWCP) was formed, merging with AMRRP in 2003. Workers' compensation was added to the property/casualty coverage as an option, when the two risk retention groups merged into one dynamic entity.

AMRRP provides insurance protection at equitable pricing, risk management assistance and long-term financial security for Members.

The AMRRP, governed by a nine-member Board of Trustees, is a member owned and directed not-for-profit organization operating for the benefit of its Members.

AMRRP is the largest insurer of small to medium sized Arizona municipalities, providing comprehensive insurance protection with a variety of coverage options and individual account underwriting. Risk management, loss prevention, education and training are key elements in the success of the AMRRP program.

**AMRRP provides
insurance
protection and
services to 75
Arizona cities &
towns.**



AMRRP BOARD OF TRUSTEES...

BOARD OF TRUSTEES

Rudy Rodriguez, President
Town of Cottonwood

Scott Barber, Vice President
City of Casa Grande

Kelly Udall, Secretary/Treasurer
Town of Pinetop-Lakeside

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Ken Strobeck
League of Arizona Cities & Towns

Legal Advisor
William J. Sims III
Sims Murray, Ltd.

2012 Board Meetings

Friday, January 20, 2012 at 10:00 AM

Friday, March 30, 2012 at 10:00 AM

Friday, May 18, 2012 at 10:00 AM

Friday, July 13, 2012 at 10:00 AM

(Annual Members Meeting)

Friday, September 21, 2012 at 10:00 AM

Annual Board Retreat:

November 14 - 16, 2012

(Location: To Be Determined)

Location

(for all meetings except Annual Retreat)

League of AZ Cities & Towns

1820 W. Washington Street

Phoenix, AZ 85004



MEMBERS...

- City of Apache Junction
- City of Avondale
- City of Benson
- City of Bisbee
- Town of Buckeye
- City of Bullhead City
- Town of Camp Verde
- Town of Carefree
- City of Casa Grande
- Town of Cave Creek
- Town of Chino Valley
- Town of Clarkdale
- Town of Clifton
- Town of Colorado City
- City of Coolidge
- City of Cottonwood
- Town of Dewey-Humboldt
- Town of Duncan
- Town of Eagar
- City of Eloy
- City of El Mirage
- Town of Florence
- Town of Fountain Hills
- Town of Fredonia
- Town of Gila Bend
- City of Globe
- City of Goodyear
- Town of Guadalupe
- Town of Hayden
- City of Holbrook
- City of Huachuca City
- Town of Jerome
- Town of Kearny
- City of Kingman
- City of Litchfield Park
- Town of Mammoth
- Town of Miami
- Town of Marana
- City of Maricopa
- City of Nogales
- Town of Oro Valley
- Town of Paradise Valley
- Town of Parker
- Town of Patagonia
- Town of Payson
- Town of Pima
- Town of Pinetop/Lakeside
- Town of Prescott Valley
- Town of Quartzsite
- Town of Queen Creek
- City of Safford
- Town of Sahuarita
- City of St. Johns
- City of San Luis
- City of Sedona
- City of Show Low
- City of Sierra Vista
- Town of Snowflake
- City of Somerton
- City of South Tucson
- Town of Springerville
- Town of Star Valley
- Town of Superior
- City of Surprise
- Town of Taylor
- Town of Thatcher
- City of Tolleson
- City of Tombstone
- Town of Tusayan
- Town of Wellton
- Town of Wickenburg
- City of Willcox
- Town of Winkelman
- City of Winslow
- Town of Youngtown
- League of AZ Cities & Towns



**CITY OF WILLCOX
REQUEST FOR COUNCIL ACTION**

Agenda Item: 9
Tab Number: 3
Date: 01-22-2013

Date Submitted:
07/24/2012
Date Requested:
01-22-2013

Action:
 Resolution
 Ordinance
 Formal
 Other

Subject: Discussion/Decision
regarding Sacred Heart
Catholic Church request for
Special Events Liquor
License, Community Center
on Saturday, February 9,
2013

TO: MAYOR AND COUNCIL

FROM: Sherry Lynn Van Allen

The Sacred Heart Catholic Church will be holding their annual Mardi Gras. Sacred Heart Catholic Church is requesting the Mayor and Council to approve the submission of an application for a Special Events Liquor License to the Arizona Department of Liquor Licenses and Control, beginning on Saturday, February 9, 2013 from 6:00 p.m. to 1:00 a.m.

RECOMMENDATION: To approve the application for a Special Events License for the Sacred Heart Catholic Church.

FISCAL IMPACT: Unknown.

Prepared by: 
Sherry Lynn Van Allen - HR

Approved by: 
Pat McCourt, City Manager

ARIZONA DEPARTMENT OF LIQUOR LICENSES & CONTROL

800 W Washington 5th Floor
Phoenix, Arizona 85007-2934
(602) 542-5141

APPLICATION FOR SPECIAL EVENT LICENSE

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

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

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

DLLC USE ONLY

LICENSE #

1. Name of Organization: Sacred Heart Catholic Church

2. Non-Profit/I.R.S. Tax Exempt Number: 86-0344306

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

Charitable Fraternal (must have regular membership and in existence for over 5 years)

Civic Religious Political Party, Ballot Measure, or Campaign Committee

4. What is the purpose of this event? on-site consumption off-site consumption (auction) both

fundraiser for church

5. Location of the event: 312 W. Stewart St. Willcox Cochise

Address of physical location (Not P.O. Box) City County Zip 85643

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

6. Applicant: Mullins Michelle Priscilla 1-1-74

Last First Middle Date of Birth

7. Applicant's Mailing Address: 5700 N. Ft. Grant Willcox AZ 85643

Street City State Zip

8. Phone Numbers: (520) 384-4742 (520) 507 8330

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

9. Date(s) & Hours of Event: (see A.R.S. 4-244(15) and (17) for legal hours of service)

	Date	Day of Week	Hours from A.M./P.M.	To A.M./P.M.
Day 1:	<u>Feb 9th</u>	<u>Saturday</u>	<u>6 pm</u>	<u>1 am</u>
Day 2:	_____	_____	_____	_____
Day 3:	_____	_____	_____	_____
Day 4:	_____	_____	_____	_____
Day 5:	_____	_____	_____	_____
Day 6:	_____	_____	_____	_____
Day 7:	_____	_____	_____	_____
Day 8:	_____	_____	_____	_____
Day 9:	_____	_____	_____	_____
Day 10:	_____	_____	_____	_____

