CITY COUNCIL REGULAR MEETING NOTICE & AGENDA
Tuesday, June 19, 2012
7:00 PM
CITY COUNCIL CHAMBER

MUNICIPAL OFFICE COMPLEX
8401 W. MONROE STREET
PEORIA, AZ 85345

CITY COUNCIL:

Mayor
Bob Barrett

Palo Verde District
Ron Aames, Vice Mayor

Acacia District
Tony Rivero

Ironwood District
Dave Pearson

Mesquite District
Cathy Carlat

Pine District
Carlo Leone

Willow District
Joan Evans

City Manager
Carl Swenson

CONVENE:
PLEDGE:
ROLL CALL:

FINAL CALL TO SUBMIT SPEAKER REQUEST FORMS:

PRESENTATION:

1. Peoria Legislator Recognitions

2. St. Joseph's Medical Group

3. Certificates of Election to the following Public Safety Retirement System Local Fire and Police Board members as ratified by **RES. 2012-81** at the June 5, 2012 City Council Meeting:
   - Mark Barbee elected to the Public Safety Retirement System Local Board – Fire
   - Stephen Hadley elected to the Public Safety Retirement System Local Board – Police

4. Certificates of Appointment to the following Board and Commission members who were appointed by Resolution at the June 5, 2012 City Council meeting:

   - Donald Biery appointed to the Parks and Recreation Board,
   - Richard Ward appointed to the Parks and Recreation Board,
   - Usamma Amjad appointed to the Youth Advisory Board,
   - Lincoln Crump appointed to the Youth Advisory Board,

- Janell Cooke appointed to the Youth Advisory Board,
- Jasmine Kunkes appointed to the Youth Advisory Board,
- Kiley Perkins appointed to the Youth Advisory Board,
- Arria Reams appointed to the Youth Advisory Board,
- Alec Willems appointed to the Youth Advisory Board, and
- Leonard Spraker appointed to the Planning and Zoning Commission.

CONSENT AGENDA

CONSENT AGENDA: All items listed with "C" are considered to be routine or have been previously reviewed by the City Council, and will be enacted by one motion. There will be no separate discussion of these items unless a Councilmember so requests; in which event the item will be removed from the General Order of Business, and considered in its normal sequence on the Agenda.

CONSENT – New Business:

1C Minutes

Discussion and possible action to approve the following minutes:

June 5, 2012 Special Meeting and Study Session
June 5, 2012 Regular Meeting

2C Annexation, Right-of-Way, 99th Avenue and Beardsley Road

Discussion and possible action to adopt **ORD. 2012-10** approving the annexation of right-of-way at the intersection of 99th Avenue and Beardsley Road.

3C Contract, Greater Phoenix Economic Council, Economic Development Activites

Discussion and possible action to authorize the City Manager to renew the service contract with the Greater Phoenix Economic Council for economic development activities in Fiscal Year 2013.

4C Intergovernmental Agreement Amendment, Maricopa County Library District, Reciprocal Borrowing Program

Discussion and possible action to approve the Sixth Amendment and extend the Intergovernmental Agreement with the Maricopa County Library District for the Reciprocal Borrowing Program, effective July 1, 2012 to June 30, 2013.

5C **Intergovernmental Agreement, Arizona Department of Transportation, Installation of Pedestrian Countdown Signal Heads - Various Locations**

Discussion and possible action to adopt **RES. 2012-84** approving the Intergovernmental Agreement (IGA) with the Arizona Department of Transportation (ADOT) for installation of Pedestrian Countdown Signal Heads at various locations within the City of Peoria (City).

6C **Improvement Agreement, Seattle Mariners, San Diego Padres, 20-Year extension of Peoria Sports Complex**

Discussion and possible action to approve an Improvement Agreement regarding the financing and construction of improvements at the Peoria Sports Complex.

7C **Use Agreement, Seattle Mariners, San Diego Padres, 20-Year extension of Peoria Sports Complex**

Discussion and possible action to approve a Use Agreement with the Seattle Mariners and San Diego Padres regarding future usage of the Peoria Sports Complex.

8C **Grant, Department of Public Safety, Victims of Crime Act**

Discussion and possible action to: (a) accept $42,946 from the Arizona Department of Public Safety (DPS) Victims of Crime Act (VOCA) for Peoria's participation in the Fiscal Year 2013 Crime Victim Assistance Grant Program; and (b) approve a budget transfer in the amount of $42,946 from the Proposed Grants Contingency Account to the Victims of Crime Act (VOCA) Grant account for salary and wages.

9C **Deeds and Easements, Various Locations**

Discussion and possible action to adopt **RES. 2012-85** accepting Deeds and Easements for various Real Property interests acquired by the City.

10C **Designate Roadways, Establish Rights-of-Way, Various Locations**

Discussion and possible action to adopt **RES. 2012-86** designating various Real Properties to be used as City roadways and authorize the establishment of Public Rights-of-Way to be opened and maintained by the City as a Public Street.

11C Easement, Salt River Project Irrigation, 75th Avenue and Thunderbird Road Intersection Widening Project

Discussion and possible action to adopt **RES. 2012-87** authorizing the execution of an Irrigation Easement to Salt River Project for the relocation and maintenance of irrigation facilities associated with the construction of the 75th Avenue and Thunderbird Road Intersection Widening Project.

12C Real Estate Purchase, New River Trail, Rose Garden Lane and 77th Avenue Alignment

Discussion and possible action to authorize the acquisition of approximately 5 acres of land that will allow for the extension of New River Trail south from Riverstone Estates to the Bureau of Land Management parcel.

13C Sale of City of Peoria, Arizona, General Obligation Bonds, Series A (2012)

Discussion and possible action to adopt **RES. 2012-89** authorizing the sale and issuance of General Obligation Bonds, Series A (2012), in an amount not to exceed $15,000,000; providing for the annual levy of a tax on all the taxable property within the City of Peoria for the payment of principal and interest of the bonds; appointing and authorizing a contract for a bond registrar and paying agent; approving a contract for continuing disclosure of the bonds; ratifying the distribution of a Preliminary Official Statement (POS) and approving an Official Statement (OS); awarding a contract for the purchase of the bonds; and declaring an emergency.

14C Sale of City of Peoria, Arizona, General Obligation Refunding Bonds, Series B (2012)

Discussion and possible action to adopt **RES. 2012-90** authorizing the sale and issuance of General Obligation Refunding Bonds, Series B (2012), in an amount not to exceed $15,000,000; providing for the annual levy of a tax on all the taxable property within the City of Peoria for the payment of principal and interest of the bonds; appointing and authorizing a contract for a bond registrar and paying agent; appointing an escrow trustee and approving an escrow trust agreement for the safekeeping and handling of funds used to pay the bonds being refunded; approving a contract for continuing disclosure of the bonds; ratifying the distribution of a Preliminary Official Statement (POS) and approving an Official Statement (OS); awarding a contract for the purchase of the bonds; and declaring an emergency.

15C **Sale of City of Peoria, Arizona, Water and Wastewater Revenue Refunding Bonds, Series 2012**

Discussion and possible action to adopt **RES. 2012-91** ordering the sale of Water and Wastewater Revenue Refunding Bonds, Series 2012, in an amount of not to exceed $30,000,000; providing for the collection and disposition of revenues from the water and wastewater systems for security and payment of the bonds; authorizing a contract for a bond registrar and payment agent; approving a contract for continuing disclosure of the bonds; ratifying the distribution of a Preliminary Official Statement (POS) and approving an Official Statement (OS); awarding a contract for the purchase of the bonds; and declaring an emergency.

16C **Sale of Peoria Municipal Development Authority, Inc. Revenue Bonds, Series 2012**

Discussion and possible action to adopt **RES. 2012-92** authorizing the execution and delivery of a Series 2012 City Purchase Agreement and 2012 Continuing Disclosure Agreement; approving the execution and delivery by the Peoria Municipal Development Authority (MDA) of such City Purchase Agreement and a Third Supplement to the Trust Indenture; approving an Official Statement (OS) and its circulation; approving the issuance of Peoria Municipal Development Authority, Inc. Revenue Bonds, Series 2012, in an amount not to exceed $50,000,000; delegating authority to the Chief Financial Officer to handle matters pertaining to the bond sale; and all other actions necessary for the sale of bonds and declaring an emergency.

17C **General Liability Insurance Package Fiscal Year 2013**

Discussion and possible action to award a General Liability Insurance Package for Fiscal Year 2013 as recommended by Mesirow Financial Insurance Services to maintain the City's Self-insured Retention (SIR) level at $1,000,000 per claim occurrence and $3,000,000 for the aggregate of claims during the year, with layers of insurance above those amounts.

18C Amended Memoranda of Understanding, American Federation of State, County and Municipal Employees (AFSCME), United Phoenix Firefighters Association(PFFA) and Peoria Police Officer's Association (PPOA)

Discussion and possible action to approve the amendments to the Memoranda of Understanding with the American Federation of State, County and Municipal Employees, United Phoenix Firefighters Association, and Peoria Police Officer's Association.

REGULAR AGENDA

NEW BUSINESS

19R Confirmation – City Manager Appointment of Fire Chief

Discussion and possible action to confirm the City Manager appointment of Bobby Anthony Ruiz as Fire Chief, effective July 9, 2012.

20R Confirmation – City Manager Appointment of Human Resources Director

Discussion and possible action to confirm the City Manager appointment of Julie Ayers as Human Resources Director, effective July 23, 2012.

21R Contract, Ames Construction Inc., Lake Pleasant Parkway, Westwing Parkway to State Route 303L

Discussion and possible action to: (a) approve a contract with Ames Construction Inc. in the not-to-exceed amount of $16,654,802 for construction of improvements on Lake Pleasant Parkway; Westwing Parkway to State Route 303L, including the installation of new water and wastewater lines; (b) approve a contract with Ames Construction Inc. in the not-to-exceed amount of $1,384,000 for design of improvements on Lake Pleasant Parkway; Westwing Parkway to State Route 303L, including the installation of new water and wastewater lines; (c) authorize a ten percent owner’s contingency to be held outside the construction contract for unforeseen conditions; and (d) approve a budget transfer up to $292,000 to establish the outside sources appropriation needed to expend funds received from the developer of Lake Pleasant Promenade for off-site improvements at the Lake Pleasant Parkway and Jomax Road intersection.

22R **Agreement, Economic Development, Maxwell Technologies**

Discussion and possible action to authorize the City Manager to execute an agreement with Maxwell Technologies for the purpose of economic development in the City of Peoria.

23R **Exclusive Negotiating Agreement, Trine University**

Discussion and possible action to authorize the City Manager to enter into an Exclusive Negotiating Agreement with Trine University for the development of a Trine branch campus in Peoria.

24R **Vistancia Commercial Core Targeted Industry Attraction Strategy**

Discussion and possible action to approve the Vistancia Targeted Industry Attraction Strategy for the marketing and promotion of the Vistancia Commercial Core.

25R **Revisions, Neighborhood Traffic Management Program (NTMP) Goals, Objectives and Policies**

Discussion and possible action to approve the proposed revisions to the Neighborhood Traffic Management Program (NTMP) Goals, Objectives and Policies.

26R **Fiscal Year 2013 Property Tax Levy**

Discussion and possible action to adopt **RES. 2012-88** and **ORD 2012-11** adopting the City of Peoria, Arizona Primary and Secondary Property Tax Levies for Fiscal Year 2013 and declaring an emergency.

27R **Fiscal Year 2013 Street Light and Maintenance Improvement District Levies**

Discussion and possible action to adopt **ORD. 2012-12** and **ORD. 2012-13** adopting the Street Light and Maintenance Improvement District Levies for Fiscal Year 2013 and declaring an emergency.

CALL TO THE PUBLIC: (NON-AGENDA ITEMS)

If you wish to address the City Council, please complete a Speaker Request Form and return it to the clerk before the call to order for this meeting. The City Council is not authorized by state law to discuss or take action on any issue raised by public comment until a later meeting.

Reports from the City Manager:

1. Council Calendar
2. Reports with Presentation
3. Informational (The following items are included for informational purposes only. There will be no separate discussion of these items unless a Councilmember so requests.)

    a. Peoria Development Services Online Portal
    b. Legislative Update

Reports from City Council:
Reports from the Mayor:

ADJOURNMENT

NOTE: Documentation (if any) for items listed on the Agenda is available for public inspection, a minimum of 24 hours prior to the Council Meeting, at any time during regular business hours in the Office of the City Clerk, 8401 W. Monroe Street, Room 150, Peoria, AZ 85345.

Accommodations for Individuals with Disabilities. *Alternative format materials, sign language interpretation, assistive listening devices or interpretation in languages other than English are available upon 72 hours advance notice through the Office of the City Clerk, 8401 West Monroe Street, Room 150, Peoria, Arizona 85345 (623)773-7340, TDD (623)773-7221, or FAX (623) 773-7304. To the extent possible, additional reasonable accommodations will be made available within the time constraints of the request.*

PUBLIC NOTICE:

In addition to the City Council members noted above, one or more members of the City of Peoria Boards and Commissions may be present to observe the City Council meeting as noticed on this agenda.

Pres. #1

CITY OF PEORIA, ARIZONA
COUNCIL COMMUNICATION

Date Prepared: June 4, 2012 Council Meeting Date: June 19, 2012

TO: Carl Swenson, City Manager

FROM: John Schell, Intergovernmental and Council Affairs, Director

SUBJECT: Friends of Peoria: Arizona Legislator Recognitions

Purpose:

To recognize State Legislators who were receptive and/or actively helpful on issues of importance to the City of Peoria during the 2012 Legislative Session.

Background/Summary:

Senators Frank Antenori, Rick Murphy, and John Nelson, and Representatives David Gowan, Rick Gray, Debbie Lesko, Phil Lovas, and Jerry Weiers will be recognized by Peoria Mayor and City Council for their supportive contributions to the City of Peoria.

Previous Actions:
N/A

Options:

A: N/A
B: N/A

Staff's Recommendation:

N/A

Fiscal Analysis: N/A

Narrative: N/A

Exhibit(s): N/A

Contact Name and Number: John Schell (623) 773-7370 or Lisa Estrada (623) 773-7684

CITY OF PEORIA, ARIZONA
COUNCIL COMMUNICATION

Pres. #2

Date Prepared: 06/11/12 **Council Meeting Date: 06/19/12**

TO: Council Members

FROM: Mayor Bob Barrett

SUBJECT: St. Joseph's Medical Group Presentation

Purpose:

Suzanne Pfister, Vice President for External Affairs for St. Joseph's Medical Group will present an update to the Council regarding recent activity in the West Valley and future plans.

Background/Summary:

St. Joseph's Medical Group has opened a clinic in Peoria and has future plans for development in and around the City. They would like to provide an update to Council on that activity.

Previous Actions:

Options:

Contact Name and Number: Bob Barrett, 623-773-7368

Pres. #3

CITY OF PEORIA, ARIZONA
COUNCIL COMMUNICATION

Date Prepared: May 21, 2012 **Council Meeting Date: June 19, 2012**

TO: **Carl Swenson, City Manager**

FROM: **Wanda Nelson, City Clerk**

THROUGH: **Susan K. Thorpe, Deputy City Manager**

SUBJECT: **Certificates of Election to the Public Safety Personnel Retirement System Local Boards**

Purpose:

This is a request for City Council to present a plaque and *Certificate of Election* to the newly elected members of the Public Safety Personnel Retirement System Local Boards as follows:

- Mark Barbee – Public Safety Personnel Retirement System – Fire
- Stephen Hadley – Public Safety Personnel Retirement System - Police

Background/Summary:

Newly elected Public Safety Personnel Retirement System Local Board members are invited to attend a Regular City Council meeting to accept a plaque and *Certificate of Election* from the Mayor and City Council.

Previous Actions:

On March 30, 2012, the *Call and Notice of Election* for the Public Safety Personnel Retirement System Local Board Elections were published in the Peoria Times. From March 30, 2012 through April 30, 2012, *Nomination Petitions* were accepted through the City Clerk's Office. On May 7, 2012, ballots were prepared and distributed to eligible members of the Public Safety Personnel Retirement System Local Boards. Completed ballots were due back to the City Clerk's Office on May 17, 2012. On March 21, 2012 ballot counts for each election were conducted and election results were tallied.

On June 5, 2012, City Council approved Resolution No. 2012-81 ratifying the results of the Public Safety Personnel Retirement System Local Board Elections which elected Mark Barbee to the Public Safety Personnel Retirement System Local Board for Fire and Stephen Hadley to the Public Safety Personnel Retirement System Local Board for Police.

Option(s):

A: This is a presentation item only.

Staff's Recommendation:

That City Council present *Certificates of Election* to the Public Safety Personnel Retirement System Local Boards representatives who were elected pursuant to Resolution No. 2012-81 adopted on June 5, 2012.

Fiscal Analysis:

There is no fiscal impact regarding this item.

Narrative:

Newly elected representatives of the Public Safety Personnel Retirement System Local Boards have been invited to the June 19, 2012 City Council meeting to accept a plaque and *Certificate of Election*.

Exhibit(s): There are no exhibits.

Contact Name and Number: Wanda Nelson, City Clerk, 623-773-7340

CITY OF PEORIA, ARIZONA
COUNCIL COMMUNICATION

Pres. #4

Date Prepared: May 10, 2012 **Council Meeting Date: June 19, 2012**

TO: Carl Swenson, City Manager

FROM: Wanda Nelson, MSM, CMC, City Clerk

THROUGH: Susan K. Thorpe, Deputy City Manager

SUBJECT: Boards and Commissions Reappointments and Appointments

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Purpose:

This is a request for City Council to present a plaque and Certificate of Appointment to the following Board and Commission members as follows:

- Donald Biery – Parks and Recreation Board,
- Richard Ward – Parks and Recreation Board,
- Leonard Spraker – Planning and Zoning Commission,
- Usamma Amjad - Youth Advisory Board,
- Lincoln Crump - Youth Advisory Board,
- Janell Cooke - Youth Advisory Board,
- Jasmine Kunkes - Youth Advisory Board,
- Kiley Perkins - Youth Advisory Board,
- Arria Reams, Youth Advisory Board, and
- Alec Willems - Youth Advisory Board.

Background/Summary:

Newly appointed Board and Commission members are invited to attend a Regular City Council meeting to personally accept a plaque and Certification of Appointment from the Mayor and City Council.

Previous Actions:

On March 15, 2012, the Council Subcommittee on Policy and Appointments met in the Ironwood Conference Room and discussed member reappointments and appointments to the Arts Commission, Industrial Development Authority, Judicial Selection Advisory Board, Library Board, Public Defender Contract Review Board, Volunteer Firefighter Pension Board, and Youth Advisory Board. The Subcommittee voted to recommend the reappointment or appointment of members as previously referenced in this Council Communication.

On March 20, 2012, a memorandum was submitted to Mayor and Council, outlining the recommended reappointments and appointments, asking for concerns to be submitted in writing to the Mayor. No comments were received.

On May 8, 2012, the Council Subcommittee on Policy and Appointments met in the Pine Conference Room and discussed member appointments to the Parks and Recreation Board, Planning and Zoning Commission, and Youth Advisory Board. The Subcommittee voted to recommend the appointment of members as previously referenced in this Council Communication.

On May 10, 2012, a memorandum was submitted to Mayor and Council, outlining the recommended appointments, asking for concerns to be submitted in writing to the Mayor. No comments were received.

On June 5, 2012 City Council approved the following resolutions of appointment:

- Resolution No. 2012-77 appointing Usamma Amjad and Lincoln Crump, as regular members, to the Youth Advisory Board with partial terms to expire June 2013; and appointing Janell Cooke, Jasmine Kunkes, Kiley Perkins, Arria Reams, and Alec Willems, as regular members, to the Youth Advisory Board with terms to expire June 2014.

- Resolution No. 2012-79 appointing Donald Biery and Richard Ward to the Parks and Recreation Board with terms to expire June 2016 and June 2014, respectively.

- Resolution No. 2012-80 appointing Leonard Spraker to the Planning and Zoning Commission with a term to expire December 2012.

Options:

This is a presentation item only.

Staff's Recommendation:

That the Mayor and City Council present Certificates of Appointment to newly appointed Board and Commission members who were appointed by Resolution at the June 5, 2012 City Council meeting.

Fiscal Analysis:

There is no fiscal impact regarding this item.

Narrative:

Newly appointed Board and Commission members have been invited to the June 16, 2012 City Council meeting to receive their respective Plaque and Certificate of Appointment.

Exhibit(s): There are no exhibits.

Contact Name and Number: Wanda Nelson, City Clerk, 623-773-7340

MINUTES OF THE PEORIA CITY COUNCIL
CITY OF PEORIA, ARIZONA
CITY COUNCIL CHAMBER
June 5, 2012

A **Special Meeting and Study Session** of the City Council of the City of Peoria, Arizona was convened at 8401 West Monroe Street in open and public session at 5:00 p.m.

Members Present: Mayor Bob Barrett; Vice Mayor Ron Aames; Councilmembers Joan Evans, Carlo Leone, Dave Pearson and Tony Rivero.

Members Absent: Cathy Carlat

Other Municipal Officials Present: Carl Swenson, City Manager; Susan Daluddung, Deputy City Manager; Steve Kemp, City Attorney; Wanda Nelson, City Clerk; Katie Gregory, Interim Management and Budget Director; Stacy Irvine, Interim Fire Chief; Claudia Luján, Interim Human Resources Director; Rhonda Geriminsky; Chief Deputy City Clerk.

Audience: Approximately 2 members of the public were present.

CONSENT AGENDA

CONSENT AGENDA: All items listed with a "C" are considered to be routine or have been previously reviewed by the City Council, and will be enacted by one motion. There will be no separate discussion of these items unless a Councilmember so requests; in which event the item will be removed from the General Order of Business, and considered in its normal sequence on the Agenda.

Motion was made by Vice Mayor Aames, seconded by Councilmember Evans, to approve the Consent Agenda. Upon vote, the motion carried unanimously 6 to 0.

1C Authorization to Hold an Executive Session

Pursuant to A.R.S. § 38-431.03: Authorized the holding of an Executive Session for the purpose of:

a) Discussion with representatives of the public body regarding requests from the Peoria Police Officers Association, the City of Peoria Police Supervisors Association (COPPS), and the United Phoenix Fire Fighters Association Local 493 (PFFA) to reopen the current Memorandums of Understanding, pursuant to A.R.S. § 38-431.03(A)(5); and

b) Discussion with representatives of the public body regarding contract negotiations with the American Federation of State, County, and Municipal Employees Local 3282 (AFSCME), pursuant to A.R.S. § 38-431.03(A)(5).

5:01 p.m. Council recessed for Executive Session.

5:48 p.m. Study Session resumed

Members Present: Mayor Bob Barrett; Vice Mayor Ron Aames; Councilmembers Cathy Carlat , Joan Evans, Carlo Leone, Dave Pearson and Tony Rivero.

Members Absent: None

Other Municipal Officials Present: Carl Swenson, City Manager; Steve Kemp, City Attorney; Wanda Nelson, City Clerk; Stacy Irvine, Interim Fire Chief; Rhonda Geriminsky; Chief Deputy City Clerk.

Audience: Approximately 5 members of the public were present.

STUDY SESSION AGENDA

Subjects for Discussion Only:

1. Recreational Vehicle (RV) Ordinance

Rocky Smith, Deputy Police Chief, and Jay Davies, Neighborhood Services Manager, outlined the recreational vehicle ordinance. Information included violation statistics and benchmarks compared to neighboring cities.

Mark Linn addressed Council regarding the recreational vehicle ordinance and the 24-hour limitation for loading and unloading a recreational vehicle. Mr. Linn stated the ordinance does not allow for maintenance of recreational vehicles and requested the Council consider adding flexibility in the ordinance in order to allow for maintenance of recreational vehicles.

Discussion ensued regarding maintaining vehicles and timeframes for maintenance, loading, unloading and washing vehicles.

Consensus of the Council is to allow citizens to park their recreational vehicles in front of their home for any reason for not more than 24 hours. Council requested to review this ordinance in one year. Staff will bring this item to a future Council meeting to address the suggested changes by Council.

ADJOURNMENT:

Being no further business to come before the Council, the meeting was duly adjourned at 6:39 p.m.

_____
Bob Barrett, Mayor

ATTEST:

_____
Wanda Nelson, City Clerk

CERTIFICATION

I hereby certify that the foregoing minutes are a true and correct summary of the proceedings of the Special Meeting and Study Session of the City Council of Peoria, Arizona held on the 5th day of June, 2012. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this 19th day of June, 2012.

(Seal)

_____
Wanda Nelson, City Clerk

MINUTES OF THE PEORIA CITY COUNCIL
CITY OF PEORIA, ARIZONA
CITY COUNCIL CHAMBER
June 5, 2012

A **Regular Meeting** of the City Council of the City of Peoria, Arizona was convened at 8401 West Monroe Street in open and public session at 7:00 p.m.

Following a moment of silent reflection, Councilmember Rivero led the Pledge of Allegiance.

Members P resent: Mayor Bob Barrett; Vice Mayor Ron Aames; Councilmembers Cathy Carlat, Joan Evans, Carlo Leone, Dave Pearson and Tony Rivero.

Members Absent: None

Other Municipal Officials Present: Carl Swenson, City Manager; Susan Daluddung, Deputy City Manager; Steve Kemp, City Attorney; Wanda Nelson, City Clerk; Katie Gregory, Interim Management and Budget Director; Stacy Irvine, Interim Fire Chief; Chris Jacques, Planning and Community Development Director; Bo Larsen, Public Information Manager; Claudia Luján, Interim Human Resources Director; Bill Mattingly, Public Works and Utilities Director; Brent Mattingly, Finance Director; Dan Nissen, Assistant City Engineer; Rocky Smith, Deputy Police Chief; Jeff Tyne, Interim Community Services Director; Scott Whyte, Economic Development Services Director; Rhonda Geriminsky; Chief Deputy City Clerk.

Audience: Approximately 15 members of the public were present.

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

CONSENT AGENDA: All items listed with a "C" are considered to be routine or have been previously reviewed by the City Council, and will be enacted by one motion. There will be no separate discussion of these items unless a Councilmember so requests; in which event the item will be removed from the General Order of Business, and considered in its normal sequence on the Agenda.

Mayor Barrett asked if any Councilmember wished to have an item removed from the Consent Agenda.

Councilmember Leone requested that **RES. 2012-78** be removed from Agenda Item 2C.

Motion was made by Vice Mayor Aames, seconded by Councilmember Pearson, to approve the Consent Agenda with the exception of Agenda Item 2C pertaining only to RES. 2012-78. Upon vote, the motion carried unanimously 7 to 0.

CONSENT – New Business:

1C Minutes

Approved the following minutes:

May 15, 2012 Special Meeting and Study Session
May 15, 2012 Regular Meeting

2C Appointments, Boards and Commissions

RESOLUTION 2012-70

A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF PEORIA, MARICOPA COUNTY, ARIZONA, REAPPOINTING ROBERT BENSON AND CHRISTOPHER HEARN TO THE ARTS COMMISSION AND ESTABLISHING THE TERMS OF OFFICE.

RESOLUTION 2012-71

A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF PEORIA, MARICOPA COUNTY, ARIZONA, REAPPOINTING MICHAEL BELLARD TO THE INDUSTRIAL DEVELOPMENT AUTHORITY AND ESTABLISHING THE TERM OF OFFICE.

RESOLUTION 2012-72

A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF PEORIA, MARICOPA COUNTY, ARIZONA, REAPPOINTING MICHAEL BAILEY AND KEVIN KADLEC TO THE JUDICIAL SELECTION ADVISORY BOARD AND ESTABLISHING THE TERMS OF OFFICE.

RESOLUTION 2012-73

A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF PEORIA, MARICOPA COUNTY, ARIZONA, REAPPOINTING JOAN LEONE AND JACK MCCLEARY TO THE LIBRARY BOARD AND ESTABLISHING THE TERMS OF OFFICE.

RESOLUTION 2012-74

A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF PEORIA, MARICOPA COUNTY, ARIZONA, REAPPOINTING THOMAS CAMPBELL TO THE PERSONNEL BOARD AND ESTABLISHING THE TERM OF OFFICE.

RESOLUTION 2012-75

A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF PEORIA, MARICOPA COUNTY, ARIZONA, REAPPOINTING JOHN BUONAGURIO TO THE PUBLIC DEFENDER CONTRACT REVIEW COMMITTEE AND ESTABLISHING THE TERM OF OFFICE.

RESOLUTION 2012-76

A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF PEORIA, MARICOPA COUNTY, ARIZONA, REAPPOINTING GILBERT OLIVERA TO THE VOLUNTEER FIREFIGHTER PENSION BOARD AND ESTABLISHING THE TERM OF OFFICE.

RESOLUTION 2012-77

A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF PEORIA, MARICOPA COUNTY, ARIZONA, REAPPOINTING LORRAINE BARKER, TYLER CRUMP, ELIZABETH GONZALEZ, KODY KNUTH, TAYLOR PARADISO, AND VANESSA VELASQUEZ AND APPOINTING USAMMA AMJAD, LINCOLN CRUMP, JANELL COOKE, JASMINE KUNKES, KILEY PERKINS, AND ALEC WILLEMS TO THE YOUTH ADVISORY BOARD AND ESTABLISHING THE TERMS OF OFFICE.

RESOLUTION 2012-79

A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF PEORIA, MARICOPA COUNTY, ARIZONA, APPOINTING DONALD BIERY AND RICHARD WARD TO THE PARKS AND RECREATION BOARD AND ESTABLISHING THE TERM OF OFFICE.

RESOLUTION 2012-80

A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF PEORIA, MARICOPA COUNTY, ARIZONA, APPOINTING LEONARD SPRAKER TO THE PLANNING AND ZONING COMMISSION AND ESTABLISHING THE TERM OF OFFICE.

Approved the recommendation from the Council Subcommittee on Boards and Commissions Appointments pertaining to the following appointments, and adopted the Resolutions as presented:

Adopted **RES. 2012-70** reappointing Robert Benson and Christopher Hearn, as regular members, to the Arts Commission,

Adopted **RES. 2012-71** reappointing Michael Bellard, as a regular member, to the Industrial Development Authority,

Adopted **RES. 2012-72** reappointing Michael Bailey and Kevin Kadlec, as regular members, to the Judicial Selection Advisory Board,

Adopted **RES. 2012-73** reappointing Joan Leone and Jack McCleary, as regular members, to the Library Board,

Adopted **RES. 2012-74** reappointing Thomas Campbell, as a regular member, to the Personnel Board,

Adopted **RES. 2012-75** reappointing John Buonagurio, as a regular member, to the Public Defender Contract Review Committee,

Adopted **RES. 2012-76** reappointing Gilbert Olivera, as a regular member, to the Volunteer Firefighter Pension Board,

Adopted **RES. 2012-77** reappointing Lorraine Barker, Tyler Crump, Elizabeth Gonzalez, Kody Knuth, Taylor Paradiso, and Vanessa Velasquez; and appointing Usamma Amjad, Lincoln Crump, Janell Cooke, Jasmine Kunkes, Kiley Perkins, Arria Reams, and Alec Willems, as regular members, to the Youth Advisory Board,

Clerk's Note: RES. 2012-78 appointing Jamey Lynne Bishop, as a regular member, and Philip Denaro, Jr., as an alternate member, to the Economic Development Advisory Board, was removed from the Consent Agenda to be placed on a future meeting.

Adopted **RES. 2012-79** appointing Donald Biery and Richard Ward, as regular members, to the Parks and Recreation Board, and

Adopted **RES. 2012-80** appointing Leonard Spraker, as a regular member, to the Planning and Zoning Commission.

3C Intergovernmental Agreement Amendment, Americans with Disabilities Act Paratransit Service, Regional Public Transportation Authority

Approved the Intergovernmental Agreement Amendment No. 2 for Americans with Disabilities Act Paratransit Service between the City of Peoria and the Regional Public Transportation Authority.

4C Intergovernmental Agreement, City of Phoenix, Federal Transit Authority Surface Transportation Program, Reimbursement

Approved an Intergovernmental Agreement with the City of Phoenix for reimbursement of preventative maintenance costs in the amount of $15,745 from the Federal Transit Authority (FTA) by way of pass through grant from the City of Phoenix.

5C Intergovernmental Agreement, City of Phoenix, Federal Transit Authority Surface Transportation Program, Reimbursement

Approved an Intergovernmental Agreement with the City of Phoenix for reimbursement of preventative maintenance costs in the amount of $92,038 from the Federal Transit Authority (FTA) by way of pass through grant from the City of Phoenix.

6C Contract Amendment, Kimley-Horn and Associates, Beardsley Road Widening, 99th Avenue to Lake Pleasant Road

Approved Contract Amendment No. 3 with Kimley-Horn and Associates in the amount of $10,045 for additional design services associated with the Beardsley Road Widening; 99th Avenue to Lake Pleasant Road project.

7C **Maintenance Improvement District No. 1128, Sunset Ranch IIC, 99th Avenue and Jessie Lane**

RESOLUTION NO. 2012-62

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PEORIA, ARIZONA, DECLARING ITS INTENTION TO CREATE AN IMPROVEMENT DISTRICT TO MAINTAIN LANDSCAPING INCLUDED WITHIN, NEAR AND ADJACENT TO A PARKWAY AND RELATED FACILITIES TOGETHER WITH APPURTENANT STRUCTURES AS SHOWN ON THE PLANS, FOR MAINTENANCE WITHIN AN AREA IN THE CITY OF PEORIA AS DESCRIBED HEREIN; ADOPTING PLANS FOR CITY OF PEORIA MAINTENANCE IMPROVEMENT DISTRICT NO. 1128, SUNSET RANCH IIC, AS MORE PARTICULARLY DESCRIBED HEREIN, AND DECLARING THE WORK OR IMPROVEMENT TO BE OF MORE THAN LOCAL OR ORDINARY PUBLIC BENEFIT, AND THAT THE COST OF SAID WORK OR IMPROVEMENT SHALL BE ASSESSED UPON A CERTAIN DISTRICT, AND PROVIDING THAT THE PROPOSED WORK OR IMPROVEMENT SHALL BE PERFORMED UNDER ARIZONA REVISED STATUTES TITLE 48, CHAPTER 4, ARTICLE 2, AND AMENDMENTS THERETO AND DECLARING AN EMERGENCY.

RESOLUTION NO. 2012- 63

RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF PEORIA, ARIZONA DECLARING ITS INTENTION TO ORDER THE IMPROVEMENTS OF A CERTAIN AREA WITHIN THE CORPORATE LIMITS OF THE CITY AND CREATING AN IMPROVEMENT DISTRICT KNOWN AS THE CITY OF PEORIA MAINTENANCE IMPROVEMENT DISTRICT NO. 1128, SUNSET RANCH IIC; PROVIDING THAT THE COST OF THE MAINTENANCE OF THE LANDSCAPING INCLUDED WITHIN, NEAR, AND ADJACENT TO A PARKWAY AND RELATED FACILITIES TOGETHER WITH APPURTENANT STRUCTURES AS SHOWN ON THE PLANS, SHALL BE ASSESSED UNDER THE PROVISIONS OF TITLE 48, CHAPTER 4, ARTICLE 2, ARIZONA REVISED STATUTES, AS AMENDED; AND DECLARING AN EMERGENCY.

Approved the Petition for Formation and adopted **RES. 2012-62** intention and ordering formation of proposed Maintenance Improvement District No. 1128, Sunset Ranch IIC, located at 99th Avenue and Jessie Lane; and adopted **RES. 2012-63** ordering the improvements within the proposed Maintenance Improvement District and declaring an emergency.

8C Maintenance Improvement District No. 1129, Sunset Ranch IID, 102nd Avenue and Patrick Lane

RESOLUTION NO. 2012-66

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PEORIA, ARIZONA, DECLARING ITS INTENTION TO CREATE AN IMPROVEMENT DISTRICT TO MAINTAIN LANDSCAPING INCLUDED WITHIN, NEAR AND ADJACENT TO A PARKWAY AND RELATED FACILITIES TOGETHER WITH APPURTENANT STRUCTURES AS SHOWN ON THE PLANS, FOR MAINTENANCE WITHIN AN AREA IN THE CITY OF PEORIA AS DESCRIBED HEREIN; ADOPTING PLANS FOR CITY OF PEORIA MAINTENANCE IMPROVEMENT DISTRICT NO. 1129, SUNSET RANCH IID, AS MORE PARTICULARLY DESCRIBED HEREIN, AND DECLARING THE WORK OR IMPROVEMENT TO BE OF MORE THAN LOCAL OR ORDINARY PUBLIC BENEFIT, AND THAT THE COST OF SAID WORK OR IMPROVEMENT SHALL BE ASSESSED UPON A CERTAIN DISTRICT, AND PROVIDING THAT THE PROPOSED WORK OR IMPROVEMENT SHALL BE PERFORMED UNDER ARIZONA REVISED STATUTES TITLE 48, CHAPTER 4, ARTICLE 2, AND AMENDMENTS THERETO AND DECLARING AN EMERGENCY.

RESOLUTION NO. 2012- 67

RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF PEORIA, ARIZONA DECLARING ITS INTENTION TO ORDER THE IMPROVEMENTS OF A CERTAIN AREA WITHIN THE CORPORATE LIMITS OF THE CITY AND CREATING AN IMPROVEMENT DISTRICT KNOWN AS THE CITY OF PEORIA MAINTENANCE IMPROVEMENT DISTRICT NO. 1129, SUNSET RANCH IID; PROVIDING THAT THE COST OF THE MAINTENANCE OF THE LANDSCAPING INCLUDED WITHIN, NEAR, AND ADJACENT TO A PARKWAY AND RELATED FACILITIES TOGETHER WITH APPURTENANT STRUCTURES AS SHOWN ON THE PLANS, SHALL BE ASSESSED UNDER THE PROVISIONS OF TITLE 48, CHAPTER 4, ARTICLE 2, ARIZONA REVISED STATUTES, AS AMENDED; AND DECLARING AN EMERGENCY.

Approved the Petition for Formation and adopted **RES. 2012-66** intention and ordering formation of proposed Maintenance Improvement District No. 1129, Sunset Ranch IID, located at 102nd Avenue and Patrick Lane; and adopted **RES. 2012-67** ordering the improvements within the proposed Maintenance Improvement District and declaring an emergency.

9C **Street Light Improvement District No. 1068, Sunset Ranch IIC, 99th Avenue and Jessie Lane**

RESOLUTION NO. 2012-68

RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF PEORIA, ARIZONA DECLARING ITS INTENTION TO ORDER THE PURCHASE OF ELECTRICITY FOR LIGHTING THE STREETS AND PUBLIC PARKS WITHIN THE PROPOSED DISTRICT AND THAT THE COST OF THE PURCHASE OF ELECTRICITY FOR LIGHTING THE STREETS AND PUBLIC PARKS, BE ASSESSED UPON A CERTAIN IMPROVEMENT DISTRICT TO BE KNOWN AS CITY OF PEORIA STREETLIGHT IMPROVEMENT DISTRICT NO. 1068, SUNSET RANCH IIC; PROVIDING THAT THE COST OF THE ELECTRICITY REQUIRED TO OPERATE THE SYSTEM BE ASSESSED UNDER THE PROVISIONS OF TITLE 48, CHAPTER 4, ARTICLE 2, ARIZONA REVISED STATUTES, AS AMENDED; AND DECLARING AN EMERGENCY.

RESOLUTION NO. 2012-69

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF PEORIA, ARIZONA ORDERING THE IMPROVEMENTS OF CERTAIN STREETS AND RIGHTS-OF-WAY WITHIN THE CORPORATE LIMITS OF THE TOWN AND CREATING AN IMPROVEMENT DISTRICT KNOWN AS THE CITY OF PEORIA STREETLIGHT IMPROVEMENT DISTRICT NO. 1068, SUNSET RANCH IIC, PURSUANT TO TITLE 48, CHAPTER 4, ARIZONA REVISED STATUTES AND AMENDMENTS THERETO FOR THE PURPOSE OF PURCHASING ELECTRICITY, WHICH INCLUDES A CHARGE FOR THE USE OF LIGHTING FACILITIES AND OTHER RELATED ITEMS TOGETHER WITH ALL APPURTENANT STRUCTURES AS SHOWN ON THE PLANS, AND DECLARING AN EMERGENCY.

Approved the Petition for Formation and adopted **RES. 2012-68** intention and ordering formation of proposed Street Light Improvement District No. 1068, Sunset Ranch IIC, located at 99th Avenue and Jessie Lane; and adopted **RES. 2012-69** ordering the improvements within the proposed Street Light Improvement District and declaring and emergency.

10C Street Light Improvement District No. 1069, Sunset Ranch IID, 102nd Avenue and Patrick Lane

RESOLUTION NO. 2012-64

RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF PEORIA, ARIZONA DECLARING ITS INTENTION TO ORDER THE PURCHASE OF ELECTRICITY FOR LIGHTING THE STREETS AND PUBLIC PARKS WITHIN THE PROPOSED DISTRICT AND THAT THE COST OF THE PURCHASE OF ELECTRICITY FOR LIGHTING THE STREETS AND PUBLIC PARKS, BE ASSESSED UPON A CERTAIN IMPROVEMENT DISTRICT TO BE KNOWN AS CITY OF PEORIA STREETLIGHT IMPROVEMENT DISTRICT NO. 1069, SUNSET RANCH IID; PROVIDING THAT THE COST OF THE ELECTRICITY REQUIRED TO OPERATE THE SYSTEM BE ASSESSED UNDER THE PROVISIONS OF TITLE 48, CHAPTER 4, ARTICLE 2, ARIZONA REVISED STATUTES, AS AMENDED; AND DECLARING AN EMERGENCY.

RESOLUTION NO. 2012-65

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF PEORIA, ARIZONA ORDERING THE IMPROVEMENTS OF CERTAIN STREETS AND RIGHTS-OF-WAY WITHIN THE CORPORATE LIMITS OF THE TOWN AND CREATING AN IMPROVEMENT DISTRICT KNOWN AS THE CITY OF PEORIA STREETLIGHT IMPROVEMENT DISTRICT NO. 1069, SUNSET RANCH IID, PURSUANT TO TITLE 48, CHAPTER 4, ARIZONA REVISED STATUTES AND AMENDMENTS THERETO FOR THE PURPOSE OF PURCHASING ELECTRICITY, WHICH INCLUDES A CHARGE FOR THE USE OF LIGHTING FACILITIES AND OTHER RELATED ITEMS TOGETHER WITH ALL APPURTENANT STRUCTURES AS SHOWN ON THE PLANS, AND DECLARING AN EMERGENCY.

Approved the Petition for Formation and adopted **RES. 2012-64** intention and ordering formation of proposed Street Light Improvement District No. 1069, Sunset Ranch IID, located at 102nd Avenue and Patrick Lane; and adopted **RES. 2012-65** ordering the improvements within the proposed Street Light Improvement District and declaring an emergency.

11C Deeds and Easements, Various Locations

RESOLUTION NO. 2012-82

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF PEORIA, MARICOPA COUNTY, ARIZONA ADOPTING A RESOLUTION FORMALLY ACCEPTING DEEDS AND EASEMENTS FOR PROPERTY RIGHTS CONVEYED TO THE CITY OF PEORIA.

Adopted **RES. 2 012-82** accepting Deeds and Easements for various real property interests acquired by the City and previously recorded by the Maricopa County Recorder's Office.

12C Final Plat, Farin Heights Subdivision, 81st Avenue and Cactus Road

Approved a Final Plat of Farin Heights Subdivision, located at 81st Avenue and Cactus Road, subject to stipulations.

13C Replat, U nits 9 4 a nd 95, B uilding 8, O live Avenue B usiness P ark Condominium, Olive Avenue and Loop 101

Approved a Replat of Units 94 and 95, Building 8, Olive Avenue Business Park Condominium, located on Olive Avenue and Loop 101, subject to stipulations.

REGULAR AGENDA

NEW BUSINESS

14R PUBLIC HEARING - Liquor License, Edisu Sushi and Grill, located at 16055 North Arrowhead Fountain Center #B.

Staff Report/Public Comment:

Brent Mattingly, Finance Director, reported that the properties were posted in accordance with Arizona law, all fees were paid, all reviewing Departments recommended approval, and no comments were received from the public.

PUBLIC HEARING:

Mayor Barrett opened the Public Hearing and asked if any Councilmember or citizen wished to comment on a request for a New Restaurant Liquor License (Series 12) for Edisu Sushi and Grill, located at 16055 North Arrowhead Fountain Center #B, Dong H. Jung, Applicant, LL#20004903.

Discussion ensued regarding changes in liquor license applications.

Having no requests from the public to address this item, Mayor Barrett declared the Public Hearing closed.

COUNCIL ACTION:

Motion was made by Councilmember Carlat, seconded by Councilmember Leone to recommend approval to the State Liquor Board for a New Restaurant Liquor License (Series 12) for Edisu Sushi and Grill, located at 16055 North Arrowhead Fountain Center #B, Dong H. Jung, Applicant, LL#20004903.

Upon vote, the motion carried unanimously 7 to 0.

14R(A) PUBLIC HEARING - Liquor License, LW's Hide-A-Way, located at 9098 W. Pinnacle Peak Road

Staff Report/Public Comment:

Brent Mattingly, Finance Director, reported that staff recommends denial of a Liquor License for LW's Hide-A-Way located at 9098 West Pinnacle Peak Road. Mr. Mattingly explained that a denial is recommended because LW's Hide-A-Way currently has a past due sales tax obligation due to the City and a request has been made to the State Liquor Board to place a hold on a Liquor License request for this facility. Additionally, denial is recommended because a Series 6 license is not consistent for zoning in the requested area.

PUBLIC HEARING:

Mayor Barrett opened the Public Hearing and asked if any Councilmember or citizen wished to comment on a requests for a Person to Person Transfer for an On-Sale All Liquor License (Series 06) for LW's Hide-A-Way located at 9098 W. Pinnacle Peak Road, J D Campbell, Applicant, LL#20005129.

Discussion ensued regarding Liquor License types, past due sales tax obligations, and variances from the zoning code.

Andrew Gleeson addressed Council regarding the Liquor License request, past sales tax due and license types.

Discussion ensued regarding selling enough food in order to maintain a Series 12 Liquor License.

J.D. Campbell addressed Council regarding the request for a Liquor License transfer.

Having no further requests to address this item, Mayor Barrett declared the Public Hearing closed.

COUNCIL ACTION:

Motion was made by Councilmember Vice Mayor Aames, seconded by Councilmember Leone to recommend approval to the State Liquor Board for A Person to Person Transfer for an On-Sale All Liquor License (Series 06)for LW's Hide-A-Way located at 9098 W. Pinnacle Peak Road, J D Campbell, Applicant, LL#20005129.

Upon vote, the motion carried 4 to 3, with Mayor Barrett and Councilmembers Carlat and Evans voting "no".

15R PUBLIC HEARING - Fiscal Year 2013 Final Budget Adoption

RESOLUTION NO. 2012 - 83

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF PEORIA, ARIZONA, ADOPTING THE FISCAL YEAR 2013 BUDGET.

Staff Report/Public Comment:

Katie Gregory, Interim Management and Budget Director, outlined the budget adoption process and schedule. Ms. Gregory provided a historical preview of the City's budget. Ms. Gregory reported that the tentative budget adopted by Council on May 15, 2015 sets the maximum appropriation for FY2013. The FY2013 appropriation totals $473 million.

PUBLIC HEARING:

Mayor Barrett opened the Public Hearing and asked if any Councilmember or citizen wished to comment on the FY2013 Budget.

There being no further comments from those present, Mayor Barrett declared the Public Hearing closed.

COUNCIL ACTION:

Motion was made by Vice Mayor Aames, seconded by Councilmember Rivero to adopt **RES. 2012-83** adopting the City of Peoria, Arizona Final Budget totaling $473 million for Fiscal Year 2013.

Upon vote, the motion carried unanimously 7 to 0.

16R PUBLIC HEARING - Property Tax Levy, Fiscal Year 2013

Staff Report/Public Comment:

Katie Gregory, Interim Management and Budget Director, advised that State Statute requires that a hearing take place at least 14 days prior to the adoption of the tax levy ordinance. The recommended property tax levy for FY2013 remains at $1.44 per $100 of assessed valuation. The primary property tax rate is recommended to remain at $.19 per $100 of assessed valuation.

PUBLIC HEARING:

Mayor Barrett opened the Public Hearing and asked if any Councilmember or citizen wished to comment on the City of Peoria property tax levy for Fiscal Year 2013.

There being no comments from those present, Mayor Barrett declared the Public Hearing closed.

COUNCIL ACTION: No Council action required.

17R Ratify E lection R esults, P ublic Safety R etirement S ystem L ocal Boards, Police and Fire

RESOLUTION NO. 2012-81

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF PEORIA, MARICOPA, ARIZONA, RATIFYING THE RESULTS OF THE PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM LOCAL BOARD ELECTIONS.

Wanda Nelson, City Clerk, outlined the results of the Public Safety Retirement System Local Boards for Police and Fire.

Motion was made by Vice Mayor Aames, seconded by Councilmember Evans, to adopt **RES. 2 012-81** ratifying the election results of the Public Safety Retirement System Local Boards.

Upon vote, the motion carried unanimously 7 to 0.

18R Amendment, Council Policy 1-5, Appointment to Boards and Commissions

Wanda Nelson, City Clerk, outlined the proposed amendments to Council Policy 1-5.

Discussion ensued regarding the interview process for appointments to Boards and Commissions.

Motion was made by Vice Mayor Aames, seconded by Councilmember Pearson, to adopt amended Council Policy 1-5 pertaining to Appointment to Boards and Commissions.

Upon vote, the motion carried unanimously 7 to 0.

CALL TO THE PUBLIC: (NON-AGENDA ITEMS)

None.

Reports from the City Manager:

1. Council Calendar
2. Reports with Presentation

    a. Spring Training 2012

Chris Calcaterra, Sports Facilities Manager, presented regarding Spring Training in 2012.

3. Informational (The following items are included for informational purposes only. There will be no separate discussion of these items unless a Councilmember so requests.)

Carl Swenson, City Manager, informed Council that their Agenda packet contains information related to the following items:

a. Update on the First Strategic Bio-Manufacturing Feasibility Study
b. Council Subcommittee Update
c. Community Center Construction
d. Neighborhood Pride Report
e. Indie Book Awards Recipient, Battalion Chief Tom Pendley

Reports from City Council:

Councilmember Leone reported on the various City of Peoria events he attended. Councilmember Leone expressed appreciation to the Budget Office for the work in providing a balanced budget.

Councilmember Rivero reported on the various City of Peoria activities he attended.

Councilmember Pearson informed that an item was removed from the agenda prior to the meeting regarding a potential Open Meeting Law violation for lack of merit.

Vice Mayor Evans outlined the City's Budget history and thanked the Budget Office for presenting a balanced budget.

Reports from the Mayor:

None.

ADJOURNMENT:

Being no further business to come before the Council, the meeting was duly adjourned at 8:57 p.m.

_____
Bob Barrett, Mayor

ATTEST:

_____
Wanda Nelson, City Clerk

CERTIFICATION

I hereby certify that the foregoing minutes are a true and correct summary of the proceedings of the Regular Meeting of the City Council of Peoria, Arizona held on the 5th day of June, 2012. I further certify that the meeting was duly called and held and that a quorum was present.

Dated this 19th day of June, 2012.

(Seal)

_____
Wanda Nelson, City Clerk

CITY OF PEORIA, ARIZONA
COUNCIL COMMUNICATION

Agenda Item: 2C

Date Prepared: May 7, 2012 **Council Meeting Date:** June 19, 2012

TO: Carl Swenson, City Manager

FROM: Andy Granger, P.E., Engineering Director

THROUGH: Susan J. Daluddung, Deputy City Manager

SUBJECT: Right of Way Annexation, 99th Avenue and Beardsley Road

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Purpose:

This is a request for City Council to authorize the adoption of an Ordinance approving the annexation of right of way at the intersection of 99th Avenue and Beardsley.

Background/Summary:

On November 1, 2011 Council approved the Intergovernmental Agreement (IGA) between the City and Maricopa County for the improvements to the intersection of 99th Avenue and Beardsley Road. One of the provisions of the IGA is that upon completion and acceptance of the street improvements, the City is to annex a portion of the unincorporated right of way within the intersection of 99th Avenue and Beardsley Road into the City's jurisdiction.

Annexing this right of way will incorporate all of the intersection improvements into City jurisdiction and clarify the City's responsibility for maintenance and emergency response.

Previous Actions:

- November 1, 2011, Council approved an IGA with Maricopa County for the intersection improvements.
- September 6, 2011, Council approved the construction contract to Combs Construction in the amount of $2,236,065.

Options:

A: Approve the annexation of the unincorporated right of way at the intersection of 99th Avenue and Beardsley Road.

B: Deny the approval of the annexation resulting in the violation of the terms of the approved IGA with Maricopa County.

Staff's Recommendation:

Staff recommends the adoption of the annexation ordinance allowing the City to annex the unincorporated right of way at the intersection of 99th Avenue and Beardsley Road.

Fiscal Analysis:

Prior to the construction improvements the City maintained the intersection, therefore, there are no additional maintenance costs associated with this annexation. Costs associated with the annexation process were incorporated into the project budget.

Narrative:

Upon completion of the annexation process the City will assume all rights of ownership and responsibility for operation and maintenance.

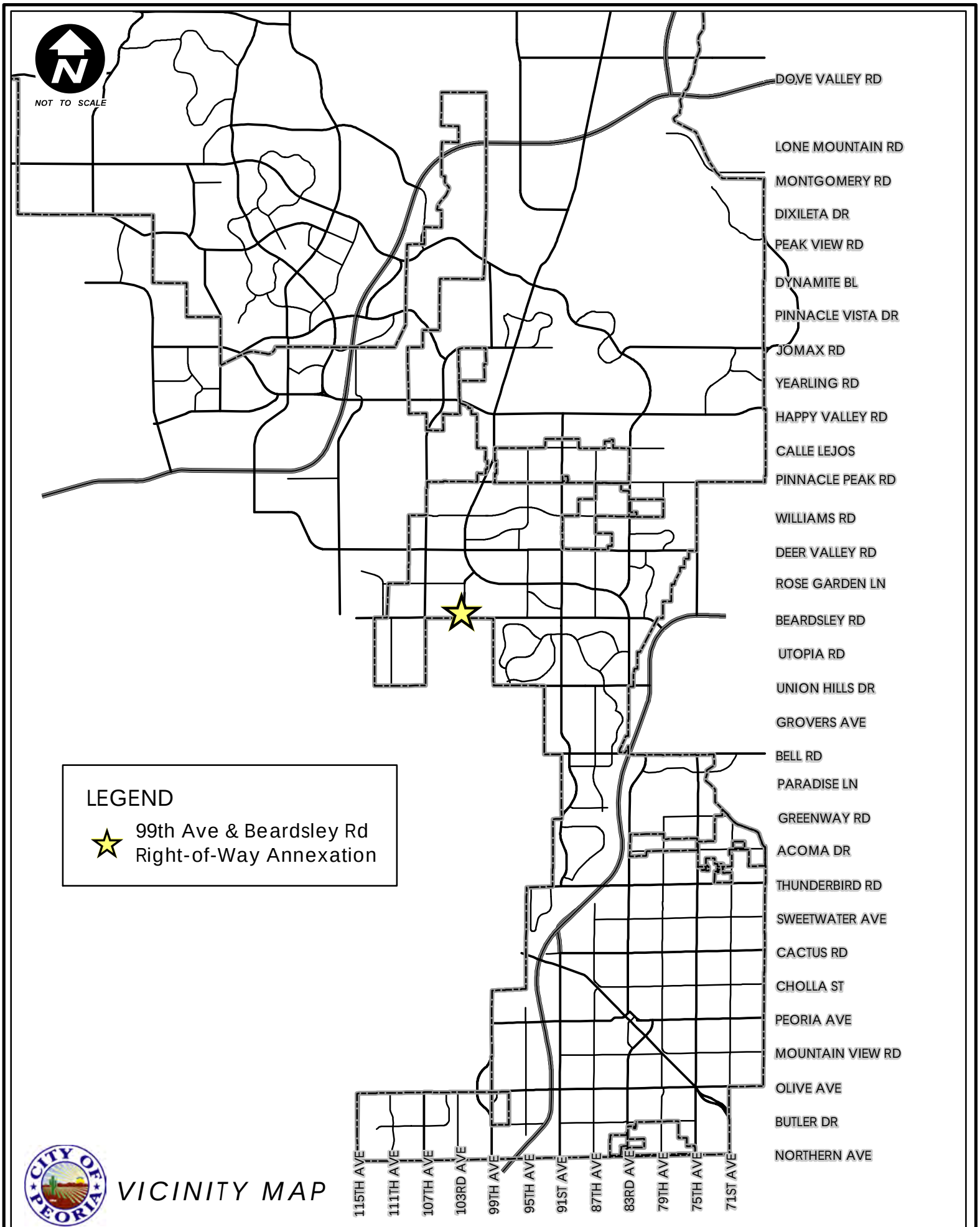
Exhibit(s):

Exhibit 1: Vicinity Map

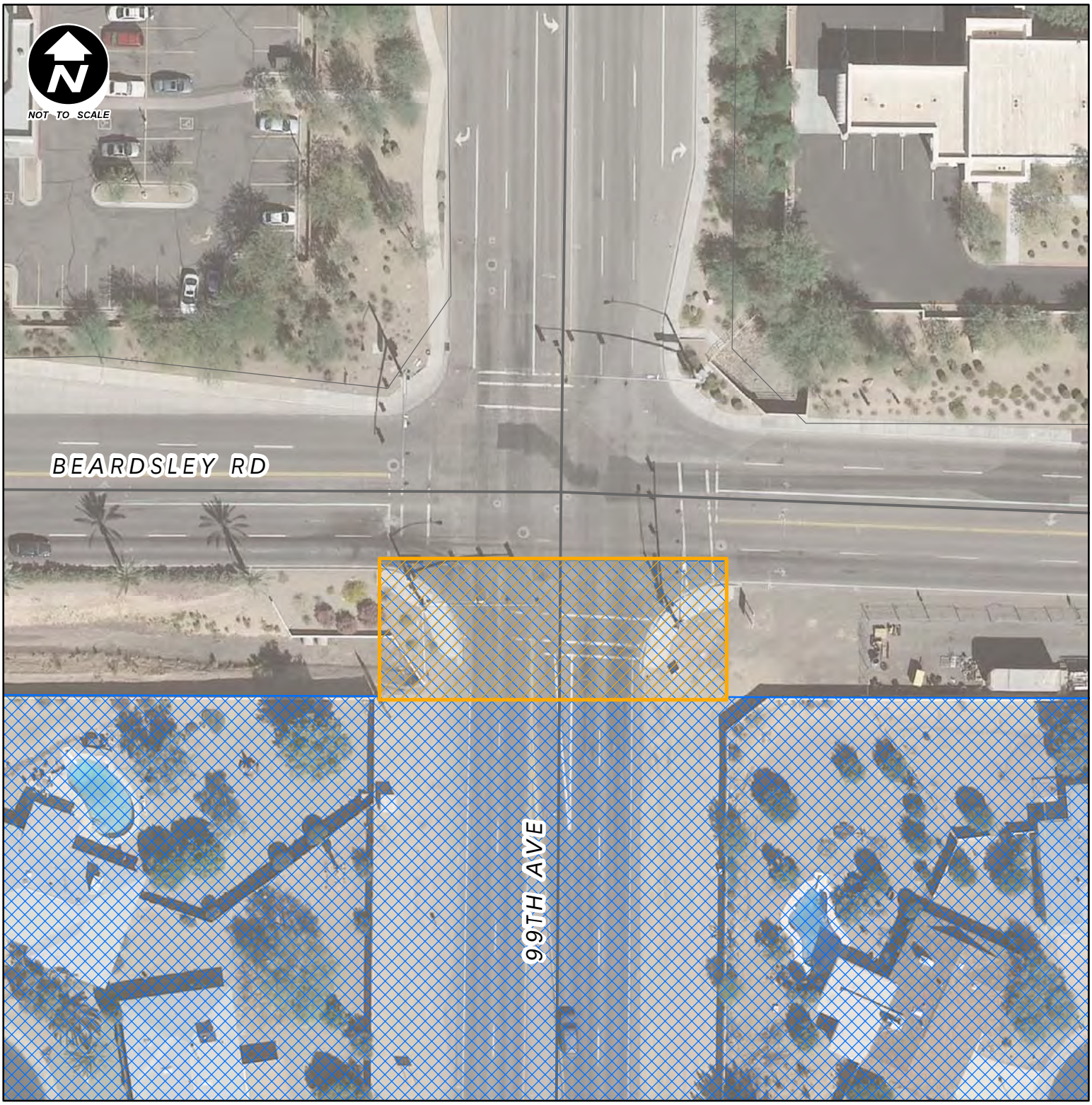
Exhibit 2: Location Map

Exhibit 3: Ordinance

Contact: Kris Luna, Sr. Real Property Administrator, (623) 773-7199



VICINITY MAP



LEGEND

Annexation

County

City of Peoria

99th Ave & Beardsley Rd

Right-of-Way Annexation

Location Map

CITY OF PEORIA

GIS Geographic Information Systems

CITY OF PEORIA ARIZONA

NOTE:

This Map is based on imprecise source data, subject to change and FOR GENERAL REFERENCE ONLY.

ORDINANCE NO. 2012-10

AN ORDINANCE OF THE CITY OF PEORIA, ARIZONA, EXTENDING AND INCREASING THE CORPORATE LIMITS OF THE CITY OF PEORIA, ARIZONA, MARICOPA COUNTY, STATE OF ARIZONA PURSUANT TO THE PROVISIONS OF TITLE 9, CHAPTER 4, ARTICLE 7, ARIZONA REVISED STATUTES AND AMENDMENTS THERETO, BY ANNEXING THERETO CERTAIN TERRITORY CONTIGUOUS TO THE EXISTING CITY LIMITS OF THE CITY OF PEORIA, AND PROVIDING FOR THE RECORDING OF THIS ORDINANCE; PROVIDING FOR AN EFFECTIVE DATE FOR THE ANNEXATION.

WHEREAS, the territory described in Exhibit A, attached hereto and incorporated herein by reference thereto, and as illustrated on the map attached hereto as Exhibit B, which is likewise incorporated herein reference thereto, is existing Maricopa County right of way (hereafter "right of way"), known as 99th Avenue south of Beardsley Road; and

WHEREAS, such right of way has no taxable real property located within such right of way; and

WHEREAS**,** the City of Peoria, Arizona is desirous of extending and increasing the corporate limits of the City of Peoria, Arizona to include the right of way; and

WHEREAS, the right of way is adjacent to the existing corporate limits of the City of Peoria, Arizona for the entire length of the proposed annexation; and

WHEREAS, the governing body of Maricopa County, Arizona has or contemplates giving its mutual consent to the annexation of such territory within the County right of way by the City of Peoria, Arizona; and

WHEREAS**,** by adoption of this ordinance, it is the intent and desire of the Mayor and Council of the City of Peoria, Arizona, to mutually consent to and to annex the right of way to the City of Peoria, Arizona, and to give their mutual consent thereto;

NOW, THEREFORE, BE IT ORDAINED by the Mayor and Council of the City of Peoria, Arizona as follows:

SECTION 1. That the territory in the Maricopa County right of way as described in Exhibits A and B attached hereto is hereby annexed to the City of Peoria, Arizona, and that the present corporate limits of the City of Peoria, Arizona are hereby extended and increased to include the Maricopa County right of way described in Exhibits A and B attached hereto, all of which such right of way is contiguous for the entire length thereof to the present corporate limits of the City of Peoria, Arizona.

SECTION 2. That a copy of this Ordinance, together with an accurate map of the territory hereby annexed to the City of Peoria, Arizona, certified by the Mayor of said City be forthwith filed and recorded in the office of the County Recorder's of Maricopa County, Arizona.

SECTION 3. The annexation herein provided for shall become effective upon the last of the following to occur:

1. The effective date of this Ordinance, in the manner prescribed by law, or

2. The date that the consent of the governing body of Maricopa County, Arizona consenting the annexation herein enacted shall become effective in the manner provided by law.

SECTION 4. WHEREAS, it is necessary for the preservation of the peace, health and safety of the City of Peoria, Arizona that this Ordinance become immediately effective, an emergency is declared to exist, and this Ordinance shall be effective immediately upon its passage and adoption.

PASSED AND ADOPTED by the Mayor and Council of the City of Peoria, Arizona this 19th day of June, 2012.

_____
Bob Barrett, Mayor

ATTEST:

_____
Wanda Nelson, City Clerk

APPROVED AS TO FORM:

_____
Stephen M. Kemp, City Attorney

LEGAL DESCRIPTION
BEARDSLEY ROAD
MCDOT ANNEXATION
PEORIA, ARIZONA

DATE 5-05-11
JOB NO.2009-001
PAGE 1 of 1

A PARCEL OF LAND LOCATED IN A PORTION OF THE NORTHEAST QUARTER OF SECTION 29, TOWNSHIP 4 NORTH, RANGE 1 EAST, OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTH QUARTER CORNER OF SAID SECTION 29, FROM WHICH THE NORTHEAST CORNER OF SAID SECTION 29 BEARS SOUTH 89 DEGREES 50 MINUTES 04 SECONDS EAST A DISTANCE OF 2657.44 FEET;

THENCE SOUTH 89 DEGREES 50 MINUTES 04 SECONDS EAST, ALONG THE NORTH LINE OF THE NORTHEAST QUARTER OF SAID SECTION 29, A DISTANCE OF 327.70 FEET TO THE **POINT OF BEGINNING** OF THE PARCEL HEREIN DESCRIBED;

THENCE SOUTH 89 DEGREES 50 MINUTES 04 SECONDS EAST, CONTINUING ALONG SAID NORTH LINE OF THE NORTHEAST QUARTER OF SECTION 29, A DISTANCE OF 140.00 FEET;

THENCE SOUTH 00 DEGREES 36 MINUTES 31 SECONDS WEST, LEAVING SAID NORTH LINE OF THE NORTHEAST QUARTER OF SECTION 29, A DISTANCE OF 55.00 FEET TO A POINT ON A LINE LYING 55.00 FEET SOUTH OF AND PARALLEL TO SAID NORTH LINE OF THE NORTHEAST QUARTER OF SAID SECTION 29;

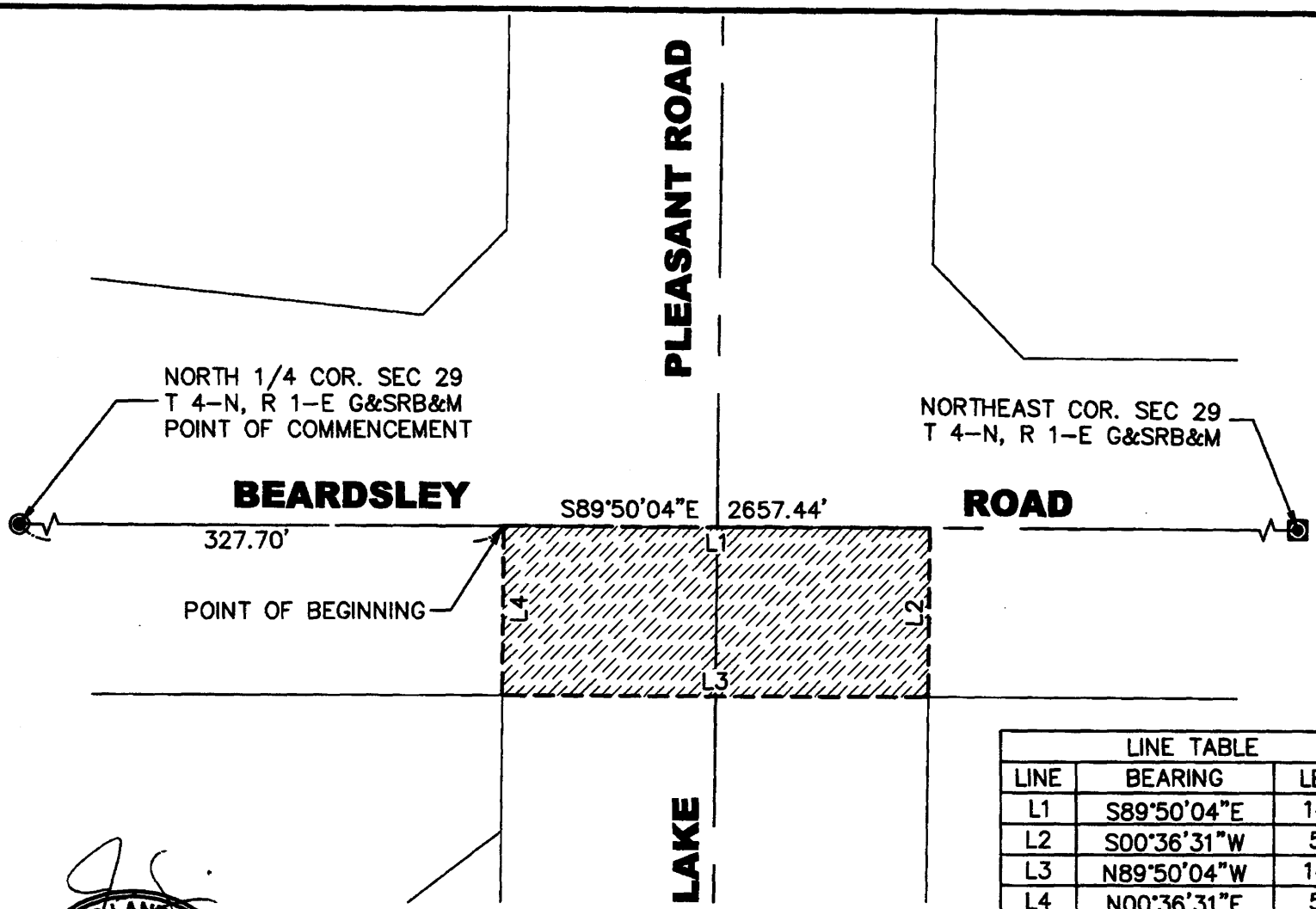
THENCE NORTH 89 DEGREES 50 MINUTES 04 SECONDS WEST, ALONG SAID PARALLEL LINE, A DISTANCE OF 140.00 FEET;

THENCE NORTH 00 DEGREES 36 MINUTES 31 SECONDS EAST, LEAVING SAID PARALLEL LINE, A DISTANCE OF 55.00 FEET TO THE **POINT OF BEGINNING** OF THE PARCEL HEREIN DESCRIBED.

SAID PARCEL CONTAINS 7,700 SQUARE FEET OR 0.177 ACRES, MORE OR LESS.

REGISTERED LAND SURVEYOR
CERTIFICATE NO.
35633
JASON A.
SEGNERI
Date Signed
5/10/11
ARIZONA U.S.A.
EXPIRES 3/31/2013

EXHIBIT A



LINE TABLE		
LINE	BEARING	LENGTH
L1	S89°50'04"E	140.00
L2	S00°36'31"W	55.00
L3	N89°50'04"W	140.00
L4	N00°36'31"E	55.00

EXHIBIT B

REGISTERED LAND SURVEYOR
CERTIFICATE NO.
35833
JASON A.
SEGNERI
5/10/11
Date Signed
ARIZONA U.S.A.
EXPIRES 3/31/2013

S|I|G
SURVEY INNOVATION GROUP, INC
Ph (480) 922 0780 *Land Surveying Services* Fx (480) 922 0781
16414 N. 91st STREET, # 102, SCOTTSDALE, AZ 85260

BEARDSLEY ROAD MCDOT ANNEXATION PEORIA, ARIZONA

JOB#2009-001	DWG: ANNEX EXHIBIT		DATE: 04-05-11
SCALE: N.T.S.	DRAWN: RMH	CHECK: JAS	SHEET: 1 OF 1

CITY OF PEORIA, ARIZONA
COUNCIL COMMUNICATION

Agenda Item: 3C

Date Prepared: June 4, 2012 **Council Meeting Date: June 19, 2012**

TO: **Carl Swenson, City Manager**

FROM: **Scott Whyte, Economic Development Services Director**

THROUGH: **Susan J. Daluddung, Deputy City Manager**

SUBJECT: **Contract for services with the Greater Phoenix Economic Council**

Purpose:
Authorize the City Manager to renew the GPEC contract for another year.

Background/Summary:
As part of its economic development effort, staff is seeking to renew its contract with the Greater Phoenix Economic Council (GPEC). The Greater Phoenix Economic Council is a private/public partnership representing the majority of communities in Maricopa County, and several other public and private entities.

GPEC's mission is geared toward attracting quality businesses to the region from around the world, as well as advocating and championing foundational effects to improve the region's competitiveness. GPEC's primary role is image building and marketing for the Greater Phoenix region, and adds value to retention and expansion of existing businesses through regional support and research on key projects.

Peoria has been a member of GPEC since 1991, which currently has 19 community members and is the leader in regional economic development. Membership with GPEC provides the city with development leads and prospects, as well as exposes the city to a national and international corporate site selection audience as a community within metropolitan Phoenix. In addition, membership in GPEC allows Peoria to have a voice on decisions made regarding regional economic development strategies.

GPEC has also proved to be an instrumental partner in business attraction efforts for the city's investment zones, specifically Vistancia, Old Town, and the Rovey Industrial Park.

Previous Actions:
City Council has approved the GPEC contract every year since 1991.

Options:
A: Approve the GPEC contract for another year. This means we will continue to partner with them on our economic development activities and use them as a resource for leads, prospects,

marketing, public relations, research, and analysis. Authorize the use of cash reserves and a budget transfer in the amount of $9,622 from the Half-Cent Contingency fund 1210-0350-570000 to Half-Cent Fund City Participation-Outside Programs 1210-0350-522006.

B: Reject the GPEC contract. This means we will no longer receive indirect exposure nationally and internationally in the metropolitan Phoenix region and we will undertake all economic development activities on our own.

Staff's Recommendation:
Authorize the City Manager to renew the service contract with the Greater Phoenix Economic Council for FY 2013. Authorize the use of cash reserves and a budget transfer in the amount of $9,622 from the Half-Cent Contingency fund 1210-0350-570000 to Half-Cent Fund City Participation-Outside Programs 1210-0350-522006.

Fiscal Analysis:
The cost for the City of Peoria to participate in GPEC for FY 2013 is $60,700. Currently this is funded in the FY13 Half-Cent Fund City Participation-Outside Programs account 1210-0350-522006. This amount reflects a $9,622 increase over last year's contract amount since GPEC has restored its schedule of per capita rates and resumed normal contract amounts. In the previous three years, that rate had been discounted (5% in FY2010 and by 15% in both FY2011 and FY2012) to member communities.

The level of marketing and exposure achieved through GPEC would cost significantly more if handled by city staff. Utilizing GPEC for this effort is a cost effective means to achieve a high level marketing and public relations program.

Exhibit 1: GPEC Contract
Exhibit 2: GPEC Action Plan

AGREEMENT BETWEEN
THE GREATER PHOENIX ECONOMIC COUNCIL
AND THE CITY OF PEORIA
City Contract No. _____

The City Council of the CITY OF PEORIA, a municipal corporation (the "City"), has approved participation in and support of the regional economic development program of the GREATER PHOENIX ECONOMIC COUNCIL ("GPEC"), an Arizona non-profit corporation. The purpose of this agreement ("Agreement") is to set forth the regional economic development program that GPEC agrees to undertake, the support that the City agrees to provide, the respective roles of GPEC and the City and the payments of the City to GPEC for the fiscal year July 1, 2012 - June 30, 2013.

NOW, THEREFORE, in consideration of the mutual promises contained herein, the CITY and GPEC agree as follows:

I. RESPONSIBILITIES OF GPEC

A. **MISSION:** GPEC works to attract quality businesses to the Greater Phoenix Region from around the world, and advocate and champion foundational effects to improve the region's competitiveness.

B. **GOALS**: GPEC is guided by and strategically focused on two specific long-range goals:

1. Marketing the region to generate qualified business/industry prospects in targeted economic clusters.

2. Leveraging public and private allies and resources to locate qualified prospects, improve overall competitiveness, and sustain organizational vitality.

C. **RETENTION AND EXPANSION POLICY:**

1. GPEC's primary role is image building, marketing and new business attraction for the Greater Phoenix region.

2. Retention and expansion of existing businesses is primarily a local issue.

3. GPEC can add value to retention and expansion of existing businesses through regional support and research on key retention and expansion projects.

4. GPEC has a responsibility to advise the City when an existing company contacts GPEC regarding a retention or expansion issue.

D. **ACTION PLAN AND BUDGET:** In accordance with the Mission, Goals and Retention Policy set forth above and subject to the availability of adequate funding, GPEC shall implement the Action Plan and Budget adopted by GPEC's Board of Directors, a copy of which has been delivered to the City, receipt of which is hereby acknowledged. A summary of the Action Plan is attached hereto as **Exhibit A** ("GPEC Action Plan"). The City shall be informed of any changes in the adopted Action Plan which will materially affect or alter the priorities established therein. Such notification will be in

writing and will be made prior to implementation of such changes. Notwithstanding the foregoing, the City acknowledges and agrees that GPEC may, in its reasonable judgment in accordance with its own practices and procedures, substitute, change, reschedule, cancel or defer certain events or activities described in the Action Plan as required by a result of changing market conditions, funding availability, unforeseen expenses or other circumstances beyond GPEC's reasonable control. GPEC shall solicit the input of the City on the formulation of future marketing strategies and advertisements. The Action Plan will be revised to reflect any agreed upon changes to the Action Plan.

E. **PERFORMANCE TARGETS:** Specific performance targets, established by GPEC's Executive Committee and Board of Directors, are attached hereto as **Exhibit B** ("GPEC Performance Measures") and shall be used to evaluate and report progress on GPEC's implementation of the Action Plan. In the event of changing market conditions, funding availability, unforeseen expenses or other circumstances beyond GPEC's reasonable control, these performance targets may be revised with the City's prior written approval, or with the prior written approval of a majority of the designated members of GPEC's Economic Development Directors Team ("EDDT"). GPEC will provide monthly reports to the City discussing in detail its progress in implementing the Action Plan as well as reporting the numerical results for each performance measurement set forth in Exhibit B. GPEC shall provide a copy of its annual external audit for the preceding fiscal year to the City no later December 31, 2012.

In the case of any benchmark which is not met, GPEC will meet with the EDDT to provide an explanation of the relevant factors and circumstances and discuss the approach to be taken in order to achieve the target(s). Failure to meet a performance target will not, by itself, constitute an event of default hereunder unless GPEC (i) fails to inform the City of such event or (ii) fails to meet with EDDT to present a plan for improving its performance during the balance of the term of the Agreement will constitute an event of default for which the City may terminate this Agreement pursuant to paragraph IV.J. below.

II. RESPONSIBILITIES OF THE CITY

A. **STAFF SUPPORT OF GPEC EFFORTS:** The City shall provide staff support to GPEC's economic development efforts as follows:

1. The City shall respond to leads or prospects referred by GPEC in a professional manner within the time frame specified by the lead or prospect if the City desires to compete and if the lead is appropriate for the City. When available, the City agrees to provide its response in the format developed jointly by EDDT and GPEC;

2. The City shall provide appropriate local hospitality, tours and briefings for prospects visiting sites in the City;

3. The City shall provide an official economic development representative to represent the City on the EDDT, which advises GPEC's President and CEO;

4. The City shall cooperate in the implementation of GPEC/EDDT process improvement recommendations including the use of common presentation formats, exchange of information on prospects with GPEC's staff, the use of shared data systems, land and building data bases and private sector real estate industry interfaces;

5. The City shall use its best efforts to respond to special requests by GPEC for particularized information about the City within three business days after the receipt of such request;

6. In order to enable GPEC to be more sensitive to the City's requirements, the City shall, at its sole option, deliver to GPEC copies of any City approved economic development strategies, work plan, programs and evaluation criteria. GPEC shall not disclose the same to the other participants in GPEC or their representatives;

7. The City shall utilize its best good faith efforts to cause an economic development professional representing the City to attend all marketing events and other functions to which the City has committed itself; and

8. The City agrees to work with GPEC to improve the City's competitiveness and market readiness to support the growth and expansion of the targeted industries as identified for the City in **Exhibit C** ("Targeted Industries").

B. **RECOGNITION OF GPEC:** The City agrees to recognize GPEC as the City's officially designated regional economic development organization for marketing the Greater Phoenix region.

III. ADDITIONAL AGREEMENTS OF THE PARTIES:

A. **PARTICIPATION IN MARKETING EVENTS AND PROVISION OF TECHNICAL ASSISTANCE:** Representative(s) of the City shall be entitled to participate in GPEC's marketing events provided that such participation shall not be at GPEC's expense. When requested and appropriate, GPEC will use its best efforts to provide technical assistance and support to City economic development staff for business location prospects identified and qualified by the City and assist the City with presentations to the prospect in the City or their corporate location.

B. **COMPENSATION**:

1. The City agrees to pay **$60,697.00** for services to be provided by GPEC pursuant to the Agreement during the fiscal year ending on June 30, 2013, as set forth in this Agreement. This amount is based on approximately $.39 per capita, based upon the 2011 Office of Employment and Population Statistics, Arizona Department of Administration population estimate, which listed the City as having a population of **155,754**. The payment by the City may, upon the mutual and discretionary approval of the board of directors of GPEC and the City Council, be increased or decreased from time to time during the term hereof in accordance with the increases or decreases of general application in the per

capita payments to GPEC by other municipalities which support GPEC;

2. Funding of this Agreement shall be subject to the annual appropriations of funds for this activity by the City Council pursuant to the required budget process of the City;

3. Nothing herein shall preclude the City from contracting separately with GPEC for services to be provided in addition to those to be provided hereunder, upon terms and conditions to be negotiated by the City and GPEC; and

4. GPEC shall submit invoices for payment on a quarterly basis. The foregoing notwithstanding, if GPEC has not provided the City with the audit required pursuant to paragraph I.E. above no later than December 31, 2012, no payments shall be made hereunder until the City receives the audit report. Invoices and monthly activity reports, substantially in the form of **Exhibit D** ("Reporting Mechanism for Contract Fulfillment") attached hereto, are to be submitted to the address listed under paragraph IV.P.

C. COOPERATION:

1. The parties acknowledge that GPEC is a cooperative organizational effort between GPEC and the City. Accordingly, the City and GPEC covenant and agree to work together in a productive and harmonious working relationship, to cooperate in furthering GPEC's goals for the 2012-2013 fiscal year.

2. The City agrees to work with GPEC, as necessary or appropriate, to revise the performance measures, and/or benchmarks, and/or goals for the FY 2013-2014 contract.

3. The City agrees to work with GPEC during the FY2012-2013 program year to develop a revised public sector funding plan, including a regional allocation formula for FY2013-2014, if determined to be necessary or appropriate.

IV. GENERAL PROVISIONS:

A. COVENANT AGAINST CONTINGENT FEES: GPEC warrants that no person or selling agent has been employed or retained to solicit or secure this contract upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee. For a breach or violation of this warranty, the City shall have the right to terminate this Agreement without liability or, in its discretion, to deduct the commission, brokerage or contingent fee from its payment to GPEC.

B. PAYMENT DEDUCTION OFFSET PROVISION: GPEC recognizes the provisions of the City Code of the City of Peoria which require and demand that no payment be made to any contractor as long as there is any outstanding obligation due to the City, and directs that any such obligation be offset against payment due to GPEC.

C. **ASSIGNMENT PROHIBITED:** No party to this Agreement may assign any right or obligation pursuant to this Agreement. Any attempted or purported assignment of any right or obligation pursuant to this Agreement shall be void and of no effect.

D. **INDEPENDENT CONTRACTOR; NO AGENCY:** Nothing contained in this Agreement creates any partnership, joint venture or agency relationship between the City and GPEC. At all times during the term of this Agreement, GPEC shall be an independent contractor and shall not be an employee of City. City shall have the right to control GPEC only insofar as to the results of GPEC's services rendered pursuant to this Agreement. GPEC shall have no authority, express or implied, to act on behalf of City in any capacity whatsoever as an agent. GPEC shall have no authority, express or implied, pursuant to this Agreement to bind City to any obligation whatsoever.

E. **INDEMNIFICATION AND HOLD HARMLESS:** During the term of this Agreement, GPEC shall indemnify, defend, hold, protect and save harmless the City and any and all of its Council members, officers and employees from and against any and all actions, suits, proceedings, claims and demands, loss, liens, costs, expense and liability of any kind and nature whatsoever, for injury to or death of persons, or damage to property, including property owned by City, brought, made, filed against, imposed upon or sustained by the City, its officers, or employees in and arising from or attributable to or caused directly or indirectly by the negligence, wrongful acts, omissions or from operations conducted by GPEC, its directors, officers, agents or employees acting on behalf of GPEC and with GPEC's knowledge and consent.

