



CHASE EQUIPMENT LEASING INC.

Mail Code OH1-1085

1111 Polaris Parkway, Suite 3-A

Columbus, OH 43240-2050

City of Peoria

Attn: Dan Zenko

8401 West Monroe Street

Peoria, AZ 85345

January 27, 2005

RE: New Account # 1000120550

Dear Mr. Zenko:

Thank you for choosing Chase Equipment Leasing Inc. to assist with your equipment financing. We appreciate your business and welcome the opportunity to work with you.

Enclosed for your records are the transaction documents. Your payments will be due monthly on the 21st of the month, with your next payment due on February 21, 2005. You will be receiving an invoice for the above referenced account at:

8401 West Monroe Street

Attn: Accounts Payable

Peoria, AZ 85345

This letter is intended to serve as a confirmation and does not modify or amend our agreement.

If we can be of assistance, please call our Customer Service Department at 800-879-9182 from 8:00 a.m. through 5:00 p.m. ET Monday through Friday. We will be happy to help you.

Sincerely,

A handwritten signature in cursive script, appearing to read "Mary C. Heubach".

Mary C. Heubach

Documentation Specialist

Enclosures

MASTER LEASE-PURCHASE AGREEMENT
Dated as of January 21, 2005

This Master Lease-Purchase Agreement together with all addenda, riders and attachments hereto, as the same may from time to time be amended, modified or supplemented ("Master Lease") is made and entered by and between Chase Equipment Leasing Inc. ("Lessor") and the lessee identified below ("Lessee").

LESSEE: City of Peoria

1. LEASE OF EQUIPMENT. Subject to the terms and conditions of this Master Lease, Lessor agrees to lease to Lessee, and Lessee agrees to lease from Lessor, all Equipment described in each Schedule signed from time to time by Lessee and Lessor.

2. CERTAIN DEFINITIONS. All terms defined in the Lease are equally applicable to both the singular and plural form of such terms. (a) "Schedule" means each Lease Schedule signed and delivered by Lessee and Lessor, together with all addenda, riders, attachments, certificates and exhibits thereto, as the same may from time to time be amended, modified or supplemented. Lessee and Lessor agree that each Schedule (except as expressly provided in said Schedule) incorporates by reference all of the terms and conditions of the Master Lease. (b) "Lease" means any one Schedule and this Master Lease as incorporated into said Schedule. (c) "Equipment" means the property described in each Schedule, together with all attachments, additions, accessions, parts, repairs, improvements, replacements and substitutions thereto. (d) "Lien" means any security interest, lien, mortgage, pledge, encumbrance, judgment, execution, attachment, warrant, writ, levy, other judicial process or claim of any nature whatsoever by or of any person.

3. LEASE TERM. The term of the lease of the Equipment described in each Lease ("Lease Term") commences on the first date any of such Equipment is accepted by Lessee pursuant to Section 5 hereof and, unless earlier terminated as expressly provided in the Lease, continues until Lessee's payment and performance in full of all of Lessee's obligations under the Lease.

4. RENT PAYMENTS.

4.1 For each Lease, Lessee agrees to pay to Lessor the rent payments in the amounts and at the times as set forth in the Payment Schedule attached to the Schedule ("Rent Payments"). A portion of each Rent Payment is paid as and represents the payment of interest as set forth in the Payment Schedule. Lessee acknowledges that its obligation to pay Rent Payments including interest therein accrues as of the Accrual Date stated in the Schedule or its Payment Schedule; provided, that no Rent Payment is due until Lessee accepts the Equipment under the Lease or the parties execute an escrow agreement. Rent Payments will be payable for the Lease Term in U.S. dollars, without notice or demand at the office of Lessor (or such other place as Lessor may designate from time to time in writing).

4.2 If Lessor receives any payment from Lessee later than ten (10) days from the due date, Lessee shall pay Lessor on demand as a late charge five per cent (5%) of such overdue amount, limited, however, to the maximum amount allowed by law.

4.3 EXCEPT AS SPECIFICALLY PROVIDED IN SECTION 6 HEREOF OR IN ANY WRITTEN MODIFICATION TO THE LEASE SIGNED BY LESSOR, THE OBLIGATION TO PAY RENT PAYMENTS UNDER EACH LEASE SHALL BE ABSOLUTE AND UNCONDITIONAL IN ALL EVENTS AND SHALL NOT BE SUBJECT TO ANY SETOFF, DEFENSE, COUNTERCLAIM, ABATEMENT OR RECOURPMENT FOR ANY REASON WHATSOEVER.

5. DELIVERY; ACCEPTANCE; FUNDING CONDITIONS.

5.1 Lessee shall arrange for the transportation, delivery and installation of all Equipment to the location specified in the Schedule ("Location") by Equipment suppliers ("Suppliers") selected by Lessee. Lessee shall pay all costs related thereto.

5.2 Lessee shall accept Equipment as soon as it has been delivered and is operational. Lessee shall evidence its acceptance of any Equipment by signing and delivering to Lessor the applicable Schedule. If Lessee signs and delivers a Schedule and if all Funding Conditions have been satisfied in full, then Lessor will pay or cause to be paid the costs of such Equipment as stated in the Schedule ("Purchase Price") to the applicable Supplier.

5.3 Lessor shall have no obligation to pay any Purchase Price unless all reasonable conditions established by Lessor ("Funding Conditions") have been satisfied, including, without limitation, the following: (a) Lessee has signed and delivered the Schedule and its Payment Schedule; (b) no Event of Default shall have occurred and be continuing; (c) no material adverse change shall have occurred in the Internal Revenue Code of 1986, as amended, and the related regulations and rulings thereunder (collectively, the "Code"); (d) no material adverse change shall have occurred in the financial condition of Lessee or any Supplier; (e) the Equipment is reasonably satisfactory to Lessor and is free and clear

of any Liens (except Lessor's Liens); (f) all representations of Lessee in the Lease remain true, accurate and complete; and (g) Lessor has received all of the following documents, which shall be reasonably satisfactory, in form and substance, to Lessor: (1) evidence of insurance coverage required by the Lease; (2) an opinion of Lessee's counsel; (3) reasonably detailed invoices for the Equipment; (4) Uniform Commercial Code (UCC) financing statements; (5) copies of resolutions by Lessee's governing body authorizing the Lease and incumbency certificates for the person(s) who will sign the Lease; (6) such documents and certificates relating to the tax-exempt interest payable under the Lease (including, without limitation, IRS Form 8038G or 8038GC) as Lessor may request; and (7) such other documents and information previously identified by Lessor or otherwise reasonably requested by Lessor.

6. TERMINATION FOR GOVERNMENTAL NON-APPROPRIATIONS.

6.1 For each Lease, Lessee represents and warrants: that it has appropriated and budgeted the necessary funds to make all Rent Payments required pursuant to such Lease for the remainder of the fiscal year in which the Lease Term commences; and that it currently intends to make Rent Payments for the full Lease Term as scheduled in the applicable Payment Schedule if funds are appropriated for the Rent Payments in each succeeding fiscal year by its governing body. Without contractually committing itself to do so, Lessee reasonably believes that moneys in an amount sufficient to make all Rent Payments can and will lawfully be appropriated therefor. Lessee directs the person in charge of its budget requests to include the Rent Payments payable during each fiscal year in the budget request presented to Lessee's governing body for such fiscal year; provided, that Lessee's governing body retains authority to approve or reject any such budget request. All Rent Payments shall be payable out of the general funds of Lessee or out of other funds legally appropriated therefor. Lessor agrees that no Lease will be a general obligation of Lessee and no Lease shall constitute a pledge of either the full faith and credit of Lessee or the taxing power of Lessee.

6.2 If Lessee's governing body fails to appropriate sufficient funds in any fiscal year for Rent Payments or other payments due under a Lease and if other funds are not legally appropriated for such payments, then a "Non-Appropriation Event" shall be deemed to have occurred. If a Non-Appropriation Event occurs, then: (a) Lessee shall give Lessor immediate notice of such Non-Appropriation Event and provide written evidence of such failure by Lessee's governing body; (b) on the Return Date, Lessee shall return to Lessor all, but not less than all, of the Equipment covered by the affected Lease, at Lessee's sole expense, in accordance with Section 21 hereof; and (c) the affected Lease shall terminate on the Return Date without penalty to Lessee, provided, that Lessee shall pay all Rent Payments and other amounts payable under the affected Lease for which funds shall have been appropriated, provided further, that Lessee shall pay month-to-month rent at the rate set forth in the affected Lease for each month or part thereof that Lessee fails to return the Equipment under this Section 6.2. "Return Date" means the last day of the fiscal year for which appropriations were made for the Rent Payments due under a Lease.

6.3 If a Non-Appropriation Event occurs, then, during the twelve (12) month period following the Return Date, Lessee agrees not to acquire (by purchase, lease or otherwise) replacement equipment which is functionally similar to the Equipment covered by such terminated Lease, or to appropriate funds for the acquisition of such replacement equipment. Notwithstanding the foregoing of this Section 6.3, the restrictions of this section 6.3 shall automatically and without further action of the parties be ineffective and be deleted: (a) from any terminated Lease if the net proceeds of the sale of the returned Equipment are sufficient to pay the Termination Value of the Equipment and all accrued but unpaid Rent Payments due under the affected Lease as of the Return Date; or (b) from any Lease if the application of the restrictions in this section 6.3 would not be permitted by then applicable law or would cause such Lease to be invalid or unenforceable in any material respect.

7. LIMITATION ON WARRANTIES. LESSOR MAKES NO WARRANTY OR REPRESENTATION, EXPRESS OR IMPLIED, AS TO ANY MATTER WHATSOEVER, INCLUDING, WITHOUT LIMITATION, AS TO THE MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OF ANY OF THE EQUIPMENT OR AS TO THE VALUE, DESIGN, CONDITION, USE, CAPACITY OR DURABILITY OF ANY OF THE EQUIPMENT. For and during the Lease Term, Lessor hereby assigns to Lessee any manufacturer's or Supplier's product warranties, express or implied, applicable to any Equipment and Lessor authorizes Lessee to obtain the customary services furnished in connection with such warranties at Lessee's sole expense. Lessee agrees that (a) all Equipment will have been purchased by Lessor in accordance with Lessee's specifications from Suppliers selected by Lessee, (b) Lessor is not a manufacturer or dealer of any Equipment and has no liability for the delivery or installation of any Equipment, (c) Lessor assumes no obligation with respect to any manufacturer's or Supplier's product warranties or guaranties, (d) no manufacturer or Supplier or any representative of said parties is an agent of Lessor, and (e) any warranty, representation, guaranty or agreement made by any manufacturer or Supplier or any representative of said parties shall not be binding upon Lessor.