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

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

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

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

Name Sacred Heart Parish 100%
Address 312 W. Stewart St. Willcox AZ 85643
Name _____ Percentage _____
Address _____
(Attach additional sheet if necessary)

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

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

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

1 # Police Fencing
 # Security personnel Barriers

1 police for indoor ent.

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

Name of Business () Phone Number

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

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

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



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

18. I, _____ declare that I am an **Officer/Director/Chairperson** appointing the
(Print full name)
applicant listed in Question 6, to apply on behalf of the foregoing organization for a Special Event Liquor License.

X _____
(Signature) (Title/Position) (Date) (Phone #)
State of _____ County of _____
The foregoing instrument was acknowledged before me this
_____ Day _____ Month _____ Year

My Commission expires on: _____
(Date) (Signature of NOTARY PUBLIC)

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

19. I, _____ declare that I am the APPLICANT filing this application as
(Print full name)
listed in Question 6. I have read the application and the contents and all statements are true, correct and complete.

X _____
(Signature) State of _____ County of _____
The foregoing instrument was acknowledged before me this
_____ Day _____ Month _____ Year

My commission expires on: _____
(Date) (Signature of NOTARY PUBLIC)

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

LOCAL GOVERNING BODY APPROVAL SECTION

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

FOR DLLC DEPARTMENT USE ONLY

Department Comment Section:

(Employee) (Date)

APPROVED

DISAPPROVED

BY:

(Title) (Date)

SERIES: 15 SPECIAL EVENT LICENSE (Temporary)

Non-transferable

On-sale retail privileges

PURPOSE:

Allows a charitable, civic, fraternal, political or religious organization to sell and serve spirituous liquor for consumption only on the premises where the spirituous liquor is sold, and only for the period authorized on the license. This is a temporary license.

ADDITIONAL RIGHTS AND RESPONSIBILITIES:

The applicant for a special event license must request a special event application from the Department and file the application with the governing body of the city or town, or Board of Supervisors of an unincorporated area of a county (where the special event is to take place) for approval or disapproval. Some local governing bodies may require approximately 60 days prior notice.

If the application is approved by the local authority, and the event meets the requirements for granting the license, the Director will issue a special event license to the qualifying organization.

Qualifying organizations will be granted a special event license for no more than ten (10) days in a calendar year. Events must be held on consecutive days and at the same location or additional licenses will be required. The license is automatically terminated upon closing of the last day of the event or the expiration of the license, whichever occurs first.

The qualified organization must receive at least twenty-five percent (25 %) of the gross revenues of the special event liquor sales.

A person selling spirituous liquor under a special event license must purchase the spirituous liquor from the holder of a license authorized to sell off-sale; *except that*, in the case of a non-profit organization which has obtained a special event license for the purpose of charitable fund raising activities, a person may receive the spirituous liquor from a wholesaler as a donation.

AVERAGE APPROVAL TIME: One (1) to seven (7) days.

PERIOD OF ISSUANCE:

Issued for no more than a cumulative total of ten (10) days in a calendar year. A special event may be held for more than one (1) day, but it must be held on consecutive days and at the same location or additional licenses will be required.

FEES: \$25.00 per day.

ARIZONA STATUTES AND REGULATIONS:

ARS 4-203.02, 4-244, 4-261; Rule R19-1-228, R19-1-235, R19-1-309.

Disabled individuals requiring special accommodations please call (602) 542-9027

CITY OF WILLCOX
FISCAL YEAR 2013-2014 BUDGET CALENDAR

	Action	Time (PM)	Who	2013 Deadline
	City Budget Schedule:			
1	Summary budget v. YTD information to departments; Excel worksheets provided		Staff	Jan 22
2	Departments to submit preliminary budgets in Excel format.		Staff	Feb 18
3	Council: Adopt Notice of Intention to Raise Utility Rates (>30 days before rate hrg)	7:00	Council Mtg	Feb 18
4	City website publication of notice of proposed rate changes		Staff	Feb 19
5	Publish Notice of Intention to Raise Utility Rates (AZ Range News)		Staff	Feb 27
6	Written report available in Clerk's office supporting FY14 Rate Increases/Changes		CM/staff	Mar 1
	Public Hearings on Utility Rates:			
7	Public Hearing on Utility Rates: Refuse	6:00	CM/staff	Mar 4
8	Public Hearing on Utility Rates: Gas	6:00	CM/staff	Mar 11
9	Public Hearing on Utility Rates: Wastewater (Sewer)	6:00	CM/staff	Mar 18
6	Public Hearing on Utility Rates: Water	6:00	CM/staff	Mar 25
7	Public Hearing on Utility Rates: Consolidated review of all Utility Rates	6:00	CM/staff	Apr 1
8	Council W/S-Debt Serv, Cap Proj, Court, VFF, Economic Dev, GF Rev Source	6:00	City Mgr	Apr 8
9	Council Work Session: Grants and Special Revenue Funds (16 and 17)	6:00	CM/staff	Apr 15
10	Public hearing on FY13 utility rates; Adopt rates by Resolution	7:00	Council	Apr 15
11	Council Work Session: Streets/HURF	6:00	CM/staff	Apr 22
12	Council Work Session: General Fund Revenues	6:00	CM/staff	Apr 29
13	Council Work Session: Admin, Council, Comm. Programs, Legal/Courts, Development Services, Finance, Library, Capital Imprvmts, Repair & Demolition.	6:00	CM/staff	May 6
14	Council Work Session: Public Works, including Administration, Swimming Pool, Cemetery, Vehicle Maint., Bldgs & Grounds, Parks	6:00	CM/staff	May 13
15	Council Work Session: Public Safety, including Admin, Communications, Humane, Patrol, Investigations, K-9 & Fire Dept. Final wrap-up on City budget.	6:00	CM/staff	May 20
16	Deliver proposed budget to City Council for review.		CM/staff	Jun 3
17	Adopt tentative budget A.R.S. 42-17101 (Council action)	7:00	Council	Jun 17
18	Effective Date of Fiscal Year 2013-2014 Utility Rates			7/1
19	Publish budget two consecutive weeks w/ budget hearing information. A.R.S. 42-17103		Fin	Jun 26/Jul 3
20	Tax Levy: Publish Truth in Taxation notice & issue press release with same information as the published notice (if tax levy amount is greater than prior year).		Clerk	Jun 26/Jul 3
	A.R.S. 42-17107			1st pub >14 and <20 days before tax levy hearing
21	Public Hearing on Final Budget and Property Tax Levy (can be combined with Truth in Taxation hearing).	7:00	Council	July 15
22	Adopt final budget >14 days before tax levy is adopted	7:00	Council	July 15
23	Second Public Hearing and Adopt property tax levy. A.R.S. 42-17151	7:00	Council	Aug 5