Any party entitled to indemnity shall notify GPEC in writing of the existence of any claim, demand or other matter to which GPEC's indemnification obligations would apply, and shall give to GPEC a reasonable opportunity to defend the same at its own expense and with counsel reasonably satisfactory to the indemnified party.

Nothing in this Subsection E shall be deemed to provide indemnification to any indemnified party with respect to any liabilities arising from the fraud, negligence, omissions or willful misconduct of such indemnified party.

F. **INSURANCE:** GPEC shall procure and maintain for the duration of this Agreement, at GPEC's own cost and expense, insurance against claims for injuries to persons or damages to property which may arise from or in connection with this Agreement by GPEC, its agents, representatives, employees or contractors, in accordance with the Insurance Requirements set forth in **Exhibit E** ("Insurance Requirements"), attached hereto. The City acknowledges that it has received and reviewed evidence of GPEC's insurance coverage in effect as of the execution of this Agreement.

G. **GRATUITIES**. The City may, by written notice to GPEC, terminate the right of GPEC to proceed under this Agreement upon one (1) calendar day notice, if it is found that gratuities in the form of entertainment, gifts, or otherwise were offered or given by GPEC, or any agent or representative of GPEC, to any officer or employee of the City with a view toward securing a contract or securing favorable treatment with respect to the awarding or amending, or the making of any determinations with respect to the performance of such contract; provided that the existence of the facts upon which the City makes such findings shall be an issue and may be reviewed in any competent court.

In the event of such termination, the City shall be entitled to pursue all legal and equitable remedies against GPEC available to the City.

H. **EQUAL EMPLOYMENT OPPORTUNITY.** During the performance of this Agreement, GPEC agrees as follows:

1. GPEC will not discriminate against any employee or applicant for employment because of race, color, religion, gender, sexual orientation, national origin, age or disability. GPEC shall take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, gender, sexual orientation, national origin, age or disability. Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. GPEC agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause.

2. GPEC will, in all solicitations or advertisements for employees placed by or on behalf of GPEC, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, gender, sexual orientation, national origin, age or disability.

3. GPEC will cause the foregoing provisions to be inserted in all subcontracts for any work covered by this Agreement, provided that the foregoing provisions shall not apply to Agreements or subcontracts for standard commercial supplies or new materials.

4. Upon request by the City, GPEC shall provide City with information and data concerning action taken and results obtained in regard to GPEC's Equal Employment Opportunity efforts performed during the term of this Agreement. Such reports shall be accomplished upon forms furnished by the City or in such other format as the City shall prescribe.

I. **COMPLIANCE WITH APPLICABLE FEDERAL AND STATE LAWS REQUIRED**. GPEC understands and acknowledges the applicability of the Immigration Reform and Control Act of 1986, the Drug Free Workplace Act of 1989 and the American with Disabilities Act , and agrees to comply therewith in performing under any resultant agreement and to permit City inspection of its records to verify such compliance.

1. GPEC warrants to the City that, to the extent applicable under A.R.S. §41-4401, GPEC is in compliance with all Federal Immigration laws and regulations that relate to its employees and with the E-Verify Program under A.R.S. §23-214(A). GPEC acknowledges that a breach of this warranty by GPEC or any subconsultants providing services under this Agreement is a material breach of this Agreement subject to penalties up to and including termination of this Agreement or any applicable subcontract.

2. The City retains the legal right to inspect the papers of any employee of GPEC or any subconsultant who works on this Agreement to ensure compliance with the warranty stated in the paragraph above. The City may conduct random verification of the employment records of GPEC and any of its subconsultants who work on this Agreement to ensure compliance with such warranty. Any information and documents obtained by the City during the course of an audit conducted in accordance with this paragraph for the purpose of determining compliance with such warranty shall remain confidential and shall not be made available for public review or produced in response to a public records request, unless the City is ordered or otherwise directed to do so by a court of competent jurisdiction.

3. The City will not consider GPEC or any of its subconsultants who work on this Agreement in material breach of the foregoing warranty if GPEC and such subconsultants establish that they have complied with the employment verification provisions prescribed by 8 USCA § 1324(a) and (b) of the Federal Immigration and Nationality Act and the e-verify requirements prescribed by Arizona Revised Statutes § 23-214(A).

4. The provisions of this Section I must be included in any contract GPEC enters into with any and all of its subconsultants who provide services under this Agreement or any subcontract to provide services under this Agreement. As used in this Section I "services" are defined as furnishing labor, time or effort in the State of Arizona by a contractor or subcontractor. Services include construction or maintenance of any structure, building or transportation facility or improvement to real property.

J. **TERMINATION.** City shall have the right to terminate this Agreement if GPEC shall fail to duly perform, observe or comply with any covenant, condition or agreement on its part under this Agreement and such failure continues for a period of 30 days (or such shorter period as may be expressly provided herein) after the date on which written notice requiring the failure to be remedied shall have been given to GPEC by the City; provided, however, that if such performance, observation or compliance requires work to be done, action to be taken or conditions to be remedied which, by their nature, cannot reasonably be accomplished within 30 days, no event of default shall be deemed to have occurred or to exist if, and so long as, GPEC shall commence such action within that period and diligently and continuously prosecute the same to completion within 90 days or such longer period as the City may approve in writing.

The foregoing notwithstanding, in the event of circumstances which render GPEC incapable of providing the services required to be performed hereunder, including, but not limited to, insolvency or an award of monetary damages against GPEC in excess of its available insurance coverage and assets, the City may immediately and without further notice terminate this Agreement.

K. **RESPONSIBILITY FOR COMPLIANCE WITH LEGAL REQUIREMENTS**. GPEC's performance hereunder shall be in material compliance with all applicable federal, state and local health, environmental, and safety laws, regulations, standards, and ordinances in effect during the performance of this Agreement.

L. **INSTITUTION OF LEGAL ACTIONS**. Any legal actions instituted pursuant to this Agreement must be filed in the county of Maricopa, State of Arizona, or in the Federal District Court in the District of Arizona. In any legal action, the prevailing party in such action will be entitled to reimbursement by the other party for all costs and expenses of such action, including reasonable attorneys' fees as may be fixed by the Court.

M. **APPLICABLE LAW.** Any and all disputes arising under any Agreement to be awarded hereunder or out of the proposals herein called for, which cannot be administratively resolved, shall be tried according to the laws of the State of Arizona, and GPEC shall agree that the venue for any such action shall be in the State of Arizona.

N. **CONTINUATION DURING DISPUTES.** GPEC agrees that, notwithstanding the existence of any dispute between the parties, each party shall continue to perform the obligations required of it during the continuation of any such dispute, unless enjoined or prohibited by an Arizona court of competent jurisdiction.

O. **CITY REVIEW OF GPEC RECORDS.** GPEC must keep all Agreement records separate and make them available for audit by City personnel upon request.

P. **NOTICES.** Any notice, consent or other communication required or permitted under this Agreement shall be in writing and shall be deemed received at the time it is personally delivered, on the day it is sent by facsimile transmission, on the second day after its deposit with any commercial air courier or express service or, if mailed, three (3) days after the notice is deposited in the United States mail addressed as follows:

If to City:

Susan Daluddung
Deputy City Manager
City of Peoria
8401 W. Monroe St.
Peoria, AZ 85345
Phone: 623-412-7300
FAX: 623-412-7309

With a copy to:

City Attorney
City of Peoria
8401 W. Monroe St.
Peoria, AZ 85345
Phone: 623-773-5180
FAX: 623-773-7043

If to GPEC: Barry Broome
President and Chief Executive Officer
Greater Phoenix Economic Council
Two North Central Avenue, Suite 2500
Phoenix, Arizona 85004-4469
(602) 256-7700
FAX: (602) 256-7744

Any time period stated in a notice shall be computed from the time the notice is deemed received. Either party may change its mailing address or the person to receive notice by notifying the other party as provided in this paragraph.

Q. **TRANSACTIONAL CONFLICT OF INTEREST.** All parties hereto acknowledge that this Agreement is subject to cancellation by the City pursuant to the provisions of Section 38-511, Arizona Revised Statutes.

R. **NONLIABILITY OF OFFICIALS AND EMPLOYEES.** No member, official or employee of the City will be personally liable to GPEC, or any successor in interest, in the event of any default or breach by the City or for any amount which may become due to GPEC or its successor, or on any obligation under the terms of this Agreement. No member, official or employee of GPEC will be personally liable to the City, or any successor in interest, in the event of any default or breach by the GPEC or for any amount which may become due to the City or successor, or on any obligation under the terms of this Agreement.

S. **NO WAIVER.** Except as otherwise expressly provided in this Agreement, any failure or delay by any party in asserting any of its rights or remedies as to any default, will not operate as a waiver of any default, or of any such rights or remedies, or deprive any such party of its right to institute and maintain any actions or proceedings which it may deem necessary to protect, assert or enforce any such rights or remedies.

T. **SEVERABILITY.** If any provision of this Agreement shall be found invalid or unenforceable by a court of competent jurisdiction, the remaining provisions of this Agreement will not be affected thereby and shall be valid and enforceable to the fullest extent permitted by law, provided that the fundamental purposes of this Agreement are not defeated by such severability.

U. **CAPTIONS.** The captions contained in this Agreement are merely a reference and are not to be used to construe or limit the text.

V. **NO THIRD PARTY BENEFICIARIES.** No creditor of either party or other individual or entity shall have any rights, whether as a third-party beneficiary or otherwise, by reason of any provision of this Agreement.

W. **ENTIRE AGREEMENT, WAIVERS AND AMENDMENTS.** This Agreement may be executed in up to three (3) duplicate originals, each of which is deemed to be an original. This Agreement, including ten (10) pages of text and the below-listed exhibits which are incorporated herein by this reference, constitutes the entire understanding and agreement of the parties.

Exhibit A – GPEC Action Plan
Exhibit B - GPEC Performance Measures
Exhibit C - Targeted Industries
Exhibit D - Reporting Mechanism for Contract Fulfillment
Exhibit E - Insurance Requirements

This Agreement integrates all of the terms and conditions mentioned herein or incidental hereto, and supersedes all negotiations or previous agreements between the parties with respect to all or any part of the subject matter hereof.

All waivers of the provisions of this Agreement must be in writing and signed by the appropriate authorities of the City or GPEC, and all amendments hereto must be in writing and signed by the appropriate authorities of the parties hereto.

IN WITNESS WHEREOF, the parties hereto have executed the Agreement this _____ day of _____, 2012.

CITY OF PEORIA, an Arizona municipal corporation

By: _____
Carl Swenson
Its: City Manager

ATTEST:

By:_____
Wanda Nelson
Its: City Clerk

APPROVED AS TO FORM:

By:_____
Stephen M. Kemp
Its: City Attorney

GREATER PHOENIX ECONOMIC COUNCIL,
an Arizona nonprofit corporation

By:_____
Barry Broome
Its: President & Chief Executive Officer

EXHIBIT A

INVENTING THE FUTURE

Greater Phoenix
ECONOMIC COUNCIL

FY2013 ACTION PLAN

Renewable Energy

Biomedical/ Personalized Medicine

Advanced Business Services

Manufacturing & Logistics

Mission Critical

Aerospace & Aviation

Emerging Tech

MEMBER COMMUNITIES

MARICOPA COUNTY
APACHE JUNCTION
AVONDALE
BUCKEYE
CASA GRANDE
CHANDLER
FOUNTAIN HILLS
GILA BEND
GILBERT
GLENDALE
GOODYEAR
MARICOPA
MESA
PHOENIX
PEORIA
QUEEN CREEK
SCOTTSDALE
SURPRISE
TEMPE
TOLLESON
WICKENBURG

INVENTING THE FUTURE

Greater Phoenix ECONOMIC COUNCIL

FY2013 ACTION PLAN

GPEC Mission

Attract quality businesses to the Greater Phoenix region from around the world, and advocate and champion foundational efforts to improve the region's competitiveness.

4 GPEC Stakeholders

6 FY13 Metrics

7 FY13 Budget

8 Business Development

10 Competitveness

12 Marketing and Communications

13 Stakeholder Engagement: Paving the way

What to Expect in the Following Pages

FY12 MILESTONES
momentum gained in the last year—select achievements and key benchmarks

FY13 ACTION ITEMS
sample of activities that adhere to a five-year vision and result in progress

DRIVES THESE FY13 METRICS
shows relationship between action items and annual performance goals

SUMMARY

Inventing the **Future**

It's a mantra shared by pioneers and entrepreneurs around the world. It's a conviction uniting individuals and teams of people everywhere who dare to make "it" their own. At GPEC, we are in the business of inventing the future. In competition with other metro markets for solid projects with quality jobs and notable capital investment, we are continually evaluating how to improve the region's business climate and secure our share of economic prosperity. Defying mediocrity, GPEC's efforts to implement a cutting-edge business development model, a more instinctive and sophisticated research practice, and a dynamic and creative marketing outfit, signify a boldness to create what does not currently exist and deliver better outcomes for the communities we serve.

Fiscal year 2013 represents the second year in the organization's five-year strategic plan, and the activities in the subsequent pages reflect not only progress, but also a steady continuation of the initiatives that will differentiate Greater Phoenix in the long-term.

With a clear path of strategies that will transcend the region as a true center of excellence, GPEC will keep inventing the future.

Vision and Progress

As approved by GPEC's Board of Directors in FY11, these strategic pillars will guide the organization's fiscal year activities, and by 2016, lead to the following vision statements:

Strategic Pillar	By 2016
Retention and Expansion	GPEC's R/E model will be best-in-class.
Next Generation	GPEC will elevate Greater Phoenix as a leading center of emerging technologies.
Attraction	GPEC will maintain its reputation as a credible, respectable and "go to" organization.
International	GPEC's foreign direct investment approach will be a national best practice.
Regional Brand	GPEC will successfully define Greater Phoenix as a region that is forward-thinking, innovative and business-friendly.
GPEC Brand	GPEC will be the nation's premier agency and leader in the economic development realm. In Arizona, GPEC will be the principal leadership organization.
Capital Markets / Venture Formation	GPEC will develop a science and technology-based fund that will drive regional innovation activity.

GPEC STAKEHOLDERS*

Member Communities

MARICOPA COUNTY
APACHE JUNCTION
AVONDALE
BUCKEYE
CASA GRANDE
CHANDLER
FOUNTAIN HILLS
GILA BEND
GILBERT
GLENDALE
GOODYEAR
MARICOPA
MESA
PHOENIX
PEORIA
QUEEN CREEK
SCOTTSDALE
SURPRISE
TEMPE
TOLLESON
WICKENBURG

Alliance Bank of Arizona
APS
Arizona Cardinals
Arizona Diamondbacks
Arizona Republic/Gannett Foundation
Arizona State University
AT&T
Bank of America
Banner Health
BBVA Compass
Chase
Cox Communications
D.L. Withers Construction
DMB Associates
Ernst & Young
Freeport McMoRan Copper & Gold Inc.
Henry & Horne
Hines
Humana
Kitchell
Maracay Homes
Maricopa Community Colleges
Mayo Clinic
MidFirst Bank
PetSmart
Phoenix Suns
Power-One
Republic Services
SCF Arizona
Squire Sanders
SRP
St. Joseph's Hospital & Medical Center
University of Phoenix
US Airways
Verizon Wireless
Walmart
Waste Management
Wells Fargo

A1A Vista Tech
A.R. Mays Construction
A.T. Still University
AAA Arizona
Abengoa/Abacus
Aetna
BlueCross BlueShield of Arizona
Cancer Treatment Centers of America
Cassidy Turley/BRE Commercial
CBRE
Celgene Corporation
Central Arizona Commerce Park, LLC
CenturyLink
Coe & Van Loo Consultants, Inc.
Colliers International
CresaPartners
Cushman & Wakefield
Deloitte
Deutsch Architecture Group
Digital Realty Trust
E-Bay
El Dorado Holdings
Empire Southwest
Gammage & Burnham
Gilbane Building Co.
Greenberg Traurig
Green Loop Solutions
HDR Architecture
Hensel Phelps
Hensley
Howard S. Wright
IASIS Healthcare
JE Dunn Construction
Jones Lang LaSalle
Layton Construction
Lewis & Roca LLP
LGE Design Build
M&I, A part of BMO Financial Group
McCarthy Building Companies
The McShane Companies
Macerich
Meritage Homes
Mortenson Construction
Najafi Companies
National Bank of Arizona
Okland Construction
Phoenix Children's Hospital
Polsinelli Shughart
Renaissance Companies
SmithGroup
SolarCity
Southwest Airlines
Sun Health
Sundt Construction
University of Arizona
UPS
Ware Malcomb
Wespac Construction, Inc.
Wood, Patel & Associates, Inc.

SILVER

Air Products and Chemicals, Inc.
Arizona Office Technologies
Avnet
Bank of Arizona
Bryan Cave
Capital Commercial Investment, Inc.
Capital Group Companies
Clear Channel Outdoor
Comerica Bank
The CORE Institute
CoStar Group
Dibble Engineering
DIRTT
Ensemble DevMan of Arizona
Facilitec
Fennemore Craig
Fervor Creative
Goodmans Interior Structures
Grant Thornton
Intel Corporation
Job Brokers Inc./JBI Energy
Kelly Services
KTAR
Marsh
Merit Partners
MSS Technologies
On Q Financial
Osborn Maledon
The Plaza Companies
Quarles & Brady
Queen Creek/Landmark Companies
Renovalia Energy USA, Inc.
Rose Law Group
Scottsdale Healthcare
Snell & Wilmer LLP
Southwest Gas Corporation
Sun State Builders
Suntech America, Inc.
Target Commercial Interiors
Univita
USAA
WealthTrust Arizona
West Valley National Bank
Wist Office Products

BRONZE

Adolfson & Peterson Construction
American Institute of Architects
American Solar Electric
Applied Economics
Austin Commercial
Carefree Partners
CORE Construction
Dircks Moving Services
Gallagher & Kennedy
Grubb & Ellis
John C. Lincoln Health Network
Land Advisors Organization
Midwestern University
Plant Solutions
PTE Real Estate Group, LLC
SkySong, ASU Scottsdale Innovation Ctr
Sunstate Equipment Company

* As of May 17,2012

FY13 METRICS

Proposed Performance Metrics

	THRESHOLD	TARGET	STRETCH
Payroll Generated	$185,028,506	$203,531,356	$223,884,492
Number of Jobs	4,378	4,816	5,297
High-wage Jobs	2,292	2,521	2,773
Average High-wage Salary	$49,108	$54,564	$60,020
Qualified Prospects	199	219	241
Qualified International Prospects	35	39	43
Emerging Tech Assists	8	10	12
Reach of Editorial Placements	119M	131M	144M
Stakeholder Satisfaction with Business Attraction	7.0*	7.3*	7.6*
Competitive Position Progress	**	**	**
Meet or Exceed Cash Reserve Target	98%	100%	102%

* Based on a scale of 1 to 10

** As determined by GPEC's Executive Committee

FY13 BUDGET

July 1, 2012 - June 30, 2013

Revenues	FY11-12 Forcast	% of Total	FY11-12 Budget	% of Total	FY13 Budget	$ Change	Change
Public Funds	$ 1,883,031	40.7%	$ 1,883,031	40.7%	$ 2,100,555	$ 217,524	11.6%
Private Funds	2,495,000	53.9%	2,500,000	54.1%	2,550,000	50,000	2.0%
In-Kind Pledge	91,900	2.0%	102,500	2.2%	91,900	(10,600)	-10.3%
Special Events, Prog. & Spon.	148,000	3.2%	130,000	2.8%	140,000	10,000	7.7%
Other Income	10,000	0.2%	8,000	0.2%	5,000	(3,000)	-37.5%
Total Revenues	**$ 4,627,931**	**100.0%**	**$ 4,623,531**	**100.0%**	**$ 4,887,455**	**$ 263,924**	**5.7%**
Operating Expenditures							
Business Attraction	341,000	7.3%	351,000	7.5%	354,000	3,000	0.9%
Marketing	167,000	3.6%	167,700	3.6%	240,500	72,800	43.4%
Research & Strategy	102,100	2.2%	107,100	2.3%	125,550	18,450	17.2%
External Relations	227,800	4.9%	232,800	5.0%	229,700	(3,100)	-1.3%
Resource Management	238,729	5.1%	243,729	5.2%	236,906	(6,823)	-2.8%
Personnel	3,147,081	67.7%	3,157,081	67.3%	3,318,946	161,865	5.1%
Facilities	427,700	9.2%	432,700	9.2%	$ 449,000	16,300	3.8%
Expenses	**$ 4,651,410**	**100.0%**	**$ 4,692,110**	**100.0%**	**$ 4,954,602**	**262,492**	**5.6%**
Net Income (Loss)	**(23,479)**	**-0.5%**	**(68,579)**	**-1.5%**	**(67,147)**	**1,432**	**-2.1%**
Less: Capital Expenditure	(25,000)	-0.5%	(20,000)	-0.4%	(40,000)	(20,000)	100.0%
Add: Depreciation	35,000	0.8%	35,000	0.8%	40,000	5,000	14.3%
Net Change in Cash Reserves	**$ (13,479)**	**-0.3%**	**$ (53,579)**	**-1.2%**	**$ (67,147)**	**$ (13,568)**	**25.3%**

* Forecasted results as of April 30, 2012

FY12 MILESTONES

National Recognition as the Best

Earned the highest ranking as "Best in Class" organization by national site-selection consultants. Conducted by New York-based Development Counsellors International, the survey named GPEC best among 50 regional and community economic development organizations in the country.

First-ever Foreign Direct Investment ExecuTour

Hosted China, Italy, Spain, Germany and Canada to a tour of the region and held an international business forum and exchange with more than 110 GPEC investors and community partners. Participating agents have since directed several leads and prospects to GPEC as a result.

Evaluation of Inventory

Under the leadership of the Community Building Consortium (CBC), GPEC worked to identify and assess the Valley's large corporate campus sites and industrial sites. More than 50 sites have been vetted, packaged and are being promoted by GPEC's team to site selectors, national developers and investment trusts to stimulate interest.

BUSINESS DEVELOPMENT

Create and maintain high-quality jobs and investment through targeted, direct selling

Proactively pursue the best projects that meet community and regional objectives

FY13 ACTION ITEMS

- *Work in Partnership Internationally*

In thoughtful coordination with the Arizona Commerce Authority, GPEC will remodel the Arizona Global Network, focusing our strategy and resources in markets such as China, Canada and Western European countries.

- *Leverage Compelling Research*

Mining intelligence to create comprehensive data sets will build a business case and shape the value proposition for each of GPEC's target industries, which will demonstrate and differentiate our level of professional expertise from the competition.

- *Maintain Lead Position with National Site Selectors*

GPEC will continue fostering relationships with the national site-selection community through regular communication, in-person meetings and hosting at ExecuTour/familiarization tours to uphold our reputation as "Best in Class" ranking economic development organization.

- *Expand Region's Emerging Technology Platform*

In principle, emerging technologies change industries and alter daily living. In leveraging the region's core competencies, GPEC will partner with science and tech-based assets to create an innovation ecosystem and become a central resource for social entrepreneurs and companies in the digital IT, healthcare science and clean tech space.

- *Collaborate for Opportunities in California*

Based on market projections and a conviction that the Sun Corridor is where true opportunity lies within the Sun Belt, GPEC will remain an invested partner in the Arizona Sun Corridor with Tucson, Yuma, Flagstaff and Pinal County. Apart from the Sun Corridor partnership, GPEC will place a more intense focus on Orange County, LA Basin and Bay Area, expanding our existing sales channels in these regions.

DRIVES THESE FY13 METRICS

- Pipeline of qualified prospects
- Total number of jobs created
- Number of high-wage jobs created
- Average high-wage salary
- Payroll generated
- Stakeholder satisfaction with business attraction

FY12 MILESTONES

Key Policy Achievements

Provided technical review and counsel to State and House leadership on the expansion of the Renewable Energy Tax Incentive Program to include other export industries. Signed by Governor Brewer, this $630 million economic development program will shape our ability to deliver high-impact projects.

Value-add Research in Aerospace and Defense

Launched region-wide market intelligence initiative, providing communities with critical data and research on the Valley's primary contractors and large suppliers. An implementation model is currently underway, which is expected to both retain current businesses and attract new opportunities.

Convened on Personalized Medicine

In another first, GPEC hosted more than 200 attendees to a Personalized Medicine Summit, where state policy-makers and business and community leadership heard from world-renowned experts on best practice life science models. Attendees also learned about Arizona's unique public-private collaborations, which have led to major achievements in research, educational, and commercialization infrastructure.

COMPETITIVENESS

Guide new, strategic business opportunities through geographic and industry trend analyses

Evaluate targeted, sound economic development programs that enhance regional and state competitiveness

FY13 ACTION ITEMS

- *Retain Key Industries and Capture New Opportunities*

With the launch of a market intelligence pilot program initially focused on the aerospace and defense industry, GPEC will continue identifying potential threats and opportunities. The pilot program will be scaled to other sectors, including clean tech, to detect new areas of investment. GPEC member communities will build market intelligence through meetings with companies, and community and business leaders will be engaged at a high level to lend support to this effort.

- *Return to Washington, D.C.*

In conjunction with an educational outreach effort to Arizona's congressional delegation, GPEC will resume an Executive Mission to the nation's Capitol. Driven by immediate and long-term economic opportunities for the region and state, this trip will aim to broaden awareness of Greater Phoenix as a market rich with opportunity.

- *Build the Region's Future Around Science and Technology*

GPEC will place an emphasis on creating centers of excellence around impactful industries like clean tech, next-generation aerospace and defense, personalized medicine and IT. A blueprint to success will include promoting venture capital into the region and teaming with universities, with the intent to help new and existing businesses commercialize products and services.

- *Support Workforce Development Efforts*

The region faces a considerable skills gap in occupations that are critical to growth industries. GPEC will collaborate with workforce development partners at Maricopa County, City of Phoenix and our educational partners at the Maricopa Community Colleges, Arizona State University and University of Phoenix to draw on national models and best practices to identify solutions to address this gap.

- *Research Opportunities in Clean Tech*

GPEC will continue to support the innovation, adoption and evolution of solar and other clean technologies. In tracking and monitoring developments within the clean tech industry, GPEC will analyze niche sectors and emerging technologies that are compatible with assets in the region.

DRIVES THESE FY13 METRICS

- Pipeline of qualified prospects
- Pipeline of international prospects
- Average high-wage salary
- Emerging technology assists
- Competitive position progress
- Total need of additional placements

FY12 MILESTONES

New Era for gpec.org

Launched a brand new website, complete with data, detail and content-related marketing to satisfy not only location decision-makers, prospective employers and employees, but also existing and future GPEC investors and the community at-large.

California Perspective

Equipped the newly redesigned gpec.org with a geo-locater, allowing for targeted, California-specific messaging to users visiting the website from a California IP address. This application gives GPEC an edge in positioning the region competitively to a very specific audience.

Solar Still Positive

Despite questions surrounding Solyndra's fallout and its impact to the industry, GPEC secured positive news stories about the region's renewable energy and solar success in *Business Xpansion Journal, The Fiscal Times, Global Corporate Xpansion and World Trade 100.*

MARKETING & COMMUNICATIONS

Market region's strengths and assets using new, non-traditional tools

Position GPEC as reliable resource for stakeholders, policy-makers, citizens and media or key economic development issues

FY13 ACTION ITEMS

- *Implement a Geographic-centric Campaign*

Expanding on current messaging for California audiences, additional marketing and public relations efforts will be targeted toward heightened regions of opportunity such as Chicago, northern California and international targets such as China.

- *Devise Online Marketing Plan*

Following the launch of GPEC's revamped website, an increased marketing focus will be placed around online marketing, including search engine optimization, search marketing, social media and email marketing. Messaging for each online platform will give emphasis to repurposing easy-to-share information such as video and blog content.

- *Continue Industry-focused Marketing*

GPEC's target industries will remain a marketing focus as value propositions for each are further developed and branded for continuity throughout the industry microsites, industry-specific collateral, presentations and messaging.

- *Increase National and International PR*

Business development and CEO-scheduled trips will be leveraged for increased public relations and media efforts at a national and international level. GPEC will also monitor national and international niche/trade publications for opportunities to better promote regional assets and publicize GPEC's agency-wide efforts.

DRIVES THESE FY13 METRICS

- Pipeline of qualified prospects
- Pipeline of international prospects
- Total reach of editorial placements

STAKEHOLDER ENGAGEMENT

The active involvement by GPEC stakeholders carves a path for our region to become world-class and extraordinary. Stakeholder support enables GPEC to pursue economic opportunities while allowing investors to participate in key economic development activities.

Governance

Board of Directors
Provides effective oversight of the organization and helps shape GPEC's influence as a regional thought leader.

Executive Committee
Acts on behalf of the Board of Directors, advising on strategic direction and overall performance of annual goals.

Board-Level Committees

Performance Committee
Evaluates the performance of the organization and the President & CEO.

Nominating Committee
Serves to nominate the At-Large Directors and Board officers.

Audit Committee
Assesses internal controls and oversees auditors and the annual audit.

Finance Committee
Sets financial objectives for the organization and recommends the annual budgets as part of the Action Plan.

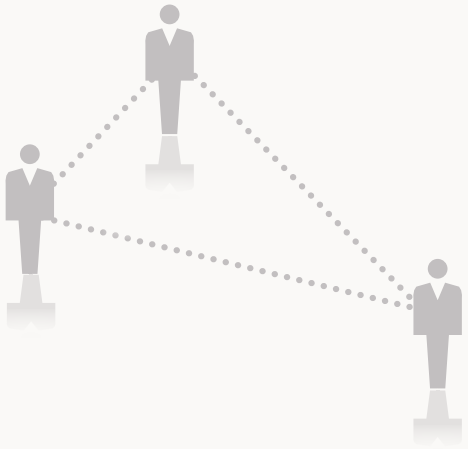
Leadership Councils and Advisory Groups

The collective professional expertise of GPEC's councils and advisory groups guides the CEO on key initiatives, leverages connections to further business development and competitiveness efforts, and supports implementation of programs.

GPEC Next Leadership Council*
High-level advisory group designed to ensure the organization operates as "GPEC Next" model: innovative, integrated, proactive.

Healthcare Leadership Council*
Works together to establish Greater Phoenix as a center of excellence for personalized medicine anchored by innovative assets and world-class leadership.

International Leadership Council*
Advises on the direction and implementation of GPEC's foreign direct investment efforts; responsible for monitoring progress and providing guidance to increase program impacts.



Economic Development Directors Team

Advises CEO and staff on local economic development trends, offers insight on pulse of city/town council and partners with GPEC to finalize location decisions.

Community Building Consortium*

Applies collective commercial real estate experience to help capture business development opportunities and increase the region's transactional capabilities.

Marketing Committee*

Offers guidance on the development of regional branding, marketing and media efforts in support of our core mission of business development and regional competitiveness.

Innovation Council*

Guides and directs the planning and execution of a comprehensive economic development model to foster and promote a competitive environment for the formation, retention and expansion of growth industries in Greater Phoenix.

Ambassadors

At the foundation of GPEC's engagement activity are Ambassadors, whose broad range of professional backgrounds lend critical assistance to regional business-climate improvement and business development efforts.

Ambassadors

Help communicate, educate and inform stakeholders, policy-makers, citizens and media about key regional economic development issues.

Certified Ambassadors

A qualifying program for Ambassadors who serve as an extension of the GPEC team and are given unique opportunities to interface more closely with GPEC's staff and board on program initiatives and mission-critical efforts.

Ambassador Steering Committee

Advises on strategic direction of Ambassadors Program; design activities relevant to and in support of GPEC's mission; serve as a sounding board for emerging initiatives and support implementation of programs.

**Eligibility determined by investment level or strategic appointment*

INVENTING
THE
FUTURE

Greater Phoenix
ECONOMIC COUNCIL

FY2013 ACTION PLAN

2 N. Central Ave., Suite 2500, Phoenix, AZ 85004

Phone: 602.256.7700 | Fax: 602.256.7744 | www.gpec.org

@gpec | gpec greater phoenix | greater phoenix economic council (groups) | greater phoenix economic council

EXHIBIT B

GPEC PERFORMANCE MEASURES
FY 2012-2013

Specific performance targets as established by the GPEC Executive Committee and Board of Directors:

1.	**Payroll Generated**	**$185.0M**
2.	**Total Number of Jobs Created**	**4,378**
3.	**Total Number of High-Wage Jobs**	**2,292**
4.	**Average High-Wage Salary**	**$49,108**
5.	**Emerging Tech Assists**	**8**
6.	**Number of Qualified Prospects**	**199**
7.	**Number of Qualified International Prospects**	**35**
8.	**Total Reach of Editorial Placements/Exposures**	**119M**

GPEC continues to target high-wage industries (Renewable Energy; Biomedical/Personalized Medicine; Advanced Business Services; Manufacturing & Logistics; Mission Critical; Areospace & Aviation; Emerging Tech)

EXHIBIT C

TARGETED INDUSTRIES

FY2012-2013

GPEC and our member communities have identified targeted industries on a local and regional level, incorporating these industries into a regional economic development plan. For fiscal year 2012-2013, GPEC will continue its emphasis on the following: Renewable Energy; Biomedical/Personalized Medicine; Advancd Business Services; Manufacturing & Logistics; Mission Critical; Aerospace & Aviation; Emerging Tech.

Member communities will target the following:

Apache Junction
Business services; environmental technologies research and manufacturing; standard and advanced manufacturing; regional and corporate centers; medical institutions and/or associated satellite operations; mining support facilities; resort/tourist-oriented development; filmmaking (location shooting); expanded retail opportunities

Avondale
Advanced business services/information technology; renewable energies; Bio/medical/life sciences; manufacturing; higher education/lifelong learning, amateur sports and tourism

Buckeye
Advanced business services; renewable energy; high tech (data center and services); environmental technology / sustainability; standard manufacturing; medical and educational institutions; transportation/distribution; small business/incubator; areospace/aviation

Casa Grande
Aviation/aerospace; biosciences and sustainability; corporate/regional headquarters; healthcare and medical services; standard manufacturing and transportation and distribution

Chandler
Advanced Business Services; corporate/regional headquarters, high-tech electronics and software development; aerospace/aviation and advanced materials; biosciences and sustainability.

Fountain Hills
Advanced business services; high-tech/IT; healthcare, medical and bio-medical; renewable engery; post-secondary institutions

Gila Bend
Clean technology (manufacturing/central station generation/R&D); warehousing/transportation/distribution; military supply chain; tourism/hospitality; standard manufacturing; agriculture/agri-biotechnology; food, fiber and natural products; aerospace/aviation

Gilbert
Corporate/regional headquarters; advanced business services; high-tech/software (R&D, data center, services); next generation electronics (sensors, optics); aerospace and defense (satellite, FAA repair); biotechnology and life sciences (R&D, oncology, regenerative medicine, cardiovascular science, medical device); clean technology and renewable energy (R&D, algae, biodiesel)

Glendale
Aviation/aerospace; software development; sports and entertainment; high-tech consultants; research and development; defense; financial services and insurance headquarters; resorts; healthcare and medical services; engineering and architectural

Goodyear
Advance financial/business services; high-tech electronics and software development; aerospace/aviation; advanced materials; biosciences (treatment, medical diagnostics, research) and senior industries; food, fiber and natural products; transportation/distribution; standard manufacturing; environmental technology; sustainability

Maricopa (City)
High-wage employers (salaries averaging at least 125% of the median wage in Maricopa County) that generate at least 80% of income from exporting goods and services outside the region.

Mesa
Primary Target Industries: Healthcare, Education, Aerospace and Tourism
Secondary target industries: Advanced business services; regional and corporate centers; environmental technology; research & development; bioscience; sustainability

Peoria
Advanced business services; high technology (data centers, R&D); life sciences and healthcare technologies; advanced medical services; educational institutions; advanced and standard manufacturing; clean technologies research and manufacturing; entertainment and tourism

Phoenix
Advanced business services; aerospace and defense; bioscience; high tech/IT; renewable energy; higher education

Queen Creek
Aerospace and aviation; health and wellness; advanced financial/business services; arts, culture and experience; education

Scottsdale
Information technology/software; healthcare/biomedical; financial services; sports/lifestyle; solar/sustainable industries; education

Surprise
Environmental technology; advanced medical services; biotech; education and healthcare; transportation and distribution

Tempe
Advanced business services (financial services); high tech/software (R&D, data center and services); high-tech/next generation electronics; aerospace R&D/aviation; bioscience (research, drug development, treatment, medical diagnostics); corporate/regional headquarters; sustainability (environmental); advanced materials/plastics; senior industries; clean tech, renewable energy and manufacturing

Tolleson
Aerospace and advanced materials; food, fiber and natural products; transportation/distribution; standard manufacturing; environmental technology; sustainability

Wickenburg
Heavy industrial; standard manufacturing; transportation & distribution; rail services; food processing; mining support facilities; renewable energy; environmental technology research & manufacturing; healthcare and medical; educational institutions; tourism and filmmaking; expanded retail operations

EXHIBIT D

FY 2012-2013

REPORTING MECHANISM FOR CONTRACT FULFILLMENT

Monthly Activity Report - Month, Year

BUSINESS ATTRACTION PERFORMANCE METRICS:

GPEC Progress Toward Goals

Targeted Opportunities	Annual Contract Goal	Actual YTD	Goal YTD	% of Goal YTD
PAYROLL GENERATED (MILLIONS)				
AVERAGE HIGH WAGE SALARY				
NUMBER OF JOBS				
NUMBER OF HIGH-WAGE JOBS				
EMERGING TECHNOLOGY ASSISTS				
QUALIFIED PROSPECTS				
INTERNATIONAL PROSPECTS				
TOTAL REACH OF EDITORIAL PLACEMENTS				

GPEC continues to target high-wage industries (advanced business services, aerospace, life sciences, renewable energy, high-tech/IT)

KEY BUSINESS ATTRACTION ACTIVITIES AND OTHER GPEC ACTIVITIES

EXHIBIT E

INSURANCE REQUIREMENTS

The City's insurance requirements are minimum requirements for this Agreement and in no way limit the indemnity covenants contained in this Agreement. The City in no way warrants that the minimum limits required of GPEC are sufficient to protect GPEC from liabilities that might arise out of this Agreement for GPEC, its agents, representatives, employees or Contractors and GPEC is free to purchase such additional insurance as may be determined necessary.

A. Minimum Scope and Limits of Insurance. GPEC shall provide coverage at least as broad as the categories set forth below with limits of liability in amounts acceptable to the City.

1. Commercial General Liability - Occurrence Form
(Form CG 0001, ed. 10/93 or any replacements thereof)

General Aggregate/ per Project
Products-Completed Operations Aggregate
Personal & Advertising Injury
Each Occurrence
Fire Damage (Any one fire)
Directors and Officers
Medical Expense (Any one person) Optional

2. Automobile Liability - Any Auto or Owned, Hired and Non-Owned Vehicles (Form CA 0001, ed. 12/93 or any replacement thereof) Combined Single Limit Per Accident for Bodily Injury and Property Damage

3. Workers' Compensation and Employers' Liability
Workers' Compensation Statutory
Employers' Liability

B. Self-insured Retentions. Any self-insured retentions must be declared to and approved by the City. If not approved, the City may request that the insurer reduce or eliminate such self-insured retentions with respect to City, its officers, officials, agents, employees and volunteers.

C. Other Insurance Requirements. The policies are to contain, or be endorsed to contain, the following provisions:

1. Commercial General Liability

a. The City, its officers, officials, agents, employees and volunteers are to be named as additional insureds with respect to liability arising out of: activities performed by or on behalf of GPEC, including the City's general supervision of GPEC; products and completed operations of GPEC; and automobiles owned, leased, hired or borrowed by GPEC.

b. GPEC's insurance shall include broad form contractual liability coverage.

c. The City, its officers, officials, agents, employees and volunteers shall be additional insureds to the full limits of liability purchased by GPEC, even if those limits of liability are in excess of those required by this Agreement.

d. GPEC's insurance coverage shall be primary insurance with respect to City, its officers, officials, agents, employees and volunteers. Any insurance or self-insurance maintained by City, its officers, officials, employees or volunteers shall be in excess of GPEC's insurance and shall not contribute to it.

e. GPEC's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

f. Coverage provided by GPEC shall not be limited to the liability assumed under the indemnification provisions of this Agreement.

g. The policies shall contain a waiver of subrogation against City, its officers, officials, agents, employees and volunteers for losses arising from work performed by GPEC for the City.

2. Workers' Compensation and Employers' Liability Coverage. The insurer shall agree to waive all rights of subrogation against City, its officers, officials, agents, employees and volunteers for any and all losses arising from work performed by the Contractor for the City.

D. **Notice of Cancellation.** Each insurance policy required by the insurance provisions of this Agreement shall provide the required coverage and shall not be suspended, voided, canceled by either party, reduced in coverage or in limits except after thirty (30) days' prior written notice has been sent to City at the address provided herein for the giving of notice. Such notice shall be by certified mail, return receipt requested.

E. **Acceptability of Insurers.** Insurance is to be placed with insurers duly licensed or approved unlicensed companies in the State of Arizona and with a "Best's" rating of not less than A-:VII. City in no way warrants that the above required minimum insurer rating is sufficient to protect GPEC from potential insurer insolvency.

F. **Verification of Coverage**. GPEC shall furnish City with Certificates of Insurance (ACORD form or equivalent approved by City) and with original endorsements effecting coverage as required by this Agreement. The certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. Any policy endorsements that restrict or limit coverage shall be clearly noted on the Certificate of Insurance.

All certificates and endorsements are to be received and approved by City before work commences. Each insurance policy required by this Agreement must be in effect at or prior to commencement of work under this Agreement and remain in effect for the duration of the project.

All certificates of insurance required by this Agreement shall be sent directly to City at the address and in the manner provided in this Agreement for the giving of notice. City's Agreement/Agreement number, GPEC's name and description of the Agreement shall be provided on the Certificates of Insurance. City reserves the right to require complete certified copies of all insurance policies required by this Agreement, at any time.

G. **Approval**. During the term of this Agreement, no modification may be made to any of GPEC's insurance policies which will reduce the nature, scope or limits of coverage which were in effect and approved by the City prior to execution of this Agreement.

CITY OF PEORIA, ARIZONA
COUNCIL COMMUNICATION

Agenda Item: 4C

Date Prepared: June 4, 2012 **Council Meeting Date: June 19, 2012**

TO: Carl Swenson, City Manager

FROM: Jeff Tyne, Interim Community Services Director

THROUGH: Susan J. Daluddung, Deputy City Manager

SUBJECT: Sixth Amendment to the Intergovernmental Agreement between the Maricopa County Library District and the City of Peoria, for Certain Library Services and Reimbursements

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Purpose:

This is a request for City Council to approve the Sixth Amendment and extend the Intergovernmental Agreement between the Maricopa County Library District and the City of Peoria, effective July 1, 2012 to June 30, 2013.

Background/Summary:

The Intergovernmental Agreement between the Maricopa County Library District (MCLD) and the City of Peoria for the Reciprocal Borrowing Program obligates the City to provide library services to non-residents of the City to the same extent and pursuant to the same rules and regulations as the City provides to its residents. These services include access to and use of City library facilities for the purpose of identifying, reading, using and/or borrowing books and materials, library reference services, children's library services and other library services mutually agreed upon between the City and the MCLD. This includes both main and branch locations.

The MCLD is in turn obligated to reimburse the City for net services it provides to non-residents. For example, if the number of non-residents who use Peoria's Library services is greater than the number of Peoria residents who use other participating libraries, the MCLD shall pay the City a sum of $25.00 for each net non-resident user in FY2013. However, if the number of non-residents using Peoria's Library services is less than the number of Peoria residents using other participating libraries, then the City is not entitled to any reimbursement.

The language of the Sixth Amendment to the Intergovernmental Agreement between the Maricopa County Library District and the City of Peoria is essentially the same as in previous years. The largest change is the reimbursement rate is decreasing this year from $28.50 to $25.00 per net non-resident user. Since the reimbursement rate is directly related to generated

property taxes for the district, a new rate is calculated each year and therefore necessitates an annual amendment to the intergovernmental agreement.

Previous Actions:

This action would extend the intergovernmental agreement for an additional year, which has occurred on an annual basis since the original five year agreement expired in 2006. The City Attorney's Office has reviewed the intergovernmental agreement and agrees with its contents.

Options: *(include as many as reasonable)*

The following options are possible for the City Council to recommend:

A. Authorize the approval of the Sixth Amendment to the Intergovernmental Agreement between the Maricopa County Library District and the City of Peoria for the Reciprocal Borrowing Program.

B. Direct staff to renegotiate the Intergovernmental Agreement between the Maricopa County Library District and the City of Peoria for the Reciprocal Borrowing Program.

Staff's Recommendation:

Staff recommends the City Council approve the Sixth Amendment and extend the Intergovernmental Agreement between the Maricopa County Library District and the City of Peoria, effective July 1, 2012 to June 30, 2013 for the Reciprocal Borrowing Program.

Fiscal Analysis:

The Reciprocal Borrowing Program is estimated to bring in $57,000 in revenue in FY13 for the City of Peoria Library System.

Exhibit(s):
Exhibit 1: Sixth Amendment to the Intergovernmental Agreement between the Maricopa County Library District and the City of Peoria for the Reciprocal Borrowing Program

Contact Name and Number: Jeff Tyne, 623-773-7114

SIXTH AMENDMENT TO
INTERGOVERNMENTAL AGREEMENT
BETWEEN THE
MARICOPA COUNTY LIBRARY DISTRICT
AND THE CITY OF PEORIA
FOR
THE RECIPROCAL BORROWING PROGRAM

Agenda # C-65-02-015-2-06

THIS SIXTH AMENDMENT ("Amendment") TO INTERGOVERNMENTAL AGREEMENT C-65-02-015-2, that was effective July 1, 2001, by and between the City of Peoria ("City") and the Maricopa County Library District ("Library District"), with reference to the following facts:

RECITALS

WHEREAS, the Library District has established a Reciprocal Borrowing Program for the benefit of its members in order to expand the availability of Library Services;

WHEREAS the City has participation in this program; and

WHEREAS the Library District is willing to continue the program;

NOW THEREFORE the City and the Library District agree that the IGA, effective July 1, 2001, shall continue with the following amendments:

AMENDMENTS

1.1. The effective date for services under this Amendment shall be July 1, 2012 to June 30, 2013.

1.2. The Library District shall reimburse the City, semi-annually, at a rate of $25.00 per net non-resident user.

1.3. The IGA, as amended by this Amendment, is hereby confirmed. All other terms and conditions of the IGA shall remain in full force and effect.

IN WITNESS WHEREOF, the CITY OF PEORIA and the MARICOPA COUNTY LIBRARY DISTRICT have executed this Agreement effective on the date first above written.

CITY OF PEORIA

By: _____
Mayor
City of Peoria

ATTEST:

By: _____
City Clerk Date

MARICOPA COUNTY LIBRARY DISTRICT

By: _____
Chairman, Board of Directors
Maricopa County Library District

ATTEST:

By: _____
Clerk of the Board Date

The foregoing Agreement has been reviewed by the undersigned counsel who has determined that it is in proper form and within the power and authority granted under the laws of the State of Arizona.

By: _____
Attorney Date
City of Peoria

By: _____
Attorney Date
Maricopa County Library District

CITY OF PEORIA, ARIZONA
COUNCIL COMMUNICATION

Agenda Item: 5C

Date Prepared: May 16, 2012 **Council Meeting Date: June 19, 2012**

TO: Carl Swenson, City Manager

FROM: Andrew Granger, P.E., Engineering Director

THROUGH: Susan J. Daluddung, Deputy City Manager

SUBJECT: Intergovernmental Agreement, Arizona Department of Transportation, Installation of Pedestrian Countdown Signal Heads - Various Locations

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Purpose:

This is a request for City Council to adopt a Resolution approving the Intergovernmental Agreement (IGA) with the Arizona Department of Transportation (ADOT) for installation of Pedestrian Countdown Signal Heads at various locations within the City of Peoria (City).

Background/Summary:

Over the last several years, the City has been working to convert our existing pedestrian signal heads to countdown signal heads throughout the City. The City has already converted 48 intersections.

As part of this effort, the City recently applied for a Highway Safety Improvement Program (HSIP) grant to convert the remaining 58 intersections within the City to countdown heads. The City was awarded a HSIP Grant for this work that will be 100% federally funded. As part of the requirements to receive funding, the City must enter into an IGA with ADOT, who is the project administrator for the HSIP Program within Arizona.

Previous Actions:

In FY 2010, the City received similar funding to upgrade pedestrian signal heads with countdown pedestrian signal heads at 13 intersections.

Options:

A: Approve the adoption of the Resolution approving the IGA with ADOT.

B**:** Deny the adoption of the Resolution approving the IGA with ADOT, resulting in the City not having the HSIP Funds to improve the safety of pedestrians.

Staff's Recommendation:

Staff recommends the adoption of a Resolution accepting the IGA so that the City can utilize the HSIP Funds to upgrade pedestrian signal heads with pedestrian countdown signal heads at 58 intersections throughout the City.

Fiscal Analysis:

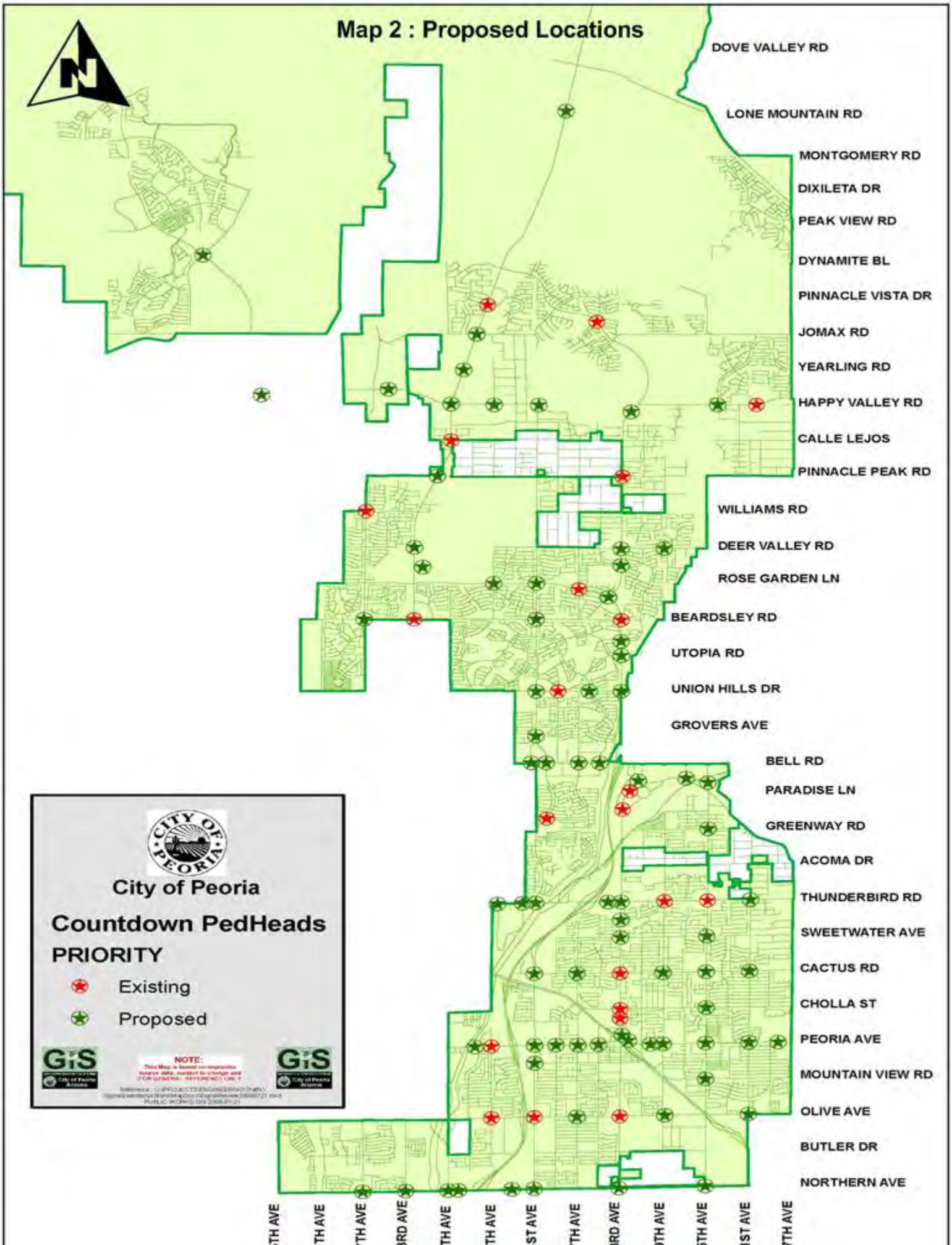
IGA PROJECT FUNDING

HSIP	$ 76,816.00
City of Peoria Funds	$ 0
Total Estimated Project Cost.....	**$ 76,816.00**

Narrative:

The adoption of the Resolution approving the IGA will enable the City to utilize the HSIP Funds.

Exhibits:
1. Location Map
2. Resolution w/ IGA


Map 2 : Proposed Locations
N
DOVE VALLEY RD
LONE MOUNTAIN RD
MONTGOMERY RD
DIXILETA DR
PEAK VIEW RD
DYNAMITE BL
PINNACLE VISTA DR
JOMAX RD
YEARLING RD
HAPPY VALLEY RD
CALLE LEJOS
PINNACLE PEAK RD
WILLIAMS RD
DEER VALLEY RD
ROSE GARDEN LN
BEARDSLEY RD
UTOPIA RD
UNION HILLS DR
GROVERS AVE
BELL RD
PARADISE LN
GREENWAY RD
ACOMA DR
THUNDERBIRD RD
SWEETWATER AVE
CACTUS RD
CHOLLA ST
PEORIA AVE
MOUNTAIN VIEW RD
OLIVE AVE
BUTLER DR
NORTHERN AVE
CITY OF PEORIA
City of Peoria
Countdown PedHeads
PRIORITY
Existing
Proposed
GIS
NOTE:
GIS

RESOLUTION NO. 2012-84

A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF PEORIA, ARIZONA, ADOPTING A RESOLUTION APPROVING THE INTERGOVERNMENTAL AGREEMENT WITH THE STATE OF ARIZONA AND THE CITY OF PEORIA FOR INSTALLATION OF PEDESTRIAN COUNT DOWN SIGNAL HEADS.

WHEREAS, the City of Peoria (City) Mayor and City Council are authorized by Title 9, Chapter 2, Article 4, Section 9-276 (1) to lay out and establish or otherwise improve streets, alleys, avenues, sidewalks, etc. and by Title 11, Chapter 7, Section 11-951 *et seq*. to enter into Intergovernmental Agreements with other governing bodies for services or joint exercise of powers; and

WHEREAS, the City desires to enter into an Intergovernmental Agreement with the State of Arizona for Installation of Pedestrian Count Down Signal Heads; and

THEREFORE, BE IT RESOLVED that the Mayor and City Council of the City of Peoria, Arizona approves and adopts this Resolution to enter an Intergovernmental Agreement with the State of Arizona, and the City of Peoria (attached) for installation of Pedestrian Count Down Signal Heads at various locations within the City of Peoria.

PASSED AND APPROVED by the Mayor and City Council of the City of Peoria, Arizona this 19th day of June, 2012.

_____
Bob Barrett, Mayor

ATTEST:

_____
Wanda Nelson, City Clerk

APPROVED AS TO FORM:

_____
Stephen M. Kemp, City Attorney

Attachment:

1. Intergovernmental Agreement

ADOT File No.: IGA/JPA 12-023I
AG Contract No.: P001 2012 001704
Project: Purchase & Installation
Section: Various Locations
Federal Project No.: PE0-0(217)A
ADOT Project No.: SH552 03D/01C
TIP/STIP No.: PEO12-112
Budget Source Item No.: 72812

INTERGOVERNMENTAL AGREEMENT

BETWEEN
THE STATE OF ARIZONA
AND
THE CITY OF PEORIA

THIS AGREEMENT is entered into this date Please Do Not Enter, 2012, pursuant to the Arizona Revised Statutes § 11-951 through § 11-954, as amended, between the STATE OF ARIZONA, acting by and through its DEPARTMENT OF TRANSPORTATION (the "State" or "ADOT") and the CITY OF PEORIA, acting by and through its MAYOR and CITY COUNCIL (the "City"). The State and the City are collectively referred to as "Parties."

I. RECITALS

1. The State is empowered by Arizona Revised Statutes § 28-401 to enter into this Agreement and has delegated to the undersigned the authority to execute this Agreement on behalf of the State.

2. The City is empowered by Arizona Revised Statutes § 48-572 to enter into this Agreement and has by resolution, a copy of which is attached hereto and made a part hereof, resolved to enter into this Agreement and has authorized the undersigned to execute this Agreement on behalf of the City.

3. Congress has established the Highway Safety Improvement Program (HSIP) as a core Federal-aid for the specific purpose of achieving a significant reduction in traffic fatalities and serious injuries on public roads. The State, the Federal Highway Administration (FHWA) and the City have identified systematic improvements within the City as eligible for this funding.

4. The purpose of this joint exercise of powers and cooperative action (i.e. Agreement), by the State and the City is to allow the State to acquire Federal funds for the purchase of countdown pedestrian heads, hereinafter referred to as the "Project". The City, through the State's Procurement Process and Arizona Department of Transportation (ADOT) Procurement contract(s) will utilize an authorized supplier to provide the equipment and services as outlined in the contract and approved plans to complete this project with the aid and consent of the State and the FHWA. The City will install the Project at its own cost.

5. The interest of the State in this Project is the acquisition of federal funds for the use and benefit of the City and to authorize such Federal funds for the Project pursuant to Federal law and regulations. The State shall be the designated agent for the City.

6. The Parties shall perform their responsibilities consistent with this Agreement and any change or modification to the Project will only occur with the mutual written consent of both Parties.

7. The federal funds will be used for the Project, including the construction engineering and administration cost (CE). The estimated Project costs are as follows:

Funding breakdown:

SH552 03D (design):

Federal-aid funds @ 100%	$ 10,000.00
Subtotal – Design	**$** 10,000.00

SH552 01C (construction):

Federal-aid funds @ 100%	$ 66,816.00
Subtotal – Construction*	**$** 66,816.00
Total Federal Funds	$ 76,816.00
TOTAL Project Cost	**$** 76,816.00

* (Includes 15% CE and 5% Project contingencies)

The Parties acknowledge that the final bid amount may exceed the initial estimate(s) shown above, and in such case, the City is responsible for, and agrees to pay, any and all eventual, actual costs exceeding the initial estimate. If the final bid amount is less than the initial estimate, the difference between the final bid amount and the initial estimate will be de-obligated or otherwise released from the Project. The City acknowledges it remains responsible for, and agrees to pay according to the terms of this Agreement, any and all eventual, actual costs exceeding the final bid amount.

THEREFORE, in consideration of the mutual Agreements expressed herein, it is agreed as follows:

II. SCOPE OF WORK

1. The State will:

a. Submit all documentation required to the FHWA containing the above-mentioned Project with the recommendation that funding be approved for procurement and installation. The Project will be performed, completed, accepted and paid for in accordance with the requirements of the Project Specifications and Terms and Conditions.

b. Request the maximum HSIP funds programmed for this Project, including City contract administration costs. Should costs exceed the maximum HSIP funds available it is understood and agreed that the City will be responsible for any overage.

c. Approve the Project, if such project funds are available from and authorized by FHWA for the Project. Be the designated authorized agent for the City.

d. Upon execution of this Agreement, coordinate with the City regarding the specifics of the equipment to be ordered by the State to best ensure the requirements of the Project are met. Enter into a contract(s) with a firm(s) to whom the award is made for the purpose of the Project.

e. Instruct the vendor to deliver equipment directly to the City for final acceptance and to bill the City directly. The State will reimburse the City 80% of allocated funds, up to $61,453.00 within thirty days (30) after receipt and approval of an invoice for equipment purchased under this Agreement. Upon completion of final inspection, within thirty (30) days after receipt of invoice from the City, the State will reimburse the City with the remaining federal funds allocated for this Project not to exceed $15,363.00.

f. Not be obligated to maintain said Project, should the City fail to budget or provide for proper and perpetual maintenance as set forth in this Agreement.

g. Verify installation of equipment was performed and completed in compliance with FHWA requirements, upon notification of installation of equipment by the City.

2. The City will:

a. Designate the State as authorized agent for the City, if such project is approved by the FHWA and project funds are available.

b. Be responsible for the cost of installation and any overage of costs exceeding the maximum HSIP funds available for the Project. Agree that the cost of the analysis and work covered by this Agreement is to be borne by FHWA and the City, each in the proportion prescribed and determined by FHWA.

c. Coordinate with the State during the procurement process of the Project.

d. Certify that all necessary rights-of-way have been or will be acquired prior to advertisement for bid and also certify that all obstructions or unauthorized encroachments of whatever nature, either above or below the surface of the Project area, shall be removed from the proposed right-of-way, or will be removed prior to the start of construction, in accordance with The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 as amended; 49 CFR 24.102 Basic Acquisition Policies; 49 CFR 24.4 Assurances, Monitoring and Corrective Action, parts (a) & (b) and ADOT ROW Manual: 8.02 Responsibilities, 8.03 Prime Functions, 9.07 Monitoring Process and 9.08 Certification of Compliance. Coordinate with the appropriate State's Right-of-Way personnel during any right-of-way process performed by the City, if applicable.

e. Purchase and install the equipment acquired under this Agreement and maintain all improvements provided by this Project for the entire design life of the equipment.

f. Be responsible for ensuring all equipment purchased is installed within one (1) year of receipt of equipment.

g. Within thirty (30) days of making payment for equipment, invoice the State for reimbursement of eligible costs incurred by the City and provide all necessary backup documentation with said invoice. Be entirely responsible for all costs incurred in performing and accomplishing the work as set forth in this Agreement not covered by federal funding.

h. Notify the State when all equipment has been installed and is ready for inspection. Upon completion of final inspection, invoice the State for the remaining federal funds allocated for this Project not to exceed $15,363.00.

i. Be obligated to incur any expenditure should unforeseen conditions or circumstances increase the cost of said work required by a change in the extent of scope of the work requested by the City. Such changes require the prior approval of the State and FHWA. Be responsible for any contractor claims for additional compensation caused by Project delays attributable to the City. Payment for these costs shall be made within thirty (30) days of receipt of an invoice from the State.

j. Not permit or allow any encroachments upon or private use of the right-of-way, except those authorized by permit. In the event of any unauthorized encroachment or improper use, the City shall take all necessary steps to remove or prevent any such encroachment or use.

k. Hereby grant the State, its agents and/or contractors, without cost, the right to enter City Rights-of-Way, as required, to conduct any and all construction and preconstruction related activities, including without limitation, temporary construction easements or temporary Rights-of-Entry to accomplish among other things, soil and foundation investigations.

III. MISCELLANEOUS PROVISIONS

1. The terms, conditions and provisions of this Agreement shall remain in full force and effect until completion of said Project and related deposits or reimbursement, except any provisions for maintenance shall be perpetual, unless assumed by another competent entity. Further, this Agreement may be cancelled at any time prior to the award of the Project construction contract, upon thirty (30) days written notice to the other party. It is understood and agreed that, in the event the City terminates this Agreement, the State shall in no way be obligated to maintain said Project. If the federal funding related to this Project is terminated or reduced by the federal government, or if Congress rescinds, fails to renew, or otherwise reduces apportionments or obligation authority, the State shall in no way be obligated for funding or liable for any past, current or future expenses under this agreement.

2. The State assumes no financial obligation or liability under this Agreement, or for any resulting construction Project. The City, in regard to the City's relationship with the State only, assumes full responsibility for the design, plans, specifications, reports, the engineering in connection therewith and the construction of the improvements contemplated, cost over-runs and construction claims. It is understood and agreed that the State's participation is confined solely to securing federal aid on behalf of the City and the fulfillment of any other responsibilities of the State as specifically set forth herein; that any damages arising from carrying out, in any respect, the terms of this Agreement or any modification thereof shall be solely the liability of the City and that to the extent permitted by law, the City hereby agrees to save and hold harmless, defend and indemnify from loss the State, any of its departments, agencies, officers or employees from any and all costs and/or damage incurred by any of the above and from any other damage to any person or property whatsoever, which is caused by any activity, condition, misrepresentation, directives, instruction or event arising out of the performance or non performance of any provisions of this Agreement by the State, any of its departments, agencies, officers and employees, or its independent contractors, the City, any of its agents, officers and employees, or its independent contractors. Costs incurred by the State, any of its departments, agencies, officers or employees shall include in the event of any action, court costs, and expenses of litigation and attorneys' fees.

3. The cost of design, construction and construction engineering work under this Agreement is to be covered by the HSIP funds set aside for this Project, up to the maximum available. The City acknowledges that the eventual actual costs may exceed the maximum available amount of HSIP funds, or that certain costs may not be accepted by the federal government as eligible for HSIP funds. Therefore, the City agrees to furnish and provide the difference between actual costs and the HSIP funds received.

4. The cost of the project under this Agreement includes applicable indirect costs approved by the FHWA.

5. The City and State warrant compliance with the Federal Funding Accountability and Transparency Act of 2006 and associated 2008 Amendments (the "Act"). Additionally, in a timely manner, the City will provide information that is requested by the State to enable the State to comply with the requirements of the Act, as may be applicable.

6. This Agreement shall become effective upon signing and dating of the Determination Letter by the State's Attorney General.

7. This Agreement may be cancelled in accordance with Arizona Revised Statutes § 38-511.

8. To the extent applicable under law, the provisions set forth in Arizona Revised Statutes § 35-214 and § 35-215 shall apply to this Agreement.

9. This Agreement is subject to all applicable provisions of the Americans with Disabilities Act (Public Law 101-336, 42 U.S.C. 12101-12213) and all applicable Federal regulations under the Act, including 28 CFR Parts 35 and 36. The parties to this Agreement shall comply with Executive Order Number 2009-09 issued by the Governor of the State of Arizona and incorporated herein by reference regarding "Non-Discrimination".

10. Non-Availability of Funds: Every obligation of the State under this Agreement is conditioned upon the availability of funds appropriated or allocated for the fulfillment of such obligations. If funds are not allocated and available for the continuance of this Agreement, this Agreement may be terminated by the State at the end of the period for which the funds are available. No liability shall accrue to the State in the event this provision is exercised, and the State shall not be obligated or liable for any future payments as a result of termination under this paragraph.

11. In the event of any controversy, which may arise out of this Agreement, the Parties hereto agree to abide by required arbitration as is set forth for public works contracts in Arizona Revised Statutes § 12-1518.

12. All notices or demands upon any party to this Agreement shall be in writing and shall be delivered in person or sent by mail, addressed as follows:

Arizona Department of Transportation
Joint Project Administration
205 S. 17th Avenue, Mail Drop 637E
Phoenix, Arizona 85007
(602) 712-7124
(602) 712-3132 Fax

City of Peoria
Attn: Jamal Rahimi, P.E., P.T.O.E,
City Traffic Engineer
9875 N. 85th Ave
Peoria, AZ 85345
(623) 773-7224
(623) 773-7248 Fax

For Financial Matters:
Peter Christensen
Senior budget Analyst
8401 W. Monroe St
Peoria, AZ 85345
Tel;623-773-7681
Fax;623-773-7248

13. The Parties shall comply with the applicable requirements of Arizona Revised Statutes § 41-4401.

14. Pursuant to Arizona Revised Statutes § 35-391.06 and § 35-393.06, each Party certifies that it does not have a scrutinized business operation in Sudan or Iran. For the purpose of this Section the term "scrutinized business operations" shall have the meanings set forth in Arizona Revised Statutes § 35-391 and/or § 35-393, as applicable. If any Party determines that another Party submitted a false certification, that Party may impose remedies as provided by law including terminating this Agreement.

15. The Parties hereto shall comply with all applicable laws, rules, regulations and ordinances, as may be amended.

16. In accordance with Arizona Revised Statutes § 11-952 (D) attached hereto and incorporated herein is the written determination of each party's legal counsel and that the Parties are authorized under the laws of this State to enter into this Agreement and that the Agreement is in proper form.

IN WITNESS WHEREOF, the Parties have executed this Agreement the day and year first above written.

CITY OF PEORIA

By _____
BOB BARRETT
Mayor

ATTEST:

By _____
WANDA NELSON
City Clerk

STATE OF ARIZONA
Department of Transportation

By _____
DALLAS HAMMIT, P.E.
Deputy State Engineer, Development

IGA/JPA 12-022I

ATTORNEY APPROVAL FORM FOR THE CITY OF PEORIA

I have reviewed the above referenced Intergovernmental Agreement between the State of Arizona, acting by and through its DEPARTMENT OF TRANSPORTATION, and the CITY OF PEORIA, an Agreement among public agencies which, has been reviewed pursuant to Arizona Revised Statutes § 11-951 through § 11-954 and declare this Agreement to be in proper form and within the powers and authority granted to the City under the laws of the State of Arizona.

No opinion is expressed as to the authority of the State to enter into this Agreement.

DATED this _____ day of _____, 2012.

_____

City Attorney

CITY OF PEORIA, ARIZONA
COUNCIL COMMUNICATION

Agenda Item: 6C

Date Prepared: June 4, 2012 **Council Meeting Date: June 19, 2012**

TO: Carl Swenson, City Manager

FROM: Jeff Tyne-Interim Community Services Director

THROUGH: Susan J. Daluddung, Deputy City Manager

SUBJECT: **Improvements Agreement Among Seattle Mariners, San Diego Padres, and City of Peoria, for 20-Year Extension of Peoria Sports Complex Use for Baseball**

Purpose:

This is a request for the City Council to approve an Improvements Agreement regarding the financing and construction of improvements at the Peoria Sports Complex.

Background/Summary:

Since 1994, the City of Peoria has supported a lease agreement with the Seattle Mariners and San Diego Padres baseball clubs, which provided for Spring Training games at the Peoria Sports Complex, as well as the use of fields and clubhouses year-round by the clubs. The presence of these two teams has proven to be an important community asset, as well as an important economic driver.

Over the last several months, the City has engaged in discussions to develop a new 20-year term contract with the Padres and Mariners. The terms of the agreement call for the City to support the renovation of both baseball clubhouses, as well as offer improvements to the stadium itself. A portion of these costs are expected to be reimbursed by the Arizona Sports and Tourism Authority (AZSTA).

A series of formal Council actions are required to undertake the proposed arrangement. They include:

1. Approval of a Memorandum of Understanding, which lays out the basic terms and conditions as agreed in principle by both teams and the City. [Completed]
2. Approval of a contract amendment with the Project Design Consultant. [Completed]
3. An agreement for Construction Manager at Risk (CMAR) preconstruction services. [Completed]

4. A defeasance of Series 2003 Bonds related to the original sports complex improvements. [Completed]
5. **Approval of a Sports Complex Improvements Agreement which verifies financial obligations and commitments and details planned facility improvements.**
6. A Sports Facilities Use Agreement between the City and both baseball teams.
7. Action to approve a resolution regarding the sale of MDA Bonds.
8. An Intergovernmental Agreement with the Arizona Sports and Tourism Authority primarily focused on conditions of reimbursement.
9. Various agreements and amendments related to the GMP for construction.

The action listed for this item is referred to in item no. 5 above - approval of a complex improvements agreement. This agreement outlines the financial terms and construction obligations for the City, as well as the baseball clubs.

The financial terms provided in the attached agreement are consistent with the agreed upon points from the previous memorandum of understanding. They include:

1. Securing a 20-year time commitment with both baseball organizations in the form of an operating lease agreement. An "opt-out" clause can be exercised, but only with substantial financial concessions to the teams.
2. City will provide $36 million in funding to support renovations to both team clubhouses, and for stadium improvements. Amount could be slightly more if financing environment is favorable.
3. The City will also commit $12 million by year 14 of the agreement to address expected clubhouse and stadium improvements in the latter period of a lease. Should the City not commit to this funding, the teams may opt out of the agreement starting in year 15.
4. Current revenue-sharing arrangements will largely be followed, though the teams will assume a larger share of their utility costs.

The facility funding will be utilized to develop ballclub facilities, stadium improvements, and systems that are up to the current standard of comparable Cactus League locations. This includes adequate facility space, updated technology, reasonable athletic performance areas, and a fan-friendly stadium atmosphere. Moreover, much of the funding scheduled for the latter part of the agreement will be applied to ensure future upkeep of facilities and equipment.

A subsequent Use Agreement will be brought forward to detail the lease obligations and responsibilities of all parties. Should the City Council authorize the agreements as stated, the City will continue measures to design and construct team clubhouses by the spring of 2014.

Previous Actions:

A Memorandum of Understanding, listing out the larger deal points of this arrangement, was reviewed and approved by City Council in May 2012.

A contract amendment with the Project Design Consultant was approved by City Council in May 2012.

An agreement for Construction Manager at Risk (CMAR) preconstruction services was approved by City Council in May 2012.

A defeasance of Series 2003 Bonds related to the original sports complex improvements was approved by City Council in May 2012.

Options:

The following options are possible for the City Council to recommend:

A. Authorize the Improvements Agreement with the San Diego Padres and Seattle Mariners regarding the use of the Peoria Sports Complex.

B. Do not authorize the Improvements Agreement with the teams, and provide staff with guidance regarding possible terms for agreement.

Staff's Recommendation:

Staff recommends the City Council authorize the proposed Improvements Agreement with the San Diego Padres and Seattle Mariners for the financing and construction of facilities at the Peoria Sports Complex.

Fiscal Analysis:

No budget amendments are necessary for this communication. Approval of this agreement offers in principle the stated financial and construction terms as negotiated by all parties.

Exhibit(s):
Exhibit 1: Improvements Agreement-City of Peoria, San Diego Padres, Seattle Mariners

Contact Name and Number: Jeff Tyne, 623-773-7114

CITY OF PEORIA, ARIZONA
COUNCIL COMMUNICATION

Agenda Item: 7C

Date Prepared: June 4, 2012 **Council Meeting Date: June 19, 2012**

TO: Carl Swenson, City Manager

FROM: Jeff Tyne-Interim Community Services Director

THROUGH: Susan J. Daluddung, Deputy City Manager

SUBJECT: **Sports Facilities Use Agreements between the City and the Seattle Mariners, and with the San Diego Padres, for a 20-Year Extension of Peoria Sports Complex Use for Baseball**

Purpose:

This is a request for the City Council to approve Sports Facilities Use Agreements between the Seattle Mariners and San Diego Padres regarding the future usage of the Peoria Sports Complex.

Background/Summary:

Since 1994, the City of Peoria has supported lease arrangements with the Seattle Mariners and San Diego Padres baseball clubs, which provided for Spring Training games at the Peoria Sports Complex, as well as the use of fields and clubhouses year-round by the clubs. The presence of these two teams has proven to be an important community asset, as well as an important economic driver.

Over the last several months, the City has engaged in discussions to develop a new 20-year term contract with the Padres and Mariners. The terms of the agreements call for the City to support the renovation of both baseball clubhouses, as well as offer improvements to the stadium itself. A portion of these costs are expected to be reimbursed by the Arizona Sports and Tourism Authority (AZSTA).

A series of formal Council actions are required to undertake the proposed arrangement. They include:

1. Approval of a Memorandum of Understanding, which lays out the basic terms and conditions as agreed in principle by both teams and the City. [Completed]
2. Approval of a contract amendment with the Project Design Consultant. [Completed]
3. An agreement for Construction Manager at Risk (CMAR) preconstruction services [Completed]

4. A defeasance of Series 2003 Bonds related to the original sports complex improvements. [Completed]
5. Approval of a Sports Complex Improvements Agreement which verifies financial obligations and commitments and details planned facility improvements.
6. **Sports Facilities Use Agreements between the City and both baseball teams.**
7. Action to approve a resolution regarding the sale of MDA Bonds.
8. An Intergovernmental Agreement with the Arizona Sports and Tourism Authority primarily focused on conditions of reimbursement.
9. Various agreements and amendments related to the GMP for construction.

The action listed for this item is referred to in item no. 6 above - approval of a Sports Facilities Use agreement. This agreement outlines the financial terms, facility usage, revenue sharing, and ticket pricing for the City, as well as the baseball clubs.

The financial terms provided in the attached agreements are consistent with the agreed upon points from the previous memorandum of understanding. They include:

1. Securing a 20-year time commitment with both baseball organizations in the form of an operating lease agreement. The terms also allow an option for the teams to extend the contract for two additional two-year periods, but with no financial obligation by the City. An "opt-out" clause can be exercised, but only with substantial financial concessions to the teams.
2. City will provide $36 million in funding to support renovations to both team clubhouses, and for stadium improvements. Amount could be slightly more if financing environment is favorable.
3. The City will also commit $12 million by year 14 of the agreement to address expected clubhouse and stadium improvements in the latter period of a lease. Should the City not commit to this funding, the teams may opt out of the agreement starting in year 15.
4. Current revenue-sharing arrangements will largely be followed, though the teams will assume a larger share of their utility costs.
5. Ticketing management will continue to be assumed by the City. Ticket pricing will largely be established by the baseball teams, as consistent with most spring training facilities. Provisions for additional discounts for Peoria residents are included in the agreement.
6. The City may impose a $.50 ticket surcharge on non-general admission tickets to further support necessary replacement and maintenance improvements at the complex.

The Sports Facilities Use Agreements are being presented as a companion document with the "Improvements" agreement, which outlines the construction and financing terms. Should the City Council authorize the agreements as stated, the City will continue measures to design and construct team clubhouses by the spring of 2014.

Previous Actions:

A Memorandum of Understanding, listing out the larger deal points of this arrangement, was reviewed and approved by City Council in May 2012.

Contract amendment with the Project Design Consultant was approved by City Council in May 2012.

An agreement for Construction Manager at Risk (CMAR) preconstruction services was approved by City Council in May 2012.

A defeasance of Series 2003 Bonds related to the original sports complex improvements was approved by City Council in May 2012.

An Improvements agreement is being considered on the current Council agenda.

Options:

The following options are possible for the City Council to recommend:

A. Authorize the Sports Facilities Use Agreements with the San Diego Padres and Seattle Mariners regarding the use of the Peoria Sports Complex.

B. Do not authorize the Use Agreements with the teams, and provide staff with guidance regarding possible terms for agreement.

Staff's Recommendation:

Staff recommends the City Council authorize the proposed Sports Facilities Use Agreements with the San Diego Padres and Seattle Mariners for the long-term use of facilities at the Peoria Sports Complex.

Fiscal Analysis:

No budget amendments are necessary for this communication. Approval of the agreements offers in principle the stated financial and construction terms as negotiated by all parties.

Exhibit(s):
Exhibit 1: Use Agreements-City of Peoria and the San Diego Padres, City of Peoria and the Seattle Mariners

Contact Name and Number: Jeff Tyne, 623-773-7114

CITY OF PEORIA, ARIZONA
COUNCIL COMMUNICATION

Agenda Item: 8C

Date Prepared: June 5, 2012 **Council Meeting Date: June 19, 2012**

TO: **Carl Swenson, City Manager**

FROM: **Roy W. Minter, Chief of Police**

SUBJECT: **Authorization to accept $42,946 from the Arizona Department of Public Safety (DPS) Victims of Crime Act (VOCA) Crime Victim Assistance Grant Program**

Purpose:

This is a request for the City Council to accept $42,946 from the Arizona Department of Public Safety (DPS) Victims of Crime Act (VOCA) for Peoria's participation in the FY13 Crime Victim Assistance Grant Program.

Background/Summary:

The Peoria Police Department desires to continue participation in the Arizona Department of Public Safety (DPS) Victims of Crime Act (VOCA) Crime Victim Assistance Grant Program that provides support services to victims of crime and assists with funding of the Victim Advocate position. The Peoria Police Department has been awarded $42,946 in grant funding. This award would provide funding for personnel to deliver direct services to victims of crime.

By combining this grant with funds awarded through the Arizona Criminal Justice Commission (ACJC), the Department has been able to fund a Victim Advocate, who provides crisis intervention, support, and referrals to crime victims. This advocacy is made available to victims from the time a crime occurs until the case is closed or submitted for prosecution. In addition to providing crisis response and follow-up referrals, the Victim Advocate is responsible for screening, training, and supervising a team of volunteers assigned to the program.

With continued participation in the VOCA Crime Victim Assistance Grant Program, the Peoria Police Department will be able to continue addressing the emotional and informational needs of victims of crime.

Previous Actions:

This is the sixth consecutive year that DPS has awarded funds to the Peoria Police Department for participation in the VOCA Crime Victim Assistance Grant Program.

Options:

A. Accept the awarded grant and continue to participate in the Victim Assistance Grant Program

B. Do not accept the awarded grant and suggest alternate funding sources for the Victim Assistance Program.

Staff's Recommendation:

Accept $42,946 from the Arizona Department of Public Safety (DPS) Victims of Crime Act (VOCA) for Peoria's participation in the Crime Victim Assistance Grant Program.

Fiscal Analysis:

Request a budget adjustment of $42,946 from the Proposed Grants Contingency account (7990-7990-570000) to the Victims of Crime Act (VOCA) Grant account for salary and wages (7460-7710-510000).

The match requirement for this grant will be fulfilled by pairing this grant with funding awarded through the Arizona Criminal Justice Commission (ACJC) 2012/2013 Crime Victim Assistance Program, combined with funds provided by the Police Department.

Narrative:

Once approved by City Council, the grant agreement will be executed as needed.

Exhibit 1: DPS Grant Agreement 2011-283

Contact Name and Number: Brenda Hope, x.7072

ARIZONA DEPARTMENT OF PUBLIC SAFETY

VICTIMS OF CRIME ACT (VOCA)

VICTIM ASSISTANCE GRANT PROGRAM
FEDERAL GRANT #2011-VA-GX-0019
CFDA #16-575
SUBGRANT AWARD AGREEMENT

SUBGRANTEE

AGENCY: City of Peoria

ADDRESS: 8351 West Cinnabar Ave

CITY: Peoria STATE: AZ ZIP: 85345-2701

2012/2013 AWARD AMOUNT: $42,946

2012/2013 REQUIRED MATCH (NON-FEDERAL SOURCE): $10,737

PROJECT PERIOD: 07/01/2012 to 06/30/2013

PROJECT PURPOSE: To provide assistance to victims of crime.

This agreement is made under the authority of the Victims of Crime Act of 1984, Public Law 98-473, Title II, Chapter XIV, 42 U.S.C. 10601, et seq as amended.

The purpose of this agreement shall be to award Victims of Crime Act (VOCA) Assistance funds to the subgrantee to provide services to victims of crime as authorized by the Victims of Crime Act. Awards may be supplemented by other federal, state, local, and private funds. Subgrantee's agreement or amended agreement(s) are incorporated by reference into this Sub-Grant Award Agreement.

This award is subject to agreement by the subgrantee, including any DPS VOCA funded positions and their immediate supervisors, to conform to the provisions of the Victims of Crime Act of 1984; the DPS-VOCA victim assistance grant program guidelines; the subgrantee's application; the attached general conditions and applicable special conditions; the most recent version of the Office of Justice Programs Financial Guide; OMB circulars A-21, A-87, A-102, A-110, A-122, A-133; Executive Order 12372; and 28 CFR pts. 66 and 70, all of which are incorporated by reference as if fully stated herein.

Subgrantees, and all its contractors, will comply with all lawful requirements imposed by the awarding agency, specifically including any applicable regulations, such as 28 CFR pts. 18, 22, 23, 30, 35, 38, 42, 61, and 63, and the award term in 2 CFR § 175.15 (b); section 106 of the National Historic Preservation Act of 1966 (16 USC § 470); Executive Order 11593; the Archaeological and Historical Preservation Act of 1974 (16 USC § 469 a-1 et seq.); the National Environmental Policy Act of 1969 (42 USC § 4321); and any applicable statutorily-imposed nondiscrimination requirements, which may include the Omnibus Crime Control and Safe Streets Act of 1968 (42 USC § 3789d); the Victims of Crime Act (42 USC § 10604(e)); The Juvenile Justice and Delinquency Prevention Act of 2002 (42 USC § 5672(b)); the Civil Rights Act of 1964 (42 USC § 2000d); the Rehabilitation Act of 1973 (29 USC § 7 94); the Americans with Disabilities Act of 1990 (42 USC § 12131-34); the Education Amendments of 1972 (20 USC §§ 1681, 1683, 1685-86); the Age Discrimination Act of 1975 (42 USC §§ 6101-07); and Executive Order 13279.