8. TITLE; SECURITY INTEREST.

8.1 Upon Lessee's acceptance of any Equipment under a Lease, title to the Equipment shall vest in Lessee, subject to Lessor's security interest therein and all of Lessor's other rights under such Lease including, without limitation, Sections 6, 20 and 21 hereof.

8.2 As collateral security for the Secured Obligations, Lessee hereby grants to Lessor a first priority security interest in any and all of the Equipment (now existing or hereafter acquired) and any and all proceeds thereof. Lessee agrees to execute and deliver to Lessor all necessary documents to evidence and perfect such security interest, including, without limitation, UCC financing statements and any amendments thereto.

8.3 "Secured Obligations" means Lessee's obligations to pay all Rent Payments and all other amounts due and payable under all present and future Leases and to perform and observe all covenants, agreements and conditions (direct or indirect, absolute or contingent, due or to become due, or existing or hereafter arising) of Lessee under all present and future Leases.

9. **PERSONAL PROPERTY.** All Equipment is and will remain personal property and will not be deemed to be affixed or attached to real estate or any building thereon.

10. **MAINTENANCE AND OPERATION.** Lessee agrees it shall, at its sole expense: (a) repair and maintain all Equipment in good condition and working order and supply and install all replacement parts or other devices when required to so maintain the Equipment or when required by applicable law or regulation, which parts or devices shall automatically become part of the Equipment; and (b) use and operate all Equipment in a careful manner in the normal course of its operations and only for the purposes for which it was designed in accordance with the manufacturer's warranty requirements, and comply with all laws and regulations relating to the Equipment. If any Equipment is customarily covered by a maintenance agreement, Lessee will furnish Lessor with a maintenance agreement by a party reasonably satisfactory to Lessor. No maintenance or other service for any Equipment will be provided by Lessor. Lessee will not make any alterations, additions or improvements ("Improvements") to any Equipment without Lessor's prior written consent unless the Improvements may be readily removed without damage to the operation, value or utility of such Equipment, but any such Improvements not removed prior to the termination of the applicable Lease shall automatically become part of the Equipment.

11. **LOCATION; INSPECTION.** Equipment will not be removed from, or if Equipment is rolling stock its permanent base will not be changed from, the Location without Lessor's prior written consent which will not be unreasonably withheld. Upon reasonable notice to Lessee, Lessor may enter the Location or elsewhere during normal business hours to inspect the Equipment.

12. **LIENS, SUBLEASES AND TAXES.**

12.1 Lessee shall keep all Equipment free and clear of all Liens except those Liens created under its Lease. Lessee shall not sublet or lend any Equipment or permit it to be used by anyone other than Lessee or Lessee's employees.

12.2 Lessee shall pay when due all Taxes which may now or hereafter be imposed upon any Equipment or its ownership, leasing, rental, sale, purchase, possession or use, upon any Lease or upon any Rent Payments or any other payments due under any Lease. If Lessee fails to pay such Taxes when due, Lessor shall have the right, but not the obligation, to pay such Taxes. If Lessor pays any such Taxes, then Lessee shall, upon demand, immediately reimburse Lessor therefor. "Taxes" means present and future taxes, levies, duties, assessments or other governmental charges that are not based on the net income of Lessor, whether they are assessed to or payable by Lessee or Lessor, including, without limitation (a) sales, use, excise, licensing, registration, titling, gross receipts, stamp and personal property taxes, and (b) interest, penalties or fines on any of the foregoing.

13. **RISK OF LOSS.**

13.1 Lessee bears the entire risk of loss, theft, damage or destruction of any Equipment in whole or in part from any reason whatsoever ("Casualty Loss"). No Casualty Loss to any Equipment shall relieve Lessee from the obligation to make any Rent Payments or to perform any other obligation under any Lease. Proceeds of any insurance recovery will be applied to Lessee's obligations under this Section 13.

13.2 If a Casualty Loss occurs to any Equipment, Lessee shall immediately notify Lessor of the same and Lessee shall, unless otherwise directed by Lessor, immediately repair the same.

13.3 If Lessor determines that any item of Equipment has suffered a Casualty Loss beyond repair ("Lost Equipment"), then Lessee shall either: (a) immediately replace the Lost Equipment with similar equipment in good repair, condition and working order free and clear of any Liens (except Lessor's Liens), in which event such replacement equipment shall automatically be Equipment under the applicable Lease, and deliver to Lessor true and complete copies of the invoice or bill of sale covering the replacement equipment; or (b) on earlier of 60 days after the Casualty Loss or the next scheduled Rent Payment date, pay Lessor (i) all amounts owed by Lessee under the applicable Lease, including the Rent Payments due on or accrued through such date plus (ii) an amount equal to the Termination Value as of the Rent Payment date (or if the Casualty Loss payment is due between Rent Payment dates, then as of the Rent Payment date

preceding the date that the Casualty Loss payment is due) set forth in the Payment Schedule to the applicable Lease. If Lessee is making such payment with respect to less than all of the Equipment under a Lease, then Lessor will provide Lessee with the pro rata amount of the Rent Payment and Termination Value to be paid by Lessee with respect to the Lost Equipment and a revised Payment Schedule.

13.4 To the extent not prohibited by State law, Lessee shall bear the risk of loss for, shall pay directly, and shall defend against any and all claims, liabilities, proceedings, actions, expenses (including reasonable attorney's fees), damages or losses arising under or related to any Equipment, including, but not limited to, the possession, ownership, lease, use or operation thereof. These obligations of Lessee shall survive any expiration or termination of any Lease. Lessee shall not bear the risk of loss of, nor pay for, any claims, liabilities, proceedings, actions, expenses (including attorney's fees), damages or losses which arise directly from events occurring after any Equipment has been returned by Lessee to Lessor in accordance with the terms of the applicable Lease or which arise directly from the gross negligence or willful misconduct of Lessor.

14. INSURANCE.

14.1 (a) Lessee at its sole expense shall at all times keep all Equipment insured against all Casualty Losses for an amount not less than the Termination Value of the Equipment. Proceeds of any such insurance covering damage or loss of any Equipment shall be payable to Lessor as loss payee. (b) Lessee at its sole expense shall at all times carry public liability and third party property damage insurance in amounts reasonably satisfactory to Lessor protecting Lessee and Lessor from liabilities for injuries to persons and damage to property of others relating in any way to any Equipment. Proceeds of any such public liability or property insurance shall be payable first to Lessor as additional insured to the extent of its liability, and then to Lessee.

14.2 All insurers shall be reasonably satisfactory to Lessor. Lessee shall promptly deliver to Lessor satisfactory evidence of required insurance coverage and all renewals and replacements thereof. Each insurance policy will require that the insurer give Lessor at least 30 days prior written notice of any cancellation of such policy and will require that Lessor's interests remain insured regardless of any act, error, misrepresentation, omission or neglect of Lessee. The insurance maintained by Lessee shall be primary without any right of contribution from insurance which may be maintained by Lessor.

15. **PURCHASE OPTION.** Upon thirty (30) days prior written notice by Lessee to Lessor, and so long as there is no Event of Default then existing, Lessee shall have the option to purchase all, but not less than all, of the Equipment covered by a Lease on any Rent Payment due date by paying to Lessor all Rent Payments then due (including accrued interest, if any) plus the Termination Value amount set forth on the Payment Schedule to the applicable Lease for such date. Upon satisfaction by Lessee of such purchase conditions, Lessor shall release its Lien on such Equipment and Lessee shall retain its title to such Equipment "AS-IS, WHERE-IS", without representation or warranty by Lessor, express or implied, except for a representation that such Equipment is free and clear of any Liens created by Lessor.

16. **LESSEE'S REPRESENTATIONS AND WARRANTIES.** With respect to each Lease and its Equipment, Lessee hereby represents and warrants to Lessor that:

(a) Lessee has full power, authority and legal right to execute and deliver the Lease and to perform its obligations under the Lease, and all such actions have been duly authorized by appropriate findings and actions of Lessee's governing body;

(b) the Lease has been duly executed and delivered by Lessee and constitutes a legal, valid and binding obligation of Lessee, enforceable in accordance with its terms;

(c) the Lease is authorized under, and the authorization, execution and delivery of the Lease complies with, all applicable federal, state and local laws and regulations (including, but not limited to, all open meeting, public bidding and property acquisition laws) and all applicable judgments and court orders;

(d) the execution, delivery and performance by Lessee of its obligations under the Lease will not result in a breach or violation of, nor constitute a default under, any agreement, lease or other instrument to which Lessee is a party or by which Lessee's properties may be bound or affected;

(e) there is no pending, or to the best of Lessee's knowledge threatened, litigation of any nature which may have a material adverse effect on Lessee's ability to perform its obligations under the Lease; and

(f) Lessee is a state, or a political subdivision thereof, as referred to in Section 103 of the Code, and Lessee's obligation under the Lease constitutes an enforceable obligation issued on behalf of a state or a political subdivision thereof.

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17. TAX COVENANTS. Lessee hereby covenants and agrees that:

(a) Lessee shall comply with all of the requirements of Section 149(a) and Section 149(e) of the Code, as the same may be amended from time to time, and such compliance shall include, but not be limited to, executing and filing Internal Revenue Form 8038G or 8038GC, as the case may be, and any other information statements reasonably requested by Lessor;

(b) Lessee shall not do (or cause to be done) any act which will cause, or by omission of any act allow, any Lease to be an "arbitrage bond" within the meaning of Section 148(a) of the Code or any Lease to be a "private activity bond" within the meaning of Section 141(a) of the Code; and

(c) Lessee shall not do (or cause to be done) any act which will cause, or by omission of any act allow, the interest portion of any Rent Payments to be or become includable in gross income for Federal income taxation purposes under the Code.

18. ASSIGNMENT.

18.1 Lessee shall not assign, transfer, pledge, hypothecate, nor grant any Lien on, nor otherwise dispose of, any Lease or any Equipment or any interest in any Lease or Equipment.

18.2 Lessor may assign its rights, title and interest in and to any Lease or any Equipment, and/or may grant or assign a security interest in any Lease and its Equipment, in whole or in part, to any party at any time. Any such assignee or lienholder (an "Assignee") shall have all of the rights of Lessor under the applicable Lease. **LESSEE AGREES NOT TO ASSERT AGAINST ANY ASSIGNEE ANY CLAIMS, ABATEMENTS, SETOFFS, COUNTERCLAIMS, RECOUPMENT OR ANY OTHER SIMILAR DEFENSES WHICH LESSEE MAY HAVE AGAINST LESSOR.** Unless otherwise agreed by Lessee in writing, any such assignment transaction shall not release Lessor from any of Lessor's obligations under the applicable Lease. An assignment or reassignment of any of Lessor's right, title or interest in a Lease or its Equipment shall be enforceable against Lessee only after Lessee receives a written notice of assignment which discloses the name and address of each such Assignee; provided, that such notice from Lessor to Lessee of any assignment shall not be so required if Lessor assigns a Lease to BANK ONE CORPORATION (and its successors or assigns) or any of its direct or indirect subsidiaries. Lessee shall keep a complete and accurate record of all such assignments in the form necessary to comply with Section 149(a) of the Code and for such purpose, Lessee hereby appoints Lessor (or Lessor's designee) as the book entry and registration agent to keep a complete and accurate record of any and all assignments of any Lease. Lessee agrees to acknowledge in writing any such assignments if so requested.