**CITY OF WILLCOX
REQUEST FOR COUNCIL ACTION**

Agenda Item: 11
Tab Number: 5
Date: 01-22-2013

Date Submitted: 12/26/2012
Date Requested: 1/22/2012

Action:
<input type="checkbox"/> Resolution
<input type="checkbox"/> Ordinance
<input type="checkbox"/> Formal
<input checked="" type="checkbox"/> Other

Subject: Discussion / Decision on Change of Bulk Water Fees

TO: MAYOR AND COUNCIL

DISCUSSION:

On April 16, 2012 the Mayor and Council approved the purchase of the Bulk Water fill station to be located just west of Brewers Truck Repair along Fort Grant Road. The water station is expected to be operational in late January or early February. During the presentation for the Water Station, staff presented four options for bulk water rates based on the capital and operational cost of the equipment. Two variables were factored into the options. The first being amortization of the equipment. Options 1 & 2 assumed 10 years to amortize the capital cost over and Options 3 & 4 assumed 15 years. Ten years would be the earliest that staff would expect when the equipment would need to be replaced. Fifteen years would be the longest that the equipment would expect to last without significant repairs or upgrades to the controls.

The other factor is the expected volume of sales. Current sales for bulk water are about 500,000 per year. This would include hydrant meter sales. The expectation would be that more water would be sold since it would be more readily available and conveniently located for travelers. Two assumptions have been made, 1,000,000 and 1,500,000 gallons per year. Staff does not expect either of these volumes to occur within the first year but possibly within two years if it is advertised.

One of the reasons that a bulk water station was recommended was to eliminate the staff time required to provide the service. It was estimated that a service man would spend a minimum of 30 minutes for each service. Depending on other tasks that the individual was assigned this time could be significantly more. This time works out to about \$8.63. In addition, the pump in Well 13 has been showing sign of wear and is going to need to be replaced. Based on a ten year life expectancy the amortized cost of the pump per thousand gallons would be \$2.40. Other cost would include electric and billing cost, this would be an additional \$5.29 per thousand. If we were going to recoup the cost for this system the cost per thousand would be around \$16.32. The current resolution provides for \$4.00 per thousand. Once the Water Station is online, Well 13 should be limited to City operations only. The new resolution should reflect that the Water Station is the primary source for Bulk water sales. In addition, staff would recommend that limits be placed on the use of fire hydrant meters. Fire hydrant meters should only be used for significant

construction projects. Staff recommends that the setup fees and cost per gallon remain the same as the previous resolution but be reserved for projects requiring more than 25,000 gallons.

Adoption of new rates would rescind Resolution 2006-23 which adopted bulk water rates.

RECOMMENDATION: Approve Resolution to establish new bulk water rates to be implemented with startup of the new Bulk Water Station. Staff's recommendation is Option #3 or \$9.89 per thousand. Hydrant meters will only be used for projects with expected uses over 25,000 gallons. The current setup fee of \$50 and \$4.00 per thousand gallons will still apply. Well #13 will only be used by the City of Willcox.

FISCAL IMPACT Revenues are expected to cover operating cost as well as establish funds for equipment replacement.

Prepared by:



Dave Bonner, Public Services & Works Director

Approved by:



Pat McCourt, City Manager

RESOLUTION NO. 2006-23

A RESOLUTION BY THE MAYOR AND CITY COUNCIL OF THE CITY OF WILLCOX, COCHISE COUNTY, ARIZONA, DISCONTINUING CONSTRUCTION WATER SALES TO NON-CONTRACTOR USES AND ESTABLISHING FEES FOR LICENSED CONTRACTOR CUSTOMERS, AMENDING RESOLUTION NO. 2006-12, PASSED BY THE CITY COUNCIL ON FEBRUARY 6, 2006

WHEREAS, the City of Willcox owns and operates the municipal water system; and

WHEREAS, the City of Willcox provides non-potable water for construction uses to Licensed Contractors from a standpipe on Bisbee Avenue; and

WHEREAS, the City of Willcox, for health and safety reasons, desires to discontinue such standpipe service for non-contractor uses; and

WHEREAS, the City of Willcox deems it necessary and desirable to charge a \$50.00 non-refundable set-up fee and \$4.00 per one thousand gallons of construction water to all Licensed Contractor customers.