Governmental entities will comply with the requirements of Uniform Relocation Assistance and Real Property Acquisitions Act of 1970 (42 USC § 4601 et seq.), and 5 USC §§ 1501-08 and §§7324-28 which limit certain political activities of State and local government employees whose principal employment is in connection with an activity financed in whole or in part by federal assistance.

The Arizona Department of Public Safety agrees to pay subgrantee the above shown AWARD AMOUNT subject to the conditions provided herein:

General Conditions

1.0 Definition of Terms. As used in this sub-grant award agreement, the terms listed below are defined as follows:

1.1 "Agreement" means a written online Request for Grant Application (RFGA) approved by the Arizona Department of Public Safety.

1.2 "Agreement Amendment" means a written online document approved by the Arizona Department of Public Safety that is requested by the Sub-recipient agency for the purpose of making changes in the agreement.

1.3 "Application" means a written online Request for Grant Application (RFGA).

1.4 "Days" means calendar days unless otherwise specified.

1.5 "Direct Service" means supportive services provided through direct contact with a victim in-person, by phone or hotline, or by email.

1.6 "Director" means the head of the Arizona Department of Public Safety, or his/her designee, who is duly authorized by the State to enter into grant agreements and make written determinations with respect to those agreements.

1.7 "DPS" means the Arizona Department of Public Safety.

1.8 "Grant" means the furnishing of financial or other assistance, including state or federal grant funds, by the Department of Public Safety to any person for the purpose of supporting or stimulating educational, cultural, social or economic quality of life.

1.9 "Gratuity" means a payment, loan, subscription, advance, deposit of money, services, or anything of more than nominal value, present or promised, unless consideration of substantially equal or greater value is received.

1.10 "Match" means additional resources (cash or in-kind) provided by the Sub-recipient to support the DPS VOCA funded project. Cash match must be from a non-Federal source.

1.11 "Project" means activities and services supported by Victims of Crime Act (VOCA) funds plus required match, relating to this sub-grant award agreement only.

1.12 "Services" means the furnishing of labor, time or effort by a Sub-recipient which does not involve the delivery of a specific end product other than required reports and performance. Allowable services include those efforts that (1) respond to the emotional and physical needs [healing] of crime victims; (2) assist primary and secondary victims of crime to stabilize [restitution/economic restabilization] their lives after a victimization; (3) assist victims to understand and participate in the criminal [justice] system; and (4) provide victims of crime with a measure of [safety] and security.

1.13 "State" means the State of Arizona and Department or Agency of the State that executes the sub-grant award agreement.

1.14 "Sub-grant award agreement" means a written signed agreement between the Arizona Department of Public Safety and the grant recipient for the award of DPS VOCA funds.

1.15 "Sub-recipient" means the legal entity to which a subaward is made and which is accountable to DPS for the use of the funds provided.

1.16 "VOCA" means Victims of Crime Act of 1984, as amended, 42 U.S.C. 10601, et seq.

2.0 Sub-grant award agreement interpretation.

2.1 Arizona Law. The Arizona law applies to this grant award agreement, including the Solicitation and Award of Grants, Arizona Revised Statutes (A.R.S.) Title 41, Chapter 24, and its implementing rules.

2.2 Sub-grant Award Agreement Order of Precedence. In the event of a conflict in the provisions of the sub-grant award agreement, as accepted by the State and as they may be amended, the following shall prevail in the order set forth below:

2.2.1 Special Conditions;
2.2.2 General Conditions;
2.2.3 DPS / VOCA Guidelines;
2.2.4 Federal VOCA Guidelines; OJP Financial Guide; and applicable OMB circulars

2.3 Relationship of parties. The Sub-recipient under this sub-grant award agreement is an independent Sub-recipient. Neither party to this sub-grant award agreement shall be deemed to be the employee or agent of the other party to the sub-grant award agreement.

2.4 Severability. The provisions of this sub-grant award agreement are severable. Any condition deemed illegal or invalid shall not affect any other condition of the sub-grant award agreement.

2.5 No parol evidence. This sub-grant award agreement is intended by the parties as a final and complete expression of their agreement. No prior dealings between the parties shall supplement or explain any terms used in this document and no other understanding either oral or in writing shall be binding.

2.6 No waiver. Either party's failure to insist on strict performance of any condition of the sub-grant award agreement shall not be deemed a waiver of that condition even if the party accepting or acquiescing in the nonconforming performance knows of the nature of the performance and fails to object to it.

3.0 Sub-grant award agreement administration and operation.

3.1 Non-Discrimination. The Sub-recipient shall comply with State Executive Order No. 2009-09 and all other applicable Federal and State laws, rules and regulations, including the Americans with Disabilities Act.

In the event a federal or state court or administrative agency makes a finding of discrimination on the grounds of race, color, religion, national origin, sex, age or handicap against the agency, the Sub-recipient shall forward a copy of the finding to the Office of Justice Programs, Office of Civil Rights and DPS.

3.2 Certification Regarding Lobbying. Sub-recipient agencies entering into a VOCA grant or cooperative agreement over $100,000 must certify that no Federal funds have been paid or will be paid, by or on behalf of the Sub-recipient, to any persons for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the making of any Federal grant, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal grant or cooperative agreement. Federal funds include but are not limited to such grants as Victims of Crime Act (VOCA), Violence Against Women Act (VAWA), Family Violence Prevention and Services Act (Rural Safe Home Network Program), and the Children's Justice Act, which may be administered through a State or other local governmental agency. Additionally, Sub-recipient agencies must disclose to DPS any lobbying activities that have been paid or will be paid with any funds other than Federal funds.

3.3 Required reports. The Sub-recipient will submit reports on such data in such form and at such times as required by DPS, to include:

3.3.1 Monthly financial report due the 15th of each month;
3.3.2 Quarterly statistical and programmatic report due 30 days following the close of each quarter;
3.3.3 Annual narrative report due 30 days following the close of the grant period;

3.3.4 DPS Crime Victim Services survey due annually upon request; and

3.3.5 Year-end Amendment Agreement, if applicable, due 30 days following the close of the grant period.

Failure to submit complete, accurate and timely reports may result in a reduction of the current award. Any three combined occurrences of monthly or quarterly reports submitted over 15 days late and/or three combined occurrences relating to the submission of incomplete or inaccurate monthly or quarterly reports may result in up to a 10% award reduction as determined by DPS.

3.4 Records. The Sub-recipient shall retain all financial records, supporting documentation, statistical records and all other records pertinent to this award for a period of at least five years following the closure of the most recent audit report and, with a 24-hour notice, will allow DPS to review all of the Sub-recipient's records concerning this grant project.

3.5 Capital equipment. The Sub-recipient shall retain all capital equipment and furniture (costs in excess of $5,000 per unit) purchased through this sub-grant award agreement for a period of no less than five years from the date of purchase. The Sub-recipient shall submit a copy of the invoice, which includes the serial number of the item to DPS within thirty days of purchase. All capital equipment and furniture must be used for victim services as identified in the Sub-recipient's application and this sub-grant award agreement. Any deviation from this provision must be approved in writing by DPS. If a violation exists within the five-year period, DPS may gain possession of any capital equipment or furniture listed in this sub-grant award agreement, and may redistribute those item(s) to another Sub-recipient for victim services use.

3.6 Authorization of use. DPS reserves a royalty-free, non-exclusive, and irrevocable license to reproduce, publish or otherwise use, and authorize others to use for government purposes, the copyright of any work developed under this award and any rights of copyright to which a Sub-recipient purchases ownership with support through this sub-grant award agreement.

3.7 Research or statistical information. The Sub-recipient shall not use or reveal any research or statistical information under this project that is identifiable to any specific person except for the purpose for which the information was obtained, in accordance with VOCA.

3.8 Site inspections. The continuance of the Sub-recipient's sub-grant award agreement is contingent upon successful completion of random or for-cause inspections.

3.9 Audit requirements. The Sub-recipient shall comply with the audit requirements of Office of Management and Budget (OMB) Circular A-133 and the DPS VOCA guidelines. If an audit is required, a copy of that audit shall be sent to the DPS Crime Victim Services Unit.

3.10 Sub-grant award agreement renewal. DPS has the option to renew this project for a specified additional time period. The renewal of this project is contingent upon satisfactory performance, availability of funds, and demonstrated need.

4.0 Cost and Payments.

4.1 Available funds. Any award is dependent upon receipt of the VOCA Assistance funds from the U.S. Department of Justice, and there is no obligation on the part of DPS to award funds other than the federal VOCA.

4.2 Compliance. Failure of the Sub-recipient to utilize DPS VOCA funds for direct services to crime victims or for training purposes as stated in the approved budget will be subject to immediate cancellation. The Sub-recipient will not utilize VOCA funds for projects which serve perpetrators of crime or crime prevention, and/or for any other non-allowable cost or activity in accordance with DPS / VOCA guidelines. The Sub-recipient agrees to reimburse DPS for any VOCA funds the Sub-recipient expends that are not in full compliance with this sub-grant award agreement.

4.3 No charge to victims. Sub-recipients must provide services to crime victims, at no charge, through the VOCA-funded project. The purpose of the VOCA victim assistance grant program is to provide services to

all crime victims regardless of their ability to pay for services rendered or availability of insurance or other third-party payment resources.

4.4 On-call time. The Sub-recipient will not utilize VOCA funds to support on-call time for staff. DPS may approve the use of on-call time as program match.

4.5 Non-supplantation. VOCA crime victim assistance funds will be used to enhance or expand services and will not be used to supplant state and local funds that would otherwise be available for crime victim services. See Section 1404(a)(2)(c), codified at 42 U.S.C. 10603(a)(2)(C). This supplantation clause applies to state and local public agencies only.

4.6 Mandated services. The Sub-recipient will not utilize VOCA funds to support legally mandated services.

4.7 Funds management. The Sub-recipient will provide appropriate accounting and monitoring procedures to ensure fiscal control and efficient management of funds, in accordance with the U.S. Department of Justice, Office of Justice Programs, Financial Guide, effective edition.

4.8 Unexpended funds. The Sub-recipient will immediately contact DPS to make arrangements to amend their budget to expend remaining funds or to reduce the contracted amount when it becomes apparent that not all VOCA grant funds will be expended by the end of the grant period. Any VOCA funds not expended or encumbered prior to the end of the award period shall be reverted to DPS within 30 days of the close of the grant period. Any funds not matched as required shall be reverted to DPS within 30 days of receipt of written notification from DPS.

4.9 Matching funds. The Sub-recipient will commit, track and report matching funds at approximately the same percentage rate as expenditures. The Sub-recipient may commit, track and report match funds at a higher percentage rate each month, not to exceed the total required match amount. The sub-grant award agreement is subject to cancellation if the required match funding committed, tracked, and reported each month is more than 10% less than the rate of expenditures.

5.0 Sub-grant Award Agreement Changes.

5.1 Agreement Amendment. This sub-grant award agreement is issued under the authority of the Director of the Arizona DPS and may be modified only through an Agreement Amendment, approved by DPS.

5.2 Assignment of duties. The Sub-recipient shall not assign or transfer any of its duties under this agreement without express written permission of DPS.

5.3 Scope of work. Awards are based on information presented in the Sub-recipient's on-line application. Any deviation from the scope of the project as stated in the Narrative and Budget sections of the Sub-recipient's application must be approved in writing by DPS prior to the use of such funds.

5.4 Subcontracts. The Sub-recipient shall not enter into any subcontract under this sub-grant award agreement without the advance written approval of DPS. The Sub-recipient shall clearly list any proposed subcontractors and the subcontractor's proposed responsibilities in the application for funding or agreement amendment. The subcontract shall incorporate by reference the terms and conditions of this sub-grant award agreement.

6.0 Indemnification.

Sub-recipient Indemnification. The parties to this sub-grant award agreement agree that the State of Arizona, its departments, agencies, boards and commissions shall be indemnified and held harmless by the Sub-recipient for vicarious liability of the State as a result of entering into this agreement. However, the parties further agree that the State of Arizona, its departments, agencies, boards and commissions shall be responsible for its own negligence. Each party to this contract is responsible for its own negligence.

7.0 Grant Remedies.

7.1 Right to Assurance. If DPS in good faith has reason to believe that the Sub-recipient does not intend to, or is unable to perform or continue performing under this sub-grant award agreement, DPS may demand in writing that the Sub-recipient give a written assurance of intent to perform. Failure by the Sub-recipient to provide written assurance within the number of days specified in the demand may, at DPS's option, be the basis for terminating the sub-grant award agreement under the General Conditions or other rights and remedies available by law or provided by the sub-grant award agreement.

7.2 Project implementation. If a project is not operational within 60 days of the original start date of the project period, the Sub-recipient must submit written documentation to DPS explaining steps taken to initiate the project, the reasons for the delay, and the expected start date. If a project is not operational within 90 days of the original start date of the project period, the Sub-recipient must submit a second written statement explaining the implementation delay. DPS reserves the right to cancel the agreement if the proposed project is not operational within 90 days of the original start date.

8.0 Grant Termination.

8.1 Cancellation for conflict of interest. Pursuant to A.R.S. 38-511, the State may cancel this agreement without penalty or further obligation if any person significantly involved in initiating, negotiating, securing, drafting or creating the agreement on behalf of the State is or becomes at any time while the agreement or an extension of the agreement is in effect an employee of or a consultant to any other party to this agreement with respect to the subject matter of the agreement. The cancellation shall be effective when the Sub-recipient receives written notice of the cancellation unless the notice specifies a later time. If the Sub-recipient is a political subdivision of the State, it may also cancel this agreement as provided in A.R.S. 38-511. In the event of cancellation under this paragraph, any unexpended funds received by the Sub-recipient must be reverted within 30 days of the cancellation notification.

8.2 Gratuities. DPS may, by written notice, terminate this sub-grant award agreement, in whole or in part, if DPS determines that employment or a gratuity was offered or made by the Sub-recipient or a representative of the Sub-recipient to any officer or employee of the state for the purpose of influencing the outcome of the grant award or in securing the sub-grant award agreement, an amendment to the sub-grant award agreement, or favorable treatment concerning the sub-grant award agreement, including the making of any determination or decision about sub-grant award agreement performance. DPS, in addition to any other rights or remedies, shall be entitled to recover exemplary damages in the amount of three times the value of the gratuity offered by the Sub-recipient.

8.3 Suspension or Debarment. DPS may, by written notice to the Sub-recipient, immediately terminate this sub-grant award agreement if DPS determines that the Sub-recipient has been debarred, suspended or otherwise lawfully prohibited from or ineligible for participation in federal assistance programs or activities, including but not limited to, being disapproved as a subcontractor of any public procurement unit or other governmental body. Submittal of an application for funding or execution of a sub-grant award agreement shall attest that the Sub-recipient is not currently suspended or debarred. If the Sub-recipient becomes suspended or debarred, the Sub-recipient shall immediately notify DPS.

8.4 Termination for convenience. DPS reserves the right to terminate the sub-grant award agreement, in whole or in part any time, when in the best interest of DPS without penalty or recourse. Upon receipt of the written notice, the Sub-recipient shall stop all work as directed in the notice and minimize all further costs to DPS. In the event of termination under this paragraph, any unexpended funds received by the Sub-recipient must be reverted within 30 days of the termination notification.

8.5 Termination for default. In addition to the rights reserved in the contact, DPS may terminate the sub-grant award agreement in whole or in part due to the failure of the Sub-recipient to comply with any term or condition of the sub-grant award agreement or to make satisfactory progress in performing the sub-grant award agreement. An award is subject to cancellation if less than 20% of the awarded funds are expended or encumbered within 4 months of the contact start date, 40% within 7 months, and 70% within 10 months. DPS shall provide written notice of the termination and the reasons for termination to the Sub-recipient. In

the event of termination under this paragraph, any unexpended funds received by the Sub-recipient must be reverted within 30 days of the termination notification. The Sub-recipient has the option to appeal within 20 calendar days of the date of the written notice of termination. The final decision will be at the discretion of the DPS Director or his designee.

8.6 Continuation of performance through termination. The Sub-recipient shall continue to perform, in accordance with the requirements of the sub-grant award agreement, up to the date of termination, as directed in the termination notice.

8.7 Termination by Sub-recipient. Upon written notice to DPS, the Sub-recipient may cancel this sub-grant award agreement. Any unexpended funds shall immediately be reverted to DPS.

9.0 Arbitration.

The parties to this sub-grant award agreement agree to resolve all disputes arising out of or relating to this sub-grant award agreement through arbitration, after exhausting applicable administrative review, to the extent required by A.R.S. 12-1518 except as may be required by other applicable statutes (Title 41).

10.0 Other Service Requirements.

10.1 Collaboration. The Sub-recipient agrees to continually and proactively participate in developing partner relationships among other service providers in the effort to aid crime victims within the community served.

10.2 Demographics. The Sub-recipient agrees to maintain information on victim services provided through this project by race, national origin, sex, age and disability.

10.3 Key staff changes. The Sub-recipient agrees to promptly notify DPS of changes in key staff members identified in the grant application, to include Project Contact, Civil Rights Contact, Crime Victim Compensation Coordinator, Project Director, Financial Contact, Authorizing Official, and VOCA funded staff and/or staff used as match.

10.4 Vacancies. The Sub-recipient agrees to promptly notify DPS in writing when any VOCA funded employee position is vacated, and when any VOCA funded employee position is filled.

10.5 Surveys. The Sub-recipient agrees to utilize customer feedback surveys to assist the agency with contracted project outcome and quality measures. Feedback and satisfaction surveys will utilize the Lykert Scale of Measurement (Strongly Agree, Agree, Neither Agree or Disagree, Disagree, Strongly Disagree).

10.6 Victim Compensation. The Sub-recipient agrees to assist eligible victims in seeking available crime victim compensation benefits provided by the state victim compensation program. The Sub-recipient agrees to designate a Victim Compensation Coordinator within its agency. The Victim Compensation Coordinator must have received victim compensation training through the county attorney's office. If training has not been received, the Sub-recipient agrees to arrange for and attend training within 90 days from the first day of this sub-grant award agreement or 90 days after reassignment of new staff in this role.

10.7 Victims' Rights. The Sub-recipient agrees to notify victims of Victims' Rights (A.R.S. 13-4401, et seq.) and to offer to connect the victim with a representative from the prosecutor's or county attorney's office if the victim so chooses. Non-criminal justice agencies will track their success ratio introducing victims to the criminal justice system in a verifiable manner. Non-criminal justice agencies will ensure that all DPS-VOCA funded staff and their first line supervisor have received victims' rights training from a criminal justice agency.

10.8 Volunteers. The Sub-recipient agrees to incorporate the use of volunteers to assist in carrying out the agency's mission. Volunteer use is a current and ongoing requirement for all projects.

10.9 Sudan and Iran Investments. The Sub-recipient agrees to comply with ARS 35-391 and ARS 35-393, and therefore has no scrutinized business operation investments in Sudan and Iran.

2012 - 2013
APPROVED BUDGET

Budget line items:	Federal	Match	Total
Salaries and Wages	$42,946	$ 0	$42,946
Fringe Benefits	$ 0	$10,737	$10,737
Travel	$ 0	$ 0	$ 0
Professional/Outside Services	$ 0	$ 0	$ 0
Equipment	$ 0	$ 0	$ 0
Other Operating	$ 0	$ 0	$ 0
Total	$42,946	$10,737	$53,683

For the Arizona Department of Public Safety:

Robert C. Halliday, Colonel
Director
Arizona Department of Public Safety

Date

Legal Section
Approved as to Form

For the Subgrantee:

Project Director:

Signature: Teresa Corless
Teresa Corless, Administrative Services Manager

Date: 6-4-12

Authorizing Official:

Signature:
Roy W. Minter, Chief of Police

Date: 6-1-12

Approved as to form:

Attorney for Subgrantee (optional)

CERTIFICATION FORM

Recipient Name and Address: Peoria Police Department 8351 W. Cinnabar Ave., Peoria, AZ 85345

Grant Title: VOCA Victim Assistance Grant Number: 2010-VA-GX-0064 Award Amount: $42,946

Contact Person Name and Title: Teresa Corless, Admin Services Manager Phone Number: (623) 773-7035

Federal regulations require recipients of financial assistance from the Office of Justice Programs (OJP), its component agencies, and the Office of Community Oriented Policing Services (COPS) to prepare, maintain on file, submit to OJP for review, and implement an Equal Employment Opportunity Plan (EEOP) in accordance with 28 C.F.R §§ 42.301-308. The regulations exempt some recipients from all of the EEOP requirements. Other recipients, according to the regulations, must prepare, maintain on file and implement an EEOP, but they do not need to submit the EEOP to OJP for review. Recipients that claim a complete exemption from the EEOP requirement must complete Section A below. Recipients that claim the limited exemption from the submission requirement must complete Section B below. A recipient should complete either Section A or Section B, not both. If a recipient receives multiple OJP or COPS grants, please complete a form for each grant, ensuring that any EEOP recipient certifies as completed and on file (if applicable) has been prepared within two years of the latest grant. [redacted]

Section A - Declaration Claiming Complete Exemption from the EEOP Requirement. *Please check all the boxes that apply*

- ☐ Recipient has less than 50 employees
- ☐ Recipient is a non-profit organization
- ☐ Recipient is a medical institution
- ☐ Recipient is an Indian tribe
- ☐ Recipient is an educational institution
- ☐ Recipient is receiving an award less than $25,000

I, _____ {responsible official}, certify that _____ {recipient} is not required to prepare an EEOP for the reason(s) checked above, pursuant to 28 C.F.R §42.302. I further certify that _____ {recipient} will comply with applicable Federal civil rights laws that prohibit discrimination in employment and in the delivery of services.

Print or type Name and Title _____ Signature _____ Date _____

Section B - Declaration Claiming Exemption from the EEOP Submission Requirement and certifying that an EEOP is on file for review.

If a recipient agency has 50 or more employees and is receiving a single award or subaward for $25,000 or more, but less than $500,000, then the recipient agency does not have to submit an EEOP to OJP for review as long as it certifies the following (42 C.F.R §42.305):

I, **Roy W. Minter** {responsible official}, certify that the **City of Peoria Police Department** {recipient}, which has 50 or more employees and is receiving a single award or subaward for $25,000 or more, but less that $500,000, has formulated an EEOP in accordance with 28 C.F.R §42.301, et seq., subpart E. I further certify that the EEOP has been formulated and signed into effect within the past two years by the proper authority and that it is available for review. The EEOP is on file in the office of: **City of Peoria Human Resources** {organization}, at **8401 W. Monroe St., Peoria AZ 85345** {address}, for review by the public and employees or for review or audit by officials of the relevant state planning agency or the Office for Civil Rights, Office of Justice Programs, U.S. Department of Justice, as required by relevant laws and regulations.

Roy W. Minter, Chief of Police — Print or type Name and Title

Signature

6-1-12 — Date

OMB Approval No. 1121-0140 Expiration Date: 01/31/06

U.S. Department of Justice
Office of Justice Programs
Office of the Comptroller

CERTIFICATIONS REGARDING LOBBYING; DEBARMENT, SUSPENSION AND OTHER RESPONSIBILITY MATTERS; AND DRUG-FREE WORKPLACE REQUIREMENTS

Applicants should refer to the regulations cited below to determine the certification to which they are required to attest. Applicants should also review the instructions for certification included in the regulations before completing this form. Signature of this form provides for compliance with certification requirements under 28 CFR Part 69, "New Restrictions on Lobbying" and 28 CFR Part 67, "Government-wide Debarment and Suspension (Nonpro-curement) and Government-wide Requirements for Drug- Free Workplace (Grants)." The certifications shall be treated as a material representation of fact upon which reliance will be placed when the Department of Justice determines to award the covered transaction, grant, or cooperative agreement.

1. LOBBYING

As required by Section 1352, Title 31 of the U.S. Code, and implemented at 28 CFR Part 69, for persons entering into a grant or cooperative agreement over $100,000, as defined at 28 CFR Part 69, the applicant certifies that:

(a) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the making of any Federal grant, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal grant or cooperative agreement;

(b) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal grant or cooperative agreement, the undersigned shall complete and submit Standard Form - LLL, "Disclosure of Lobbying Activities," in accordance with its instructions;

(c) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subgrants, contracts under grants and cooperative agreements, and subcontracts) and that all subrecipients shall certify and disclose accordingly.

2. DEBARMENT, SUSPENSION, AND OTHER RESPONSIBILITY MATTERS (DIRECT RECIPIENT)

As required by Executive Order 12549, Debarment and Suspension, and implemented at 28 CFR Part 67, for prospective participants in primary covered transactions, as defined at 28 CFR Part 67, Section 67.510--

A. The applicant certifies that it and its principals:

(a) Are not presently debarred, suspended, proposed for debarment, declared ineligible, sentenced to a denial of Federal benefits by a State or Federal court, or voluntarily excluded from covered transactions by any Federal department or agency;

(b) Have not within a three-year period preceding this application been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State, or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

(c) Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State, or local) with commission of any of the offenses enumerated in paragraph (1)(b) of this certification; and

(d) Have not within a three-year period preceding this application had one or more public transactions (Federal, State, or local) terminated for cause or default; and

B. Where the applicant is unable to certify to any of the statements in this certification, he or she shall attach an explanation to this application.

3. DRUG-FREE WORKPLACE (GRANTEES OTHER THAN INDIVIDUALS)

As required by the Drug-Free Workplace Act of 1988, and implemented at 28 CFR Part 67, Subpart F, for grantees, as defined at 28 CFR Part 67 Sections 67.615 and 67.620--

A. The applicant certifies that it will or will continue to provide a drug-free workplace by:

(a) Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition;

(b) Establishing an on-going drug-free awareness program to inform employees about--

(1) The dangers of drug abuse in the workplace;

(2) The grantee's policy of maintaining a drug-free workplace;

(3) Any available drug counseling, rehabilitation, and employee assistance programs; and

(4) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;

(c) Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph (a);

(d) Notifying the employee in the statement required by paragraph (a) that, as a condition of employment under the grant,

(1) Abide by the terms of the statement; and

(2) Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;

(e) Notifying the agency, in writing, within 10 calendar days after receiving notice under subparagraph (d)(2) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to: Department of Justice, Office of Justice Programs, ATTN: Control Desk, 810 7 th Street, N.W., Washington, D.C. 20531. Notice shall include the identification number(s) of each affected grant;

(f) Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph (d)(2), with respect to any employee who is so convicted--

(1) Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or

(2) Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;

(g) Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs (a), (b), (c), (d), (e), and (f).

B. The grantee may insert in the space provided below the site(s) for the performance of work done in connection with the specific grant:

Place of Performance (Street address, city, county, state, zip code)

_____

_____

_____

Check ___ if there are workplaces on file that are not identified here.

Section 67, 630 of the regulations provides that a grantee that is a State may elect to make one certification in each Federal fiscal year. A copy of which should be included with each application for Department of Justice funding. States and State agencies may elect to use OJP Form 4061/7.

Check ___ if the State has elected to complete OJP Form 4061/7.

DRUG-FREE WORKPLACE (GRANTEES WHO ARE INDIVIDUALS)

As required by the Drug-Free Workplace Act of 1988, and implemented at 28 CFR Part 67, Subpart F, for grantees, as defined at 28 CFR Part 67; Sections 67.615 and 67.620--

A. As a condition of the grant, I certify that I will not engage in the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance in conducting any activity with the grant; and

B. If convicted of a criminal drug offense resulting from a violation occurring during the conduct of any grant activity, I will report the conviction, in writing, within 10 calendar days of the conviction, to: Department of Justice, Office of Justice

---

As the duly authorized representative of the applicant, I hereby certify that the applicant will comply with the above certifications.

☒ NOT APPLICABLE

1. Grantee Name and Address:

Peoria Police Department
8351 W. Cinnabar Avenue
Peoria, AZ 85345

2. Application Number and/or Project Name

Victim Assistance Program, CFDA #16-575

3. Grantee IRS/Vendor Number

866-00-3631

4. Typed Name and Title of Authorized Representative

Roy W. Minter, Chief of Police

5. Signature

6. Date

6-1-12

DISCLOSURE OF LOBBYING ACTIVITIES

Approved by OMB
0348-0046

Complete this form to disclose lobbying activities pursuant to 31 U.S.C. 1352
(See reverse for public burden disclosure.)

1. Type of Federal Action:
[b] a. contract
b. grant
c. cooperative agreement
d. loan
e. loan guarantee
f. loan insurance

2. Status of Federal Action:
[b] a. bid/offer/application
b. initial award
c. post-award

3. Report Type:
[a] a. initial filing
b. material change
For Material Change Only:
year _____ quarter _____
date of last report _____

4. Name and Address of Reporting Entity:
☐ Prime ☒ Subawardee
Tier _____, if known:

Peoria Police Department
8351 W. Cinnabar Avenue
Peoria, AZ 85345

Congressional District, if known: 2

5. If Reporting Entity in No. 4 is a Subawardee, Enter Name and Address of Prime:

Arizona Department of Public Safety
2102 W. Encanto Blvd.
PO Box 6638
Phoenix, AZ 85005

Congressional District, if known:

6. Federal Department/Agency:

Office of Justice Programs

7. Federal Program Name/Description:

Victims of Crime Act (VOCA)

CFDA Number, if applicable: 16-575

8. Federal Action Number, if known:

9. Award Amount, if known:
$ 42,946

10. a. Name and Address of Lobbying Registrant
(if individual, last name, first name, MI):

b. Individuals Performing Services (including address if different from No. 10a)
(last name, first name, MI):

☒ NOT APPLICABLE

11. Information requested through this form is authorized by title 31 U.S.C. section 1352. This disclosure of lobbying activities is a material representation of fact upon which reliance was placed by the tier above when this transaction was made or entered into. This disclosure is required pursuant to 31 U.S.C. 1352. This information will be available for public inspection. Any person who fails to file the required disclosure shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

Signature: Teresa Corless
Print Name: Teresa Corless
Title: Administrative Services Manager
Telephone No.: 623-773-7035 Date: _____

Federal Use Only:

Authorized for Local Reproduction
Standard Form LLL (Rev. 7-97)

U.S. DEPARTMENT OF JUSTICE
OFFICE OF JUSTICE PROGRAMS
OFFICE OF THE COMPTROLLER

Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion Lower Tier Covered Transactions (Sub-Recipient)

This certification is required by the regulations implementing Executive Order 12549, Debarment and Suspension, 28 CFR Part 67, Section 67.510, Participants' responsibilities. The regulations were published as Part VII of the May 26, 1988 *Federal Register* (pages 19160-19211).

(BEFORE COMPLETING CERTIFICATION, READ INSTRUCTIONS ON REVERSE)

(1) The prospective lower tier participant certifies, by submission of this proposal, that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department of agency.

(2) Where the prospective lower tier participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

Roy W. Minter, Chief of Police

Name and Title of Authorized Representative

m/d/yy

Signature

6-1-12

Date

Peoria Police Department

Name of Organization

8351 W. Cinnabar Avenue, Peoria, AZ 85345

Address of Organization

CITY OF PEORIA, ARIZONA
COUNCIL COMMUNICATION

Agenda Item: 9C

Date Prepared: May 22, 2012 **Council Meeting Date: June 19, 2012**

TO: Carl Swenson, City Manager

FROM: Andy Granger, P.E., Engineering Director

THROUGH: Susan J. Daluddung, Deputy City Manager

SUBJECT: Deeds and Easements, Various Locations

Purpose:

This is a request for City Council to adopt a Resolution accepting Deeds and Easements for various Real Property interests acquired by the City. The deeds and easements have been recorded by the Maricopa County Recorder's Office and this process will formally accept them into the system.

Background/Summary:

The City of Peoria periodically acquires a number of property interests including deeds, roadway dedications and various types of easements. All documents are reviewed for accuracy and recorded. A Resolution to accept these documents has been prepared, which lists each document by recording number and provides information related to each so the property interest to be accepted can be identified.

Previous Actions:

This is an ongoing process which occurs when we have acquired a number of real property interests.

Options:

A: Approve the adoption of the Resolution accepting Deeds and Easements into our system.

B: Deny adoption of the Resolution that formally accepts the Deeds and Easements into our system, resulting in the City not having an official record of what has been transferred to the City through recordation in the Maricopa County Recorder's office.

Staff's Recommendation:

Staff recommends the adoption of a Resolution accepting Deeds and Easements for various Real Property interests acquired by the City and previously recorded by the Maricopa County Recorder's Office to ensure completeness of the process.

Fiscal Analysis:

There is no fiscal impact to the City.

Narrative:

This Resolution includes Real Property interests acquired since the adoption of the previous acceptance resolution. The acceptance of the Resolution by City Council would bring the deeds and easements into our system and is the final step in the process.

Exhibit(s):

Exhibit 1: Resolution

Contact Name and Number: Kris Luna, Sr Real Property Administrator, (623) 773-7199

RESOLUTION NO. 2012-85

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF PEORIA, MARICOPA COUNTY, ARIZONA ADOPTING A RESOLUTION FORMALLY ACCEPTING DEEDS AND EASEMENTS FOR PROPERTY RIGHTS CONVEYED TO THE CITY OF PEORIA.

WHEREAS**,** the real estate interests hereinafter referenced have been conveyed to the City of Peoria;

WHEREAS**,** it is to the advantage of the City of Peoria to accept said real property interests; and

WHEREAS, the City has determined that acquisition of these property interests is in the interest of the public health, safety and welfare.

NOW THEREFORE, be it resolved by the Mayor and Council of the City of Peoria, Maricopa County, Arizona as follows:

SECTION 1. That the following real property interests are hereby accepted by the City of Peoria and referenced by the recording number issued by the Maricopa County Recorder's Office.

Community Works Project – 91st Avenue Salt River Project NON-EXCLUSIVE ROADWAY IMPROVEMENT EASEMENT Maricopa County Recording No. 2011-0526367 (Project No. EN00332)	West side of 91st Avenue South of Butler Drive
103rd Avenue, Northern to Olive Avenues Peoria v. Alper Development, Inc. DEFAULT JUDGEMENT – QUIET TITLE ACTION Maricopa County Recording No. 2012-0275521	West side of 103rd Avenue North of Northern Avenue

75th Ave & Thunderbird Rd Intersection Widening Wal-Mart Stores, Inc. QUIT CLAIM DEED Maricopa County Recording No. 2012-0212880 (Project No. EN00089)	South of the SEC of 75th Ave and Thunderbird Road
75th Ave & Thunderbird Rd Intersection Widening SBKFC Holdings, LLC. SPECIAL WARRANTY DEED Maricopa County Recording No. 2012-0419649 (Project No. EN00089)	West of the of SWC of 75th Ave and Thunderbird Road
75th Ave & Thunderbird Rd Intersection Widening Diamond Shamrock Arizona, Inc. SPECIAL WARRANTY DEED Maricopa County Recording No. 2012-0449504 (Project No. EN00089)	SEC of 75th Ave & Thunderbird Rd
75th Ave & Thunderbird Rd Intersection Widening Diamond Shamrock Arizona, Inc. UNDERGROUND STORMWATER DRAINAGE EASEMENT Maricopa County Recording No. 2012-0449505 (Project No. EN00089)	SEC of 75th Ave & Thunderbird Rd
Lake Pleasant Parkway, Westwing to Loop 303 Pivotal Realty AZ I LLC SPECIAL WARRANTY DEED Maricopa County Recording No. 2012-0447392 (Project No. EN00241)	Lake Pleasant Parkway, northeast of Westwing Parkway
Lake Pleasant Parkway, Westwing to Loop 303 Pivotal Realty AZ I LLC SLOPE/DRAINAGE EASEMENT Maricopa County Recording No. 2012-0447393 (Project No. EN00241)	Lake Pleasant Parkway, northeast of Westwing Parkway

Lake Pleasant Parkway, Westwing to Loop 303 Pivotal Realty AZ I LLC SPECIAL WARRANTY DEED Maricopa County Recording No. 2012-0448257 (Project No. EN00241)	NEC Lake Pleasant Parkway & Westwing Parkway
Lake Pleasant Parkway, Westwing to Loop 303 Pivotal Realty AZ I LLC SLOPE/DRAINAGE EASEMENT Maricopa County Recording No. 2012-0448258 (Project No. EN00241)	NEC Lake Pleasant Parkway & Westwing Parkway
Lake Pleasant Parkway, Westwing to Loop 303 Pivotal Realty AZ I LLC SPECIAL WARRANTY DEED Maricopa County Recording No. 2012-0447491 (Project No. EN00241)	SWC Lake Pleasant Parkway & Westwing Parkway
Lake Pleasant Parkway, Westwing to Loop 303 Pivotal Realty AZ I LLC SLOPE/DRAINAGE EASEMENT Maricopa County Recording No. 2012-0447492 (Project No. EN00241)	SWC Lake Pleasant Parkway & Westwing Parkway
Lake Pleasant Parkway, Westwing to Loop 303 Pivotal Realty AZ I LLC SPECIAL WARRANTY DEED Maricopa County Recording No. 2012-0447431 (Project No. EN00241)	NWC Lake Pleasant Parkway & Westwing Parkway
Lake Pleasant Parkway, Westwing to Loop 303 Pivotal Realty AZ I LLC SLOPE/DRAINAGE EASEMENT Maricopa County Recording No. 2012-0447432 (Project No. EN00241)	NWC Lake Pleasant Parkway & Westwing Parkway
Lake Pleasant Parkway, Westwing to Loop 303 Pivotal Realty AZ I LLC SPECIAL WARRANTY DEED Maricopa County Recording No. 2012-0447434 (Project No. EN00241)	SEC Lake Pleasant Parkway & Westwing Parkway

Lake Pleasant Parkway, Westwing to Loop 303 Pivotal Realty AZ I LLC SLOPE/DRAINAGE EASEMENT Maricopa County Recording No. 2012-0447435 (Project No. EN00241)	SEC Lake Pleasant Parkway & Westwing Parkway

SECTION 2. Public Easement and Land Rights

That the Mayor and Council accept the deeds and public easements transferred to the City of Peoria as described herein.

SECTION 3. Recording Authorized

That the City Clerk shall record the original of this Resolution with the Maricopa County Recorder's Office.

PASSED AND ADOPTED by the Mayor and Council of the City of Peoria, Arizona, this 19th day of June 2012.

_____
Bob Barrett, Mayor

ATTEST:

_____
Wanda Nelson, City Clerk

APPROVED AS TO FORM:

_____
Stephen M. Kemp, City Attorney

CITY OF PEORIA, ARIZONA
COUNCIL COMMUNICATION

Agenda Item: 10C

Date Prepared: May 22, 2012 **Council Meeting Date: June 19, 2012**

TO: Carl Swenson, City Manager

FROM: Andy Granger, P.E., Engineering Director

THROUGH: Susan J. Daluddung, Deputy City Manager

SUBJECT: Designate Roadways, Establish Rights-of-Way, Various Locations

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Purpose:

This is a request for City Council to adopt a Resolution designating various Real Properties to be used as City roadways and authorize the establishment of Public Rights-of-Way to be opened and maintained by the City as a Public Street. The deeds and easements have been recorded by the Maricopa County Recorder's Office and this process will formally incorporate them into the system.

Background/Summary:

The City of Peoria has, by separate Resolution, accepted each right-of-way to be designated as a public street. The attached Resolution lists each document that conveyed the property rights to be designated as public rights-of-way. The description found in the attached Resolution lists each document by recording number and provides information related to each. The individual description also identifies the type of roadway and type of improvement for each parcel.

Previous Actions:

This is an ongoing process that occurs after real property has been accepted into our system.

Options:

A: Approve the adoption of the Resolution designating various Real Property to be used as City roadways and authorize the establishment of Public Rights-of-Way to be opened and maintained by the city as a Public Street.

B**:** City Council denies the formal designation of various Real Property into our system. The result would be that the Public Rights-of-Way would not be maintained by the City as a Public Street.

Staff's Recommendation:

Staff recommends the adoption of a Resolution designating various Real Properties to be used as City roadways and maintained by the City.

Fiscal Analysis:

There is no significant fiscal impact to the City.

Narrative:

The adoption of the Resolution by City Council would bring the Real Property interests into our maintenance system and is the final step in the process.

Exhibit(s):

Exhibit 1: Resolution

Contact Name and Number: Kris Luna, Sr Real Property Administrator, (623) 773-7199

RESOLUTION NO. 2012-86

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF PEORIA, MARICOPA COUNTY, ARIZONA ADOPTING A RESOLUTION AUTHORIZING THE ESTABLISHMENT OF PUBLIC STREETS, TO BE OPENED AND MAINTAINED BY THE CITY.

WHEREAS, the Mayor and Council of the City find and determine that the public health, safety and welfare require the establishment of public streets to be opened and maintained by the City;

WHEREAS, the Mayor and Council are vested with the authority pursuant to Article 1, Section 3 (6) of the Peoria City Charter and Section 23-18 of the Peoria City Code (1992) to establish the general location and routing of public streets; and

WHEREAS, the Engineering Director of the City having submitted a map indicating the general location of the proposed public streets and recommends the acceptance of the street by the City for inclusion in the City Street system.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the City of Peoria as follows:

SECTION 1. Recommendation of Engineering Director to Establish a Public Street.

That the Mayor and Council find and determine that it is in the interest of the public health, safety and welfare of the city to accept the recommendation of the Engineering Director to establish public streets in accordance with the general location set forth herein and accept the street for inclusion in the city street system and designate the streets for inclusion on the street classification map required by this chapter.

SECTION 2. Designation of a Public Street

That the Mayor and Council find and determine that the proposed public streets, as described below shall be designated to be either a major arterial, a minor arterial, a collector street or a local street, to be opened as a public street and maintained by the City.

75th Ave & Thunderbird Rd Intersection Widening Wal-Mart Stores, Inc. QUIT CLAIM DEED Maricopa County Recording No. 2012-0212880 (Project No. EN00089)	South of the SEC of 75th Ave and Thunderbird Road
75th Ave & Thunderbird Rd Intersection Widening SBKFC Holdings, LLC.. SPECIAL WARRANTY DEED Maricopa County Recording No. 2012-0419649 (Project No. EN00089)	West of the of SWC of 75th Ave and Thunderbird Road
75th Ave & Thunderbird Rd Intersection Widening Diamond Shamrock Arizona, Inc. SPECIAL WARRANTY DEED Maricopa County Recording No. 2012-0449504 (Project No. EN00089)	SEC of 75th Ave & Thunderbird Rd
Lake Pleasant Parkway, Westwing to Loop 303 Pivotal Realty AZ I LLC SPECIAL WARRANTY DEED Maricopa County Recording No. 2012-0447392 (Project No. EN00241)	Lake Pleasant Parkway, northeast of Westwing Parkway
Lake Pleasant Parkway, Westwing to Loop 303 Pivotal Realty AZ I LLC SPECIAL WARRANTY DEED Maricopa County Recording No. 2012-0448257 (Project No. EN00241)	NEC Lake Pleasant Parkway & Westwing Parkway
Lake Pleasant Parkway, Westwing to Loop 303 Pivotal Realty AZ I LLC SPECIAL WARRANTY DEED Maricopa County Recording No. 2012-0447491 (Project No. EN00241)	SWC Lake Pleasant Parkway & Westwing Parkway

Lake Pleasant Parkway, Westwing to Loop 303 Pivotal Realty AZ I LLC SPECIAL WARRANTY DEED Maricopa County Recording No. 2012-0447431 (Project No. EN00241)	NWC Lake Pleasant Parkway & Westwing Parkway
Lake Pleasant Parkway, Westwing to Loop 303 Pivotal Realty AZ I LLC SPECIAL WARRANTY DEED Maricopa County Recording No. 2012-0447434 (Project No. EN00241)	SEC Lake Pleasant Parkway & Westwing Parkway

SECTION 3. Amendment of Plans and Maps

That the Mayor and Council find and determine that the Transportation Plan of the City's general plan, the street classification map and the local streets plan shall be amended in the manner required by law to reflect the addition of a public street as set forth herein.

SECTION 4. Signage, Posting and Effective Date

(a) That the Engineering Director or his designee are authorized to post such signage as deemed appropriate to indicate the existence of a public roadway and to provide for the safe and orderly movement of vehicular and pedestrian traffic on the public streets as set forth herein.

(b) That the City Attorney or his designee shall draft and submit the ordinances necessary to establish a speed limit for the public streets as set forth herein.

(c) That this Resolution shall become effective sixty-days after enactment by the City Council.

SECTION 5. Recording Authorized

That the City Clerk shall record the original of this Resolution with the Maricopa County Recorder's Office.

PASSED AND ADOPTED by the Mayor and Council of the City of Peoria, Peoria, Arizona this 19th day of June 2012.

_____
Bob Barrett, Mayor

ATTEST:

_____
Wanda Nelson, City Clerk

APPROVED AS TO FORM:

_____
Stephen M. Kemp, City Attorney

CITY OF PEORIA, ARIZONA
COUNCIL COMMUNICATION

Agenda Item: 11C

Date Prepared: May 29, 2012 **Council Meeting Date:** June 19, 2012

TO: Carl Swenson, City Manager

FROM: Andrew Granger, P. E., Engineering Director

THROUGH: Susan J. Daluddung, Deputy City Manager

SUBJECT: Easement, Salt River Project Irrigation, 75th Avenue and Thunderbird Road Intersection Widening Project (EN00089)

Purpose:

This is a request for City Council to authorize the execution of an Irrigation Easement to Salt River Project (SRP) for the relocation and maintenance of irrigation facilities associated with the construction of the 75th Avenue and Thunderbird Road Intersection Widening Project.

Background/Summary:

The City's design consultant analyzed the existing irrigation line locations and determined that it will be necessary to relocate portions of the existing SRP irrigation lines to accommodate our project.

Previous Actions:

SRP has agreed to relocate the portions of their irrigation lines that are in conflict with our new roadway improvements and have requested that the City grant them an easement for the portion that will be relocated.

Options:

A: City Council authorizes the execution and recordation of the Easement.

B: City Council chooses not to authorize the easement resulting in no public record of the existence or location of SRP's irrigation facilities.

Staff's Recommendation:

Staff recommends the adoption of a Resolution authorizing the City Manager to execute the SRP easement.

Fiscal Analysis:

There is no fiscal impact to the City associated with granting this easement.

Narrative:

Recordation of this easement will provide a public record of the existence and location of SRP's irrigation facilities.

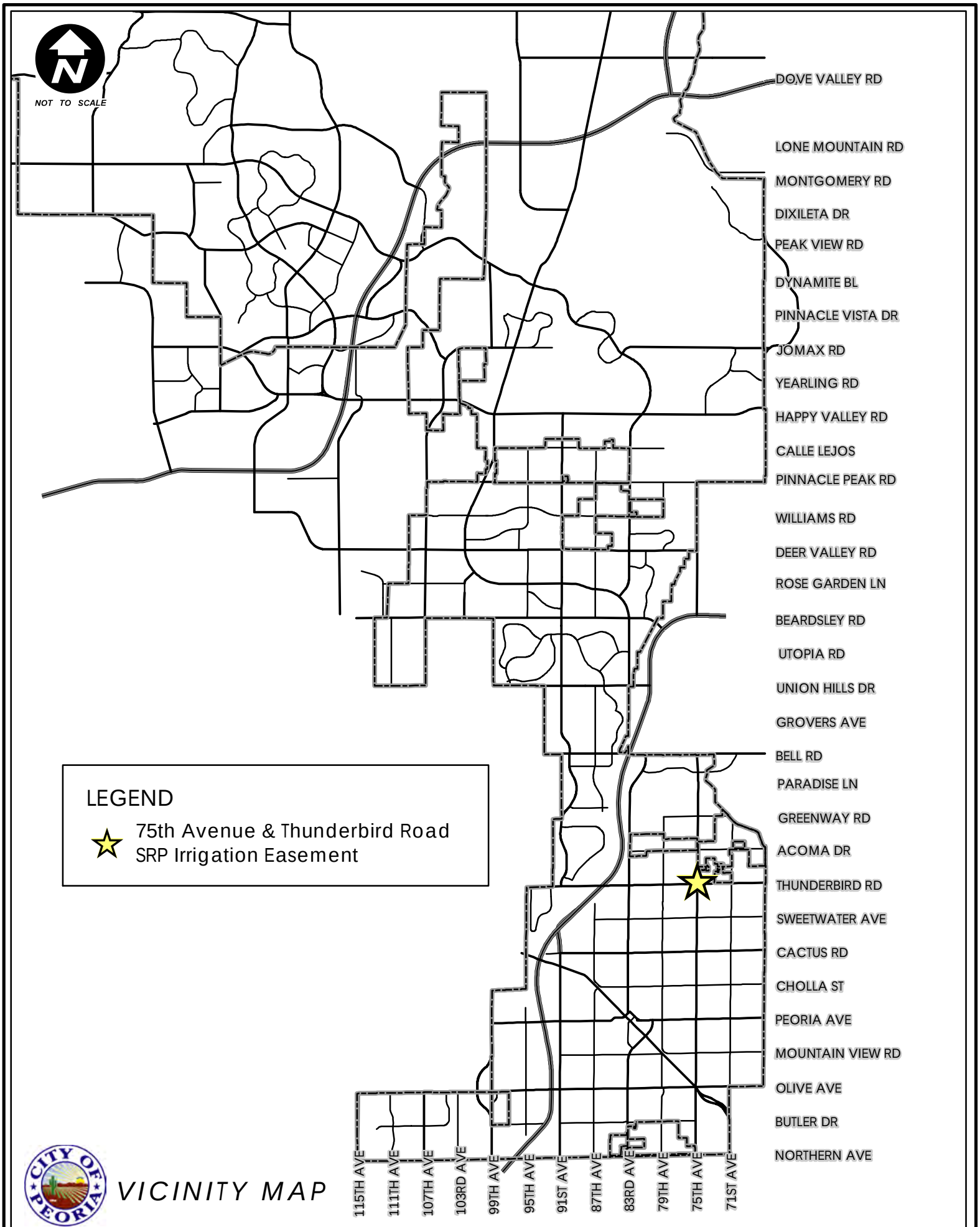
Exhibit(s):

Exhibit 1: Vicinity Map

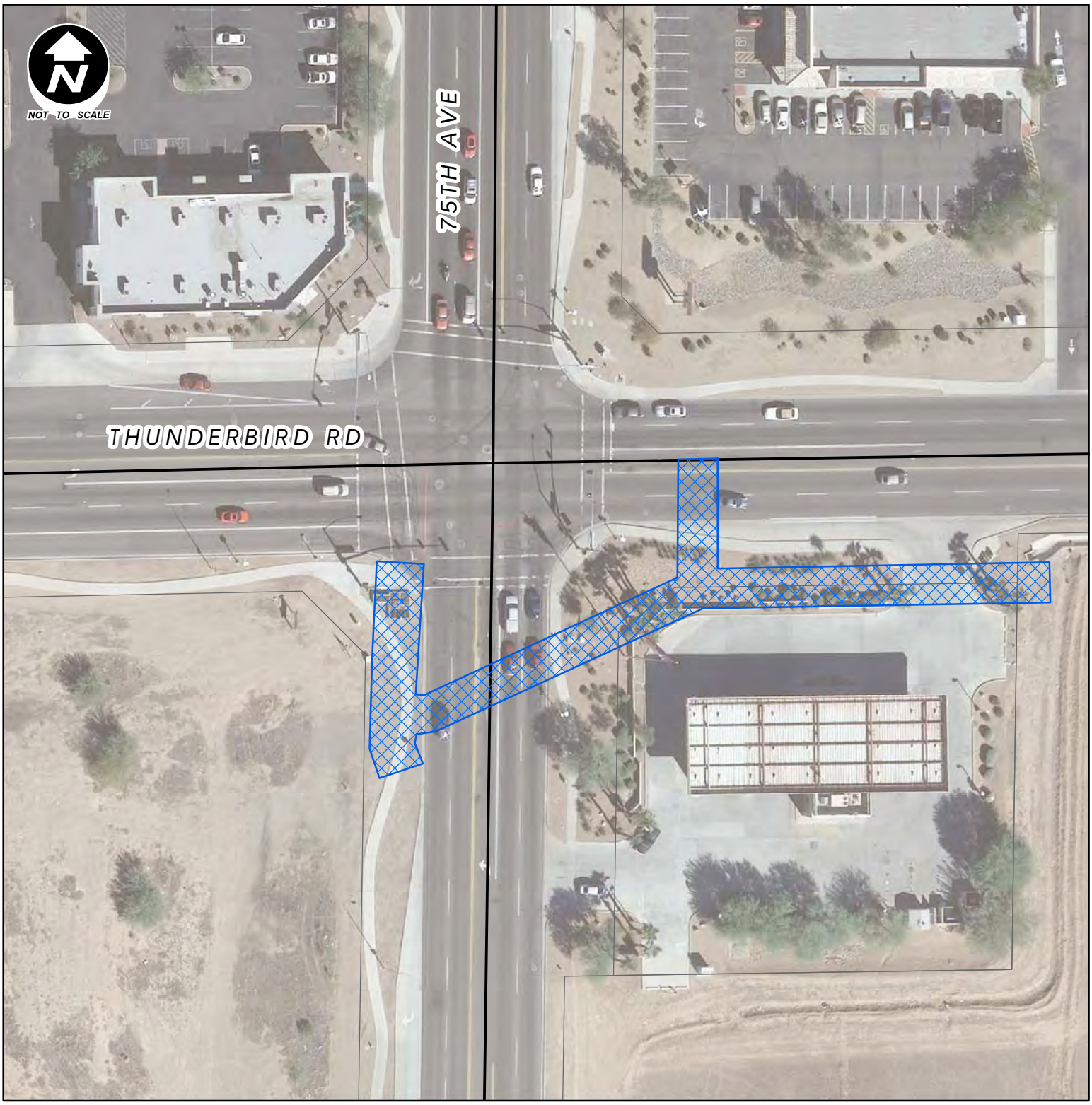
Exhibit 2: Location map

Exhibit 3: Resolution

Contact Name and Number: Kris Luna, Sr Real Property Administrator, (623) 773-7199



VICINITY MAP



LEGEND

Irrigation Easement

City of Peoria
SRP Irrigation Easement
Location Map

CITY OF PEORIA

GIS
Geographic Information Systems
CITY OF PEORIA
ARIZONA

NOTE:
This Map is based on imprecise source data, subject to change and FOR GENERAL REFERENCE ONLY.

RESOLUTION NO. 2012-87

RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF PEORIA, ARIZONA, AUTHORIZING THE GRANTING OF AN EASEMENT TO SALT RIVER PROJECT FOR THE RELOCATION OF EXISTING IRRIGATION FACILITIES IN THE VICINITY OF 75TH AVENUE AND THUNDERBIRD ROAD.

WHEREAS, the City of Peoria has requested that Salt River Project relocate irrigation lines to accommodate the intersection widening of 75th Avenue and Thunderbird Road. Salt River Project has agreed to do so upon the granting of an easement for the location of the new irrigation lines.

WHEREAS, Pursuant to Article I, Section III of the Peoria City Charter, the City Council may convey any right, title or interest in any real property in such terms as the City Council determines to be appropriate and necessary; and

WHEREAS, Pursuant to the Peoria City Charter and in accordance with the findings set forth above, the Mayor and Council of the City of Peoria consent to the granting of this Easement and authorize the City Manager to execute the document; and

THEREFORE, BE IT RESOLVED that the Mayor and Council of the City of Peoria, Arizona authorize the granting of the attached Easement to Salt River Project, and authorize the City Manager to execute the Easement.

PASSED AND ADOPTED by the Mayor and Council of the City of Peoria, Arizona this 19th day of June, 2012.

_____
Bob Barrett, Mayor

ATTEST:

_____
Wanda Nelson, City Clerk

APPROVED AS TO FORM:

_____
Stephen M. Kemp, City Attorney

Attachment:

1. SRP Easement

WHEN RECORDED MAIL TO:

SALT RIVER PROJECT
Land Department/PAB350
P. O. Box 52025
Phoenix, Arizona 85072-2025

IRRIGATION EASEMENT

Maricopa County

R/W # 74 Agt. PAR
Job # RD-02912
W [redacted] C [redacted]

KNOW ALL MEN BY THESE PRESENTS:

That

CITY OF PEORIA, ("Grantor"),
a municipal corporation

FOR AND IN CONSIDERATION OF THE SUM of One Dollar, and other valuable consideration, receipt of which is hereby acknowledged, do hereby grant to the **SALT RIVER PROJECT AGRICULTURAL IMPROVEMENT AND POWER DISTRICT**, ("Grantee"), an agricultural improvement district organized and existing under the laws of the State of Arizona, its successors and assigns, for itself and on behalf of the United States of America and as manager of the federal Salt River Reclamation Project, the right, easement and privilege to construct, reconstruct, operate and maintain an irrigation pipeline and irrigation turnout structure together with all the necessary and appurtenant facilities through, over, under and across the following described property:

Exhibit "A" attached hereto and made by reference a part hereof.

Grantor shall not convey any easements or grant any permits within the easement areas in which the facilities do not comply with the specifications shown in Exhibit B attached hereto and by this reference made a part hereof.

Grantor shall not erect, construct or permit to be erected or constructed any building or other structure, plant any trees, drill any well, install swimming pools, or alter ground level by cut or fill, within the limits of said rights of way, which do not comply with said Exhibit **B**.

Grantee shall have the right, but not the obligation, to erect, maintain and use gates in all fences which now cross said rights of way and to trim, cut and clear away trees or brush whenever in its judgment the same shall be necessary for the convenient and safe exercise of the rights hereby granted.

The Grantee shall at all times have the right of full and free ingress and egress to said easement for the purpose heretofore specified.

Grantor and Grantee acknowledge that from time to time Grantee may find it necessary to construct, reconstruct, operate and maintain irrigation facilities and appurtenant conveniences lying within the easement areas.

Grantor shall pay Grantee all costs and expenses of any relocation of the irrigation facilities requested by Grantor, including but not limited to, the relocation of the facilities into the easement area described above.

In the event the right, privilege and easement herein granted shall be abandoned and permanently cease to be used for the purpose herein granted, all rights herein granted shall cease and revert to the Grantors, their heirs or assigns.

The covenants and agreements herein set forth shall extend and inure in favor and to the benefit of and shall be binding on the heirs, successors in ownership and estate, assigns and lessees of the respective parties hereto.

Notwithstanding any of the aforesaid provisions, the easement rights granted herein shall be further subject to the following covenants, restrictions and conditions:

1. Grantor reserves the right to construct, install, operate, maintain, repair, replace and reinstall surface parking areas, driveways, roadways, sidewalks, curbs and gutters, landscaping, irrigation lines and street lighting on the surface of the easement areas.

2. Grantor reserves the right to construct and install public utilities, and to grant easements and permits for public utility purposes, in, upon, under, over and across the easement areas subject to compliance with the specifications shown in Exhibit B attached hereto and by this reference made a part hereof.

3. In the event that any repair, maintenance, replacement or installation of the irrigation facilities and appurtenant conveniences will cause a disturbance or a disruption of any public street or paved roadway, Grantee shall notify Grantor, pursuant to existing practices, before Grantee undertakes any such action. In the event of an emergency, Grantee shall have use of any public street or paved roadway as it reasonably deems necessary and appropriate to correct, repair, replace or reconstruct irrigation facilities affected by the emergency and notify Grantor, pursuant to existing practices, as soon as practical after responding to the emergency. Grantee shall provide for advance warning signs, barricades, flagmen, flares, and other devices when necessary to protect the roadway user as set forth in the "Manual on Uniform Traffic Control Devices" and any amendments and/or revisions thereto.

4. Grantor shall warrant and defend the rights, easements and privileges hereby granted and the priority of this easement against all persons whomsoever.

IN WITNESS WHEREOF, **THE CITY OF PEORIA,** a municipal corporation, has caused its name to be executed by its duly authorized representative(s) this _____ day of _____, _____.

THE CITY OF PEORIA,
a municipal corporation

By: _____
Carl Swenson
Its: City Manager

APPROVED AS TO FORM:

_____
Stephen M. Kemp, City Attorney
City of Peoria

ATTEST:

_____
Wanda Nelson, City Clerk

STATE OF _____)
) SS.
COUNTY OF _____)

On this _____ day of _____, _____, before me, the undersigned, personally appeared _____, the _____, of **THE CITY OF PEORIA**, a municipal corporation, and such authorized representative acknowledged that this document was executed on behalf of the corporation for the purposes therein contained.

_____
Notary Public

My Commission Expires:

_____

_____
Notary Stamp/Seal

Note: This instrument is exempt from the real estate transfer fee and affidavit of legal value required under A.R.S. Sections 11-1132 and 11-1133 pursuant to the exemptions set forth in A.R.S. Sections 11-1134(A)(2) and (A)(3).

PREMIER
ENGINEERING CORPORATION

EXHIBIT A

LEGAL DESCRIPTION: SRP IRRIGATION EASEMENT B

THOSE PORTIONS OF SECTIONS 13 AND 14, TOWNSHIP 3 NORTH, RANGE 1 EAST OF THE GILA AND SALT RIVER MERIDIAN, MARICOPA COUNTY, ARIZONA, DESCRIBED AS FOLLOWS:

COMMENCING AT A CITY OF PEORIA BRASS CAP IN HAND HOLE MARKING THE COMMON CORNER OF SECTIONS 11, 12, 13 AND 14, FROM WHENCE A CITY OF PEORIA BRASS CAP IN HAND HOLE MARKING THE COMMON QUARTER CORNER OF SAID SECTIONS 13 AND 14 LIES SOUTH 00°48'51" WEST A DISTANCE OF 2633.82 FEET; AND FROM WHENCE A CITY OF PEORIA BRASS CAP FLUSH, MARKING THE INTERSECTION OF 77TH AVENUE AND THUNDERBIRD ROAD AS SHOWN ON THE "FINAL PLAT OF 75TH AND THUNDERBIRD PLACE" AS RECORDED IN MARICOPA COUNTY RECORDER'S BOOK 920, PAGE 34 LIES SOUTH 88°44'53" WEST, A DISTANCE OF 1377.42 FEET; THENCE SOUTH 88°44'53" WEST, ALONG THE CENTERLINE OF SAID THUNDERBIRD ROAD, 62.64 FEET; THENCE, AT A RIGHT ANGLE, SOUTH 01°15'07" EAST, 94.92 FEET TO THE **POINT OF BEGINNING;**

THENCE NORTH 03°28'49" EAST, 46.47 FEET; THENCE SOUTH 86°31'11" EAST, 24.00 FEET; THENCE SOUTH 03°28'49" WEST, 59.87 FEET; THENCE SOUTH 00°00'00" WEST, 7.03 FEET; THENCE SOUTH 90°00'00" EAST, 3.35 FEET; THENCE NORTH 65°12'18" EAST, 143.19 FEET; THENCE NORTH 00°00'00" EAST, 59.54 FEET TO SAID CENTERLINE OF THUNDERBIRD ROAD; THENCE NORTH 89°07'39" EAST, ALONG SAID CENTERLINE OF THUNDERBIRD ROAD, 20.00 FEET; THENCE SOUTH 00°00'00" WEST, 55.91 FEET; THENCE NORTH 88°52'48" EAST, 169.92 FEET; THENCE SOUTH 00°00'00" WEST, 20.00 FEET; THENCE SOUTH 88°52'48" WEST, 177.33 FEET; THENCE SOUTH 65°12'18" WEST, 152.08 FEET; THENCE NORTH 90°00'00" WEST, 7.98 FEET; THENCE SOUTH 00°00'00" WEST, 5.49 FEET; THENCE SOUTH 17°24'19" EAST, 10.62 FEET; THENCE SOUTH 72°35'41" WEST, 24.00 FEET; THENCE NORTH 17°24'19" WEST, 14.30 FEET; THENCE NORTH 00°00'00" EAST, 10.83 FEET; THENCE NORTH 01°22'17" EAST, 40.15 FEET TO THE **POINT OF BEGINNING**.

(CONTAINING 10,446 SQUARE FEET, 0.24 ACRE, MORE OR LESS)

REGISTERED LAND SURVEYOR
CERTIFICATE NO.
39783
MARK A.
LUOND
Date Signed 2/10/12
ARIZONA, U.S.A.
Expires 09/30/12

6437 W. Chandler Blvd., Suite 1 • Chandler, AZ 85226 • (480) 829-6000 • Fax (480) 829-6016

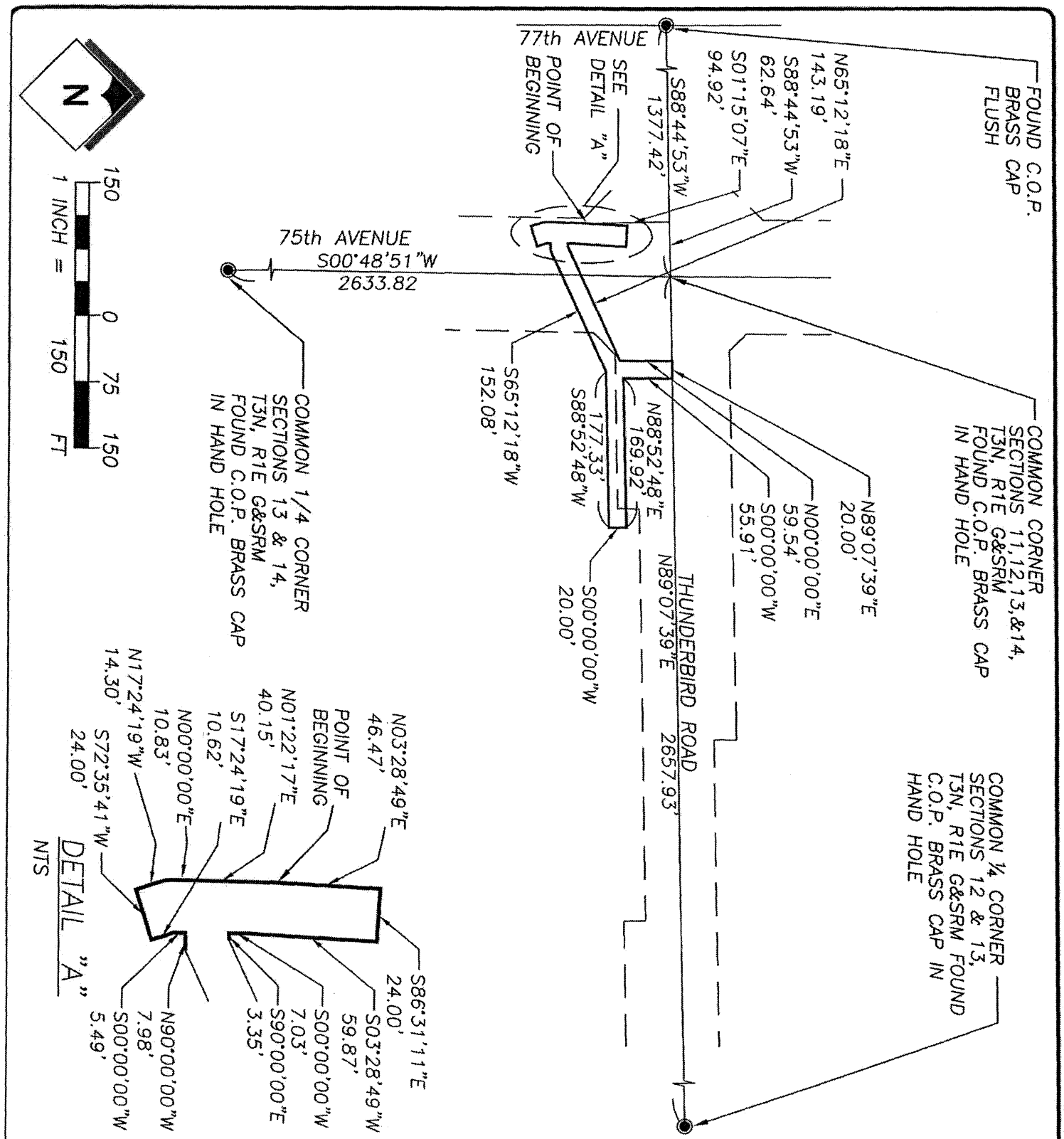


EXHIBIT A

A PORTION OF SECTIONS 13&14

SRP IRRIGATION EASEMENT B

SECTIONS 13&14, T3N, R1E

PROJECT No.	DRAWN BY	DATE
2011029	DMH	FEB., 2012
PAGE No.	CHECKED BY	
2 OF 2	MAL	

CITY OF PEORIA

PREMIER ENGINEERING CORPORATION
6437 W CHANDLER BLVD, STE 1
CHANDLER, AZ 85226

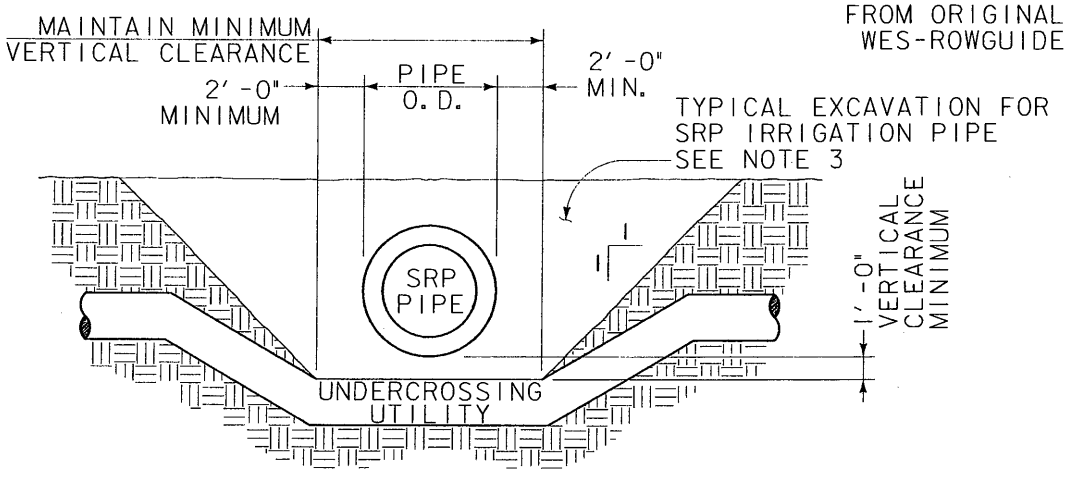
REGISTERED LAND SURVEYOR
CERTIFICATE NO. 39783
MARK A. LUOND
Date Signed: 03/07/12
ARIZONA, U.S.A.
EXPIRES 9-30-2012

EXHIBIT B

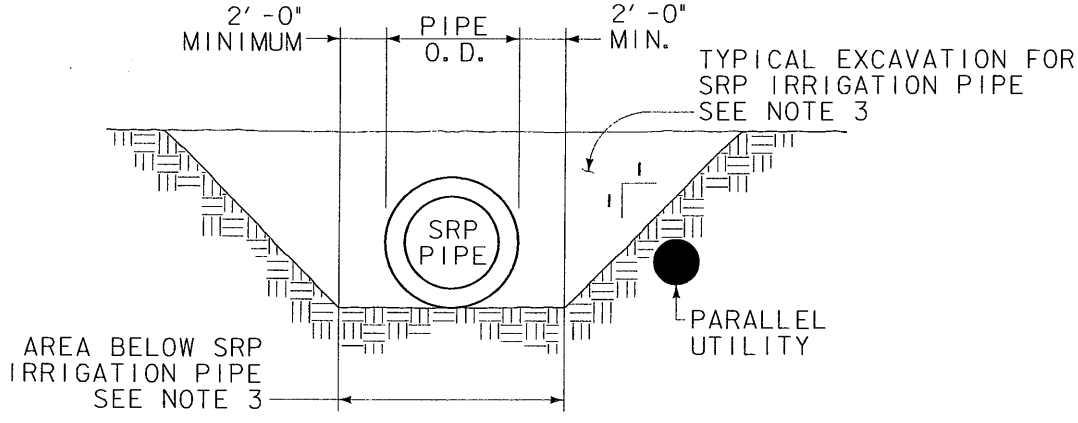
(PAGE 1 OF 2)

REV NO.	DATE
5	06/08/11

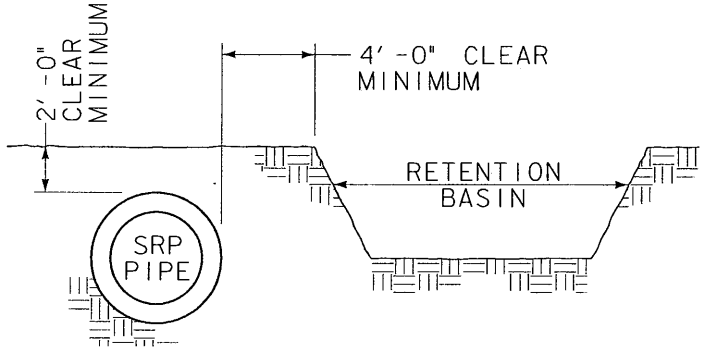
DWG REFERENCED FROM ORIGINAL WES-ROWGUIDE



PIPELINE - UTILITY CROSSING



PIPELINE - PARALLEL UTILITY



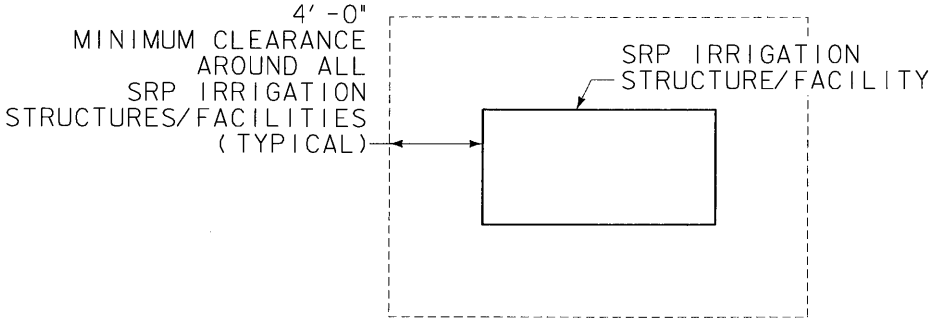
PIPELINES - RETENTION BASIN

EXHIBIT B

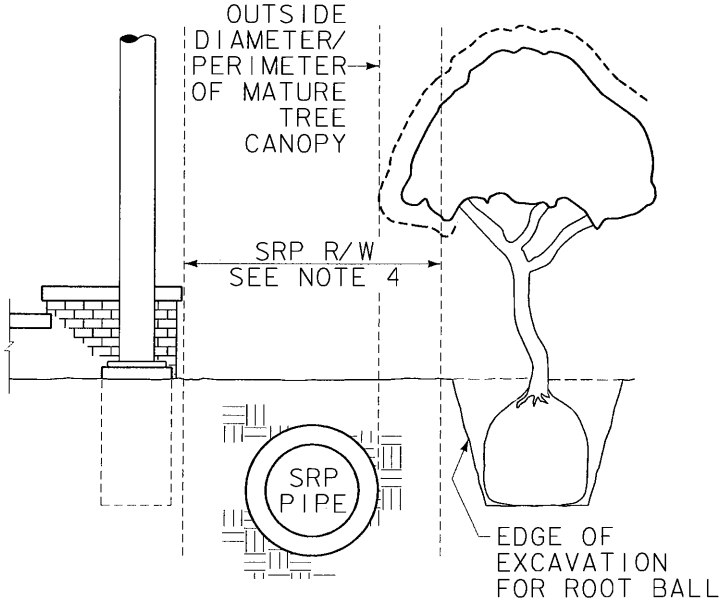
(PAGE 2 OF 2)

REV NO.	DATE
5	06/08/11

DWG REFERENCED FROM ORIGINAL WES-ROWGUIDE



IRRIGATION STRUCTURE/FACILITY CLEARANCE



PIPELINES - LANDSCAPING

NOTES

1. THESE GUIDELINES ARE PROVIDED AS A GENERAL AID TO PLANNING. ACTUAL SRP REQUIREMENTS MAY VARY BASED ON SITE-SPECIFIC CONDITIONS, OPERATIONAL CONSIDERATIONS, ETC.
2. AN SRP LICENSE IS REQUIRED FOR UTILITIES CROSSING/PARALLEL TO SRP IRRIGATION PIPE IN SRP RIGHT-OF-WAY. SRP REQUIRES ENGINEER DESIGNED UTILITY CROSSING/LOCATION AND EXCAVATION PLAN.
3. OTHER UTILITIES ARE NOT PERMITTED IN THESE AREAS.
4. SRP MAY LICENSE LIMITED USES OF ITS RIGHT-OF-WAY SUCH AS PARKING, SIDEWALK, LAWN, ETC. POLES, STRUCTURES AND TREES ARE TYPICALLY NOT PERMITTED IN SRP RIGHT-OF-WAY. INCLUDE DESIGN DRAWINGS FOR PROPOSED USE WHEN SUBMITTING REQUEST TO SRP FOR LICENSE.
5. REQUESTS FOR SRP LICENSES ARE HANDLED ON A CASE-BY-CASE BASIS. CONTACT SRP AT 602-236-5799 REGARDING LICENSES FOR SITES LOCATED NORTH AND SOUTH OF THE SALT RIVER.

CITY OF PEORIA, ARIZONA
COUNCIL COMMUNICATION

Agenda Item: 12C

Date Prepared: May 22, 2012 **Council Meeting Date:** June 19, 2012

TO: Carl Swenson, City Manager

FROM: Andy Granger, P.E., Engineering Director

THROUGH: Susan J. Daluddung, Deputy City Manager

SUBJECT: Real Estate Purchase, New River Trail, Rose Garden Lane & 77th Ave Alignment

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Purpose:

This is a request for City Council to authorize the acquisition of approximately 5 acres of land from Riverview Acres, LLC. (southwest corner of the Rose Garden and 77th Avenue Alignment) that will allow for the extension of New River Trail south from Riverstone Estates located at the Rose Garden Lane alignment to the Bureau of Land Management Parcel adjacent to the south.

Background/Summary:

For several years we have been working on the acquisition of the land necessary to extend the New River Trail along the west bank of New River between Riverstone Estates and Fletcher Heights. Currently the trail follows the northerly reaches of the 5 acres we seek to acquire and then follows the northerly and westerly boundary of the 10 acres of Bureau of Land Management (BLM) land located to the west. This is one of three land acquisitions necessary to complete the stretch of New River Trail north of the Loop 101, two are private and the other is the BLM parcel.

Previous Actions:

- Preliminary estimates have been completed for the construction of the trail and the funding for the acquisition of the two private parcels has been approved.
- Riverview Acres, LLC, the owner of the five acres granted the City a Temporary Trail Easement in 2008 with the understanding that we would pursue this acquisition from them.

Options:

A: Approve the acquisition of the 5 acre parcel from Riverview Acres, LLC.

B: Opt not to purchase the five acre parcel and attempt to renegotiate the Temporary Trail Easement for an additional five years.

Staff's Recommendation:

Staff recommends the City Council authorize the acquisition of this 5 acre parcel and authorize the City Manager to execute the attached Purchase Contract and any other documents necessary to complete the transaction.

Fiscal Analysis:

The purchase price of the five acre parcel is $6,000 per acre or a total of $30,000. This price is in line with an appraisal of property located just to the south at $8,000 per acre. The City will pay all closing costs associated with the purchase. Funding for this land purchase is available in the 2012 G.O. Bond Fund Land Acquisition Account 4250-4250-540000-CIPRT-EN00371.

Narrative:

Upon execution of the purchase contract the City will close escrow and own these five acres. Ultimately we will be able to construct the remainder of the New River Trail along the west bank of the river.

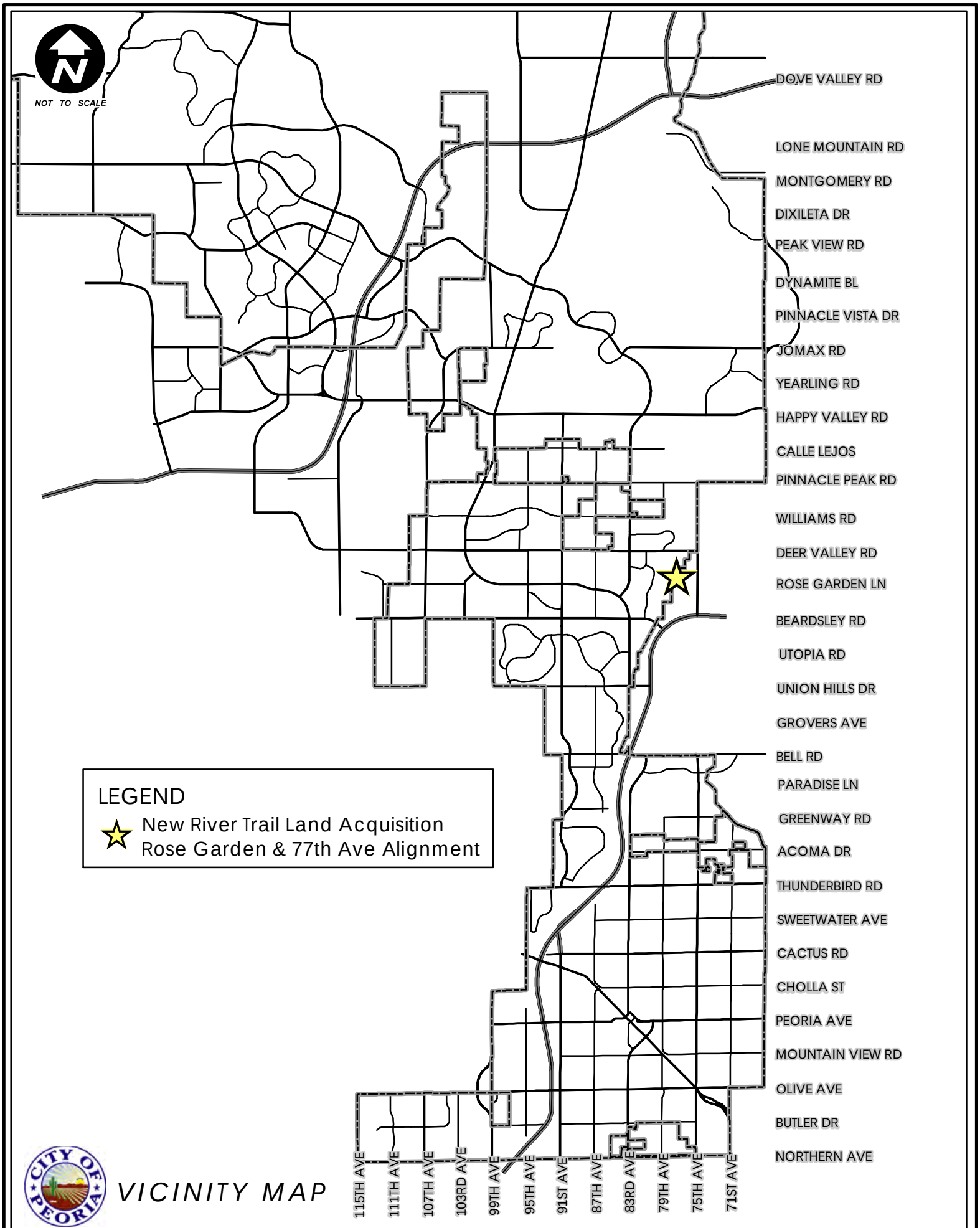
Exhibit(s):

Exhibit 1: Vicinity Map

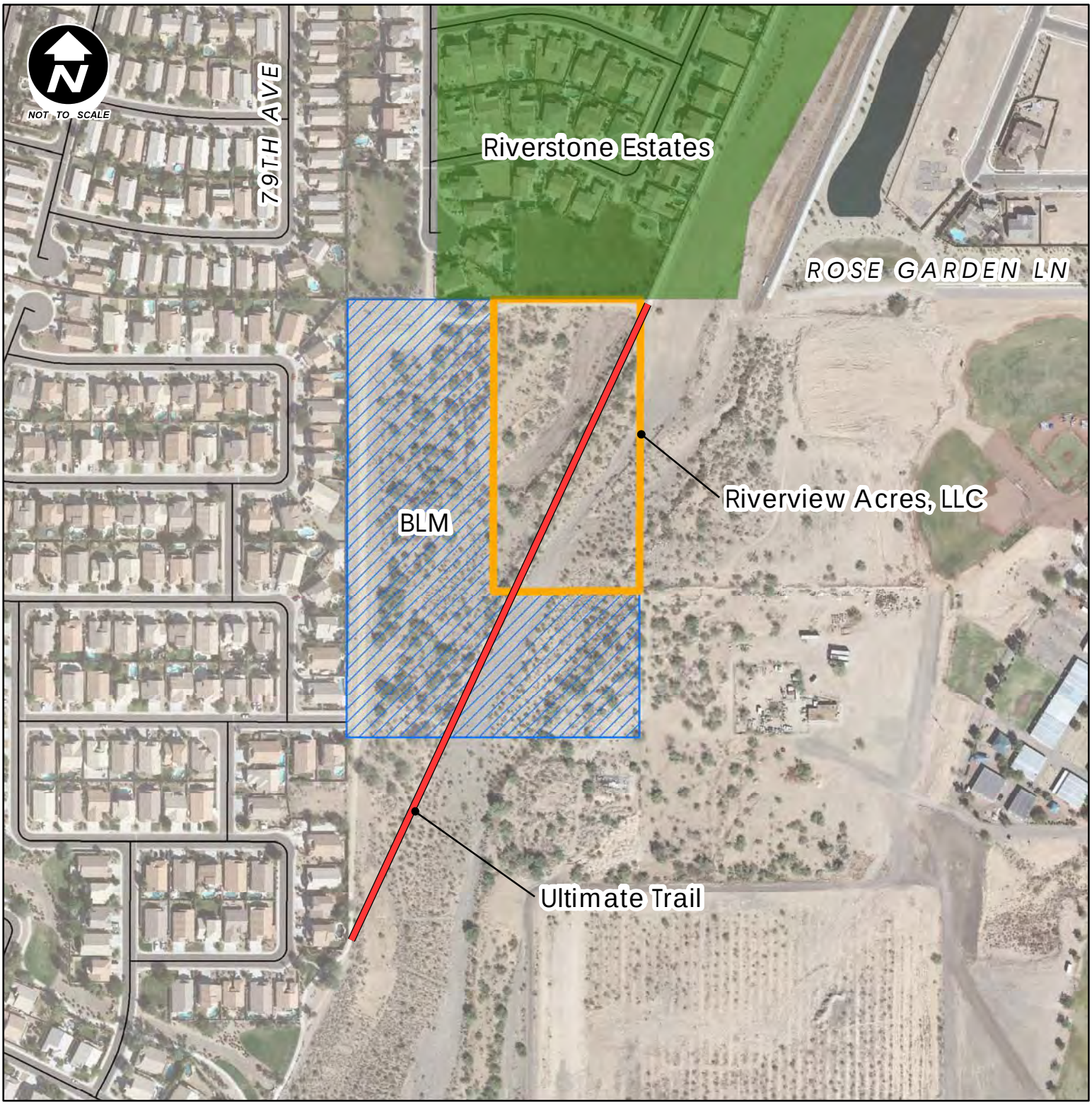
Exhibit 2: Location Map

Exhibit 3: Purchase Contract

Contact Name and Number: Kris Luna, Sr. Real Property Administrator (623) 773-7199



VICINITY MAP



LEGEND

Acquisition

City of Peoria

New River Trail
Land Acquisition
Rose Garden &
77th Ave Alignment
Location Map

CITY OF PEORIA

GIS
Geographic Information Systems
CITY OF PEORIA
ARIZONA

NOTE:
This Map is based on imprecise source data, subject to change and FOR GENERAL REFERENCE ONLY.