18.3 Each Assignee of a Lease hereby agrees that: (a) the term Secured Obligations as used in Section 8.3 hereof is hereby amended to include and apply to all obligations of Lessee under the Assigned Leases and to exclude the obligations of Lessee under any Non-Assigned Leases; (b) said Assignee shall have no Lien on, nor any claim to, nor any interest of any kind in, any Non-Assigned Lease or any Equipment covered by any Non-Assigned Lease; and (c) Assignee shall exercise its rights, benefits and remedies as the assignee of Lessor (including, without limitation, the remedies under Section 20 of the Master Lease) solely with respect to the Assigned Leases. "Assigned Leases" means only those Leases which have been assigned to a single Assignee pursuant to a written agreement; and "Non-Assigned Leases" means all Leases excluding the Assigned Leases.

18.4 Subject to the foregoing, each Lease inures to the benefit of and is binding upon the heirs, executors, administrators, successors and assigns of the parties hereto.

19. EVENTS OF DEFAULT. For each Lease, "Event of Default" means the occurrence of any one or more of the following events as they may relate to such Lease: (a) Lessee fails to make any Rent Payment (or any other payment) as it becomes due in accordance with the terms of the Lease, and any such failure continues for ten (10) days after the due date thereof; (b) Lessee fails to perform or observe any of its obligations under Sections 12.1, 14 or 18.1 hereof; (c) Lessee fails to perform or observe any other covenant, condition or agreement to be performed or observed by it under the Lease and such failure is not cured within thirty (30) days after receipt of written notice thereof by Lessor; (d) any statement, representation or warranty made by Lessee in the Lease or in any writing delivered by Lessee pursuant thereto or in connection therewith proves at any time to have been false, misleading or erroneous in any material respect as of the time when made; (e) Lessee applies for or consents to the appointment of a receiver, trustee, conservator or liquidator of Lessee or of all or a substantial part of its assets, or a petition for relief is filed by Lessee under any federal or state bankruptcy, insolvency or similar law, or a petition in a proceeding under any federal or state bankruptcy, insolvency or similar law is filed against Lessee and is not dismissed within sixty (60) days thereafter; or (f) Lessee shall be in default under any other Lease or under any other financing agreement executed at any time with Lessor.

20. REMEDIES. If any Event of Default occurs, then Lessor may, at its option, exercise any one or more of the following remedies:

(a) Lessor may require Lessee to pay (and Lessee agrees that it shall pay) all amounts then currently due under all Leases and all remaining Rent Payments due under all Leases during the fiscal year in effect when the Event of Default occurs together with interest on such amounts at the rate of twelve percent (12%) per annum (but not to exceed the highest rate permitted by applicable law) from the date of Lessor's demand for such payment;

(b) Lessor may require Lessee to promptly return all Equipment to Lessor in the manner set forth in Section 21 (and Lessee agrees that it shall so return the Equipment), or Lessor may, at its option, enter upon the premises where any Equipment is located and repossess such Equipment without demand or notice, without any court order or other process of law and without liability for any damage occasioned by such repossession;

(c) Lessor may sell, lease or otherwise dispose of any Equipment, in whole or in part, in one or more public or private transactions, and if Lessor so disposes of any Equipment, then Lessor shall retain the entire proceeds of such disposition free of any claims of Lessee, provided, that if the net proceeds of the disposition of all the Equipment exceeds the applicable Termination Value of all the Schedules plus the amounts payable by Lessee under clause (a) above of this Section and under clause (f) below of this Section, then such excess amount shall be remitted by Lessor to Lessee;

(d) Lessor may terminate, cancel or rescind any Lease as to any and all Equipment;

(e) Lessor may exercise any other right, remedy or privilege which may be available to Lessor under applicable law or, by appropriate court action at law or in equity, Lessor may enforce any of Lessee's obligations under any Lease; and/or

(f) Lessor may require Lessee to pay (and Lessee agrees that it shall pay) all out-of-pocket costs and expenses incurred by Lessor as a result (directly or indirectly) of the Event of Default and/or of Lessor's actions under this section, including, without limitation, any attorney fees and expenses and any costs related to the repossession, safekeeping, storage, repair, reconditioning or disposition of any Equipment.

None of the above remedies is exclusive, but each is cumulative and in addition to any other remedy available to Lessor. Lessor's exercise of one or more remedies shall not preclude its exercise of any other remedy. No delay or failure on the part of Lessor to exercise any remedy under any Lease shall operate as a waiver thereof, nor as an acquiescence in any default, nor shall any single or partial exercise of any remedy preclude any other exercise thereof or the exercise of any other remedy.

21. RETURN OF EQUIPMENT. If Lessor is entitled under the provisions of any Lease, including any termination thereof pursuant to Sections 6 or 20 of this Master Lease, to obtain possession of any Equipment or if Lessee is obligated at any time to return any Equipment, then (a) title to the Equipment shall vest in Lessor immediately upon Lessor's notice thereof to Lessee, and (b) Lessee shall, at its sole expense and risk, immediately de-install, disassemble, pack, crate, insure and return the Equipment to Lessor (all in accordance with applicable industry standards) at any location in the continental United States selected by Lessor. Such Equipment shall be in the same condition as when received by Lessee (reasonable wear, tear and depreciation resulting from normal and proper use excepted), shall be in good operating order and maintenance as required by the applicable Lease, shall be free and clear of any Liens (except Lessor's Lien) and shall comply with all applicable laws and regulations. Until Equipment is returned as required above, all terms of the applicable Lease shall remain in full force and effect including, without limitation, obligations to pay Rent Payments and to insure the Equipment. Lessee agrees to execute and deliver to Lessor all documents reasonably requested by Lessor to evidence the transfer of legal and beneficial title to such Equipment to Lessor and to evidence the termination of Lessee's interest in such Equipment.

22. LAW GOVERNING. Each Lease shall be governed by the laws of the state of Lessee (the "State").

23. NOTICES. All notices to be given under any Lease shall be made in writing and either personally delivered or mailed by regular or certified mail or sent by an overnight courier delivery company to the other party at its address set forth herein or at such address as the party may provide in writing from time to time. Any such notices shall be deemed to have been received five (5) days subsequent to mailing.

24. FINANCIAL INFORMATION. As soon as they are available after their completion in each fiscal year of Lessee during any Lease Term, Lessee will deliver to Lessor upon Lessor's request the publicly available annual financial information of Lessee.

25. SECTION HEADINGS. All section headings contained herein or in any Schedule are for convenience of reference only and do not define or limit the scope of any provision of any Lease.

26. EXECUTION IN COUNTERPARTS. Each Schedule to this Master Lease may be executed in several counterparts, each of which shall be deemed an original, but all of which shall be deemed one instrument. Only one counterpart of each Schedule shall be marked "Lessor's Original" and all other counterparts shall be deemed duplicates. An assignment of or

security interest in any Schedule may be created through transfer and possession only of the counterpart marked "Lessor's Original".

27. ENTIRE AGREEMENT; WRITTEN AMENDMENTS. Each Lease, together with the exhibits, schedules and addenda attached thereto and made a part hereof and other attachments thereto constitute the entire agreement between the parties with respect to the lease of the Equipment covered thereby, and such Lease shall not be modified, amended, altered, or changed except with the written consent of Lessee and Lessor. Any provision of any Lease found to be prohibited by law shall be ineffective to the extent of such prohibition without invalidating the remainder of the Lease.

LESSEE:
City of Peoria

LESSOR:
Chase Equipment Leasing Inc.

By: 
Terrence L. Ellis
Title: City Manager

By: 
Title: Funding Authority

8401 West Monroe Street
Peoria, AZ 85345

1111 Polaris Parkway, Suite A3
Columbus, Ohio 43240

LEASE SCHEDULE NO. 1000120550
Dated As Of January 21, 2005

This Lease Schedule, together with its Payment Schedule, is attached and made a part of the Master Lease-Purchase Agreement described below ("Master Lease") between the Lessee and Lessor named below. All terms and conditions of the Master Lease are incorporated herein by reference. Unless otherwise defined herein, capitalized terms defined in the Master Lease will have the same meaning when used herein.

Master Lease-Purchase Agreement dated January 21, 2005

A. EQUIPMENT DESCRIBED: The Equipment includes all of the property described on Schedule A-1 attached hereto and made a part hereof.

B. EQUIPMENT LOCATION: 19621 North 111th Avenue
Peoria, AZ 85382

C. ACCEPTANCE OF EQUIPMENT: AS BETWEEN LESSEE AND LESSOR, LESSEE AGREES THAT: (a) LESSEE HAS RECEIVED AND INSPECTED ALL EQUIPMENT; (b) ALL EQUIPMENT IS IN GOOD WORKING ORDER AND COMPLIES WITH ALL PURCHASE ORDERS, CONTRACTS AND SPECIFICATIONS; (c) LESSEE ACCEPTS ALL EQUIPMENT FOR PURPOSES OF THE LEASE "AS-IS, WHERE-IS"; AND (d) LESSEE WAIVES ANY RIGHT TO REVOKE SUCH ACCEPTANCE.

D. ESSENTIAL USE; CURRENT INTENT OF LESSEE: Lessee represents and agrees that the use of the Equipment is essential to Lessee's proper, efficient and economic functioning or to the services that Lessee provides to its citizens and the Equipment will be used by Lessee only for the purpose of performing its governmental or proprietary functions consistent with the permissible scope of its authority. Lessee currently intends for the full Lease Term: to use the Equipment; to continue this Lease; and to make Rental Payments if funds are appropriated in each fiscal year by its governing body.

E. RENTAL PAYMENTS; LEASE TERM: The Rental Payments to be paid by Lessee to Lessor, the commencement date thereof and the Lease Term of this Lease Schedule are set forth on the Payment Schedule attached to this Lease Schedule.

F. RE-AFFIRMATION OF THE MASTER LEASE: Lessee hereby re-affirms all of its representations, warranties and obligations under the Master Lease (including, without limitation, its obligation to pay all Rental Payments, its disclaimers in Section 7 thereof and its representations in Sections 6.1 and 16 thereof).

Equipment/Escrow Acceptance Date: 1-21-2005

LESSEE:
City of Peoria

LESSOR:
Chase Equipment Leasing Inc.