NOW, THEREFORE, BE IT RESOLVED, that the Mayor and City Council of the City of Willcox, Cochise County, Arizona does hereby order that sales of construction water to customers that are not Licensed Contractors be discontinued as of May 6, 2006;


AND, BE IT FURTHER RESOLVED, that a \$50.00 non-refundable set-up fee and \$4.00 per one thousand gallons of water will be charged for all Licensed Contractors with adoption of this resolution.

WHEREAS, it is necessary for the preservation of the peace, health and safety of the City of Willcox, Cochise County, Arizona, an emergency is declared to exist and this resolution shall be effective immediately upon its passage and adoption.

PASSED, ADOPTED AND APPROVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF WILLCOX, COCHISE COUNTY, ARIZONA on this 27th day of MARCH, 2006.


MAYOR MARLIN S. EASTHOUSE

ATTEST:


City Clerk Cristina G. Whelan, CMC

APPROVED AS TO FORM:


James E. Holland, City Attorney

Proposed Self Operated System

Option #1		Option #2	
Bulk Water Station Rate Calculation		Bulk Water Station Rate Calculation	
Bulk Water Station Cost	\$ 46,300.00	Bulk Water Station Cost	\$ 46,300.00
Equipment Life (Years)	10	Equipment Life (Years)	10
Cost per year	\$ 4,630.00	Cost per year	\$ 4,630.00
Gallons of Water Sold (Thousands)	1000	Gallons of Water Sold (Thousands)	1500
Cost per Thousand for Equipment	\$4.63	Cost per Thousand for Equipment	\$3.09
Cost for water (per thousand)	\$2.16	Cost for water (per thousand)	\$2.16
Electrical Cost (per month)	\$40.00	Electrical Cost (per month)	\$40.00
Phone / Internet Connection	\$50.00	Phone / Internet Connection	\$50.00
Water Meter Base Rate	\$297.00	Water Meter Base Rate	\$297.00
Monthly Costs Total	\$387.00	Monthly Costs Total	\$387.00
Monthly Cost per Thousand	\$4.64	Monthly Cost per Thousand	\$3.10
Total Cost Per Thousand	\$11.43	Total Cost Per Thousand	\$8.34
Revenue per year	\$ 11,434.00	Revenue per year	\$ 12,514.00
Option #3		Option #3	
Bulk Water Station Rate Calculation		Bulk Water Station Rate Calculation	
Bulk Water Station Cost	\$ 46,300.00	Bulk Water Station Cost	\$ 46,300.00
Equipment Life (Years)	15	Equipment Life (Years)	15
Cost per year	\$ 3,086.67	Cost per year	\$ 3,086.67
Gallons of Water Sold (Thousands)	1000	Gallons of Water Sold (Thousands)	1500
Cost per Thousand for Equipment	\$3.09	Cost per Thousand for Equipment	\$2.06
Cost for water (per thousand)	\$2.16	Cost for water (per thousand)	\$2.16
Electrical Cost (per month)	\$40.00	Electrical Cost (per month)	\$40.00
Phone / Internet Connection	\$50.00	Phone / Internet Connection	\$50.00
Water Meter Base Rate	\$297.00	Water Meter Base Rate	\$297.00
Monthly Costs Total	\$387.00	Monthly Costs Total	\$387.00
Monthly Cost per Thousand	\$4.64	Monthly Cost per Thousand	\$3.10
Total Cost Per Thousand	\$9.89	Total Cost Per Thousand	\$7.31
Revenue per year	\$ 9,890.67	Revenue per year	\$ 10,970.67
Minimum \$5.00 charge.			
All fees are subject to sales tax. Applicable tax rate will be applied at the station			

Bulk Water Sales Analysis

Current System Well 13

Current Cost Per Thousand		Current Cost Per Thousand	
Minimum call out for water (minutes)	30	Minimum call out for water (minutes)	30
Cost per hour per employee	\$17.25	Cost per hour per employee	\$17.25
Cost per call out	8.625	Cost per call out	8.625
Gallons of Water Sold (Thousands)	500	Gallons of Water Sold (Thousands)	1000
Pump Replacement	\$12,000.00	Pump Replacement	\$12,000.00
Pump life (Years)	10	Pump life (Years)	10
Cost Per Year	\$1,200.00	Cost Per Year	\$1,200.00
Cost per Thousand	\$2.40	Cost per Thousand	\$1.20
Electric Cost per Month	\$15.00	Electric Cost per Month	\$15.00
Cost per Thousand	\$0.36	Cost per Thousand	\$0.18
Billing cost	\$4.93		\$4.93
Total Cost Per Thousand	\$16.32	Total Cost Per Thousand	\$14.94
Currently Charging (Per Thousand)	\$4.00	Currently Charging (Per Thousand)	\$4.00

**CITY OF WILLCOX
REQUEST FOR COUNCIL ACTION**

Agenda Item: 12
Tab Number: 6
Date: 1-22-2013

Date Submitted: 1/16/2013 Date Requested: 1/22/2013

Action: <input type="checkbox"/> Resolution <input type="checkbox"/> Ordinance <input checked="" type="checkbox"/> Formal <input type="checkbox"/> Other

Subject: Discussion / Decision disposition of surplus electronic equipment

TO: MAYOR AND COUNCIL

DISCUSSION:

According to 3-3-1 V surplus property shall be offered for sale through a competitive bid process. In the past when electronic equipment has been auctioned it has brought very little money.

The City has been working with ADEQ for the past three years to collect electronic waste materials to keep it out of landfills. The e-waste that is collected is taken by a company to recycle various metals and plastics used in the manufacturing process.

The attached list of items are items that either no longer operate have exceeded their serviceable life. Some of the oldest computers were here when I started with the City eight years ago. All of the hard drives have been removed and will be dismantled prior to being disposed of.