When recorded mail to:

City Clerk
City of Peoria
8401 West Monroe
Peoria, Arizona 85345

PURCHASE AGREEMENT AND ADDITIONAL TERMS TO ESCROW INSTRUCTIONS

SELLER:	**Riverview Acres, LLC, an Arizona limited liability company**
BUYER:	**CITY OF PEORIA, an Arizona municipal corporation**
ESCROW AGENT:	**Sharon Dyke** **Empire West Title Company**
LOCATION:	**77th Ave and Rose Garden Lane alignments**
ESCROW NUMBER:	**14967EW**

LCON _____

1. Binding Agreement. These Additional Terms shall be deemed a part of the printed form Escrow Instructions, ("Escrow Instructions") to which they are attached and shall be construed together with the Escrow Instructions as a single document ("collectively referred to as the "Agreement"); in the event of any inconsistency between any provision in these Additional Terms and any provision in the Escrow Instructions, the provision in these Additional Terms shall prevail. Upon the execution of the Escrow Instructions and these Additional Terms by Seller and Buyer, it shall constitute a binding contract between Seller and Buyer for (a) the purchase and sale of the real property legally described on Exhibit A attached hereto. This agreement will be executed by the City Manager upon approval of the purchase by the City of Peoria City Council.

2. Acceptance, Opening and Close of Escrow. The offer represented by this Agreement shall be deemed accepted upon Seller's execution and delivery of a counterpart of this Agreement to Escrow Agent on or before June 30, 2012. Escrow shall be opened when one fully executed or counterparts of this Agreement executed by Seller and Buyer, respectively, have been delivered to Escrow Agent on or before the acceptance date referred to hereinabove ("Opening of Escrow"). Escrow Agent shall advise Seller and Buyer, in writing, of the Opening of Escrow and the date thereof. Consummation of the purchase of the Property contemplated hereby (the "Close of Escrow" or "Closing") shall take place on or before June 30, 2012, and shall automatically terminate without any further notices, three business days later. At or before Closing, each party shall execute and deliver such documents and perform such acts as are provided for herein. All monies and documents required to be delivered under this Agreement shall be deposited in escrow on or before 5:00 p.m. Mountain Standard Time on the Closing date.

3. Title Insurance; Conveyance of Title.

The Real Property, including all rights and privileges appurtenant to or arising from the Real Property, shall be conveyed by Seller to Buyer upon Close of Escrow by Seller's Special Warranty Deed (the "Deed"), warranting title to the Real Property to be conveyed thereby to be a fee simple absolute estate free and clear of all matters, claims, liens, and encumbrances except: (i) taxes not yet due and payable at Close of Escrow (subject to proration as hereinafter provided); (ii) reservations in patents from the United States or the State of Arizona; and (iii) any other matters disclosed by the preliminary title report (or any amended report) which are deemed waived or approved by Buyer in accordance with subsection 8(a) of this Agreement. Escrow Agent shall issue or cause to be issued a standard coverage owner's policy of title insurance in the amount of the Purchase Price; the cost of such title policy shall be paid by Buyer.

4. Possession. Upon Close of Escrow, Seller shall vacate the Real Property and deliver possession to Buyer, and all risk of loss of, or damage to, the Real Property from any source shall, at that time, pass to and become the sole responsibility of Buyer.

5. Payment of Purchase Price. The Purchase Price for the Real Property interests shall be $30,000.00 payable by or before the Close of Escrow.

6. [Intentionally Left Blank.]

7. Closing; Fees, Taxes, and Assessments; Costs.

(a) At Close of Escrow, Escrow Agent shall, at the Buyer's expense issue its Standard ALTA Owner's Policy of title insurance in the amount of the Purchase Price insuring Buyer's title to Real Property, subject to the usual printed exceptions contained in such title insurance policies, those matters which appear as exceptions in Schedule B of the Title Report and which are not objected to or are waived in the manner described in said Schedule B, and any other matters approved in writing by Buyer. In the event Buyer desires an ALTA Extended Policy the additional cost shall be borne by Buyer.

(b) At Close of Escrow, the recording fees with respect to the Affidavit of Value and the Escrow fees shall be paid by Buyer. All real property taxes currently due shall be paid by Seller as of Close of Escrow based upon the most recent assessments.

(c) At Close of Escrow, Seller shall deliver the Deed, a Non-Foreign Person Affidavit, and each and every document, agreement, and/or instrument required by Escrow Agent in connection with the Closing.

(d) At Close of Escrow, Buyer shall deliver the Purchase Price, all other sums to be paid by Buyer hereunder, and each and every other document, agreement and/or instrument required by Escrow Agent in connection with the Closing.

8. Buyer's Contingencies. Buyer's obligation to consummate the transactions contemplated by this Agreement is subject to satisfaction of all of the following conditions precedent (any or all of which may be waived by Buyer in a writing signed by Buyer or its duly authorized agent):

(a) Status of Title. Escrow Agent, as soon as is reasonably possible after execution of this Agreement, shall provide Buyer and Seller with a preliminary report of the title to the Real Property (the "Commitment"), disclosing all matters of record and Escrow Agent's requirements for both closing the escrow created by this Agreement and issuing the policy of title insurance described in Section 3 of these Additional Terms (the Commitment also shall be suitable to serve as the basis for issuance of an ALTA extended form coverage lender's title insurance policy), Buyer shall have five (5) days after receipt of the Commitment to object in writing to any matter shown in the Commitment. If Buyer fails to object within the five (5) day period, the condition of title to the Real Property shall be deemed approved by Buyer. In the event Buyer does object in writing to any matter disclosed in the Commitment, Seller shall attempt, in good faith and using due diligence, to remove such objection before Close of Escrow. If any such matter cannot be removed after Seller's attempts to do so, Seller shall so notify Buyer, in writing, and Buyer shall elect within five (5) days after receipt of Seller's notice to either: (i) cancel this Agreement, or (ii) close escrow waiving and taking title subject to such matters. Failure to give notice to Seller of Buyer's election shall constitute an election to waive the objection.

(b) [Reserved.]

(c) Investigation. Buyer shall have seven (7) days from the Opening of

Escrow (the “Investigation Period”) to conduct such other tests and investigations, other than those described in paragraphs (a) and (b) above, as Buyer deems material to its determination whether the Real Property is suitable for Buyer’s purposes. Seller shall permit access to the Real Property by Buyer to inspect and perform any such tests during the Investigation Period. Buyer agrees to indemnify, pay, defend, and hold harmless Seller from all claims and liabilities for personal injury or physical property damage, or mechanics' or materialmen's liens, which may be asserted against Seller as a result of any entry by Buyer, its agents, or designees onto the Real Property. Buyer shall, in good faith, conduct all such inspections, investigations, and tests and be responsible for returning the Real Property to substantially the condition in which it was prior to the time of any entry. In the event Buyer fails to notify Seller by the conclusion of the Investigation Period that the Real Property or any part thereof is not suitable for its purposes, then Buyer shall be deemed to have accepted the Real Property and waived any objections relating to matters within the scope of this paragraph (c). In the event Buyer does so notify Seller, however, Seller shall undertake to remediate such conditions to Buyer’s reasonable satisfaction or to terminate this Agreement, whereupon Buyer and Seller shall have no further obligations hereunder, other than liabilities or obligations arising under the indemnity provisions of Section 18.

9. Information; Limitation on Liability. Buyer acknowledges that any tax information, engineering data, soil reports, or other information of any kind or nature relating to the Real Property which Buyer has received or may receive from Seller or its agents, is furnished on the express condition that Buyer shall make its own verification of the accuracy of the information. Buyer agrees that it shall not attempt to assert any liability against Seller by reason of Seller's having furnished such information or by reason of any such information being incorrect or inaccurate in any respect, and Buyer does hereby covenant and agree to defend, pay, indemnify, and hold Seller harmless from and against any and all such claims of liability by any person or entity based on such information.

10. No Warranties. Seller makes no warranty as to the sufficiency of the Real Property for Buyer's purposes or any purpose whatsoever, the physical condition of the Real Property or any work or improvements which might be required for any reason whatsoever, the square footage or acreage contained within the Real Property, the sufficiency or completeness of any plans for the Real Property, plats, zoning, or other development items relating to the Real Property, or as to any improvements on the Real Property, except as expressly set forth elsewhere in this Agreement.

11. Seller’s Warranties.

(a) Seller's Authority. Seller has full power and authority to enter into and perform under this Agreement in accordance with its terms. Upon execution of this Agreement this Agreement shall be binding and enforceable on Seller.

(b) Other Leases or Agreements. To Seller's knowledge and without due inquiry, there are no unrecorded leases or other agreements which may affect Buyer's ability to take title to or possession of the Real Property.

12. Water Rights. At Close of Escrow, Seller shall, without further act, be deemed to have assigned, transferred, conveyed, and set over unto Buyer, without warranty of any kind, all of the grandfathered water rights, if any, with respect to the Real Property.

13. Buyer's Representations and Warranties. Buyer warrants, represents, and covenants (with the understanding that Seller are relying on said warranties, representations, and covenants) that:

(a) Buyer has full power and authority to enter into and perform this Agreement in accordance with its terms.

(b) Buyer acknowledges that consummation of this transaction shall constitute its acknowledgment that it has independently inspected and investigated the Real Property and has made and entered into this Agreement based upon such inspection and investigation of the condition of the Real Property), and Seller are hereby released from all responsibility regarding the condition of the Real Property. Buyer agrees to accept the Real Property in its present condition "AS IS", subject only to the specific warranties, if any, set forth in this Agreement.

(c) Buyer acknowledges that the Real Property is vacant and unimproved land, and represents and warrants to Seller that Buyer has inspected the Property and has entered into this contract based upon Buyer's inspection and that Seller made no representations or warranties regarding the condition of the Real Property.

14. Brokerage. Seller and Buyer agree as follows:

(a) Mutual Warranties. Buyer warrants that it has not dealt with any finder, broker or realtor in connection with the transaction embodied by this Purchase Agreement.

(b) Indemnity and Hold Harmless. If any person shall assert a claim to a finder's fee or brokerage commission on account of alleged employment as a finder or broker in connection with the Real Property, the party under whom the finder or broker is claiming shall defend, protest, indemnify and hold the other party harmless from and against any such claim and all costs, expenses and liabilities incurred in connection with such claim or action or proceeding brought on such claim, including, but not limited to, counsel and witness fees and court costs in defending against such claims.

(c) Survival. The provisions of this Paragraph 14 shall survive Close of Escrow (but not the termination) of this Purchase Agreement.

15. Survival of Representations and Warranties. All representations and warranties contained in this Agreement are true on and as of the date so made, will be true in all material respects on and as of the Closing Date, and will survive Close of Escrow and execution, delivery, and recordation of the Deed. In the event that any representation or warranty by a party
is untrue, the other party shall have all rights and remedies available at law, in equity, or as provided in this Agreement.

16. No Assumption of Seller's Liabilities. Buyer is acquiring only the Real Property from Seller and is not the successor of Seller. Buyer does not assume, agree to pay, or indemnify Seller or any other person against any liability, obligation, or expense of Seller or relating in any way to the Real Property.

17. Condemnation; Risk of Loss. In the event of the condemnation (or sale in lieu of condemnation) of any part of the Real Property prior to Close of Escrow, Buyer shall have the right either: (i) to cancel this Agreement by written notice to Seller and Escrow Agent in which event there shall be returned to Buyer the Earnest Money and all interest thereon, all documents shall be returned to the party who deposited them and thereafter this Agreement shall be of no further force or effect whatsoever.

18. Indemnification and Liabilities. Subject to the limitations and other provisions contained in this Agreement, Seller shall, and they hereby do, indemnify and agree to pay, defend, and hold harmless Buyer from any liability, obligation, action, suit, judgment, fine, award, loss, claim, demand, or expense (including attorneys' fees) arising from any act or omission of Seller pertaining in any manner to the Real Property for the period of time prior to the Close of Escrow. Buyer does not agree to assume any liability, encumbrance, or obligation of any kind or character whatsoever relating in any manner to all or any part of the Real Property: (i) except as specifically provided herein; and (ii) except that Buyer agrees to pay, defend, indemnify, and hold harmless Seller from any liability, obligation, action, suit, judgment, fine, award, loss, claim, demand, or expense (including attorneys' fees) arising from any act or omission of Buyer, Buyer's agents and employees.

19. Remedies.

(a) In the event of default by Buyer, Seller's sole remedy shall be to cancel this Agreement. Seller and Buyer agree that it would be impractical or extremely difficult to fix actual damages in case of the Buyer's default.

(b) In the event of default by Seller, Buyer may cancel this Agreement by written notice to Seller and Escrow Agent together with all other documents Buyer has deposited with Escrow Agent in connection with this escrow, in which case Buyer and Seller shall have no other rights or obligations under this Agreement.

20. Notices. Notices required or permitted hereunder shall be given in writing and personally delivered or sent by registered or certified mail, return receipt requested, postage prepaid, addressed as follows:

To Sellers: Riverview Acres
c/o Clint Nichols
P.O. Box 6698
Mesa, AZ 85216

LCON _____

To Buyer:	Kristine Luna Real Property Administrator City of Peoria 9875 N. 85th Avenue Peoria, Arizona 85345
With a copy to Buyer's counsel:	Stephen M. Kemp, City Attorney City of Peoria 8401 West Monroe Street Peoria, Arizona 85345
To Escrow Agent:	Empire West Title Sharon Dyke Escrow Officer 4804 N 22nd Street #100 Phoenix, AZ 85016

or at any other address designated by Buyer, Seller, or Escrow Agent, in writing.

21. Attorneys' Fees. In the event suit is brought or to enforce the terms of this Agreement, the prevailing party shall be entitled to recover, reimbursement for reasonable attorneys' fees and court costs.

22. Intended Agreement. This Agreement shall not be construed for or against either party as a result of its participation, or the participation of its counsel, in the preparation and/or drafting of this Agreement or any exhibits hereto.

23. Relationship. This Agreement shall not be construed as creating a joint venture, partnership, or any other joint arrangement between Buyer and Seller.

24. Further Instruments and Documents. Each party hereto shall, promptly upon the request of the other party or Escrow Agent, acknowledge and deliver to the other party or Escrow Agent any and all further instruments reasonably requested or appropriate to evidence or give effect to the provisions of this Agreement.

25. Integration Clause; No Oral Modification. This Agreement represents the entire agreement of the parties with respect to its subject matter, and all agreements, oral or written, entered into prior to this Agreement are revoked and superseded by this Agreement. This Agreement may not be changed, modified, or rescinded, except in writing, signed by all parties hereto.

26. Governing Law; Choice of Forum. This Agreement shall be deemed to be made under, shall be construed in accordance with, and shall be governed by the laws of the State of Arizona. Any action brought to interpret, enforce, or construe any provision of this Agreement shall be commenced and maintained in the Superior Court of the State of Arizona in and for the County of Maricopa.

27. Severability. If any provision of this Agreement is declared void or unenforceable, such provision shall be deemed severed from this Agreement, and this Agreement shall otherwise remain in full force and effect.

28. Waiver. Failure of any party to exercise any right, remedy, or option arising out of a breach of this Agreement shall not be deemed a waiver of any right, remedy, or option with respect to any subsequent or different breach, or the continuance of any existing breach.

29. Counterparts. This Agreement may be executed in any number of counterparts, all the counterparts shall be deemed to constitute one instrument, and each counterpart shall be deemed an original.

30. Special Variations from Escrow Instructions. Notwithstanding anything in the Escrow Instructions to the contrary: (I) Seller shall pay, in full and at Closing, any existing improvement lien assessments on or relating to the Real Property unless otherwise agreed by the parties; and (ii) Escrow Agent shall pro-rate taxes on the basis of the latest available tax statement.

31. Date of Agreement. The date of this Agreement (and the date of opening of Escrow) shall for all purposes be the date of the signature of the last party to sign this Agreement.

32. Time of Essence. Time is hereby declared to be of the essence for the performance of all conditions and obligations under this Agreement.

33. Construction/Interpretation. The captions and section headings used in this Agreement are for convenience and reference only and are not intended to define, limit, or describe the scope or intent of any provision of this Agreement. The term "person" shall include an individual, corporation, partnership, trust, estate, or any other entity. If the last day of any time period stated herein shall fall on a Saturday, Sunday, or legal holiday in the State of Arizona, then the duration of such time period shall be extended so that it shall end on the next succeeding day which is not a Saturday, Sunday, or legal holiday in the State of Arizona.

34. Foreign Tax Withholdings. Seller shall provide to Buyer and Escrow Agent at Closing appropriate affidavits stating that it is not a foreign person and that no withholding is required pursuant to Internal Revenue Code § 1445. In the event such affidavits are not forthcoming or in the event either Escrow Agent or Buyer knows or has reason to know that they are false, Escrow Agent is hereby irrevocably authorized and directed to withhold 10% of Seller's proceeds of the purchase price pursuant to Code § 1445.

35. Conflict of Interest. This Agreement shall be subject to cancellation pursuant to the provisions of A.R.S. § 38-511 relating to conflicts of interest.

36. Offer. Upon execution by Buyer and delivery to Seller, this Agreement shall constitute the offer of Buyer to purchase the Real Property and Easement on the terms and conditions set forth herein. This offer shall be open to acceptance by Seller (by Seller's executing and delivering a copy of this Agreement to Buyer and to Escrow Agent) on or before the close of business on June 30, 2012. In the event that this condition is not complied with on or before the close of business on the date specified, this offer shall terminate and shall be self-revoking without further action on behalf of Buyer. In addition, and without limiting the foregoing, Buyer reserves the right to revoke this offer, upon written notice to Seller, at any time before this offer is accepted by Seller.

IN WITNESS WHEREOF, the parties have executed this Agreement on the dates set forth below.

SELLER: Riverview Acres, LLC

By _____

Its:

Date:

STATE OF ARIZONA)
) ss.
County of Maricopa)

The foregoing instrument was acknowledged before me this _____ day of _____, 2012 by _____.

_____
Notary Public

My Commission Expires:

LCON _____

BUYER:

CITY OF PEORIA,
An Arizona Municipal Corporation

DATE: _____

BY: _____
Carl Swenson
City Manager

ATTEST:

_____
Wanda Nelson, City Clerk

APPROVED AS TO FORM:

_____
Stephen M. Kemp, City Attorney

STATE OF ARIZONA)
) ss.
County of Maricopa)

The foregoing instrument was acknowledged before me this _____ day of _____ 2012 by Carl Swenson, City Manager, and City of Peoria.

_____
Notary Public

My Commission Expires:

_____

LCON _____

Exhibit List

A. Legal Description of Parcel
B. Special Warranty Deed

LCON _____

EXHIBIT A

THE EAST HALF OF THE NORTHWEST QUARTER OF THE NORTHWEST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 23, TOWNSHIP 4 NORTH, RANGE 1 EAST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA

EXCEPT all coal, oil, gas and other mineral deposits as reserved in Patent from United States of America.

LCON _____

Exhibit B – Special Warranty Deed

LCON _____

When recorded, return to:

Office of the City Clerk
City of Peoria
8401 West Monroe
Peoria, Arizona 85345

SPECIAL WARRANTY DEED

For valuable consideration, Riverview Acres, LLC, an Arizona limited liability company, ("GRANTOR") does hereby convey to **CITY OF PEORIA, an Arizona municipal corporation** the ("GRANTEE"), the following described real property situated in Maricopa County, Arizona, together with all rights and privileges appurtenant thereto ("the Property"):

THE EAST HALF OF THE NORTHWEST QUARTER OF THE NORTHWEST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 23, TOWNSHIP 4 NORTH, RANGE 1 EAST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA

EXCEPT all coal, oil, gas and other mineral deposits as reserved in Patent from United States of America.

SUBJECT ONLY TO: current taxes, assessments, reservation in patents and all easements, rights of way, encumbrances, liens, covenants, conditions and restrictions as may appear of record.

And GRANTOR hereby binds itself and its successors to warrant and defend the title to the Property, as against all acts of GRANTOR and no other, subject to the matters set forth above.

EXEMPT FROM AFFIDAVIT AND FEES PURSUANT TO A.R.S. § 11-1134, A.3.

DATE: _____

GRANTOR: Riverview Acres, LLC, an Arizona limited liability company

By: _____

Its: _____

ACKNOWLEDGEMENT

STATE OF)
) ss.
County of)

On this date, before me, a Notary Public, personally appeared _____ known to me or satisfactorily proven to be the person whose name is subscribed to this instrument and acknowledged that he executed the same. If this person's name is subscribed in a representative capacity, it is for the principal named and in the capacity indicated.

The foregoing instrument was acknowledged before me this _____ day of

_____,2012, by _____

_____
Notary Public

My Commission Expires:

CITY OF PEORIA, ARIZONA
COUNCIL COMMUNICATION

Agenda Item: 13C

Date Prepared: May 29, 2012

Council Meeting Date: June 19, 2012

TO: Carl Swenson, City Manager

FROM: Brent D. Mattingly, Chief Financial Officer

THROUGH: Susan Thorpe, Deputy City Manager

SUBJECT: Resolution Authorizing Sale and Contract Award of General Obligation Bonds, Series A (2012)

Purpose:

This is a request for Council to adopt Resolution No. 2012-89 authorizing the sale and issuance of General Obligation Bonds, Series A (2012), in an amount not to exceed $15,000,000; providing for the annual levy of a tax on all the taxable property within the City of Peoria for the payment of principal and interest of the bonds; appointing and authorizing a contract for a bond registrar and paying agent; approving a contract for continuing disclosure of the bonds; ratifying the distribution of a Preliminary Official Statement (POS) and approving an Official Statement (OS); awarding a contract for the purchase of the bonds; and declaring an emergency.

Background/Summary:

On May 15, 2012, the Mayor and Council approved the sale of City of Peoria, Arizona General Obligation Bonds, Series A (2012), in an amount not to exceed $15,000,000; and authorized the publication of a notice inviting proposals for the purchase of the bonds. The bonds will fund the following projects identified in the City's adopted Capital Improvement Plan:

General Obligation Bonds, Series A (2012)	
Project Name	**Bond Amount**
Community Park #2	$8,132,262
Community Center Building Addition	$3,521,359
Osuna Park Renovations	$511,218
New River Trail – Northern to Olive Ave	$58,826
New River Trail - BLM	$434,146
Fire Support Services Facility	$1,060,753
Asset Management System Upgrade	$200,000

General Obligation Bonds, Series A (2012)	
Project Name	**Bond Amount**
Traffic Signal Renovation & Replacement	$631,250
City Parks Parking Lots – Asphalt Replacement	$75,750
Total for Projects:	**$14,625,564**

The total of the General Obligation Bonds, Series A (2012), is estimated not to exceed $15,000,000 but the actual amount is dependent upon market prices and will be determined on the date of sale which is scheduled for the morning of June 19, 2012.

The attached resolution continues the legal process required for the sale of said bonds and provides for the following:

1) The issuance of bonds in an amount not to exceed $15,000,000;

2) Authorizes the appointment of a bond registrar and paying agent in connection with the bonds;

3) Approves a contract for ongoing disclosure of the bonds;

4) Provides for the award of a contract for the purchase of the bonds;

5) Ratifies the distribution of a Preliminary Official Statement (POS) and approves a final form of the Official Statement (OS) for the bonds.

Previous Actions:

On May 15, 2012, the Mayor and Council approved the sale of City of Peoria, Arizona General Obligation Bonds, Series A (2012), in an amount not to exceed $15,000,000; and authorized the publication of a notice inviting proposals for the purchase of the bonds.

Options:

A: Approve Resolution No. 2012 - 89 authorizing the sale and issuance of General Obligation Bonds, Series A (2012), in an amount not to exceed $15,000,000; and approving certain legal matters pertaining to the bonds including the award of a contract for the purchase of the bonds.

B: Not approve Resolution No. 2012 - 89 as presented and request additional information from staff.

Staff's Recommendation:

Staff recommends that Council approve Resolution No. 2012 - 89 which provides for the issuance of General Obligation Bonds, Series A (2012) and authorizes certain legal matters related to the bond sale including the award of a contract for the purchase of the bonds.

Fiscal Analysis:

The issuance of these bonds will increase the City's debt service commitment by approximately $980,000 per year for the term of the bonds.

Narrative:

Staff has been preparing for a bond issue of approximately $15 million in General Obligation bonds to fund the aforementioned projects identified in the adopted Capital Improvement Plan. The attached resolution continues the legal process required for the sale and contract award of said bonds. The bond sale is scheduled to be held in the morning of June 19, 2012. Staff will provide a separate summary of the bond sale within the next few days. The final completed bond documents will be circulated for signature prior to the bond closing which is currently scheduled for the last week of June 2012.

Exhibit(s):

Exhibit 1: Resolution No. 2012 - 89

Contact:

Deborah Card, Treasury Manager, X7148

RESOLUTION NO. 2012-89

RESOLUTION AUTHORIZING THE SALE AND ISSUANCE OF CITY OF PEORIA, ARIZONA GENERAL OBLIGATION BONDS (PROJECTS OF 2000, 2005 AND 2008), SERIES A (2012), IN THE AGGREGATE PRINCIPAL AMOUNT OF $14,710,000; PROVIDING FOR THE ANNUAL LEVY OF A TAX ON ALL THE TAXABLE PROPERTY WITHIN THE CITY OF PEORIA, ARIZONA, TO PROVIDE FOR THE PAYMENT OF INTEREST ON AND PRINCIPAL OF SAID BONDS; APPOINTING A BOND REGISTRAR AND PAYING AGENT AND AUTHORIZING EXECUTION OF A CONTRACT IN CONNECTION THEREWITH; APPROVING A CONTINUING DISCLOSURE UNDERTAKING PERTAINING TO PROVIDING ONGOING DISCLOSURE WITH RESPECT TO SAID BONDS AND AUTHORIZING EXECUTION OF SUCH UNDERTAKING; RATIFYING THE DISTRIBUTION OF A PRELIMINARY OFFICIAL STATEMENT WITH RESPECT TO SAID BONDS AND APPROVING AN OFFICIAL STATEMENT WITH RESPECT TO SAID BONDS; AWARDING A CONTRACT FOR THE PURCHASE OF SAID BONDS AND DECLARING AN EMERGENCY

WHEREAS, at a special bond election held in and for the City of Peoria, Arizona (the "City"), on September 12, 2000, there was submitted to the qualified electors thereof the following question:

QUESTION 5

PARKS AND OPEN SPACE BONDS

Shall the City of Peoria, Arizona be authorized to issue and sell general obligation bonds of the City in a principal amount of $30,000,000 to provide funds to acquire, construct, improve and equip neighborhood parks and recreation facilities, trails and bicycle routes; acquire, construct, improve and equip a community park; to acquire, construct, improve or equip City swimming pool; to acquire, construct, improve or equip park maintenance facilities; acquire fee or lesser interests in land separately or pursuant to an intergovernmental agreement with the State and/or a political subdivision of this State for the purpose of preserving open space and recreational trail corridors, condemnation or any other method, to include joint facilities to be utilized with others, and to pay all legal, financial, engineering, architectural and all other necessary costs in connection therewith, such bonds to be issued in one or more series, maturing not more than 30 years following the date of the issuance of each series and bearing interest at a rate or rates not higher than 12% per annum?

; and

WHEREAS, at a special bond election held in and for the City on May 17, 2005, there was submitted to the qualified electors thereof the following question:

QUESTION 3

PARKS, RECREATION, AND LIBRARY BONDS

Shall the City of Peoria, Arizona be authorized to issue and sell general obligation bonds of the City in a principal amount of $35,000,000 to provide funds to acquire, construct, improve and equip neighborhood parks and recreation facilities, trails and bicycle routes; acquire, construct, improve and equip libraries; acquire, construct, improve and equip one or more community parks; to acquire, construct, improve or equip one or more city swimming pools; to acquire, construct, improve or equip park maintenance facilities; acquire fee or lesser interests in land separately or pursuant to an intergovernmental agreement with the State and/or a political subdivision of this State for the purpose of preserving open space and recreational trail corridors, by condemnation or any other method, to include joint facilities to be utilized with others, and to pay all legal, financial, engineering, architectural and all other necessary costs in connection therewith, such bonds to be issued in one or more series, maturing not more than 30 years following the date of issuance of each series and bearing interest at a rate or rates not higher than 12% per annum?

; and

WHEREAS, at a special bond election held in and for the City on November 4, 2008, there was submitted to the qualified electors thereof the following questions:

QUESTION 1

STREETS, BRIDGES, TRAFFIC CONTROL AND
TRANSPORTATION AND DRAINAGE BONDS

Shall the City of Peoria, Arizona be authorized to sell and issue bonds of the City in the principal amount of $276,743,120 to provide funds to improve, construct, reconstruct and widen streets and bridges; construct intermodal transportation facilities; install signage and traffic control devices and signals and improve, construct reconstruct and expand drainage/storm water and related facilities; to acquire land, rights of ways, or interests in land for such purposes by purchase, condemnation or any other method, and to pay all legal, financial, engineering, architectural and all other necessary costs in connection therewith, such bonds to be issued at the option of the Council of the City, such bonds or any series thereof to be issued at the option of the Council, as general obligation bonds payable from *ad valor*em property taxes unlimited as to rate and amount, or as highway user fund revenue bonds payable solely from revenues derived from taxes, fees, charges and other moneys collected by the State and returned to the City for street and highway purposes pursuant to law or to the extent permitted by law as utility revenue bonds payable from the revenues of the utility system of the City, for drainage purposes; the bonds to be issued in one or more series, maturing not more than 30 years following the date of the issuance of each series and bearing interest at a rate or rates not higher than 12% per annum?

The issuance of these bonds will result in an annual levy of property taxes sufficient to pay the debt on the bonds, unless the governing body provides for payment from other sources in full or in part.

QUESTION 2

PUBLIC SAFETY, TECHNOLOGY AND MUNICIPAL OPERATIONS BONDS

Shall the City of Peoria, Arizona be authorized to sell and issue bonds payable from *ad* valorem property taxes, unlimited as to rate and amount, of the City in the principal amount of $60,317,685 to provide funds to construct, improve and equip police, fire and emergency services, maintenance and operation and other municipal facilities including, but not limited to, operational communications and information systems for municipal services and dispatch and records management systems; to acquire land or interests in land or rights of way for such purposes by purchase, condemnation or any other method, and to pay all legal, financial, engineering, architectural and all other necessary costs in connection therewith, such bonds to be issued in one or more series, maturing not more than 30 years following the date of the issuance of each series and bearing interest at a rate or rates not higher than 12% per annum?

; and

WHEREAS, the returns of the special bond election held on September 12, 2000, were duly canvassed by the Mayor and Council of the City and a certificate disclosing the purpose of the special bond election held on September 12, 2000, the total number of votes cast thereat, the total number of votes for and against the issuance of the bonds, and stating that the creation of the indebtedness by the issuance of the bonds in accordance with the foregoing question was ordered, has been filed and recorded in the office of the County Recorder of Maricopa County, Arizona; and

WHEREAS, a majority of the qualified electors of the City, voting at the special bond election held on September 12, 2000, voted "For the Bonds," in answer to Question No. 5 submitted; and

WHEREAS, the returns of the special bond election held on May 17, 2005, were duly canvassed by the Mayor and Council of the City and a certificate disclosing the purpose of the special bond election held on May 17, 2005, the total number of votes cast thereat, the total number of votes for and against the issuance of the bonds, and stating that the creation of the indebtedness by the issuance of the bonds in accordance with the foregoing question was ordered, has been filed and recorded in the office of the County Recorder of Maricopa County, Arizona; and

WHEREAS, a majority of the qualified electors of the City, voting at the special bond election held on May 17, 2005, voted "For the Bonds," in answer to Question No. 3 submitted; and

WHEREAS, the returns of the special bond election held on November 4, 2008, were duly canvassed by the Mayor and Council of the City and a certificate disclosing the purpose of the special bond election held on November 4, 2008, the total number of votes cast thereat, the total number of votes for and against the issuance of the bonds, and stating that the creation of the indebtedness by the issuance of the

bonds in accordance with the foregoing questions was ordered, has been filed and recorded in the office of the County Recorder of Maricopa County, Arizona; and

WHEREAS, a majority of the qualified electors of the City, voting at the special bond election held on November 4, 2008, voted "For the Bonds," in answer to Question Nos. 1 and 2 submitted; and

WHEREAS, offers for the purchase of $14,710,000 aggregate principal amount of bonds to be designated as City of Peoria, Arizona General Obligation Bonds (Projects of 2000, 2005 and 2008), Series A (2012) (hereinafter referred to as the "Bonds") have been received pursuant to a Notice Inviting Proposals For Purchase Of General Obligation Bonds (hereinafter referred to as the "Notice"); and

WHEREAS, the proposal of _____ (hereinafter referred to as the "Purchaser") has been determined to result in the lowest true interest cost to the City and, in all respects, complies with the terms of the Notice; and

WHEREAS, all things required to be done preliminary to the authorization and issuance of the Bonds have been duly done and performed in the manner required by law, and the Mayor and Council of the City are now empowered to proceed with the sale and issuance of the Bonds;

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

Section 1. The Bonds are hereby authorized to be issued as a series of bonds in accordance with the Resolution and applicable law to provide funds for the purposes set forth in the above-mentioned forms of ballot Question 5 submitted to the qualified electors of the City on September 12, 2000, ballot Question 3 submitted to the qualified electors of the City on May 17, 2005, and ballot Questions 1 and 2 submitted to the qualified electors of the City on November 4, 2008.

Section 2. The Bonds herein authorized to be issued by the City and maturing in the years 2013 through and including 2032 constitute the fifth series of bonds of a total authorized issue of not to exceed $30,000,000 principal amount of bonds of the City approved by the qualified electors of the City (Question 5) at a special bond election duly called and held in and for the City on September 12, 2000, under the provisions of Title 35, Chapter 3, Article 3, Arizona Revised Statutes, as amended.

The Bonds herein authorized to be issued by the City and maturing in the years 2013 through and including 2032 constitute the fourth series of bonds of a total authorized issue of not to exceed $35,000,000 principal amount of bonds of the City approved by the qualified electors of the City (Question 3) at a special bond election duly called and held in and for the City on May 17, 2005, under the provisions of Title 35, Chapter 3, Article 3, Arizona Revised Statutes, as amended.

The Bonds herein authorized to be issued by the City and maturing in the years 2013 through and including 2032 constitute the second series of bonds of a total authorized issue of not to exceed $337,000,000 principal amount of bonds of the City approved by the qualified electors of the City (Questions 1 and 2) at a special bond election duly called and held in and for the City on November 4, 2008, under the provisions of Title 35, Chapter 3, Article 3, Arizona Revised Statutes, as amended.

Section 3. The proceeds from the sale of the Bonds maturing in the years 2013 through and including 2032 shall be credited against the total principal amount of bonds so approved and against the specific amount of bonds so authorized by the qualified electors of the City at the special bond election called and held on September 12, 2000, and for each respective purpose and project as set forth in the applicable question on the official forms of ballots and the proceeds of the Bonds shall be applied to each respective purpose and project described in each question in the following manner:

September 12, 2000 Special Bond Election

Question No.	Purpose	Amount
5	Parks and Open Space	$495,000

By setting forth the above schedule, the Mayor and Council of the City further declare that the indebtedness represented by the Bonds relating to Question No. 5 shall be applied against the City's constitutional debt limits which, with the assent of the qualified electors of the City, exceeds 6 percent of the value of the taxable property in the City, as ascertained by the last assessment for State and County purposes, previous to incurring such indebtedness.

The proceeds from the sale of the Bonds maturing in the years 2013 through and including 2032 shall be credited against the total principal amount of bonds so approved and against the specific amount of bonds so authorized by the qualified electors of the City at the special bond election called and held on May 17, 2005, and for each respective purpose and project as set forth in the applicable question on the official forms of ballots and the proceeds of the Bonds shall be applied to each respective purpose and project described in each question in the following manner:

May 17, 2005 Special Bond Election

Question No.	Purpose	Amount
3	Parks, Recreation and Library	$8,770,000

By setting forth the above schedule, the Mayor and Council of the City further declare that the indebtedness represented by the Bonds relating to Question No. 3 shall be applied against the City's constitutional debt limits which, with the assent of the qualified electors of the City, exceeds 6 percent of the value of the taxable property in the City, as ascertained by the last assessment for State and County purposes, previous to incurring such indebtedness.

The proceeds from the sale of the Bonds maturing in the years 2013 through and including 2032 shall be credited against the total principal amount of bonds so approved and against the specific amount of bonds so authorized by the qualified electors of the City at the special bond election called and held on November 4, 2008, and for each respective purpose and project as set forth in the applicable questions on the official forms of ballots and the proceeds of the Bonds shall be applied to each respective purpose and project described in each question in the following manner:

November 4, 2008 Special Bond Election

Question No.	Purpose	Amount
1	Streets, Bridges, Traffic Control and Transportation and Drainage	$635,000
2	Public Safety, Technology and Municipal Operations	4,810,000
	TOTAL	$5,445,000

By setting forth the above schedule, the Mayor and Council of the City further declare that the indebtedness represented by the Bonds relating to Question No. 1 and, except for $200,000 principal amount thereof, relating to Question No. 2 shall be applied against the City's constitutional debt limits which, with the assent of the qualified electors of the City, exceeds 6 percent of the value of the taxable property in the City, as ascertained by the last assessment for State and County purposes, previous to incurring such indebtedness.

Section 4. (a) The Bonds shall be dated the date of initial delivery, shall be numbered by maturity, from 1 consecutively upwards, or in any other manner deemed appropriate by the Bond Registrar and Paying Agent (as that term is hereinafter defined), shall initially be issued in book-entry form and Beneficial Owners (as that term is hereinafter defined) may acquire beneficial interests in amounts of $5,000 of principal due on a specific maturity date or any whole multiple thereof, shall be numbered consecutively within each maturity, shall be fully registered bonds without coupons, shall be in the denomination of $5,000 of principal amount or any whole multiple thereof, shall bear interest from the most recent January 1 or July 1 to which interest has been paid or duly provided for or, if no interest has been paid or duly provided for, from their date, which interest shall be payable on January 1, 2013, and semiannually on July 1 and January 1 of each year thereafter during the term of each of the Bonds. The principal of and premium, if any, on the Bonds shall be payable upon presentation and surrender thereof at the designated corporate trust office of the Bond Registrar and Paying Agent. Interest on the Bonds shall be payable by check mailed to the registered owner thereof, as shown on the registration books for the Bonds maintained by the Bond Registrar and Paying Agent at the address appearing therein at the close of business on the 15th day of the calendar month next preceding that interest payment date (hereinafter referred to as the "regular record date"). Any interest which is not timely paid or duly provided for shall cease to be payable to the registered owner thereof (or of one or more predecessor Bonds) as of the regular record date, and shall be payable to the registered owner thereof (or of one or more predecessor Bonds) at the close of business on a special record date for the payment of that overdue interest. The special record date shall be fixed by the Bond Registrar and Paying Agent whenever moneys become available for payment of the overdue interest, and notice of the special record date shall be given to the registered owners of the Bonds not less than ten days prior thereto. The principal, premium, if any, and interest on the Bonds shall be payable in lawful money of the United States of America, the Bonds to mature on July 1 in the years and in the amounts and, in accordance with the term of the proposal submitted by the Purchaser for the purchase of the Bonds which is hereby accepted, the Bonds being awarded to the Purchaser, to bear interest from the date of initial delivery, at the rates, in each case as follows:

Year	Principal Amounts Maturing	Interest Rate Per Annum
2013	$_____,000	%
2014	_____,000	
2015	_____,000	
2016	_____,000	
2017	_____,000	
2018	_____,000	
2019	_____,000	
2020	_____,000	
2021	_____,000	
2022	_____,000	
2023	_____,000	
2024	_____,000	
2025	_____,000	
2026	_____,000	
2027	_____,000	
2028	_____,000	
2029	_____,000	
2030	_____,000	
2031	_____,000	
2032	_____,000	

(b) Wells Fargo, N.A. is hereby appointed as "Bond Registrar and Paying Agent" for the Bonds. The Bond Registrar and Paying Agent shall maintain the books of the City for the registration of ownership of each Bond. A Bond may be transferred on the registration books upon delivery of the Bond to the Bond Registrar and Paying Agent, accompanied by a written instrument of transfer in form and with guaranty of signature satisfactory to the Bond Registrar and Paying Agent, duly executed by the registered owner of the Bond to be transferred or his or her attorney-in-fact or legal representative, containing written instructions as to the details of the transfer of such Bond. No transfer of any Bond shall be effective until entered on the registration books.

(c) In all cases upon the transfer of a Bond, the Bond Registrar and Paying Agent shall enter the transfer of ownership in the registration books and shall authenticate and deliver in the name of the transferee or transferees a new fully registered Bond or Bonds of the denomination of $5,000 of principal amount or any whole multiple thereof (except that no Bond shall be issued which relates to more than a single principal maturity) for the aggregate principal amount which the registered owner is entitled to receive at the earliest practicable time in accordance with the provisions of this Section. The City or the Bond Registrar and Paying Agent shall charge the owner of such Bond, for every such transfer of a Bond, an amount sufficient to reimburse them for any transfer fee, tax or other governmental charge required to be paid with respect to such transfer, and may require that such charges be paid before any such new Bond shall be delivered. The City and the Bond Registrar and Paying Agent shall not be required (a) to issue or transfer any Bonds during a period beginning with the opening of business on the 15th calendar day next preceding either any interest payment date or during the period of five days next preceding the mailing of notice of any special record date, or (b) any Bonds or part thereof called for redemption within 60 days prior to the redemption date.

(d) In case any Bond becomes mutilated or destroyed or lost, the City shall cause to be executed and delivered a new Bond, as the case may be, of like type, date, maturity and tenor in exchange and substitution for and upon the cancellation of such mutilated Bond, or in lieu of and in substitution for such Bond, destroyed or lost, upon the registered owner paying the reasonable expenses and charges of the City in connection therewith and, in the case of a Bond, destroyed or lost, filing with the Bond Registrar and Paying Agent by the registered owner evidence satisfactory to the Bond Registrar and Paying Agent that such Bond, was destroyed or lost, and furnishing the Bond Registrar and Paying Agent with a sufficient indemnity bond pursuant to Section 47-8405, Arizona Revised Statutes, as amended.

(e) The Bonds shall be subject to a Book-Entry System (as that term is hereinafter defined) of ownership and transfer, except as provided in (iii) below. The general provisions for effecting the Book-Entry System are as follows:

(i) the City hereby designates The Depository Trust Company, New York, New York, as the initial Depository (as that term is hereinafter defined) hereunder.

(ii) notwithstanding the provisions regarding exchange and transfer of Bonds under subsections (b), (c) and (d) above and so long as the Bonds are the subject of the Book-Entry System, the Bonds shall initially be evidenced by one typewritten certificate for each maturity, in an amount equal to the aggregate principal amount thereof. The Bonds so initially delivered shall be registered in the name of "Cede & Co." as nominee for The Depository Trust Company. The Bonds may not thereafter be transferred or exchanged on the registration books of the City maintained by the Bond Registrar and Paying Agent except:

(A) to any successor Depository designated pursuant to (iii) below;

(B) to any successor nominee designated by a Depository; or

(C) if the City shall elect to discontinue the Book-Entry System pursuant to (iii) below, the City will cause the Bond Registrar and Paying Agent to authenticate and deliver replacement Bonds in fully registered form in authorized denominations in the names of the Beneficial Owners or their nominees, as certified by the Depository, at the expense of the City; thereafter the provisions of subsections (b), (c) and (d) above regarding registration, transfer and exchange of the Bonds shall apply.

(iii) the Bond Registrar and Paying Agent, pursuant to a request from the City for the removal or replacement of the Depository, and upon 30 days' notice to the Depository, may remove or replace the Depository. The Bond Registrar and Paying Agent shall remove or replace the Depository at any time pursuant to the request of the City. The Depository may determine not to continue to act as Depository for the Bonds upon 30 days' written notice to the City and the Bond Registrar and Paying Agent.

If the use of the Book-Entry System is discontinued, then after the Bond Registrar and Paying Agent has made provision for notification of

the Beneficial Owners of their book entry interests in the Bonds by appropriate notice to the then Depository, the City and the Bond Registrar and Paying Agent shall permit withdrawal of the Bonds from the Depository and authenticate and deliver the Bond certificates in fully registered form and in denominations authorized by this Section to the assignees of the Depository or its nominee. Such withdrawal, authentication and delivery shall be at the cost and expense (including costs of printing or otherwise preparing, and delivering, such replacement Bond certificates) of the City.

(iv) so long as the Book-Entry System is used for the Bonds, the City and the Bond Registrar and Paying Agent shall give any notice of redemption or any other notices required to be given to registered owners of Bonds only to the Depository or its nominee registered as the owner thereof. Any failure of the Depository to advise any of its participants, or of any participant to notify the Beneficial Owner, of any such notice and its content or effect will not affect the validity of the redemption of the Bonds called for redemption or of any other action premised on such notice. Neither the City nor the Bond Registrar and Paying Agent shall be responsible or liable for the failure of the Depository or any participant thereof to make any payment or give any notice to a Beneficial Owner in respect of the Bonds or any error or delay relating thereto.

(v) notwithstanding any other provision of this Resolution or the Bonds to the contrary, so long as the Bonds are subject to the Book-Entry System, it shall not be necessary for the registered owner to present his Bond for payment of sinking fund installments. The sinking fund installments may be noted on books kept by the Bond Registrar and Paying Agent and the Depository for such purpose and the Bonds shall be tendered to the Bond Registrar and Paying Agent at their maturity.

(vi) For purposes of this Resolution, "Beneficial Owners" shall mean actual purchasers of the Bonds whose ownership interest is evidenced only in the Book-Entry System maintained by the Depository, "Book-Entry System" shall mean a system for clearing and settlement of securities transactions among participants of a Depository (and other parties having custodial relationships with such participants) through electronic or manual book-entry changes in accounts of such participants maintained by the Depository hereunder for recording ownership of the Bonds by Beneficial Owners and transfers of ownership interests in the Bonds, and "Depository" shall mean The Depository Trust Company, New York, New York or any successor depository designated pursuant to this Section.

(f) The Bonds maturing before or on July 1, 2022, will not be subject to optional redemption prior to maturity. The Bonds maturing on and after July 1, 2023, will be subject to redemption prior to maturity, in whole at any time or in part on any interest payment date, on and after July 1, 2022, by the payment of the principal amount of each Bond called for redemption plus interest accrued to the date fixed for redemption without a premium.

(g) The Bonds shall be redeemed only in integral multiples of $5,000 of principal amount. If less than all of the outstanding Bonds of a single maturity are to be

redeemed, the Bonds in that maturity to be redeemed shall be selected by lot in such manner as the Bond Registrar and Paying Agent may determine.

(h) Notice of redemption, identifying the Bonds, or portions thereof, to be redeemed, shall be given by the Bond Registrar and Paying Agent by sending a copy of such notice by first class mail, postage prepaid, not more than 60 nor less than 30 days prior to the redemption date, to the registered owner of each Bond, or portion thereof, to be redeemed, at the address as shown as of the 15th day preceding the mailing on the registration books kept by the Bond Registrar and Paying Agent. Failure to mail notice to any registered owner of Bonds shall not affect the validity of the proceeding for the redemption of Bonds with respect to registered owners of other Bonds.

Section 5. The Bonds shall be executed on behalf of the City by the Mayor of the City and attested by the Clerk of the City by the facsimile signatures of such officials, and such officials are hereby authorized and directed to execute the Bonds as aforesaid.

Section 6. For the purpose of paying the principal of premium, if any, and interest on and costs of administration of the registration and payment of the Bonds in each year while any of the Bonds shall be outstanding, there shall be and hereby is levied upon all of the taxable property in the City a continuing, direct, annual, ad valorem tax over and above all other taxes authorized or permitted by law, which tax, together with other funds then on hand and available for such purpose, shall be sufficient to pay all such principal, premium, if any, interest and administration costs of and on the Bonds as the same become due. The tax shall be extended and collected for the City, and the officials of the City and of Maricopa County, Arizona, charged with the annual extension and collection of taxes, without further instructions from the Mayor and Council of the City, shall extend and collect the tax upon issuance of the Bonds. All moneys collected through such tax shall be paid into the treasury of the City, to the credit of the "General Obligation Bonds (Projects of 2000, 2005 and 2008), Series A (2012), Debt Service Fund" of the City from which fund the Bonds shall be payable, which tax moneys shall be held in sub funds to be known as the "Interest Fund" and the "Redemption Fund," which funds shall be kept separate and apart from and not commingled with any other funds or moneys and which shall be used solely for, respectively, payment of interest on and principal of, and premium, if any, on the Bonds. If at any time there are sufficient moneys or investments in the Debt Service Fund to pay all principal, premium, if any, and interest due or to become due on all of the Bonds, then no additional tax levy need be made for the payment of the principal of and premium, if any, and interest on the Bonds.

Section 7. The Bonds shall be in substantially the following form, allowing those officials executing the Bonds to make the insertions and deletions necessary to conform the Bonds to this Resolution and the Notice:

(Form of Bond)

UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY ("DTC") TO THE CITY OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.*

REGISTERED NO._____ REGISTERED $_____

UNITED STATES OF AMERICA

STATE OF ARIZONA MARICOPA COUNTY

CITY OF PEORIA, ARIZONA
GENERAL OBLIGATION BONDS
(PROJECTS OF 2000, 2005 AND 2008),
SERIES A (2012)

Interest Rate:	Maturity Date:	Dated as of:	CUSIP:
___% per annum	July 1, ____	_____, 2012	_____

REGISTERED OWNER: CEDE & CO.*

PRINCIPAL AMOUNT: .....DOLLARS

CITY OF PEORIA, ARIZONA (hereinafter referred to as the "City"), for value received, hereby promises to pay to the registered owner named above, or registered assigns, the principal amount stated above on the aforesaid Maturity Date, unless this Bond is redeemed prior to its maturity date and payment provided therefor, and to pay interest on the principal amount at the aforesaid Interest Rate on January 1, 2013, and semiannually on January 1 and July 1 of each year thereafter ("interest payment date") from the date of this Bond to its maturity, or until so redeemed. The principal of and premium, if any, on this Bond are payable upon presentation and surrender hereof at the designated corporate trust office of _____, as Bond Registrar and Paying Agent. Interest on this Bond is payable by check mailed to the registered owner hereof, as shown on the registration books for this series maintained by the Bond Registrar and Paying Agent at the address appearing therein at the close of business on the 15th day of the calendar month next preceding that interest payment date (herewith referred to or the "regular record date"). Any interest which is not timely paid or duly provided for shall cease to be payable to the registered owner hereof (or of one or more predecessor Bonds) as of

* Insert as long as The Depository Trust Company, New York, New York, is the Depository.

the regular record date, and shall be payable to the registered owner hereof (or of one or more predecessor Bonds) at the close of business on a special record date for the payment of that overdue interest. The special record date shall be fixed by the Bond Registrar and Paying Agent whenever moneys become available for payment of the overdue interest, and notice of the special record date shall be given to the registered owner hereof not less than ten days prior thereto. The principal, premium, if any, and interest on this Bond are payable in lawful money of the United States of America on the respective dates when principal and interest, become due.

This Bond is one of a series of bonds (hereinafter referred to as the "Bonds") limited to the total principal amount of $14,710,000 of like tenor except as to amount, maturity date, rate of interest and number , issued by the City to provide funds for public improvements in and for the City. The Bonds are authorized by a Resolution of the Mayor and Council of the City, duly adopted prior to the issuance hereof (all of the terms of which are hereby incorporated herein (hereinafter referred to as the "Resolution"), and pursuant to and in conformity with the Constitution and laws of the State of Arizona, including, particularly, Title 35, Chapter 3, Article 3, Arizona Revised Statutes, as amended, and all other laws of the State of Arizona relating thereto.

For the purpose of paying the principal of, premium, if any, and interest on and costs of administration of the registration and payment of this Bond in each year while it shall be outstanding, there shall be levied upon all of the taxable property in the City a continuing, direct, annual, ad valorem tax over and above all other taxes authorized or permitted by law, which tax, together with other funds then on hand and available for such purpose, shall be sufficient to pay all such principal, interest and costs of administration of and on the Bonds as the same become due.

Bonds maturing before or on July 1, 2022, are not subject to redemption prior to maturity. Bonds maturing on and after July 1, 2023, are subject for redemption prior to maturity, in whole at any time or in part on any interest payment date, on and after July 1, 2022, by the payment of the principal amount of each Bond to be redeemed plus interest accrued to the date fixed for redemption, without a premium.

The Bonds shall be redeemed only in integral multiples of $5,000 principal amount. If less than all of the outstanding Bonds of a single maturity are to be redeemed, the Bonds in that maturity to be redeemed shall be selected by lot in such manner as the Bond Registrar and Paying Agent may determine.

Notice of redemption, identifying the Bonds, or portions thereof, to be redeemed, shall be given by the Bond Registrar and Paying Agent by sending a copy of such notice by first class mail, postage prepaid, not more than 60 nor less than 45 days prior to the redemption date, to the registered owner of each Bond, or portion thereof, to be redeemed, at the address as shown as of the 15th day preceding the mailing on the registration books kept by the Bond Registrar and Paying Agent. Failure to mail notice to any registered owner of Bonds shall not affect the validity of the proceeding for the redemption of Bonds with respect to registered owners of other Bonds.

The Bond Registrar and Paying Agent will maintain the books of the City for the registration of ownership of this Bond as provided in the Resolution.

This Bond may be transferred on the registration books upon delivery hereof to the Bond Registrar and Paying Agent, accompanied by a written instrument of transfer in form and with guaranty of signature satisfactory to the Bond Registrar and

Paying Agent, duly executed by the registered owner of this Bond or his or her attorney-in-fact or legal representative, containing written instructions as to the details of the transfer. No transfer of this Bond shall be effective until entered on the registration books.

In all cases upon the transfer of a Bond of this series, the Bond Registrar and Paying Agent will enter the transfer of ownership in the registration book and will authenticate and deliver in the name of the transferee or transferees a new fully registered Bond or Bonds of the denomination of $5,000 of principal amount or any whole multiple thereof (except that no Bond shall be issued which relates to more than a single principal maturity) for the aggregate principal amount which the registered owner is entitled to receive at the earliest practicable time in accordance with the provisions of the Resolution. The City or the Bond Registrar and Paying Agent shall charge the registered owner of such Bond, for every such transfer of a Bond, an amount sufficient to reimburse them for any transfer fee, tax or other governmental charge required to be paid with respect to such transfer, and may require that such charge be paid before any such new Bond shall be delivered.

The City and the Bond Registrar and Paying Agent will not be required (a) to issue or transfer any Bonds during a period beginning with the opening of business on the 15th calendar day next preceding either any interest payment date or during the period of five days next preceding the mailing of notice of any special record date, or (b) any Bonds or part thereof to be redeemed within 60 days prior to the redemption date.

This Bond shall not be entitled to any security or benefit under the Resolution or be valid or become obligatory for any purpose until the Certificate of Authentication hereon shall have been signed by the Bond Registrar and Paying Agent.

It is hereby certified and recited that all conditions, acts and things required by the Constitution and laws of the State of Arizona to exist, to occur and to be performed precedent to and in the issuance of this Bond do exist, have occurred and have been performed and that the series of Bonds of which this Bond is one, together with all other indebtedness of the City, is within every debt and other limit prescribed by the Constitution and laws of the State of Arizona and that due provision has been made for the levy and collection of a direct, annual, ad valorem tax upon all of the taxable property in the City for the payment of this Bond and of the interest hereon as each becomes due.

IN WITNESS WHEREOF, the CITY OF PEORIA, ARIZONA has caused this Bond to be executed in the name of the City by the facsimile signature of the Mayor of the City and attested by the facsimile signature of the Clerk of the City

CITY OF PEORIA, ARIZONA

By _____[Facsimile]_____
Mayor

ATTEST:

By _____[Facsimile]_____
Clerk

APPROVED AS TO FORM:

By _____[Facsimile]_____
City Attorney

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds described in the within-mentioned Resolution and is one of the City of Peoria, Arizona General Obligation Bonds (Projects of 2000, 2005 and 2008), Series A (2012).

Date of Authentication: _____

_____,
Bond Registrar and Paying Agent

By:_____
Authorized Representative

ASSIGNMENT

For value received, the undersigned hereby sells, assigns and transfers unto _____ the within Bond and irrevocably constitutes and appoints _____ attorney to transfer this Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated:_____ _____
Signature

Signature Guaranteed:

_____ _____
Signature guarantee should be made by a guarantor institution participating in the Securities Transfer Agent Medallion Program or in such other program accept able to the Bond Registrar and Paying Agent.

Signature

Notice: The assignor's signature to this assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without alteration or any change whatever.

The following abbreviations, when used in the inscription on the face of the within Bond, shall be construed as though they were written out in full according to applicable laws or regulations.

TEN COM - as tenants in common
TEN ENT - as tenants by the entireties
JT TEN - as joint tenants with right of survivorship and not as tenants in common

UNIF GIFT/TRANS MIN AC -_____ Custodian_____
(Cust) (Minor)

under Uniform Gifts/Transfers to Minors Act_____
(State)

Additional abbreviations may also be used though not included in the above list

ALL FEES AND COSTS OF TRANSFER
SHALL BE PAID BY THE TRANSFEROR

Section 8. In consideration of the purchase and acceptance of any and all of the Bonds issued hereunder by those who shall be the registered owners of the same from time to time, this Resolution shall be deemed to be and shall constitute a contract among the City and the registered owners of the Bonds.

Section 9. Upon the payment for the Bonds in accordance with the accepted bid and the provisions of this Resolution, the Mayor, the Clerk or the Chief Financial Officer of the City, or any of them, are hereby authorized and directed to deliver the Bonds to the Purchaser thereof upon receipt of payment therefor.

Section 10. The proceeds derived from the sale of the Bonds shall be deposited in the treasury of the City to the credit of "General Obligation Bonds (Projects of 2000, 2005 and 2008), Series A (2012), Construction Fund" of the City in six separate subfunds and in the amounts as follows:

Name of Subfund	Amount
"Parks and Open Space (2000) Subfund - Series 2012"	$495,000
"Parks, Recreation and Library (2005) Subfund - Series 2012"	8,770,000
Streets, Bridges, Traffic Control and Transportation and Drainage (2008) Subfund - Series 2012"	635,000
"Public Safety, Technology and Municipal Operations (2008) Subfund - Series 2012"	4,810,000
TOTALS	$14,710,000

to be used solely for the purposes specified in the aforementioned ballot Question No. 5 submitted to the qualified electors of the City on September 12, 2000, ballot Question No. 3 submitted to the qualified electors of the City on May 17, 2005, and ballot Question Nos. 1 and 2 submitted to the qualified electors of the City on November 4, 2008; provided, however, that (a) such proceeds may be invested in the manner and under the circumstances allowed by law and (b) any moneys remaining in any subfund after such purposes shall have been accomplished shall be transferred to the Redemption Fund and the Interest Fund of the City in the same fashion as taxes.

Section 11. The Mayor or, in the absence thereof, Vice Mayor and the Clerk of the City, for and on behalf of the City, are hereby authorized and directed to execute and attest and deliver a standard form of bond registrar and paying agent agreement with the Bond Registrar and Paying Agent, with such changes therein as may be approved by such officials whose signatures thereon shall be evidence of such approval, as well as an appropriate agreement with DTC necessary therefor.

Section 12. The distribution of the Notice and the preliminary official statement relating to the Bonds (hereinafter referred to as the "Preliminary Official Statement") are in all respects hereby ratified, approved and confirmed. (The Preliminary Official Statement is "deemed final" for purposes of the SEC Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time (hereinafter referred to as the "SEC Rule").) The Mayor or, in the absence thereof, Vice Mayor of the City is hereby authorized and directed to approve, for and on behalf of the City, a final official statement for use in connection with the offering and sale of the Bonds. The execution of the final official statement by the Mayor or, in the absence

thereof, the Vice Mayor of the City which is hereby authorized shall be conclusively deemed to evidence the approval of the form and content thereof by the City.

Section 13. (a) The Mayor and Council of the City shall not make or direct the making of any investment or other use of the proceeds of any Bonds which would cause such Bonds to be "arbitrage bonds" as that term is defined in Section 148 (or any successor provision thereto) of the Internal Revenue Code of 1986, as amended, or "private activity bonds" as that term is defined in Section 141 (or any successor provision thereto) of such Code, and the Mayor and Council of the City shall comply with the requirements of such Code sections and related regulations throughout the term of the Bonds. (Particularly, the City shall be the owner of the facilities, the cost of which are financed with the proceeds of the sale of the Bonds (hereinafter referred to as the "Facilities") for federal income tax purposes. Except as otherwise advised in a Bond Counsel's Opinion (as such term is defined in the next Section), the City shall not enter into (i) any management or service contract with any entity other than a governmental entity for the operation of any portion of the Facilities unless the management or service contract complies with the requirements of Revenue Procedure 97-13 or such other authority as may control at the time, or (ii) any lease or other arrangement with any entity other than a governmental entity that gives such entity special legal entitlements with respect to any portion of the Facilities.) Also, the payment of principal and interest with respect to the Bonds shall not be guaranteed (in whole or in part) by the United States or any agency or instrumentality of the United States. The proceeds of the Bonds, or amounts treated as proceeds of the Bonds, shall not be invested (directly or indirectly) in federally insured deposits or accounts, except to the extent such proceeds (i) may be so invested for an initial temporary period until needed for the purpose for which the Bonds are being issued, (ii) may be so used in making investments of a bona fide debt service fund, or (iii) may be invested in obligations issued by the United States Treasury.

(b) The Mayor and Council of the City hereby further covenants and agrees to comply with the procedures and covenants contained in any arbitrage rebate provision (initially as provided in Section 15 hereof) or separate agreement executed in connection with the issuance of the Bonds for so long as compliance is necessary in order to maintain the exclusion from gross income for federal income tax purposes of interest on the Bonds. In consideration of the purchase and acceptance of the Bonds by such holders from time to time and of retaining such exclusion and as authorized by Title 35, Chapter 3, Article 7, Arizona Revised Statutes, as amended, the Mayor and Council of the City covenants, and the appropriate officials of the City are hereby directed, to take all action required to retain such exclusion or to refrain from taking any action prohibited by such Code which would adversely affect in any respect such exclusion.

(c) (i) The Mayor and Council of the City shall take all necessary and desirable steps to comply with the requirements hereunder in order to ensure that interest on the Bonds is excluded from gross income for federal income tax purposes under such Code; provided, however, compliance with any such requirement shall not be required in the event the City receives a Bond Counsel's Opinion that either (i) compliance with such requirement is not required to maintain the exclusion from gross income of interest on the Bonds, or (ii) compliance with some other requirement will meet the requirements of such Code. In the event the City receives such a Bond Counsel's Opinion, this Resolution shall be amended to conform to the requirements set forth in such opinion.

(ii) If for any reason any requirement hereunder is not complied with, the Mayor and Council City shall take all necessary and desirable steps to correct such noncompliance within a reasonable period of time after such noncompliance is discovered or should have been discovered with the exercise of reasonable diligence and the City shall pay any required interest or penalty under Regulations section 1.148-3(h) relating to such Code.

Section 15. (a) Terms not otherwise defined in Subsection (b) hereof shall have the meanings given to them in the arbitrage certificate of the City delivered in connection with the issuance of the Bonds.

(b) The following terms shall have the following meanings:

Bond Counsel's Opinion shall mean an opinion signed by an attorney or firm of attorneys of nationally recognized standing in the field of law relating to municipal bonds selected by the City.

Bond Year shall mean each one-year period beginning on the day after the expiration of the preceding Bond Year. The first Bond Year shall begin on the date of issue of the Bonds and shall end on the date selected by the City, provided that the first Bond Year shall not exceed one calendar year. The last Bond Year shall end on the date of retirement of the last Bond.

Bond Yield is as indicated in such arbitrage certificate. Bond Yield shall be recomputed if required by Regulations section 1.148-4(b)(4) or 4(h)(3). Bond Yield shall mean the discount rate that produces a present value equal to the Issue Price of all unconditionally payable payments of principal, interest and fees for qualified guarantees within the meaning of Regulations section 1.148-4(f) and amounts reasonably expected to be paid as fees for qualified guarantees in connection with the Bonds as determined under Regulations section 1.148-4(b). The present value of all such payments shall be computed as of the date of issue of the Bonds and using semiannual compounding on the basis of a 360-day year.

Code shall mean the Internal Revenue Code of 1986, as amended, and any successor provisions thereto.

Gross Proceeds shall mean:

(i) any amounts actually or constructively received by the City from the sale of the Bonds but excluding amounts used to pay accrued interest on the Bonds within one year of the date of issuance of the Bonds;

(ii) transferred proceeds of the Bonds under Regulations section 1.148-9;

(iii) any amounts actually or constructively received from investing amounts described in (i), (ii) or this (iii); and

(iv) replacement proceeds of the Bonds within the meaning of Regulations section 1.148-1(c). Replacement proceeds include amounts reasonably expected to be used directly or indirectly to pay debt service on the Bonds, pledged amounts where there is reasonable assurance that such amounts will be available to pay principal or interest on the Bonds in the event the City encounters finan-

cial difficulties and other replacement proceeds within the meaning of Regulations section 1.148-1(c)(4). Whether an amount is Gross Proceeds is determined without regard to whether the amount is held in any fund or account.

Investment Property shall mean any security, obligation (other than a tax-exempt bond within the meaning of Code section 148(b)(3)(A)), annuity contract or investment-type property within the meaning of Regulations section 1.148-1(b).

Issue Price is as indicated in such arbitrage certificate, which is the initial offering price to the public (not including bond houses and brokers, or similar persons or organizations acting in the capacity of underwriters of wholesalers) at which price a substantial amount of the Bonds was sold, less any bond insurance premium and reserve surety bond premium. Issue price shall be determined as provided in Regulations section 1.148-1(b).

Nonpurpose Investment shall mean any Investment Property acquired with Gross Proceeds, and which is not acquired to carry out the governmental purposes of the Bonds.

Payment shall mean any payment within the meaning of Regulations section 1.148-3(d)(1) with respect to a Nonpurpose Investment.

Rebate Requirement shall mean at any time the excess of the future value of all Receipts over the future value of all Payments. For purposes of calculating the Rebate Requirement the Bond Yield shall be used to determine the future value of Receipts and Payments in accordance with Regulations section 1.148-3(c). The Rebate Requirement is zero for any Nonpurpose Investment meeting the requirements of a rebate exception under section 148(f)(4) of the Code or Regulations section 1.148-7.

Receipt shall mean any receipt within the meaning of Regulations section 1.148-3(d)(2) with respect to a Nonpurpose Investment.

Regulations shall mean the sections 1.148-1 through 1.148-11 and section 1.150-1 of the regulations of the United States Department of the Treasury promulgated under the Code, including and any amendments thereto or successor regulations.

(c) Within 60 days after the end of each Bond Year, the City shall cause the Rebate Requirement to be calculated and shall pay to the United States of America:

(1) not later than 60 days after the end of the fifth Bond Year and every fifth Bond Year thereafter, an amount which, when added to the future value of all previous rebate payments with respect to the Bonds (determined as of such Computation Date), is equal to at least 90 percent of the sum of the Rebate Requirement (determined as of the last day of such Bond Year) plus the future value of all previous rebate payments with respect to the Bonds (determined as of the last day of such Bond Year); and

(2) not later than 60 days after the retirement of the last Bond, an amount equal to 100 percent of the Rebate Requirement (determined as of the date of retirement of the last Bond).

Each payment required to be made under this Section shall be filed with the Internal Revenue Service Center, Ogden, Utah 84201, on or before the date such payment is due, and shall be accompanied by IRS Form 8038-T.

(d) No Nonpurpose Investment shall be acquired for an amount in excess of its fair market value. No Nonpurpose Investment shall be sold or otherwise disposed of for an amount less than its fair market value.

(e) For purposes of Subsection (d), whether a Nonpurpose Investment has been purchased or sold or disposed of for its fair market value shall be determined as follows:

(1) The fair market value of a Nonpurpose Investment generally shall be the price at which a willing buyer would purchase the Nonpurpose Investment from a willing seller in a bona fide arm's length transaction. Fair market value shall be determined on the date on which a contract to purchase or sell the Nonpurpose Investment becomes binding.

(2) Except as provided in Subsection (f) or (g), a Nonpurpose Investment that is not of a type traded on an established securities market, within the meaning of Code section 1273, is rebuttably presumed to be acquired or disposed of for a price that is not equal to its fair market value.

(3) If a United States Treasury obligation is acquired directly from or sold or disposed of directly to the United States Treasury, such acquisition or sale or disposition shall be treated as establishing the fair market value of the obligation.

(f) The purchase price of a certificate of deposit that has a fixed interest rate, a fixed payment schedule and a substantial penalty for early withdrawal is considered to be its fair market value if the yield on the certificate of deposit is not less than:

(1) the yield on reasonably comparable direct obligations of the United States; and

(2) the highest yield that is published or posted by the provider to be currently available from the provider on reasonably comparable certificates of deposit offered to the public.

(g) A guaranteed investment contract shall be considered acquired and disposed of for an amount equal to its fair market value if:

(1) A bona fide solicitation in writing for a specified guaranteed investment contract, including all material terms, is timely forwarded to all potential providers. The solicitation must include a statement that the submission of a bid is a representation that the potential provider did not consult with any other potential provider about its

bid, that the bid was determined without regard to any other formal or informal agreement that the potential provider has with the City or any other person (whether or not in connection with the Bonds), and that the bid is not being submitted solely as a courtesy to the City or any other person for purposes of satisfying the requirements in the Regulations that the City receive bids from at least one reasonably competitive provider and at least three providers that do not have a material financial interest in the Bonds.

(2) All potential providers have an equal opportunity to bid, with no potential provider having the opportunity to review other bids before providing a bid.

(3) At least three reasonably competitive providers (i.e. having an established industry reputation as a competitive provider of the type of investments being purchased) are solicited for bids. At least three bids must be received from providers that have no material financial interest in the Bonds (e.g., a lead underwriter within 15 days of the issue date of the Bonds or a financial advisor with respect to the investment) and at least one of such three bids must be from a reasonably competitive provider. If the City uses an agent to conduct the bidding, the agent may not bid.

(4) The highest-yielding guaranteed investment contract for which a qualifying bid is made (determined net of broker's fees) is purchased.

(5) The determination of the terms of the guaranteed investment contract takes into account as a significant factor the reasonably expected deposit and drawdown schedule for the amounts to be invested.

(6) The terms for the guaranteed investment contract are commercially reasonable (i.e. have a legitimate business purpose other than to increase the purchase price or reduce the yield of the guaranteed investment contract).

(7) The provider of the investment contract certifies the administrative costs (as defined in Regulations section 1.148-5(e)) that it pays (or expects to pay) to third parties in connection with the guaranteed investment contract.

(8) The City retains until three years after the last outstanding Bond is retired, (i) a copy of the guaranteed investment contract, (ii) a receipt or other record of the amount actually paid for the guaranteed investment contract, including any administrative costs paid by the City and a copy of the provider's certification described in (7) above, (iii) the name of the person and entity submitting each bid, the time and date of the bid, and the bid results and (iv) the bid solicitation form and, if the terms of the guaranteed investment contract deviates from the bid solicitation form or a submitted bid is modified, a brief statement explaining the deviation and stating the purpose of the deviation.

(h) The employment of such experts and consultants to make, as necessary, any calculations in respect of rebates to be made to the United States of America in accordance with Section 148(f) of such Code, is hereby authorized.

Section 15. (a) The City shall comply with and carry out all the provisions of the Continuing Disclosure Undertaking (hereinafter referred to as the "Undertaking") which the Mayor or, in the absence thereof, Vice Mayor of the City is hereby authorized, for and on behalf of the City, to execute in substantially the form included in the Preliminary Official Statement in order to comply with the requirements of the SEC Rule with respect to the Bonds.

(b) This Section shall constitute a contract between the City and certain owners of the Bonds as described in the Undertaking.

(c) In the event of a failure of the City to comply with the provisions of this Section, certain owners of the Bonds described in the Undertaking may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the City to comply with its obligations under this Section. A default under this Section shall not be deemed an event of default for other purposes of this Resolution, and the sole remedy under this Subsection in the event of any failure of the City to comply with this Section shall be an action to compel performance.

Section 16. The actions of the officers and agents of the City which conform to the purposes and intent of this Resolution and which further the issuance and sale of the Bonds, as contemplated by this Resolution, whether heretofore or hereafter taken, shall be and are hereby ratified, confirmed and approved. The proper officers and agents of the City are hereby authorized and directed to do all such acts and things and to execute and deliver all such documents on behalf of the City as may be necessary to carry out the terms and intent of this Resolution.

Section 17. If any section, paragraph or provision of this Resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this Resolution.

Section 18. The immediate operation of this Resolution is necessary for the preservation of the public health and welfare, particularly to finance the capital needs of the City on the most cost efficient basis, and an emergency is hereby declared to exist, and this Resolution shall be in full force and effect from and after its passage and approval by the Mayor and Council of the City of Peoria, Arizona, as required by law, and it is hereby exempt from the referendum provisions of the City's Charter and the Constitution and laws of the State of Arizona.

PASSED AND ADOPTED by the Mayor and Council of the City of Peoria, Arizona, this 19th day of June, 2012.

_____
Bob Barrett, Mayor
City of Peoria, Arizona

ATTEST:

_____
Wanda Nelson, City Clerk
City of Peoria, Arizona

APPROVED AS TO FORM:

_____
Stephen M. Kemp, City Attorney
City of Peoria, Arizona

CERTIFICATION

I hereby certify that the foregoing Resolution No. 2012-89 was duly passed and adopted by the Mayor and the Council of the City of Peoria, Arizona, at a regular meeting held the 19th day of June, 2012, and that the vote was_____ ayes and _____ nays and that the Mayor and ____ Councilmembers were present thereat.

_____
Wanda Nelson, City Clerk
City of Peoria, Arizona

CITY OF PEORIA, ARIZONA
COUNCIL COMMUNICATION

Agenda Item: 14C

Date Prepared: May 29, 2012 **Council Meeting Date:** June 19, 2012

TO: Carl Swenson, City Manager

FROM: Brent D. Mattingly, Chief Financial Officer

THROUGH: Susan Thorpe, Deputy City Manager

SUBJECT: Resolution Authorizing Sale and Contract Award of General Obligation Refunding Bonds, Series B (2012)

Purpose:

This is a request for Council to adopt Resolution No. 2012-90 authorizing the sale and issuance of General Obligation Refunding Bonds, Series B (2012), in an amount not to exceed $15,000,000; providing for the annual levy of a tax on all the taxable property within the City of Peoria for the payment of principal and interest of the bonds; appointing and authorizing a contract for a bond registrar and paying agent; appointing an escrow trustee and approving an escrow trust agreement for the safekeeping and handling of funds used to pay the bonds being refunded; approving a contract for continuing disclosure of the bonds; ratifying the distribution of a Preliminary Official Statement (POS) and approving an Official Statement (OS); awarding a contract for the purchase of the bonds; and declaring an emergency.

Background/Summary:

On May 15, 2012, the Mayor and Council approved the sale of City of Peoria, Arizona General Obligation Refunding Bonds, Series B (2012), in an amount not to exceed $15,000,000; and authorized the publication of a notice inviting proposals for the purchase of the bonds. The bonds will refund $13,690,000 (principal amount) of outstanding General Obligation Bonds, Series A (2003) and is estimated to provide potential savings of approximately $1.8 million in debt service. The following bonds are being considered for prepayment:

General Obligation Refunding Bonds, Series B (2012)		
Bond Issue	**Maturity Date**	**Principal Amount**
GO Bonds, Series A (2003)	7/1/2013	$1,115,000
GO Bonds, Series A (2003)	7/1/2014	$1,160,000
GO Bonds, Series A (2003)	7/1/2015	$1,210,000
GO Bonds, Series A (2003)	7/1/2016	$1,265,000

General Obligation Refunding Bonds, Series B (2012)		
Bond Issue	**Maturity Date**	**Principal Amount**
GO Bonds, Series A (2003)	7/1/2017	$1,325,000
GO Bonds, Series A (2003)	7/1/2018	$1,385,000
GO Bonds, Series A (2003)	7/1/2019	$1,450,000
GO Bonds, Series A (2003)	7/1/2020	$1,520,000
GO Bonds, Series A (2003)	7/1/2021	$1,590,000
GO Bonds, Series A (2003)	7/1/2022	$1,670,000
Total Principal Outstanding:		$13,690,000

The total of the General Obligation Refunding Bonds, Series B (2012), is estimated not to exceed $15,000,000 but the actual refunding amount is dependent upon market prices and will be determined on the date of sale which is scheduled for the morning of June 19, 2012.

The attached resolution continues the legal process required for the sale of said bonds and provides for the following:

1) The issuance of bonds in an amount not to exceed $15,000,000;

2) Authorizes the appointment of a bond registrar and paying agent in connection with the bonds;

3) Authorizes an escrow trust agreement for the handling of funds used to pay the bonds being refunded;

4) Approves a contract for ongoing disclosure of the bonds;

5) Provides for the award of a contract for the purchase of the bonds;

6) Ratifies the distribution of a Preliminary Official Statement (POS) and approves a final form of the Official Statement (OS) for the bonds.

Previous Actions:

On May 15, 2012, the Mayor and Council approved the sale of City of Peoria, Arizona General Obligation Refunding Bonds, Series B (2012), in an amount not to exceed $15,000,000; and authorized the publication of a notice inviting proposals for the purchase of the bonds.

Options:

A: Approve Resolution No. 2012 - 90 authorizing the sale and issuance of General Obligation Refunding Bonds, Series B (2012), in an amount not to exceed $15,000,000; and approving certain legal matters pertaining to the bonds including the award of a contract for the purchase of the bonds.

B: Not approve Resolution No. 2012 - 90 as presented and request additional information from staff.

Staff's Recommendation:

Staff recommends that Council approve Resolution No. 2012 - 90 which provides for the issuance of General Obligation Refunding Bonds, Series B (2012) and authorizes legal matters related to the bond sale including the award of a contract for the purchase of the bonds.

Fiscal Analysis:

The planned bond sale is expected to generate $1.8 million in potential debt service savings through the refunding of the aforementioned General Obligation Bonds, Series A (2003).

Narrative:

Staff has been preparing for a bond sale to refund $13,690,000 in outstanding general obligation bonds through the issuance of approximately $15 million in General Obligation Refunding bonds. The refunding is expected to generate approximately $1.8 million in potential debt service savings. The attached resolution continues the legal process required for the sale and contract award of said bonds. The bond sale is scheduled for the morning of June 19, 2012. Staff will provide a separate summary of the bond sale within the next few days. The final completed bond documents will be circulated for signature prior to the bond closing which is currently scheduled for the last week of June 2012.

Exhibit(s):

Exhibit 1: Resolution No. 2012 - 90

Contact:

Deborah Card, Treasury Manager, X7148

RESOLUTION NO. 2012-90

RESOLUTION AUTHORIZING THE SALE AND ISSUANCE OF CITY OF PEORIA, ARIZONA GENERAL OBLIGATION REFUNDING BONDS, SERIES B (2012), IN THE PRINCIPAL AMOUNT OF $_____; PROVIDING FOR THE ANNUAL LEVY OF A TAX ON ALL THE TAXABLE PROPERTY WITHIN THE CITY OF PEORIA, ARIZONA, TO PROVIDE FOR THE PAYMENT OF INTEREST ON AND PRINCIPAL OF SAID BONDS; APPOINTING A BOND REGISTRAR AND PAYING AGENT AND AUTHORIZING EXECUTION OF A CONTRACT IN CONNECTION THEREWITH; APPOINTING AN ESCROW TRUSTEE, APPROVING AN ESCROW TRUST AGREEMENT FOR THE SAFE KEEPING AND HANDLING OF SECURITIES AND MONEY TO BE USED TO PAY CERTAIN BONDS BEING REFUNDED AND AUTHORIZING EXECUTION OF SUCH ESCROW TRUST AGREEMENT; APPROVING A CONTINUING DISCLOSURE UNDERTAKING PERTAINING TO PROVIDING ONGOING DISCLOSURE WITH RESPECT TO SAID BONDS AND AUTHORIZING EXECUTION OF SUCH UNDERTAKING; RATIFYING THE DISTRIBUTION OF A PRELIMINARY OFFICIAL STATEMENT WITH RESPECT TO SAID BONDS AND APPROVING AN OFFICIAL STATEMENT WITH RESPECT TO SAID BONDS; AWARDING CONTRACT FOR THE PURCHASE OF SAID BONDS AND DECLARING AN EMERGENCY

WHEREAS, the Mayor and Council of the City of Peoria, Arizona (the "City"), has determined that it is expedient to refund the following bonds of the City (hereinafter referred to as, collectively, the "Bonds Being Refunded"):

Issue Series	Maturity Dates of Bonds Being Refunded	Principal Amount Outstanding/ To Be Refunded	Redemption Date
(2003)	7/1/2013	$1,115,000	7/1/2012
	7/1/2014	1,160,000	7/1/2012
	7/1/2015	1,210,000	7/1/2012
	7/1/2016	1,265,000	7/1/2012
	7/1/2017	1,325,000	7/1/2012
	7/1/2018	1,385,000	7/1/2012
	7/1/2019	1,450,000	7/1/2012
	7/1/2020	1,520,000	

Issue Series	Maturity Dates of Bonds Being Refunded	Principal Amount Outstanding/ To Be Refunded	Redemption Date
(2003)	7/1/2021	$1,590,000	7/1/2012
(con't)	7/1/2022	1,670,000	7/1/2012

*Being paid at maturity.

and that the issuance by the City of $_____ aggregate principal amount of refunding bonds to be designated "City of Peoria, Arizona General Obligation Refunding Bonds, Series B (2012)" in accordance with this Resolution and applicable law (the "Bonds") and the application of the net proceeds thereof to pay at maturity or earlier redemption the Bonds Being Refunded are necessary and advisable and in the best interests of the City and shall result in a present value debt service savings, net of all costs associated with the Bonds, of not less than one-hundred percent (100%) of the principal amount of the Bonds Being Refunded; and

WHEREAS, the total aggregate of taxes levied to pay principal of and interest on the Bonds in the aggregate shall not exceed the total aggregate principal and interest to become due on the Bonds Being Refunded from the date of issuance of the Bonds to the final date of maturity of the Bonds Being Refunded; and

WHEREAS, offers for the purchase of the Bonds have been received pursuant to a Notice Inviting Proposals For Purchase Of General Obligation Refunding Bonds (the "Notice"); and

WHEREAS, the proposal of _____ (the "Purchaser") has been determined to result in the lowest true interest cost to the City and, in all respects, complies with the terms of the Notice; and

WHEREAS, all things required to be done preliminary to the authorization and issuance of the Bonds have been duly done and performed in the manner required by law, and the Mayor and Council of the City are now empowered to proceed with the sale and issuance of the Bonds;

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

Section 1. The Bonds are hereby authorized to be issued as a series of bonds of the City in accordance with this Resolution and applicable law to provide funds for the purposes set forth above.