By: 

Terrence L. Ellis

Title: City Manager

8401 West Monroe Street
Peoria, AZ 85345

By: 

Title: Funding Authority

1111 Polaris Parkway, Suite A3
Columbus, Ohio 43240

PAYMENT SCHEDULE

This Payment Schedule is attached and made a part of the Lease Schedule identified below which is part of the Master Lease-Purchase Agreement identified therein, all of which are between the Lessee and Lessor named below.

Lease Schedule No. 1000120550 Dated January 21, 2005

Accrual Date: January 21, 2005

Amount Financed: \$259,727.85

Interest Rate: 4.000% per annum

Rent Number	Rent Date	Rent Payment	Interest Portion	Principal Portion	Termination Value
1	2/21/2005	\$ 4,783.28	\$ 865.76	\$ 3,917.52	\$ 263,484.64
2	3/21/2005	\$ 4,783.28	\$ 852.70	\$ 3,930.58	\$ 259,436.14
3	4/21/2005	\$ 4,783.28	\$ 839.60	\$ 3,943.68	\$ 255,374.15
4	5/21/2005	\$ 4,783.28	\$ 826.45	\$ 3,956.83	\$ 251,298.62
5	6/21/2005	\$ 4,783.28	\$ 813.26	\$ 3,970.02	\$ 247,209.50
6	7/21/2005	\$ 4,783.28	\$ 800.03	\$ 3,983.25	\$ 243,106.75
7	8/21/2005	\$ 4,783.28	\$ 786.75	\$ 3,996.53	\$ 238,990.32
8	9/21/2005	\$ 4,783.28	\$ 773.43	\$ 4,009.85	\$ 234,860.18
9	10/21/2005	\$ 4,783.28	\$ 760.06	\$ 4,023.22	\$ 230,716.26
10	11/21/2005	\$ 4,783.28	\$ 746.65	\$ 4,036.63	\$ 226,558.53
11	12/21/2005	\$ 4,783.28	\$ 733.20	\$ 4,050.08	\$ 222,386.95
12	1/21/2006	\$ 4,783.28	\$ 719.70	\$ 4,063.58	\$ 218,201.46
13	2/21/2006	\$ 4,783.28	\$ 706.15	\$ 4,077.13	\$ 214,002.02
14	3/21/2006	\$ 4,783.28	\$ 692.56	\$ 4,090.72	\$ 209,788.58
15	4/21/2006	\$ 4,783.28	\$ 678.92	\$ 4,104.36	\$ 205,561.09
16	5/21/2006	\$ 4,783.28	\$ 665.24	\$ 4,118.04	\$ 201,319.50
17	6/21/2006	\$ 4,783.28	\$ 651.52	\$ 4,131.76	\$ 197,063.79
18	7/21/2006	\$ 4,783.28	\$ 637.74	\$ 4,145.54	\$ 192,793.89
19	8/21/2006	\$ 4,783.28	\$ 623.92	\$ 4,159.36	\$ 188,509.75
20	9/21/2006	\$ 4,783.28	\$ 610.06	\$ 4,173.22	\$ 184,211.33
21	10/21/2006	\$ 4,783.28	\$ 596.15	\$ 4,187.13	\$ 179,898.58
22	11/21/2006	\$ 4,783.28	\$ 582.19	\$ 4,201.09	\$ 175,571.46
23	12/21/2006	\$ 4,783.28	\$ 568.19	\$ 4,215.09	\$ 171,229.92
24	1/21/2007	\$ 4,783.28	\$ 554.14	\$ 4,229.14	\$ 166,873.91
25	2/21/2007	\$ 4,783.28	\$ 540.04	\$ 4,243.24	\$ 162,503.37
26	3/21/2007	\$ 4,783.28	\$ 525.90	\$ 4,257.38	\$ 158,118.27
27	4/21/2007	\$ 4,783.28	\$ 511.71	\$ 4,271.57	\$ 153,718.55
28	5/21/2007	\$ 4,783.28	\$ 497.47	\$ 4,285.81	\$ 149,304.17
29	6/21/2007	\$ 4,783.28	\$ 483.18	\$ 4,300.10	\$ 144,875.06
30	7/21/2007	\$ 4,783.28	\$ 468.85	\$ 4,314.43	\$ 140,431.20
31	8/21/2007	\$ 4,783.28	\$ 454.47	\$ 4,328.81	\$ 135,972.52
32	9/21/2007	\$ 4,783.28	\$ 440.04	\$ 4,343.24	\$ 131,498.99
33	10/21/2007	\$ 4,783.28	\$ 425.56	\$ 4,357.72	\$ 127,010.54
34	11/21/2007	\$ 4,783.28	\$ 411.03	\$ 4,372.25	\$ 122,507.12
35	12/21/2007	\$ 4,783.28	\$ 396.46	\$ 4,386.82	\$ 117,988.69
36	1/21/2008	\$ 4,783.28	\$ 381.84	\$ 4,401.44	\$ 113,455.21
37	2/21/2008	\$ 4,783.28	\$ 367.17	\$ 4,416.11	\$ 108,906.62
38	3/21/2008	\$ 4,783.28	\$ 352.44	\$ 4,430.84	\$ 104,342.85
39	4/21/2008	\$ 4,783.28	\$ 337.68	\$ 4,445.60	\$ 99,763.88

SCHEDULE A-1
Equipment Description

Lease Schedule No. 1000120550 dated January 21, 2005

The Equipment described below includes all attachments, additions, accessions, parts, repairs, improvements, replacements and substitutions thereto.

Equipment Location: 19621 North 111th Avenue
Peoria, AZ 85382

Equipment Description: One New Modular Building

Expected Equipment Purchase Price	<u>\$259,727.85</u>
Minus Lessee Down Payment/Trade-in	<u>\$0.00</u>
Net Amount Financed	<u>\$259,727.85</u>

This Schedule A-1 is attached to the Lease Schedule or a Receipt Certificate/Payment Request relating to the Lease Schedule.

City of Peoria
(Lessee)

By:

Terrence L. Ellis

Title: City Manager

Chase Equipment Leasing Inc.
(Lessor)

By:

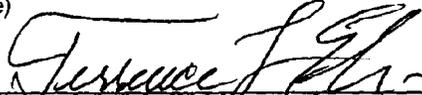
Funding Authority

L CON 01105

40	5/21/2008	\$	4,783.28	\$	322.86	\$	4,460.42	\$	95,169.65
41	6/21/2008	\$	4,783.28	\$	307.99	\$	4,475.29	\$	90,560.10
42	7/21/2008	\$	4,783.28	\$	293.07	\$	4,490.21	\$	85,935.19
43	8/21/2008	\$	4,783.28	\$	278.10	\$	4,505.18	\$	81,294.85
44	9/21/2008	\$	4,783.28	\$	263.09	\$	4,520.19	\$	76,639.06
45	10/21/2008	\$	4,783.28	\$	248.02	\$	4,535.26	\$	71,967.74
46	11/21/2008	\$	4,783.28	\$	232.90	\$	4,550.38	\$	67,280.85
47	12/21/2008	\$	4,783.28	\$	217.73	\$	4,565.55	\$	62,578.33
48	1/21/2009	\$	4,783.28	\$	202.52	\$	4,580.76	\$	57,860.15
49	2/21/2009	\$	4,783.28	\$	187.25	\$	4,596.03	\$	53,126.24
50	3/21/2009	\$	4,783.28	\$	171.93	\$	4,611.35	\$	48,376.55
51	4/21/2009	\$	4,783.28	\$	156.55	\$	4,626.73	\$	43,611.01
52	5/21/2009	\$	4,783.28	\$	141.13	\$	4,642.15	\$	38,829.60
53	6/21/2009	\$	4,783.28	\$	125.66	\$	4,657.62	\$	34,032.25
54	7/21/2009	\$	4,783.28	\$	110.13	\$	4,673.15	\$	29,218.91
55	8/21/2009	\$	4,783.28	\$	94.56	\$	4,688.72	\$	24,389.52
56	9/21/2009	\$	4,783.28	\$	78.93	\$	4,704.35	\$	19,544.04
57	10/21/2009	\$	4,783.28	\$	63.25	\$	4,720.03	\$	14,682.41
58	11/21/2009	\$	4,783.28	\$	47.51	\$	4,735.77	\$	9,804.57
59	12/21/2009	\$	4,783.28	\$	31.73	\$	4,751.55	\$	4,910.47
60	1/21/2010	\$	4,783.28	\$	15.83	\$	4,767.45	\$	0.00
Totals		\$	286,996.80	\$	27,268.95	\$	259,727.85		

City of Peoria
(Lessee)

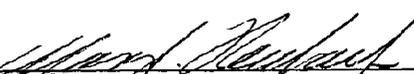
By:


Terrence L. Ellis

Title: City Manager

Chase Equipment Leasing Inc.
(Lessor)

By:



Title: Funding Authority

L CON 01105

CERTIFICATE OF INCUMBENCY

Lessee: City of Peoria

Lease Schedule No. 1000120550 Dated January 21, 2005

I, the undersigned Secretary/Clerk identified below, do hereby certify that I am the duly elected or appointed and acting Secretary/Clerk of the above Lessee (the "Lessee"), a political subdivision duly organized and existing under the laws of the State where Lessee is located, that I have the title stated below, and that, as of the date hereof, the individuals named below are the duly elected or appointed officers of the Lessee holding the offices set forth opposite their respective names.

[NOTE: Use same titles as Authorized Representatives stated in Resolutions.]

<u>Terrence L. Ellis</u>	<u>City Manager</u>	<u><i>Terrence L. Ellis</i></u>
Name	Title	Signature
<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
Name	Title	Signature

IN WITNESS WHEREOF, I have duly executed this certificate and affixed the seal of such Lessee as of the date set forth below.

Mary Jo Kief
Signature of Secretary/Clerk of Lessee



Print Name: Mary Jo Kief
Official Title: City Clerk
Date: 1-20-05

Information Return for Tax-Exempt Governmental Obligations

▶ Under Internal Revenue Code section 149(e)

▶ See separate instructions.

Caution: If the issue price is under \$100,000, use Form 8038-GC.