RECOMMENDATION: Staff requests the Mayor and Council authorize this material to be sent to e-waste. If approved, all equipment will be taken to Safford on Saturday January 26, 2013.

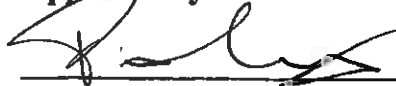
FISCAL IMPACT None

Prepared by:



Dave Bonner, Public Services & Works Director

Approved by:



Pat McCourt, City Manager

Surplus Electronic Components

- | | | |
|-----|--|------|
| 1) | Dell GX280 | # 1 |
| 2) | Dell GX280 | # 2 |
| 3) | Dell Dimension 8400 | # 3 |
| 4) | Dell Optiplex 210L | # 4 |
| 5) | Acerpower SV | # 5 |
| 6) | Acerpower SV | # 6 |
| 7) | Acerpower SV | # 7 |
| 8) | Hewlett Packard Vectra | # 8 |
| 9) | Hewlett Packard Vectra PS Keyboard | # 9 |
| 10) | Epson Stylus C62 printer | # 10 |
| 11) | Keyboard (old as dirt) | # 11 |
| 12) | Acer PS2 Keyboard | # 12 |
| 13) | Acer PS2 Keyboard | # 13 |
| 14) | Labtec Speakers | # 14 |
| 15) | 4 Old Keyboards | # 15 |
| 16) | Misc. mice and cables | # 16 |
| 17) | Dictaphone | # 17 |
| 18) | Acerpower SV | #18 |
| 19) | Computer speakers | |
| 20) | Norstar Telephone (lightning fried) | |
| 21) | Network 24 port switch (lightning fried) | |
| 22) | Norstar Conference phone (lightning fried) | |

**CITY OF WILLCOX
Request for Council Action**

Agenda Item: 13
Tab Number: 7
Date: 1-22-2013

Date Submitted:
01/15/2013
Date Requested:
01/22/2013

Action:
 Resolution
 Ordinance
 Formal
 Other

**Subject: Waiving fees
for The Willcox
Junior Rodeo
Committee**

To: Honorable Mayor and City Council

From: Dave Bonner, Director Public Services & Works

Discussion: The Willcox Junior Rodeo Committee is planning on hosting a rodeo for the Arizona Junior High and High School rodeo association, from Friday April 19, 2013 through Sunday April 21, 2013 from 6:00 am until 6:30 pm. This event will be held at the Quail Park rodeo grounds. The rodeo is free to the public. The Willcox Junior Rodeo Committee is requesting to have all fees waived for this event.

Recommendation: Staff recommends that the Mayor and Council reference the policy adopted on October 17, 2011 for the Community Center, and apply the policy to Quail Park. This being a community event, fees would be ½ of the regular fees.

Fiscal Impact: \$525.00

Prepared By: Kate Schwartz
Kate Schwartz, Public Services and Works

Approved By: Dave Bonner
Dave Bonner, Public Services and Works Director

Approved By: Pat McCourt
Pat McCourt, City Manager

Request to Waive Fees

Name: Amy Sanborn

Organization: Willcox Junior Rodeo Committee

Address: P.O. Box 762 Willcox, AZ 85644

Phone: 480-244-8414 E-mail address: afsanborn@yahoo.com

Name of Event: Arizona Jr. High/High School Rodeo

Day of Event: April 19-21, 2013

Reason for waiver of fees:

The Willcox Junior rodeo Committee simply wants to host a rodeo for the Arizona Junior High/High school rodeo association, where its members compete for points through-out the year in hopes of making it to the National Finals. There are several youth in our community that are members of this association and are excited to have a rodeo in their hometown. Over 200 members and their families will be coming to Willcox for the entire weekend, most of them arriving Friday night. The rodeo will be free to the public to come and watch.

Amy Sanborn
Signature of Requestor

1/9/13
Date

CITY OF WILLCOX, COCHISE COUNTY, ARIZONA
Facilities Use Agreement

This Agreement made this 9 day of January, 2013
between Willcox Jr. Rodeo Committee ("PARTICIPANT") and
the City of Willcox through the City Public Works Department ("CITY") for the use of the
City owned facilities by a private organization.

ARTICLE I --- TERM OF AGREEMENT:

The term of this agreement shall be April 19th, 2013, through
April 21st 2013, unless earlier terminated by either party.

Please note starting time and ending time TO INCLUDE set up and tear down.

6:00 am 4/19
start time

6:00 pm 4/21
end time

Notice of termination shall be provided at least ninety (90) days prior to the effective
termination date.

ARTICLE II --- CITY OWNED FACILITIES:

This agreement shall be for the use of Quail park Arena
(facility and area/s)

to be used for Rodeo
(type of event)

to be used by Az Jr Hi / High School Rodeo Assoc.
(example: public, family, friends)

PARTICIPANT wishes to use certain City owned facilities and the CITY is willing to permit
the PARTICIPANT the primary use of the facilities under the conditions indicated in this
Agreement and any Exhibit attached hereto during the term of this Agreement.

CITY agrees that it will perform the duties as outlined in Attachment "A".

PARTICIPANT agrees it will perform the duties as outlined in Attachment(s) "B".

PARTICIPANT agrees to pay the fees as are listed on Attachment "C".

ARTICLE III --- INDEMNIFICATION AND INSURANCE

PARTICIPANT agrees to secure liability Insurance ten (10) days prior to the event to
cover the term of this agreement in not less than the amount of one million dollars
(\$1,000,000.00) which names the City as additionally insured and including required
endorsement.

Each party agrees to be responsible for the conduct of its operations and performance of contract obligations and for any accidents or injuries to persons or property arising out of acts or omissions by its officers, agents or employees acting in the course or scope of their participation while performing duties undertaken pursuant to this Agreement.