Section 2. (a) The Bonds shall be dated the date of initial delivery, shall be numbered, by maturity, from 1 consecutively upwards, or in any other manner deemed appropriate by the Bond Registrar and Paying Agent (as that term is hereinafter defined), shall initially be issued in book-entry form and Beneficial Owners (as that term is hereinafter defined) may acquire beneficial interests in amounts of $5,000 of principal due on a specific maturity date or any whole multiple thereof, shall be numbered consecutively within each maturity, shall be fully registered bonds without coupons, shall be in the denomination of $5,000 of principal amount or any whole multiple thereof, shall bear interest from the most recent January 1 or July 1 to which

interest has been paid or duly provided for or, if no interest has been paid or duly provided for, from their date, which interest shall be payable on January 1, 2013, and semiannually on January 1 and July 1 of each year thereafter during the term of each of the Bonds. The principal of and premium, if any, on the Bonds shall be payable upon presentation and surrender thereof at the designated corporate trust office of the Bond Registrar and Paying Agent. Interest on the Bonds shall be payable by check mailed to the registered owner thereof, as shown on the registration books for the Bonds maintained by the Bond Registrar and Paying Agent at the address appearing therein at the close of business on the fifteenth (15th) day of the calendar month next preceding that interest payment date (hereinafter referred to as the "regular record date"). Any interest which is not timely paid or duly provided for shall cease to be payable to the registered owner thereof (or of one or more predecessor Bonds) as of the regular record date, and shall be payable to the registered owner thereof (or of one or more predecessor Bonds) at the close of business on a special record date for the payment of that overdue interest. The special record date shall be fixed by the Bond Registrar and Paying Agent whenever moneys become available for payment of the overdue interest, and notice of the special record date shall be given to the registered owners of the Bonds not less than ten (10) days prior thereto. The principal of and premium, if any, and interest on the Bonds shall be payable in lawful money of the United States of America, the Bonds to mature on July 1 in the years and in the amounts and, in accordance with the terms of the proposal submitted by the Purchaser for the purchase of the Bonds which is hereby accepted, the Bonds being hereby awarded to the Purchaser, to bear interest from the date of initial delivery at the rates, in each case as follows:

Year	Principal Amounts Maturing	Interest Rate Per Annum
2013	$_____000	%
2014	_____,000	
2015	_____,000	
2016	_____,000	
2017	_____,000	
2018	_____,000	
2019	_____,000	
2020	_____,000	
2021	_____,000	
2022	_____,000	

(b) Wells Fargo Bank, N.A. is hereby appointed as "Bond Registrar and Paying Agent" for the Bonds. The Bond Registrar and Paying Agent shall maintain the books of the City for the registration of ownership of each Bond. A Bond may be transferred on the registration books upon delivery of the Bond to the Bond Registrar and Paying Agent, accompanied by a written instrument of transfer in form and with guaranty of signature satisfactory to the Bond Registrar and Paying Agent, duly executed by the registered owner of the Bond to be transferred or his or her attorney-in-fact or legal representative, containing written instructions as to the details of the transfer of such Bond. No transfer of any Bond shall be effective until entered on the registration books.

(c) In all cases upon the transfer of a Bond, the Bond Registrar and Paying Agent will enter the transfer of ownership in the registration books and will authenticate and deliver in the name of the transferee or transferees a new fully

registered Bond or Bonds of the denomination of $5,000 or any whole multiple thereof (except that no Bond shall be issued which relates to more than a single principal maturity) for the aggregate principal amount which the registered owner is entitled to receive at the earliest practicable time in accordance with the provisions of this Section. The City or the Bond Registrar and Paying Agent shall charge the owner of such Bond, for every such transfer of a Bond, an amount sufficient to reimburse them for any transfer fee, tax or other governmental charge required to be paid with respect to such transfer, and may require that such charges be paid before any such new Bond shall be delivered. The City and the Bond Registrar and Paying Agent will not be required (a) to issue or transfer any Bonds during a period beginning with the opening of business on the 15th calendar day next preceding either any interest payment date or during the period of five days next preceding the mailing of notice of any special record date, or (b) any Bonds or part thereof called for redemption within 60 days prior to the redemption date.

(d) In case any Bond becomes mutilated or destroyed or lost, the City shall cause to be executed and delivered a new Bond, as the case may be, of like type, date, maturity and tenor in exchange and substitution for and upon the cancellation of such mutilated Bond, or in lieu of and in substitution for such Bond, destroyed or lost, upon the registered owner paying the reasonable expenses and charges of the City in connection therewith and, in the case of a Bond, destroyed or lost, filing with the Bond Registrar and Paying Agent by the registered owner evidence satisfactory to the Bond Registrar and Paying Agent that such Bond, was destroyed or lost, and furnishing the Bond Registrar and Paying Agent with a sufficient indemnity bond pursuant to Section 47-8405, Arizona Revised Statutes, as amended.

(e) The Bonds shall be subject to a Book-Entry System (as that term is hereinafter defined) of ownership and transfer, except as provided in (iii) below. The general provisions for effecting such Book-Entry System are as follows:

(i) the City hereby designates The Depository Trust Company, New York, New York, as the initial Depository (as that term is hereinafter defined) hereunder.

(ii) notwithstanding the provisions regarding exchange and transfer of Bonds under subsections (b), (c) and (d) above, the Bonds shall initially be evidenced by one typewritten certificate for each maturity, in an amount equal to the aggregate principal amount thereof. The Bonds so initially delivered shall be registered in the name of "Cede & Co." as nominee for The Depository Trust Company. The Bonds may not thereafter be transferred or exchanged on the registration books of the City maintained by the Bond Registrar and Paying Agent except:

(A) to any successor Depository designated pursuant to (iii) below;

(B) to any successor nominee designated by a Depository; or

(C) if the City shall elect to discontinue the Book-Entry System pursuant to (iii) below, the City will cause the Bond Registrar and Paying Agent to authenticate and deliver replacement Bonds in fully registered form in authorized denominations in the names of the Beneficial

Owners or their nominees, as certified by the Depository, at the expense of the City; thereafter the provisions of subsections (b), (c) and (d) above regarding registration, transfer and exchange of the Bonds shall apply.

(iii) the Bond Registrar and Paying Agent, pursuant to a request from the City for the removal or replacement of the Depository, and upon thirty (30) days' notice to the Depository, may remove or replace the Depository. The Bond Registrar and Paying Agent agrees to remove or replace the Depository at any time pursuant to the request of the City. The Depository may determine not to continue to act as Depository for the Bonds upon thirty (30) days written notice to the City and the Bond Registrar and Paying Agent.

If the use of the Book Entry System is discontinued, then after the Bond Registrar and Paying Agent has made provision for notification of the Beneficial Owners of their book entry interests in the Bonds by appropriate notice to the then Depository, the City and the Bond Registrar and Paying Agent shall permit withdrawal of the Bonds from the Depository, and authenticate and deliver the Bond certificates in fully registered form and in denominations authorized by this Section to the assignees of the Depository or its nominee. Such withdrawal, authentication and delivery shall be at the cost and expense (including costs of printing or otherwise preparing, and delivering, such replacement Bond certificates) of the City.

(iv) so long as the Book-Entry System is used for the Bonds, the City and the Bond Registrar and Paying Agent will give any notice of redemption or any other notices required to be given to registered owners of Bonds only to the Depository or its nominee registered as the owner thereof. Any failure of the Depository to advise any of its participants, or of any participant to notify the Beneficial Owner, of any such notice and its content or effect will not affect the validity of the redemption of the Bonds called for redemption or of any other action premised on such notice. Neither the City nor the Bond Registrar and Paying Agent shall be responsible or liable for the failure of the Depository or any participant thereof to make any payment or give any notice to a Beneficial Owner in respect of the Bonds or any error or delay relating thereto.

(v) notwithstanding any other provision of this Resolution or the Bonds to the contrary, so long as the Bonds are subject to a Book-Entry System, it shall not be necessary for the registered owner to present his Bond for payment of sinking fund installments. The sinking fund installments may be noted on books kept by the Bond Registrar and Paying Agent and the Depository for such purpose and the Bonds shall be tendered to the Bond Registrar and Paying Agent at their maturity.

(vi) for purposes of this Resolution, "Beneficial Owners" shall mean actual purchasers of the Series A (1998) Bonds whose ownership interest is evidenced only in the Book-Entry System maintained by the Depository, "Book-Entry System" shall mean a system for clearing and settlement of securities transactions among participants of a Depository (and other parties having custodial relationships with such

participants) through electronic or manual book-entry changes in accounts of such participants maintained by the Depository hereunder for recording ownership of the Bonds by Beneficial Owners and transfers of ownership interests in the Bonds, and "Depository" shall mean The Depository Trust Company, New York, New York or any successor depository designated pursuant to this Section.

(f) The Bonds will not be subject to redemption prior to maturity.

Section 3. The Bonds shall be executed on behalf of the City by the Mayor of the City, countersigned by the Chief Financial Officer of the City and attested by the Clerk of the City by the facsimile signatures of such officials, and such officials are hereby authorized and directed to execute the Bonds as aforesaid.

Section 4. (a) For the purpose of paying the principal of, premium, if any, and interest on and costs of administration of the registration and payment of the Bonds in each year while any of the Bonds shall be outstanding, there shall be and hereby is levied upon all of the taxable property in the City a continuing, direct, annual, ad valorem tax over and above all other taxes authorized or permitted by law, which tax, together with other funds then on hand and available for such purpose shall be sufficient to pay all such principal, premium, if any, interest and administration costs of and on the Bonds as the same become due; provided, however, that the total aggregate of taxes levied to pay principal of and interest on the Bonds in the aggregate shall not exceed the total aggregate principal and interest to become due on the Bonds Being Refunded from the date of issuance of the Bonds to the final date of maturity on the Bonds Being Refunded. Subject to such limitation, the tax shall be extended and collected for the City, and the officials of the City and of Maricopa County, Arizona, charged with the annual extension and collection of taxes, without further instructions from the Mayor and Council of the City, shall extend and collect the tax upon issuance of the Bonds. All moneys collected through such tax shall be paid into the treasury of the City, to the credit of the "General Obligation Refunding Bonds, Series B (2012), Debt Service Fund" of the City from which fund the Bonds shall be payable, which tax moneys shall be held in sub funds to be known as the "Interest Fund" and the "Redemption Fund," which funds shall be kept separate and apart from and not commingled with any other funds or moneys and which shall be used solely for, respectively, payment of interest on and principal of, and premium, if any, on the Bonds. If at any time there are sufficient moneys or investments in the Debt Service Fund to pay all principal, premium, if any, and interest due or to become due on all of the Bonds, then no additional tax levy need be made for the payment of the principal of and premium, if any, and interest on the Bonds.

(b) As provided in Section 6(a) hereof, the net proceeds of the sale of the Bonds shall be invested in obligations issued by or guaranteed by the United States government (hereinafter referred to as "Government Obligations"), so long as such Government Obligations shall mature with interest so as to provide funds to pay at maturity or upon earlier redemption the Bonds Being Refunded together with interest thereon and redemption premiums, if any, and such proceeds or Government Obligations shall, and other funds legally available for such purposes may, be deposited in respective principal and interest redemption funds and shall be held in trust (hereinafter referred to as the "Trust") for the payment of the Bonds Being Refunded with interest and redemption premiums, if any, at maturity or upon redemption. The holders of the Bonds shall rely upon the sufficiency of the funds or Government Obligations held in the Trust for the payment of the Bonds Being Refunded. The

issuance of the Bonds shall in no way infringe upon the rights of the holders of the Bonds Being Refunded to rely upon a tax levy for the payment of principal and interest on the Bonds Being Refunded if the investments in such redemption funds prove insufficient.

Section 5. The Mayor and Council of the City hereby order that the Bonds Being Refunded be redeemed on their respective redemption dates as set forth in the Escrow Trust Agreement. All actions to refund the Bonds Being Refunded whether taken before or after adoption of this Resolution are ratified and confirmed and approved, respectively.

Section 6. (a) Upon the delivery of and payment for the Bonds in accordance with the terms of their sale, the net proceeds of the sale of the Bonds, together with any premium paid by the purchaser for the Bonds after payment of the costs and expenses of their issuance, shall be applied, along with the moneys to be transferred from the interest and redemption funds for the Bonds Being Refunded over and above amounts needed to make payments on such Bonds Being Refunded on or before the first day of the fiscal year next preceding, to create the Trust pursuant to the Escrow Trust Agreement which shall be an irrevocable trust for the benefit of the owners of the Bonds. As provided in Section 4(b) hereof, amounts credited to the Trust, other than any beginning cash balance, shall be invested immediately in Government Obligations, the maturing principal of and interest on which, together with any beginning cash balance, are to be sufficient to pay the principal of and premium, if any, and interest on the Bonds Being Refunded as the same become due.

(b) Any balance of the net proceeds of the Bonds remaining after creation of the Trust shall be transferred to the Debt Service Fund for the Bonds.

Section 7. The Bonds shall be in substantially the following form, allowing those officials executing the Bonds to make the insertions and deletions necessary to conform the Bonds to this Resolution and the Notice:

(Form of Bond)

UNLESS THIS BOND IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY ("DTC") TO THE CITY OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY BOND ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.*

REGISTERED NO_____ REGISTERED $_____

UNITED STATES OF AMERICA

STATE OF ARIZONA MARICOPA COUNTY

CITY OF PEORIA, ARIZONA
GENERAL OBLIGATION REFUNDING BOND, SERIES B (2012)

Interest Rate:	Maturity Date:	Dated as of:	CUSIP
____% per annum	July 1, _____	_____, 2012	_____

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: _____ DOLLARS

CITY OF PEORIA, ARIZONA (hereinafter referred to as the "City"), for value received, hereby promises to pay to the registered owner named above, or registered assigns, the principal amount stated above on the aforesaid Maturity Date, unless this Bond is redeemed prior to its maturity date and payment provided therefor, and to pay interest on the principal amount at the aforesaid Interest Rate on January 1, 2013, and semiannually on July 1 and January 1 of each year thereafter ("interest payment date") from the date of this Bond to its maturity, or until so redeemed. The principal of and premium, if any, on this Bond are payable upon presentation and surrender hereof at the designated corporate trust office of Wells Fargo Bank, N.A.-Corporate Trust Services, as Bond Registrar and Paying Agent. Interest on this Bond is payable by check mailed to the registered owner hereof, as shown on the registration books for this series maintained by the Bond Registrar and Paying Agent at the address appearing therein at the close of business on the 15th day of the calendar month next preceding that interest payment date (hereinafter referred to as the "regular record date"). Any interest which is not timely paid or duly provided for shall cease to be payable to the registered owner hereof (or of one or more predecessor Bonds) as of the regular record date, and shall be payable to the registered owner hereof (or of one or more predecessor Bonds) at the close of business on a special record date for the

* Insert as long as The Depository Trust Company, New York, New York, is the Depository.

payment of that overdue interest. The special record date shall be fixed by the Bond Registrar and Paying Agent whenever moneys become available for payment of the overdue interest, and notice of the special record date shall be given to the registered owner hereof not less than 10 days prior thereto. The principal, premium, if any, and interest on this Bond are payable in lawful money of the United States of America on the respective dates when principal and interest become due.

This Bond is one of a series of bonds (hereinafter referred to as the "Bonds") indicated above in the aggregate principal amount of $_____of like tenor except as to amount, maturity date, rate of interest and number, issued by the City to provide funds to refund certain of the previously issued and outstanding general obligation bonds of the City, pursuant to a Resolution of the Mayor and the Council of the City, duly adopted prior to the issuance hereof, all of the terms of which are hereby incorporated herein (hereinafter referred to as the "Resolution"), and pursuant to and in conformity with the Constitution and laws of the State of Arizona relative to the issuance and sale of refunding bonds, and all amendments thereto, and all other laws of the State of Arizona thereunto enabling.

For the purpose of paying the principal of, premium, if any, and interest on and costs of administration of the registration and payment of this Bond, there shall be levied on all taxable property in the City a continuing, direct, annual, ad valorem tax over and above all other taxes authorized or permitted by law, which tax, together with other funds then on hand and available for such purpose, shall be sufficient to pay all such principal, interest and administration costs of and on this Bond as the same become due; provided, however, that the issuance of the Bonds shall in no way infringe upon the rights of the owners of such bonds being refunded to rely upon a tax levy for payment of the principal and interest on such refunded bonds if the obligations issued by or guaranteed by the United States government in which net proceeds of the Bonds are invested and which mature with interest so as to provide funds to pay when due, or called for redemption, such refunded bonds together with interest thereon and redemption premiums, if any, and with other funds legally available for such purposes deposited in the respective principal and interest redemption funds and held in trust for the payment of such refunded bonds with interest and redemption premiums, if any, on maturity or upon an available redemption date prove insufficient and further that the total aggregate of taxes levied to pay principal and interest on the Bonds in the aggregate shall not exceed the total aggregate principal and interest to become due on such refunded bonds from the date of issuance of the Bonds to the final date of maturity of such refunded bonds. The owners of the Bonds must rely on the sufficiency of the funds and securities held irrevocably in trust for payment of such refunded bonds.

Bonds will not be subject to redemption prior to maturity.

The Bond Registrar and Paying Agent will maintain the books of the City for the registration of ownership of this Bond as provided in the Resolution.

This Bond may be transferred on the registration books upon delivery hereof to the Bond Registrar and Paying Agent, accompanied by a written instrument of transfer in form and with guaranty of signature satisfactory to the Bond Registrar and Paying Agent, duly executed by the registered owner of this Bond or his or her attorney-in-fact or legal representative, containing written instructions as to the details of the transfer. No transfer of this Bond shall be effective until entered on the registration books.

In all cases upon the transfer of a Bond of this series, the Bond Registrar and Paying Agent will enter the transfer of ownership in the registration book and will authenticate and deliver in the name of the transferee or transferees a new fully registered Bond or Bonds of the denomination of $5,000 or any whole multiple thereof (except that no Bond shall be issued which relates to more than a single principal maturity) for the aggregate principal amount which the registered owner is entitled to receive at the earliest practicable time in accordance with the provisions of the Resolution. The City or the Bond Registrar and Paying Agent shall charge the registered owner of such Bond, for every such transfer of a Bond, an amount sufficient to reimburse them for any transfer fee, tax or other governmental charge required to be paid with respect to such transfer, and may require that such charge be paid before any such new Bond shall be delivered.

The City and the Bond Registrar and Paying Agent will not be required (a) to issue or transfer any Bonds during a period beginning with the opening of business on the 15th calendar day next preceding either any interest payment date or during the period of five days next preceding the mailing of notice of any special record date, or (b) any Bonds or part thereof to be redeemed within 60 days prior to the redemption date.

This Bond shall not be entitled to any security or benefit under the Resolution or be valid or become obligatory for any purpose until the Certificate of Authentication hereon shall have been signed by the Bond Registrar and Paying Agent.

It is hereby certified and recited that all conditions, acts and things required by the Constitution and laws of the State of Arizona to exist, to occur and to be performed precedent to and in the issuance of this Bond do exist, have occurred and have been performed and that the series of Bonds of which this Bond is one, together with all other indebtedness of the City, is within every debt and other limit prescribed by the Constitution and laws of the State of Arizona and that due provision has been made for the levy and collection of a direct, annual, ad valorem tax upon all of the taxable property in the City for the payment of this Bond and of the interest hereon as each becomes due, limited as described elsewhere herein.

IN WITNESS WHEREOF, the CITY OF PEORIA, ARIZONA, has caused this Bond to be executed in the name of the City by the facsimile signature of the Mayor of the City, to be attested by the facsimile signature of the Clerk of the City and to be countersigned by the facsimile signature of the Chief Financial Officer of the City.

CITY OF PEORIA, ARIZONA

By _____(Facsimile)_____
Mayor

ATTEST:

By _____(Facsimile)_____
Clerk

APPROVED AS TO FORM:

By _____(Facsimile)_____
City Attorney

COUNTERSIGNED:

By _____(Facsimile)_____
Chief Financial Officer

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds described in the within-mentioned Resolution and is one of the City of Peoria, Arizona General Obligation Refunding Bonds, Series B (2012).

Date of Authentication: _____

_____,
Bond Registrar and Paying Agent

By:_____
Authorized Representative

ASSIGNMENT

For value received, the undersigned hereby sells, assigns and transfers unto _____ the within Bond and irrevocably constitutes and appoints _____ attorney to transfer this Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated:_____ _____
Signature

Signature Guaranteed:

_____ _____
Signature guarantee should be made by a guarantor institution participating in the Securities Transfer Agent Medallion Program or in such other program accept able to the Bond Registrar and Paying Agent.

Signature

Notice: The assignor's signature to this assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without alteration or any change whatever.

The following abbreviations, when used in the inscription on the face of the within Bond, shall be construed as though they were written out in full according to applicable laws or regulations.

TEN COM - as tenants in common
TEN ENT - as tenants by the entireties
JT TEN - as joint tenants with right of survivorship and not as tenants in common

UNIF GIFT/TRANS MIN ACT - _____ Custodian _____
(Cust) (Minor)

under Uniform Gifts/Transfers to Minors Act _____
(State)

Additional abbreviations may also be used though not included in the above list

ALL FEES AND COSTS OF TRANSFER
SHALL BE PAID BY THE TRANSFEROR

Section 8. In consideration of the purchase and acceptance of any and all of the Bonds issued hereunder by those who shall be the registered owners of the same from time to time, this Resolution shall be deemed to be and shall constitute a contract among the City and the registered owners of the Bonds.

Section 9. Upon the payment for the Bonds in accordance with the accepted bid and the provisions of this Resolution, the Mayor, the Clerk or the Chief Financial Officer of the City, or any of them, are hereby authorized and directed to deliver the Bonds to the Purchaser thereof upon receipt of payment therefor.

Section 10. (a) The Mayor or, in the absence thereof, Vice Mayor and the Clerk of the City, for and on behalf of the City, are hereby authorized and directed to execute and attest and deliver a standard form of bond registrar and paying agent agreement with the Bond Registrar and Paying Agent, with such changes therein as may be approved by such officials whose signatures thereon shall be evidence of such approval, as well as an appropriate agreement with DTC as necessary therefor.

(b) The Mayor or, in the absence thereof, Vice Mayor and the Clerk of the City, for and on behalf of the City, are hereby authorized and directed to execute and attest and deliver a standard form of an irrevocable escrow trust agreement with The Bank of New York Trust Company, N.A., a national banking association authorized to do trust business in the State of Arizona (hereinafter referred to as the "Escrow Trust Agreement"), with respect to the safekeeping and handling of moneys and Government Obligations to be held in the Trust for the payment of the Bonds Being Refunded, with such changes therein as may be approved by such officials whose signatures thereon shall be evidence of such approval.

Section 11. The distribution of the Notice and the preliminary official statement relating to the Bonds (hereinafter referred to as the "Preliminary Official Statement") are in all respects hereby ratified, approved and confirmed. (The Preliminary Official Statement is "deemed final" for purposes of the SEC Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time (hereinafter referred to as the "SEC Rule").) The Mayor or, in the absence thereof, Vice Mayor of the City is hereby authorized and directed to approve, for and on behalf of the City, a final official statement for use in connection with the offering and sale of the Bonds. The execution of the final official statement by the Mayor or, in the absence thereof, the Vice Mayor of the City which is hereby authorized shall be conclusively deemed to evidence the approval of the form and content thereof by the City.

Section 12. (a) The Mayor and Council of the City shall not make or direct the making of any investment or other use of the proceeds of any Bonds which would cause such Bonds to be "arbitrage bonds" as that term is defined in Section 148 (or any successor provision thereto) of the Internal Revenue Code of 1986, as amended, or "private activity bonds" as that term is defined in Section 141 (or any successor provision thereto) of such Code, and the Mayor and Council of the City shall comply with the requirements of such Code sections and related regulations throughout the term of the Bonds. (Particularly, the City shall be the owner of the facilities, the costs of which are refinanced with the proceeds of the sale of the Bonds (hereinafter referred to as the "Facilities") for federal income tax purposes. Except as otherwise advised in a Bond Counsel's Opinion (as such term is defined in the next Section), the City shall not enter into (i) any management or service contract with any entity other than a governmental entity for the operation of any portion of the Facilities unless the

management or service contract complies with the requirements of Revenue Procedure 97-13 or such other authority as may control at the time, or (ii) any lease or other arrangement with any entity other than a governmental entity that gives such entity special legal entitlements with respect to any portion of the Facilities.) Also, the payment of principal and interest with respect to the Bonds shall not be guaranteed (in whole or in part) by the United States or any agency or instrumentality of the United States. The proceeds of the Bonds, or amounts treated as proceeds of the Bonds, shall not be invested (directly or indirectly) in federally insured deposits or accounts, except to the extent such proceeds (i) may be so invested for an initial temporary period until needed for the purpose for which the Bonds are being issued, (ii) may be so used in making investments of a bona fide debt service fund, or (iii) may be invested in obligations issued by the United States Treasury.

(b) The Mayor and Council of the City hereby further covenants and agrees to comply with the procedures and covenants contained in any arbitrage rebate provision (initially Section 13 hereof) or separate agreement executed in connection with the issuance of the Bonds for so long as compliance is necessary in order to maintain the exclusion from gross income for federal income tax purposes of interest on the Bonds. In consideration of the purchase and acceptance of the Bonds by such holders from time to time and of retaining such exclusion and as authorized by Title 35, Chapter 3, Article 7, Arizona Revised Statutes, as amended, the Mayor and Council of the City covenants, and the appropriate officials of the City are hereby directed, to take all action required to retain such exclusion or to refrain from taking any action prohibited by such Code which would adversely affect in any respect such exclusion.

(c) (i) The Mayor and Council of the City shall take all necessary and desirable steps to comply with the requirements hereunder in order to ensure that interest on the Bonds is excluded from gross income for federal income tax purposes under such Code; provided, however, compliance with any such requirement shall not be required in the event the City receives a Bond Counsel's Opinion (as such term is hereinafter defined) that either (i) compliance with such requirement is not required to maintain the exclusion from gross income of interest on the Bonds, or (ii) compliance with some other requirement will meet the requirements of such Code. In the event the City receives such a Bond Counsel's Opinion, this Resolution shall be amended to conform to the requirements set forth in such opinion.

(ii) If for any reason any requirement hereunder is not complied with, the Mayor and Council of the City shall take all necessary and desirable steps to correct such noncompliance within a reasonable period of time after such noncompliance is discovered or should have been discovered with the exercise of reasonable diligence and the City shall pay any required interest or penalty under Regulations section 1.148-3(h) relating to such Code.

Section 13. (a) Terms not otherwise defined in Subsection (b) hereof shall have the meanings given to them in the arbitrage certificate of the City delivered in connection with the issuance of the Bonds.

(b) The following terms shall have the following meanings:

Bond Counsel's Opinion shall mean an opinion signed by an attorney or firm of attorneys of nationally recognized standing in the field of law relating to municipal bonds selected by the City.

Bond Year shall mean each one-year period beginning on the day after the expiration of the preceding Bond Year. The first Bond Year shall begin on the date of issue of the Bonds and shall end on the date selected by the City, provided that the first Bond Year shall not exceed one calendar year. The last Bond Year shall end on the date of retirement of the last Bond.

Bond Yield is as indicated in such arbitrage certificate. Bond Yield shall be recomputed if required by Regulations section 1.148-4(b)(4) or 4(h)(3). Bond Yield shall mean the discount rate that produces a present value equal to the Issue Price of all unconditionally payable payments of principal, interest and fees for qualified guarantees within the meaning of Regulations section 1.148-4(f) and amounts reasonably expected to be paid as fees for qualified guarantees in connection with the Bonds as determined under Regulations section 1.148-4(b). The present value of all such payments shall be computed as of the date of issue of the Bonds and using semi-annual compounding on the basis of a 360-day year.

Code shall mean the Internal Revenue Code of 1986, as amended, and any successor provisions thereto.

Gross Proceeds shall mean:

(i) any amounts actually or constructively received by the City from the sale of the Bonds but excluding amounts used to pay accrued interest on the Bonds within one year of the date of issuance of the Bonds;

(ii) transferred proceeds of the Bonds under Regulations section 1.148-9;

(iii) any amounts actually or constructively received from investing amounts described in (i), (ii) or this (iii); and

(iv) replacement proceeds of the Bonds within the meaning of Regulations section 1.148-1(c). Replacement proceeds include amounts reasonably expected to be used directly or indirectly to pay debt service on the Bonds, pledged amounts where there is reasonable assurance that such amounts will be available to pay principal or interest on the Bonds in the event the District encounters financial difficulties and other replacement proceeds within the meaning of Regulations section 1.148-1(c)(4). Whether an amount is Gross Proceeds is determined without regard to whether the amount is held in any fund or account.

Investment Property shall mean any security, obligation (other than a tax-exempt bond within the meaning of Code section 148(b)(3)(A)), annuity contract or investment-type property within the meaning of Regulations section 1.148-1(b).

Issue Price is as indicated in such arbitrage certificate, which is the initial offering price to the public (not including bond houses and brokers, or similar persons or organizations acting in the capacity of underwriters of wholesalers) at which price a substantial amount of the Bonds was sold, less any bond insurance premium and reserve surety bond premium. Issue price shall be determined as provided in Regulations section 1.148-1(b).

Nonpurpose Investment shall mean any Investment Property acquired with Gross Proceeds, and which is not acquired to carry out the governmental purposes of the Bonds.

Payment shall mean any payment within the meaning of Regulations section 1.148-3(d)(1) with respect to a Nonpurpose Investment.

Rebate Requirement shall mean at any time the excess of the future value of all Receipts over the future value of all Payments. For purposes of calculating the Rebate Requirement the Bond Yield shall be used to determine the future value of Receipts and Payments in accordance with Regulations section 1.148-3(c). The Rebate Requirement is zero for any Nonpurpose Investment meeting the requirements of a rebate exception under section 148(f)(4) of the Code or Regulations section 1.148-7.

Receipt shall mean any receipt within the meaning of Regulations section 1.148-3(d)(2) with respect to a Nonpurpose Investment.

Regulations shall mean the sections 1.148-1 through 1.148-11 and section 1.150-1 of the regulations of the United States Department of the Treasury promulgated under the Code, including and any amendments thereto or successor regulations.

(c) Within 60 days after the end of each Bond Year, the City shall cause the Rebate Requirement to be calculated and shall pay to the United States of America:

(1) not later than 60 days after the end of the fifth Bond Year and every fifth Bond Year thereafter, an amount which, when added to the future value of all previous rebate payments with respect to the Bonds (determined as of such Computation Date), is equal to at least 90% of the sum of the Rebate Requirement (determined as of the last day of such Bond Year) plus the future value of all previous rebate payments with respect to the Bonds (determined as of the last day of such Bond Year); and

(2) not later than 60 days after the retirement of the last Bond, an amount equal to 100% of the Rebate Requirement (determined as of the date of retirement of the last Bond).

Each payment required to be made under this Section shall be filed with the Internal Revenue Service Center, Ogden, Utah 84201, on or before the date such payment is due, and shall be accompanied by IRS Form 8038-T.

(d) No Nonpurpose Investment shall be acquired for an amount in excess of its fair market value. No Nonpurpose Investment shall be sold or otherwise disposed of for an amount less than its fair market value.

(e) For purposes of Subsection (d), whether a Nonpurpose Investment has been purchased or sold or disposed of for its fair market value shall be determined as follows:

(1) The fair market value of a Nonpurpose Investment generally shall be the price at which a willing buyer would purchase the Nonpurpose Investment from a willing seller in a bona fide arm's length transaction. Fair market value shall be determined on the date on which a contract to purchase or sell the Nonpurpose Investment becomes binding.

(2) Except as provided in Subsection (f) or (g), a Nonpurpose Investment that is not of a type traded on an established securities market, within the meaning of Code section 1273, is rebuttably presumed to be acquired or disposed of for a price that is not equal to its fair market value.

(3) If a United States Treasury obligation is acquired directly from or sold or disposed of directly to the United States Treasury, such acquisition or sale or disposition shall be treated as establishing the fair market value of the obligation.

(f) The purchase price of a certificate of deposit that has a fixed interest rate, a fixed payment schedule and a substantial penalty for early withdrawal is considered to be its fair market value if the yield on the certificate of deposit is not less than:

(1) the yield on reasonably comparable direct obligations of the United States; and

(2) the highest yield that is published or posted by the provider to be currently available from the provider on reasonably comparable certificates of deposit offered to the public.

(g) A guaranteed investment contract shall be considered acquired and disposed of for an amount equal to its fair market value if:

(1) A bona fide solicitation in writing for a specified guaranteed investment contract, including all material terms, is timely forwarded to all potential providers. The solicitation must include a statement that the submission of a bid is a representation that the potential provider did not consult with any other potential provider about its bid, that the bid was determined without regard to any other formal or informal agreement that the potential provider has with the City or any other person (whether or not in connection with the Bonds), and that the bid is not being submitted solely as a courtesy to the City or any other person for purposes of satisfying the requirements in the Regulations that the District receive bids from at least one reasonably competitive provider and at least three providers that do not have a material financial interest in the Bonds.

(2) All potential providers have an equal opportunity to bid, with no potential provider having the opportunity to review other bids before providing a bid.

(3) At least three reasonably competitive providers (i.e. having an established industry reputation as a competitive provider of the type of investments being purchased) are solicited for bids. At least three

bids must be received from providers that have no material financial interest in the Bonds (e.g., a lead underwriter within 15 days of the issue date of the Bonds or a financial advisor with respect to the investment) and at least one of such three bids must be from a reasonably competitive provider. If the District uses an agent to conduct the bidding, the agent may not bid.

(4) The highest-yielding guaranteed investment contract for which a qualifying bid is made (determined net of broker's fees) is purchased.

(5) The determination of the terms of the guaranteed investment contract takes into account as a significant factor the reasonably expected deposit and drawdown schedule for the amounts to be invested.

(6) The terms for the guaranteed investment contract are commercially reasonable (i.e. have a legitimate business purpose other than to increase the purchase price or reduce the yield of the guaranteed investment contract).

(7) The provider of the investment contract certifies the administrative costs (as defined in Regulations section 1.148-5(e)) that it pays (or expects to pay) to third parties in connection with the guaranteed investment contract.

(8) The City retains until three years after the last outstanding Bond is retired, (i) a copy of the guaranteed investment contract, (ii) a receipt or other record of the amount actually paid for the guaranteed investment contract, including any administrative costs paid by the City and a copy of the provider's certification described in (7) above, (iii) the name of the person and entity submitting each bid, the time and date of the bid, and the bid results and (iv) the bid solicitation form and, if the terms of the guaranteed investment contract deviates from the bid solicitation form or a submitted bid is modified, a brief statement explaining the deviation and stating the purpose of the deviation.

(h) The employment of such experts and consultants to make, as necessary, any calculations in respect of rebates to be made to the United States of America in accordance with Section 148(f) of such Code, is hereby authorized.

Section 14. (a) The City shall comply with and carry out all the provisions of the Continuing Disclosure Undertaking (hereinafter referred to as the "Undertaking") which the Mayor or, in the absence thereof, Vice Mayor of the City is hereby authorized, for and on behalf of the City, to execute in substantially the form included in the Preliminary Official Statement in order to comply with the requirements of the SEC Rule with respect to the Bonds.

(b) This Section shall constitute a contract between the City and certain owners of the Bonds as described in the Undertaking.

(c) In the event of a failure of the City to comply with the provisions of this Section, certain owners of the Bonds as described in the Undertaking

may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the City to comply with its obligations under this Section. A default under this Section shall not be deemed an event of default for other purposes of this Resolution, and the sole remedy under this Section in the event of any failure of the City to comply with this Section shall be an action to compel performance.

Section 15. The actions of the officers and agents of the City which conform to the purposes and intent of this Resolution and which further the issuance and sale of the Bonds, as contemplated by this Resolution, whether heretofore or hereafter taken, shall be and are hereby ratified, confirmed and approved. The proper officers and agents of the City are hereby authorized and directed to do all such acts and things and to execute and deliver all such documents on behalf of the City as may be necessary to carry out the terms and intent of this Resolution.

Section 16. If any section, paragraph or provision of this Resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this Resolution.

Section 17. The immediate operation of this Resolution is necessary for the preservation of the public health and welfare, particularly to refinance the Bonds Being Refunded on the most cost efficient basis, and an emergency is hereby declared to exist, and this Resolution shall be in full force and effect from and after its passage and approval by the Mayor and Council of the City of Peoria, Arizona, as required by law, and it is hereby exempt from the referendum provisions of the City's Charter and the Constitution and laws of the State of Arizona.

PASSED AND ADOPTED by the Mayor and Council of the City of Peoria, Arizona, this19th day of June, 2012.

_____
Bob Barrett, Mayor
City of Peoria, Arizona

(SEAL)

ATTEST:

_____
Wanda Nelson, City Clerk
City of Peoria, Arizona

APPROVED AS TO FORM:

_____
Stephen M. Kemp, City Attorney
City of Peoria, Arizona

CERTIFICATION

I hereby certify that the foregoing Resolution No. 2012-90 was duly passed and adopted by the Mayor and the Council of the City of Peoria, Arizona, at a regular meeting held on the 19th day of June, 2012, and that the vote was ____ ayes and ____ nays and that the Mayor and ____ Councilmembers were present thereat.

_____
Wanda Nelson, City Clerk
City of Peoria, Arizona

CITY OF PEORIA, ARIZONA
COUNCIL COMMUNICATION

Agenda Item: 15C

Date Prepared: May 29, 2012 **Council Meeting Date:** June 19, 2012

TO: Carl Swenson, City Manager

FROM: Brent D. Mattingly, Chief Financial Officer

THROUGH: Susan Thorpe, Deputy City Manager

SUBJECT: Resolution Authorizing Sale and Contract Award of Water and Wastewater Revenue Refunding Bonds, Series 2012

Purpose:

This is a request for Council to adopt Resolution No. 2012-91 ordering the sale of Water and Wastewater Revenue Refunding Bonds, Series 2012, in an amount of not to exceed $30,000,000; providing for the collection and disposition of revenues from the water and wastewater systems for security and payment of the bonds; authorizing a contract for a bond registrar and payment agent; approving a contract for continuing disclosure of the bonds; ratifying the distribution of a Preliminary Official Statement (POS) and approving an Official Statement (OS); awarding a contract for the purchase of the bonds; and declaring an emergency.

Background/Summary:

On May 15, 2012, the Mayor and Council approved the sale of City of Peoria, Arizona Water and Wastewater Revenue Refunding Bonds, Series 2012, in an amount not to exceed $30,000,000; and authorized the publication of a notice inviting proposals for the purchase of the bonds. The bonds will refund four (4) of the City's outstanding loans with the Water Infrastructure Finance Authority (WIFA) to provide potential savings of approximately $1.5 - $2 million in debt service. The actual savings will be determined on the date of sale which is planned for the morning of June 19, 2012. The following WIFA loans will be refunded:

Water and Wastewater Revenue Refunding Bonds, Series 2012	
Bond Issue	**Principal Amount**
WIFA 1995 Loan	$2,879,252
WIFA 1997 Loan	$5,209,536
WIFA 2000, Phase I Loan	$11,308,266
WIFA 2000, Phase II Loan	$8,633,655
Total Principal Outstanding:	$28,030,709

The attached resolution continues the legal process required for the sale of said bonds and provides for the following:

1) The issuance of bonds in an amount not to exceed $30,000,000;

2) Provides for the collection and disposition of revenues from the water and wastewater systems for security and payment of the debt service on the bonds;

3) Authorizes the appointment of a bond registrar and paying agent in connection with the bonds;

4) Approves a contract for ongoing disclosure of the bonds;

5) Ratifies the distribution of a Preliminary Official Statement (POS) and approves a final form of the Official Statement (OS) for the bonds.

Previous Actions:

On May 15, 2012, the Mayor and Council approved the sale of City of Peoria, Arizona Water and Wastewater Revenue Refunding Bonds, Series 2012, in an amount not to exceed $30,000,000; and authorized the publication of a notice inviting proposals for the purchase of the bonds.

Options:

A: Approve Resolution No. 2012 - 91 ordering the sale and issuance of Water and Wastewater Revenue Refunding Bonds, Series 2012, in an amount not to exceed $30,000,000; and approving certain legal matters pertaining to the bonds including the award of a contract for the purchase of the bonds.

B: Not approve Resolution No. 2012 - 91 as presented and request additional information from staff.

Staff's Recommendation:

Staff recommends that Council approve Resolution No. 2012 - 91 which provides for the issuance of Water and Wastewater Revenue Refunding Bonds, Series 2012 and authorizes certain legal matters related to the bond sale including the award of a contract for the purchase of the bonds.

Fiscal Analysis:

The planned bond sale is expected to generate $1.5 - 2 million in potential debt service savings through the prepayment of the aforementioned outstanding WIFA loans.

Narrative:

Staff has been preparing for a bond issue of approximately $30 million in Revenue Refunding bonds to prepay the aforementioned outstanding Water Infrastructure Finance Authority loans. The attached resolution continues the legal process required for the sale and contract award of said bonds. The bond sale is scheduled for the morning of June 19, 2012. Staff will provide a separate summary of the bond sale within the next few days. The final completed bond documents will be circulated for signature prior to the bond closing which is scheduled for the last week of June 2012.

Exhibit(s):

Exhibit 1: Resolution No. 2012 - 91

Contact:

Deborah Card, Treasury Manager, X7148

RESOLUTION NO. 2012-91

RESOLUTION AUTHORIZING THE SALE AND ISSUANCE OF CITY OF PEORIA, ARIZONA WATER AND WASTEWATER REVENUE REFUNDING BONDS, SERIES 2012, IN THE PRINCIPAL AMOUNT OF $_____; PROVIDING FOR THE FORM AND OTHER DETAILS OF THE SERIES 2012 BONDS; PROVIDING FOR THE COLLECTION AND DISPOSITION OF THE REVENUES TO BE DERIVED FROM THE COMPLETE WATER AND WASTEWATER PLANT AND SYSTEM OF THE CITY; MAKING OTHER PROVISIONS WITH RESPECT TO THE OPERATION OF SUCH SYSTEM; PROVIDING FOR THE SECURITY AND PAYMENT OF THE SERIES 2012 BONDS; AUTHORIZING THE EXECUTION OF A BOND REGISTRAR AND PAYING AGENT AGREEMENT AND AN ESCROW TRUST AGREEMENT WITH RESPECT TO THE SERIES 2012 BONDS; RATIFYING THE DISTRIBUTION OF A PRELIMINARY OFFICIAL STATEMENT AND APPROVING AN OFFICIAL STATEMENT; AUTHORIZING THE EXECUTION OF A CONTINUING DISCLOSURE UNDERTAKING; AWARDING A CONTRACT FOR THE PURCHASE OF THE SERIES 2012 BONDS AND DECLARING AN EMERGENCY

WHEREAS, pursuant to Title 9, Chapter 5, Article 3, Arizona Revised Statutes, as amended, the City of Peoria, Arizona (the "City"), has heretofore incurred the following loans and issued the following revenue bonds, of which the following principal amounts are outstanding and all of which are to be refunded and redeemed or paid upon maturity from proceeds of the sale of the hereinafter described Series 2012 Bonds:

(1) Loan from the Water Infrastructure Finance Authority pursuant to the Loan Agreement, dated as of July 1, 1995, incurred in the principal amount of $11,405,861, and remaining outstanding in the principal amount of $2,879,251,

(2) Loan from the Water Infrastructure Finance Authority pursuant to the Loan Agreement, dated as of June 1, 1997, incurred in the principal amount of $14,330,000, and remaining outstanding in the principal amount of $5,209,540,

(3) Water and Sewer Revenue Bonds (Water Infrastructure Finance Authority Project), Phase 1, issued in the principal amount of $20,150,000, and remaining outstanding in the principal amount of $11,380,267, and

(4) Water and Sewer Revenue Bonds (Water Infrastructure Finance Authority Project), Phase 2, issued in the principal amount of $14,500,000, and remaining outstanding in the principal amount of $8,633,655

(collectively, the "Obligations Being Refunded"); and

WHEREAS, the Mayor and Council of the City believe it to be in the best interests of the City to refund the Obligations Being Refunded; and

WHEREAS, by this Resolution the Mayor and Council of the City will authorize and provide for the sale and issuance of not to exceed $30,000,000 aggregate principal amount of City of Peoria, Arizona Water and Wastewater Revenue Refunding Bonds, Series 2012 (the "Series 2012 Bonds"), to provide a portion of the funds necessary to refund the Obligations Being Refunded; and

WHEREAS, the Outstanding Parity Lien Obligations (as such term is hereinafter defined but including the Water and Wastewater Revenue Bonds, Series 2010 issued pursuant to Resolution No. 2010-22 of the Mayor and Council of the City) prescribe the terms and conditions upon which "Additional Parity Lien Obligations" (as that term is defined in the Outstanding Parity Lien Obligations) may be issued; and

WHEREAS, the conditions prescribed in the Outstanding Parity Lien Obligations for issuing Additional Lien Parity Obligations will be met prior to the issuance of the Series 2012 Bonds herein authorized, and the Series 2012 Bonds shall be "Parity Lien Obligations" (as that term is defined in the Outstanding Parity Lien Obligations); and

WHEREAS, offers for the purchase of the Series 2012 Bonds have been received pursuant to a Notice Inviting Proposals For Purchase Of Bonds (the "Notice"); and

WHEREAS, the proposal of _____ (the "Purchaser") has been determined to result in the lowest true interest cost to the City and, in all respects, complies with the terms of the Notice; and

WHEREAS, all things required to be done preliminary to the authorization, sale and issuance of the Series 2012 Bonds pursuant to Title 9, Chapter 5, Article 3, Arizona Revised Statutes have been duly done and performed in the manner required by law, and the Mayor and Council of the City are now empowered to proceed with the sale and issuance of the Series 2012 Bonds;

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

Section 1. Definitions. The terms used, but not otherwise defined, herein shall have the meanings assigned to them in Resolution No. 2010-22 of the Mayor and Council of the City.

Section 2. Authority for Series 2012 Bonds; Amending a Provision in Certain Prior Resolutions. The Series 2012 Bonds are hereby authorized to be issued pursuant to the provisions of Title 9, Chapter 5, Article 3, Arizona Revised Statutes and other applicable provisions of law, Resolution No. 91-75, as amended, and the

Outstanding Parity Lien Obligations. (The Series 2012 Bonds are "Additional Parity Lien Obligations" not "Additional Parity Lien Bonds" (as such term is defined in Resolution No. 91-75, as amended).) This Resolution shall remain in full force and effect until all of the Series 2012 Bonds are fully paid, or provisions for their payment shall have been provided for. The provisions of Sections 1, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14 and 15 of Resolution No. 98-135 shall not apply to the Series 2012 Bonds. The provisions of Sections 1, 5, 6, 7, 8, 16, 17, 21, 22, 23, 24 and 25 of Resolution No. 00-82 shall not apply to the Series 2012 Bonds. The provisions of Sections 1, 5, 6, 7, 8, 15, 16, 17, 18 and 19 of Resolution No. 00-84 shall not apply to the Series 2012 Bonds.

Section 3. Nature of Series 2012 Bonds. The Series 2012 Bonds shall never be construed to be "tax secured bonds" of the City as that term is defined in Title 9, Chapter 5, Article 3, Section 9-521, Arizona Revised Statutes, as amended, or general obligation bonds of the City within the meaning of Title 35, Chapter 3, Article 3, Arizona Revised Statutes, as amended.

Section 4. Terms of Series 2012 Bonds.

(A) The Series 2012 Bonds shall be dated the date of their initial delivery, shall be numbered, by maturity, from 1 consecutively upwards, shall be fully registered bonds without coupons, shall be in the denomination of $5,000 of principal due on a maturity date, or any integral multiple thereof and shall bear interest from the most recent January 1 or July 1 to which interest has been paid or duly provided for or, if no interest has been paid or duly provided for, from their date, which interest shall be payable semiannually on January 1 and July 1 of each year during the term of each of the Series 2012 Bonds, commencing on January 1, 2013.

(B) The principal of and premium, if any, on the Series 2012 Bonds shall be payable upon presentation and surrender thereof at the designated principal corporate trust office of the Paying Agent.

(C) Interest on the Series the Series 2012 Bonds shall be payable by check mailed first class mail, postage prepaid, by the Paying Agent to the registered owner thereof, as shown on the registration books for the Series the Series 2012 Bonds maintained by the Bond Registrar at the address appearing therein at the close of business on the 15th day of the calendar month next preceding that interest payment date (the "Regular Record Date"). Any interest which is not timely paid or duly provided for shall cease to be payable to the registered owner thereof (or of one or more predecessor Series 2012 Bonds) as of the Regular Record Date, and shall be payable to the registered owner thereof (or of one or more predecessor Series 2012 Bonds) at the close of business on a special record date (the "Special Record Date") for the payment of that overdue interest. The Special Record Date shall be fixed by the Paying Agent whenever moneys become available for payment of the overdue interest, and notice of the Special Record Date shall be given to the registered owners of the Series 2012 Bonds not less than ten (10) days prior thereto.

(D) The principal of and premium, if any, and interest on the Series 2012 Bonds shall be payable in lawful money of the United States of America, the Series 2012 Bonds to mature on July 1 in the years and in the amounts and, in accordance with the term of the proposal submitted by the Purchaser for the purchase of the Series 2012 Bonds which is hereby accepted, the Series 2012 Bonds being awarded to the Purchaser, to bear interest from the date of initial delivery, at the rates, in each case as follows:

Year	Principal Amounts Maturing	Interest Rate Per Annum
2012	$_____,000	_____%
2013	_____,000	_____
2014	_____,000	_____
2015	_____,000	_____
2016	_____,000	_____
2017	_____,000	_____
2018	_____,000	_____
2019	_____,000	_____
2020	_____,000	_____
2021	_____,000	_____
2022	_____,000	_____

(E) Wells Fargo Bank, N.A. is hereby appointed as the "Bond Registrar and Paying Agent" for the Bonds. The Bond Registrar shall maintain the books of the City for the registration of ownership of each Series 2012 Bond. A Series 2012 Bond may be transferred on the registration books upon delivery of the Series 2012 Bond to the Bond Registrar, accompanied by a written instrument of transfer in form and with guaranty of signature satisfactory to the Bond Registrar, duly executed by the registered owner of the Series 2012 Bond to be transferred or his attorney-in-fact or legal representative, containing written instructions as to the details of the transfer of such Series 2012 Bond. No transfer of any Series 2012 Bond shall be effective until entered on the registration books.

(F) In all cases upon the transfer of a Series 2012 Bond, the Bond Registrar shall enter the transfer of ownership in the registration books and authenticate and deliver in the name of the transferee or transferees a new fully registered Series 2012 Bond or Bonds of the denominations of $5,000, or any integral multiple thereof (except that no Series 2012 Bond shall be issued which relates to more than a single principal maturity), for the aggregate principal amount which the registered owner is entitled to receive at the earliest practicable time in accordance with the provisions of this Section. The City or the Bond Registrar shall charge the registered owner of such Series 2012 Bond, for every such transfer of a Series 2012 Bond, an amount sufficient to reimburse them for any transfer fee, tax or other governmental charge required to be paid with respect to such transfer, and may require that such transfer fee, tax or governmental charge be paid before any such new Series 2012 Bond shall be delivered.

(G) The City and the Bond Registrar shall not be required (1) to issue or transfer any Series 2012 Bonds during a period beginning with the opening of business on the fifteenth (15th) business day next preceding any interest payment date or any date of selection of Series 2012 Bonds to be redeemed and ending with the close of business on the interest payment date or day on which the applicable notice of

redemption is given or (2) to transfer any Series 2012 Bonds which have been selected or called for redemption.

(H) The Bond Registrar or the Paying Agent may be changed by the City without notice.

(I) The Series 2012 Bonds shall be subject to the Book-Entry System of ownership and transfer established by Resolution No. 2010-22 of the Mayor and Council of the City.

Section 5. Redemption Prior to Maturity of Series 2012 Bonds.

The Series 2012 Bonds will not be subject to redemption prior to maturity. Section 6. Execution of Series 2012 Bonds. The Series 2012 Bonds shall be executed on behalf of the City by the Mayor of the City, shall be attested by the Clerk of the City and countersigned by the Treasurer of the City by their manual or facsimile signatures and by imprinting thereon the corporate seal of the City, and such officials are hereby authorized and directed to execute the Series 2012 Bonds as aforesaid.

Section 7. Form of Series 2012 Bonds. The Series 2012 Bonds shall be in substantially the following form, allowing those executing the Series 2012 Bonds to make insertions and deletions necessary to conform the Series 2012 Bonds to this Resolution and the Purchase Contract:

(FORM OF SERIES 2012 BOND)

UNLESS THIS BOND IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE SECURITIES DEPOSITORY TRUST COMPANY ("DTC") TO THE CITY OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY BOND ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.*

REGISTERED NO._____ REGISTERED $_____

UNITED STATES OF AMERICA

STATE OF ARIZONA COUNTY OF MARICOPA

CITY OF PEORIA, ARIZONA
WATER AND WASTEWATER REVENUE REFUNDING BOND
SERIES 2012

Interest Rate:	Maturity Date:	Original Issue Date:	CUSIP:
____% per annum	_____, 20___	_____, 200___	_____

REGISTERED OWNER CEDE & CO.*

PRINCIPAL AMOUNT_____DOLLARS

THE CITY OF PEORIA, ARIZONA (hereinafter referred to as the "Town"), for value received, hereby promises to pay to the aforesaid Registered Owner, or registered assigns, solely from the revenues hereinafter specified, the aforesaid Principal Amount on the aforesaid Maturity Date unless redeemed prior thereto, and to pay interest on the Principal Amount at the aforesaid Interest Rate on January 1, 2013, and on July 1 and January 1 of each year thereafter (each an "Interest Payment Date") to its Maturity Date or until fully paid if called for redemption prior to its Maturity Date. The principal of and premium, if any, on this Bond are payable upon presentation and surrender hereof at the designated corporate trust office in Phoenix, Arizona, of _____as the "Bond Registrar" and the "Paying Agent." Interest on this Bond is payable by check mailed by the Paying Agent to the registered owner hereof, as shown on the registration books for this series of bonds maintained by the Bond Registrar, at the address appearing therein at the close of business on the 15th day of the calendar month next preceding that Interest Payment Date (the "Regular Record Date"). Any interest which is not timely paid or duly provided

* Included while The Depository Trust Company, New York, New York, is the Securities Depository.

for shall cease to be payable to the registered owner hereof (or of one or more predecessor Bonds) as of the Regular Record Date and shall be payable to the registered owner hereof (or of one or more predecessor Bonds) at the close of business on a special record date (the "Special Record Date") for the payment of that overdue interest. The Special Record Date shall be fixed by the Paying Agent whenever moneys become available for payment of the overdue interest, and notice of the Special Record Date shall be given to the registered owners of the Bonds not less than 10 days prior thereto. The principal of and premium, if any, and interest on this Bond are payable in lawful money of the United States of America on the respective dates when principal, premium and interest become due.

This Bond is one of a series of Bonds (collectively, the "Bonds") limited to the principal amount of $30,000,000 issued by the City, pursuant to the Constitution and laws of the State of Arizona, including particularly, Title 9, Chapter 5, Article 3, Arizona Revised Statutes and Resolution No. 2012-___ adopted by the Mayor and Council of the City on _____(the "Resolution"), for the purpose of providing a portion of the money with which to refund certain revenue bonds of the City.

This Bond is payable only from and secured by a prior and paramount lien on and pledge of the revenues to be derived from the operation of the properties and facilities of the complete water and wastewater plant and system of the City (the "System"), subject only to the payment of the reasonable and necessary cost of operation and maintenance of the System (the "Revenues"), on a parity of lien with the Outstanding Parity Lien Obligations (as such term is defined in the Resolution). The Revenues are required by the Resolution to be fully sufficient to pay the cost of operation and maintenance of the System and to pay the principal of and interest on the Bonds promptly as each becomes due and payable. The City has covenanted and does hereby covenant that it will fix and impose such rates and charges for the water or wastewater services rendered by the System and for the use of water or wastewater services furnished by the System and will collect and account for sufficient Revenues to pay promptly the principal of and interest on the Bonds and the Outstanding Parity Lien Obligations. This Bond and the interest hereon are payable solely from the Revenues so pledged to the payment thereof, and no registered owner hereof shall have the right to compel any exercise of the taxing power of the City within the meaning of any Constitutional or statutory limitation. For a more complete description of the Revenues and the conditions under which this Bond is payable, a statement of the conditions under which bonds and other obligations may hereafter be issued by the City on a parity with the Bonds and the Outstanding Parity Lien Obligations, a statement of the conditions under which the Resolution may be amended, and the general covenants and provisions pursuant to which this Bond is issued, reference is hereby made to the Resolution.

Bonds maturing will not be subject to redemption prior to maturity.

The Bond Registrar shall maintain the books of the City for the registration of ownership of each Bond as provided in the Resolution.

This Bond may be transferred on the registration books upon delivery hereof to the Bond Registrar, accompanied by a written instrument of transfer in form and with guaranty of signature satisfactory to the Bond Registrar, duly executed by the registered owner of this Bond or his or her attorney-in-fact or legal representative, containing written instructions as to the details of the transfer. No transfer of this Bond shall be effective until entered on the registration books.

In all cases upon the transfer of a Bond, the Bond Registrar shall enter the transfer of ownership in the registration books and will authenticate and deliver in the name of the transferee or transferees a new fully registered Bond or Bonds of the denomination of $5,000, or any integral multiple thereof (except that no Bond shall be issued which relates to more than a single principal maturity), for the aggregate principal amount which the registered owner is entitled to receive at the earliest practicable time in accordance with the provisions of the Resolution. The City or the Bond Registrar shall charge the registered owner of such Bond, for every such transfer of a Bond, an amount sufficient to reimburse them for any transfer fee, tax or governmental charge required to be paid with respect to such transfer, and may require that such transfer fee, tax or governmental charge be paid before any such new Bond shall be delivered.

The City and the Bond Registrar shall not be required (i) to issue or transfer any Bonds during a period beginning with the opening of business on the 15th business day next preceding either any interest payment date or any date of selection of Bonds to be redeemed and ending with the close of business on the interest payment date or day on which the applicable notice of redemption is given or (ii) to transfer any Bonds which have been selected or called for redemption.

This Bond shall not be entitled to any security or benefit under the Resolution or be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been signed by the Bond Registrar.

It is hereby certified, recited and declared that all acts, conditions and things required to be done, exist and be performed precedent to and in the issuance of this Bond in order to make it a legal, valid and binding obligation of the City in accordance with its terms, have been done, do exist and have been performed in regular and due time, form and manner as required by law.

IN WITNESS WHEREOF, THE CITY OF PEORIA, ARIZONA, has caused this Bond to be executed in the name of the City by the facsimile signature of its Mayor, attested by the facsimile signature of its Clerk and countersigned by the facsimile signature of its Treasurer.

CITY OF PEORIA, ARIZONA

By _____(Facsimile)_____
Mayor

ATTEST:

_____(Facsimile)_____
City Clerk

COUNTERSIGNED:

_____(Facsimile)_____
Chief Financial Officer

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds described in the within-mentioned Resolution and is one of the City of Peoria, Arizona Water and Wastewater Revenue Refunding Bonds, Series 2012.

Date of Authentication: _____

_____,
as Bond Registrar

By_____
Authorized Representative

ASSIGNMENT

For value received, the undersigned sells, assigns and transfers unto _____ the within Bond and irrevocably constitutes and appoints _____ attorney to transfer this Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____ _____

Signature Guaranteed:

_____ _____
[Insert proper legend] Notice: The assignor's signature to this assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without alteration or any change whatsoever.

The following abbreviations, when used in the inscription on the face of the within Bond, shall be construed as though they were written out in full according to applicable laws or regulations.

TEN COM - as tenants in common
TEN ENT - as tenants by the entireties
JT TEN - as joint tenants with right of survivorship and not as tenants in common

UNIF GIFT/TRANS MIN ACT - _____ Custodian _____
(Cust) (Minor)

under Uniform Gifts/Transfers to Minors Act _____
(State)

Additional abbreviations may also be used though not included in above list.

ALL FEES AND COSTS OF TRANSFER SHALL BE PAID BY THE TRANSFEROR

Section 8. Source of Payment and Pledge of Net Revenues. It is hereby confirmed that the Net Revenues are hereby pledged by the City to the payment of all amounts due with respect to the Series 2012 Bonds, and such amounts shall be secured by a prior and paramount lien on and pledge of the Net Revenues on parity of lien with the pledge and lien granted by the City for the payment and security of the Outstanding Parity Lien Obligations for all purposes hereof. The amounts due with respect to the Series 2012 Bonds, the Outstanding Parity Lien Obligations and any Additional Parity Lien Obligations (exclusive of the City's repayment obligations with respect to the reserve fund credit instruments in connection with the Authority Bonds, Phase 3, and any similar obligations with respect to reserve fund credit instruments to be entered into by the City with respect to Additional Parity Lien Obligations which shall be secured on a subordinate basis), shall be equally and ratably secured by said pledge and lien without one having priority over the other. The City intends that this pledge shall be a prior and paramount lien on and a first pledge of such Net Revenues, as will be sufficient to make all payments with respect to the Series 2012 Bonds, and the City covenants to make the payments with respect to the Series 2012 Bonds from Net Revenues, except to the extent that it chooses to make such payments from other legally available funds at its sole option. In no event shall the City be required to make the payments with respect to the Series 2012 Bonds from any revenues, receipts or sources not derived from the Net Revenues of the System.

Section 9. Coverage. It is hereby confirmed that the City shall establish and maintain schedules of rates, fees and charges for all services supplied by the System fully sufficient at all times, after making reasonable allowance for contingencies and errors in estimates, to produce Revenues in each fiscal year that are sufficient, (a) to pay the Operation and Maintenance Expenses of the System; (b) to produce an aggregate amount of Net Revenues in each fiscal year of the City equal to (1) one hundred twenty five percent (125%) of the aggregate of the debt service, loan or rental payments payable on the Series 2012 Bonds, the Outstanding Parity Lien Obligations and any Additional Parity Lien Obligations in such fiscal year, and (2) one hundred percent (100%) of the aggregate of the bond insurance policy costs payable in such fiscal year and other amounts secured on a subordinate basis by Net Revenues pursuant to the terms of the authorizing documents related to any obligations described in the preceding clause (2), and (c) to maintain all necessary fund balances required under the resolutions of the City authorizing Outstanding Parity Obligations or Additional Parity Obligations.

Section 10. Additional Parity Lien Obligations; No Additional Parity Lien Bonds. It is hereby confirmed that no other obligations of any kind will be incurred that are payable from or enjoy a pledge of the Net Revenues having priority over the Series 2012 Bonds. Additional Parity Lien Obligations having a lien upon and payable from Net Revenues may be issued on parity with the Series 2012 Bonds, but only as provided herein and only to provide funds to make improvements and expansions to the existing System, to purchase capacity rights in sewage treatment plant facilities owned by other political subdivisions of the State, to purchase capacity rights in water treatment plant facilities owned by other political subdivisions of the State, to acquire land, rights in land or water rights for the System, to provide reasonable reserves for Additional Parity Lien Obligations, to refund Outstanding Parity Lien Obligations or Additional Parity Lien Obligations or the Series 2012 Bonds or to refund other bonds of the City, whether revenue bonds, general obligation bonds or other bonds or obligations, issued to provide funds to construct or acquire additions, extensions, improvements, expansions or replacements to the System, subject to the following conditions:

(a) The City will not, at the time of the issuance of such Additional Parity Lien Obligations, be in default under any Outstanding Parity Lien Obligations, the Series 2012 Bonds or under any resolution related thereto or providing for the issuance of Additional Parity Lien Obligations or any related credit or reserve fund credit instrument;

(b) The issuance of Additional Parity Lien Obligations will be duly authorized at an election, if required by law, except as to any bonds or obligations to be issued exclusively for the purpose of refunding any Outstanding Parity Lien Obligations or Additional Parity Lien Obligations or the Series 2012 Bonds;

(c) The issuance of Additional Parity Lien Obligations will be provided for by a resolution duly adopted by the City Council and such Additional Parity Lien Obligations will mature and interest will be paid on the same days of the year as Outstanding Parity Lien Obligations; and

(d) The Net Revenues of the System for the last full fiscal year immediately preceding the issuance of such Additional Parity Obligations, as shown in a certificate or report of an independent public accountant or firm of such accountants presented to the Clerk of the City, have been (i) not less than one hundred twenty five percent (125%) of the highest year's debt service on all of the Outstanding Parity Lien Obligations, the Series 2012 Bonds and any Additional Parity Lien Obligations then outstanding and on the Additional Parity Lien Obligations then to be issued and (ii) not less than one hundred percent (100%) of the aggregate of bond insurance policy costs then due and owing and (iii) not less than one hundred percent (100%) any additional amounts required to maintain or fund necessary fund balances under the resolutions of the City relating to obligations described in (d)(i).

For the purposes of the subparagraph (d), additional amounts may be added to the Net Revenues as shown on the accountant's certificate or report in the following circumstances:

(1) If Revenues have been increased as a result of construction of additions or acquisitions to the System made prior to the issuance of such Additional Parity Lien Obligations but during either the fiscal year in which the Additional Parity Lien Obligations are to be issued or in the preceding fiscal year, such increased Revenues may be treated as if such additions to the System were completed on the first day of the fiscal year used for purposes of computation. The Revenues derived from such additions and acquisitions to the System may be converted for purposes of computation to estimated Net Revenues which would have been derived therefrom if said additions and acquisitions had actually been completed on the first day of the year used for computation purposes, such estimates to be made by an independent engineer or firm of such engineers having a favorable reputation with respect to such matters.

(2) If all or part of the proceeds of the Additional Parity Lien Obligations are to be expended for the acquisition of existing water or sewer properties or facilities, there may be added to the Net Revenue of such preceding fiscal year the Net Revenues derived from the operation of such properties or facilities to be acquired as converted to Net Revenues which would

have been derived from the operation of such properties or facilities had such properties or facilities been operated by the City under the City's applicable rate schedule during the entire fiscal year, such converted Net Revenues to be estimated by an independent engineer or firm of such engineers having a favorable reputation with respect to such matters.

(3) If prior to the issuance of the Additional Parity Lien Obligations and subsequent to the first day of such preceding fiscal year, the City shall have increased its rates or charges imposed for water and sewer services, there may be added to the Net Revenues of such fiscal year the additional Net Revenues which would have been received from the operation of the System during such fiscal year and such increase been in effect throughout such fiscal year, such additional Net Revenues to be estimated by an independent engineer or firm of such engineers having a favorable reputation with respect to such matters.

In the event Additional Parity Lien Obligations are to be issued exclusively for the purpose of refunding or retiring a portion of the Outstanding or Additional Parity Lien Obligations then outstanding or the Series 2012 Bonds, for the purpose of calculation required under this subparagraph (d), the percentage requirement on such obligations will be taken into consideration only in any future fiscal year in which any fractional part of such obligations will remain outstanding after the issuance of such Additional Parity Lien Obligations; provided that nothing herein contained shall be construed to limit or restrict the issuance of any Additional Parity Lien Obligations if, before or as a result of the issuance and delivery of such Additional Parity Lien Obligations, any other obligations theretofore issued will no longer be outstanding, or full payment for any such obligations will be provided for by funds from the bond or obligation proceeds.

Notwithstanding the right to do so pursuant to Resolution No. 91-75 as amended, Additional Parity Lien Bonds shall not hereafter be issued.

Section 11. Federal Tax Covenants.

(A) No use of the proceeds of any Series 2012 Bonds shall be made or directed to be made which would cause the Series 2012 Bonds to be "arbitrage bonds" as that term is defined in Section 148 (or any successor provision thereto) of the Internal Revenue Code of 1986, as amended, or "private activity bonds" as that term is defined in Section 141 (or any successor provision thereto) of such Code, and the requirements of such Code sections and related Treasury Regulations shall be complied with throughout the term of the Series 2012 Bonds. (Particularly, the City shall be the owner of the facilities financed with the proceeds of the sale of the Obligations Being Refunded (the "Facilities") for federal income tax purposes. Except as otherwise advised in a Bond Counsel's Opinion (as such term is defined in the next Section), the City shall not enter into (1) any management or service contract with any entity other than a governmental entity for the operation of any portion of the Facilities unless the management or service contract complies with the requirements of Revenue Procedure 97-13 or such other authority as may control at the time, or (2) any lease or other arrangement with any entity other than a governmental entity that gives such entity special legal entitlements with respect to any portion of the Facilities.) Also, the payment of principal and interest with respect to the Series 2012 Bonds shall not be

guaranteed (in whole or in part) by the United States or any agency or instrumentality of the United States. The proceeds of the Series 2012 Bonds, or amounts treated as proceeds of the Series 2012 Bonds, shall not be invested (directly or indirectly) in federally insured deposits or accounts, except to the extent such proceeds (i) may be so invested for an initial temporary period until needed for the purpose for which the Series 2012 Bonds are being issued, (ii) may be so used in making investments of a bona fide debt service fund, or (iii) may be invested in obligations issued by the United States Treasury. In consideration of the purchase and acceptance of the Series 2012 Series 2012 Bonds by such holders from time to time and of retaining such exclusion and as authorized by Title 35, Chapter 3, Article 7, Arizona Revised Statutes, the Mayor and Council of the City covenants, and the appropriate officials of the City are hereby directed, to take all action required to preserve such exclusion or to refrain from taking any action prohibited by such Code which would adversely affect in any respect such exclusion.

(B) The procedures contained in Section 12 hereof shall be complied with for so long as compliance is necessary in order to maintain the exclusion from gross income for federal income tax purposes of interest on the Series 2012 Bonds.

(C) All necessary and desirable steps shall be taken to comply with the requirements hereunder in order to ensure that interest on the Series 2012 Bonds is excluded from gross income for federal income tax purposes under the Code; provided, however, compliance with any such requirement shall not be required in the event the City receives a Bond Counsel's Opinion that either (i) compliance with such requirement is not required to maintain the exclusion from gross income of interest on the Series 2012 Bonds, or (ii) compliance with some other requirement will meet the requirements of the Code. In the event the City receives such an opinion, this Resolution shall be amended to conform to the requirements set forth in such opinion.

(D) If for any reason any requirement hereunder is not complied with, all necessary and desirable steps shall be taken to correct such noncompliance within a reasonable period of time after such noncompliance is discovered or should have been discovered with the exercise of reasonable diligence, and the City shall pay any required interest or penalty under applicable Treasury Regulations.

Section 12. Arbitrage Rebate Covenants.

(A) Terms not otherwise defined in Subsection (B) hereof shall have the meanings given to them in the arbitrage certificate of the City delivered in connection with the issuance of the Series 2012 Series 2012 Bonds.

(B) The following terms shall have the following meanings:

"Bond Counsel's Opinion" shall mean an opinion signed by an attorney or firm of attorneys of nationally recognized standing in the field of law relating to municipal Series 2012 Bonds selected by the City.

"Bond Year" shall mean each one-year period beginning on the day after the expiration of the preceding Bond Year. The first Bond Year shall begin on the date of issue of the Series 2012 Bonds and shall end on the date selected by the City, provided that the first Bond Year shall not exceed one calendar year. The last Bond Year shall end on the date of retirement of the last Bond.

"Bond Yield" is as indicated in such arbitrage certificate. Bond Yield shall mean the discount rate that produces a present value equal to the Issue Price of all unconditionally payable payments of principal, interest and fees for qualified guarantees within the meaning of Regulations section 1.148-4(f) and amounts reasonably expected to be paid as fees for qualified guarantees in connection with the Series 2012 Bonds as determined under Regulations section 1.148-4(b). The present value of all such payments shall be computed as of the date of issue of the Series 2012 Bonds and using semiannual compounding on the basis of a 360-day year. Bond Yield shall be recomputed if required by Regulations section 1.148-4(b)(4) or 4(h)(3).

"Code" shall mean the Internal Revenue Code of 1986, as amended, and any successor provisions thereto.

"Gross Proceeds" shall mean:

(i) any amounts actually or constructively received by the City from the sale of the Series 2012 Bonds but excluding amounts used to pay accrued interest on the Series 2012 Bonds within one year of the date of issuance of the Series 2012 Bonds;

(ii) transferred proceeds of the Series 2012 Bonds under Regulations section 1.148-9;

(iii) any amounts actually or constructively received from investing amounts described in (i), (ii) or this (iii); and

(iv) replacement proceeds of the Series 2012 Bonds within the meaning of Regulations section 1.148-1(c). Replacement proceeds include amounts reasonably expected to be used directly or indirectly to pay debt service on the Series 2012 Bonds, pledged amounts where there is reasonable assurance that such amounts will be available to pay principal or interest on the Series 2012 Bonds in the event the City encounters financial difficulties and other replacement proceeds within the meaning of Regulations section 1.148-1(c)(4). Whether an amount is Gross Proceeds is determined without regard to whether the amount is held in any fund or account.

"Investment Property" shall mean any security, obligation (other than a tax-exempt bond within the meaning of Code section 148(b)(3)(A)), annuity contract or investment-type property within the meaning of Regulations section 1.148-1(b).

"Issue Price" is as indicated in such arbitrage certificate, which is the initial offering price to the public (not including bond houses and brokers, or similar persons or organizations acting in the capacity of underwriters of wholesalers) at which price a substantial amount of the Series 2012 Bonds was sold, less any bond insurance premium and reserve surety bond premium. Issue price shall be determined as provided in Regulations section 1.148-1(b).

"Nonpurpose Investment" shall mean any Investment Property acquired with Gross Proceeds, and which is not acquired to carry out the governmental purposes of the Series 2012 Bonds.

"Payment" shall mean any payment within the meaning of Regulations section 1.148-3(d)(1) with respect to a Nonpurpose Investment.

"Rebate Requirement" shall mean at any time the excess of the future value of all Receipts over the future value of all Payments. For purposes of calculating the Rebate Requirement the Bond Yield shall be used to determine the future value of Receipts and Payments in accordance with Regulations section 1.148-3(c). The Rebate Requirement is zero for any Nonpurpose Investment meeting the requirements of a rebate exception under section 148(f)(4) of the Code or Regulations section 1.148-7.

"Receipt" shall mean any receipt within the meaning of Regulations section 1.148-3(d)(2) with respect to a Nonpurpose Investment.

"Regulations" shall mean the sections 1.148-1 through 1.148-11 and section 1.150-1 of the regulations of the United States Department of the Treasury promulgated under the Code, including and any amendments thereto or successor regulations.

(C) Within 60 days after the end of each Bond Year, the City shall cause the Rebate Requirement to be calculated and shall pay to the United States of America:

(i) not later than 60 days after the end of the fifth Bond Year and every fifth Bond Year thereafter, an amount which, when added to the future value of all previous rebate payments with respect to the Series 2012 Bonds (determined as of such Computation Date), is equal to at least 90% of the sum of the Rebate Requirement (determined as of the last day of such Bond Year) plus the future value of all previous rebate payments with respect to the Series 2012 Bonds (determined as of the last day of such Bond Year); and

(ii) not later than 60 days after the retirement of the last Bond, an amount equal to 100% of the Rebate Requirement (determined as of the date of retirement of the last Bond).

Each payment required to be made under this Section shall be filed with the Internal Revenue Service Center, Ogden, Utah 84201, on or before the date such payment is due, and shall be accompanied by IRS Form 8038-T.

(D) No Nonpurpose Investment shall be acquired for an amount in excess of its fair market value. No Nonpurpose Investment shall be sold or otherwise disposed of for an amount less than its fair market value.

(E) For purposes of Subsection (D), whether a Nonpurpose Investment has been purchased or sold or disposed of for its fair market value shall be determined as follows:

(i) The fair market value of a Nonpurpose Investment generally shall be the price at which a willing buyer would purchase the Nonpurpose Investment from a willing seller in a bona fide arm's length transaction. Fair market value shall be determined on the date on which a contract to purchase or sell the Nonpurpose Investment becomes binding.

(ii) Except as provided in Subsection (F) or (G), a Nonpurpose Investment that is not of a type traded on an established securities market, within the meaning of Code section 1273, is rebuttably presumed to be acquired or disposed of for a price that is not equal to its fair market value.

(iii) If a United States Treasury obligation is acquired directly from or sold or disposed of directly to the United States Treasury, such acquisition or sale or disposition shall be treated as establishing the fair market value of the obligation.

(F) The purchase price of a certificate of deposit that has a fixed interest rate, a fixed payment schedule and a substantial penalty for early withdrawal is considered to be its fair market value if the yield on the certificate of deposit is not less than:

(i) the yield on reasonably comparable direct obligations of the United States; and

(ii) the highest yield that is published or posted by the provider to be currently available from the provider on reasonably comparable certificates of deposit offered to the public.

(G) A guaranteed investment contract shall be considered acquired and disposed of for an amount equal to its fair market value if:

(i) A bona fide solicitation in writing for a specified guaranteed investment contract, including all material terms, is timely forwarded to all potential providers. The solicitation must include a

statement that the submission of a bid is a representation that the potential provider did not consult with any other potential provider about its bid, that the bid was determined without regard to any other formal or informal agreement that the potential provider has with the City or any other person (whether or not in connection with the Series 2012 Bonds), and that the bid is not being submitted solely as a courtesy to the City or any other person for purposes of satisfying the requirements in the Regulations that the City receive bids from at least one reasonably competitive provider and at least three providers that do not have a material financial interest in the Series 2012 Bonds.

(ii) All potential providers have an equal opportunity to bid, with no potential provider having the opportunity to review other bids before providing a bid.

(iii) At least three reasonably competitive providers (i.e. having an established industry reputation as a competitive provider of the type of investments being purchased) are solicited for bids. At least three bids must be received from providers that have no material financial interest in the Series 2012 Bonds (e.g., a lead underwriter within 15 days of the issue date of the Series 2012 Bonds or a financial advisor with respect to the investment) and at least one of such three bids must be from a reasonably competitive provider. If the City uses an agent to conduct the bidding, the agent may not bid.

(iv) The highest-yielding guaranteed investment contract for which a qualifying bid is made (determined net of broker's fees) is purchased.

(v) The determination of the terms of the guaranteed investment contract takes into account as a significant factor the reasonably expected deposit and drawdown schedule for the amounts to be invested.

(vi) The terms for the guaranteed investment contract are commercially reasonable (i.e. have a legitimate business purpose other than to increase the purchase price or reduce the yield of the guaranteed investment contract).

(vii) The provider of the investment contract certifies the administrative costs (as defined in Regulations section 1.148-5(e)) that it pays (or expects to pay) to third parties in connection with the guaranteed investment contract.

(viii) The City retains until three years after the last outstanding Bond is retired, (i) a copy of the guaranteed investment contract, (ii) a receipt or other record of the amount actually paid for the

guaranteed investment contract, including any administrative costs paid by the City and a copy of the provider's certification described in (7) above, (iii) the name of the person and entity submitting each bid, the time and date of the bid, and the bid results and (iv) the bid solicitation form and, if the terms of the guaranteed investment contract deviates from the bid solicitation form or a submitted bid is modified, a brief statement explaining the deviation and stating the purpose of the deviation.

(H) The Mayor and Council of the City authorize the employment of such experts and consultants to make, as necessary, any calculations in respect of rebates to be made to the United States of America in accordance with section 148(f) of such Code.

Section 13. Disposition of Series 2012 Bond Proceeds. The proceeds received from the sale of the Series 2012 Bonds shall constitute the "net proceeds" of the Series 2012 Bonds as the term is defined in Title 9, Chapter 5, Article 3, Section 9-535.01, Arizona Revised Statutes and, together with moneys contributed by the City, if any, shall, simultaneously with the delivery of the Series 2012 Bonds, be used to redeem, pay and discharge the Obligations Being Refunded and pay costs of issuance of the Series 2012 Bonds.

Section 14. Notice; Offering Documents. The distribution of the Notice and the preliminary official statement relating to the Series 2012 Bonds (the "Preliminary Official Statement") are in all respects hereby ratified, approved and confirmed. (The Preliminary Official Statement is "deemed final" for purposes of the SEC Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time (the "SEC Rule".) The Mayor or, in the absence thereof, Vice Mayor of the City is hereby authorized and directed to approve, for and on behalf of the City, a final official statement for use in connection with the offering and sale of the Bonds. The execution of such final official statement by the Mayor or, in the absence thereof, the Vice Mayor of the City which is hereby authorized shall be conclusively deemed to evidence the approval of the form and content thereof by the City.

Section 15. Authorization of Bond Registrar and Paying Agent Agreement, Escrow Trust Agreement and Continuing Disclosure Undertaking.

(A) The Mayor and Clerk of the City, for and on behalf of the City, are hereby authorized and directed to execute and attest an agreement relating to the Series 2012 Bonds in a standard form for the purposes of Section 4 hereof with such changes therein as may be approved by such officials whose signatures thereon shall be evidence of such approval, specifically with respect to the Bond Registrar and Paying Agent Agreement to provide any provisions necessary to provide for credit enhancement with respect to the Series 2012 Bonds.

(B) The Mayor and Clerk of the City, for and on behalf of the City, are hereby authorized and directed to execute and attest an escrow trust agreement relating to the defeasance of the Obligations Being Refunded, in a standard form, with such changes therein as may be approved by such officials whose signature thereon shall be evidence of such approval.

(C) (1) The City shall comply with and carry out all the provisions of the Continuing Disclosure Undertaking (the "Undertaking") which the Mayor is hereby authorized, for and on behalf of the City, to execute in substantially the form submitted to the Mayor and Council of the City as an appendix to the hereinafter described Preliminary Official Statement in order to comply with the requirements of Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended, as the same may be amended from time to time, with respect to the Series 2012 Bonds.

(2) This Subsection shall constitute a contract between the City and certain owners of the Series 2012 Bonds as described in the Undertaking.

(3) In the event of a failure of the City to comply with the provisions of this Subsection, certain owners of the Series 2012 Bonds as described in the Undertaking may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the City to comply with its obligations under this Subsection. A default under this Subsection shall not be deemed an event of default for other purposes of this Resolution, and the sole remedy under this Subsection in the event of any failure of the City to comply with this Subsection shall be an action to compel performance.

Section 16. Ratification of Actions. All actions of the officers and agents of the City which conform to the purposes and intent of this Resolution and which further the issuance and sale of the Series 2012 Bonds as contemplated by this Resolution, whether heretofore or hereafter taken, shall be and are hereby ratified, confirmed, and approved. The proper officers and agents of the City are hereby authorized and directed to do all such acts and things and to execute and deliver all such documents on behalf of the City as may be necessary to carry out the terms and intent of this Resolution.

Section 17. Separability. If any section, paragraph, or provision of this Resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this Resolution.

Section 18. Repeal of Conflicting Resolutions, Ordinances and Orders. All resolutions, ordinances, and orders, or parts thereof, in conflict with the provisions of this Resolution are, to the extent of such conflict, hereby repealed.

Section 19. Integration of This Resolution, Resolution No. 2010-22, Resolution No. 00-84, Resolution No. 00-82, Resolution No. 98-135, Resolution No. 98-133, Resolution No. 95-65 and Resolution No. 91-75. This Resolution, Resolution No. 2010-22, Resolution No. 00-84, Resolution No. 00-82, Resolution No. 98-135, Resolution No. 98-133, Resolution No. 95-65 and Resolution No. 91-75 shall be deemed and considered as a single resolution, and the covenants, agreements, terms, conditions, rights, privileges, duties and liabilities contained in this Resolution, Resolution No. 2010-22, Resolution No. 00-84, Resolution No. 00-82, Resolution No. 98-135, Resolution No. 98-133, Resolution No. 95-65 and Resolution 91-75 and arising hereunder and thereunder shall apply concurrently, except as specifically set forth herein, and except when the context or circumstances otherwise require. Except as otherwise amended or supplemented by this Resolution, Resolution No. 91-75, as amended, shall remain in full force and effect.