OMB No. 1545-0720

Part I Reporting Authority If Amended Return, check here

1 Issuer's name CITY OF PEORIA	2 Issuer's employer identification number 86 : 6003634
3 Number and street (or P.O. box if mail is not delivered to street address) 8401 WEST MONROE STREET	Room/suite 4 Report number 3 LP1 2005 G
5 City, town, or post office, state, and ZIP code PEORIA, AZ 85345	6 Date of issue 1/21/05
7 Name of issue LEASE SCHEDULE NO. 1000120550	8 CUSIP number NONE
9 Name and title of officer or legal representative whom the IRS may call for more information OPERATIONS TEAM LEAD	10 Telephone number of officer or legal representative (800) 879-9182

Part II Type of Issue (check applicable box(es) and enter the issue price) See instructions and attach schedule

11 <input type="checkbox"/> Education	11
12 <input type="checkbox"/> Health and hospital	12
13 <input type="checkbox"/> Transportation	13
14 <input type="checkbox"/> Public safety	14
15 <input type="checkbox"/> Environment (including sewage bonds)	15
16 <input type="checkbox"/> Housing	16
17 <input type="checkbox"/> Utilities	17
18 <input checked="" type="checkbox"/> Other. Describe ▶ MÓDULAR BUILDING	18 \$259,727.85
19 If obligations are TANs or RANs, check box <input type="checkbox"/> If obligations are BANs, check box <input type="checkbox"/>	
20 If obligations are in the form of a lease or installment sale, check box <input checked="" type="checkbox"/>	

Part III Description of Obligations. Complete for the entire issue for which this form is being filed.

(a) Final maturity date	(b) Issue price	(c) Stated redemption price at maturity	(d) Weighted average maturity	(e) Yield
21 N/A	\$ 259,727.85	\$ N/A	5 years	4.0000 %

Part IV Uses of Proceeds of Bond Issue (including underwriters' discount)

22 Proceeds used for accrued interest	22	N/A
23 Issue price of entire issue (enter amount from line 21, column (b))	23	N/A
24 Proceeds used for bond issuance costs (including underwriters' discount)	24	N/A
25 Proceeds used for credit enhancement	25	N/A
26 Proceeds allocated to reasonably required reserve or replacement fund	26	N/A
27 Proceeds used to currently refund prior issues	27	N/A
28 Proceeds used to advance refund prior issues	28	N/A
29 Total (add lines 24 through 28)	29	N/A
30 Nonrefunding proceeds of the issue (subtract line 29 from line 23 and enter amount here)	30	N/A

Part V Description of Refunded Bonds (Complete this part only for refunding bonds.)

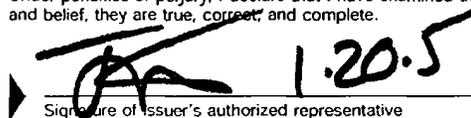
31 Enter the remaining weighted average maturity of the bonds to be currently refunded	N/A years
32 Enter the remaining weighted average maturity of the bonds to be advance refunded	N/A years
33 Enter the last date on which the refunded bonds will be called	N/A
34 Enter the date(s) the refunded bonds were issued	N/A

Part VI Miscellaneous

35 Enter the amount of the state volume cap allocated to the issue under section 141(b)(5)	35	N/A
36a Enter the amount of gross proceeds invested or to be invested in a guaranteed investment contract (see instructions)	36a	N/A
b Enter the final maturity date of the guaranteed investment contract	37a	N/A
37 Pooled financings: a Proceeds of this issue that are to be used to make loans to other governmental units		
b If this issue is a loan made from the proceeds of another tax-exempt issue, check box <input type="checkbox"/> and enter the name of the issuer		
38 If the issuer has designated the issue under section 265(b)(3)(B)(i)(III) (small issuer exception), check box		<input type="checkbox"/>
39 If the issuer has elected to pay a penalty in lieu of arbitrage rebate, check box		<input type="checkbox"/>
40 If the issuer has identified a hedge, check box		<input type="checkbox"/>

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete.

Sign Here

 **1.20.5**

Signature of issuer's authorized representative

Date

John F. Wenderski, CFO

Type or print name and title





City of Peoria

8401 West Monroe Street, Peoria, Arizona 85345

CERTIFICATE OF RECORDING OFFICER

STATE OF ARIZONA)
) ss.
COUNTY OF MARICOPA)

I, the undersigned, Mary Jo Kief, being the duly appointed, qualified and acting City Clerk of Peoria, Maricopa County, Arizona, do hereby certify that the attached document, minutes of the Special City Council Meeting held on September 14, 2004, was approved by the Mayor and Council at the Regular City Council Meeting held on October 5, 2004. I further certify that this is a true and exact copy of the original minutes on file and of record in the Office of the City Clerk.

IN TESTIMONY WHEREOF, I have hereunto set my hand and the seal of said City of Peoria this 19th day of January, 2005.





Mary Jo Kief, City Clerk

CITY OF PEORIA, ARIZONA
COUNCIL CHAMBER
September 14, 2004

A **Special Meeting** of the City Council of the City of Peoria, Arizona was convened at 8401 W. Monroe Street in open and public session at 7:05 p.m.

Following a moment of silence, representatives from Scout Troop 684 led the Pledge of Allegiance.

Members Present: Mayor John Keegan, Vice Mayor Ken Forgia; Councilmembers Bob Barrett, Patricia Dennis, Vicki Hunt, Ella Makula, and Carlo Leone

Members Absent: None

Other Municipal Officials Present: Terrence Ellis, City Manager; Meredith Flinn, Deputy City Manager; Steve Kemp, City Attorney; Mary Jo Kief, City Clerk; Donna Griffith, Deputy City Clerk; David Leonardo, Debra Stark, Neil Mann, Maher Hazine, Larry Rooney, Kirk Haines, Greg Eckman, Sandy Teetsel, Larry Dobrosky, and Walt Begley

Audience: Approximately 55

Note: The order in which items appear in the minutes is not necessarily the order in which they were discussed in the meeting.

PRESENTATION: Mayor Keegan presented Certificates of Appointment/Re-appointment to the following Board and Commission Appointees:

Barry Spiegel – Library Board
Diana Bedient – Parks and Recreation Board
Ken Gentry – Public Safety Retirement Board – Police
Linda Balance – Arts Commission
Keith Dines – Economic Development Advisory Board

Gregory Jones, appointed to the Parks and Recreation Board, was not in attendance.

***CONSENT AGENDA:** *All items listed with an asterisk (*) are considered to be routine by the City Council, and were enacted by one motion. There was no separate discussion of these items during this meeting.*

Mayor Keegan asked if any Councilmember wished to have an item removed from the Consent Agenda. Mayor Keegan had a request to carry over to the October 5th meeting Consent Agenda Item number 394-4C. A motion was made by Councilman Leone to approve the Consent Agenda Items as submitted with the carry over of 394-4C. The motion was seconded by Vice Mayor Forgia and, upon vote, carried unanimously.

***MINUTES:** Approved the minutes of a Special Meeting held on August 24, 2004 at 4:00 p.m. and a Special Meeting held on August 24, 2004 at 7:00 p.m.

***DISPOSITION OF ABSENCE:** Approved the absence of Councilman Carlo Leone from the August 24, 2004 Special 4:00 p.m. and 7:00 p.m. Council Meetings.

***CONSENT – Unfinished Business:**

***381-4C.1 Dedication, Establish Public Street, 75th & Thunderbird Rd**

RESOLUTION NO. 04-170

Adopting a resolution authorizing and accepting the dedication of certain real property from AAA Arizona, Inc. to be used as right of way for improvements on city streets and roadways.

RESOLUTION NO. 04-171

Adopting a resolution authorizing the establishment of a public street, Thunderbird Road and 75th Avenue, to be opened and maintained by the City.

***CONSENT – New Business:**

***391-4C Code Amend, Ch. 2, Community Services Department Fees**

ORDINANCE NO. 04-192

Amending Chapter 2 of the Peoria City Code (1992) by amending Table 2-207 pertaining to fees charged by the Community Services Department and providing for severability and providing for an effective date.

***392-4C Code Amend, Ch. 2, Economic Development Advisory Board**

ORDINANCE NO. 04-193

Amending Section 2-101 pertaining to Economic Development Advisory Board; establishment; members and powers and duties, amending Section 2-150 pertaining to boards and commissions; scheduled boards and commissions; terms, and providing for severability and providing for an effective date.

***393-4C Amend Circulation Plan, General Plan, Deer Valley Rd, 109th to El Mirage Rd**

RESOLUTION NO. 04-172

Adopting an amendment of the General Plan, for the City of Peoria, Arizona; and providing for severability and an effective date.

394-4C Reclassify 91st Av, Deer Valley Rd to Pinnacle Peak Rd

Carried over to the October 5, 2004 Regular Council Meeting the adoption of RES. 04-173 reclassifying 91st Avenue between Deer Valley Road and Pinnacle Peak Road from a collector to an arterial roadway. (GPA04-05)

***395-4C Contract Amend, American Federation of State, County, and Municipal Employees**

Approved an amendment to the Fiscal Years 2005 and 2006 Memorandum of Understanding with the American Federation of State, County, and Municipal Employees to reinstate language previously included and inadvertently left out of the formally adopted contract. (LCON05204A)

***396-4C Contract Amend, Parsons Transportation Group, Water Line Design, Happy Valley Rd, Lake Pleasant Rd to Terramar Blvd**

Approved Contract Amendment No. 7 in an amount not-to-exceed \$86,501 with Parsons Transportation Group for additional design services in preparation of the final design plans for Happy Valley Road from Lake Pleasant Road to Terramar Boulevard. (LCON01202G)

***397-4C Authorize Payment, APS, Fire Station No. 191, 81st Av & Peoria Av**

Authorized the payment of \$73,536.16 to APS for conversion of overhead power facilities and installation of streetlights adjacent to Fire Station No. 191 located at 81st Avenue and Peoria Avenue.

***398-4C Authorize Purchase, H.T.E., Field Reporting Software Licenses**

Authorized the expenditure of \$81,315 for the CAD Enhancement Capital Improvement Project for an additional 60 field reporting software licenses as well as the training, installation, project management, and first year annual support of the latest version of the Field Incident Reporting software from H.T.E. (LCON10504)

***399-4C Budget Transfer City Attorney's Office, Legal Services**

Authorized the transfer of \$109,255 from the General Fund Non-Departmental Contingency Fund; \$100,000 to the Non-City Property Account for outstanding settlements made in Fiscal Year 2004 and \$9,255 to the Legal Services Account for legal claims and outside counsel fees.

***400-4C Grant Acceptance, State Grants in Aid, Funding for Library**

Accepted a grant in the amount of \$6,669 from the general State Grants in Aid to provide funding to Peoria Public Library in Fiscal Year 2005 for training and services. (LCON10604)

***401-4C Utility Easement, Arizona Public Service, 81st Av & Peoria Av**

Authorized the City Manager to grant a utility easement to Arizona Public Service for electrical facilities along 81st Avenue and Peoria Avenue, adjacent to Fire Station No. 191.

***402-4C Dedication, Water Line Easement, 75th Av & Bell Rd**

RESOLUTION NO. 04-174

Adopting a resolution authorizing and accepting the dedication of a certain easement from Cerqua Peoria 75th Avenue Frontage, LLC, and Cerqua Peoria 75th Avenue Backlot, LLC to be used as a public water line easement for improvements within the City of Peoria.