The PARTICIPANT agrees to hold harmless the City, its officers, employees and agents from all losses, suits, damages or costs of any kind, including reasonable attorney's fees, defense costs and expenses arising from PARTICIPANT performance pursuant to this Agreement. The PARTICIPANT shall provide the CITY with current insurance certificates or the evidence of coverage as appropriate.

The CITY agrees to hold harmless the PARTICIPANT, its officers, employees and agents from all losses, suits, damages or costs of any kind, including reasonable attorney's fees, defense costs and expense arising from the CITY performance pursuant to this Agreement.

ARTICLE IV --- MISC. PROVISIONS:

CANCELLATION FOR CONFLICT OF INTEREST

This Agreement may be canceled pursuant to A.R.S. § 38-511, the pertinent provisions of which are fully incorporated herein by reference.

NONASSIGNABILITY

Neither party may assign a duty or responsibility under this Agreement without the prior written consent of the other party.

RIGHTS/OBLIGATIONS OF PARTIES ONLY

The terms of this Agreement are intended only to define the respective rights and obligations of the parties. Nothing expressed herein shall create any rights or duties in favor of any potential third party beneficiary or other person, agency or organization.

NOTICE REQUIREMENTS

All notices, requests for payment, or other correspondence between the parties regarding this Agreement shall be mailed or delivered to the respective party as follows:

If to the CITY: City of Willcox, Public Services and Works
250 N. Railroad Avenue
Willcox, Arizona 85643

If to the PARTICIPANT:

Name: Amy Sanborn

E-Mail Address: afsanborn@yahoo.com

Organization: Willcox Jr. Rodeo

Contact Phone Number(s): (480) 244-8414 ()

Mailing Address: PO Box 702 Willcox AZ 85644
City State Zip Code

SEVERABILITY

Each provision of this Agreement stands alone and, if any provision of this Agreement is held, in whole or in part, to be unenforceable for any reason, the remainder of the provision and of the entire Agreement will be severable and remains in effect.

ENTIRE AGREEMENT

This document constitutes the entire Agreement between the parties pertaining to the subject matter hereof, and all prior or contemporaneous agreements and understandings, oral or written, are hereby superseded and merged herein. This Agreement may be modified, amended or extended only by a written amendment approved by the parties.

GOVERNING LAW

This Agreement shall be construed under the laws of the State of Arizona and shall incorporate, by reference, all laws governing mandatory contract provisions required by statute or executive order.

IN WITNESS WHEREOF, the Parties hereby enter into this Agreement as of the day and year written above.

CITY OF WILLCOX, COCHISE COUNTY, ARIZONA

[Signature]
Signature

1-10-13
Date

Oscar Hudson
Printed Name

Facilities & Parks Supervisor
Title

PARTICIPANT

Amy Sanborn
Signature

1/9/13
Date

Amy Sanborn
Printed Name

member
Title

Attachment "A"
Quail Sports Park

The City of Willcox Facilities & Maintenance section of Public Services & Works will perform the following:

Field # 1

Drag and Dress

Set Bases at _____

Set Pitcher's plate at _____

Construct pitcher's mound with the following specification:

Discontinue Irrigation on _____

Field # 2

Drag and Dress

Set Bases at _____

Set Pitcher's plate at _____

Construct pitcher's mound with the following specification:

Discontinue Irrigation on _____

Field #1 & #2

Provide Key AL2, Concession Stand

Provide Key AL1, Restrooms

Provide Key _____, Padlock

Rodeo

Provide Key AL4, Concession Stand

Provide Key AL5, Restrooms

Provide Key IDCO "0", Arena Lights

Review Operation of Lights

Provide Key Ace KW1, Ticket Booth

Provide Key AL7 & Kwikset 5, Announcer Stand

Provide Key Kwikset & AL6, South Booth

Unless otherwise specified trash cans are emptied, restrooms are cleaned and restocked on a daily basis during weekdays.

Arrangements for additional tasks may be requested by speaking with the Facilities and Maintenance Supervisor or the Public Services & Works Director.

Special Arrangements:

We need a PA system possibly?

The "Participant" is responsible for establishing control of the area(s) requested for use. The City of Willcox is not responsible for loss due to acts of God or vandalism or by actions of others not affiliated with the City of Willcox.

Attachment "B" Quail Sports Park Checklist

The Participant agrees to perform the following tasks:

General

- Obtain appropriate keys one business day prior to the event, by 3:30PM.
- Return keys within two (2) business days of event conclusion.
- Learn how to use ball field lights.
- Learn how to use infield irrigation.

Prepare Ball Fields

- Place Chalk Lines
- Verify Base Placement

Prepare Arena(s)

- Water Arenas
- Prepare Ground in Arena(s) for Event.
- Place Anchors for Barrels Race
- Erect Additional Panels for Stock

Vendor(s)

- Request to waive requirement for all vendors to have individual permits.

Cleaning

Cleaning consists of removing all litter, sweeping and mopping the concession stand and tying up garbage bags and placing them in the dumpster. All areas should be left in the same or better condition as received.

- Clean Restrooms
- Clean Dugouts
- Fill in holes in batter's box
- Fill in holes at all bases
- Fill in holes in front of pitcher's mound
- Clean Ball field Concession
- Clean Rodeo Concession
- Clean South Booth
- Clean Announcer Stand
- Clean Ticket Booth - N/A

If Serving Alcohol - N/A

- Obtain Special Event Liquor License with the Arizona Department of Liquor.
- Provide Liquor Liability Insurance in the amount of \$1,000,000 naming the City of Willcox as additionally insured.
- Provide Security approved by Willcox Public Safety Department.

- Participant is responsible for notifying Parks & Facilities Maintenance of items that need special attention or repair.
- All equipment or personal items belonging to the "Participant" shall be removed by 8:00 a.m. on the day following the event.
- Premises shall be left clean and in good repair or deposit will be surrendered. Others charges may be assessed if significant damage occurs.
- City of Willcox officials reserve the right to enter / inspect the premises during the event.
- The "Participant" is responsible for establishing control of the area(s) requested for use. The City of Willcox is not responsible for loss due to acts of God or vandalism or by actions of others not affiliated with the City of Willcox.