Section 20. Emergency. The immediate operation of the provisions of this Resolution is necessary to provide for the timely refunding of the Obligations Being Refunded and for the preservation of the public health and welfare, and an emergency is hereby declared to exist, and this Resolution shall be in full force and effect from and after its passage and approval by the Mayor and Council of the City, and it is hereby exempt from the referendum provisions of the Charter of the City and the Constitution and laws of the State.

PASSED AND ADOPTED by the Mayor and Council of the City, this 19th day of June, 2012.

_____
Bob Barrett, Mayor
City of Peoria, Arizona

ATTEST:

_____
Wanda Nelson, City Clerk
City of Peoria, Arizona

APPROVED AS TO FORM:

_____
Stephen M. Kemp, City Attorney
City of Peoria, Arizona

CERTIFICATION

I hereby certify that the foregoing Resolution No. 2012-91 was duly passed and adopted by the Mayor and Council of the City of Peoria, Arizona, at a regular meeting held the 19th day of June, 2012, and that the vote was ___ ayes and ____ nays and that the Mayor and ____Councilmembers were present thereat.

_____
Wanda Nelson, City Clerk
City of Peoria, Arizona

CITY OF PEORIA, ARIZONA
COUNCIL COMMUNICATION

Agenda Item: 16C

Date Prepared: June 5, 2012 **Council Meeting Date:** June 19, 2012

TO: Carl Swenson, City Manager

FROM: Brent D. Mattingly, Chief Financial Officer

THROUGH: Susan Thorpe, Deputy City Manager

SUBJECT: Peoria Municipal Development Authority, Inc. Revenue Bonds, Series 2012

Purpose:

This is a request for Council to adopt Resolution No. 2012-92 authorizing the execution and delivery of a Series 2012 City Purchase Agreement and 2012 Continuing Disclosure Agreement; approving the execution and delivery by the Peoria Municipal Development Authority (MDA) of such City Purchase Agreement and a Third Supplement to the Trust Indenture; approving an Official Statement (OS) and its circulation; approving the issuance of Peoria Municipal Development Authority, Inc. Revenue Bonds, Series 2012, in an amount not to exceed $50,000,000; delegating authority to the Chief Financial Officer to handle matters pertaining to the bond sale; and all other actions necessary for the sale of bonds and declaring an emergency.

Background/Summary:

On May 15, 2012, the Mayor and Council approved a memorandum of understanding (MOU) with the Padres and the Mariners. The MOU outlined the basic terms and conditions that would be included in two agreements to continue Spring Training baseball at the Peoria Sports Complex. The agreement calls for the City to finance the renovation of both team clubhouses and the stadium. In order to meet that obligation, staff has developed a financing plan through the Municipal Development Authority to issue approximately $35-$45 million in excise tax bonds to fund the required improvements. The final amount for the bond issue will be determined on the date of sale which is currently scheduled for the week of July 16, 2012.

Staff met with the Municipal Development Authority Board on May 21, 2012 to provide an overview of the improvements and discuss the board's role in the financing of the proposed improvements. At the meeting, the board approved the proposed bond financing and the documents related to the transaction.

The planned financing through the Municipal Development Authority will utilize an installment purchase structure and allow the City to pledge excise tax revenues for repayment. An

installment purchase agreement will be executed for the City to purchase from the Municipal Development Authority renovations to the "Peoria Sports Complex" paid for with proceeds from the sale of bonds issued by the Authority. Payments due pursuant to the agreement from the City to the Authority will be secured by a pledge of the City's excise tax, which includes City and State Shared sales tax, franchise fees, fines, user fees and other undesignated General Fund revenues.

The attached resolution continues the legal process required for the sale of said bonds and provides for the following:

1) The issuance of bonds in an amount not to exceed $50,000,000;
2) Approves the execution of a Series 2012 City Purchase Agreement;
3) Approves the distribution and form of an Official Statement;
4) Authorizes a continuing disclosure agreement for the bonds;
5) Approves a third supplement to the trust indenture;
6) Delegates authority to the Chief Financial Officer to handle matters pertaining to the terms of the bonds and the bond sale;
7) Authorizes other actions necessary for the issuance of the bonds.

Previous Actions:

On May 15, 2012, the Mayor and Council approved a memorandum of understanding with the Padres and the Mariners outlining the financing of improvements to the team clubhouses and stadium.

Options:

A: Approve Resolution No. 2012 - 92 ordering the sale of Peoria Municipal Development Authority, Inc. Revenue Bonds, Series 2012, in an amount not to exceed $50,000,000; and delegating authority to the Chief Financial Officer to take those actions necessary to conduct the upcoming sale.

B: Not approve Resolution No. 2012 - 92 as presented and request additional information from staff.

Staff's Recommendation:

Staff recommends that Council approve Resolution No. 2012 - 92 which grants authorization for staff to prepare for, and conduct, the upcoming sale of Peoria Municipal Development Authority, Inc. Revenue Bonds, Series 2012.

Fiscal Analysis:

Annual debt service of approximately $2.5 million will be paid from the City's Half Cent Sales Tax Fund. The annual debt service payments have been included in the long range forecast for

the fund. The amount of the borrowing will depend on the interest rates on the day of the bond sale. Based on current analysis of the market, staff anticipates bond proceeds of approximately $35 million to $40 million will be generated from the bond sale. The approved memorandum of understanding between the city and the two baseball teams describes how these funds will be allocated to the clubhouse and stadium improvements. The transaction is also described in the Sports Complex Improvements Agreement.

Narrative:

Staff has been preparing for a potential bond sale of approximately $35-$45 million in Peoria Municipal Development Authority revenue bonds to fund required improvements to the team clubhouses and stadium at the Peoria Sports Complex. The Municipal Development Authority board met on May 21, 2012, and approved the proposed financing and the related documents. The attached resolution grants authorization to prepare for the upcoming bond sale and provide the Chief Financial Officer with authority to determine matters related to the planned sale.

The bond sale is tentatively scheduled for the week of July 16, 2012. Staff will provide a summary of the bond sale within a few days after the sale takes place. The final completed bond documents will be circulated for signature prior to the bond closing which is tentatively scheduled for the last week of July 2012.

Exhibit(s):

Exhibit 1: Resolution No. 2012 - 92
Exhibit 2: Series 2012 City Purchase Agreement
Exhibit 3: Third Supplement to Trust Indenture

Contact:

Deborah Card, Treasury Manager, X7148

RESOLUTION NO. 2012-92

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF PEORIA, ARIZONA, APPROVING THE FORM AND AUTHORIZING THE EXECUTION AND DELIVERY OF A SERIES 2012 CITY PURCHASE AGREEMENT AND A SERIES 2012 CONTINUING DISCLOSURE AGREEMENT; APPROVING THE EXECUTION AND DELIVERY BY PEORIA MUNICIPAL DEVELOPMENT AUTHORITY, INC. OF SUCH CITY PURCHASE AGREEMENT AND A THIRD SUPPLEMENT TO TRUST INDENTURE; APPROVING AN OFFICIAL STATEMENT AND THE CIRCULATION THEREOF; APPROVING THE ISSUANCE OF NOT TO EXCEED $50,000,000 AGGREGATE PRINCIPAL AMOUNT OF PEORIA MUNICIPAL DEVELOPMENT AUTHORITY, INC. REVENUE BONDS, SERIES 2012; DELEGATING TO THE CHIEF FINANCIAL OFFICER OF THE CITY THE AUTHORITY TO DETERMINE VARIOUS TERMS WITH RESPECT TO THE SERIES 2012 BONDS AND THE SALE THEREOF; PROVIDING FOR THE TRANSFER OF CERTAIN MONEYS FOR THE PAYMENT THEREOF AND MAKING CERTAIN COVENANTS AND AGREEMENTS WITH RESPECT THERETO; AUTHORIZING THE TAKING OF ALL OTHER ACTIONS NECESSARY TO THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED BY THIS RESOLUTION AND DECLARING AN EMERGENCY

WHEREAS, Peoria Municipal Development Authority, Inc., an Arizona nonprofit corporation (the "Corporation"), was organized and established as a nonprofit corporation for the purpose of assisting the City of Peoria, Arizona (the "City"), in financing or refinancing projects for the City; and

WHEREAS, the Mayor and Council of the City have determined that it will be beneficial to the City to finance the costs of renovations to the "Peoria Sports Complex" (the "Third Project"); and

WHEREAS, the Corporation desires to assist the City in financing the Third Project; and

WHEREAS, in order to finance the Third Project, the Corporation and the City deem it necessary and desirable for the Corporation to issue its Revenue Bonds, Series 2012 (the "Series 2012 Bonds"); and

WHEREAS, in connection with the issuance of the Series 2012 Bonds, the Corporation and the City will enter into a Series 2012 City Purchase Agreement, to be

dated as of the first day of the month of the date established as the dated date of the Series 2012 Bonds as provided herein (the "City Purchase Agreement"); and

WHEREAS, the Series 2012 Bonds (and certain parity obligations) are and will be secured by a Trust Indenture, dated as of June 1, 2003, to be supplemented by a Third Supplement to Trust Indenture, to be dated as of the first day of the month of the date established as the dated date of the Series 2012 Bonds as provided herein (the "Indenture Supplement"), from the Corporation to The Bank of New York Mellon Trust Company, N.A. (successor in interest to Bank One Trust Company, N.A. and J.P. Morgan Trust Company, National Association), as trustee (the "Trustee"); and

WHEREAS, the Series 2012 Bonds will be secured by the City Purchase Agreement pursuant to which the City will pledge (i) revenues from the unrestricted transaction privilege and use tax, license and permits and franchise fees, user fees and charges and fines and forfeitures which the City imposes; provided that the Mayor and Council of the City may impose other transaction privilege taxes in the future, the uses of revenues from which will be restricted, at the discretion of such Council, and (ii) any excise taxes, transaction privilege (sales) taxes and income taxes imposed by the State of Arizona or any agency thereof and returned, allocated or apportioned to the City, except the City's share of any such taxes which by State law, rule or regulation must be expended for other purposes, such as motor vehicle fuel taxes; and

WHEREAS, there have been placed on file with the Clerk of the City and presented at the meeting at which this Resolution was adopted (1) the proposed form of the City Purchase Agreement; (2) the proposed form of the Indenture Supplement; (3) the proposed form of a Series 2012 Continuing Disclosure Agreement, to be dated the date of delivery of the Series 2012 Bonds (the "Undertaking"), by and between the City and the Trustee necessary for purposes of Securities and Exchange Commission Rule 15c2-12 and (4) the proposed form of the Preliminary Official Statement, to be dated the date of the mailing thereof (the "Preliminary Official Statement"), relating to the Series 2012 Bonds, which includes the Notice Inviting Proposals for the Purchase of Bonds (the "Notice") and which, with certain additions thereto, shall constitute the Official Statement, to be dated the date of the sale of the Series 2012 Bonds (the "Official Statement"), relating to the Series 2012 Bonds; and

WHEREAS, the Mayor and Council of the City hereby find and determine that the financing of the Third Project and the issuance of the Series 2012 Bonds pursuant to the terms of the City Purchase Agreement and the Indenture Supplement is in furtherance of the purposes of the City and in the public interest;

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF PEORIA, ARIZONA, THAT:

Section 1. The forms, terms and provisions of the City Purchase Agreement and the Undertaking, in the forms of such documents (including the exhibits thereto) presented at the meeting at which this Resolution was adopted, are hereby approved, with such insertions, omissions and changes as shall be approved by the Mayor of the City, the execution of such documents being conclusive evidence of such approval, and the Mayor and Clerk of the City are hereby authorized and directed, for and on behalf of the City, to execute and deliver and attest, respectively, the City Purchase Agreement and the Undertaking as well as any other documents necessary in connection therewith to provide for the issuance of the Series 2012 Bonds.

Section 2. The form, terms and provisions of the Indenture Supplement, in the form of such document (including exhibits thereto) presented at the meeting at which this Resolution was adopted, are hereby approved, with such insertions, omissions and changes as shall be approved by the President, Vice President or Secretary-Treasurer of the Corporation, the execution of such documents (as well as of the City Purchase Agreement) being conclusive evidence of such approval, and the President or Vice President and Secretary-Treasurer of the Corporation are hereby authorized and directed, for and on behalf of the Corporation, to execute and deliver and attest, respectively, the City Purchase Agreement and the Indenture Supplement, as well as any other documents necessary in connection therewith to provide for the issuance of the Series 2012 Bonds including any financial guaranty or related agreement necessary with respect to credit enhancement for the Series 2012 Bonds.

Section 3. (A) The Preliminary Official Statement, and the distribution and use thereof in connection with the sale of the Series 2012 Bonds, in substantially the form presented at the meeting at which this Resolution was adopted, with such changes as are approved by the Chief Financial Officer of the City, is hereby approved. The Preliminary Official Statement in substantially the form so presented is hereby deemed to be "final" as of its date for purposes of Securities and Exchange Commission Rule 15c2-12 (the "Rule"), except for the omission of the offering prices or yields, the interest rates and any other terms or provisions required to be specified pursuant to the Notice and other terms of the Series 2012 Bonds depending on such matters. The preparation of the Official Statement is hereby approved; the Chief Financial Officer of the City is authorized and directed to approve, on behalf of the City, the Official Statement which is, by his execution thereof, approved for use in connection with the offering and sale of the Series 2012 Bonds and the execution of the Official Statement by the Chief Financial Officer of the City and the President or Vice President of the Corporation is hereby authorized and approved and shall be conclusively deemed to evidence the approval of the status, form and contents thereof.

(B) (i) The City shall comply with and carry out all the provisions of the Undertaking.

(ii) This Subsection shall constitute a contract between the City and certain owners of the Series 2012 Bonds as described in the Undertaking.

(iii) In the event of a failure of the City to comply with the provisions of the foregoing Subsection, such owners of the Series 2012 Bonds may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the City to comply with its obligations under such Subsection. A default under such Subsection shall not be deemed an event of default for other purposes of this Resolution or the City Purchase Agreement, and the sole remedy under such Subsection in the event of any failure of the City to comply with such Subsection shall be an action to compel performance.

Section 4. The City hereby requests the Corporation to take any and all action necessary in connection with the issuance and sale of the Series 2012 Bonds and covenants that it shall do all things necessary to assist the Corporation and the Trustee therein.

Section 5. (A) The City hereby specifically approves the issuance and delivery by the Corporation of the Series 2012 Bonds, in the aggregate principal amount of not to exceed $50,000,000 as hereinafter described. The Series 2012 Bonds shall be

in the denomination of $5,000 of principal amount or any integral multiple thereof and shall be fully registered bonds without coupons as provided in the Indenture. The Series 2012 Bonds shall bear interest from this date and mature and be payable or subject to redemption prior to maturity as provided in the Indenture.

(B) The Series 2012 Bonds shall be sold in accordance with the terms of the Notice, the form of which is hereby approved in substantially the form presented at the meeting at which this Resolution was adopted. The Chief Financial Officer of the City is hereby authorized to determine on behalf of the City and the Corporation the date the Series 2012 Bonds are to be offered for sale pursuant to the Notice; the total aggregate principal amount of the Series 2012 Bonds which are to be sold (but not to exceed the aggregate principal amount indicated hereinabove); the date the Series 2012 Bonds are to be dated; the dates on which interest on the Series 2012 Bonds is to be payable; the dates the Series 2012 Bonds are to mature (but not to be later than July 1, 20__), the principal amounts to mature on such dates and the provisions for redemption of the Series 2012 Bonds in advance of such dates; and the provisions pursuant to which the Series 2012 Bonds are to be credit enhanced (including determinations with respect to bond insurance and any reserve fund surety bond or insurance policy) and to provide for the completion of the Notice in all respects required by such determinations and, thereafter, the publication of the Notice as he deems necessary with the advice of the Financial Advisor to the City. The rates per annum the Series 2012 Bonds are to bear and the price at which the Series 2012 Bonds are to be sold shall be determined as prescribed in the Notice; provided, however, that the Notice shall specify that the coupon rate of the Series 2012 Bonds shall not exceed ____ percent (___%) per annum.

(C) The form and other terms and provisions of the Series 2012 Bonds, including for signatures, authentication, payment, registration, transfer, exchange, redemption and number, shall be as set forth in the Indenture and are hereby approved.

Section 6. The City hereby requests the Corporation to sell the Series 2012 Bonds to the purchaser thereof in accordance with the terms of the Notice as such terms are to be determined as provided hereinabove.

Section 7. (A) For the payment of the principal of and premium, if any, and interest on the Series 2012 Bonds, the City shall pay and transfer to the Trustee the payments provided for in Article I of the City Purchase Agreement.

(B) To secure the payment of the payments provided for in Sections 1.3 and 1.4 of the City Purchase Agreement, the City hereby pledges for the payment of such payments thereunder revenues from the Excise Taxes and the State Shared Revenues (as such terms are hereinafter defined). The City intends that this pledge shall be a first lien upon such amounts of revenues from the Excise Taxes and the State Shared Revenues as will be sufficient to make such payments pursuant thereto. To the extent permitted by applicable law, revenues from the Excise Taxes shall be retained and maintained so that the amount received from revenues from the Excise Taxes and the State Shared Revenues, all within and for the next preceding fiscal year of the City, shall have been equal to at least three (3) times the total of such payments payable thereunder for debt service for the Series 2012 Bonds in any current fiscal year of the City. If revenues from the Excise Taxes and the State Shared Revenues for any such preceding fiscal year of the City shall not have been equal at least three (3) times such requirements in any current fiscal year of the City or if at any

time it appears that revenues from the Excise Taxes and the State Shared Revenues will not be sufficient to meet such requirements, the City shall, to the extent permitted by applicable law, impose new exactions of the type of the Excise Taxes which shall be part of the Excise Taxes or increase the rates for the Excise Taxes currently imposed in order that (i) revenues from the Excise Taxes and the State Shared Revenues will be sufficient to pay all such current payments and (ii) revenues from the Excise Taxes and the State Shared Revenues will be reasonably calculated to attain the level required as described hereinabove.

(C) So long as any of the Series 2012 Bonds remain outstanding and the principal and interest thereon shall be unpaid or unprovided for, the City shall not further encumber revenues from the Excise Taxes and the State Shared Revenues pledged pursuant to Article III of the City Purchase Agreement on a basis equal to the pledge described hereinabove unless revenues from the Excise Taxes plus the State Shared Revenues in the next preceding fiscal year of the City shall have amounted to at least three (3) times the highest combined interest and principal requirements for any succeeding fiscal year of the City for all of the Series 2012 Bonds then outstanding and any obligations secured or proposed to be secured by such pledge of revenues from the Excise Taxes and the State Shared Revenues on a parity of lien therewith which may include any Additional Obligations (as such term is defined in the City Purchase Agreement).

For purposes of this Resolution and the City Purchase Agreement, "Excise Taxes" means the unrestricted transaction privilege and use tax, license and permit and franchise fees, user fees and charges and fines and forfeitures which the City imposes; provided that the Mayor and Council of the City may impose other transaction privilege taxes in the future, the uses of revenues from which will be restricted, at the discretion of such Council, and "State Shared Revenues" means any excise taxes, transaction privilege (sales) taxes and income taxes imposed by the State of Arizona or any agency thereof and returned, allocated or apportioned to the City, except the City's share of any such taxes which by State law, rule or regulation must be expended for other purposes, such as motor vehicle fuel taxes.

(D) The obligation of the City to make the payments provided for in Sections 1.3 and 1.4 of the City Purchase Agreement is limited to payment from the Excise Taxes and the State Shared Revenues, and the obligations of the City under the City Purchase Agreement shall not constitute nor give rise to a general obligation of the City or any claim against its ad valorem taxing powers, or constitute an indebtedness within the meaning of any statutory or constitutional debt limitation applicable to the City.

Section 8. After any of the Series 2012 Bonds are delivered by the Trustee to the Purchaser upon receipt of payment therefor, this Resolution shall be and remain irrepealable until the Series 2012 Bonds and the interest thereon shall have been fully paid, cancelled and discharged.

Section 9. If any section, paragraph, clause or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Resolution.

Section 10. All orders and resolutions or parts thereof, inconsistent herewith, are hereby waived to the extent only of such inconsistency. This waiver shall not construed as reviving any order or resolution or any part thereof.

Section 11. The immediate operation of this Resolution is necessary for the financing of the Third Project with the proceeds of the sale of the Series 2012 Bonds on the most attractive terms available to the City and the preservation of the public health and welfare; an emergency is hereby declared to exist; this Resolution shall be in full force and effect from and after its passage and approval by the Mayor and Council of the City as required by law and this Resolution is hereby exempt from the referendum provisions of the constitution and laws of the State of Arizona and the Charter of the City.

PASSED AND ADOPTED this 19th day of June, 2012.

_____
Bob Barrett, Mayor
City of Peoria, Arizona

ATTEST:

_____
Wanda Nelson, City Clerk
City of Peoria, Arizona

APPROVED AS TO FORM:

_____
Stephen M. Kemp, City Attorney
City of Peoria, Arizona

When recorded mail to:

Michael Cafiso, Esq.
Suite 700
2375 East Camelback Road
Phoenix, Arizona 85016

SERIES 2012 CITY PURCHASE AGREEMENT

PEORIA MUNICIPAL DEVELOPMENT AUTHORITY, INC.,
as Seller

TO

CITY OF PEORIA, ARIZONA,
as Buyer

DATED AS OF _____ 1, 2012

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SERIES 2012 CITY PURCHASE AGREEMENT

PEORIA MUNICIPAL DEVELOPMENT AUTHORITY, INC.,
as Seller

TO

CITY OF PEORIA, ARIZONA,
as Buyer

THIS SERIES 2012 CITY PURCHASE AGREEMENT, dated as of _____ 1, 2012 (this "City Purchase Agreement"), by and between PEORIA MUNICIPAL DEVELOPMENT AUTHORITY, INC., a nonprofit corporation organized and existing under the laws of the State of Arizona (the "Corporation"), and the CITY OF PEORIA, ARIZONA, a municipal corporation of the State of Arizona (the "City");

W I T N E S S E T H:

WHEREAS, the Corporation was organized and established as a nonprofit corporation for the purpose of assisting the City in financing or refinancing projects for the City; and

WHEREAS, the City determined that it would be beneficial to its citizens to refinance the obligations of the City pursuant to a Series 1993 City Lease, dated as of October 1, 1993 (the "1993 City Lease"), between the City and the Corporation (being the only remaining obligation of the City to the Corporation securing debt issued pursuant to the Trust Indenture, dated as of June 1, 1985, from the Corporation to The Valley National Bank of Arizona (predecessor in interest to J.P. Morgan Trust Company, National Association), as trustee) and a City Lease, dated as of June 1, 1993 (collectively with the 1993 City Lease, the "1993 City Leases"), between the City and City of Peoria Municipal Sports Complex Authority; and

WHEREAS, in order to refinance the obligations of the City pursuant to the 1993 City Leases, the Corporation and the City deemed it necessary and desirable for the Corporation to issue its $25,015,000 aggregate principal amount of Revenue Refunding Bonds, Series 2003 (the "Series 2003 Bonds"); and

WHEREAS, in connection with the issuance of the Series 2003 Bonds, the Corporation and the City entered into a Series 2003 Ground Lease, dated as of June 1, 2003, pursuant to which the City leased the real property described on Exhibit A attached thereto to the Corporation and a Series 2003 City Lease, dated as of June 1, 2003 (the "Series 2003 City Lease"), pursuant to which the Corporation leased such real property and the improvements to be included thereon to the City; and

WHEREAS, the City then determined that it will be beneficial to its citizens to finance the costs of design, construction and outfitting of a community theater (the "First Project"); and

WHEREAS, in order to finance the Second Project, the Corporation and the City deemed it necessary and desirable for the Corporation to issue its Revenue Bonds, Series 2006 (the "Series 2006 Bonds"); and

WHEREAS, in connection with the issuance of the Series 2006 Bonds, the Corporation and the City entered into a Series 2006 Ground Lease, dated as of March 1, 2006, pursuant to which the City leased the real property described on Exhibit A attached thereto to the Corporation and a Series 2006 City Lease, dated as of March 1, 2006 (the "Series 2006 City Lease"), pursuant to which the Corporation leased such real property and the improvements to be included thereon to the City, and the City, as agent of the Corporation, agreed to design, construct and outfit, as the case may be, the First Project; and

WHEREAS, the City then determined that it will be beneficial to its citizens to refinance the costs to acquire certain water rights (the "Second Project") available pursuant to the Lease Agreement for CAP Water, dated May 15, 2006, among the United States of America, the Gila River Indian Community and the City; and

WHEREAS, in order to finance the Second Project, the Corporation and the City deemed it necessary and desirable for the Corporation to issue its Revenue Bonds, Series 2011 (the "Series 2011 Bonds"); and

WHEREAS, in connection with the issuance of the Series 2011 Bonds, the Corporation and the City entered into a Series 2011 Ground Lease, dated as of June 1, 2011, pursuant to which the City leased the parcels of real property described on Exhibit A attached thereto to the Corporation and a Series 2011 City Lease, dated as of June 1, 2011 (the "Series 2011 City Lease"), pursuant to which the Corporation leased such real property and the improvements included thereon to the City, and the City, as agent of the Corporation, agreed to provide for the acquisition of the Second Project; and

WHEREAS, the City then determined that it will be beneficial to its citizens to finance the costs of renovations to the "Peoria Sports Complex" (the "Third Project"); and

WHEREAS, the Corporation desires to assist the City in financing the Third Project; and

WHEREAS, in order to finance the Third Project, the Corporation and the City deemed it necessary and desirable for the Corporation to issue its Revenue Bonds, Series 2012 (the "Series 2012 Bonds" and, collectively with the Series 2003 Bonds, the Series 2006 Bonds and the Series 2011 Bonds, the "Bonds"); and

WHEREAS, in connection with the issuance of the Series 2012 Bonds, the Corporation and the City entered into this Series 2012 City Purchase Agreement pursuant to which, among other things, the City, as agent of the Corporation, agreed to provide for the Third Project; and

WHEREAS, the Bonds (and certain parity obligations thereafter issued) are secured by a Trust Indenture, dated as of June 1, 2003, as supplemented by a First Supplement to Trust Indenture, dated as of March 1, 2006, a Second Supplement to Trust Indenture, dated as of March 1, 2011, and a Third Supplement to Trust Indenture, dated as of _____ 1, 2012 (as supplemented, the "Indenture"), from the Corporation to The Bank of New York Mellon Trust Company, N.A. (successor in interest to Bank One Trust Company, N.A. and J.P. Morgan Trust Company, National Association), as trustee (the "Trustee"); and

WHEREAS, the Corporation has not made and does not intend to make any profit by reason of any business or venture in which it may engage or by reason of the assistance it renders the City in financing the Third Project, and no part of the Corporation's net earnings, if any, will ever inure to the benefit of any person, firm or corporation, except the City; and

NOW THEREFORE, for and in consideration of the mutual covenants hereinafter contained, IT IS HEREBY AGREED AS FOLLOWS:

ARTICLE I

TERMS, PAYMENT

Section 1.1. The Corporation hereby sells and conveys to the City, and the City hereby buys and accepts from the Corporation, the Third Project. (In order to evidence such sale, the Corporation has executed and delivered to the City a bill of sale on the date of original execution and delivery of the Series 2012 Bonds.)

Section 1.2. The City shall have the right to terminate this City Purchase Agreement on written notice to the Corporation given concurrently with, or subsequent to, the date the Indenture is released of record as a result of the payment or provision for payment of the entire indebtedness secured hereby, as provided in the Indenture and any supplements thereto.

Section 1.3. (a) (i) The City shall pay as the purchase price to the Corporation, its successors or assigns, (1) on each June 15 and December 15, commencing on _____ 15, 20__, an amount which, when added to the amount then on deposit in the Series 2012 Interest Account (as such term is defined in the Indenture) of the Interest Fund (as such term is defined in the Indenture), shall be equal to the interest due on the Series 2012 Bonds on the next interest payment date and (2) on each June 15, commencing on June 15, 2012, an amount which, when added to the amount then on deposit in the Series 2012 Bond Retirement Account (as such term is defined in the Indenture) of the Bond Retirement Fund (as such term is defined in the Indenture), shall be equal to the principal due on the Series 2012 Bonds on the next principal payment date.

(ii) The City shall also pay as the purchase price to the Corporation, its successors and assigns, (1) on the June 15 following the fiscal year of the City in which the Debt Service Coverage (as such term is defined in the Indenture) is three (3) times or less and each December 15 and June 15 thereafter, an amount equal to one tenth (1/10th) of the amount required to fund and maintain the Reserve Fund (as such term is defined in the Indenture) in an amount equal to the Reserve Requirement (as such term is defined in the Indenture) for the Series 2012 Bonds until such time as the amount on deposit in the Reserve Fund shall equal the Reserve Requirement for the Bonds and (2) on the first (1st) day of each month, commencing on the first (1st) day of the month following a payment made on the Bonds from the Reserve Fund, an amount equal to one-twelfth (1/12th) of the amount which, when added to the balance then in the Reserve Fund, shall be equal to the amount which should have then been on deposit in the Reserve Fund for the Bonds.

(iii) The Debt Service Coverage for each such fiscal year shall be calculated by the City Representative (as such term is defined in the Indenture)

and certified to the Trustee by the City Representative on or prior to the December 15 following such fiscal year.

(b) The obligation of the City for payments of the purchase price shall be coextensive with the debt service with respect to the Series 2012 Bonds and, when the Series 2012 Bonds and the other obligations secured under the Indenture have been fully paid or payment provided for, the City shall, except for the obligation of the City to make payments to the Trustee pursuant to the provision of Section 5.06 of the Indenture and the payments to be made to the United States of America pursuant to Section 1.4(g) hereof, have no further obligation to make payments hereunder.

Section 1.4. The City shall further pay as the purchase price (a) all other amounts required to be paid by the City or the Corporation to the Trustee under the Indenture including indemnification owed under Article VIII thereof, (b) all fees and expenses of the Trustee as well as the "Registrars" and the "Paying Agents" under the Indenture to the extent, if any, that such fees, expenses and payments are not met by the regular payments, (c) the reasonable expenses of the Corporation approved by the City and not otherwise required to be paid by the City under the terms hereof, (d) losses on investments made by the Trustee at the direction of the City under the terms of the Indenture, but only to the extent necessary to meet the debt service on the Series 2012 Bonds, (e) fees for maintaining the Corporation's corporate existence, and all costs, expenses, losses or damages, including reasonable attorneys' fees, pertaining to any claim or legal action brought against the Trustee or the Corporation with respect to the legality of any defect in this City Purchase Agreement, the Indenture or the Series 2012 Bonds, or questioning the legality of any action taken or to be taken pursuant thereto, (f) all other expenses of the Corporation incurred at the written request of the City or the Trustee in accordance with the provisions of this City Purchase Agreement or the Indenture and (g) all amounts required to be paid to the United States of America pursuant to Section 148(f) of the Internal Revenue Code of 1986, as amended (the "Code") with respect to the Series 2012 Bonds and the investment of the proceeds thereof, as provided in Section 10.2 hereof. The City shall pay the amounts specified in (a) above directly to the Trustee as they become due and within twenty (20) days after receipt by the City of invoice therefor, except as otherwise provided in the Indenture, in (b) above to the Trustee, in (c) above to either the Corporation or its creditors, upon evidence that the expenses or fees have been incurred by it, and within twenty (20) days after receipt by the City of invoice therefor, in (d) above to the Trustee, in (e) and (f) above to the Corporation, upon evidence that such expenses have been incurred and in (g) above as required by Section 10.2 hereof.

Section 1.5. The foregoing payments shall be payable solely from sources referred to in Article III hereof and shall under no circumstances constitute a general obligation of the City or be payable from the proceeds of ad valorem taxes.

Section 1.6. Amounts payable hereunder shall be paid in lawful money of the United States of America to or upon the order of the Corporation and at such place as the Corporation may designate in writing. Any payment accruing hereunder which shall not be paid within five (5) days after its due date shall bear interest at the highest rate permitted by law, but not exceeding ten percent (10%) per annum, from the date when the same is due hereunder until the same shall be paid.

Section 1.7. All payments for debt service on the Series 2012 Bonds and other items required to be paid by the Indenture, as well as additional payments payable to the Trustee under Section 1.4 hereof, shall be paid directly to the Trustee at the

designated corporate trust office of the Trustee for and on behalf of the Corporation. The Corporation shall cause the Trustee to apply the payments made by the City in the manner and for the purposes expressed in the Indenture.

Section 1.8. Unless otherwise requested by the City pursuant to Section 7.3 hereof, any money in the Series 2012 Revenue Account (as that term is defined in the Indenture) of the Revenue Fund (as that term is defined in the Indenture) which, in the opinion of the Trustee, exceeds the amounts necessary for the current debt service on the Series 2012 Bonds then outstanding (including administrative costs and expenses) shall, at least annually, so long as the City is not in default hereunder, constitute a credit to the City on the next succeeding payment or payments due or coming due hereunder. Likewise, subject to Section 5.06(a)(v) of the Indenture, earnings on the Reserve Fund, if any, shall, at least annually, so long as the City is not in default hereunder, constitute a credit to the City on the next succeeding payment or payments due or coming due pursuant to the Series 2003 City Lease, the Series 2006 City Lease and hereunder, *pro-rata*. Notwithstanding the foregoing, if the City is required to make payments pursuant to the provisions of Section 1.3(a)(ii) hereof, then in that event, until such time as the amount in the Reserve Fund shall equal the Reserve Requirement, any excess moneys in the Revenue Fund shall, at least annually, so long as the City is not in default hereunder, be deposited in the Reserve Fund and any earnings on the Reserve Fund shall be retained in the Reserve Fund.

Section 1.9. The City, as agent for the Corporation, shall provide for the Third Project. Other than from proceeds of the sale of the Series 2012 Bonds, the Corporation shall have no further obligation or additional duty to provide any other amounts for such purpose. The Corporation shall not be liable, responsible or accountable for the acts of the City as its agent hereunder, and the City hereby assumes all responsibility for the performance of such duties.

ARTICLE II

NATURE OF PAYMENTS

Section 2.1. The payments payable pursuant to this City Purchase Agreement shall be an absolute net return to the Corporation, free from any expenses and charges with respect to the income therefrom.

ARTICLE III

SOURCES OF PAYMENT AND PLEDGE

Section 3.1. All payments made in accordance herewith shall be made from revenues from the Excise Taxes and from the State Shared Revenues (as those terms are hereinafter defined). The City shall first make all payments accruing under Sections 1.3 and 1.4 of this City Purchase Agreement and then any other payments accruing pursuant to this City Purchase Agreement out of revenues from the Excise Taxes and the State Shared Revenues and thereafter may use the remaining revenues from the Excise Taxes and the remaining State Shared Revenues for any other lawful purpose, but only to the extent that, taking into account the reasonably anticipated receipts of revenues from the Excise Taxes and the State Shared Revenues during the coming six months, revenues from the Excise Taxes and the State Shared Revenues

will not be reduced to such a level that the City will be unable to make the next payment hereunder.

Section 3.2. The City may, at the sole option of the City, make payments required hereunder from its other funds as permitted by law and as the City shall determine from time to time, but the Corporation acknowledges that it has no claim hereunder to such other funds. No part of such payments shall be payable out of any ad valorem taxes imposed by the City, from bonds or other obligations, the payment of which the general taxing authority of the City is liable or pledged, or from the general funds of the City unless (i) the same shall have been duly budgeted by the City according to law, (ii) such payments shall be within the budget or expenditure limitations of the Constitution and laws of the State and (iii) such payment is not in conflict with the Constitution and laws of the State.

Section 3.3. (a) The City hereby pledges for the payment of the payments under Sections 1.3 and 1.4 hereof revenues from the Excise Taxes and the State Shared Revenues. The City intends that this pledge shall be a first lien upon such amounts of revenues from the Excise Taxes and the State Shared Revenues as will be sufficient to make such payments. The City shall make such payments from revenues from the Excise Taxes and the State Shared Revenues, except to the extent that it chooses to make such payments from other funds pursuant to Section 3.2 above.

(b) For purposes of this City Purchase Agreement, "Excise Taxes" means the unrestricted transaction privilege and use tax, license and permit and franchise fees, user fees and charges and fines and forfeitures which the City imposes; provided that the Mayor and Council of the City may impose other transaction privilege taxes in the future, the uses of revenue from which will be restricted, at the discretion of such Council, and "State Shared Revenues" means any excise taxes, transaction privilege (sales) taxes and income taxes imposed by the State of Arizona or any agency thereof and returned, allocated or apportioned to the City, except the City's share of any such taxes which by State law, rule or regulation must be expended for other purposes, such as motor vehicle fuel taxes.

Section 3.4. To the extent permitted by applicable law, revenues from the Excise Taxes shall be retained and maintained so that the amounts received from revenues from the Excise Taxes and the State Shared Revenues, all within and for the next preceding fiscal year of the City, shall have been equal to at least three (3) times the total of such payments payable hereunder for debt service for the Series 2012 Bonds in any current fiscal year of the City. If revenues from the Excise Taxes and the State Shared Revenues for any such preceding fiscal year of the City shall not have been equal to at least three (3) times such requirements hereunder in any current Fiscal Year or if at any time it appears that revenues from the Excise Taxes and the State Shared Revenues will not be sufficient to meet such requirements hereunder, the City shall, to the extent permitted by applicable law, impose new exactions of the type of the Excise Taxes which will be part of the Excise Taxes or increase the rates for the Excise Taxes currently imposed in order that (a) revenues from the Excise Taxes and the State Shared Revenues will be sufficient to meet all current requirements hereunder and (b) revenues from the Excise Taxes and the State Shared Revenues will be reasonably calculated to attain the level as required by the first sentence of this Section.

Section 3.5. So long as any of the Series 2012 Bonds remain outstanding and the principal and interest thereon shall be unpaid or unprovided for, the City shall not further encumber revenues from the Excise Taxes and the State Shared Revenues

on a basis equal to the pledge provided for in Section 3.3(a) hereof unless revenues from the Excise Taxes plus the State Shared Revenues in the next preceding Fiscal Year shall have amounted to at least three (3) times the highest combined interest and principal requirements for any succeeding Fiscal Year for all of the Series 2003 Bonds, the Series 2006 Bonds, the Series 2011 Bonds and the Series 2012 Bonds then outstanding and any obligations proposed to be secured by such pledge of revenues from the Excise Taxes and the State Shared Revenues on a parity of lien therewith (hereinafter referred to as the "Additional Obligations") including Additional Bonds (as that term is defined in the Indenture). For purposes of this Section, any variable rate indebtedness shall be assumed to bear interest at the maximum permissible rate.

Section 3.6. In the event of any default by the City under this City Purchase Agreement, the remedies of the Corporation with respect to the enforcement of the liens and pledges set forth in this Article III shall be as provided in Article V of this City Purchase Agreement. The Trustee, on behalf of the owners of the Series 2012 Bonds may enforce such liens and pledges as well as the aforesaid covenants and agreements in place of the Corporation in accordance with the terms and conditions of the Indenture.

Section 3.7. The condition set forth in Section 3.5 above is, at the time of the execution hereof, and shall be, at the time of the issuance of the Series 2012 Bonds, satisfied.

Section 3.8. In order to secure payment of the amounts due pursuant to this City Purchase Agreement and any agreement or amendment described in Section 7.5(e) hereof and to create a separate and special fund which shall contain only the revenues from the Excise Taxes and the State Shared Revenues and shall not contain any other moneys of the City, the City shall continue to maintain the special fund known as the "City of Peoria Excise Tax/State Shared Revenue Fund" (the "Excise Tax/State Shared Revenue Fund") created by operation of the Series 2003 City Lease. Upon receipt by the City, the revenues from the Excise Taxes and the State Shared Revenues shall be deposited in and to the Excise Tax/State Shared Revenue Fund. The Excise Tax/State Shared Revenue Fund shall be funded only from the revenues from the Excise Taxes and the State Shared Revenues received by the City and from no other source. After paying therefrom amounts of the revenues from the Excise Taxes and the State Shared Revenues for the purposes described herein, the Excise Tax/State Shared Revenue Fund may be reduced to zero each December 16 and June 16 after the amount required to be deposited to the Interest Fund, the Bond Retirement Fund and Reserve Fund as described hereinabove has been deposited, including by transferring any such balance to the "General Fund" of the City.

ARTICLE IV

QUIET ENJOYMENT; OTHER MATTERS REGARDING THE THIRD PROJECT

Section 4.1. The City shall at all times during the term hereof, peaceably and quietly, have, hold and enjoy the Third Project, without suit, trouble or hindrance from the Corporation.

Section 4.2. Except with respect to its power and authority to enter into this City Purchase Agreement and to perform its covenants hereunder, the Corporation

has not made and makes no representation or warranty, express or implied, and assumes no obligation with respect to the title, merchantability, condition, quality or fitness of the Third Project for any particular purpose or the conformity of the Third Project to any plans, specifications, construction contract, purchase order, model or sample, or as to their design, construction, delivery, installation, construction oversight and operation or suitability for use by the City after completion. All such risks shall be borne by the City without in any way excusing the City from its obligations under this City Purchase Agreement, and the Corporation shall not be liable to the City for any damages on account of such risks. Except with respect to any acts by the Corporation which are not undertaken at the request of the City or with the prior approval of the City, the City waives all claims against the Corporation growing out of the acquisition of the Third Project. The Corporation shall have no liability to the City for any failure of any contractor to perform any contract or other undertaking with respect to the Third Project in any respect. The Corporation shall have no obligation to obtain or insure compliance with any required permits or approval procedures with respect to the Third Project. In the event of any defect in any item of the Third Project or other claim with respect to the Third Project, recourse of the City shall be against the contractors, manufacturers, suppliers, etc. of the Third Project and, where applicable, the person selling the property to the Corporation, and not against the Corporation. For such purpose, the Corporation hereby assigns and transfers to the City the right, title and interest of the Corporation in and to all representations, warranties, guarantees and service agreements relating to the Third Project made or entered into by the Corporation and by any contractor, manufacturers, suppliers, etc. of the Third Project. The Corporation further designates the City as its attorney-in-fact granting to the City the right to initiate and take all actions necessary to enforce any and all construction contracts and all such warranties and service agreements. Notwithstanding any other terms or provisions of this City Purchase Agreement, the Corporation shall not have the power, authority or obligation to assume any responsibility for the overall management or maintenance of the Third Project, including, without limitation, any day-to-day decision making or operational aspects of the Third Project. The elements of the Third Project and the sites therefor were selected by the City, and all design and engineering criteria and specifications for the Third Project to be constructed or acquired were or will be determined by the City.

ARTICLE V

REMEDIES UPON DEFAULT, NO ABATEMENT

Section 5.1. Upon the nonpayment of the whole or any part of the payments when the same are to be paid as herein provided or violation by the City of any other covenant or provision of this City Purchase Agreement and if such default has not been cured (a) in the case of nonpayment of payments, within five (5) days and (b) in the case of the breach of any other covenant or provision hereof, within thirty (30) days after notice in writing from the Corporation specifying such default, the Corporation may bring an action for the recovery of any of the payments due (but not for payments accruing) or for damages for breach of this City Purchase Agreement, and the Corporation may pursue any other remedy which the law affords, except that the remedy of specific performance shall also be available.

Section 5.2. The Corporation, upon the bringing of a suit to collect the payments in default, may request enforcement of the pledges and foreclosure of the liens set forth in Article III of this City Purchase Agreement, in which event the Corporation, as a matter of right, without notice and without giving any bond or surety to

the City or anyone claiming under the City, may have a receiver appointed of all of the revenues from the Excise Taxes and the State Shared Revenues with such powers as the court making such appointment shall confer and the City does hereby irrevocably consent to such appointment.

Section 5.3. In any suit to enforce the terms of this City Purchase Agreement, the Corporation shall recover its costs therein, as well as reasonable attorneys' fees, as the court shall approve.

Section 5.4. The Corporation shall in no event be in default in the performance of any of its obligations under this City Purchase Agreement unless the Corporation shall have failed to perform such obligations within thirty (30) days or such additional time as is reasonably required to correct any such default after notice by the City to the Corporation and to the Trustee properly specifying wherein the Corporation has failed to perform any such obligation. So long as any of the Series 2012 Bonds are outstanding, the City shall have no right to abate or offset the payments to be made by the City hereunder as a result of a default by the Corporation. In the event of default by the Corporation, the Corporation agrees that specific performance may be had and that the City shall not be limited to a remedy for damages.

Section 5.5. Except as in this City Purchase Agreement expressly provided, this City Purchase Agreement shall not terminate or be affected in any manner by reason of the condemnation, destruction or damage, in whole or in part, or by reason of the unusability of, the Third Project or the failure to complete provision of the Third Project, and, except as in this City Purchase Agreement expressly provided, the payments shall be paid by the City in accordance with the terms, covenants and conditions of this City Purchase Agreement without abatement, diminution or reduction.

Section 5.6. Each right, power and remedy of the Corporation or the City provided for in this City Purchase Agreement shall be cumulative and concurrent and shall be in addition to every other right, power or remedy provided for herein or, unless prohibited by the terms hereof, now or hereafter existing at law or in equity or by statute or otherwise, in any jurisdiction where such rights, powers and remedies are sought to be enforced, and the exercise or beginning of the exercise by the Corporation or the City of any one or more of the rights, powers or remedies provided for herein or now or hereafter existing at law or in equity or by statute or otherwise shall not preclude the simultaneous or later exercise by either party of any or all of such other rights, powers or remedies.

Section 5.7. The failure to insist upon strict performance of any of the covenants or agreements herein set forth shall not be considered or taken as a waiver or relinquishment for the future of the Corporation's or the City's rights to insist upon a strict compliance by the City or the Corporation with all the covenants and conditions hereof.

ARTICLE VI

ESTOPPEL CERTIFICATE

Section 6.1. At any time and from time-to-time, upon not less than ten (10) days' prior request by the Corporation or the Trustee, the City shall execute, acknowledge and deliver to the Corporation and the Trustee a statement in writing

certifying that this City Purchase Agreement is unmodified and in full force and effect (or, if this City Purchase Agreement has been modified, that it is in full force and effect except as modified, and stating the modification), the dates to which the payments hereunder have been paid in advance, if any, and that the City is in compliance with all requirements of this City Purchase Agreement.

ARTICLE VII

REFINANCING; REFUNDING; REDEMPTIONS; PURCHASE OF SERIES 2012 BONDS; ADDITIONAL BONDS

Section 7.1. Upon notice to the Corporation, the City may request the Corporation refinance by refunding or redeeming, as the case may be, the Series 2012 Bonds then outstanding, subject to the provisions of the Indenture. The Corporation shall use its best efforts to so refinance the Series 2012 Bonds.

Section 7.2. Prior to the issuance of obligations for the purpose of refinancing the Series 2012 Bonds, the Corporation and the City shall enter into a written supplement to this City Purchase Agreement or a new agreement increasing or decreasing, as the case may be, the payments to be paid hereunder by an amount at least sufficient to enable the Corporation to fully pay the principal and interest, when due, on such new obligations and all other usual and ordinary costs and expenses relating thereto.

Section 7.3. The City shall have the right to pay, from any legally available funds, installment payments in advance and may specify that they be placed in the Bond Retirement Fund established pursuant to the Indenture. Except as provided in Section 1.8 hereof, in addition, if at any time the money in the Series 2012 Revenue Account of the Revenue Fund exceeds, in the opinion of the Trustee, the amounts necessary for the current debt service on the Series 2012 Bonds then outstanding and the fees, charges, expenses and other amounts due the Trustee and the Registrars and the Paying Agents which are unpaid, such excess shall, at the request of the City, be transferred to and paid over into the Bond Retirement Fund. At the request of the City, the Corporation shall cause the amount of money contained in the Series 2012 Bond Retirement Account of the Bond Retirement Fund from time to time to be used on any redemption date authorized in the Indenture to retire all or any portion of the outstanding Series 2012 Bonds pursuant to the provisions of the Indenture, or if, before the Series 2012 Bonds are subject to redemption, the Series 2012 Bonds may be obtained in the open market at a cost equal to or below par, or, after the Series 2012 Bonds are subject to redemption, the Series 2012 Bonds may be so obtained at a price below the cost of redemption, then, upon the request of the City, the Corporation shall cause money contained in the Series 2012 Bond Retirement Account of the Bond Retirement Fund to be used to purchase Series 2012 Bonds in the open market for the purpose of cancellation. At such time or times as Series 2012 Bonds are redeemed or purchased pursuant hereto, the payments to be paid by the City hereunder shall be adjusted in such manner as to provide for the debt service on the remaining Series 2012 Bonds. There shall be no accumulation of funds in the Bond Retirement Fund, or earnings thereon, as would cause the Series 2012 Bonds to be deemed "arbitrage bonds" under the Code.

Section 7.4. [Section Number Reserved to Preserve Numbering.]

Section 7.5. One or more issues of Additional Obligations on a parity with the Series 2012 Bonds may be established and may be issued and delivered, in such principal amounts as may be determined by the City, subject to the following specific conditions which are hereby made conditions precedent to the issuance of such Additional Obligations:

(a) such Additional Obligations shall have been authorized to finance or refinance the cost of acquiring, constructing, reconstructing or improving buildings, equipment and other real and personal properties suitable for use by and for leasing to the City or its agencies or instrumentalities, or to refinance or refund any bonds or other obligations which have been issued for such purposes, and the issuance thereof shall have been determined and declared by appropriate resolution, to be necessary for that purpose;

(b) the Corporation shall be in compliance with all covenants and undertakings set forth in this City Purchase Agreement and the Indenture, as either of them or both of them may have been supplemented or amended;

(c) the resolution authorizing issuance of such Additional Obligations shall require that the proceeds of the sale of such Additional Obligations shall be applied solely for one or more of the purposes set forth in (a) above and expenses and costs incidental thereto, including costs and expenses incident to the issuance and sale of such Additional Obligations and the costs of any premium relating to insurance on such Additional Obligations and interest on such Additional Obligations during the actual period of any acquisition and construction of such facilities and for a reasonable period of time thereafter;

(d) such Additional Obligations shall be equally and ratably secured with the Series 2012 Bonds, without preference or priority of any of the Series 2012 Bonds or Additional Obligations over any other Series 2012 Bonds or Additional Obligations, except as expressly provided in the Indenture, as supplemented;

(e) an agreement shall have been entered into, in and by which the City obligates itself in the manner therein provided to make such payments at the times and in amounts sufficient to provide for the payment of principal of and interest on such Additional Obligations as such principal and interest become due and

(f) the conditions set forth in Section 3.5 hereof shall then be satisfied.

ARTICLE VIII

OFFICIAL STATEMENT DISCLOSURES; INDEMNIFICATION

Section 8.1. The City hereby recognizes that in the sale of the Series 2012 Bonds the Corporation will have issued an Official Statement describing the Series 2012 Bonds and the security for the payment thereof and containing certain information

about the City which has been furnished to the Corporation by the City (the "Official Statement"). Recognizing that the Corporation and its officers, directors, agents and employees have no practicable independent means of verifying such information, the City hereby represents and warrants to the Corporation that all material contained in the Official Statement, insofar as it relates to the City and the sources of funds or as it otherwise describes the security of this City Purchase Agreement and the rights of the owners of the Series 2012 Bonds with respect thereto, is accurate, contains no material misrepresentation of fact and does not omit any statement of fact which, in the light of the circumstances under which the Official Statement is issued, would be misleading.

Section 8.2. To the extent permitted by applicable law, the City shall indemnify and save the Corporation and the Trustee harmless, from the same sources from which the payments hereunder are payable, for, from and against any and all claims by or on behalf of any person, firm, corporation or governmental authority arising from the occupation, use, or possession of the Third Project, including any liability for any violation of conditions, restrictions, laws, ordinances or regulations affecting the said property or the occupancy or use thereof. The Indemnified Parties shall be third party beneficiaries of this covenant. The obligations of the City under this Section shall survive the resignation or removal of the Trustee under the Indenture, the payment of the Series 2012 Bonds and discharge of the Indenture and the termination of this City Purchase Agreement.

Section 8.3. Neither the Corporation nor the Trustee, their incorporators, members, directors, officers, agents and employees (each an "Indemnified Party") shall be liable to the City or to any other person whomsoever for any death, injury or damage that may result to any person or property by or from any cause whatsoever in or on the Third Project or any part thereof, unless caused by the negligence of the Indemnified Party. To the extent permitted by applicable law, the City shall indemnify and hold such persons harmless, from the same sources from which the payments hereunder are payable, for, from and against, and defend them and each of them against any and all claims, losses or judgments for, death of, injury to, any person or for damage to any property whatsoever incurred in or on the adjoining streets, roads, sidewalks and passageways, unless caused by the negligence of the Indemnified Party. In the event any action or proceeding is brought against any of the persons referred to in this Section by reason of any such claim, the City, upon notice from the Indemnified Party, shall resist or defend such action or proceeding. The Indemnified Parties shall be third party beneficiaries of this covenant. The obligations of the City under this Section shall survive the resignation or removal of the Trustee under the Indenture, the payment of the Series 2012 Bonds and discharge of the Indenture and the termination of this City Purchase Agreement.

Section 8.4. To the extent permitted by applicable law, the City shall indemnify each Indemnified Party, from the same sources from which the payments hereunder are payable, for, from and against all lawful and reasonable costs and charges, including reasonable fees of attorneys, consultants, and other experts incurred in good faith and arising out of or in connection with the transactions contemplated hereby. The Trustee, its officers, directors, agents and employees shall be third party beneficiaries of this covenant. The obligations of the City under this Section shall survive the resignation or removal of the Trustee under the Indenture, the payment of the Series 2012 Bonds and discharge of the Indenture and the termination of this City Purchase Agreement.

Section 8.5. In clarification and extension of the provisions of the other sections of this Article VIII and not in substitution therefor and to the extent permitted by applicable law, the City, subject to the provisions of Section 1.4 hereof, shall indemnify and hold each Indemnified Party harmless, from the same sources from which the payments hereunder are payable, for, from and against any and all claims, expenses, liens, judgments, liability or loss whatever, including reasonable legal fees and expenses relating to or in any way, directly or indirectly, arising out of (a) this City Purchase Agreement and the Indenture, and security agreements, financing statements, supplements, amendments or additions thereto or the enforcement of any of the terms thereof; (b) the Series 2012 Bonds; (c) any offering statement or official statement, either preliminary or final, pertaining to the Series 2012 Bonds including the Official Statement; (d) the issuance and sale of the Series 2012 Bonds or the transactions contemplated in any of the aforementioned acts, agreements or documents and (e) malfeasance or nonfeasance in office of any officer, director, agent or employee of the Indemnified Party not otherwise included within any of the foregoing; provided, however, that such indemnity shall not extend to claims, suits and actions successfully brought against the Indemnified Party for failure to perform and carry out the duties specifically imposed upon and to be performed by it pursuant to this City Purchase Agreement or the Indenture. The Indemnified Party shall give notice to the City of any event or condition which requires indemnification by the City hereunder, or any allegation of such event or condition, promptly upon obtaining knowledge thereof, and, to the extent that the City makes or provides for payment to the satisfaction of the Indemnified Party under the indemnity provisions hereof, the City shall be subrogated to the rights of the Indemnified Party with respect to such event or condition and shall have the right to determine the settlement of claims thereon, it being agreed that except to the foregoing extent, the Indemnified Party shall have the right to determine such settlement. The City shall pay all amounts due hereunder promptly upon notice thereof from the Indemnified Party. In case any action, suit or proceeding is brought against the Indemnified Party by reason of any act or condition which requires indemnification by the City hereunder, the Indemnified Party shall notify the City promptly of such action, suit or proceeding, and the City may (and shall upon the request of the Indemnified Party), at the City's expense, resist and defend such action, suit or proceeding, or cause the same to be resisted and defended, by counsel for the insurer of the liability or by counsel designated by the City and approved by the Indemnified Party. If the Indemnified Party desires to participate in the defense of such action, suit or proceeding through its own counsel, it may do so at its own expense. No party's right to indemnification hereunder shall be affected by the acts or omissions of any other party entitled to such indemnification. The Indemnified Parties shall be third party beneficiaries of this covenant. The obligations of the City under this Section shall survive the resignation or removal of the Trustee under the Indenture, the payment of the Series 2012 Bonds and discharge of the Indenture and the termination of this City Purchase Agreement.

ARTICLE IX

ASSIGNMENT BY THE CORPORATION

Section 9.1. The Corporation, incident to the issuance and sale of the Series 2012 Bonds, shall assign [except for the Unassigned Corporation's Rights (as such term is defined in the Indenture)] all rights and benefits hereunder to the Trustee and shall grant the Trustee a lien on its interest in this City Purchase Agreement for the

benefit of the owners of the Series 2012 Bonds. The City hereby consents to such assignment and grant of lien.

ARTICLE X

FEDERAL TAX LAW PROVISIONS

Section 10.1. (A) No direction for the making of any investment or other use of the proceeds of any Series 2012 Bonds shall be made which would cause such Series 2012 Bonds to be "arbitrage bonds" as that term is defined in section 148 (or any successor provision thereto) of the Code or "private activity bonds" as that term is defined in section 141 (or any successor provision thereto) of the Code, and the requirements of the Code sections and related regulations shall be complied with throughout the term of the Series 2012 Bonds. (Particularly, the City shall be the owner of the Third Project for federal income tax purposes. The City shall not enter into any management or service contract with any entity other than a governmental entity for the operation of any portion of the Third Project unless the management or service contract complies with the requirements of Revenue Procedure 97-13 or such other authority as may control at the time or any lease or other arrangement with any entity other than a governmental entity that gives such entity special legal entitlements with respect to any portion of the Third Project). Also, the payment of principal and interest with respect to the Series 2012 Bonds shall not be guaranteed (in whole or in part) by the United States or any agency or instrumentality of the United States. The proceeds of the Series 2012 Bonds, or amounts treated as proceeds of the Obligations, shall not be invested (directly or indirectly) in federally insured deposits or accounts, except to the extent such proceeds may be so invested for an initial temporary period until needed for the purpose for which the Obligations are being executed and delivered, may be so used in making investments of a *bona fide* debt service fund or may be invested in obligations issued by the United States Treasury. The City and the Corporation hereby further covenant and agree to comply with the procedures and covenants contained in any arbitrage rebate provision or separate agreement executed in connection with the issuance of the Series 2012 Bonds (initially Section 10.2 hereof) for so long as compliance is necessary in order to maintain the exclusion from gross income for federal income tax purposes of interest on the Series 2012 Bonds. In consideration of the purchase and acceptance of the Series 2012 Bonds by such owner from time to time and of retaining such exclusion and as authorized by Title 35, Chapter 3, Article 7, Arizona Revised Statutes, as amended, the City and the Corporation covenant, and the appropriate officials of the City and the Corporation are hereby directed, to take all action required or to refrain from taking any action prohibited by such Code which would adversely affect in any respect such exclusion.

(B) (1) The City shall take all necessary and desirable steps, as determined by the Mayor and Council of the City, to comply with the requirements hereunder in order to ensure that interest on the Series 2012 Bonds is excluded from gross income for federal income tax purposes under the Code; provided, however, compliance with any such requirement shall not be required in the event the City receives a Bond Counsel's Opinion (as such term is hereinafter defined) that either (i) compliance with such requirement is not required to maintain the exclusion from gross income of interest on the Series 2012 Bonds, or (ii) compliance with some other requirement will meet the requirements of the Code. In the event the City receives such a Bond Counsel's Opinion, the parties agree to amend this City Purchase Agreement to conform to the requirements set forth in such opinion.

(2) If for any reason any requirement hereunder is not complied with, the City shall take all necessary and desirable steps, as determined by the Mayor and Council of the City, to correct such noncompliance within a reasonable period of time after such noncompliance is discovered or should have been discovered with the exercise of reasonable diligence and the City shall pay any required interest or penalty under Regulations section 1.148-3(h) with respect to the Code.

(C) The City designates the Series 2012 Bonds as "qualified tax-exempt obligations" for purposes of section 265(b)(3) of the Code. In that connection, the City represents and covenants that it, together with all its subordinate entities or entities that issue obligations on its behalf, or on behalf of which it issues obligations, during the current calendar year have not issued and will not issue tax-exempt obligations designated as qualified tax-exempt obligations in an aggregate amount, including the Series 2012 Bonds, exceeding $10,000,000.

Section 10.2. (A) Terms not otherwise defined in Subsection (B) hereof shall have the meanings given to them in the arbitrage certificate of the City delivered in connection with the issuance of the Series 2012 Bonds.

(B) The following terms shall have the following meanings:

Bond Counsel's Opinion shall mean an opinion signed by an attorney or firm of attorneys of nationally recognized standing in the field of law relating to municipal bonds selected by the City.

Bond Year shall mean each one-year period beginning on the day after the expiration of the preceding Bond Year. The first Bond Year shall begin on the date of issue of the Series 2012 Bonds and shall end on the date selected by the City, provided that the first Bond Year shall not exceed one calendar year. The last Bond Year shall end on the date of retirement of the last Series 2012 Bond.

Bond Yield is as indicated in such arbitrage certificate. Bond Yield shall be recomputed if required by Regulations section 1.148-4(b)(4) or 4(h)(3). Bond Yield shall mean the discount rate that produces a present value equal to the Issue Price of all unconditionally payable payments of principal, interest and fees for qualified guarantees within the meaning of Regulations section 1.148-4(f) and amounts reasonably expected to be paid as fees for qualified guarantees in connection with the Series 2012 Bonds as determined under Regulations section 1.148-4(b). The present value of all such payments shall be computed as of the date of issue of the Series 2012 Bonds and using semiannual compounding on the basis of a 360-day year.

Code shall mean the Internal Revenue Code of 1986, as amended, and any successor provisions thereto.

Gross Proceeds shall mean:

(i) any amounts actually or constructively received by the City or the Corporation from the sale of the Series 2012 Bonds but excluding amounts used to pay accrued interest on the Series 2012 Bonds within one year of the date of issuance of the Series 2012 Bonds;

(ii) transferred proceeds of the Series 2012 Bonds under Regulations section 1.148-9;

(iii) any amounts actually or constructively received from investing amounts described in (i), (ii) or this (iii); and

(iv) replacement proceeds of the Series 2012 Bonds within the meaning of Regulations section 1.148-1(c). Replacement proceeds include amounts reasonably expected to be used directly or indirectly to pay debt service on the Series 2012 Bonds, pledged amounts where there is reasonable assurance that such amounts will be available to pay principal or interest on the Series 2012 Bonds in the event the City or the Corporation encounters financial difficulties and other replacement proceeds within the meaning of Regulations section 1.148-1(c)(4). Whether an amount is Gross Proceeds is determined without regard to whether the amount is held in any fund or account established under the Indenture.

Investment Property shall mean any security, obligation (other than a tax-exempt bond within the meaning of Code section 148(b)(3)(A)), annuity contract or investment-type property within the meaning of Regulations section 1.148-1(b).

Issue Price is as indicated in such arbitrage certificate, which is the initial offering price to the public (not including bond houses and brokers, or similar persons or organizations acting in the capacity of underwriters of wholesalers) at which price a substantial amount of the Series 2012 Bonds was sold, less any bond insurance premium and reserve surety bond premium. Issue price shall be determined as provided in Regulations section 1.148-1(b).

Nonpurpose Investment shall mean any Investment Property acquired with Gross Proceeds, and which is not acquired to carry out the governmental purposes of the Series 2012 Bonds.

Payment shall mean any payment within the meaning of Regulations section 1.148-3(d)(1) with respect to a Nonpurpose Investment.

Rebate Requirement shall mean at any time the excess of the future value of all Receipts over the future value of all Payments. For purposes of calculating the Rebate Requirement the Bond Yield shall be used to determine the future value of Receipts and Payments in accordance with Regulations section 1.148-3(c). The Rebate Requirement is zero for any Nonpurpose Investment meeting the requirements of a rebate exception under section 148(f)(4) of the Code or Regulations section 1.148-7.

Receipt shall mean any receipt within the meaning of Regulations section 1.148-3(d)(2) with respect to a Nonpurpose Investment.

Regulations shall mean the sections 1.148-1 through 1.148-11 and section 1.150-1 of the regulations of the United States Department of the Treasury promulgated under the Code, including and any amendments thereto or successor regulations.

(C) Within 60 days after the end of each Bond Year, the City shall cause the Rebate Requirement to be calculated and shall pay to the United States of America:

(1) not later than 60 days after the end of the fifth Bond Year and every fifth Bond Year thereafter, an amount which, when added to the

future value of all previous rebate payments with respect to the Series 2012 Bonds (determined as of such Computation Date), is equal to at least 90% of the sum of the Rebate Requirement (determined as of the last day of such Bond Year) plus the future value of all previous rebate payments with respect to the Series 2012 Bonds (determined as of the last day of such Bond Year); and

(2) not later than 60 days after the retirement of the last Series 2012 Bond, an amount equal to 100% of the Rebate Requirement (determined as of the date of retirement of the last Series 2012 Bond).

Each payment required to be made under this Section shall be filed with the Internal Revenue Service Center, Ogden, Utah 84201, on or before the date such payment is due, and shall be accompanied by IRS Form 8038-T.

(D) No Nonpurpose Investment shall be acquired for an amount in excess of its fair market value. No Nonpurpose Investment shall be sold or otherwise disposed of for an amount less than its fair market value.

(E) For purposes of Subsection (D), whether a Nonpurpose Investment has been purchased or sold or disposed of for its fair market value shall be determined as follows:

(1) The fair market value of a Nonpurpose Investment generally shall be the price at which a willing buyer would purchase the Nonpurpose Investment from a willing seller in a bona fide arm's length transaction. Fair market value shall be determined on the date on which a contract to purchase or sell the Nonpurpose Investment becomes binding.

(2) Except as provided in Subsection (F) or (G), a Nonpurpose Investment that is not of a type traded on an established securities market, within the meaning of Code section 1273, is rebuttably presumed to be acquired or disposed of for a price that is not equal to its fair market value.

(3) If a United States Treasury obligation is acquired directly from or sold or disposed of directly to the United States Treasury, such acquisition or sale or disposition shall be treated as establishing the fair market value of the obligation.

(F) The purchase price of a certificate of deposit that has a fixed interest rate, a fixed payment schedule and a substantial penalty for early withdrawal is considered to be its fair market value if the yield on the certificate of deposit is not less than:

(1) the yield on reasonably comparable direct obligations of the United States; and

(2) the highest yield that is published or posted by the provider to be currently available from the provider on reasonably comparable certificates of deposit offered to the public.

(G) A guaranteed investment contract shall be considered acquired and disposed of for an amount equal to its fair market value if:

(1) A bona fide solicitation in writing for a specified guaranteed investment contract, including all material terms, is timely forwarded to all potential providers. The solicitation must include a statement that the submission of a bid is a representation that the potential provider did not consult with any other potential provider about its bid, that the bid was determined without regard to any other formal or informal agreement that the potential provider has with the Issuer or any other person (whether or not in connection with the Series 2012 Bonds), and that the bid is not being submitted solely as a courtesy to the City or the Corporation or any other person for purposes of satisfying the requirements in the Regulations that the City or the Corporation receive bids from at least one reasonably competitive provider and at least three providers that do not have a material financial interest in the Series 2012 Bonds.

(2) All potential providers have an equal opportunity to bid, with no potential provider having the opportunity to review other bids before providing a bid.

(3) At least three reasonably competitive providers (i.e. having an established industry reputation as a competitive provider of the type of investments being purchased) are solicited for bids. At least three bids must be received from providers that have no material financial interest in the Series 2012 Bonds (e.g., a lead underwriter within 15 days of the issue date of the Series 2012 Bonds or a financial advisor with respect to the investment) and at least one of such three bids must be from a reasonably competitive provider. If the City or the Corporation uses an agent to conduct the bidding, the agent may not bid.

(4) The highest-yielding guaranteed investment contract for which a qualifying bid is made (determined net of broker's fees) is purchased.

(5) The determination of the terms of the guaranteed investment contract takes into account as a significant factor the reasonably expected deposit and drawdown schedule for the amounts to be invested.

(6) The terms for the guaranteed investment contract are commercially reasonable (i.e. have a legitimate business purpose other than to increase the purchase price or reduce the yield of the guaranteed investment contract).

(7) The provider of the investment contract certifies the administrative costs (as defined in Regulations section 1.148-5(e)) that it pays (or expects to pay) to third parties in connection with the guaranteed investment contract.

(8) The City retains until three years after the last outstanding Series 2012 Bond is retired, (i) a copy of the guaranteed

investment contract, (ii) a receipt or other record of the amount actually paid for the guaranteed investment contract, including any administrative costs paid by the City or the Corporation and a copy of the provider's certification described in (7) above, (iii) the name of the person and entity submitting each bid, the time and date of the bid, and the bid results and (iv) the bid solicitation form and, if the terms of the guaranteed investment contract deviates from the bid solicitation form or a submitted bid is modified, a brief statement explaining the deviation and stating the purpose of the deviation.

Section 10.3. Such experts and consultants shall be employed by the City to make, as necessary, any calculations in respect of rebates to be made to the United States of America in accordance with Section 148(f) of the Code with respect to the Series 2012 Bonds.

Section 10.4. Subject to annual appropriation to cover the costs of preparing and mailing thereof, the City hereby covenants and agrees that it will comply with and carry out all of the provisions of the Series 2012 Continuing Disclosure Agreement, dated even date with the date of original issuance and delivery of the Series 2012 Bonds (the "Continuing Disclosure Agreement"). Notwithstanding any other provision of this City Purchase Agreement, failure of the City to comply with the Continuing Disclosure Agreement shall not be considered an event of default; however, the Trustee may (and, at the request of any Participating Underwriter (as such term is defined in the Continuing Disclosure Agreement) or the owners of at least 25% aggregate principal amount in outstanding Series 2012 Bonds and receipt of indemnity to its satisfaction, shall) or any Beneficial Owner (as such term is defined in the Continuing Disclosure Agreement) may take such actions as may be necessary and appropriate, including seeking specific performance by court order, to cause the City to comply with its obligations under this Section.

ARTICLE XI

GENERAL PROVISIONS

Section 11.1. The City may not sell or assign its interest in this City Purchase Agreement while any of the Series 2012 Bonds are outstanding, but may sell, lease or otherwise dispose of all or any part of the Third Project with the consent of the Corporation; provided, however, that, prior to any such sale, lease or other disposition, the City shall provide to the Corporation and the Trustee an opinion of nationally recognized bond counsel to the effect that such sale, lease or other disposition shall not cause the interest on the Series 2012 Bonds to be includable in the gross income of the owners thereof for federal income tax purposes. Notwithstanding any such sale, lease or other disposition, the City shall nevertheless remain liable for the payments provided herein and for the performance of the other obligations of the City hereunder.

Section 11.2. All rights of the Corporation hereunder (except for the Corporation Unassigned Rights) are to be assigned, pledged, mortgaged and transferred to the Trustee as security for the Series 2012 Bonds, but subject to the rights of the City under this City Purchase Agreement. The rights of the Trustee or any party or parties on behalf of whom the Trustee is acting (including, specifically, but without limitation, the right to receive the payments to be paid hereunder) shall not be subject to any defense, setoff, counterclaim or recoupment whatsoever, whether arising

out of any breach of any obligation of the Corporation hereunder or by reason of any other indebtedness or liability at any time owing by the Corporation to the City.

Section 11.3. All notices, consents or other communications required or permitted hereunder shall be deemed sufficient if given in writing addressed and mailed by registered or certified mail, or delivered to the party for whom the same is intended, as follows:

To the Corporation:	Peoria Municipal Development Authority, Inc. Peoria City Hall 8401 West Monroe Street Peoria, Arizona 85345 Attention: President
To the City:	City of Peoria Peoria City Hall 8401 West Monroe Street Peoria, Arizona 85345 Attention: Chief Financial Officer
To Trustee:	The Bank of New York Mellon Trust Company, N.A. 1225 West Washington Street Suite 126 Tempe, Arizona 85281 Attention: Corporate Trust Services

or to such other address as such party may hereafter designate by notice in writing addressed and mailed or delivered to the other party hereto.

Section 11.4. This City Purchase Agreement shall be governed exclusively by the provisions hereof and by the applicable laws of the State.

Section 11.5. If any term or provision of this City Purchase Agreement or the application thereof to any person or circumstance shall to any extent be invalid or unenforceable, the remainder of this City Purchase Agreement or the application of such term or provision to persons or circumstances other than those as to which it is invalid or unenforceable shall not be affected thereby and each term and provision of this City Purchase Agreement shall be valid and enforceable to the fullest extent permitted by law.

Section 11.6. The City shall comply with all requirements of it included in the Indenture

Section 11.7. This City Purchase Agreement may be executed in several counterparts, each of which shall be an original, but all of which shall constitute but one instrument.

IN WITNESS WHEREOF, the Corporation and the City have caused their respective names to be signed hereto by their respective officers thereunto duly authorized, all as of the day and year first above written.

PEORIA MUNICIPAL DEVELOPMENT AUTHORITY, INC., an Arizona nonprofit corporation

By_____
President

ATTEST:

_____
Secretary

CITY OF PEORIA, ARIZONA, a municipal corporation

By_____
Mayor

ATTEST:

_____
Clerk

APPROVED AS TO FORM:

_____
City Attorney

THIRD SUPPLEMENT,
Dated as of _____ 1, 2012,

TO

TRUST INDENTURE,
Dated as of June 1, 2003,

FROM

PEORIA MUNICIPAL DEVELOPMENT
AUTHORITY, INC.

TO

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.
(SUCCESSOR IN INTEREST TO BANK ONE TRUST COMPANY, N.A. AND
J.P. MORGAN TRUST COMPANY, NATIONAL ASSOCIATION),
as Trustee

_____

$_____,000
PEORIA MUNICIPAL DEVELOPMENT AUTHORITY, INC.
REVENUE BONDS, SERIES 2012

_____

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THIRD SUPPLEMENT
TO
TRUST INDENTURE

THIS THIRD SUPPLEMENT, dated as of _____ 1, 2012 (this "Supplement"), TO TRUST INDENTURE, dated as of June 1, 2003 (as supplemented from time to time including by this Supplement, the "Indenture" or "Trust Indenture"), from PEORIA MUNICIPAL DEVELOPMENT AUTHORITY, INC. (the "Corporation"), a nonprofit corporation organized and existing under the laws of the State of Arizona, to THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., (successor in interest to BANK ONE TRUST COMPANY, N.A. AND J.P. MORGAN TRUST COMPANY, NATIONAL ASSOCIATION), a national banking association organized and existing under the laws of the United States of America and authorized to exercise corporate trust powers in the State of Arizona, as trustee (the "Trustee") or any successor thereto pursuant to the applicable provisions of the Indenture;

W I T N E S S E T H:

WHEREAS, the Corporation was organized and established as a nonprofit corporation for the purpose of assisting the City of Peoria, Arizona (the "City") in financing or refinancing projects for the City; and

WHEREAS, the City determined that it would be beneficial to its citizens to refinance the obligations of the City pursuant to a Series 1993 City Lease, dated as of October 1, 1993 (the "1993 City Lease"), between the City and the Corporation (being the only remaining obligation of the City to the Corporation securing debt issued pursuant to the Trust Indenture, dated as of June 1, 1985, from the Corporation to The Valley National Bank of Arizona (predecessor in interest to J.P. Morgan Trust Company, National Association), as trustee) and a City Lease, dated as of June 1, 1993 (collectively with the 1993 City Lease, the "1993 City Leases"), between the City and City of Peoria Municipal Sports Complex Authority; and

WHEREAS, in order to refinance the obligations of the City pursuant to the 1993 City Leases, the Corporation and the City deemed it necessary and desirable for the Corporation to issue its $25,015,000 aggregate principal amount of Revenue Refunding Bonds, Series 2003 (the "Series 2003 Bonds"); and

WHEREAS, in connection with the issuance of the Series 2003 Bonds, the Corporation and the City entered into a Series 2003 Ground Lease, dated as of June 1, 2003, pursuant to which the City leased the real property described on Exhibit A attached thereto to the Corporation and a Series 2003 City Lease, dated as of June 1, 2003, pursuant to which the Corporation leased such real property and the improvements to be included thereon to the City; and

WHEREAS, the City then determined that it will be beneficial to its citizens to finance the costs of design, construction and outfitting of a community theater (the "First Project"); and

WHEREAS, in order to finance the First Project, the Corporation and the City deemed it necessary and desirable for the Corporation to issue its Revenue Bonds, Series 2006 (the "Series 2006 Bonds"); and

WHEREAS, in connection with the issuance of the Series 2006 Bonds, the Corporation and the City entered into a Series 2006 Ground Lease, dated as of March 1, 2006, pursuant to which the City leased the real property described on Exhibit A attached thereto to the Corporation and a Series 2006 City Lease, dated as of March 1, 2006, pursuant to which the Corporation leased such real property and the improvements to be included thereon to the City, and the City, as agent of the Corporation, agreed to design, construct and outfit, as the case may be, the First Project; and

WHEREAS, the City then determined that it will be beneficial to its citizens to finance the acquisition of certain water rights (the "Second Project"); and

WHEREAS, in order to finance the Second Project, the Corporation and the City deemed it necessary and desirable for the Corporation to issue its Revenue Bonds, Series 2011 (the "Series 2011 Bonds"); and

WHEREAS, in connection with the issuance of the Series 2011 Bonds, the Corporation and the City entered into a Series 2011 Ground Lease, dated as of June 1, 2011, pursuant to which the City leased the real property described on Exhibit A attached thereto to the Corporation and a Series 2011 City Lease, dated as of June 1, 2011, pursuant to which the Corporation leased such real property and the improvements to be included thereon to the City, and the City, as agent of the Corporation, agreed to provide for the acquisition of the Second Project; and

WHEREAS, the City then determined that it will be beneficial to its citizens to finance the costs of renovations to the "Peoria Sports Complex" (the "Third Project"); and

WHEREAS, the Corporation desires to assist the City in financing the Third Project; and

WHEREAS, in order to finance the Third Project, the Corporation and the City deem it necessary and desirable for the Corporation to issue its Revenue Bonds, Series 2012 (the "Series 2012 Bonds"); and

WHEREAS, in connection with the issuance of the Series 2012 Bonds, the Corporation and the City entered into a Series 2012 City Purchase Agreement, dated as of _____ 1, 2012 (the "Series 2012 City Purchase Agreement"), pursuant to which, among other things, the City, as agent of the Corporation, agreed to provide for the Third Project; and

WHEREAS, the Series 2003 Bonds, the Series 2006 Bonds, the Series 2011 Bonds, the Series 2012 Bonds and any Additional Bonds (as such term and all other capitalized terms hereinafter used are defined in Section 1.01 of the Indenture as supplemented) are secured by the Trust Indenture, and the Corporation is authorized to execute and deliver this Supplement and to do, or cause to be done, all acts provided or required herein to be performed on its part; and

WHEREAS, the Corporation has not made and does not intend to make any profit by reason of any business or venture in which it may engage or by reason of the assistance it renders the City in financing the Third Project, and no part of the Corporation's net earnings, if any, will ever inure to the benefit of any person, firm or corporation except the City; and

WHEREAS, all acts and conditions required to happen, exist and be performed precedent to and in the issuance of the Series 2011 Bonds and the execution and delivery of this Supplement have happened, exist and have been performed, or at the delivery of the Series 2011 Bonds will exist, will have happened and will have been performed (i) to make the Series 2012 Bonds, when issued, delivered and authenticated, valid obligations of the Corporation in accordance with the terms thereof and hereof and (ii) to make this Indenture a valid, binding and legal trust agreement for the security of the Series 2012 Bonds in accordance with its terms;

NOW, THEREFORE, THIS SUPPLEMENT WITNESSETH:

That to further secure, *first*, the payment of Debt Service Charges on all of the Bonds issued and outstanding under the Indenture including the Series 2003 Bonds, the Series 2006 Bonds, the Series 2011 Bonds and the Series 2012 Bonds, and, *second*, payments with respect to any Qualified Reserve Fund Instrument hereinafter provided pursuant to the terms of the Indenture according to their true intent and meaning, to secure the performance and observance of all of the covenants, agreements, obligations and conditions contained in the Indenture and therein, and to supplement the terms and conditions upon and subject to which the Bonds are and are intended to be issued, held, secured and enforced, and in consideration of the premises and the acceptance by the Trustee of the trusts created in the Indenture and of the purchase and acceptance of the Bonds by the Owners thereof and the provision of any Qualified Reserve Fund Instrument by the provider thereof, and for other good and valuable consideration, the receipt of which is acknowledged, the Corporation absolutely assigns hereby to the Trustee, and to its successors in trust, and its and their assigns, all right, title and interest of the Corporation in and to

(i) the right, title and interest of the Corporation in and to the Series 2012 City Purchase Agreement, the Corporation, however, to remain liable to observe and perform all of the conditions and covenants in the Series 2012 City Purchase Agreement provided to be observed and performed by it;

(ii) the amounts to be paid to the Corporation or the Trustee under the terms of the Series 2012 City Purchase Agreement, except the Unassigned Corporation's Rights; and

(iii) all property which is by the express provisions of the Indenture required to be subjected to the lien of the Indenture and any additional property that may, from time to time hereafter, by delivery or by writing of any kind, be subjected to the lien of the Indenture, by the Corporation or by anyone in its behalf, and the Trustee is hereby authorized to receive the same at any time as additional security under the Indenture,

TO HAVE AND TO HOLD unto the Trustee and its successors in that trust and its and their assigns forever;

BUT IN TRUST, NEVERTHELESS, and subject to the provisions of the Indenture,

(a) except as otherwise provided in the Indenture, *first*, for the benefit, security and protection of all present and future Owners of the

Bonds issued or to be issued under and secured by the Indenture and, *second*, for the benefit of the provider of any Qualified Reserve Fund Instrument,

(b) for the enforcement of the payment of the principal of and interest and any premium on the Bonds, when payable, according to the true intent and meaning thereof and of the Indenture and for the enforcement of payments to any provider of a Qualified Reserve Fund Instrument, and

(c) to secure the performance and observance of and compliance with the covenants, agreements, obligations, terms and conditions of the Indenture, and

in each case, except as otherwise provided in the Indenture, without preference, priority or distinction, as to lien or otherwise, of any one Bond of a series over any other Bond of the same series by reason of designation, number, date of the Bonds or of authorization, issuance, sale, execution, authentication, delivery or maturity thereof, or otherwise, so that each Bond of a series and all Bonds of a series shall have the same right, lien and privilege under the Indenture, and shall be secured equally and ratably by the Indenture, it being intended that the lien and security of the Indenture shall take effect from the date thereof, without regard to the date of actual issue, sale or disposition of the Bonds, as though upon that date all of the Bonds were actually issued, sold and delivered to purchasers for value; provided, however, that if

(i) the principal of the Bonds and the interest due or to become due thereon together with any premium required by redemption of any of the Bonds prior to maturity, shall be well and truly paid, at all times and in the manner to which reference is made in the Bonds, according to the true intent and meaning thereof, or the outstanding Bonds shall have been paid and discharged in accordance with Article X of the Indenture, and

(ii) all of the covenants, agreements, obligations, terms and conditions of the Corporation under the Indenture shall have been kept, performed and observed, and there shall have been paid to the Trustee, the Registrar, and the Paying Agents as well as the provider of any Qualified Reserve Fund Instrument all sums of money due or to become due to them in accordance with the terms and provisions of the Indenture,

then, the Indenture and the rights assigned thereby shall cease, determine and be void, except as provided in Section 10.03 thereof with respect to the survival of certain provisions thereof; otherwise, the Indenture shall be and remain in full force and effect.