***403-4C Dedication, Sewer Line/Utility Easement, 77th Av & Deer Valley Rd**

RESOLUTION NO. 04-175

Adopting a resolution authorizing and accepting the dedication of a certain easement from Deer Valley Service Center, L.L.C., by Luke Land Realty to be used as a public sewer line easement and a public utility easement for improvements within the City of Peoria.

***404-4C Public Utility Easement, 78th Av & Deer Valley Rd**

RESOLUTION NO. 04-176

Adopting a resolution authorizing and accepting the dedication of a certain easement from Fellowship of Grace Church to be used as a public utility easement for improvements within the City of Peoria.

***405-4C Public Roadway/ Peoria Utility Easement, 78th Av & Deer Valley Rd**

RESOLUTION NO. 04-177

Adopting a resolution authorizing and accepting the dedication of a certain easement from Fellowship of Grace Church to be used as a public roadway and Peoria utility easement for improvements within the City of Peoria.

***406-4C Non-Vehicular Access Easement, 93rd/94th Av & Jomax Rd**

RESOLUTION NO. 04-178

Adopting a resolution authorizing and accepting the dedication of a certain easement from C. William and Marcilline Nichols to be used as a non-vehicular access easement for improvements within the City of Peoria.

***407-4C Dedication, Establish Public Street, 77th Av & Deer Valley Rd**

RESOLUTION NO. 04-179

Adopting a resolution authorizing and accepting the dedication of certain real property from Deer Valley Service Center, L.L.C., by Luke Land Realty to be used as right of way for improvements on city streets and roadways.

***408-4C Final Plat, "91st Avenue & Union Hills" Retail Center, 91st Av & Union Hills Dr**

Approved the final plat for the "91st Avenue & Union Hills" Retail Center located near the northeast corner of 91st Avenue and Union Hills Drive, subject to stipulations. (Project R030162)

***409-4C Condominium Plat, Arrowhead Ranch Office Park, 78th Av & Deer Valley Rd**

Approved a condominium plat for Arrowhead Ranch Office Park located at the southeast corner of 78th Avenue and Deer Valley Road, subject to stipulations. (Project R030183)

***410-4C Authorization to Hold an Executive Session**

Pursuant to ARS 38-431.03.A.4 & .7: Authorized the holding of an Executive Session for the purpose of discussing with legal counsel: 1) on legal issues pertaining to pending litigation: Smyser v. City of Peoria and DLGC v. City of Peoria; and 2) consider negotiations for the purchase, sale or lease of real properties located in the vicinity of 84th Avenue and Washington Street.

REGULAR AGENDA

NEW BUSINESS

69-4R Support of Arizona State University-West

RESOLUTION NO. 04-181

In support of Arizona State University-West being a full service university either as an independently governed institution or as part of Arizona State University.

Former Council Member Hortencia Gutierrez, representing Arizona State University-West, thanked Council for the opportunity to speak concerning the restructuring of higher education in Arizona. Ms. Gutierrez introduced Dr. Bernat, past President of the Academic Senate at ASU-West.

Dr. Bernat explained that a proposal has been put forward for radical changes to be made in the structure of the higher education system for the state. ASU-West may be capped at its present state or down-tiered. An alternative proposal has been made that part of ASU-West become a public metropolitan research campus. The Board of Regents should announce their decision in the Spring of 2005 and then that decision will go to the State Legislature for approval.

Dr. Bernat thanked the Mayor and Council for their support and stated the need to have the West Valley on their side in this matter.

Councilman Barrett moved to adopt RES. 04-181 in support of Arizona State University-West (ASU-West) being a full service university either as an independently governed institution or a part of Arizona State University. Councilwoman Makula seconded the motion which, upon vote, carried unanimously.

70-4R PUBLIC HEARING – Bingo License, Willow Ridge Women's Club, 18825 N. Country Club Pkwy

PUBLIC HEARING: Mayor Keegan opened the Public Hearing for a Class A (Small Game) Bingo License for the Willow Ridge Women's Club to be held at the Vistas Recreation Center, 18825 N. Country Club Parkway, Jeanne C. Sevey, Applicant, #BIS-1010001625.

Staff Report: Staff reported that the property had been posted, all reviewing departments had given approval, all fees were paid, and no comments had been received from the public.

Public Comment: With no comments forthcoming from the public, Mayor Keegan closed the Public Hearing.

Council Action: Councilman Barrett moved to recommend approval to the Arizona Department of Revenue for a Class A (Small Game) Bingo License for the Willow Ridge Women's Club to be held at the Vistas Recreation Center, 18825 N. Country Club Parkway, Jeanne C. Sevey, Applicant, #BIS-1010001625. The motion was seconded by Vice Mayor Forgia and, upon vote, carried unanimously.

71-4R PUBLIC HEARING – Liquor Licenses, Various Locations

PUBLIC HEARING: Mayor Keegan opened the Public Hearing for a **(A)** Person Transfer, On-Sale All Liquor License (Series 6) for Shepherd's West, 8455 W. Peoria Avenue, #LL10001568, Guy K. Sigman, Applicant; **(B)** New Restaurant Liquor License (Series 12) for China 7 Chinese Cuisine, 9163 W. Union Hills Drive #119, #LL18853, Egan K. Huang, Applicant; and **(C)** New Restaurant Liquor License (Series 12) for Peter Piper Pizza #190, 7525 W. Bell Road, #LL10497, Bradley M. Sikes, Applicant.

Staff Report: Staff reported that all properties had been posted, all reviewing departments had given approval, all fees were paid, and no comments had been received from the public.

Public Comment: With no comments forthcoming from the public, Mayor Keegan closed the Public Hearing.

Vice Mayor Forgia asked Police Chief David Leonardo if Shepherd's West had "cleaned up their act." Chief Leonardo reported that there had been very few calls to Shepherd's in the last year.

Council Action: A motion was made by Councilwoman Dennis to recommend approval to the Arizona Liquor Board for **(A)** Person Transfer, On-Sale All Liquor License (Series 6) for Shepherd's West, 8455 W. Peoria Avenue, #LL10001568, Guy K. Sigman, Applicant; **(B)** New Restaurant Liquor License (Series 12) for China 7 Chinese Cuisine, 9163 W. Union Hills Drive #119, #LL18853, Egan K. Huang, Applicant; and **(C)** New Restaurant Liquor License (Series 12) for Peter Piper Pizza #190, 7525 W. Bell Road, #LL10497, Bradley M. Sikes, Applicant. Councilman Barrett seconded the motion which, upon vote, carried unanimously.

72-4R Contract, N. Harris Computer Systems, Utility Billing

Staff explained that this system will replace the current system that was installed before "Y2K" as a short-term solution. A consultant was used to conduct a needs assessment and \$2.8 million was approved in the budget for this project. This system will enhance the customer service provided to the utility customers.

Councilman Leone moved to approve a fixed price contract in the amount of \$836,845 with N. Harris Computer Systems for the purchase and implementation of a new utility billing system. (LCON06704A) The motion was seconded by Councilman Barrett which, upon vote, carried unanimously.

73-4R Zoning Stipulations Amend, Ord. 91-14, 95-65 & 00-126, Loop 101 & Olive

Vice Mayor Forgia moved to continue to the October 19, 2004 City Council Meeting the adoption of **ORD. 04-194** amending the zoning stipulations under Ordinance 91-14, 95-65 and 00-126 on the approximately 23 acres of property generally located near the southwest corner of Loop 101 and Olive Avenue for the future development to be called Olive Commerce Park. The motion was seconded by Councilwoman Dennis which, upon vote, carried unanimously.

74-4R Rezone, 91st Av & Cactus Rd

ORDINANCE NO. 04-195

Zoning property from Planned Unit Development (P.U.D.) zoning district to Planned Area Development (P.A.D.) zoning district; amending the zoning map and providing for an effective date.

Staff explained that this project will include a business park with light industrial. With 85% of Peoria's workforce working out side of Peoria this type of business could help bring a certain amount of this percentage back into Peoria. This project has a significant opportunity to create up to 3,000 jobs. There is still work being done to acquire a 25' right-of-way owned by Salt River Project and this project cannot be completed until the right-of-way has been taken care of.

Discussion followed concerning access to the property with concerns for the increased traffic on Cactus and the possible use of 87th Avenue and Sweetwater which would affect traffic around the elementary school.

Christina Pike, 12798 N. 88th Drive; Ronald Aames, 8748 W. Wethersfield; Michael Roddy, 8746 W. Columbine; Chris Brown, 8754 W. Windrose; and Tom Christensen, 12432 N. 88th Drive, expressed their concerns regarding traffic flow and its diversion into the neighborhoods, the need for six to eight-foot walls instead of three-foot walls, and the increase in traffic around the elementary school.

Dana Beyl, 8837 W. Charter Oak, expressed her opposition to the matter but did not wish to speak.

Michael Curley, 3101 N. Central, representing Jim Chamberlain of Sun State Investments, explained that this project is something the City has wanted for years and studies show a business park is the best use of this land. Significant improvements will be made to 89th Avenue which is only a half street now. The developer is willing to put \$50,000 towards addressing traffic mitigation.

Mayor Keegan called for a recess of 10 minutes at 8:27 p.m.

Mayor Keegan reconvened the meeting at 8:44 p.m.

Councilwoman Dennis explained that Staff has been asked to look at the traffic issues again and to look at the intended uses for this property.

Mayor Keegan explained that the concerns of the neighbors are important and Staff is looking for the best fit.

Mayor Keegan recessed the adoption of **ORD. 04-195** rezoning 72.7 acres located at the northeast corner of 91st Avenue and Cactus Road from Planned Unit Development with C-2 underlying zoning (PUD C-2) to Planned Area Development (PAD) until the October 5, 2004 Regular Council meeting.

75-4R Authorize Expenditure, North Office Site

Staff explained that with all the growth in the northern portion of the city it would seem prudent to move off-site inspectors and building inspectors to a satellite location closer to their working areas. A temporary site has been located at the Beardsley Water Reclamation Plant where a modular building can be installed.

In response to questions from Council, Staff explained that leased office space would cost approximately \$25 per square foot. The cost to build a permanent building at the Reclamation Plant would be prohibitive.

After more discussion a motion was made by Councilwoman Dennis to carry over to the October 5, 2004 meeting the matter of authorizing the expenditure of \$300,000 for the "Establish North Office Site" project and authorized the establishment of a five-year lease purchase of a 4,320 square foot modular office building in the amount of \$259,727.85. Councilwoman Hunt seconded the motion and, upon vote, carried unanimously.

CALL TO PUBLIC: (NON-AGENDA ITEMS) John Hjelm, 8305 W. Behrend, expressed his congratulations to Councilman Barrett for his re-election to the City Council. Mr. Hjelm also asked Council to vigorously carry-out a campaign on Proposition 400 and inquired as to the status of the Beardsley extension.