Contact information:

Public Services & Works -----766-4213
 Facilities & Park Maintenance-----507-0442
 On-call -----766-2201

Attachment "C"
Quail Sports Park Rodeo Fee Schedule

Deposit and Rental Fees

All Deposits, Fees, Proof of Insurance & Special Permits or Licenses must be tendered 10 days prior to event date in order to finalize scheduling details.

	Fee Description	Fee Amount	Number of Days	Subtotal	Cash Rec'd.	Check#	Rept. #
X	Reservation Deposit	\$50.00		\$50.00	CASH. to City of CL for \$50-		
X	Rodeo Main Arena	\$100.00	3	300			
	Bull Riding Main Arena	\$100.00					
	Roping Main Arena	\$100.00					
	Barrel Race Main Arena	\$50.00					
	Gym-Kana Main Arena	\$50.00					
	Horse Show Main Arena	\$50.00					
	Play Day Main Arena	\$50.00					
X	Roping Warm-up Arena		3				
	Barrel Race Warm-up Arena						
	Horse Show Warm-up Arena						
	Play Day Warm-up Arena		3				
X	Concession Stand	\$50.00	3	150			
X	Main Arena Lights	\$25.00	3	75			
Total Fees Due							

\$525 1/2

Request to waive fees through City Council. Please attach event details.

- The City of Willcox reserves the right to refuse reservations.
- Must be at least 21 years of age to reserve facilities.
- Participant may reserve one (1) day prior to the event to set up for event without additional charge for the day providing another event is not already scheduled.
- Under normal circumstances; fees and certificate of insurance must be remitted ten (10) days prior to the scheduled use.
- All fees must be paid prior to the issuance of keys.
- Cancellation of reservation within five (5) days of the activity will result in surrender of \$50.00 deposit and 1/2 of rental fees.
- Returned checks are subject to a twenty-five dollar (\$25.00) fee.

Condition Verification

I have inspected the condition of the facilities specified under this agreement and have found them to be in _____ Satisfactory _____ Unsatisfactory condition.

I recommend that _____ All _____ None _____ Other _____ of the deposit be returned.

_____ Significant damage has occurred directly related to this event.

Damages are estimated to cost _____ which must be remitted within five (5) days.

 City of Willcox Representative Signature

 Date

**CITY OF WILLCOX
Request for Council Action**

Agenda Item: 14
Tab Number: 8
Date: 1-22-2013

Date Submitted:
12-9-12
Date Requested:
1-22-13

Action:
 Resolution
 Ordinance
 Formal
 Other

Subject:
Purchase of Asphalt
Zipper Equipment.

To: Honorable Mayor and City Council

From: Public Services & Works, Streets Section

Discussion: The current method for prepping the city streets for chip sealing is very time consuming and costly. The current process includes sweeping the designated street to pick up dirt, and chunks of asphalt. Depending on the surface, this process can take up to 2 to 3 days per block of roadway. One block is 500' feet long and 24' wide. After the streets have been swept, cold patch is spread onto the surface to level and fill in the holes. Approximately 1 ½ to 2 loads of cold patch are used per block and takes 4 to 5 hours to spread and roll. The price of cold patch is \$2,600 per load. This equals \$3,900 to \$5,200 per block. The cold patch takes 15-25 days to cure before the chip seal can be applied. Overall it takes 18 to 30 days to prep a road for chip seal. We prepare 8 to 10 blocks per year for chip seal. This adds up to \$31,000 to \$41,000 on 8 blocks. Some roads in the city are so uneven that the roads need to have the asphalt removed and re-leveled and material brought in to build the base before chip sealed.

Public Services and Works Street Department would like to purchase a piece of equipment called the Asphalt Zipper. This piece of equipment grinds the existing asphalt which is then reused for the base and leveling the road. The Zipper mounts on the front of a loader tractor. The process of grinding one block of roadway takes approximately one hour. The street is then leveled with a grader and rolled which takes 3-4 hours. The road then is ready for chip seal with no wait time to cure. With the Zipper there is no need for cold patch which would be a substantial savings. For five years, funds would be shifted from street preservation to capital purchases. These funds are normally are used to purchase cold patch material for the chip seal projects. There would still be funds available for cold patch material for pot holes.

If we utilize the five year payment plan, the first payment would not be due for one year after the initial agreement is signed. The total price with financing would be \$135,675.55. An annual payment of \$27,135.11 would be the yearly payment. At the end of the five year payments, \$27,135 would be available for additional chip seal projects or other capital purchases. The equipment would be purchased through HGAC which is a cooperative purchasing group. The financing would be through Welch State Bank Welch OK. This is in accordance with the City of Willcox Municipal Code section 3-1-3 x "intergovernmental procurement".

The City streets department has made the final payment for the chip spreader used for the chip seal projects. In effect the purchase of the Asphalt Zipper would take the place of the chip spreader in capital purchases.


One option would be to buy this equipment out right for \$124,106 and avoid \$11,569.55 in interest. Another would be to do the five year plan. We would make the first payment of \$27,135 in July of 2013. We would be able to use the equipment for the chip seal projects for this year.

Recommendation: Purchase the Asphalt Zipper under the 5 year contract. The purchase is in accordance with the City of Willcox Municipal Code section 3-1-3 x "intergovernmental procurement". This would allow the City to obtain the machine for the current years chip seal projects saving the purchase of cold mix material in this year's budget as well as future years.