The Corporation has agreed and covenanted, and agrees and covenants with the Trustee and with each and all Owners as well as the provider of any Qualified Reserve Fund Instrument, further as follows:

ARTICLE I

DEFINITIONS

SECTION 1.1 Definitions. All words and terms used herein shall have the same meanings as set forth in Section 1.01 of the Indenture and the Recitals hereto, except as provided hereinafter:

"Bond Resolution" means (a) when used with reference to the Series 2003 Bonds, the resolution providing for their issuance and the approving of the Series 2003 Ground Lease, the Series 2003 City Lease, the Indenture and related matters; to the Series 2006 Bonds, the resolution providing for their issuance and the approving of the Series 2006 Ground Lease, the Series 2006 City Lease, the First Supplement and related matters; to the Series 2011 Bonds, the resolution providing for their issuance and the approving of the Series 2011 Ground Lease, the Series 2011 City Lease, the Second Supplement and related matters and to the Series 2012 Bonds, the resolution providing for their issuance and the approving of the Series 2012 City Purchase Agreement, this Supplement and related matters; (b) when used with reference to an issue of Additional Bonds, the resolution providing for the issuance of the Additional Bonds, to the extent applicable, and the resolution providing for the issuance of the Additional Bonds and the approving of any amendment or supplement to the Series 2003 Ground Lease, the Series 2006 Ground Lease or the Series 2011 Ground Lease or the Series 2003 City Lease, the Series 2006 City Lease, the Series 2011 City Lease or the Series 2012 City Purchase Agreement, any new agreements in lieu thereof, any Supplemental Indenture and related matters; and (c) when used with reference to Bonds when Additional Bonds are outstanding, the resolution providing for the issuance of the refunding bonds and the resolution providing for the issuance of the then outstanding and the then to be issued Additional Bonds, in each case as amended or supplemented from time to time.

"Bonds" means the Series 2003 Bonds, the Series 2006 Bonds, the Series 2011 Bonds, the Series 2012 Bonds and any Additional Bonds.

"Debt Service Coverage" means the amount of revenues from the Excise Taxes (as such term is defined in the Series 2003 City Lease, the Series 2006 City Lease, the Series 2011 City Lease and the Series 2012 City Purchase Agreement) plus the State Shared Revenues (as such term is defined in the Series 2003 City Lease, the Series 2006 City Lease, the Series 2011 City Lease and the Series 2012 City Purchase Agreement) for the then-current Fiscal Year divided by the Maximum Annual Debt Service for the Bonds.

"Interest Payment Date" or "Interest Payment Dates" means, as to the Series 2011 Bonds, the date or dates set forth as such in the form of bond attached hereto as Exhibit A.

"Original Purchaser" means, as to the Series 2012 Bonds, _____.

"Principal Payment Date" means, as to the Series 2011 Bonds, July 1 in the years specified in Section 2.2 hereof for the stated amount of principal to be retired at maturity, or any other date on which the principal of the Series 2012 Bonds is payable as a result of redemption, optional or mandatory.

"Registrar" means, as to the Series 2012 Bonds, the Trustee.

"Revenues" means (a) the payments due under the Series 2003 City Lease, the Series 2006 City Lease, the Series 2011 City Lease and the Series 2012 City Purchase Agreement, (b) all other moneys received or to be received by the Corporation or the Trustee in respect of the Series 2003 City Lease, the Series 2006 City Lease, the Series 2011 City Lease and the Series 2012 City Purchase Agreement, including without limitation, moneys and investments in the Bond Retirement Fund, and (c) all income and profit from the investment of the foregoing moneys.

"Series 2012 Acquisition and Construction Fund" means the Series 2012 Acquisition and Construction Fund created in Section 4.1 hereof.

"Series 2012 Bond Retirement Account" means the Series 2012 Bond Retirement Account of the Bond Retirement Fund created in Section 4.1 hereof.

"Series 2012 Costs of Acquisition and Construction" means all items of expense directly or indirectly relating to the cost of designing, acquiring, constructing and equipping the Third Project, including, but not limited to, the following:

(a) Costs incurred by the City in connection with the designing, acquiring, constructing and equipping of the Third Project;

(b) Expenses incurred by the City for labor, services, materials and supplies used or furnished in the designing, acquisition, constructing and equipping of the Third Project;

(c) Fees paid by the City for legal, design, architectural, engineering, construction management, consulting and supervisory services with respect to the Third Project, including, without limitation, the cost of preparing or obtaining plans and specifications, working drawings, bids, appraisals, approvals, permits and inspections;

(d) Expenses incurred by the City in seeking to enforce any remedy against any contractor, subcontractor, materialman, vendor, supplier or surety in respect of any default under a contract relating to constructing and equipping the Third Project; and

(e) Any sums required to reimburse the City for advances made by it for any of the above items.

"Series 2012 Delivery Costs" means all items of expense directly or indirectly payable by or reimbursable to the Corporation or the City relating to the execution, sale and delivery of this Supplement, the Series 2012 City Purchase Agreement or the Bonds, including but not limited to, filing and recording costs, settlement costs, printing costs, reproduction and binding costs, initial fees and charges of the Trustee, the Registrar, the Paying Agents, financing discounts, legal fees and charges, insurance fees and charges, including insurance fees and charges for bond and reserve fund insurance, and financial and other professional consultant fees, costs of rating agencies for credit ratings, fees for execution, transportation and safekeeping of the Bonds and charges and fees in connection with the foregoing.

"Series 2012 Interest Account" means the Series 2012 Interest Account of the Interest Fund created in Section 4.1 hereof.

"Series 2012 Revenue Account" means the Series 2012 Revenue Account of the Revenue Fund created in Section 4.1 hereof.

"Unassigned Corporation's Rights" means all of the rights of the Corporation to receive or be the beneficiary of additional payments under Section 1.4(b), (c), (e), (f) and (g) of the Series 2003 City Lease, the Series 2006 City Lease, the Series 2011 City Lease and the Series 2012 City Purchase Agreement, to be held harmless and indemnified under Article VIII thereof, to be reimbursed for attorneys' fees and expenses under Article VII thereof, to receive notice thereunder and to give or withhold consent to amendments, changes, modifications and alterations of the Series 2003 City Lease, the Series 2006 City Lease, the Series 2011 City Lease and the Series 2012 City Purchase Agreement and its right to enforce such rights.

ARTICLE II

AUTHORIZATION AND TERMS OF SERIES 2012 BONDS

SECTION 2.1 Authorized Amount of the Series 2012 Bonds. No Bonds may be issued under the provisions of this Supplement except in accordance with this Section. The total authorized principal amount of Series 2012 Bonds which shall be issued under the provisions of the Indenture is $_____,000.

SECTION 2.2 Issuance of Series 2012 Bonds.

(a) It is determined to be necessary to, and the Corporation shall, issue, sell and deliver $_____,000 aggregate principal amount of "Revenue Bonds, Series 2012."

(b) The Series 2012 Bonds shall be issuable only in fully registered form, substantially as set forth in Exhibit A to this Supplement, shall be numbered in such manner as determined by the Trustee in order to distinguish each Series 2012 Bond from any other Bond, shall be in the denominations of $5,000 of principal amount and any integral multiple thereof, shall be dated the date of their initial authorization and delivery and shall bear interest from the most recent date to which interest has been paid or duly provided for or, if no interest has been paid or duly provided for, from their date, payable semiannually on January 1 and July 1 of each year, commencing on _____ 1, 20__. The Series 2012 Bonds shall bear interest at the rates and mature in the principal amounts on July 1 of the years as follows:

Years	Principal Amount	Interest Rate
20__	$___,000	_____%
20__	___,000	_____
20__	___,000	_____
20__	___,000	_____
20__	___,000	_____
20__	___,000	_____
20__	___,000	_____
20__	___,000	_____
20__	___,000	_____
20__	___,000	_____
20__	___,000	_____
20__	___,000	_____
20__	___,000	_____
20__	___,000	_____
20__	___,000	_____
20__	___,000	_____

SECTION 2.3 Delivery of Series 2012 Bonds.

(a) Upon the execution and delivery of this Supplement and satisfaction of the conditions established by the Corporation for delivery of the Series 2012 Bonds, the Corporation shall execute the Series 2012 Bonds and deliver them to the Trustee. Thereupon, the Trustee shall authenticate the Series 2012 Bonds and deliver them to, or on the order of, the Original Purchaser thereof, as directed by the Corporation in accordance with this Section.

(b) Prior to delivery by the Trustee of any Series 2012 Bonds, there shall have been received by the Trustee a request and authorization to the Trustee on behalf of the Corporation, signed by the President, Vice President or Secretary-Treasurer, to authenticate and deliver the Series 2012 Bonds to, or on the order of, the Original Purchaser upon payment to the Trustee of the amounts specified therein (including without limitation, any accrued interest), which amounts shall be deposited as provided in Article IV hereof.

ARTICLE III

REDEMPTION OR PURCHASE OF BONDS

SECTION 3.1 Terms of Redemption of Series 2012 Bonds. The Series 2012 Bonds maturing on or after July 1, 20__, are subject to redemption, at the option of the Corporation, in whole at any time, or in part on any interest payment date, in any order of maturity and by lot within a maturity, on or after July 1, 20__, at a redemption price equal the principal amount of the Series 2012 Bonds being redeemed, plus accrued interest to the date fixed for redemption, without premium.

SECTION 3.2 Purchase of Bonds. Notwithstanding the other provisions of Article IV of the Indenture, if at any time there is money in the Series 2012 Bond Retirement Account of the Bond Retirement Fund and any of the outstanding Bonds payable from such account may be purchased in the open market at a net cost to the Corporation which would be less than the cost of redeeming such Bonds under the provisions of this Article (or, prior to the time such Bonds may be redeemed, at a price

equal to or below par), the Corporation, from time to time, at the request of the City, may cause the Trustee to purchase so many of such Bonds as the Corporation shall designate and to pay therefor from the Series 2012 Bond Retirement Account of the Bond Retirement Fund, to the extent of the funds in such fund.

ARTICLE IV

PROVISIONS AS TO FUNDS AND PAYMENTS

SECTION 4.1 Establishment of Funds. There are hereby ordered created by the Corporation and maintained as separate deposit accounts (except when invested as set forth in the Indenture) in the custody of the Trustee, the following trust accounts in addition to those created by the Indenture as well as a "Series 2012 Acquisition and Construction Fund": (i) as part of the Revenue Fund, a Series 2012 Revenue Account; (ii) as part of the Interest Fund, a Series 2012 Interest Account and (iii) as part of the Bond Retirement Fund, a Series 2012 Bond Retirement Account.

SECTION 4.2 Application of Series 2012 Bond Proceeds. The Corporation shall deposit with the Trustee all of the proceeds of the sale of the Series 2012 Bonds (net of the underwriting compensation) and upon receipt of such proceeds the Trustee shall deposit the same to the credit of the Series 2012 Acquisition and Construction Fund.

SECTION 4.3 Disbursements From Series 2012 Acquisition and Construction Fund.

(a) The Trustee shall hold the amounts in the Series 2012 Acquisition and Construction Fund for the benefit of the Corporation to be used to pay the Series 2012 Delivery Costs and to pay the Series 2012 Costs of Acquisition and Construction, upon written order executed and delivered to the Trustee directing such disbursements as follows:

(1) In the case of payment of Series 2012 Delivery Costs, the Trustee shall disburse moneys in the Series 2012 Acquisition and Construction Fund only upon a requisition signed by a City Representative setting forth the amounts to be disbursed for payment or reimbursement of Series 2012 Delivery Costs and the person or persons to whom said amounts are to be disbursed, stating that the amounts to be disbursed are for Series 2012 Delivery Costs properly chargeable to the Series 2012 Acquisition and Construction Fund.

(2) In the case of payment of Series 2012 Costs of Acquisition and Construction, the Trustee shall disburse moneys in the Series 2012 Acquisition and Construction Fund only upon a requisition signed by a City Representative supported by appropriate descriptions and cost breakdowns for each requested disbursement and stating that (i) not more than five percent (5%) of the amount of the requested disbursement are or were used for any private business use within the meaning of Section 141(b)(2) of the Code, and (ii) the amounts to be disbursed are Series 2012 Costs of Acquisition and Construction properly chargeable to the Acquisition and Construction Fund.

(b) The Trustee shall be responsible for the safe keeping of the amounts held in the Series 2012 Acquisition and Construction Fund and the payment thereof in accordance with this Section. Upon the filing with the Trustee of a certificate of a City Representative stating that all of the Series 2012 Delivery Costs and the Series 2012 Costs of Acquisition and Construction have been paid, the Trustee shall transfer to the Bond Retirement Fund, in such manner as the City may direct, the balance of moneys remaining in the Series 2012 Acquisition and Construction Fund.

SECTION 4.4 Receipt of Revenues. The installments paid by the City pursuant to the terms of the Series 2012 City Purchase Agreement have been assigned by the Corporation to the Trustee so that such moneys shall be paid by the City directly to the Trustee, and the Trustee shall credit such moneys to the Revenue Fund, the Reserve Fund and the Reimbursement Fund, as appropriate. The installments paid by the City pursuant to the terms of Section 1.3(a)(i) of the Series 2012 City Purchase Agreement shall be deposited in the Series 2012 Revenue Account of the Revenue Fund and of Section 1.3(a)(ii) of the Series 2012 City Purchase Agreement shall be deposited in the Reserve Fund and the Reimbursement Fund, as appropriate. If at any time the money in the Revenue Fund exceeds, in the sole opinion of the Trustee, the amount necessary for the current debt service on all of the Bonds then outstanding, including administration costs and expenses, and the City is not then in default under the Series 2012 City Purchase Agreement, such excess shall constitute a credit to the City on the next succeeding installments due or to become due under the Series 2012 City Purchase Agreement, in such manner as the City may direct; provided, however, that the City may exercise its rights under Section 7.3 of the Series 2012 City Purchase Agreement, in which event such excess funds shall be transferred to and paid over into the Series 2012 Bond Retirement Account, in such manner as the City may direct in writing. Notwithstanding the foregoing, if the City is required to make payments pursuant to the provisions of Section 1.3(a)(ii) of the Series 2012 City Purchase Agreement, then in that event, until such time as the amount in the Reserve Fund shall equal the Reserve Requirement any excess moneys in the Revenue Fund shall, at least annually, so long as the City is not in default under the Series 2012 City Purchase Agreement, be deposited in the Reserve Fund and any earnings in the Reserve Fund shall be retained in the Reserve Fund. The aforesaid credit or transfer shall be made by the Trustee no less frequently than annually.

SECTION 4.5 Flow of Funds - Interest Fund/Bond Retirement Fund. The Trustee shall transfer from the Series 2012 Revenue Account of the Revenue Fund the following amounts at the time and in the manner hereinafter provided for, to-wit:

(a) Series 2012 Interest Account of the Interest Fund: One (1) business day prior to each Interest Payment Date, the Trustee shall deposit in the Series 2012 Interest Account of the Interest Fund an amount equal to the amount of the interest becoming due and payable on the outstanding Series 2012 Bonds on the next Interest Payment Date, and each such deposit shall be made so that adequate moneys for the payment of interest will be available in such fund on each date that interest payments are to be made hereunder. Amounts in the Series 2012 Interest Account of the Interest Fund shall be used and withdrawn by the Trustee solely for the purpose of paying the interest on the Series 2012 Bonds as it shall become due and payable.

(b) Series 2012 Bond Retirement Account of the Bond Retirement Fund: One (1) business day prior to each Principal Payment Date, the Trustee shall deposit in the Series 2012 Bond Retirement Account of the Bond Retirement Fund solely for the purpose of paying the principal of the Series 2012 Bonds

as each amount shall become due and payable, on or before the following dates, the amounts specified opposite each such date:

Amount	Maturity Date
$___,000	July 1, 20__
___,000	July 1, 20__
___,000	July 1, 20__
___,000	July 1, 20__
___,000	July 1, 20__
___,000	July 1, 20__
___,000	July 1, 20__
___,000	July 1, 20__
___,000	July 1, 20__
___,000	July 1, 20__
___,000	July 1, 20__
___,000	July 1, 20__
___,000	July 1, 20__
___,000	July 1, 20__
___,000	July 1, 20__

ARTICLE V

ENFORCEMENT OF REVENUE PLEDGE; EXCLUSIVE PLEDGE

SECTION 5.1 Enforcement of Revenue Pledge. As provided in Section 3.5 of the Series 2012 City Purchase Agreement, the Trustee shall have the right of specific performance of the covenants of the City as to Revenues provided by such Section 3.5 by appropriate court action in the name of the Trustee on behalf of the Owners of the Bonds and the provider of any Qualified Reserve Fund Instrument, in the name of the Corporation or in the names of both. Nothing contained in this Section or in Section 3.5 of the Series 2012 City Purchase Agreement shall be deemed to create a lien of any kind upon assets or facilities of the City.

SECTION 5.2 Exclusive Pledge. As further provided in Section 3.5 of the Series 2012 City Purchase Agreement, the pledge of Revenues referred to in this Article shall be for the benefit of the Owners of the Series 2003 Bonds, the Series 2006 Bonds, the Series 2011 Bonds and the Series 2012 Bonds and the Owners of any Additional Bonds as well as the provider of any Qualified Reserve Fund Instrument, and no other creditor of the Corporation shall have any claim thereto.

ARTICLE VI

MISCELLANEOUS

SECTION 6.1 Certain References.

(a) References in Sections 2.04, 5.08, 5.10, 7.02, 7.06, 8.01, 8.03, 8.05, 9.02, 10.01, 11.04, 11.06, 11.08, 11.09, 11.11, 11.13 and 13.08 of the Indenture to "Series 2003 City Lease" shall be deemed to also be to "Series 2012 City Purchase Agreement."

(b) References in Sections 5.08, 8.06, 10.02, 11.06, 11.08 and 11.12 of the Indenture to "Series 2003 Bonds" shall be deemed to also be to "Series 2012 Bonds."

SECTION 6.2 Severability.

(a) In case any section or provision of this Supplement, or any covenant, agreement, stipulation, obligation, act or action, or part thereof, made, assumed, entered into or taken under this Supplement, or any application thereof, is held to be illegal or invalid for any reason, or is inoperable at any time, that illegality, invalidity or inoperability shall not affect the remainder thereof or any other section or provision of this Supplement or any other covenant, agreement, stipulation, obligation, act or action, or part thereof, made, assumed, entered into or taken under this Supplement, all of which shall be construed and enforced at the time as if the illegal, invalid or inoperable portion were not contained therein.

(b) Any illegality, invalidity or inoperability shall not affect any legal, valid and operable section, action, covenant, agreement, stipulation, obligation, act, provision, part or application, all of which shall be deemed to be effective, operative, made, assumed, entered into or taken in the manner and to the full extent permitted by law from time to time.

SECTION 6.3 Notices.

(a) Except as provided in Section 8.02 of the Indenture, it shall be sufficient service or giving of any notice, request, complaint, demand or other instrument or document, if it is duly mailed by first class mail notices to the Corporation and the City and, the Trustee shall be addressed as follows:

(i) If to the Corporation:

Peoria Municipal Development
Authority, Inc.
c/o City of Peoria, Arizona
8401 West Monroe Street
Peoria, Arizona 85345
Attention: President

(ii) If to the City:

City of Peoria, Arizona
8401 West Monroe Street
Peoria, Arizona 85345
Attention: Chief Financial Officer

(iii) If to the Trustee:

The Bank of New York Mellon Trust
Company, N.A.
1225 West Washington Street, Suite 126
Tempe, Arizona 85281
Attention: Corporate Trust Services

Duplicate copies of each notice, request, complaint, demand or other instrument or document given hereunder by the Corporation, the City, the Trustee to one or either of the others also shall be given to the others. The foregoing parties may designate, by notice given hereunder, any further or different addresses to which any subsequent notice, request, complaint, demand or other instrument or document shall be sent. The Trustee shall designate, by notice to the Corporation and the City, the addresses to which notices or copies thereof shall be sent to the Registrar and the Paying Agents.

SECTION 6.4 Counterparts. This Supplement may be executed in any number of counterparts, each of which shall be regarded as an original and all of which shall constitute but one and the same instrument.

SECTION 6.5 Covenant as to Conflict of Interest; Other Statutory Restrictions.

(a) To the extent applicable by provision of law, the Trustee acknowledges that this Supplement is subject to cancellation pursuant to Section 38-511, Arizona Revised Statutes, as amended, the provisions of which are incorporated herein and which provides that the Corporation may within three (3) years after its execution cancel any contract (including this Supplement) without penalty or further obligation made by the Corporation if any person significantly involved in initiating, negotiating, securing, drafting or creating the contract on behalf of the Corporation is at any time while the contract or any extension of the contract is in effect, an employee or agent of any other party to the contract in any capacity or a consultant to any other party to the contract with respect to the subject matter of the contract. The cancellation shall be effective when written notice is received by all other parties to the contract unless the notice specifies a later time. The Trustee covenants not to employ as an employee, an agent or, with respect to the subject matter of this Supplement, a consultant, any person significantly involved in initiating, negotiating, securing, drafting or creating this Supplement on behalf of the Trustee within three years from the execution of this Supplement, unless a waiver of Section 38-511, Arizona Revised Statutes, as amended, is provided by the Corporation. No basis exists for the Corporation to cancel this Supplement pursuant to Section 38-511, Arizona Revised Statutes, as amended, as of the date hereof.

(b) To the extent applicable under Section 41-4401, Arizona Revised Statutes, as amended, the Trustee shall comply with all federal immigration laws and regulations that relate to its employees and its compliance with the "e-verify" requirements under Section 23-214(A), Arizona Revised Statutes, as amended. The

breach by the Trustee of the foregoing shall be deemed a material breach of this Supplement and may result in the termination of the services of the Trustee by the Corporation. The Corporation retains the legal right to randomly inspect the papers and records of the Trustee to ensure that the Trustee is complying with the above-mentioned warranty. The Trustee shall keep such papers and records open for random inspection during normal business hours by the Corporation. The Trustee shall cooperate with the random inspections by the Corporation including granting the Corporation entry rights onto its property to perform such random inspections and waiving its respective rights to keep such papers and records confidential.

(c) Pursuant to Sections 35-391.06 and 35-393.06, Arizona Revised Statutes, as amended, the Trustee does not have a scrutinized business operation in Sudan or Iran. For the purpose of this subsection, the term "scrutinized business operations" shall have the meanings set forth in Section 35-391 and 35-393, Arizona Revised Statutes, as amended, as applicable. If the Corporation determines that the Trustee submitted a false certification, the Corporation may impose remedies as provided by law including terminating the services of the Trustee.

ARTICLE VII

INTEGRATION OF DOCUMENTS

SECTION 7.1 The Indenture and this Supplemental Indenture. The Indenture and this Supplement shall be deemed and considered as a single document, and the covenants, agreements, terms, conditions, rights, privileges, duties and liabilities contained in the Indenture and this Supplement and arising thereunder and hereunder shall apply concurrently, except as specifically set forth herein, and except when the context or circumstances otherwise require.

SECTION 7.2 Indenture to Remain in Effect, Except as Modified. Except as otherwise modified, amended or supplemented by this Supplement, the Indenture shall remain in full force and effect for and until the defeasance clause of the preamble of this Supplement is satisfied.

IN WITNESS WHEREOF, the Corporation has caused this Supplement to be executed and delivered for it and in its name and on its behalf by its duly authorized officers; in token of its acceptance of the trusts created hereunder and under the Indenture, the Trustee has caused this Supplement to be executed and delivered for it and in its name and on its behalf by its duly authorized officer; and in token of its acceptance of the duties and obligations of the Registrar hereunder and under the Indenture, the Registrar has caused this Supplement to be executed and delivered for it and in its name and on its behalf by its duly authorized officer, all as of the day and year first above written.

PEORIA MUNICIPAL DEVELOPMENT AUTHORITY, INC.

By_____
President

ATTEST:

_____
Secretary-Treasurer

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., as Trustee and Registrar

By_____
Authorized Representative

EXHIBIT A

[Form of Series 2012 Bond]

REGISTERED
NO. R -...

REGISTERED
$.....

UNLESS THIS BOND IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY ("DTC") TO THE CORPORATION OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY BOND ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.*

UNITED STATES OF AMERICA
STATE OF ARIZONA
PEORIA MUNICIPAL DEVELOPMENT AUTHORITY, INC.
REVENUE BOND, SERIES 2012

Interest Rate:	Maturity Date:	Dated Date:	CUSIP:
.....% per annum	July 1, ...	....., 2012	.....

REGISTERED OWNER: CEDE & CO.*

PRINCIPAL AMOUNT: ..... DOLLARS

PEORIA MUNICIPAL DEVELOPMENT AUTHORITY, INC., a nonprofit corporation organized and existing under and by virtue of the laws of the State of Arizona (hereinafter referred to as the "Corporation"), for value received, hereby promises to pay to the Registered Owner (named above), or registered assigns, the Principal Amount (stated above) on the Maturity Date (stated above), unless this Series 2012 Bond is redeemed prior to the Maturity Date and payment provided therefor, and to pay interest on the principal amount at the Interest Rate (stated above) on January 1 and July 1 of each year, commencing on _____ 1, 20__ (each an "interest payment date"), from the Dated Date (stated above) to the Maturity Date, or until redeemed prior to the Maturity Date. The principal of and premium, if any, on this Series 2012 Bond are payable upon presentation and surrender hereof at the designated corporate trust office of ...., as trustee (the "Trustee"). Interest on this Series 2012 Bond is payable by check mailed to the registered owner hereof, as shown on the registration books for this series maintained by the Trustee, at the address appearing therein at the close of business on the 15th

* To be inserted as long as The Depository Trust Company, New York, New York, is the Securities Depository.

day of the calendar month next preceding that interest payment date (the "regular record date"). Any interest which is not timely paid or duly provided for shall cease to be payable to the registered owner hereof (or of one or more predecessor Series 2012 Bonds) as of the regular record date, but shall be payable to the registered owner hereof (or of one or more predecessor Series 2012 Bonds) at the close of business on a special record date to be fixed by the Trustee for the payment of that overdue interest. The special record date shall be fixed by the Trustee whenever moneys become available for payment of the overdue interest, and notice of the special record date shall be given to registered owners of the Series 2012 Bonds not less than 10 days prior thereto. The principal of and premium, if any, and interest on this Series 2012 Bond are payable in lawful money of the United States of America, without deduction for the services of the Trustee.

This bond is one of a duly authorized issue of bonds of the Corporation known as its Revenue Bonds, Series 2012 (the "Series 2012 Bonds"), issued for the purpose of assisting the City of Peoria, Arizona (the "City"), in financing a project for the City. The Series 2012 Bonds are special obligations of the Corporation issued under and secured, both as to principal and interest, by a Trust Indenture, dated as of June 1, 2003, as supplemented by a First Supplement to Trust Indenture, dated as of March 1, 2006, a Second Supplement to Trust Indenture, dated as of June 1, 2011, and a Third Supplement to Trust Indenture, dated as of _____ 1, 2012 (as so supplemented, hereinafter referred to as the "Indenture"), from the Corporation to the Trustee. Reference is hereby made to the Indenture for the nature and extent of the security, a statement of the terms and conditions upon which the Series 2012 Bonds are issued and secured, the rights of the registered owners hereof and the terms under which bonds with a parity lien over the Series 2012 Bonds have been Bonds may be issued.

Pursuant to a Series 2012 City Purchase Agreement, dated as of _____ 1, 2012 (the "Series 2012 City Purchase Agreement"), by and between the Corporation and the City, the Corporation has sold certain property to the City. The payments to be paid by the City to the Corporation pursuant to the Series 2012 City Purchase Agreement have been assigned to the Trustee as security for the payment of the Series 2012 Bonds.

Under the terms of the Series 2012 City Purchase Agreement, the City has agreed to pay sums sufficient to pay, among other things, the principal of and interest on the Series 2012 Bonds as the same come due, and all charges and expenses of the Trustee. In order to secure the payments, the City has pledged (i) revenues from the unrestricted transaction privilege (sales) tax, business license and franchise fees, parks and recreation fees and permits and fines and forfeitures which the City imposes; provided that the Mayor and Council of the City may impose other transaction privilege taxes in the future, the uses of revenues from which will be restricted, at the discretion of such Council and (ii) any excise taxes, transaction privilege (sales) taxes and income taxes imposed by the State of Arizona or any agency thereof and returned, allocated or apportioned to the City, except the City's share of any such taxes which by State law, rule or regulation must be expended for other purposes, such as motor vehicle fuel taxes.

The Series 2012 City Purchase Agreement does not constitute a general obligation of the City nor any indebtedness of the City within the meaning of the Constitution or laws of the State of Arizona. This Bond and all the Series 2012 Bonds are payable solely from amounts received by the Corporation under the Series 2012 City Purchase Agreement and all supplements thereto. This Bond is not a general

obligation of the Corporation, and no incorporator, member, director, officer or agent, as such, past, present or future, of the Corporation shall be personally liable for the payment hereof.

As provided in, and to the extent permitted by the Indenture, or any indenture supplemental thereto, the rights and obligations of the Corporation and the registered owners of the Series 2012 Bonds may be modified by the Corporation with the written consent of the registered owners of a majority of the principal amount of the Series 2012 Bonds outstanding, provided, however, that no such modification shall effect the reduction of, or the extension of the stated time of payment of the principal hereof, or of the interest hereon, or permit the creation of any lien on the trust estate established by the Indenture prior to or on a parity with the lien of the Indenture (except parity bonds or other obligations under the conditions set forth in the Indenture) or deprive the registered owner hereof of the lien created by the Indenture.

The City has covenanted and agreed with the registered owners of the Series 2012 Bonds that, so long as any of the Series 2012 Bonds remain outstanding and any of the principal and interest thereon shall be unpaid or unprovided for, the City will not further encumber the amounts pledged under the Series 2012 City Purchase Agreement on a basis equal to its pledge thereunder unless the amounts collected in the next preceding fiscal year of the City shall have amounted to at least three (3.0) times the highest combined interest and principal requirements for any succeeding 12 months' period for all Series 2012 Bonds then outstanding and all other parity obligations secured and so proposed to be secured by a pledge of those amounts.

The Series 2012 Bonds maturing on or after July 1, 20__, are subject to redemption, at the option of the Corporation, in whole at any time, or in part on any interest payment date, in any order of maturity and by lot within a maturity, on or after July 1, 20__, at a redemption price equal to the principal amount of the Series 2012 Bonds being redeemed, plus accrued interest to the date fixed for redemption, without premium.

Notice of redemption of the Series 2012 Bonds shall be mailed by first class mail, postage prepaid, not more than 60 nor less than 30 days prior to the date fixed for redemption, to the registered owner of each Series 2012 Bond to be redeemed in whole or in part at the registered owner's address shown on the registration books for the Series 2012 Bonds on the day preceding that mailing. Failure to mail notice to any registered owner of Series 2012 Bonds shall not affect the validity of the proceeding for the redemption of Series 2012 Bonds with respect to registered owners of other Series 2012 Bonds.

The Registrar, initially the Trustee, will maintain the books of the Corporation for the registration of ownership of each Series 2012 Bond as provided in the Indenture.

This Series 2012 Bond may be transferred on the registration books upon delivery hereof to the Registrar, accompanied by a written instrument of transfer in form and with guaranty of signature satisfactory to the Registrar, duly executed by the registered owner of this Series 2012 Bond, or his or her attorney-in-fact or legal representative, containing written instructions as to the details of the transfer. No transfer of this Series 2012 Bond shall be effective until entered on the registration books.

In all cases upon the transfer of a Series 2012 Bond, the Registrar will enter the transfer of ownership in the registration books and will authenticate and deliver, in the name of the transferee or transferees, a new fully registered Series 2012 Bond or Bonds of the same series, of the denominations of $5,000 or any whole multiple thereof (except that no Series 2012 Bond shall be issued which relates to more than a single principal maturity) for the aggregate principal amount which the registered owner is entitled to receive at the earliest practicable time in accordance with the provisions of the Indenture.

The registered owner of one or more Series 2012 Bonds may, upon request, and upon the surrender to the Registrar of such Series 2012 Bonds, exchange such Series 2012 Bonds for Series 2012 Bonds of other authorized denomination of the same maturity, series, and interest rate together aggregating the same principal amount as the Series 2012 Bonds so surrendered.

The Corporation or the Registrar will charge the registered owner of such Series 2012 Bond, for every such transfer or exchange of a Series 2012 Bond, an amount sufficient to reimburse it for any tax, fee or other charge required to be paid with respect to such transfer and may require that such charge be paid before any such new Series 2012 Bond shall be delivered. The registered owner of any Series 2012 Bond will be required to pay any expenses incurred in connection with the replacement of a mutilated, lost, stolen or destroyed Series 2012 Bond.

The Corporation and the Registrar will not be required (a) to issue or transfer any Series 2012 Bonds during a period beginning with the opening of business on the 15th business day next preceding the date of mailing of notice of Series 2012 Bonds to be redeemed and ending with the close of business on the day on which the applicable notice of redemption is mailed or (b) to transfer any Series 2012 Bonds which have been selected or called for redemption in whole or in part.

This Series 2012 Bond shall not be entitled to any security or benefit under the Indenture or be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been signed by the Registrar.

It is hereby certified and recited that all conditions, acts and things required by the Constitution and laws of the State of Arizona to exist, to occur and to be performed precedent to and in the issuance of this Series 2012 Bond exist, have occurred and have been performed. Neither this Series 2012 Bond nor the series of bonds of which this is one, is a general obligation of the Corporation or the City but is payable solely from the sources and in the manner set forth herein.

IN WITNESS WHEREOF, the President and Secretary-Treasurer of the Corporation have caused this Series 2012 Bond to be executed in the name of the Corporation by the facsimile signature of said President and by the facsimile signature of said Secretary-Treasurer, all as of the date written above.

PEORIA MUNICIPAL DEVELOPMENT
AUTHORITY, INC.

(Facsimile)
.....
President

ATTEST:

(Facsimile)
.....
Secretary-Treasurer

CERTIFICATE OF AUTHENTICATION

This Bond is one of Peoria Municipal Development Authority, Inc. Revenue Bonds, Series 2012.

Date of Authentication: .....

.....,
as Registrar

By.....
Authorized Representative

ASSIGNMENT

For value received, the undersigned sells, assigns and transfers unto ..... the within bond and irrevocably constitutes and appoints ..... attorney to transfer that bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated:..... .....

Signature Guaranteed:

....

Signature guarantee should be made by a guarantor institution participating in the Securities Transfer Agents Medallion Program or in such other program acceptable to the Bond Registrar.

Notice: The assignor's signature to this assignment must correspond with the name as it appears upon the face of the within bond in every particular, without alteration or any change whatsoever.

[Insert appropriate abbreviations]

CITY OF PEORIA, ARIZONA
COUNCIL COMMUNICATION

Agenda Item: 17C

Date Prepared: May 22, 2012 **Council Meeting Date: June 19, 2012**

TO: Honorable Mayor and Council

FROM: Stephen M. Kemp, City Attorney

SUBJECT: Award of General Liability Insurance Package FY 2013

Purpose:

This is a request for City Council to award the Fiscal Year 2013 general liability insurance package as recommended by the City's insurance broker, Mesirow Financial Insurance Services. The insurance package will maintain the City's Self-Insured Retention (SIR) level at $1,000,000 per claim occurrence and $3,000,000 for the aggregate of claims during the year, with layers of insurance above those amounts.

Background/Summary:

The general liability insurance coverage package includes all of the City's property, liability, equipment, casualty insurance, and fidelity bonds. It does not include workers' compensation or employee benefits. The City obtains annual insurance coverage, so it must be reviewed and renewed each year. The City contracts with an insurance broker, Mesirow Financial Insurance Services, on a fee-for-service basis to assist us in acquiring the most comprehensive and cost-effective insurance above our self-insured levels. Mesirow discussed the City's insurance needs with twelve national insurance carriers, and five of those carriers submitted bids to provide insurance coverage to the City in FY 2013.

After review of the insurance bids and in consideration of the current insurance market, Mesirow recommends that the City continue to self-insure for the first $1,000,000 per each claim, with a cap of $3,000,000 in aggregate claims during the year. Mesirow also recommends that we obtain additional insurance beyond these SIR levels through Travelers Insurance, which submitted the lowest bid for the City's insurance needs. The level of insurance coverage (i.e. the categories of coverage, deductibles, etc.) offered by Travelers Insurance for FY 2013 is the same that the City currently has in place.

The insurance premium for FY 2013 is $1,050,893. This is a 4.28% increase from last year's premium. The premium increase is the result of rising insurance costs nationally. The insurance market is hardening across the board due to major natural disasters (including in Japan and Thailand) and struggling financial markets in the United States and around the world. These situations have led insurance companies to find ways to increase their revenues.

The premium increase proposed by Travelers for this coming year is a smaller percentage than insurance companies on average are raising their premiums. This is a reflection of the City's ongoing efforts to minimize liabilities and handle claims efficiently and at the lowest cost possible. Because of those efforts, the new premium remains below the amount of premium that the City paid three years ago, in FY 2009 (even though the City has added over $90M in property values over that time).

Previous Actions:

No action has occurred previously on this request for the FY 2013 insurance package. The City Council has approved the insurance packages for prior years on an annual basis.

Options:

A: Award the insurance package as submitted

B: Direct staff to make such changes as Council determines to be appropriate

C: Take no action on the proposed insurance package

Staff's Recommendation:

The City Attorney's Office recommends that the City Council award the general liability insurance package as submitted. Also, due to the premium increase we recommend that the Mayor and the City Council approve the use of reserves and a budget amendment in the amount of $35,282.00 from Insurance Reserve Fund contingency account 3200-3610-570000 to Insurance Reserve Fund liability insurance account 3200-3600-523011. We do not recommend taking no action on the insurance package because the City's current insurance contract will expire on July 1, 2013, and it would not be in the City's interests to be without insurance at that time. The Finance Department and Office of Management and Budget have reviewed the insurance package and concur in this recommendation.

Fiscal Analysis:

The City Attorney's Office Insurance Budget for FY2013, Liability Insurance Account Number 3200-3600-523011, contains funding for $1,015,611. The additional amount necessary to pay the premium is available in insurance reserves.

Narrative:

The general liability insurance package presented to the City Council for FY 2013 will continue to provide sufficient additional insurance to the City beyond the City's SIR levels to insure that the City's financial exposure is protected fully.

Exhibit(s):

Exhibit 1: Premium Summary for July 1, 2012 – July 1, 2013 Insurance Proposal

Contact: Steve Burg, Chief Assistant City Attorney (623) 773-7321

City of Peoria's Insurance Proposal Booklets from Mesirow Financial for July 1, 2012- July 1, 2013 will be forthcoming. A copy of the booklet is in the Clerk's Office

CITY OF PEORIA, ARIZONA
COUNCIL COMMUNICATION

Agenda Item: 18C

Date Prepared: June 12, 2012 **Council Meeting Date:** June 19, 2012

TO: Mayor and Council

FROM: Claudia Luján, Interim Human Resources Director

THROUGH: Carl Swenson, City Manager

SUBJECT: Approval of Amendments to Memoranda of Understanding between City of Peoria, Arizona and Employee Organizations

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Purpose:

To amend the memoranda of understanding between the recognized employee organizations and the City of Peoria.

Background/Summary:

In recognition of collaborative efforts to manage through the economic downturn, the City has agreed to implement a one-time merit/step increase of 5% to all eligible employees. This merit/step increase payment is to be disbursed the first full pay period of the fiscal year. This is in lieu of merit increases previously negotiated to go into effect in FY13.

Members of the American Federation of State, County, and Municipal Employees (AFSCME) who are at the top step of the pay scale as of July 1, 2012 and are eligible, will receive a one-time payment of $850 to be disbursed the first full pay period of the fiscal year.

This is a one-time implementation based on satisfactory performance for the year beginning July 1, 2011 – June 30, 2012.

Previous Actions:

No previous action has been taken.

Options: *(include as many as reasonable)*

A: Approve amendments as outlined above.

B: Reject amendments.

Staff's Recommendation:

Staff recommends that these amendments be approved.

Fiscal Analysis:

No budget adjustment is required.

Narrative:

Implementation will begin the first full pay period of July 2012.

Exhibit(s):

Exhibit 1: Amendment to Memorandum of Understanding between City of Peoria, Arizona and American Federation of State, County, and Municipal Employees

Exhibit 2: Amendment to Memorandum of Understanding between City of Peoria, Arizona and United Phoenix Fire Fighters Association Local 493

Exhibit 3: Amendment to Memorandum of Understanding between City of Peoria, Arizona and Peoria Police Officers Association

Contact Name and Number: Claudia Lujan, 773-7739

CITY OF PEORIA, ARIZONA
COUNCIL COMMUNICATION

Agenda Item: 19R

Date Prepared: June 4, 2012 **Council Meeting Date: June 19, 2012**

TO: Mayor and Council

FROM: Carl Swenson, City Manager

SUBJECT: Council Confirmation of Fire Chief Appointment

Purpose:
Discussion and possible action to confirm the City Manager appointment of Bobby Ruiz as the new Fire Chief for the Fire Department, effective Monday, July 9, 2012.

Background/Summary:

The City conducted an open recruitment following the departure of Tom Solberg. Utilizing the executive recruiting services of Bob Murray and Associates resulted in a candidate pool of 54 applicants for the position. The candidates were screened by the city's executive team, as well as Mr. Murray's team, and the top four finalists were advanced for consideration.

The finalists endured an extensive day and one-half interview process. This included a city tour, meetings with the Executive Boards of PFFA and AFSCME, as well as meetings with department staff and directors. The formal interviews focused on technical experience, labor management, budget, leadership qualities and character. The panels were comprised of Deputy City Managers Susan Thorpe and Susan Daluddung, Police Chief Roy Minter, Interim Management and Budget Director Katie Gregory, Engineering Director Andy Granger, Public Works and Utilities Director Bill Mattingly, as well as the Assistant Fire Chief for Mesa, Mary Cameli. The process concluded with a Candidate/Community Forum. Through this comprehensive process it was determined that the top candidate for the position is Mr. Bobby Ruiz.

Bobby Ruiz has 37 years of fire fighting and fire administration experience. From 1974 to 1988 Mr. Ruiz rose from the ranks of Firefighter to Division Chief with the City of Phoenix. Subsequently, from 1988 to 2007 he led several functional areas within the Phoenix Fire Department in the position of Deputy Fire Chief. Most recently, from 2007 to 2011 Mr. Ruiz was Assistant Fire Chief for the City of Phoenix.

Bobby brings extensive experience that includes rich practical experience in all facets of fire operations. His background shows successful engagement in the area of community relations and partnering with the community to improve the quality of life.

Bobby holds a Masters Degree in Educational Leadership from Northern Arizona University and a Bachelors Degree in Organizational Management from the University of Phoenix. Ruiz has been an associate professor at Arizona State University for 13 years.

Throughout his career as a fire professional, Bobby has developed the experience, the leadership skill and the external network of professional associates that will make him an excellent addition to our organization.

His starting salary will be $145,000.

A copy of Bobby's professional resume is attached.

Previous Actions:

Options:

A: Confirm the appointment of Bobby Anthony Ruiz as the Fire Chief

B: Not confirm the appointment of Bobby Ruiz as the Fire Chief

Staff's Recommendation:

The Mayor and Council confirm the City Manager's appointment of Bobby Ruiz as Fire Chief for the City of Peoria, effective July 9, 2012.

Fiscal Analysis:

Narrative:

Exhibit(s):

Exhibit 1: Resume of Bobby Ruiz

Contact Name and Number: Claudia Lujan 623-773-7739

BOBBY ANTHONY RUIZ

OBJECTIVE:

Secure the position of Fire Chief with the City of Peoria, Arizona

INSTRUCTIONAL EXPERIENCE:

Arizona State University:
8/1998 - 2011
Associate Professor, Arizona State University, Polytech Campus, Fire Science Program in the following studies:

- Human Resource with focus on laws pertaining to fire personnel.
- Quality Management in government with focus on customer satisfaction utilizing the planning, budgeting and Labor-Management (Relationships by Objective, RBO) process.
- Fire Prevention Applications, examining the difference among criminal, civil, and public education with civic engagement.

Maricopa Community College System, Mesa Community College:
1980 - 1984
Emergency Medical Technology that prepared student for the State of Arizona EMT Certification.

FIREFIGHTING EXPERIENCE: (37 Years – 10/28/1974 to 12/1/2011)

Phoenix Fire Department:

Assistant Chief: **2007 - 2011 (Retired)**

Fire Marshal, Fire Prevention Services 2009 – 2011
Responsible for the management of the Fire Prevention Division. Including the sections of General Inspections, Fire Investigations, Special Hazards Unit, Plans Review, New Construction and Public Education. Staff Official for the Fire Safety Advisory Board and Member of the Development Advisory Board for the City of Phoenix.

Medical Service Division 2008 – 2009
Responsible for the training and management of the Paramedic and EMT program for the Phoenix Fire Department. Governor appointment to the State Health Services Committee.

Urban Services Division 2007 – 2008
Responsible for the management of several sections including Homeland Security, Fire Investigations, Fire Aviation Response, Public Affairs, and the Language Program.

Deputy Chief: 1988 – 2007

Special Operation Section 2006 – 2007

Responsible for the management of the department's Special Technical Rescue Teams, Hazardous Material Teams, Arizona Task Force1 F.E.M.A. Team, Community Involvement Section and the Department's Spanish Language Immersion Program.

District Commander of South Fire District 2002 – 2006

Responsible for the management of human and physical resources of seven fire stations. Commander of large emergency response incidents. Department's Spanish Language Program.

Chief of Technical Services 2001 – 2002

Responsible for the management of computer technology, 911 system and the development of the 800MHrz radio communication systems for the fire department.

District Commander of East Fire District 1997 – 2001

Responsible for the management of human and physical resources of eight fire stations within the City of Phoenix.

Chief of Community Involvement 1994 – 1997

Responsible for the management of Public Relations, Media Relations, Public Education and Community Involvement programs.

Chief of Fire Prevention's New Construction Section 1992 – 1994

Responsible for the management of new construction plan review, inspection and automation systems for Fire Prevention.

Chief of the Fire Investigation Section 1988 – 1991

Responsible for the management of Arson, Cause and Origin programs.

Division Chief: 1986 – 1988

Hazardous Material Inspection Section in Fire Prevention 1986 – 1988

Battalion Chief: 1985 – 1986

Chief of Suppression 1985 – 1986

Responsible for Command of Field Incidents.

Fire Captain: 1980 – 1985

Fire Prevention 1984 – 1985

Responsible for development of Trade Show and Pyrotechnic Codes with Civic Engagement emphasis on Code Enforcement.

Captain Paramedic / Technical Rescue in Operations 1980 – 1984

Responsible for Supervision of firefighting and paramedic activities within various fire stations. Specialized rappelling rescue and extraction team leader for "C" shift. Certified by the Federal Bureau of Investigations

Firefighter:	**1974 – 1980**
Fire Paramedic	1977 - 1980
Firefighter	1974 - 1977

EDUCATION:

Northern Arizona State University, 2001
Master of Education Degree in Educational Leadership. *Summa Cum Laude*

Valley Leadership Class XV Graduate, 1994 (Fellowship)

University of Phoenix, 1993
Bachelor of Arts in Organizational Management

Attended Arizona State University in 1973-1974 Majoring in Business Administration.

Computer Literate in Microsoft and Macintosh Platforms. Well versed in Databases, Spreadsheet, Statistical, Word Processing and Presentation Software.

COMMITTEES & ASSOCIATIONS:

2010 – Present	City of Phoenix, Development Advisory Board
2009 – Present	Franklin Police and Fire High School Board Member
2006 – Present	Federal Emergency Management Agency, Task Force Leader
1999 – 2011	Arizona State University, Board Member, Fire Science Program
1994 – 2000	City of Phoenix Community Service Fund Drive,
1999	Executive Committee Chair, Pat Manion Golf Tournament.
1995 – 1999	City Manager's Excellent Award, Selection Committee
1994 – 2011	City of Phoenix, Language Committee
1986	Ahwatukee Rotary, Charter Member
	1995 - President
	1994 - President Elect
	1993 - Club Treasure
	1992 - Club Secretary
1988 - 2004	Board Member Foundation for Burns and Trauma
1997	Anti-Burn Task Force, Chair
1986 – Present	International Association of Fire Chiefs
1997	Lecturer E.M.S. Exposition, Longbeach, California
1996	Lecturer E.M.S. Exposition, Dallas, Texas
1995	Ahwatukee Y.M.C.A., Member
1994	Ahwatukee Chamber of Commerce, Charter Member
1992	Valley Hispanic Bomberos, Founding Member
	1994 - President
	1993 - President Elect
	1992 - Secretary/Treasurer
1995	National Fire Academy Curriculum Development Committee, "Leadership in Public Education"
1994 – 2002	Valley Leadership Alumni, Selection Committee
1985 – 1994	City of Phoenix Internal Smoking Guideline Committee
1984 – 1998	Phoenix Fire Department Award Committee

AWARDS:

2010 Phoenix Fire Department, Lifetime Achievement Award

2009 Phoenix Fire Department, Unit Citation
Longest Federal Deployment in the History of FEMA, 21 days, Hurricane Gustav and Ike devastated Louisiana and Texas

2005 Phoenix Fire Department, Award of Merit
Fire Station Language Immersion Program

2004 Phoenix City Manager's Excellence Award
City Of Phoenix Language Program

2001 Arizona Secretary of State, Betsey Bayless, Certificate of Appreciation for the September 11th Urban Search and Rescue Team Deployment to the World Trade Center, New York

1997 Outstanding Community Service Award, Phoenix Hispanic Network

1994 Distinguished Service Citation, Ahwatukee Rotary

1993 Outstanding Member Citation, Rotary International

1992 Dr. Leon H. Sullivan Award for continuous progress in career

1991 Phoenix City Manager's Excellence Award "G.R.E.A.T." program

1990 Host Family Award, International Student Exchange Program, Rotary International

1984 Phoenix Fire Department Medal of Honor

American Disabled Veterans, 1983 Paramedic of the Year

HOBBIES:

Family activities, community involvement, reading, golf, weight lifting, jogging, oil painting and computers.

PERSONAL:

Married, Three Children, Bilingual, Excellent Physical Condition and Appearance.

REFERENCES:

Available upon request

CITY OF PEORIA, ARIZONA
COUNCIL COMMUNICATION

Agenda Item: 20R

Date Prepared: June 8, 2012 **Council Meeting Date: June 19, 2012**

TO: Mayor and Council

FROM: Carl Swenson, City Manager

SUBJECT: Council Confirmation of Human Resources Director

Purpose:

Discussion and possible action to confirm the City Manager appointment of Julie Ayers as the Human Resources Director, effective Monday, July 23, 2012.

Background/Summary:

The City conducted an open recruitment following the departure of Wynette Reed. Utilizing the executive recruiting services of The Novak consulting Group resulted in a candidate pool of 124 applicants for the position. The candidates were screened by the city's executive team, and Novak's team and the top five finalists were advanced for consideration.

The finalists endured an extensive day and one-half interview process. This included separate meetings with the Executive Boards of the Peoria Fire Fighters association, American Federations of State County and Municipal Employees, and the Peoria Police Officers Association. (The Executive board members of the City of Peoria Police Supervisors Association representation were invited but did not attend.) Additionally, the candidates met and fielded questions with department staff and city directors.

The formal interviews focused on management, leadership, technical application and character. The panels were comprised of Deputy City Managers Susan Thorpe and Susan Daluddung, Police Chief Roy Minter, City Clerk Wanda Nelson, Interim Community Services Director Jeff Tyne, Interim Fire Chief Stacy Irvine, Deputy City Attorney Cynthia Odom, Finance Director Brent Mattingly, Deputy Public Works and Utilities Director Maher Hazine, as well as Avondale Deputy City manager, Rogene Hill. The process concluded with a Candidate/Community Forum that drew an audience of 20 participants. Through this comprehensive process it was determined that the top candidate for the position is Ms. Julie Ayers, SPHR, CPM.

Previous Actions:

Ayers has been in the role of county administrator of Yavapai County since 2007. Prior to her appointment she was the Director of Human Resources and Risk Management for Yavapai

County from 2000 until 2007, and was previously a director of human resources in the private sector.

While in the role as Director of Human Resources and Risk Management for Yavapai County Ms. Ayers was responsible for a workforce of more than 1,600 employees in multiple locations across the county. She served as the Plan Administrator for the county's $19 million dollar Combined Trust. Among her accomplishments Ms. Ayers designed and successfully implemented a combined leave program (Paid Time Off), as well as a new compensation program for all at-will and classified employee, introducing a pay-for performance component.

Ms. Ayers brings extensive experience that includes rich practical experience in all facets of human resources and government operations. Her background shows success in addressing difficult workforce issues, managing budgetary challenges, and building trust through the organizations she has led. Her private sector experiences have contributed to her strong customer service approach.

Ms. Ayers holds a bachelors Degree from Arizona State University in Business Management with Human Resources Emphasis and is currently obtaining a Masters of Public Administration from Grand Canyon University. Julie holds certificates in Public Management from ASU, Bob Ramsey Executive Education; and Senior Executives in State and Local Government Program from Harvard University, John F. Kennedy School of Government.

Her starting salary will be $137,000.

A copy of Julie's professional resume is attached.

Options:

A: Confirm the appointment of Julie Ayers as Human Resources Director.

B: Not confirm the appointment of Julie Ayers as Human Resources Director.

Staff's Recommendation:

The Mayor and Council confirm the City Manager's appointment of Julie Ayers as the Human Resources Director for the City of Peoria, effective July 23, 2012.

Fiscal Analysis:

Narrative:

Exhibit(s):

Exhibit 1: Resume of Julie Ayers

Contact Name and Number: Claudia Lujan 623-773-7739

JULIE AYERS, SPHR, CPM

Profile

Proven leader in both the public and private sector who brings a high level of professionalism, diplomacy, business acumen and positive energy to every situation. Consistent career accomplishments have been obtained through innovative problem-solving, bold change management and intuitive communications, combined with sound character, ethics and values.

Career History

Yavapai County Government, *Prescott, Arizona* *May 2007 – current*
County Administrator ($144,884)

- Appointed by the elected County Board of Supervisors and is the top executive responsible for the overall management of the County who serves a population of 211,000, with an annual budget of $235 million and 1,600 employees;
- Functions as a liaison between the Board of Supervisors, County Elected Officials, Appointed Department Directors and the public;
- Provides leadership during very difficult budget challenges by producing a balanced budget despite reduced revenues and cost shifts from the State of Arizona, while balancing constituent services and County employee morale;
- Responsible for the County redistricting process from 3 supervisorial districts to 5 supervisorial districts, which involved a significant public input process, and successfully obtained preclearance by the U.S. Dept. of Justice.

Yavapai County Government, *Prescott, Arizona* *Feb 2000 – May 2007*
Director of Human Resources and Risk Management

- Responsible for all Human Resources functions for more than 1,600 employees in multiple locations across Yavapai County. These responsibilities included employee relations, recruiting, compensation, benefits, training, policies and procedures, loss prevention and compliance with employment laws and regulations.
- Served as Plan Administrator for the Yavapai Combined Trust. Responsible for the financial health of this $19 million dollar operation while providing valuable medical, dental, vision and supplemental insurance options for more than 2000 participants.
- Designed and successfully implemented a new compensation program for all at-will and classified County employees, introducing a pay-for-performance component.
- Designed and successfully implemented a combined leave program (Paid Time Off) which has reduced unscheduled absences and lowered accrued liability for sick and vacation accounts.
- Developed and maintained credible and productive relationships with elected officials, departments and employees.
- Mentored and directed 10 professional/administrative staff members.

Wyndham International* *July 1993 – Feb 2000*

The Peaks Resort & Spa, Telluride, Colorado

Director of Human Resources *March 1998 – Feb 2000*

- Responsible for a full-service Human Resources Department serving 400 employees.
- Prepared and controlled a $1.4 million budget which included reviewing trends, forecasting future expenses and balancing accounts monthly.
- Planned and orchestrated the opening of a new resort – The Lodge at Mountain Village – with continuing responsibility for their Human Resources function.
- Managed 3 professional/administrative staff members.

The Boulders Resort, Carefree, Arizona

Assistant Director of Human Resources *July 1993 – Mar 1998*

- Responsible for recruitment and retention of 650 staff members.
- Assisted Director in all Human Resources functions, including coaching and counseling, policy development and budget preparation.

Benefits Coordinator

- Processed payroll, tracked benefits, assisted in the processing of applicants and maintained all personnel files.

Education

Masters of Public Administration, Grand Canyon University *Expected May 2013*

B.S. Business Management with Human Resources Emphasis, Arizona State University *May 1993*

Certificate, Senior Executives in State and Local Government Program, Harvard University, JFK School of Government, Executive Education *July 2011*

Certificate, Certified Public Manager, Arizona State University, Bob Ramsey Executive Education *June 2009*

Other Information

- ***Board of Directors, Arizona City/County Manager Association***
- ***Board of Trustees, Arizona Counties Insurance Pool***
- ***Board of Trustees, Yavapai Combined Trust***
- ***Earned Senior Professional in Human Resources (SPHR) certification in 2003 from the National Society of Human Resources Management***
- ***Past President of the Prescott Area Human Resources Association***
- ***Past Founding President of the Telluride Regional Human Resources Association***
- ***Volunteer, Chino Valley AYSO Soccer***
- ***Volunteer, Chino Valley Little League***

**There were multiple property owners during my tenure with The Peaks Resort & Spa and The Boulders Resort. Wyndham International was the owner of the properties at the time of my departure but other owners included Carefree Resorts and Grand Bay Hotels.*

CITY OF PEORIA, ARIZONA
COUNCIL COMMUNICATION

Agenda Item: 21R

Date Prepared: May 22, 2012 **Council Meeting Date: June 19, 2012**

TO: Carl Swenson, City Manager

FROM: Andrew Granger, P.E., Engineering Director

THROUGH: Susan J. Daluddung, Deputy City Manager

SUBJECT: Contract, Ames Construction Inc., Lake Pleasant Parkway, Westwing Parkway to State Route 303L

Purpose:

This is a request for City Council to: (a) approve a contract with Ames Construction Inc. in the not-to-exceed amount of $16,654,802 for construction of improvements on Lake Pleasant Parkway; Westwing Parkway to State Route 303L, including the installation of new water and wastewater lines; (b) approve a contract with Ames Construction Inc. in the not-to-exceed amount of $1,384,000 for design of improvements on Lake Pleasant Parkway; Westwing Parkway to State Route 303L, including the installation of new water and wastewater lines; (c) authorize a ten percent owner's contingency to be held outside the construction contract for unforeseen conditions; and (d) approve a budget transfer up to $292,000 to establish the outside sources appropriation needed to expend funds received from the developer of Lake Pleasant Promenade for off-site improvements at the Lake Pleasant Parkway and Jomax Road intersection.

Background/Summary:

Lake Pleasant Parkway from Westwing Parkway to State Route 303L is primarily a two-lane roadway along Arizona State Land. The right-of-way for this stretch of roadway was never acquired or dedicated, and the existing pavement is in such poor condition that Public Works has indicated it cannot continue to maintain the road unless a complete reconstruction of the roadway occurs. Furthermore, this segment has been identified as a high-priority corridor for the purpose of advancing economic development in Peoria. For these reasons, staff recommended and the City Council approved the addition of this project to the capital improvement program in Fiscal Year 2008.

Below is a list of what has been completed for this project to date:

- In January 2009, Council approved the contract for the preparation of the design concept report (DCR) and 30% plans to Parsons Brinkerhoff (PB).

- In May 2010, the DCR was accepted by staff.

- In June 2010, Council approved a contract amendment authorizing PB to prepare the final design.

- In February 2011, 60% plans were submitted by PB and accepted by the City. In addition, the City obtained the environmental clearance and acquired all right of way from the Arizona State Lands Department, and El Paso Natural Gas Company completed the relocation of the gas facilities in advance of the project construction.

- In May 2011, the City conducted a value engineering (VE) workshop on the project to evaluate the project design, scope, and function.

As a result of the VE workshop, staff determined that the delivery method for this project should be changed from design-bid-build to the design-build method. The design was stopped at 60% and the project was placed on hold. The design-build construction method allowed the City to qualify a best value design/build contractor based upon qualifications, technical merit, and price. Following the advertised solicitation for a best value design/build construction team, the City of Peoria selected the Ames Construction/Ritoch-Powell and Associates team as the best value design/build contractor for this project. The Ames/Ritoch-Powell team will complete all final design documents from 60% to completion, as well as all other necessary reports needed to meet City, county, state, and federal requirements for construction. Ames Construction Inc. will construct all of the improvements included in the scope of work.

The design and construction will meet all City requirements and include the following improvements:

- 4 lane cross section plus bike lanes;
- 36-inch water line (UT00148) and 21-inch sanitary sewer (UT00151);
- Traffic signal at the Lake Pleasant and Westwing intersection;
- Drainage improvements and extension of dry utilities;
- Pedestrian underpass;
- Landscape/irrigation system improvements;
- Pavement maintenance improvements on Lake Pleasant Parkway from SR303L to SR74;
- Installation of missing segments of sidewalk between Happy Valley Road and Westwing Parkway;
- Complete off-site right-of-way improvements adjacent to the Lake Pleasant Promenade subdivision located at the northwest corner of Lake Pleasant Parkway and Jomax Road;

During the FY 2013 budget approval process, the project scope and budget was reduced to assist in funding other council priorities in the area without reducing the major project objectives. Items that were reduced in scope included the following:

- Postponement of several Intelligent Traffic System (ITS) items. The City will utilize a wireless communication system that will greatly reduce the cost and need for the ITS fiber backbone in the area and will be able to serve the ITS needs for the area for the foreseeable future;
- Private utility work. The design will allow future installation of the utility facilities with minimal disruption to the completed roadway and will be more properly sized for future development as it occurs along the corridor.

Over the last two years, the State of Arizona has placed significant scrutiny on the assessment of construction sales tax solely on the construction portion of a design build agreement, which by its definition, merges design and preconstruction, both non-taxable professional services, with physical construction. Consistent with other agencies in Maricopa County, the City of Peoria has elected to separately execute a construction agreement, thus shielding the professional services agreement from the assessment of construction sales tax.

Previous Actions:

- January 20, 2009 - Council approved contract to PB for Design Concept Report and 30% Design- Study Phase;
- June, 15 2010 - Council approved Contract Amendment to PB for 60% Design – Final Design and Right-of-Way documents preparation;
- September 20, 2011 - Council approved and adopted Resolution 2011-91 authorizing acquisition of right-of-way.

Options:

A: Approve the contracts with Ames Construction for professional design and construction services, and authorize the City Manager to execute any applicable documents related thereto. Also, authorize a ten percent owner's contingency to be held outside the construction contract for unforeseen conditions and approve a budget transfer to establish appropriation needed to spend outside sources.

B: Do not authorize the City to enter into agreements with Ames Construction. This option will delay indefinitely the improvements to Lake Pleasant Parkway, a vital connection to the City of Peoria's transportation infrastructure.

Staff's Recommendation:

Staff recommends the following Council actions: (a) approve a contract with Ames Construction Inc. in the not-to-exceed amount of $16,654,802 for construction of improvements to Lake Pleasant Parkway; Westwing Parkway to State Route 303L, including the installation of new water and wastewater lines; (b) approve a contract with Ames Construction Inc. in the not-to-exceed amount of $1,384,000 for design of improvements to Lake Pleasant Parkway; Westwing Parkway to State Route 303L, including the installation of new water and wastewater lines; (c) authorize a 10 percent owner's contingency to be held outside the construction contract for unforeseen conditions; and (d) approve a budget transfer up to $292,000 from the General Fund Contingency Account 1000-0300-570000 to the Outside Sources Fund Street System Account 4810-4810-543001-CIPST-EN00241 to establish the outside sources appropriation needed to expend funds received from the developer of Lake Pleasant Promenade for off-site improvements at the Jomax Road Intersection.

Fiscal Analysis:

The project is partially funded as a part of the Maricopa Association of Governments Arterial Life Cycle Program (ALCP). The ALCP will reimburse the City for up to 70% of approved arterial streets costs for design, right-of-way and construction from regional revenue sources. This reimbursement is currently in Phase 4 of the ALCP (2021 – 2025).

Funding for these contracts is available in the FY 2013 Capital Improvement Program in the following funds and accounts:

- 2009 G.O. Bond Fund Street System Account 4220-4220-CIPST-EN00241 ($4,545,293);
- 2010 G.O. Bond Fund Street System Account 4240-4240-543001-CIPST-EN00241 ($2,872,149);
- County Transportation Tax Fund Street System Account 4550-4550-543001-CIPST-EN00241 ($1,707,382);
- Highway User Fund Street System Account 7000-7050-543001-CIPST-EN00241 ($260,000);
- Transportation Sales Tax Fund Street System Account 7010-7075-543001-CIPST-EN00241 ($3,769,478);
- Wastewater Expansion Fund Wastewater System Account 2510-2630-543003-CIPWW-UT00151 ($2,436,100);
- Water Expansion Fund Water System Account 2161-2221-543002-CIPWR-UT00148 ($2,156,400).

Narrative:

Approval of these agreements will allow for the design and construction to commence in July 2012. The preliminary schedule is provided below.

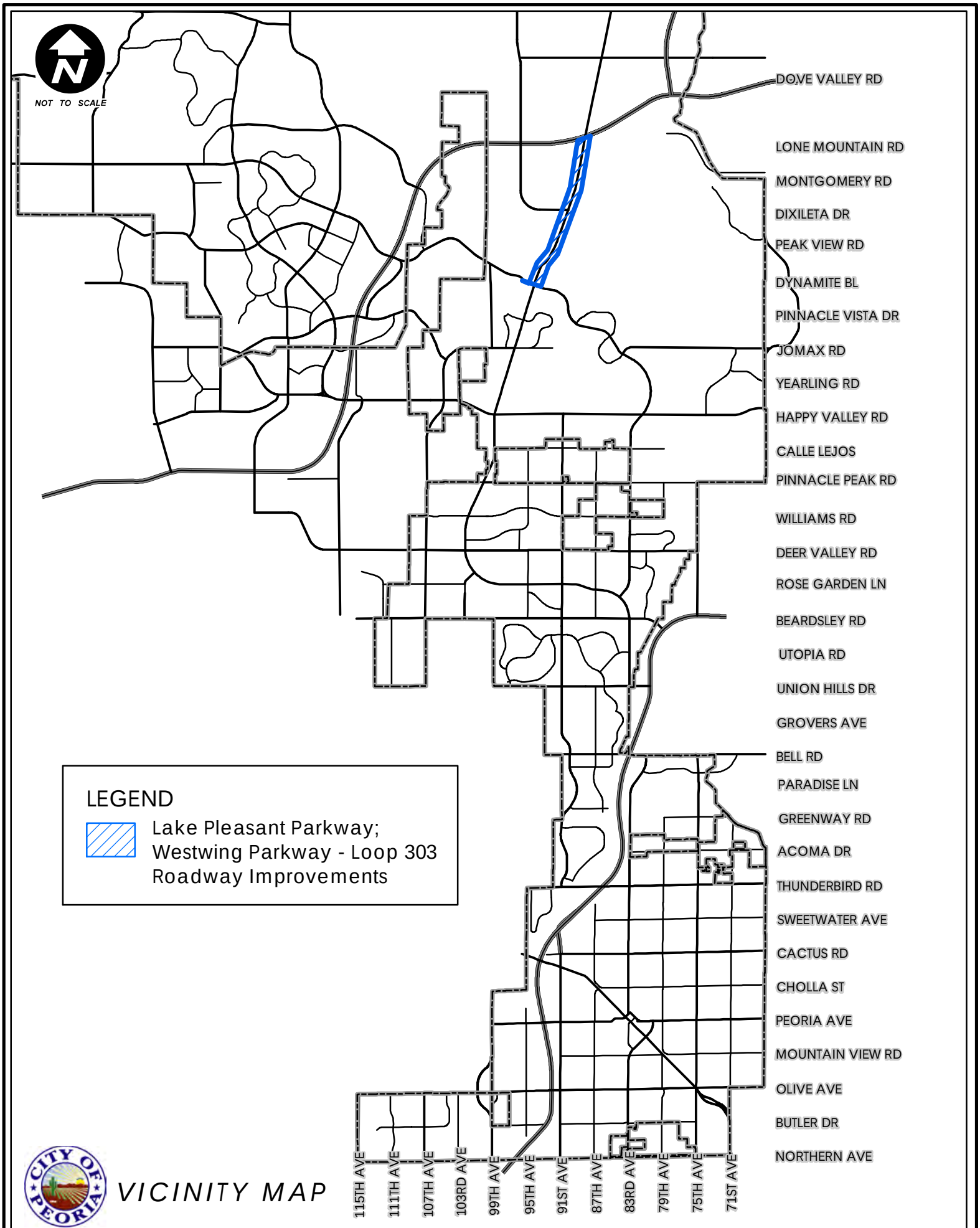
Final Design/Construction Schedule

Design-Build Contract Execution Award:	July 2012
Final Design:	July 2012 – Winter 2012
Construction:	Winter 2012 – December 2013

The City will conduct two public meetings prior to commencement of construction, as well as a comprehensive public information campaign throughout all construction activities.

Exhibit 1: Vicinity Map
Exhibit 2: Location Map

Contact Name and Number: Chris Kmetty, P.E., Senior Civil Engineer, X7247



VICINITY MAP

LEGEND

Roadway Improvements

City of Peoria
Lake Pleasant Parkway
Westwing Pkwy - Loop 303
Roadway Improvements
Location Map

CITY OF PEORIA

GIS
Geographic Information Systems
CITY OF PEORIA
ARIZONA

NOTE:
This Map is based on imprecise source data, subject to change and FOR GENERAL REFERENCE ONLY.

CITY OF PEORIA, ARIZONA
COUNCIL COMMUNICATION

Agenda Item: 22R

Date Prepared: March 15, 2012 **Council Meeting Date: June 19, 2012**

TO: **Carl Swenson, City Manager**

FROM: **Scott Whyte, Economic Development Services Director**

THROUGH: **Susan J. Daluddung, Deputy City Manager**

SUBJECT: **Economic Development Agreement with Maxwell Technologies**

Purpose:
This is a request for the City Council to authorize the City Manager to enter into an Economic Development Agreement with Maxwell Technologies.

Background on the Maxwell Technologies Project:
Maxwell Technologies (Maxwell) is a global leader in developing, manufacturing and marketing energy storage and power delivery solutions for automotive, heavy transportation, renewable energy, backup power, wireless communications, as well as industrial and consumer electronics, radiation-hardened microelectronic components, and systems for satellites and spacecraft. The company's primary focus is on ultracapacitors.

Maxwell will be creating a new electrode, cell and module manufacturing facility in a 120,000 square foot building located at 8644 W. Ludlow Drive, in the City of Peoria. Initially, the facility will concentrate on manufacturing activities, but the company will incorporate engineering, as well as research and development functions to this site by 2014. Estimated job creation over three years is 150 total jobs with an average salary of $48,000, and an overall capital investment estimated at $26 million.

Maxwell went through a highly competitive site selection process that included many states and communities to determine the location of its expanded manufacturing facility. The location Maxwell Technologies chose is in the Arrowhead 101 Industrial Park, which has had significant vacancy since 2007. The company has a lease in place with the land owner, and is finalizing terms for Maxwell's ownership of the land and the building by the end of this calendar year.

Agreement Summary:
The Economic Development Agreement with Maxwell includes the following deal points (see Exhibit 1):

1) Fast-Track Permitting ($15,000 value).
2) $10,000 for each job created in Peoria and given to a current resident of the state of Arizona ($1,400,000 maximum for 140 jobs).
3) For each employee hired by Maxwell who currently resides outside of the State of Arizona, $7,000 for each job created in Peoria ($70,000 maximum for 10 jobs)

and an additional $3,000 relocation allowances for each employee that buys and occupies a home in Peoria, Arizona, ($30,000 maximum for 10 jobs).

4) City assistance in seeking Federal Foreign Trade Sub-Zone (FTZ) designation for the Project ($50,000 value).
5) Facilitate workforce development program and job fair with Maricopa Community Colleges.
6) The total City incentive is estimated to be $1,565,000.

Of the total incentive package, $1.5 million is **post-performance financial assistance**. The agreement indicates that Maxwell will provide a return on investment that meets the following performance objectives:

Job creation as follows:
Year 1: A minimum of 30 new jobs with a minimum of $45,000 average salaries.
Year 2: A minimum of 30 new jobs with a minimum of $48,000 average salaries.
Year 3: A minimum of 30 new jobs with a minimum of $48,000 average salaries.

A "new" job is defined in the agreement as all employment positions filled either: (a) from an open call of applicants, including applicants within the greater Phoenix area; or (b) from relocation of employees currently employed by Maxwell at another location.

At least 120 of the new jobs generated over the three-year time frame are to be from an open call of applicants, including applicants within the greater Phoenix area.

Vacancy Absorption
Maxwell will be occupying a 120,000 square foot vacant industrial shell building at 8644 W. Ludlow Drive and converting it into a productive economic use. The building had been vacant since 2007.

Verification of Compliance

The City will receive quarterly verification of Maxwell's compliance with the performance objectives, specifically the Employment Security Commission reports which summarize the number of employees, wages paid, and unemployment taxes due as a result of the Project, and financial assistance will be provided only after the performance threshold for job creation has been met. Maxwell will notify the City if it eliminates any jobs, and if the City invested in that job, Maxwell will repay the City's investment.

Previous Actions:

This package was presented to City Council in Executive Session on May 10, 2011 and confirmed in Executive Session on November 15, 2011.

Options:

A: Authorize the City Manager to sign the Economic Development Agreement. This action will fulfill the promise that the City made to Maxwell when we offered the above package last May. They accepted that package and announced their location in Peoria in October 2011.

B: Reject this agreement. This action would negate the incentive offer provided to Maxwell from the City and could result in the termination of the Project.

Staff's Recommendation:

Authorize the City Manager to sign the Economic Development Agreement with Maxwell Technologies.

Fiscal Analysis:

The City is applying for a CDBG Section 108 Loan for $1,500,000 as a funding source for the post-performance job creation incentive. Under the terms of the loan, it is proposed that the City will repay the loan over a period of 10 years using funds from its annual CDBG allocation. The Section 108 loan application is attached and has been submitted to the U.S. Department of Housing and Urban Development (HUD) for approval.

Should HUD deny the proposed Section 108 loan application, the city would instead use $1,500,000 in Regional Transportation Program (RTP) reimbursements budgeted in the Economic Development Opportunity Fund project in the Capital Improvement Program (CIP). Under this scenario, staff recommends that the City Council approve a budget transfer in the amount of $1,500,000 from the Economic Development Opportunity Fund project (4550-4550-540500-ED00007) to a new project called Maxwell Technologies (4550-4550-540500-ED00008).

Exhibit 1: Economic Development Agreement
Exhibit 2: Section 108 Loan Application

ECONOMIC DEVELOPMENT INCENTIVE AND INVESTMENT AGREEMENT
BETWEEN
THE CITY OF PEORIA, ARIZONA
AND
MAXWELL TECHNOLOGIES, INC.

This Economic Development Incentive and Investment Agreement ("Agreement") is entered into on _____, 2012 ("Effective Date") between the City of Peoria, Arizona, an Arizona municipal corporation ("City") and Maxwell Technologies, Inc., a Delaware corporation ("Maxwell"); each entity separately as a "Party" and collectively as "the Parties."

RECITALS

A. On October 19, 2010, the City adopted an Economic Development Implementation Strategy ("EDIS") which provides an implementation-based plan for achieving the economic development goals of the City;

B. One of the strategies to implement the EDIS is through the City-adopted Economic Development Incentive and Investment Policy ("EDIIP") and accompanying Economic Development Incentive and Investment Policy Guidelines ("EDIIP Guidelines"), which provide a framework for evaluating City financial incentives and investment towards the retention and expansion of existing local businesses and attraction and expansion of targeted industries within the City in a manner that is consistent with applicable laws;

C. The City is authorized pursuant to Arizona Revised Statutes, Sections 9-500.5 and 9-500.11 to negotiate and enter into development agreements that include expenditures for economic development;

D. Maxwell has submitted a request to the City for public incentives and investment to locate its manufacturing facility within Peoria, Arizona (the "Project");

E. The Greater Phoenix Economic Council prepared an "Economic and Revenue Impact" (October 2011) for the Project showing that, over ten years, the Project is estimated to provide to the City of Peoria $371.9M in direct economic output and $3.0M in total revenue;

F. The City has reviewed Maxwell's request and determined that the Project qualifies and should be approved under the EDIIP;

G. The City has concluded that the project will benefit the public interest and promote the public welfare of the citizens in the City and that the City and its residents will receive an equitable or proportional economic return in exchange for the incentives and investments that will be provided by the City under this Agreement; and

H. The Parties acknowledge that the activities related to the Project are economic development activities within the meaning of the State of Arizona's laws concerning such matters, and that all expenditures by the City pursuant to this Agreement constitute the appropriation and expenditure of public monies for and in connection with economic development activities.

AGREEMENT

NOW THEREFORE, in consideration of the mutual promises contained herein, the Parties agree as follows:

1. Description of the Project.

Maxwell is a global leader in developing, manufacturing and marketing energy storage and power delivery solutions for automotive, heavy transportation, renewable energy, backup power, wireless communications and industrial and consumer electronics applications as well as for radiation-hardened microelectronic components and systems for satellites and spacecraft. The company's primary focus is on ultracapacitors.

Maxwell will be creating a new electrode and cell and module manufacturing facility in a 120,000 SF building in Peoria at 8644 W. Ludlow Drive. Initially the facility will concentrate on manufacturing activities, but Maxwell will incorporate engineering and research and development functions to this site on or around 2014. The following are estimates of the resources and investments anticipated to support the Project and, as with all estimates, may vary from actual figures realized.

Estimated Job Creation
New jobs created at the new manufacturing facility will include operations professionals, technicians, and production personnel.

Year 1: 50 new jobs, $45,000 average salaries (10 relocated, 40 new)
Year 2: 50 new jobs, $48,000 average salaries (50 new)
Year 3: 50 new jobs including an estimated 20 engineering jobs, $48,000 average salaries (50 new)

At least 120 of the new jobs generated over the three-year time frame shall be from an open call of applicants, including applicants within the greater Phoenix area.

Estimated Capital Investment

$4 million	Building acquisition
$2 million	Tenant Improvements
$20 million	Equipment Purchases
$12 mm	calendar and laminating equipment

$5.1 mm	powder preparation equipment
$1.5 mm	slitting and inspection equipment
$1.4 mm	computers, software, servers, material handling equipment

$26 million Total Estimated Capital Investment

2. Maxwell Minimum Performance Objectives -- Return on Investment, Verification.

(a) In consideration for the assistance provided by the City in this Agreement, Maxwell shall provide a return on investment that meets the following minimum performance objectives:

(i) Jobs created as follows:
Year 1: A minimum of 30 new jobs with a minimum of $45,000 average salaries.
Year 2: A minimum of 30 additional new jobs with a minimum of $48,000 average salaries.
Year 3: A minimum of 30 additional new jobs with a minimum of $48,000 average salaries.

For the purposes of this Section, a "new" job shall be all employment positions filled either: (a) from an open call of applicants, including applicants within the greater Phoenix area; or (b) from relocation of employees currently employed by Maxwell at another location.

Notwithstanding the minimum job creation objectives listed in this Subsection, it is the City's expectation that Maxwell achieve the estimated job creation levels contained in Section 1.

(ii) Occupation of a 120,000 square foot vacant industrial shell building at 8644 W. Ludlow Drive and conversion into a productive economic use (the "Facility").

(b) Maxwell shall provide to the City quarterly verification of Maxwell's compliance with the minimum performance objectives contained in this Section. While the Parties may agree to additional verification components, at a minimum Maxwell shall provide to the City the Employment Security Commission reports which summarize the number of employees, wages paid, and unemployment taxes due as a result of the Project. If the verification is not sufficient to allow the City to confirm Maxwell's compliance with this Section, the City may declare a breach of this Agreement pursuant to Section 5.

(c) Maxwell annually shall maintain documentation of the minimum performance objectives for the duration of this Agreement.

(d) Prior to the opening of operations and for each year thereafter until the minimum performance objectives of Maxwell have been achieved, Maxwell shall provide a listing to the City of all job positions to be established in Year 1, and each year thereafter, with salary ranges and benefits sorted first by positions filled by employees relocating to Peoria and second by positions to be filled locally. For positions that qualify as moderate income (equal to or less than 80% of the county median of $53,284), Maxwell also shall provide job descriptions to the City.

(e) At any time that Maxwell decides to eliminate any existing job at the Facility, Maxwell shall provide written notice of such job elimination to the City within 30 days of the date that the job is eliminated.

(f) For any job created under this Agreement, for which the City made payment to Maxwell pursuant to Section 3, that is subsequently lost, eliminated, terminated, or otherwise no longer in existence, Maxwell shall repay the City for the City's per job investment.

3. City Financial Incentives and Investment.

In consideration of Maxwell meeting the performance objectives described in Section 2, the City shall provide all of the following incentives and assistance to Maxwell in the timeframes provided:

(a) Fast-Track Permitting ($15,000 value). The City shall review tenant improvement plans for the Project to the greatest extent reasonably possible using City's expedited review process, subject to the application of all applicable laws, including laws involving posting and the conduct of public meetings. Upon City's determination that Maxwell has submitted final and complete plans for tenant improvements to the satisfaction of the City, the City shall issue tenant improvement permits for the improvements to be built therein. The City shall conduct plan reviews for tenant improvements according to the City's expedited review process for the Project, provide a single point of contact with the City to coordinate timely permitting, and hold pre-submittal meetings to reduce the number of reviews required to ensure timely completion.

(b) For each employee hired by Maxwell who currently resides within the State of Arizona, $10,000 for each job created in Peoria (post-performance award), with a $1,400,000 maximum for 140 jobs. The City shall pay Maxwell quarterly upon receipt of the Economic Security Commission reports summarizing the number of employees and their

wages. The City only shall pay Maxwell under this Subsection upon receipt of satisfactory documentation from Maxwell of actual jobs created.

(c) For each employee hired by Maxwell who currently resides outside of the State of Arizona, $7,000 for each job created in Peoria (post-performance award), with a $70,000 maximum for 10 jobs and an additional $3,000 relocation allowances for each employee that buys and occupies a new home in Peoria, Arizona, with a $30,000 maximum for 10 jobs. The City shall pay Maxwell quarterly upon receipt of a report from Maxwell identifying employees that have purchased and occupy a new home in the City of Peoria. The City will verify this report by reviewing the employment reports. The City only shall pay Maxwell under this Subsection upon receipt of satisfactory documentation from Maxwell of actual jobs created.

(d) The City shall assist Maxwell in seeking Federal Foreign Trade Sub-Zone (FTZ) designation for the Project ($50,000 value). Maxwell shall submit this FTZ application within one year of the Effective Date.

(e) Facilitate workforce development program and job fair with Maricopa Community Colleges. The City will cooperate with Maxwell in any hiring efforts that Maxwell engages in while this Agreement is in effect.

(f) The total City incentive is estimated to be $1,565,000.

4. Term. This Agreement shall commence upon the date when both Parties have executed this Agreement (the "Effective Date"). The term of this Agreement shall be 7 years, starting from the Effective Date.

5. Breach, Cure, Remedies, and Termination.

(a) In the event that a Party fails to perform any obligation imposed by this Agreement, including failing to negotiate diligently and in good faith, the non-breaching Party shall provide written notice of such breach to the other Party. The Party receiving the written notice shall have ten (10) business days after receipt of such written notice within which to remedy such breach unless additional time is reasonably required to remedy the breach, in which event the Party shall commence the cure of the breach within the ten (10) business day time period and thereafter diligently pursue the cure to completion.

(b) If the Party in breach fails to remedy the breach in a timely and reasonable manner as provided in Subsection (a), the Parties agree that any Party who provided written notice of such breach may cancel and terminate this Agreement by providing written notice of termination to the other Party. In the event of such termination, the Parties shall be fully and completely released from all of their respective rights, duties, obligations, and liabilities under this Agreement.

(c) In addition to the termination rights under Subsections (a) and (b), (i) each Party shall also have the right, in its sole and unfettered discretion, to terminate this Agreement in the event that any or all of the Parties reach an impasse in negotiations under this Agreement for any reason whatsoever; (ii) the City shall have the right to terminate this Agreement for conflict of interest pursuant to A.R.S. § 38-511; (iii) the Parties each shall have the right to terminate this Agreement if at any time any such Party reasonably determines that the Project is not feasible financially or for other business reasons; and (iv) this Agreement may be terminated at any time upon the mutual written agreement of the Parties. In the event of any termination under the preceding sentence, the Party exercising the termination right shall provide written notice of termination and the applicable basis above to the other Party, whereupon the Parties shall be fully and completely released from all of their respective rights, duties, obligations, and liabilities under this Agreement.

6. Assignment. No Party may assign this Agreement without first obtaining the advance written approval of the other Party, which approval may be granted or withheld in the sole and unfettered discretion of such other Party. The City agrees that, notwithstanding the foregoing, Maxwell may assign without the prior written approval of the City, but with thirty (30) days prior written notice to the City, its respective rights, duties, obligations, and liabilities under this Agreement to a limited liability company, corporation, trust, or partnership of which Maxwell owns the majority beneficial interest and has operational control.