Mayor Keegan explained that the City cannot use tax payer's dollars in support of or opposition to any political measure.

Reports from the City Manager:

Maher Hazine, Assistant City Engineer, explained that a number of projects that would affect residents in Peoria are dependent on funding from Proposition 400. Several mentioned were the Beardsley Road Connection, Happy Valley Road from Lake Pleasant Parkway to Interstate 17, Lake Pleasant Parkway to State Route 74, and the Northern Avenue Parkway.

Reports from City Council:

Councilwoman Dennis thanked all of the citizens who came out on the rezoning at 91st Avenue and Cactus.

Councilman Leone reported that he attended the Peoria Diamond Club dinner last week where 100% of the monies raised during Spring Training goes to the children. He also attended the Fiestas Patrias dinner which is a good tradition for Peoria. Mr. Leone also asked City Attorney Steve Kemp to explain about "pocket scooters."

Mr. Kemp explained that these vehicles must be registered and have a license, also the operator must have a license; however, the state will not issue a license for these vehicles. So you can buy them but they are illegal to operate on a public roadway.

Reports from Mayor:

None

ADJOURNMENT:

Being no further business to come before the Council, the meeting was duly adjourned at 9:13 p.m.



John C. Keegan VICE-MAYOR
John C. Keegan, Mayor

ATTEST:

Mary Jo Kief
for Mary Jo Kief, City Clerk

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 Peoria, Arizona held on the 14th day of September, 2004. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this 5th day of October, 2004.



Mary Jo Kief
for Mary Jo Kief, City Clerk



City of Peoria

Office of the City Attorney

8401 W. Monroe Street, Peoria Arizona 85345

Phone: 623-773-7330

Civil/Risk Fax: 623-773-7043

Criminal/Victim's Assistance Fax: 623-773-7323

E-Mail: cityattorney@peoriaaz.com

OPINION OF COUNSEL

Date: January 19, 2005

Lessee: City of Peoria

Lessor: Chase Equipment Leasing, Inc.

Re: Lease Schedule No. 1000120550, dated January 21, 2005, together with its Master Lease-Purchase Agreement, dated as of January 21, 2005 by and between the above-named Lessee and the above-named Lessor;
Five-Year Lease Purchase of 60' x72' Modular Building

Gentlemen:

I have acted as counsel to Lessee with respect to the Lease Schedule and the Master Lease-Purchase Agreement (collectively, the "Agreements"), and in this capacity have reviewed a duplicate original or certified copy of the Agreements and such other documents as I have deemed necessary for the purposes of this opinion.

Based upon the examination of such documents, it is my opinion that:

1. Lessee is a political subdivision of the State of Arizona (the "State") duly organized, existing and operating under the Constitution and laws of the State.
2. Lessee is authorized and has power under State law to enter into all of the Agreements, and to carry out its obligations thereunder and the transactions contemplated thereby.
3. The Agreements have been duly authorized, approved and executed by and on behalf of Lessee, and each of the Agreements is a valid and binding contract of Lessee enforceable in accordance with its terms, except to the extent limited by Local, State, and Federal laws affecting creditor's remedies and by bankruptcy, reorganization or other laws of general application relating to or affecting the enforcement of creditors' rights.

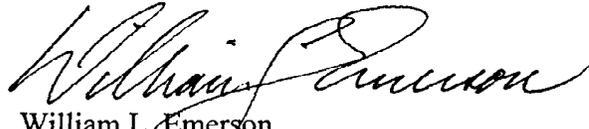
4. The authorization, approval and execution of the Agreements have been performed in accordance with all applicable Local, State and Federal laws (including open meeting laws and public bidding and property acquisition laws).

5. To the best of my knowledge, there is no litigation or proceeding pending before any court, administrative agency or governmental body, that challenges: the organization or existence of Lessee; the authority of its officers; the property authorization, approval and execution of any of the Agreements or any documents relating thereto; the appropriation of monies to make payments under the Agreements for the current fiscal year; or the ability of Lessee otherwise to perform its obligations under the Agreements and the transactions contemplated thereby.

Lessor, its Assignee, and any of their assigns may rely upon this opinion.

Best regards,

CITY OF PEORIA, ARIZONA
OFFICE OF THE CITY ATTORNEY



William L. Emerson
Deputy City Attorney

WLE/D

LEASE-PURCHASE (NON TITLE VEHICLE) INSURANCE REQUEST LETTER
PUBLIC SECTOR

1-20-05
(Date)
MISTROW FINANCIAL
(Agent)
321 N. CLARK ST, 11th Floor
(Street Address)
CHICAGO IL 60610
(City, State, Zip)
312-595-7101
(Telephone Number)

Dear Agent:

Chase Equipment Leasing Inc. ("CELI") requires proof of acceptable insurance coverage before the lease transaction can close. The requirements identified below must stay in full effect throughout the term of the transaction.

1. The certificate of insurance must be issued directly to Chase Equipment Leasing Inc. and shall be issued by a company having an A.M. Best Rating of at least A with a Financial Size Category of at least VII
2. The certificate of insurance must be executed.
3. The insurance must be primary and without right of contribution and any insurance maintained by CELI or any other additional insured or loss payee will be in excess and non-contributory.
4. Policies must include a Waiver of Subrogation in favor of "Chase Equipment Leasing Inc., its parent and affiliates, successors or assigns".
5. Policies must include a Severability of Interest and Cross-Liability clause.
6. Policies must include a thirty (30) day prior written Notice of Cancellation to the Certificate Holder/Additional Insured. Such notice must be directed by certified mail to: Chase Equipment Leasing Inc., 1111 Polaris Parkway, Suite A3, Columbus, Ohio 43240, Attn: Insurance Dept.
7. PHYSICAL DAMAGE
 - a. Replacement cost coverage for the equipment identified on the attached Schedule A-1, which is estimated to be \$259,727.85.
 - b. "Chase Equipment Leasing Inc., its parent and affiliates, successors or assigns" shall be named as Loss Payee as owners of the equipment. "Mortgagee" will not be acceptable as this indicates a security interest rather than ownership as described above.
8. LIABILITY
 - a. General liability coverage must be provided in the amount of \$5,000,000.00.
 - b. "Chase Equipment Leasing Inc., its parent and affiliates, successors or assigns" shall be named as Additional Insured
 - c. Provide proof of Worker's Compensation insurance including a Waiver of Subrogation in favor of CELI.

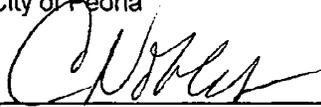
Please immediately send proof of the above insurance requirements **VIA FACSIMILE TRANSMITTAL 614-213-0756**.

L CON 01105

PLEASE REFERENCE THE COMPLETE LEASE NUMBER AS LISTED BELOW FOR TRACKING PURPOSES.

THANK YOU.

Sincerely,
City of Peoria



(By)

1000120550
(Lease Number)

=====

Verified By: _____ Date: _____
(CELI Employee)

insurnontitle.Lease

L CON 01105

Chase Equipment Lease
Lease Schedule Number 1000120550
P05-0016
5 Year Lease Purchase of a 60' X 72' Modular Building

City of Peoria
a municipal corporation



Terrence L. Ellis, City Manager

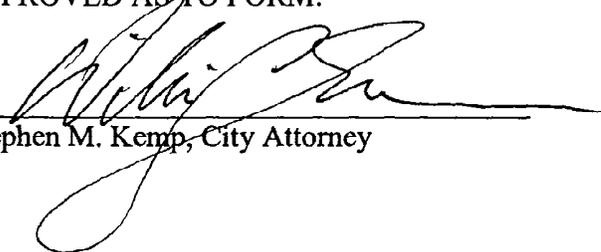
1-20-05
Date

ATTESTED BY:




Mary Jo Kief, City Clerk

APPROVED AS TO FORM:



for Stephen M. Kemp, City Attorney

L CON 01105

PREPAYMENT RESTRICTION SCHEDULE ADDENDUM

Lease Schedule No. 1000120550

Lessee: City of Peoria

Reference is made to the above Lease Schedule ("Schedule") and to the Master Lease-Purchase Agreement ("Master Lease") identified in the Schedule, which are by and between Chase Equipment Leasing Inc. ("Lessor") and the above lessee ("Lessee"). As used herein: "Lease" shall mean the Schedule and the Master Lease, but only to the extent that the Master Lease relates to the Schedule. This Schedule Addendum amends and supplements the terms and conditions of the Lease. Unless otherwise defined herein, capitalized terms defined in the Lease shall have the same meaning when used herein.

1. Solely for purposes of the Schedule, Lessor and Lessee agree that, notwithstanding anything to the contrary in the Lease (express or implied), Lessee's option under Section 15 of the Master Lease to purchase the Equipment or to prepay the Lease obligations may be exercised by Lessee only on or after the Permitted Prepayment Month of Lease Term (as stated below).

Permitted Prepayment Month: on or after the 60th month of the Lease Term

2. The parties acknowledge that the Termination Value column of the Payment Schedule to the above Lease Schedule is included solely for purposes of the calculations required by Sections 13.3 (casualty loss of Equipment) and 14.1 (required amount of casualty loss insurance) of the Master Lease and said Termination Value column does not negate the restrictions on purchase options or voluntary prepayment in paragraph 1 of this addendum.

3. Except as expressly amended or supplemented by this Addendum and other instruments signed by Lessor and Lessee, the Lease remains unchanged and in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this Addendum as of the date of the Schedule first referenced above.

CITY OF PEORIA

(Lessee)

By: _____


Terrence L. Ellis

Title: City Manager

CHASE EQUIPMENT LEASING INC.

(Lessor)

By: _____


Title: Funding Authority

MASTER LEASE-PURCHASE ADDENDUM
(For Government Lessee in the State of Arizona)

Dated As Of January 21, 2005

Master Lease-Purchase Agreement Dated January 21, 2005

Lessee: City of Peoria

Reference is made to the above Master Lease-Purchase Agreement ("Master Lease") by and between Chase Equipment Leasing Inc. ("Lessor") and the above lessee ("Lessee"). This Addendum amends and modifies the terms and conditions of the Master Lease and is hereby made a part of the Master Lease. Unless otherwise defined herein, capitalized terms defined in the Master Lease shall have the same meaning when used herein.

NOW, THEREFORE, as part of the valuable consideration to induce the execution of Leases, Lessor and Lessee hereby agree to amend the Master Lease as follows:

1. RIGHT TO CANCEL A LEASE SCHEDULE UNDER A.R.S. SECTION 38-511. Lessor acknowledges that, to the extent provided by A.R.S. section 38-511, Lessee may within three (3) years after its execution of a Lease Schedule cancel such Lease Schedule without penalty or further obligation of Lessee if any person significantly involved in initiating, negotiating, securing, drafting or creating such Lease Schedule on behalf of Lessee is at any time while such Lease Schedule or any extension thereof is in effect an employee or agent of Lessor in any capacity or a consultant to Lessor with respect to the subject matter of such Lease Schedule.