Fiscal Impact: \$135,675.55 5 annual payments of \$27,135

Prepared By: 
Gary Adams, Street's Supervisor

Approved By: 
Dave Bonner, Public Services & Works Director

Approved By: 
Pat McCourt, City Manager

CITY OF WILLCOX, COCHISE COUNTY, ARIZONA

RESOLUTION 2013-06

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF WILLCOX, COCHISE COUNTY, ARIZONA, "CITY", APPROVING THE PURCHASE OF AN ASPHALT ZIPPER FROM THE HOUSTON-GALVESTON AREA COUNCIL, "H.G.A.C.Buy", AND DIRECTING AUTHORIZED CITY OFFICERS AND AGENTS TO CARRY OUT THE PURPOSES AND INTENT OF THIS RESOLUTION.

WHEREAS, the CITY is empowered pursuant to A.R.S., Title 9, Section 9-240(A) to have control of the finances and property of the corporation; and,

WHEREAS, the CITY and the HGACBuy have entered into a "cooperative purchasing" agreement for cooperative procurement services pursuant to A.R.S. Section 11-952 and Section 41-2632 et. seq., as authorized by the Mayor and City Council by Resolution 2013-04 passed and adopted on January 7, 2013; and,

WHEREAS, the CITY has determined that purchasing an Asphalt Zipper for the Public Service and Works Street Department for a total purchase price of \$135,675.55, over a five year payment plan, is a fiscally responsible purchase and the Mayor and City Council have determined that formal action on this Resolution is in the best interest of the CITY and its citizens; and,

WHEREAS, it is the desire of the Mayor and City Council that this item be presented for consideration at the regular Council Meeting on January 22, 2013.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF WILLCOX, ARIZONA, as follows:

SECTION 1: The Mayor and City Council hereby authorize and approve the purchase of the Asphalt Zipper through HGACBuy for the total purchase price of \$135,675.55, to be paid over a five year time period; and,

SECTION 2: CITY Officials and Administrators are authorized and directed to take all action required to purchase the Asphalt Zipper through HGACBuy; and,

SECTION 3: That the Mayor is authorized and empowered to execute the Resolution as presented.

**PASSED AND ADOPTED BY THE MAYOR AND CITY COUNCIL OF
THE CITY OF WILLCOX, ARIZONA, this 22nd day of January, 2013.**

APPROVED/EXECUTED:

**_____
ROBERT A. IRVIN, MAYOR**

ATTEST:

**_____
VIRGINIA A. MEFFORD, City Clerk**

APPROVED AS TO FORM:

**_____
ANN P. ROBERTS, City Attorney**

RESOLUTION 2013-06



CONTRACT PRICING WORKSHEET
For Standard Equipment Purchases

Contract No.: SM10-12

Date Prepared: 11/6/2012

This Form must be prepared by Contractor and given to End User. End User issues PO to Contractor, and MUST also fax a copy of PO, together with completed Pricing Worksheet, to H-GAC @ 713-993-4548. Please type or print legibly.

Buying Agency:	City of Willcox, AZ		Contractor:	Asphalt Zipper, Inc.	
Contact Person:	David Bonner		Prepared By:	Steve Christensen	
Phone:	520-384-6447		Phone:	888-947-7378	
Fax:	520-384-5349		Fax:	801-772-0909	
Email:	dbonner@willcoxcity.org		Email:	steve@asphaltzipper.com	
Product Code:	01AD2	Description:	AZ500-B173		

A. Product Item Base Unit Price Per Contractor's H-GAC Contract: 106,650

B. Published Options - Itemize below - Attach additional sheet if necessary - Include Option Code in description if applicable
(Note: Published Options are options which were submitted and priced in Contractor's bid.)

Description	Cost	Description	Cost
Asphalt Zipper AZ500-B173, 173hp John Deere Tier 3 Engine, 48" Standard Cutter Head, DOT Certified Trailer			
Universal Bucket Mount System (Patent), Hydraulic Top			
Opening Hatch & depth Control, pressurized belt tensioning, Delivery, Warranty, Training.			
Subtotal From Additional Sheet(s):			
		Subtotal B:	0

C. Unpublished Options - Itemize below - Attach additional sheet if necessary
(Note: Unpublished options are items which were not submitted and priced in Contractor's bid.)

Description	Cost	Description	Cost
Upgrade: 203hp, Tier 3 Cummins, 695 Pounds Torque Engine, 150 Gallon Intergrated Water System, Grind Box Attachment	18340		
Upgrade to 136 Tri-Spec Bits	313		
Subtotal From Additional Sheet(s):			
		Subtotal C:	18653

Check: Total cost of Unpublished Options (C) cannot exceed 25% of the total of the Base Unit Price plus Published Options (A+B). For this transaction the percentage is: 17%

D. Total Cost before any other applicable Charges, Trade-Ins, Allowances, Discounts, Etc. (A+B+C)

Quantity Ordered:	1	X Subtotal of A + B + C:	125303	=	Subtotal D:	125303
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E. Other Charges, Trade-Ins, Allowances, Discounts, Etc.

Description	Cost	Description	Cost
Discount: Bit Allowance	-1197		
Subtotal E:			-1197

F. Total Purchase Price (D+E): 124106

Delivery Date:

WELCH STATE BANK



Member F D I C

P.O. Box 129
396 S. Commercial
Welch, Ok 74369
PH. 918-788-3373
FAX 918-788-3364

DATE: December 13, 2012
TO: Steve, Asphalt Zipper
FROM: Sherri, Welch State Bank
REF: City of Willcox, Arizona
EQUIP: Zipper 500

COST	#PMTs	PAYMENT	RATE
\$124,106.00	5 annual	\$27,135.11	2.98%

This quote is good for 30 days.
First payment due in one year.
Quote is subject to credit approval.
\$200.00 doc fee is included in proposal.

This quote is given for a "qualified tax-exempt obligation" within the meaning of Section 265(b)(3) of the Internal Revenue Code of 1986, if this is not a "qualified tax-exempt obligation" rate(s) will be higher.