2. NO OTHER AMENDMENTS. Except as expressly amended by this Addendum and other modifications signed by Lessor, the Master Lease remains unchanged and in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this Addendum as of the date first referenced above.

City of Peoria
(Lessee)

By: _____

Terrence L. Ellis

Title: City Manager

Chase Equipment Leasing Inc.
(Lessor)

By: _____

Title: _____

ACORD™ CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
01/20/05

PRODUCER Mesrow Insurance Services, Inc. 350 N. Clark Street Chicago, IL 60610	THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.	
	INSURERS AFFORDING COVERAGE	NAIC #
INSURED City of Peoria 8401 W. Monroe Street Peoria, AZ 85345	INSURER A: St Paul Companies - Chicago	
	INSURER B:	
	INSURER C:	
	INSURER D:	
	INSURER E:	

COVERAGES

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

INSR ADD'L LTR	INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS	
A		GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR BI/PD Ded:500000 GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC	GP06301403	07/01/04	07/01/05	EACH OCCURRENCE	\$2,000,000
						DAMAGE TO RENTED PREMISES (Ea occurrence)	\$100,000
						MED EXP (Any one person)	\$EXCLUDED
						PERSONAL & ADV INJURY	\$2,000,000
						GENERAL AGGREGATE	\$2,000,000
						PRODUCTS - COMP/OP AGG	\$2,000,000
		AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS				COMBINED SINGLE LIMIT (Ea accident)	\$
						BODILY INJURY (Per person)	\$
						BODILY INJURY (Per accident)	\$
						PROPERTY DAMAGE (Per accident)	\$
		GARAGE LIABILITY <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT	\$
						OTHER THAN AUTO ONLY: EA ACC	\$
						AGG	\$
A		EXCESS/UMBRELLA LIABILITY <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE <input type="checkbox"/> DEDUCTIBLE <input checked="" type="checkbox"/> RETENTION \$ 10000	GP06301403	07/01/04	07/01/05	EACH OCCURRENCE	\$15,000,000
						AGGREGATE	\$15,000,000
							\$
							\$
		WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? If yes, describe under SPECIAL PROVISIONS below				WC STATU-TORY LIMITS	OTH-ER
						E.L. EACH ACCIDENT	\$
						E.L. DISEASE - EA EMPLOYEE	\$
						E.L. DISEASE - POLICY LIMIT	\$
		OTHER					

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS

Chase Equipment Leasing, Inc. Its parent & affiliates, successors or assigns is named as an additional insured with respects to general liability for the rental of a Modular Building Office Space at 107th Avenue & Beardsley Road, Peoria, AZ.

CERTIFICATE HOLDER

Chase Equipment Leasing, Inc.
 Its Parents & affiliates,
 successors or assigns
 1111 Polaris Parkway, Suite A3
 Columbus, OH 43240
 Attn: Insurance Department

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

John P. [Signature]

IMPORTANT

If the certificate holder is an **ADDITIONAL INSURED**, the policy(ies) must be endorsed. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

If **SUBROGATION IS WAIVED**, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

DISCLAIMER

The Certificate of Insurance on the reverse side of this form does not constitute a contract between the issuing insurer(s), authorized representative or producer, and the certificate holder, nor does it affirmatively or negatively amend, extend or alter the coverage afforded by the policies listed thereon.

**CITY OF PEORIA, ARIZONA
COUNCIL COMMUNICATION**

CC: 75-4R1
Amend No. _____

Date Prepared: August 27, 2004

Council Meeting Date: September 14, 2004

TO: Terry Ellis, City Manager

FROM: Neil Mann, Public Works Director, *DM for Neil*

PREPARED BY: Walt Begley, Facilities & Transit Manager

SUBJECT: 1) Authorize expenditure of \$300,000 for the "Establish North Office Site" project (PW00330). 2) Authorize the establishment of a five year lease purchase of a 4,320 square foot modular office building in the amount of \$259,727.85.

RECOMMENDATION:

That the Mayor and Council authorize 1) The expenditure of \$300,000 for site preparation work and information technology infrastructure for implementation of the "Establish North Office Lease Site" project (PW00330) budgeted in account number 1000-0310-542002-CIPOF-PW00330EQ. 2) Authorize the establishment of a five year lease purchase through Banc One Leasing Corporation of a 4,320 square foot modular office building in the amount of \$259,727.85. William Scotsman will be constructing the modular using the Mohave County Contract number 00G-MVS-0929. Lease payments and ongoing operational expenses are budgeted in account number 3250-3710-524506.

SUMMARY:

In the FY05 Capital Improvement Program the Mayor and Council approved project PW00330 for the purpose of establishing leased City office space. \$300,000 was budgeted in the Capital Improvement Program and \$117,000 was budgeted as an ongoing expense in the Facilities operations budget. The purpose of this space is to provide space for the Engineering Offsite Inspectors and the Building Safety Inspectors. An area of land located at the Beardsley Waste Water Plant that is not scheduled to be developed for a period of more than five years was identified as a good

CITY CLERK USE ONLY:

Consent Agenda

ORD. number _____ RES. number _____

Carry Over to Date: _____

LCON Number _____ LIC. number _____

Approved

Action Date: _____

Unfinished Business (Date heard previous: _____)

New Business

location due to the proximity of activities that require the services of the two groups. The Community Development department has determined that this project qualifies under a Temporary Use Permit.

The itemization of the \$300,000 in expenditures is; 1) \$99,315.35 for site preparation in the form of water, sewer, electric, data, parking lot, fencing and a security gate to Modular Solutions Inc., who are on contract number OOH-MSL-00929. 2) \$61,624.73 for Furniture to Goodman's who are on contracts number ADO-120200 and number ADO30038-004. 3) \$76,000 for Information Technology equipment from IKON/HP who are on contract number WSCA 90-0015 and AD990005-002. 4) \$25,500 for Information Technology equipment from NEC who is on contract number AD000187-011. 5) \$14,000 for cabling services from Compel who is on contract number AD020193-018. 6) \$23,559.92 as a contingency for unanticipated elements of the project.

Facilities worked with the Finance Department to obtain the best lease/purchasing pricing available for the modular building. Materials Management and Treasury staff utilized an existing contract through Mohave County to work with Banc One Leasing Corporation to secure tax exempt financing at a competitive rate based on the City's AA bond rating. The modular building will be lease purchased at the approximate fixed rate of 3.88% for a five year term with monthly payments in the approximate amount of \$5,000. Sufficient funding for the lease is budgeted in Facilities Maintenance – Capital Projects, Buildings and Land Lease Account number 3250-3710-524506.

This project is planned to be complete and ready for staff to occupy during the last two weeks of November 2004.

ATTACHMENT: Site Layout
Modular Building Plan
Draft Lease Agreement

**CITY OF PEORIA, ARIZONA
COUNCIL COMMUNICATION**

CC: 75-4R.1
Amend No. _____

Date Prepared: August 27, 2004

Council Meeting Date: October 5, 2004

TO: Terry Ellis, City Manager

FROM: Neil Mann, Public Works Director *Neil*

PREPARED BY: Walt Begley, Facilities & Transit Manager *WB*

SUBJECT: 1) Authorize expenditure of \$300,000 for the "Establish North Office Site" project (PW00330). 2) Authorize the establishment of a five year lease purchase of a 4,320 square foot modular office building in the amount of \$259,727.85. [REMOVED FROM SEPTEMBER 14, 2004, AGENDA (CC75-4R), AND CARRIED FORWARD TO OCTOBER 5, 2004 MEETING PENDING FOLLOW-UP DISCUSSIONS WITH THE MAYOR AND CITY COUNCIL]

RECOMMENDATION:

That the Mayor and Council authorize 1) The expenditure of \$300,000 for site preparation work and information technology infrastructure for implementation of the "Establish North Office Lease Site" project (PW00330) budgeted in account number 1000-0310-542002-CIPOF-PW00330EQ. 2) Authorize the establishment of a five year lease purchase through Banc One Leasing Corporation of a 4,320 square foot modular office building in the amount of \$259,727.85. William Scotsman will be constructing the modular using the Mohave County Contract number 00G-MVS-0929. Lease payments and ongoing operational expenses are budgeted in account number 3250-3710-524506.

SUMMARY:

In the FY05 Capital Improvement Program the Mayor and Council approved project PW00330 for the purpose of establishing leased City office space. \$300,000 was budgeted in the Capital Improvement Program and \$117,000 was budgeted as an ongoing expense in the Facilities operations budget. The purpose of this space is to

CITY CLERK USE ONLY:

Consent Agenda

ORD. number _____ RES. number _____

Carry Over to Date: _____

LCON Number _____ LIC. number _____

Approved

Action Date: _____

Unfinished Business (Date heard previous: _____)

New Business

REV. 10/99

provide space for the Engineering Offsite Inspectors and the Building Safety Inspectors. An area of land located at the Beardsley Waste Water Plant that is not scheduled to be developed for a period of more than five years was identified as a good location due to the proximity of activities that require the services of the two groups. The Community Development department has determined that this project qualifies under a Temporary Use Permit.

The itemization of the \$300,000 in expenditures is; 1) \$99,315.35 for site preparation in the form of water, sewer, electric, data, parking lot, fencing and a security gate to Modular Solutions Inc., who are on contract number OOH-MSL-00929. 2) \$61,624.73 for Furniture to Goodman's who are on contracts number ADO-120200 and number ADO30038-004. 3) \$76,000 for Information Technology equipment from IKON/HP who are on contract number WSCA 90-0015 and AD990005-002. 4) \$25,500 for Information Technology equipment from NEC who is on contract number AD000187-011. 5) \$14,000 for cabling services from Compel who is on contract number AD020193-018. 6) \$23,559.92 as a contingency for unanticipated elements of the project.

Facilities worked with the Finance Department to obtain the best lease/purchasing pricing available for the modular building. Materials Management and Treasury staff utilized an existing contract through Mohave County to work with Banc One Leasing Corporation to secure tax exempt financing at a competitive rate based on the City's AA bond rating. The modular building will be lease purchased at the approximate fixed rate of 3.88% for a five year term with monthly payments in the approximate amount of \$5,000. Sufficient funding for the lease is budgeted in Facilities Maintenance – Capital Projects, Buildings and Land Lease Account number 3250-3710-524506.

This project is planned to be complete and ready for staff to occupy during the last two weeks of November 2004.

ATTACHMENT: Site Layout
Modular Building Plan
Draft Lease Agreement