7. Representations and Warranties.

(a) Maxwell represents and warrants that it is a corporation duly formed and validly existing under the laws of the State of Delaware and is admitted and is in good standing in the State of Arizona.

(b) Maxwell represents and warrants that the person(s) executing this Agreement on behalf of Maxwell has full right, power, and authority to execute this Agreement and bind Maxwell hereunder.

(c) Maxwell shall comply with all applicable federal, state and local regulations, codes and laws regarding its operations. Nothing in this Agreement constitutes an exemption or grant of a variance from applicable codes and laws.

(d) City represents and warrants that the person(s) executing this Agreement on behalf of City has full right, power, and authority to execute this Agreement and bind City hereunder.

8. General Provisions.

(a) Applicable Law and Venue. The laws of the State of Arizona shall govern the interpretation and enforcement of this Agreement, without regard to conflicts of laws principles. Any mediation, arbitration, or legal proceedings initiated to enforce the terms and conditions of this Agreement shall be conducted in Peoria, Arizona, or in the Maricopa County Superior Court or the United States District Court for the District of Arizona, as appropriate.

(b) Rights and Remedies are Cumulative. Except as otherwise expressly stated in this Agreement, the rights and remedies of the Parties are cumulative, and the exercise by either Party of one or more of its rights or remedies shall not preclude the exercise by it, at the same or different times, of any other rights or remedies for the same default or any other default by the other Party.

(c) Specific Performance as Exclusive Remedy. Subject to Maxwell's right to terminate this Agreement in accordance with Section 5, Maxwell's exclusive remedy for an uncured City breach of this Agreement is to institute an action for specific performance of the terms of this Agreement, and in no event shall Maxwell have the right, and Maxwell expressly waives the right to seek monetary damages of any kind (including but not limited to actual damages, economic damages, consequential damages, or lost profits) from the City in the event of a default by the City under this Agreement or any action related to this Agreement.

(d) Indemnity. Maxwell shall indemnify, protect, defend, and hold harmless the City, and its officials, officers, employees, representatives, and agents (collectively, "Indemnified Parties") from and against any and all challenges to this Agreement, and any and all losses, liabilities, damages, claims or costs (including reasonable attorneys' fees) (collectively, the "Losses") arising from the negligent acts, errors, or omissions and willful misconduct with respect of the obligations of Maxwell, its officers, employees, representatives, members, and agents hereunder or the Project, excluding any such Losses arising from the negligent acts, errors, or omissions and willful misconduct of the City. This indemnity obligation in connection with events occurring prior to the termination of this Agreement shall survive the termination of this Agreement.

(e) Notices, Demands, and Communications Between the Parties. All notices, demands, and communications between the Parties under this Agreement shall be given either by (i) personal service, (ii) delivery by a reputable document delivery service such as Federal Express that provides a receipt showing date and time of delivery, (iii) facsimile or email with a hard copy sent by United States mail; or (iv) by mailing in the United States mail, certified mail, postage prepaid, return receipt requested, addressed to:

To City:
City Manager
City of Peoria
8401 W. Monroe Street
Peoria, Arizona 85345

With a copy to
Economic Development Services Director
City of Peoria
9875 N. 85th Avenue
Peoria, Arizona 85345

With a copy to:
City Attorney
City of Peoria
8401 W. Monroe Street
Peoria, Arizona 85345

To Maxwell:
Maxwell Technologies, Inc.
Attn: VP of Operations
9244 Balboa Avenue
San Diego, CA 92123

With copy to:
Maxwell Technologies, Inc.
Attn: Legal Department
5271 Viewridge Ct., Ste. 100
San Diego, CA 92123

Notices personally delivered, sent by fax or email with a confirmation by United States mail or delivered by document delivery service shall be deemed effective on the second business day following deposit in the United States mail. Such written notices, demands, and communications shall be sent in the same manner to such other addresses as any Party may from time to time designate by mail.

(f) Nonliability of City Officials and Employees. No elected official, officer, employee, agent, or contractor of the City shall be personally liable to Maxwell in the event of any default or breach by the City or for any amount, which may become due to Maxwell on any obligations under the terms of this Agreement.

(g) Interpretation. The terms of this Agreement shall be construed in accordance with the meaning of the language used and shall not be construed for or against any Party by reason of the authorship of this Agreement or any other rule of construction which might otherwise apply. The part and paragraph headings used in

this Agreement are for purposes of convenience only, and shall not be construed to limit or extend the meaning of this Agreement.

(h) Entire Agreement, Waivers, and Amendments. This Agreement integrates all of the terms and conditions mentioned herein, or incidental hereto, and supersede all negotiations or previous agreements between the Parties with respect to all or any part of the subject matter hereof. All waivers of the provisions of this Agreement must be in writing and signed by the appropriate authorities of the Party to be charged, and all amendments and modifications hereto must be in writing and signed by the appropriate authorities of the City and Maxwell.

(i) Counterparts; Signatures. This Agreement may be executed in counterparts, each of which, after all the Parties hereto have signed this Agreement, shall be deemed to be an original, and such counterparts shall constitute one and the same instrument. Facsimile or electronically scanned signatures shall have the same force and effect as original signatures.

(j) Successors. This Agreement shall be binding upon and shall inure to the benefit of the permitted successors of each of the Parties hereto.

(k) Severability. In the event any section or portion of this Agreement shall be held, found, or determined to be unenforceable or invalid for any reason whatsoever, the remaining provisions shall remain in effect, and the Parties hereto shall take further actions as may be reasonably necessary and available to them to effectuate the intent of the Parties as to all provisions set forth in this Agreement.

(l) Recitals. The recitals set forth above are incorporated herein by this reference.

(m) Attorneys' Fees. The prevailing Party or Parties in any action to enforce this Agreement shall be entitled to recover reasonable attorneys' fees and costs from the other Party or Parties (including fees and costs in any subsequent action or proceeding to enforce any judgment entered pursuant to an action on this Agreement).

(n) No Third Party Beneficiaries. This Agreement is made and entered into solely for the benefit of the City and Maxwell. No other person shall have any right of action or claim under or by reason of this Agreement.

(o) No Partnership or Joint Venture. Nothing in this Agreement is intended to or does establish the Parties as partners, joint venturers, or principal and agent with each other.

IN WITNESS WHEREOF, the City and Maxwell have executed this Agreement through their representatives duly authorized to execute this document and bind their respective entities to the terms and obligations contained in this Agreement on the Effective Date.

MAXWELL TECHNOLOGIES, INC.:

[redacted]

Its: Chief Financial Officer
Kevin S. Royal

THE CITY OF PEORIA:

_____
Carl Swenson
City Manager

ATTEST:

_____
Wanda Nelson, City Clerk

APPROVED AS TO FORM:

_____
Stephen M. Kemp, City Attorney

Section 108 Loan Application: City of Peoria, AZ

Project Description

Maxwell Technologies is a global leader in developing, manufacturing and marketing energy storage and power delivery solutions for automotive, heavy transportation, renewable energy, backup power, wireless communications as well as industrial and consumer electronics applications, radiation-hardened microelectronic components, and systems for satellites and spacecraft. The company's primary focus is on ultracapacitors.

Maxwell will be creating a new electrode, cell and module manufacturing facility in a 120,000 SF building in Peoria, AZ at 8644 W. Ludlow Drive. Initially the facility will concentrate on manufacturing activities, but the company will incorporate engineering as well as research and development functions to this site by 2014.

Estimated Job Creation
New jobs created at the Peoria manufacturing facility will include operations professionals, technicians, and production personnel.

Year 1: 50 new jobs, $45,000 average salaries (10 relocated, 40 new)
Year 2: 50 new jobs, $48,000 average salaries (50 new)
Year 3: 50 new jobs, $48,000 average salaries (50 new)

It is estimated that 20 engineering jobs will be created in Year 3.

Estimated Capital Investment

$4 million	Building acquisition
$2 million	Tenant Improvements
$20 million	Equipment Purchases
$12 mm	calendar and laminating equipment
$5.1 mm	powder preparation equipment
$1.5 mm	slitting and inspection equipment
$1.4 mm	computers, software, servers, material handling equipment

$26 million = Total Estimated Capital Investment

The company went through a highly competitive site selection process that included many states and communities to determine the location of its expanded manufacturing facility. Peoria offered an incentive package of $1.5 million to attract this project to our community. The $1.5 million is an incentive to create jobs.

The location Maxwell Technologies chose is in the Arrowhead 101 Industrial Park, which has been vacant since 2007. They have a lease in place with the owner, but are finalizing ownership of the land and the building by the end of this year.

Sources and Uses

Peoria is requesting the $1,500,000 Section 108 loan as a post-performance incentive for the creation of jobs. Maxwell will be using private debt and equity for the $26 million capital investment in this project.

Project Structure and Participants

The City will borrow Section 108 loan funds and grant them to Maxwell Technologies to incentivize job creation. The City and Maxwell will sign an Economic Development Agreement in consideration for **post-performance financial assistance**. The agreement indicates that Maxwell will provide a return on investment that meets the following performance thresholds:

Job creation as follows:
Year 1: A minimum of 30 new jobs with a minimum of $45,000 average salaries.
Year 2: A minimum of 30 new jobs with a minimum of $48,000 average salaries.
Year 3: A minimum of 30 new jobs with a minimum of $48,000 average salaries.

A "new" job is defined in the agreement as all employment positions filled either: (a) from an open call of applicants, including applicants within the greater Phoenix area; or (b) from relocation of employees currently employed by Maxwell at another location.

At least 140 of the new jobs generated over the three-year time frame are to be from an open call of applicants, including applicants within the greater Phoenix area.

Vacancy Absorption
Maxwell will be occupying a 120,000 square foot vacant industrial shell building at 8644 W. Ludlow Drive and converting it into a productive economic use. The building had been vacant since 2007.

Direct Revenue Benefit to the City
No later than 84 months from the Effective Date of the Economic Development Agreement, a direct revenue benefit shall be received by the City in an amount equal to or greater than $1,500,000. Direct revenue benefit means all monies received by the City resulting from Maxwell's operations in the City, including but not limited to any and all payments for taxes, permits, licenses or other fees related to the Project whether received prior to or after the Effective Date.

If prior to the end of 84 months from the Effective Date of the Agreement, Maxwell engages in a Loss of Revenue Event (as defined below), Maxwell shall pay to the City the difference, not to exceed $1,500,000, between the City's investment and the Direct Revenue received by the City up to that point in time. A Loss of Revenue Event shall consist of any one or more of the following actions taken by Maxwell:

- Cease total operations in the City;
- Substantially downsize operations in the City; or
- Otherwise adversely impact the City's ability to recoup its investment through direct revenue generation from Maxwell's operations

Verification of Compliance

The City will receive quarterly verification of Maxwell's compliance with the performance thresholds, specifically the Employment Security Commission reports which summarize the number of employees, wages paid, and unemployment taxes due as a result of the Project. Since the agreement with Maxwell is post-performance, the City will provide the agreed upon financial assistance only after the performance threshold for job creation has been met.

Repayment Schedule

The city's preferred repayment schedule is quarterly interest payments and annual principal payments over a ten-year period. There are two scenarios for the loan and the repayment schedule. Charts 1A and B assumes a single disbursement of $1,500,000 with its corresponding repayment and Charts 2A and B assumes three disbursements of $500,000 each annually for three years and then the corresponding repayment of each. See the charts below for detail:

Chart 1A: Loan Assumptions

Loan Assumptions	
Amount borrowed	$ 1,500,000
Total term (years)	10
Interest dates	Feb, May, Aug, Nov
Assumed even principal payments	$ 150,000
Assumed start	8/1/2012
Assumed end	8/1/2022
Assumed 1st Principal payment due	8/1/2013
1st Year	
Libor Rate (3 month rate)	0.56%
Libor Rate Date	1/19/2012
20 basis points	0.20%
Total rate	0.76%
Years 2-10	
10 Year Treas Note Rate	1.92%
10 Yr Treas Note Date	1/18/2012
50 basis points	0.5%
Total rate	2.42%

Chart 1B: Amortization Schedule

Amortization schedule	Beg Principal	Principal Pymt	Interest Pymt	Total Pymt	End Principal
8/1/2012	$ 1,500,000.00	$ -	$ 2,850.00	$ 2,850.00	$ 1,500,000.00
11/1/2012	1,500,000.00	-	2,850.00	2,850.00	1,500,000.00
2/1/2013	1,500,000.00	-	2,850.00	2,850.00	1,500,000.00
5/1/2013	1,500,000.00	-	2,850.00	2,850.00	1,500,000.00
8/1/2013	1,500,000.00	150,000.00	9,075.00	159,075.00	1,350,000.00
11/1/2013	1,350,000.00	-	8,167.50	8,167.50	1,350,000.00
2/1/2014	1,350,000.00	-	8,167.50	8,167.50	1,350,000.00
5/1/2014	1,350,000.00	-	8,167.50	8,167.50	1,350,000.00
8/1/2014	1,350,000.00	150,000.00	8,167.50	158,167.50	1,200,000.00
11/1/2014	1,200,000.00	-	7,260.00	7,260.00	1,200,000.00
2/1/2015	1,200,000.00	-	7,260.00	7,260.00	1,200,000.00
5/1/2015	1,200,000.00	-	7,260.00	7,260.00	1,200,000.00
8/1/2015	1,200,000.00	150,000.00	7,260.00	157,260.00	1,050,000.00
11/1/2015	1,050,000.00	-	6,352.50	6,352.50	1,050,000.00
2/1/2016	1,050,000.00	-	6,352.50	6,352.50	1,050,000.00
5/1/2016	1,050,000.00	-	6,352.50	6,352.50	1,050,000.00
8/1/2016	1,050,000.00	150,000.00	6,352.50	156,352.50	900,000.00
11/1/2016	900,000.00	-	5,445.00	5,445.00	900,000.00
2/1/2017	900,000.00	-	5,445.00	5,445.00	900,000.00
5/1/2017	900,000.00	-	5,445.00	5,445.00	900,000.00
8/1/2017	900,000.00	150,000.00	5,445.00	155,445.00	750,000.00
11/1/2017	750,000.00	-	4,537.50	4,537.50	750,000.00
2/1/2018	750,000.00	-	4,537.50	4,537.50	750,000.00
5/1/2018	750,000.00	-	4,537.50	4,537.50	750,000.00
8/1/2018	750,000.00	150,000.00	4,537.50	154,537.50	600,000.00
11/1/2018	600,000.00	-	3,630.00	3,630.00	600,000.00
2/1/2019	600,000.00	-	3,630.00	3,630.00	600,000.00
5/1/2019	600,000.00	-	3,630.00	3,630.00	600,000.00
8/1/2019	600,000.00	150,000.00	3,630.00	153,630.00	450,000.00
11/1/2019	450,000.00	-	2,722.50	2,722.50	450,000.00
2/1/2020	450,000.00	-	2,722.50	2,722.50	450,000.00
5/1/2020	450,000.00	-	2,722.50	2,722.50	450,000.00
8/1/2020	450,000.00	150,000.00	2,722.50	152,722.50	300,000.00
11/1/2020	300,000.00	-	1,815.00	1,815.00	300,000.00
2/1/2021	300,000.00	-	1,815.00	1,815.00	300,000.00
5/1/2021	300,000.00	-	1,815.00	1,815.00	300,000.00
8/1/2021	300,000.00	150,000.00	1,815.00	151,815.00	150,000.00
11/1/2021	150,000.00	-	907.50	907.50	150,000.00
2/1/2022	150,000.00	-	907.50	907.50	150,000.00
5/1/2022	150,000.00	-	907.50	907.50	150,000.00
8/1/2022	150,000.00	150,000.00	907.50	150,907.50	-
		1,500,000.00	183,825.00	1,683,825.00	

Chart 2A: Loan Assumptions

Loan Assumptions	**Loan #1**	**Loan #2**	**Loan #3**
Amount borrowed	$ 500,000	$ 500,000	$ 500,000
Total term (years)	10	10	10
Interest dates	Feb, May, Aug, Nov	Feb, May, Aug, Nov	Feb, May, Aug, Nov
Assumed even principal payments	$ 50,000	$ 50,000	$ 50,000
Assumed start	8/1/2012	8/1/2013	8/1/2014
Assumed end	8/1/2022	8/1/2023	8/1/2024
Assumed 1st Principal payment due	8/1/2013	8/1/2014	8/1/2015
1st Year			
Libor Rate (3 month rate)	0.47%	0.47%	0.47%
Libor Rate Date	3/9/2012	3/9/2012	3/9/2012
20 basis points	0.20%	0.20%	0.20%
Total rate	0.67%	0.67%	0.67%
Years 2-10			
10 Year Treas Note Rate	2.04%	2.04%	2.04%
10 Yr Treas Note Date	3/9/2012	3/9/2012	3/9/2012
50 basis points	0.5%	0.5%	0.5%
Total rate	2.54%	2.54%	2.54%
These schedules assume that the interest rate stays the same for each of the 3 bond issues. This will not actually happen. The rates will change for each bond issue.			

Chart 2B: Amortization Schedule

	Loan #1				
Amortization schedule	**Beg Principal**	**Principal Pymt**	**Interest Pymt**	**Total Pymt**	**End Principal**
8/1/2012	$ 500,000.00	$ -	$ 837.50	$ 837.50	$ 500,000.00
11/1/2012	500,000.00	-	837.50	837.50	500,000.00
2/1/2013	500,000.00	-	837.50	837.50	500,000.00
5/1/2013	500,000.00	-	837.50	837.50	500,000.00
8/1/2013	500,000.00	50,000.00	3,175.00	53,175.00	450,000.00
11/1/2013	450,000.00	-	2,857.50	2,857.50	450,000.00
2/1/2014	450,000.00	-	2,857.50	2,857.50	450,000.00
5/1/2014	450,000.00	-	2,857.50	2,857.50	450,000.00
8/1/2014	450,000.00	50,000.00	2,857.50	52,857.50	400,000.00
11/1/2014	400,000.00	-	2,540.00	2,540.00	400,000.00
2/1/2015	400,000.00	-	2,540.00	2,540.00	400,000.00
5/1/2015	400,000.00	-	2,540.00	2,540.00	400,000.00
8/1/2015	400,000.00	50,000.00	2,540.00	52,540.00	350,000.00
11/1/2015	350,000.00	-	2,222.50	2,222.50	350,000.00
2/1/2016	350,000.00	-	2,222.50	2,222.50	350,000.00
5/1/2016	350,000.00	-	2,222.50	2,222.50	350,000.00
8/1/2016	350,000.00	50,000.00	2,222.50	52,222.50	300,000.00
11/1/2016	300,000.00	-	1,905.00	1,905.00	300,000.00
2/1/2017	300,000.00	-	1,905.00	1,905.00	300,000.00
5/1/2017	300,000.00	-	1,905.00	1,905.00	300,000.00
8/1/2017	300,000.00	50,000.00	1,905.00	51,905.00	250,000.00
11/1/2017	250,000.00	-	1,587.50	1,587.50	250,000.00
2/1/2018	250,000.00	-	1,587.50	1,587.50	250,000.00
5/1/2018	250,000.00	-	1,587.50	1,587.50	250,000.00
8/1/2018	250,000.00	50,000.00	1,587.50	51,587.50	200,000.00
11/1/2018	200,000.00	-	1,270.00	1,270.00	200,000.00
2/1/2019	200,000.00	-	1,270.00	1,270.00	200,000.00
5/1/2019	200,000.00	-	1,270.00	1,270.00	200,000.00
8/1/2019	200,000.00	50,000.00	1,270.00	51,270.00	150,000.00
11/1/2019	150,000.00	-	952.50	952.50	150,000.00
2/1/2020	150,000.00	-	952.50	952.50	150,000.00
5/1/2020	150,000.00	-	952.50	952.50	150,000.00
8/1/2020	150,000.00	50,000.00	952.50	50,952.50	100,000.00
11/1/2020	100,000.00	-	635.00	635.00	100,000.00
2/1/2021	100,000.00	-	635.00	635.00	100,000.00
5/1/2021	100,000.00	-	635.00	635.00	100,000.00
8/1/2021	100,000.00	50,000.00	635.00	50,635.00	50,000.00
11/1/2021	50,000.00	-	317.50	317.50	50,000.00
2/1/2022	50,000.00	-	317.50	317.50	50,000.00
5/1/2022	50,000.00	-	317.50	317.50	50,000.00
8/1/2022	50,000.00	50,000.00	317.50	50,317.50	-
Totals		500,000.00	63,675.00	563,675.00	

	Loan #2				
Amortization schedule	**Beg Principal**	**Principal Pymt**	**Interest Pymt**	**Total Pymt**	**End Principal**
8/1/2013	500,000.00	-	837.50	837.50	500,000.00
11/1/2013	500,000.00	-	837.50	837.50	500,000.00
2/1/2014	500,000.00	-	837.50	837.50	500,000.00
5/1/2014	500,000.00	-	837.50	837.50	500,000.00
8/1/2014	500,000.00	50,000.00	3,175.00	53,175.00	450,000.00
11/1/2014	450,000.00	-	2,857.50	2,857.50	450,000.00
2/1/2015	450,000.00	-	2,857.50	2,857.50	450,000.00
5/1/2015	450,000.00	-	2,857.50	2,857.50	450,000.00
8/1/2015	450,000.00	50,000.00	2,857.50	52,857.50	400,000.00
11/1/2015	400,000.00	-	2,540.00	2,540.00	400,000.00
2/1/2016	400,000.00	-	2,540.00	2,540.00	400,000.00
5/1/2016	400,000.00	-	2,540.00	2,540.00	400,000.00
8/1/2016	400,000.00	50,000.00	2,540.00	52,540.00	350,000.00
11/1/2016	350,000.00	-	2,222.50	2,222.50	350,000.00
2/1/2017	350,000.00	-	2,222.50	2,222.50	350,000.00
5/1/2017	350,000.00	-	2,222.50	2,222.50	350,000.00
8/1/2017	350,000.00	50,000.00	2,222.50	52,222.50	300,000.00
11/1/2017	300,000.00	-	1,905.00	1,905.00	300,000.00
2/1/2018	300,000.00	-	1,905.00	1,905.00	300,000.00
5/1/2018	300,000.00	-	1,905.00	1,905.00	300,000.00
8/1/2018	300,000.00	50,000.00	1,905.00	51,905.00	250,000.00
11/1/2018	250,000.00	-	1,587.50	1,587.50	250,000.00
2/1/2019	250,000.00	-	1,587.50	1,587.50	250,000.00
5/1/2019	250,000.00	-	1,587.50	1,587.50	250,000.00
8/1/2019	250,000.00	50,000.00	1,587.50	51,587.50	200,000.00
11/1/2019	200,000.00	-	1,270.00	1,270.00	200,000.00
2/1/2020	200,000.00	-	1,270.00	1,270.00	200,000.00
5/1/2020	200,000.00	-	1,270.00	1,270.00	200,000.00
8/1/2020	200,000.00	50,000.00	1,270.00	51,270.00	150,000.00
11/1/2020	150,000.00	-	952.50	952.50	150,000.00
2/1/2021	150,000.00	-	952.50	952.50	150,000.00
5/1/2021	150,000.00	-	952.50	952.50	150,000.00
8/1/2021	150,000.00	50,000.00	952.50	50,952.50	100,000.00
11/1/2021	100,000.00	-	635.00	635.00	100,000.00
2/1/2022	100,000.00	-	635.00	635.00	100,000.00
5/1/2022	100,000.00	-	635.00	635.00	100,000.00
8/1/2022	100,000.00	50,000.00	635.00	50,635.00	50,000.00
11/1/2022	50,000.00	-	317.50	317.50	50,000.00
2/1/2023	50,000.00	-	317.50	317.50	50,000.00
5/1/2023	50,000.00	-	317.50	317.50	50,000.00
8/1/2023	50,000.00	50,000.00	317.50	50,317.50	-
Totals		500,000.00	63,675.00	563,675.00	

	Loan #3				
Amortization schedule	**Beg Principal**	**Principal Pymt**	**Interest Pymt**	**Total Pymt**	**End Principal**
8/1/2014	500,000.00	-	837.50	837.50	500,000.00
11/1/2014	500,000.00	-	837.50	837.50	500,000.00
2/1/2015	500,000.00	-	837.50	837.50	500,000.00
5/1/2015	500,000.00	-	837.50	837.50	500,000.00
8/1/2015	500,000.00	50,000.00	3,175.00	53,175.00	450,000.00
11/1/2015	450,000.00	-	2,857.50	2,857.50	450,000.00
2/1/2016	450,000.00	-	2,857.50	2,857.50	450,000.00
5/1/2016	450,000.00	-	2,857.50	2,857.50	450,000.00
8/1/2016	450,000.00	50,000.00	2,857.50	52,857.50	400,000.00
11/1/2016	400,000.00	-	2,540.00	2,540.00	400,000.00
2/1/2017	400,000.00	-	2,540.00	2,540.00	400,000.00
5/1/2017	400,000.00	-	2,540.00	2,540.00	400,000.00
8/1/2017	400,000.00	50,000.00	2,540.00	52,540.00	350,000.00
11/1/2017	350,000.00	-	2,222.50	2,222.50	350,000.00
2/1/2018	350,000.00	-	2,222.50	2,222.50	350,000.00
5/1/2018	350,000.00	-	2,222.50	2,222.50	350,000.00
8/1/2018	350,000.00	50,000.00	2,222.50	52,222.50	300,000.00
11/1/2018	300,000.00	-	1,905.00	1,905.00	300,000.00
2/1/2019	300,000.00	-	1,905.00	1,905.00	300,000.00
5/1/2019	300,000.00	-	1,905.00	1,905.00	300,000.00
8/1/2019	300,000.00	50,000.00	1,905.00	51,905.00	250,000.00
11/1/2019	250,000.00	-	1,587.50	1,587.50	250,000.00
2/1/2020	250,000.00	-	1,587.50	1,587.50	250,000.00
5/1/2020	250,000.00	-	1,587.50	1,587.50	250,000.00
8/1/2020	250,000.00	50,000.00	1,587.50	51,587.50	200,000.00
11/1/2020	200,000.00	-	1,270.00	1,270.00	200,000.00
2/1/2021	200,000.00	-	1,270.00	1,270.00	200,000.00
5/1/2021	200,000.00	-	1,270.00	1,270.00	200,000.00
8/1/2021	200,000.00	50,000.00	1,270.00	51,270.00	150,000.00
11/1/2021	150,000.00	-	952.50	952.50	150,000.00
2/1/2022	150,000.00	-	952.50	952.50	150,000.00
5/1/2022	150,000.00	-	952.50	952.50	150,000.00
8/1/2022	150,000.00	50,000.00	952.50	50,952.50	100,000.00
11/1/2022	100,000.00	-	635.00	635.00	100,000.00
2/1/2023	100,000.00	-	635.00	635.00	100,000.00
5/1/2023	100,000.00	-	635.00	635.00	100,000.00
8/1/2023	100,000.00	50,000.00	635.00	50,635.00	50,000.00
11/1/2023	50,000.00	-	317.50	317.50	50,000.00
2/1/2024	50,000.00	-	317.50	317.50	50,000.00
5/1/2024	50,000.00	-	317.50	317.50	50,000.00
8/1/2024	50,000.00	50,000.00	317.50	50,317.50	-
Totals		500,000.00	63,675.00	563,675.00	

Additional Security

Additional security for the repayment of the loan will be a General Fund reserve of $1.5 million equaling the total amount of the loan.

Project Implementation

The estimated project schedule is the following:

Tenant Improvement plans submitted for City plan review and permitting	March 2012
Permits Issued (estimated)	April 2012
Certificate of Occupancy (estimated)	September 2012
Initial hiring (estimated)	September-December 2012
Facility open (estimated)	December 2012

The Section 108 financing needs to be in place by the time they expect to start hiring in September 2012.

Eligible Activity and National Objective

This application is eligible for the Section 108 Loan Guarantee Program based on economic development activity eligible under the CDBG program as stated in CFR 570.703(i)(1) with cross-reference to CFR 570.203(b) with respect to a grant to a private for-profit business as part of an economic development activity for job creation in a renewable energy/clean tech industry. The city will comply with CFR 570.209 in terms of the amount of assistance per job required.

This is an eligible activity that will meet the national objective of benefiting low and moderate income persons by providing job creation, consistent with CFR 570.208 (a)(4)(i), (iii). Of the 140 new jobs, 51%, or 72 jobs, will be at moderate income levels to meet section 570.208 (a) (4), with 50% of the 72 moderate income jobs held by moderate income workers (Section 570.208(a)(4)i)). Additionally, 50% of the 72 moderate income jobs will be made available to moderate income workers through a job training program that the city will coordinate with Maricopa Community Colleges (Section 570.208(a)(4)(iii)).

The Section 108 funds will be used to incentivize the creation of new jobs. The use of Section 108 funds for this purpose will offset the cost to recruit new employees and allow for increased job creation in the first years.

Job creation is of tremendous importance to Peoria, as a bedroom community in metropolitan Phoenix, as well as to Arizona. The Great Recession has resulted in a higher unemployment rate and a new reality for those who are the "long-term unemployed." Skilled jobs, such as those offered by Maxwell Technologies, have been in short supply over the last three years and there are many unemployed people with the skill set and training to perform in a high-tech environment. However, the current situation is such that many professional people have been unable to find work in their field and have been either underemployed or unemployed as a result of the extremely tight job market. Additionally, Maxwell brings an important industry sector to the Phoenix region. Being a renewable energy company, this type of firm helps to diversify the Phoenix economy and grow an important and emerging clean technology base to the local economy.

Public Benefit Standards

This project will create 140 new local jobs over a 3-year period. The average cost per job is $10,714. The public benefit will be skilled employment opportunities for moderate income people, as well as the long-term unemployed.

- The total amount of Section 108 funds to be used in the project: $1,500,000
- The total number of permanent full-time equivalent jobs to be created or retained as a result of the project: 140

Contact Information

Scott Whyte
Economic Development Services Director
9875 N. 85th Ave.
Peoria, AZ 85345
P: 623-773-7738
F: 623-773-7245
Scott.whyte@peoriaaz.gov

Carin Imig

Neighborhood and Revitalization Administrator
9875 N. 85th Ave.
Peoria, AZ 85345
P: 623-773-7381
F: 623-773-7245
Carin.imig@peoriaaz.gov

2012 SELF-CERTIFICATION FORM

CITY OF PEORIA – PLANNING AND COMMUNITY DEVELOPMENT DEPARTMENT COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)

Information on annual family income is required to determine participant eligibility for public services funded by the City of Peoria through the Community Development Block Grant (CDBG) program. Each participant must indicate the number of persons in their family, and then circle the box that contains the amount of their annual family income level. Information provided is subject to verification by the agency providing services, the U.S. Department of Housing and Urban Development (HUD), and/or the City of Peoria.

NOTE: "Income" is the total annual income of all family members as of the date that federal-funded assistance is provided. All income for all persons in the family **must** be included in calculating family income whether or not a family member receives assistance. Additional expected sources of income and the amount expected during the period of federal assistance must be included in this calculation of annual family income.

2012 CDBG Income Guidelines: Circle family size and appropriate income level for the PREVIOUS year:

Family Size	Total Annual Family Income is	Total Annual Family Income is	Family Size	Total Annual Family Income is	Total Annual Family Income is
1 Person	$0 - $37,200	$37, 201+	5 Person	$0 - $57,350	$57,351+
2 Person	$0 - $42,500	$42,501+	6 Person	$0 - $61,600	$61,601+
3 Person	$0 - $47,800	$47,801+	7 Person	$0 - $65,850	$65,851+
4 Person	$0 - $53,100	$53,101+	8 Person	$0 - $70,100	$70,101+

Race (check one of the following 10 categories):

American Indian or Alaska Native		American Indian or Alaskan Native **AND** White	
Asian		Asian **AND** White	
Black or African American		Black/African American **AND** White	
Native Hawaiian or other Pacific Islander		American Indian/Alaskan Native **AND** Black/African-American	
White		Balance / Other	

Ethnicity (check one):

Hispanic / Latino	
Not Hispanic / Latino	

APPLICANT STATEMENT: I hereby certify that the information on this form is accurate and complete. I understand that this self-certification may be subject to further verification by the agency providing services, the City of Peoria, or the U.S. Department of Housing & Urban Development. I, therefore, authorize such verification, and I will provide supporting documents, if necessary.

Participant Name _____

Address _____

Position with Maxwell _____

Signature _____ Date _____

For Staff Use Only			
Date Received		Received By	
Date Reviewed		Signature	

CITY OF PEORIA, ARIZONA
COUNCIL COMMUNICATION

Agenda Item: 23R

Date Prepared: May 21, 2012 **Council Meeting Date: June 19, 2012**

TO: **Carl Swenson, City Manager**

FROM: **Scott Whyte, Economic Development Services Director**

THROUGH: **Susan J. Daluddung, Deputy City Manager**

SUBJECT: **City Council authorization to enter into an Exclusive Negotiating Agreement (ENA) with Trine University**

Purpose:

This is a request for the City Council to approve an Exclusive Negotiating Agreement (ENA) with Trine University for the development of a Trine branch campus in Peoria.

Background/Summary:

Trine University has executed an ENA with the City of Peoria to further explore the possibility of establishing a branch campus for the university (see Exhibit A).

Trine University, founded in 1884 in Angola, Indiana, is a private, non-denominational institution that grants associate, bachelor's, and master's degrees in more than 35 programs on campus, online, and at regional education centers. *U.S. News and World Report* and the *Princeton Review* ranked Trine among the Midwest's Best Colleges in 2008, 2009 and 2010. Trine is accredited by the Higher Learning Commission of the North Central Association of Colleges and Schools, and its education, engineering, and business programs are nationally recognized and accredited.

Trine University currently has 30% of its enrollment in Engineering programs and are a leader across Indiana in partnering with both community colleges and K-12 institutions to provide strong STEM (science, technology, engineering, and math) educational opportunities to students of all ages. The EDIS identified STEM programs as the primary focus of both the university recruitment initiative, as well as workforce development initiative since those fields are associated with the creation of high wage jobs. It was further noted in the EDIS that most engineering programs are currently available in the Valley, but only at ASU, and those programs do not include electrical engineering or software engineering. Trine University offers programs in all aspects of engineering (see Exhibit B).

Furthermore, recruiting a university strong in STEM that could partner with both Peoria Unified School District and Science Foundation Arizona would enable the city to better pursue its targeted industries because such a partnership would facilitate a more technically-skilled workforce. Such programs would also benefit the city's ability to attract companies, such as

Maxwell Technologies, that would be looking for training programs for their workforce. Trine is looking to partner with the city in all of these capacities.

The purpose of the ENA is to provide all parties with freedom to explore the opportunity in depth, including such elements as:

- Conceptual site plan or floor plan development and timing
- University programming, resources, and enrollment targets
- Partnerships for the launch of engineering programs in Peoria
- Financial obligations and ability to operate
- Initialization of the local offering and enrollment growth
- Cooperation among the partners
- City investment and return on investment determination as to ultimate financial feasibility

Previous Actions:

There have been no previous Council actions.

Options:

A: **Approve the request to enter into an ENA with Trine University**. This action will continue the endeavor to open a branch campus in Peoria.

B: **Reject the request to enter into an ENA with Trine University**. This action will terminate the project.

Staff's Recommendation:

Authorize the City Manager to enter into an Exclusive Negotiating Agreement with Trine University for the development of a branch campus in Peoria.

Fiscal Analysis:

This ENA represents no fiscal impact to the city.

Exhibits:

Exhibit A: Exclusive Negotiating Agreement
Exhibit B: Trine Marketing Piece

EXCLUSIVE NEGOTIATION AGREEMENT FOR A TRINE UNIVERSITY LOCATION

This Exclusive Negotiation Agreement for Trine University in Peoria, Arizona (this "Agreement") is entered into this ___ day of _____ 2012 (the "Effective Date"), by and between the CITY OF PEORIA, ARIZONA, a charter municipal corporation (the "City") and TRINE UNIVERSITY ("Trine"), an Indiana non-profit corporation on the terms and conditions set forth below. The City and Trine may sometimes be referred to herein individually as a "Party" and collectively as the "Parties."

RECITALS

WHEREAS, the City and Trine are interested in negotiating exclusively with each other for the purpose of locating a university campus in the City, with the university portion to be operated by Trine (the "Project"). The Project is anticipated to include aspects such as academic space, university facilities, student housing as necessary, campus support retail, as well as on-site and off-site infrastructure needed to support a university.

WHEREAS, the City and Trine desire to establish a period of time during which the Parties will negotiate exclusively with each other in good faith to establish the Project structure, site planning, operating pro formas, development pro formas, and any other related and necessary documents to finalize the Project development concept and determine financial feasibility.

NOW THEREFORE, in consideration of the mutual promises contained herein, and for other good and valuable consideration, the Parties agree as follows:

AGREEMENT

1. Good Faith Negotiation

The Parties agree, during the Term (as defined in Section 3 below), to negotiate diligently and in good faith to determine the financial feasibility of the Project and attempt to agree in writing upon the terms of a development concept for the Project, which shall be memorialized by a development agreement for Project (the "Definitive Agreement").

2. Confidentiality

The Parties agree that the negotiations and any information shared pursuant to this Agreement shall remain strictly confidential. Neither party shall make any public disclosure regarding confidential information resulting from this Agreement, or any information provided by either party hereunder without the prior written consent of the other party. In the event of the termination of this Agreement, all information provided shall, in the discretion of the providing party, either be destroyed by the receiving party or promptly returned to the providing party. Any information shared internally within the City or within Trine shall only be shared on a "need to know" basis. The City shall not permit any document provided to the City by Trine to be disclosable, unless such disclosure is required pursuant to the Arizona Public Records Law (*see* Arizona Revised Statutes, Title 39, Chapter 1, Article 2) or by a court order. In such event, the City will promptly notify Trine that disclosure is required by the Public Records Law or a court order.

3. Term

This Agreement shall commence upon the date all Parties execute this Agreement (the "Effective Date") and shall automatically terminate one hundred and eighty (180) days thereafter (the "Term"), if not terminated earlier in accordance with the terms hereof. The Parties agree to negotiate diligently and in good faith and conduct due diligence activities during the

Term and any extension(s) thereof mutually agreed upon in writing by the Parties. The Parties also agree to provide periodic progress reports to each other and to otherwise regularly communicate with each other as they undertake and perform their respective obligations under this Agreement. The Parties further agree to provide such information relative to the Project as may be reasonably requested by either Party.

4. Breach, Cure, Remedies, and Termination

Either Party may terminate this Agreement upon thirty (30) days prior written notice to the other Party. In such event, neither Party shall have any further obligation to the other; provided, however, the obligations under Section 2 shall remain in force for a period of two (2) years after the termination.

5. Obligations of the City

During the Term and any extensions thereof, the City shall use its good faith efforts to:

(a) Determine the City facilities and programs that can be shared with Trine to reduce campus development and/or operating costs. Such determination shall include the specific type of facility or program, hours of operation in which such facilities or programs can be dedicated to Trine's use, and the context and requirements of such shared use.

(b) Identify financing sources and uses available to assist in the development of the Project, including, but not limited to, Federal, State, and private-fund grants.

(c) Participate and cooperate in the site planning and financial feasibility review process to establish Project feasibility and preferred design.

(d) Assemble a multi-Department City Staff working group to develop, review and assess the proposed site plan.

(e) Further consider the use of the Peoria Industrial Development Authority as possible construction financing for the Project.

(f) Determine on- and off-site impacts of the Project (e.g., traffic impact analysis) for further assessment.

(g) Determine the change in existing land use entitlements necessary to develop the Project.

(h) Determine the adequacy of existing public infrastructure to support the Project.

6. Obligations of Trine

During the Term and any extensions thereof, Trine shall use its good faith efforts to:

(a) Promptly advise the City as to its needs relative to proposed shared City facilities and programs. Such advice shall include space needs, hours of operation, amenity needs, and any other information necessary to perfect Project design.

(b) Identify any financing shortfalls in terms of operations and capital development towards the Project in order to determine the best Project structure and approach towards development.

(c) Participate and cooperate in the site planning and financial feasibility review process to establish Project feasibility and preferred design.

(d) Determine the student enrollment phases and number of students expected to reside at the campus, as well as commuter and on-line enrollments in order to better size the facility needs of the Project.

(e) Identify the programs and opportunities that Trine can assist the City with in terms of workforce development, business attraction, and key economic development initiatives of the City.

(f) Provide an operating pro forma for the new campus and the Project.

(g) Provide financial documentation in order to determine its creditworthiness for the purpose of establishing Project financing.

(h) Provide the City, and update as necessary, with appropriate information regarding Trine's facility, legal structure and status, financial capabilities, and project experience.

7. Costs, Expenses, and Real Estate Commissions

(a) Trine shall pay all costs actually incurred by Trine in performing its obligations under this Agreement and any internal costs or charges related to Trine's performance of its obligations under this Agreement. Trine shall have no obligation to pay commissions or any third party reports, services, studies, legal fees, or any other costs, charges or sums, or to reimburse the City or any other person for any such costs, charges, or sums.

(b) City shall bear all costs and expenses of any and all title, environmental, physical, engineering, financial, and feasibility investigations, reports and analyses, and other analyses or activities performed by or at its direction in fulfilling its obligations under this Agreement.

(c) The City shall not be liable for any real estate commissions or brokerage fees which may arise herefrom. The City represents that it has engaged no broker, agent, or finder in connection with this transaction, and Trine agrees to hold the City harmless from any claim by any broker, agent, or finder retained by Trine.

8. Timetable for Final Project Concept and Site Plan

The Parties agree to use their reasonable good faith efforts and to diligently adhere to the following timeframes in performing their respective obligations under this Agreement:

(a) Commence Project site planning within 15 calendar days from the Effective Date.

(b) Develop a draft preferred site plan with student enrollment targets within 45 calendar days from the Effective Date.

(c) Complete the operating and development pro forma documents resulting from the preferred site plan for the Project in 90 calendar days from the Effective Date.

(d) Reconcile the development pro formas, financing sources, and preferred site plan for the Project towards final form in 120 calendar days from the Effective Date.

(e) Present final site plan, operating and development pro formas, financing sources and uses, and any associated technical studies (e.g. Traffic Impact Analyses) for City and Trine consideration and approval in 180 calendar days from the Effective Date.

9. City Retention of Legislative Authority and Discretion

(a) The Parties understand and agree that by entering into this Agreement: (i) the City is not thereby contractually obligating the Peoria

City Council to take any legislative action(s) in furtherance of the Project; rather, the City is obligated to proceed in good faith and with due diligence and work cooperatively with Trine to timely present any necessary legislative approvals for the Project to the Peoria City Council for its consideration and possible approval, and (ii) Trine is not obligated to take any action or invest any funds in furtherance of the Project.

(b) The Parties further understand and agree that (i) the City reserves its right to exercise its discretion as to all matters which it is, by law, entitled or required to exercise its discretion, including legislative matters, such as a new Development Agreement, final approval of a development plan for the Project, approval of any and all plans or permits, or any other acts or activities requiring the subsequent independent exercise of discretion by the City or any Department thereof, and (ii) Trine reserves the right to exercise its sole discretion as to all matters which may involve Trine in the Project.

(c) The Parties also understand and agree that by its execution of this Agreement, (i) the City is not committing itself, or agreeing to undertake any activity requiring the subsequent exercise of discretion by the City or any Department thereof, including, but not limited to, the approval and execution of a the Definitive Agreement, approval of any land use regulation governing the Property, the provision of financial assistance for the development of the Project, the authorization or obligation to use the City's eminent domain authority, or any other such action, and (ii) Trine is not committing itself to the Project or any investment therein.

(d) The execution of this Agreement is merely an agreement to enter into a period of exclusive negotiations according to the terms hereof, reserving final discretion and approval by the City and the President and the Board of Trustees of Trine as to the Definitive Agreement and all proceedings and decisions in connection therewith.

10. Assignment

Neither Party may assign this Agreement without first obtaining the advance written approval of the other Party, which approval may be granted or withheld in the sole and unfettered discretion of such other Party. The City agrees that, notwithstanding the foregoing, Trine may assign without the prior written approval of the City , but with thirty (30) days prior written notice to the City, its respective rights, duties, obligations, and liabilities under this Agreement to a limited liability company, corporation, trust, or partnership of which Trine owns the majority beneficial interest and has operational control.

11. Representations and Warranties

(a) Trine represents and warrants that it is an Indiana non-profit corporation duly formed and validly existing under the laws of the State of Indiana.

(b) Both Parties represent and warrant that the person(s) executing this Agreement on behalf of Trine has full right, power, and authority to execute this Agreement and be bound hereunder.

12. General Provisions

(a) **Applicable Law and Venue**. The laws of the State of Arizona shall govern the interpretation and enforcement of this Agreement, without regard to conflicts of laws principles. Any mediation, arbitration, or legal proceedings initiated to enforce the terms and conditions of this Agreement shall be conducted in a location to be mutually agreed upon.

(b) **Rights and Remedies are Cumulative.** Except as otherwise expressly stated in this Agreement, the rights and remedies of the Parties are cumulative, and the exercise by any Party of one or more of its rights or remedies shall not preclude the exercise by it, at the same or different

times, of any other rights or remedies for the same default or any other default by the other Party.

(c) **Specific Performance as Exclusive Remedy.** Subject to Trine's right to terminate this Agreement in accordance with Section 4 above, Trine's exclusive remedy for an uncured City breach of this Agreement is to institute an action for specific performance of the terms of this Agreement, and in no event shall Trine have the right, and Trine expressly waives the right to, seek monetary damages of any kind (including but not limited to actual damages, economic damages, consequential damages, or lost profits) from the City in the event of a default by the City under this Agreement or any action related to this Agreement.

(d) **Notices, Demands, and Communications Between the Parties.** All notices, demands, and communications between the Parties under this Agreement shall be given either by (i) personal service, (ii) delivery by a reputable document delivery service such as Federal Express that provides a receipt showing date and time of delivery, (iii) facsimile or email with a hard copy sent by United States mail; or (iv) by mailing in the United States mail, certified mail, postage prepaid, return receipt requested, addressed to:

To City:	City Manager City of Peoria 8401 W. Monroe Street Peoria, Arizona 85345
With copy to:	Scott Whyte, Economic Development Services Director City of Peoria 9875 N. 85th Avenue Peoria, Arizona 85345 scott.whyte@peoriaaz.gov

With copy to:	Stephen Kemp, City Attorney City of Peoria 8401 W. Monroe Street Peoria, Arizona 85345 steve.kemp@peoriaaz.gov
To Trine:	Michael Bock, Senior Vice President Trine University One University Avenue Angola, Indiana 46703 bockm@trine.edu
With copy to:	Earl D. Brooks, II, Ph.D President Trine University One University Avenue Angola, Indiana 46703 brooks@trine.edu
With copy to:	Robert D. Moreland, Vice President and General Counsel Trine University One University Avenue Angola, Indiana 46703 morelandr@trine.edu

Notices personally delivered, sent by fax or email with a confirmation by United States mail or delivered by document delivery service shall be deemed effective on the second business day following deposit in the United States mail. Such written notices, demands, and communications shall be sent in the same manner to such other addresses as any Party may from time to time designate by mail.

(e) **Nonliability of Officials and Employees.** No elected official, director, officer, or employee of the City or Trine shall be personally liable

under this Agreement in the event of any default or breach by a defaulting Party or for any amount, which may become due to the non-defaulting Party or on any obligations under the terms of this Agreement.

(f) **Interpretation.** The terms of this Agreement shall be construed in accordance with the meaning of the language used and shall not be construed for or against any Party by reason of the authorship of this Agreement or any other rule of construction which might otherwise apply. The part and paragraph headings used in this Agreement are for purposes of convenience only, and shall not be construed to limit or extend the meaning of this Agreement.

(g) **Entire Agreement, Waivers, and Amendments.** This Agreement and the Non-Disclosure Agreement integrate all of the terms and conditions mentioned herein, or incidental hereto, and supersede all negotiations or previous agreements between the Parties with respect to all or any part of the subject matter hereof. All waivers of the provisions of this Agreement must be in writing and signed by the appropriate authorities of the Party to be charged, and all amendments and modifications hereto must be in writing and signed by the appropriate authorities of the City and Trine.

(h) **Counterparts; Signatures.** This Agreement may be executed in counterparts, each of which, after both Parties hereto have signed this Agreement, shall be deemed to be an original, and such counterparts shall constitute one and the same instrument. Facsimile or electronically scanned signatures shall have the same force and effect as original signatures.

(i) **Successors.** This Agreement shall be binding upon and shall inure to the benefit of the permitted successors of each of the Parties hereto.

(j) **Severability.** In the event any section or portion of this Agreement shall be held, found, or determined to be unenforceable or

invalid for any reason whatsoever, the remaining provisions shall remain in effect, and the Parties hereto shall take further actions as may be reasonably necessary and available to them to effectuate the intent of the Parties as to all provisions set forth in this Agreement.

(k) **Time is of the Essence.** Time is of the essence for each of the Parties' obligations under this Agreement.

(l) **Recitals.** The recitals set forth above are incorporated herein by this reference.

(m) **No Third Party Beneficiaries.** This Agreement is made and entered into solely for the benefit of the City and Trine. No other person shall have any right of action or claim under or by reason of this Agreement.

(n) **No Partnership or Joint Venture.** Nothing in this Agreement is intended to or does establish the Parties as partners, joint venturers, or principal and agent with each other.

[Signatures on Following Page]

IN WITNESS WHEREOF, the City and Trine have signed this Agreement on the respective dates set forth below.

CITY:

CITY OF PEORIA, an Arizona
municipal corporation

By:_____
Carl Swenson, City Manager

ATTEST:

By:_____
Wanda Nelson, City Clerk

APPROVED AS TO FORM:

By:_____
Steve Kemp, City Attorney

Trine:

TRINE UNIVERSITY

By: [redacted]

Earl D. Brooks, II
President

Postage Required
Post Office will not deliver without proper postage

TRINE
UNIVERSITY

OFFICE OF ADMISSION
ONE UNIVERSITY AVE.
ANGOLA, IN 46703-1752

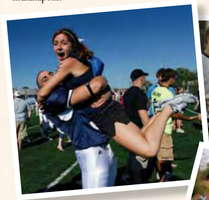
About TRINE UNIVERSITY

Trine University is a private, non-denominational baccalaureate and master's degree-granting institution. Founded in 1884, Trine offers career-oriented degrees.

- 425-acre main residential campus in Angola, Indiana
- Enrollment 2,091
- $19 million institutional scholarships awarded
- Over 35 degree programs
- 22 NCAA Division III men's & women's athletic programs with national rankings in football, softball, and wrestling.
- 90% of graduates are in graduate school or have meaningful employment within six months of graduation.
- Trine is the only engineering school in Indiana offering a five-year combined bachelor/master degree in mechanical, civil and biomedical engineering.
- Full Throttle three-year degree program available
- Listed among 2011 Best Colleges in the Midwestern Region by Princeton Review
- U.S. News & World Report ranks Trine among the Midwest's Best Colleges in 2011 for students graduating with least amount of debt.
- Study Abroad
- Student to faculty ratio: 15:1
- University Choir, Jazz Band, Marching Band, Wind Ensemble/Pep Band, Percussion Ensemble and music minors available for credit.
- New student apartments feature private baths and bedrooms off a central living area.
- Trine University has its own wireless capability across the campus for students to access the Internet.

Location

Trine's attractive 425-acre campus is located in Angola, Ind., in picturesque Steuben County—a resort community known as the Land of 101 Lakes. Situated near the crossroads of two major interstate highways (I-80/90 and I-69), the campus is less than a three-hour drive from Cleveland, Detroit, Chicago and Indianapolis.



TRINE ATHLETICS

NCAA Excitement

As a member of the nation's oldest conference (Michigan Intercollegiate Athletic Association), Trine competes against some of the most successful college programs in the nation (16 have earned NCAA championships in the last 31 years). Trine players demonstrated their abilities as full Division III players by capturing the MIAA conference women's softball championship in 2007, 2008 and 2009. The team has advanced to the NCAA national tournament each year from 2007 to 2011, including two trips to the NCAA regional competition. Football followed suit with its third consecutive MIAA championship and third NCAA tournament bid in 2010–11.

Players That Perform

Fifteen Trine football players were named All-MIAA selections in fall 2010, including senior quarterback Eric Watt, who was named the MIAA Offensive Player of the Year and Gagliardi Trophy winner. In addition, junior Elias Larson, became Trine's first NCAA Division III All-American wrestler as he finished third at the 2011 NCAA Division III Wrestling National Championship.

Athletics

Trine has 22 varsity sports in the NCAA Division III. Eighteen teams are in the Michigan Athletic Association. The two lacrosse teams are in the Midwest Lacrosse Conference, and wrestling and field hockey teams belong to independent conferences. Many students participate in intramural sports. Trine's own Zollner Golf Course, an 18-hole championship-level course, is available to students throughout the year.

www.trine.edu/athletics

Men's Sports	Women's Sports
• Baseball	• Basketball
• Basketball	• Cross Country
• Cross Country	• Golf
• Football	• Lacrosse
• Golf	• Soccer
• Lacrosse	• Softball
• Soccer	• Tennis
• Tennis	• Track (Indoor/Outdoor)
• Track (Indoor/Outdoor)	• Volleyball
• Wrestling	• Field Hockey

Personal Attention

With a student-to-faculty ratio of 15:1, you will find small classes with dedicated faculty. Professors will know your name. That makes it easy to ask questions and collaborate with your classmates.

Practical Education

Trine prepares you for life by offering a high-quality, practical education. Our programs combine hands-on learning with off-campus experiences—internships, co-ops, study abroad, field experiences—to develop leadership, communication and professional skills.

Heritage of Innovation

Our alumni have championed advances such as the first in-dash car radio, military aircraft and radar, radio-controlled cars, and the first fax machine. Others have founded the Food Lion supermarket chain, written mystery novels, served on the president's Secret Service detail and earned coach of the year awards.

Honors Program

Trine's Honors Residence and Honors Program provide high-achieving students the challenge of an enriched academic program. Through its specialized seminar, courses, enrichment experiences and thesis, the program presents key benefits for students.

ROTC Opportunity

An agreement with the U.S. Air Force ROTC provides a training program one day a week at the University of Notre Dame, leading to a military commission as a 2nd lieutenant upon graduation. If you earn a Type 2 ROTC scholarship valued at $18,000 annually, Trine University will make up the annual difference in tuition expenses … full tuition! If you earn a Type 7 scholarship and convert it to a three-year ($18,000 per year Type 2 Scholarship), the university will also provide you a Trine/ROTC Tuition Scholarship valued at $18,000 in your freshman year, and you are responsible for the difference the first year.

Explore personal potential
Experience Trine University
Excel professionally

At Trine University, we focus on you. Our faculty are professional engineers, small business owners, licensed teachers and administrators, scientists, inventors, CEOs, entrepreneurs, law enforcement officers and psychologists. They help you explore your personal potential.

Our 2,091 students receive a private, career-focused education within a hands-on learning environment. Our teaching faculty partner with serious, hard working students to explore engineering and technology, create business and marketing plans, prepare to teach, investigate criminal justice issues, learn the business of golf and sport management and study the sciences.

Campus life has many opportunities. No matter what your interests—intercollegiate athletics, student organizations, off-campus trips, fraternities/sororities—Trine has plenty of ways for you to have positive experiences, expand your horizons, and grow as an individual.

With everything Trine has to offer, it is not surprising that our recent graduates excel in their careers. Ninety percent find work in their fields or enter graduate school within six months of graduation, with starting salaries above the national average in most majors.

Personalized visits let you choose the day, the time, and the things you'd like to explore at Trine University. An overnight visit is the most in-depth campus experience, but an individual visit day may better fit your schedule. Here are some things you may want to plan for when visiting Trine:

- Meet with a professor
- Take a guided tour
- Observe a class
- Join students for lunch
- Speak with a coach
- See a residence hall
- Meet with a financial aid counselor
- Attend an athletic event

www.trine.edu/visit

TRINE UNIVERSITY

www.trine.edu

TRINE
UNIVERSITY

Office of Admission | One University Ave. | Angola, IN 46703

Be sure to check us out online at
trine.edu/viewbook

Admission to Trine University is available to all without regard to race, color, marital status, gender, religion, national origin, disability, age and veteran status as provided by law and in accordance with the University's respect for personal dignity.
0606.11

TRINE
UNIVERSITY
TRINE.EDU

Jump into Campus Life at TRINE UNIVERSITY

- Join other Trine students by attending popular events such as Longnecks & Wings night and Midnight Breakfast during finals week.
- The Express Café, in the University Center, offers Starbucks coffee and tea, yogurt, and gourmet sandwiches and salads that can be had in a hurry. Snacks such as burgers, wings, cheese sticks and quesadillas are available from 7–10 p.m.
- Steuben County's Pokagon State Park features one of the country's only refrigerated toboggan runs.
- Students can relax during Movie Night while they watch a free screening of a current film in Fabiani Theatre.
- Trine University has its own on-campus, 18-hole championship-level Zollner Golf Course, which is available to students throughout the year.
- Trine University's own WEAX 88.3-FM, The Revolution, broadcasts 24 hours a day.

get involved!

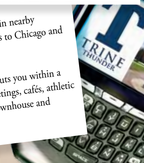
AMERICAN INSTITUTE OF CHEMICAL ENGINEERS
ALPHA SIGMA PHI
ALPHA SIGMA TAU
ALPHA THETA PI
AMERICAN MEDICAL STUDENT ASSOCIATION
AMERICAN SOCIETY OF CIVIL ENGINEERS
AMERICAN SOCIETY OF MECHANICAL ENGINEERS
BACCHUS NETWORK
BASS ANGLER'S CLUB
CHRISTIAN CAMPUS HOUSE
CIRCLE K
CYCLING CLUB
DELTA CHI
DRAMA CLUB
GAMMA PHI EPSILON
HABITAT FOR HUMANITY
INSTITUTE OF ELECTRICAL & ELECTRONICS ENGINEERS
INTER FRATERNITY COUNCIL
INTERNATIONAL STUDENTS ASSOCIATION
KAPPA SIGMA
KAPPA SIGMA ALPHA
MATERIALS SOCIETY
MULTICULTURAL STUDENT ORGANIZATION
PEP BAND
PHI KAPPA THETA
PHI SIGMA
PI ETA SIGMA
STUDENT EDUCATION ASSOCIATION
STUDENTS IN FREE ENTERPRISE
SIGMA PHI DELTA
SIGMA PHI EPSILON
SIGMA TAU DELTA
SOCIETY OF AUTOMOTIVE ENGINEERS
SOCIETY OF MANUFACTURING ENGINEERS
SORORITY PANHELLINIC COUNCIL
SOCIETY OF WOMEN ENGINEERS
SPEAK
TAU ALPHA OMICRON
TAU KAPPA EPSILON
THE COMMUTER STUDENT ASSOCIATION
THE TRIANGLE (SCHOOL NEWSPAPER)
TRIANGLE FRATERNITY
TRI-BETA
TRINE UNIVERSITY CHORUS
WEAX 88.3 FM - THE REVOLUTION
ZETA THETA EPSILON

Small Town, Big Excitement

On campus, you can have a great time participating in Bingo for Books, Library Putt-Putt, intramural sports or a pick-up game of sand volleyball. You'll find plenty of ways to get involved, stay active and meet new friends, with more than 60 student organizations and 12 fraternities and sororities.

Off campus, Angola is a focal point of Steuben County, the Land of 101 Lakes, and our location allows students to take advantage of great outdoor activities—swimming, water skiing, biking, fishing, sledding—bargain shopping at the Outlet Shoppes at Fremont and cultural events in nearby Fort Wayne. Trine University also sponsors trips to Chicago and some away athletic events.

Best of all, our small (and very safe) campus puts you within a short walk of everything: classes, activity meetings, cafés, athletic venues, libraries, coffee shops and our new townhouse and apartment-style housing.



Academic Majors

Allen School of Engineering & Technology

- Chemical Engineering
- Civil Engineering
- Computer Engineering
- Computer Science
- Design Engineering Technology
- Electrical Engineering
- Mechanical Engineering

5-year Master of Biomedical, Civil and Mechanical Engineering

Franks School of Education

- Elementary Education (K-6)
- Health/Physical Education (K-12)
- Mathematics Education (9-12, 5-12)
- Science Education (9-12, 5-12)
- Social Studies Education (9-12, 5-12)

Jannen School of Arts & Sciences

- Biology
- Chemistry
- Criminal Justice
- Exercise Science
- Forensic Science
- General Studies (Pre-Legal)
- General Studies (Social Studies)
- General Studies (Self-Designed)
- Informatics
- Mathematics
- Psychology
- Pre-Medical Professional Track

Ketner School of Business

- Accounting
- Business Administration
- Communication
- Entrepreneurship
- Finance
- Golf Management
- Management
- Marketing
- Sport Management

5-year Master of Leadership Track

Find a complete listing of our courses at

Allen School of Engineering & Technology

The Allen School of Engineering & Technology is committed to the success of its students. Individualized attention from highly qualified professors—with advanced degrees from MIT, Yale, Princeton, Virginia Polytechnic, and Carnegie Mellon (90 percent have doctorates and one third are registered Professional Engineers)—assures that students will achieve their goals and help to invent the future. There are no teaching assistants, and the average class size is 15-20 students. Engineering education begins immediately with major-related courses the first semester.

Hands-on

As practicing engineers, students will be involved in developing and applying new technologies such as micro-scale cooling of computer chips; semi-conducting materials for thin film transistors; metallic recovery from scrap; hydrogen production from industrial waste; and instruments for use in orthopedic surgery. Student groups also participate and win in regional and national competitions, building anything from fire-fighting robots to off-road racing and utility vehicles.

Work-ready

The senior design projects, hands-on nature of the laboratories and practical experiences have earned Trine University graduates the reputation of being work-ready and better prepared. Trine University engineering graduates are highly sought by industry. This results in placement rates higher than 90 percent, with starting salaries above the national average.

Expertise

Trine University also offers an engineering program requiring five academic years with one additional summer of study. Upon completion of the program, students receive both a bachelor's degree in either biomedical, civil or mechanical engineering and a Master of Engineering degree.

Local industries also participate in the expo, allowing networking with industry leaders and potential employers.

Innovative Programs

- The five-year Bachelor's and Master of Engineering program meets the requirements of the BS + 30 Model Law for professional registration. Civil and mechanical engineering graduates will satisfy all of the educational requirements for the PE license.
- The Foundry Education Foundation currently ranks Trine University first in the nation (among non-doctoral institutions) for its cast metals program.
- Trine University holds an annual Engineering Design Expo in which seniors and graduate students present their design projects.

- Our rapidly growing program in electrical power has been adopted as an academic partner by American Electric Power, and has caught the attention of electric motor manufacturers in both the United States and Canada.
- Chemical engineering students have placed first in the AIChE National Design Competition in 2006, 2007 and 2009. In addition, our students won the National SAChE Safety in Design Award in 2007, 2008, 2009 and 2010.
- Minors available in the School of Engineering and Technology are: aeronautical engineering, biomedical engineering, bioprocess engineering, energy engineering, environmental engineering, metallurgical engineering, robotics and structural engineering.

Franks School of Education

As former elementary, middle and high school teachers, high school counselors, building-level administrators and department chairs, our faculty know both the theory and the practice of the education profession. They share that knowledge with you to help you become the best teacher you can be.

Field experiences, important and practical opportunities for you to interact with K–12 students and teachers, are part of your education program. They are integrated into the curriculum and begin as early as your freshman year. You might also have the opportunity to participate in other school-based activities, such as attending team meetings, tutoring, testing, and coaching.

Jannen School of Arts & Sciences

Our curriculum focuses on practical problem solving and innovation. Criminal justice and forensic science majors have a crime scene lab on campus, including a new ballistics comparison microscope and a new fiber and hair comparison microscope to enhance their investigative skills. Internships add a real-world dimension to education.

Our faculty are active scholars. They have written books (including *The Art of Watching Films*, *Ultimately Fiction*, *Teaching Today's Health*, *Numerical Analysis via Derive*) and share their professional experiences in and outside the classroom. They help you become effective communicators, critical thinkers, and thoughtful analysts. Perhaps that's why one-third of our faculty—more than twice the national average—were nominated by their students to Who's Who Among America's Teachers.

Ketner School of Business

The best preparation for a business career comes from people who've been there. Our faculty have years of professional experience in their fields of expertise, and they share their unique perspectives in the classroom. Their strong business ties allow them access to insider resources. By focusing on contemporary case studies and input from industry leaders, Trine University offers you the tools and insights needed for a successful future.

You will have an opportunity to experience the realities of work firsthand through simulations, real-world case studies, and internships. The exposure can help you determine the career path you want to follow after graduation—Fortune 500, middle market, small business, or entrepreneurship. The practical approach pays off, as many of our graduates can attest. Trine University alumni are successful in all types of business.

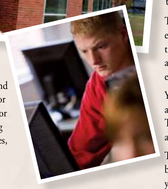
Recent Internships/Co-Ops

Beckman Coulter	DuPont	INDOT	NASA	Rolls Royce
Bureau of Alcohol, Tobacco and Firearms	Duke Energy	Internal Revenue Service	NIPSCO	Rumsey & Watkins
Citigroup Smith Barney	Eaton Corporation	ITT Space and Communication Systems	Northeastern Center Inc.	Solae LLC
Commonwealth Associates Inc.	Edward Jones	John Deere	Northwestern Mutual Life	Steel Dynamics/ OmniSource
Cives Steel Company	FBI	Lawson-Fisher Associates	Patriot Engineering	Swales Aerospace
Crossroad Engineers, PC	Fort Wayne Metals	Menards	Parker Engineered Seals	Therma Tru
Crowe Horwath	Franklin Electric	Merrill Lynch	Parker Hannifin	Titleist
CTS Automotive	FXI	Michigan International Speedway	Pfizer Global Research and Development	Tower Bank
DePuy Orthopaedics Inc.	GM Powertrain	MORityde	Pokagon State Park	Univertical
Dana	HC Stark		Regal Beloit	U.S. Marshals Service
	Honda of America			Vestil
	Indiana Marine Products			

Great Facilities

University Center and Center for Technology and Online Resources

Trine University's signature building, the 73,000-square-foot University Center and Center for Technology and Online Resources, is the central hub for campus activity. Showcased are amenities such as Fabiani Theatre, which provides films and arts and cultural programming for the university and community; a health and wellness center; indoor and outdoor dining; and a new library. The center is also the focal point for the University's technology thrust, with its global workplace, Center for Digital Excellence, and multipurpose and digital media group training spaces. To further enrich student life, a new bookstore, student lounges, and the student radio station, WEAX 88.3, are situated in this busy connection point.



Student Apartments

Contemporary comfort now greets students calling seven apartment-style buildings home. Soothing neutrals team up with jet-black furnishings and accessories to pull a tranquil, yet visually stimulating, theme throughout the living spaces. A vaulted ceiling with second-floor overlook, big-screen TV, and cozy fireplace with furniture groupings make the central lobby areas hearth- and heart-warming. Spacious apartments with central living areas and private bedrooms and baths boast 10-foot ceilings and large windows that scoop up light and views of the campus. Recreation areas provide a lively atmosphere with pool tables and air hockey.

Campus Village

The village offers apartment-style living. The villa-style buildings hold five-, four-, and three-bedroom apartments, each with a full kitchen, living room, central air conditioning and all major appliances.

Thunder Sports Park

Artificial turf has been installed on the football, soccer and lacrosse fields and the new Fred Zollner Athletic Stadium boasts locker rooms, restrooms, press boxes and concessions.
The Keith E. Busse/Steel Dynamics Inc. Athletic and Recreation Center, with a 200-meter indoor track, and a facelift including new parking, curbs, sidewalks, restrooms and concessions for Thunder Sports Park, were recently added. Add to that two practice football fields and a new baseball grandstand with press boxes, restrooms and concessions.

Scholarships and Financial Aid

Trine awards over $19 million in institutional aid to students. Around 98 percent of students receive some kind of merit- or need-based financial assistance. For current room, board, and tuition costs, contact the Office of Admission or visit our website at **trine.edu**.

Trine University is committed to facilitating enrollment for qualified students regardless of their financial circumstances. Our financial aid programs help make a private college education possible for you and your family.

You may be pleasantly surprised at how affordable a Trine education can be. In fact, Trine's private education can be as affordable as an education at a larger public institution.

Trine University is an outstanding investment because of the quality, value-added education you receive, ability to complete your degree in four years, and the return on your investment.

Types of Scholarships

Trine University offers various types and levels of tuition scholarships. To apply, complete an application for admission on our website.

You may also find additional information on our scholarships at trine.edu.

Academic (competitive)

Up to full tuition/year

Academic

Up to $13,000/year

Diversity

$13,000/year

Valedictorian/Salutatorian

$2,500/year

Legacy

$2,000/year

Transfer Scholarships

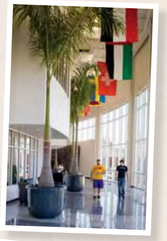
Up to $12,000/year

Financial Assistance

Trine University awards several different types of need-based aid: federal or state grants, student or parent loans or federal work study. To apply, please complete an online application (Free Application for Federal Student Aid, FAFSA) as soon as possible after Jan. 1 at www.fafsa.gov.

Deadline - March 1
Trine's FAFSA Code - 001839

For more information on scholarships, private loans, and other sources of financial assistance, visit our website at trine.edu or call the office of financial aid at 800.347.4878.



Accreditation

Trine is accredited by the Higher Learning Commission and is a member of the North Central Association (ncahigherlearningcommission.org or 312.263.0456). Trine's programs in chemical, civil, electrical and mechanical engineering are accredited by the Engineering Accreditation Commission of ABET (www.abet.org). All teacher preparation programs are accredited by IPSB (www.in.gov/psb) and NCATE (www.ncate.org).

Key programs in the Ketner School of Business are accredited by the Association of Collegiate Business Schools and Programs (ACBSP) (www.acbsp.org).

TRINE UNIVERSITY

Student Name _____

❑ Male ❑ Female

Address _____

City _____ State _____ ZIP _____

Telephone _____ Cellular _____

E-mail _____

High school _____ H.S. Graduation year _____

SAT (R & M) Total _____ ACT composite _____ H.S. GPA _____

Intended college major(s) _____

Varsity athletic interests _____

Other activity interests _____

Did you take Project Lead the Way courses in high school? ❑ Yes ❑ No

2011–2012 costs

Standard Tuition (Engineering Tuition - $28,600)	$26,600
Room and board *(double occupancy)*	$ 8,800
Activity fee	$130
Total	$35,530

Applying to Trine

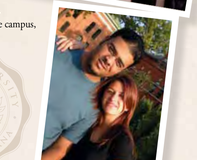
Trine University makes its admission decisions on a rolling basis. Applicants are notified of their status within two weeks after the online application, transcripts and test scores are received. All high school seniors should take the American College Test (ACT) or the Scholastic Aptitude Test (SAT) and have the scores sent to Trine. Writing segments are optional. Our code numbers: ACT:1250; SAT:1811.

Trine's online application (no application fee) can be accessed at **trine.edu**. Please also complete a Transcript Release Form and give it to your high school guidance office to authorize release of your transcripts to the Office of Admission.

Applicants to Trine are encouraged to visit the campus. For more information on applying to Trine, visiting the campus, or about scholarships and financial assistance, contact:

Trine University
Office of Admission
One University Ave.
Angola, IN 46703-1764

800.347.4878 or 260.665.4100
admit@trine.edu • trine.edu



CITY OF PEORIA, ARIZONA
COUNCIL COMMUNICATION

Agenda Item: 24R

Date Prepared: May 21, 2012 **Council Meeting Date: June 19, 2012**

TO: **Carl Swenson, City Manager**

FROM: **Scott Whyte, Economic Development Services Director**

THROUGH: **Susan J. Daluddung, Deputy City Manager**

SUBJECT: **Vistancia Commercial Core Targeted Industry Attraction Strategy**

Purpose:

This is a request for the City Council to approve the Vistancia Targeted Industry Attraction Strategy for the marketing and promotion of the Vistancia Commercial Core.

Background/Summary:

The Economic Development Services Department (EDS), in collaboration with Vistancia, LLC (Vistancia) and the Greater Phoenix Economic Council (GPEC), has designed a marketing implementation strategy to guide all business attraction and promotion activities for the Vistancia Commercial Core (see Exhibit A). This strategy consists of a two-phased approach that will be undertaken in partnership with Vistancia and GPEC over two fiscal years from July 2012 through June 2014.

The Vistancia Commercial Core is an important aspect of the Loop 303 Investment Zone pursuant to the City adopted Economic Development Implementation Strategy (EDIS), due to the following attributes: accessibility to transportation; abundant land that is privately-held and fully-entitled; strong workforce in the 30-minute labor shed; and creative and collaborative landowners.

The objectives of this implementation strategy are threefold:

1. Introduce Vistancia as a destination for targeted industries pursuant to the EDIS, such as healthcare, higher education, corporate offices and headquarters, high technology, light manufacturing, bioscience, alternative energy, and data center relocation or expansion;
2. Focusing on California, identify and reach out to select companies that are looking to expand or leave their current markets; and
3. Increase Vistancia's visibility among site selection groups and business real estate professionals

This implementation strategy consists of two phases. Phase 1 is a reconnaissance phase in which information on industry prospects will be gathered and a SWOT Analysis of the site completed, looking at the competative strengths, weaknesses, opportunities and threats from a

market perspective to gain a better understanding of the end user's requirements for site development in Vistancia. The second phase consists of the execution on the deliverables achieved through the first phase, which will include aggressive outbound marketing and promotion to turn targeted leads into prospects while overcoming any perceived deficiencies that were identified in the SWOT Analysis.

Previous Actions:

The Economic Development Advisory Board reviewed this strategy at the May 24, 2012 meeting. There have been no previous actions of the City Council related to this specific strategy.

Options:

A. **Approve the Vistancia Targeted Industry Attraction Strategy**. This action will continue the business attraction efforts in northern Peoria.

B. **Reject the Vistancia Targeted Industry Attraction Strategy**. This action will require a re-evaluation of the current marketing efforts in this investment zone and force a redesign of the implementation plan.

Staff's Recommendation:

Approve the Vistancia Targeted Industry Attraction Strategy.

Fiscal Analysis:

The activities listed have been budgeted for in the approved FY 2013 budget.

Exhibits:

Exhibit A: Vistancia Targeted Industry Attraction Strategy

Vistancia Mega Site Targeted Industry Attraction Strategy

EDS, in collaboration with Vistancia LLC and the Greater Phoenix Economic Council (GPEC), has designed a marketing implementation strategy to guide all business attraction and promotion activities for the Vistancia Commercial Core. This strategy consists of a two-phased approach that will be undertaken in partnership with Vistancia/Sunbelt Holdings and GPEC over two fiscal years from July 2012 through June 2014.

Background

The Vistancia Commercial Core is a privately held, fully-entitled, commercially-zoned 500-acre piece of property that is located within the Vistancia master-planned community in northern Peoria and adjacent to the Loop 303. The opening of the Loop 303 freeway in May 2011 brought with it numerous opportunities for the area, which has been identified in the city's General Plan as the most significant employment corridor in Peoria.

EDS considers the Vistancia Commercial Core an important investment zone because of these attributes: accessibility to transportation, abundant land that is privately-held and fully-entitled, strong workforce in the 30-minute labor shed, and creative and collaborative landowners. EDS has a few prospects for the site, including a university, a hospital, and corporate campus projects. Through these business attraction efforts, the partnership between Vistancia and the city has solidified. Both parties agreed to an investment package that, for the right project, could include both vacant land and road infrastructure to make the site competitive.

EDS and Vistancia first approached GPEC to work on a targeted marketing effort for the Vistancia Commercial Core in the summer of 2011. The coordination of the three parties resulted in three tangible outcomes:

- GPEC designated Vistancia one of the first Mega Sites in the region
- An infrastructure plan and a labor shed profile were developed involving all relevant market stakeholders (utilities, communications, the community college system, West-MEC, and WESTMARC).
- GPEC organized an event in Vistancia for its National Site Selector Market Tour on February 2, 2012

Since the GPEC Site Selector event, Vistancia has opened Lone Mountain Road to the Loop 303 and hired Nate Nathan and Associates to broker the land. Vistancia will also be hosting a future broker event to introduce the Mega Site.

Targeted Industries

The Vistancia Commercial Core lends itself to specific key industries.

- Advanced Business Services – white collar, high wage, educated professionals (engineers, IT professionals, business professionals such as finance, management, accounting, marketing and sales people), office environment, global marketplace. Examples include financial services, back-office operations, data centers, and IT services.
- Corporate Offices – white collar, high wage, educated professionals (business professionals such as finance, accounting, marketing, sales, and management people), office environment. Examples include regional and national headquarter operations.
- High Tech Manufacturing – clean manufacturing environment (less industrial), technically-skilled workforce (engineers, technicians, management, R&D, marketing and sales), high wage, export industry not heavily dependent on trucks or rail, global marketplace. Examples include semiconductor, medical device, and renewable technologies.
- Health care – destination service industry, white collar, all wages, educated professionals and technically-skilled workforce (doctors, nurses, researchers, medical office staff, and administrators). Examples include hospitals, health care centers, specialty care centers (such as for cancer).
- Higher Education – destination service industry, high wage (professors, instructors, administrative staff), office and lab environment, global marketplace. Examples include universities, medical schools, and technical schools.

This strategy is designed to pursue and attract companies in these targeted industries.

Project Profiles

A profile of one project that we pursued for Vistancia was the following:

- Globally recognized Fortune 100 company with 2010 revenues in excess of $25 billion
- Global company supporting more than 50,000 employees worldwide
- Project represents the Client's core North American Headquarters, administrative, and technology footprint
- The project would generate approximately 100,000 visitors and 30,000 hotel nights annually
- Jobs created over 5 years: 6,100
- Average base salary: $90,000
- Capital investment (includes core & shell, hard costs, technology and FF&E): $180M - $420M
- Eventual build-out of approximately 1,000,000 square feet class A office

	Jobs Created	Percent Staffing	Average Salary
Finance	421	7%	$88,000
Logistics	952	16%	$70,000
Operating	3,844	63%	$95,000
Technical	883	14%	$92,000
Total	6,100	100%	$90,000

Another project that was recently submitted was for a leading, national brand services company looking to expand their US facilities. Two business models were evaluated for their expansion, but this prospect would bring anywhere between 800-2000 employees. One model was a 160,000 – 240,000 SF facility for a finance and accounting shared services "Center of Excellence." The other model was a 240,000 – 360,000 SF financing and accounting shared services "Super Center." There was also the possibility that both of these models would be incorporated into the same location. Average wages for the Center of Excellence model were $55,000 - $65,000; average wages for the Super Center model were $40,000 - $50,000.

Other prospect profiles that are being considered and pursued include:

- A residential university campus
- A full-service hospital including medical office space and medical retail
- A corporate office park for medical device companies to cluster

Objective of the Implementation Strategy

The objectives of this implementation strategy are threefold:

1. Introduce Vistancia as a destination for targeted industry relocation relative to the above-mentioned profiles
2. Focusing on California, identify and reach out to select companies that are looking to expand or leave their current markets
3. Increase Vistancia's visibility among site selection groups and business real estate professionals

This implementation strategy consists of two phases. Phase 1 is a reconnaissance phase in which activities will be used to gather information on industry prospects as well as a better understanding of market requirements for site development in Vistancia. Since the Commercial Core is a non-shovel ready Greenfield site, it is important for both Vistancia and the city to understand how the site's overall marketability compares to other similar sites. A study of Vistancia's Strengths, Weaknesses, Opportunities and Threats (SWOT) will be a phase 1 deliverable.

The second phase consists of the execution on the deliverables achieved through the first phase, which will include aggressive outbound marketing and promotion to turn leads into prospects while overcoming any perceived deficiencies that were identified in the SWOT Analysis.

FY 2013: Phase 1 Reconnaissance and Introduction

GPEC is the regional economic development organization that has been both representing the Valley and attracting prospects for over 20 years. Peoria's relationship with GPEC as a GPEC member provides the city with market intelligence as well as contacts in the site selection industry.

GPEC has long been targeting the California market for many reasons:

- California tax and regulation climate is unfriendly toward business
- Cost of doing business is very expensive in California
- Cost of living is very expensive in California
- California continues to be a leader of innovation and has a robust and growing GDP

In the past year, however, GPEC sharpened its approach toward California companies and created the following strategy.

GPEC's California Strategy

Despite California's business, regulatory, and cost hurdles, the state remains a national innovation leader in key industries such as high-tech, clean-tech and biotech. California also creates and attracts a workforce that can meet the needs of its industries and innovations. Arizona, with its lower cost of doing business and tax friendly, low regulatory environment, has emerged as a viable and attractive alternative to California in terms of locating and growing a business, particularly manufacturing operations in high tech, clean tech and biotech industries. Additionally, Arizona is an optimal location for headquarter relocations, as well as an ideal environment for corporate and regional expansions for firms in the advanced business and financial services industry. The Arizona pro-business climate has been a proven model for many second-site opportunities.

Peoria Approach

Phase 1 of the attraction implementation strategy consists of three parts. The first part will be to assess and identify expanding, relocating, and emerging businesses and market to them specifically through various forms of outreach. GPEC has been penetrating the California market for years and leverages various sales channels to target and uncover business development opportunities in that market:

- Current prospects
- Site selectors
- Corporate real estate executives
- Foreign investment agencies
- Small- to medium-sized enterprises

As a result of our relationship with GPEC, the city will have access to appropriate contact information for site selectors as well as other entities and real estate development groups. Direct marketing and outreach to these groups will afford two conclusions:

1. Identify WHO and WHICH companies have long and short term future plans to expand and/or move their operations
2. Give a sense of WHEN those targeted companies will begin that effort

The final objective in this approach is to put Peoria in front of the targeted groups as they begin to execute on relocation and expansion plans. Activities to do so will include site visits, invitation-only events in the market targeting specific industries (for example, in combination with the MD&M trade show), and other public relations activities.

The second part of phase 1 will focus on the marketability of the site. Vistancia is a non-shovel-ready Greenfield site – in what ways might it be overlooked and how can those challenges be overcome? Outreach to the target group will allow us to do primary research on the competitiveness of the site as concluded by the target group. Such information is critical to the ultimate goal of developing the site.

The third part of phase 1 will focus on the impact that new development will have on existing retail at Lake Pleasant Parkway and Happy Valley Road as well as new retail that should be attracted to the Vistancia Commercial Core. The retail market at Happy Valley and Lake Pleasant is fully developed and of a significant size and the city would not be in favor of either implementing any activity that will endanger those centers or replicating those shops along the Loop 303.

Phase 1 Deliverables: Vistancia SWOT Assessment and Qualified Leads

In assessing an area's ability to support and sustain economic development, the following standard elements should be analyzed for the purpose of determining what opportunities or strengths there are to leverage and what weaknesses or threats need to be addressed.

- Labor Force and Education
- Business Climate
- Transportation
- Site and Buildings
- Utilities/Infrastructure
- Quality of Life
- Community Identity
- Incentives

The SWOT assessment evaluates Vistancia's preparedness and competitiveness in business "criteria" important to new investments, both for business expansion and new business locations. When companies weigh location alternatives in search of the best location for a new operation, they seek the location that offers the best chance for long-term success. Whether looking to locate a medical office, back office operation or a manufacturing plant, companies look to minimize one-time project development costs, ongoing operating costs and risk. The SWOT Analysis on Vistancia will provide detailed information on the site's selling features and deficiencies.

The second deliverable is a refined list of target groups into a database of qualified leads. Both deliverables – the SWOT Analysis and the list of target groups that have identified

themselves as in the business expansion and relocation market – will enable the city, Vistancia, and GPEC to determine the proper course of action in order to land those development projects.

The third deliverable is a full retail analysis of the following:

- The existing retail market at Happy Valley and Lake Pleasant
- The impact commercial development along the Loop 303 will have on existing retail
- The potential for complimentary retail in Vistancia

FY 2014: Phase 2 Aggressive Promotion and Image Enhancement

Phase 2 will offer a two-pronged approach: overcome perceived deficiencies that were identified in the SWOT Analysis and aggressively promote the site to convert leads to prospects.

While the SWOT Analysis has yet to be completed, the concept of overcoming any perceived deficiencies entails a variety of options to increase the competitiveness of the site. Options already identified by Vistancia, GPEC and the city include these among others:

- Building speculative office or industrial space
- Pursuing activities to increase the shovel-readiness of the site
- Formalizing incentives such as reducing the cost of the land for certain projects

In terms of the promotion of the site, the city will continue to accompany GPEC on California sales missions that further this attraction strategy as well as aggressively penetrate the market on our own. The Phase 2 promotion strategy will consist of a series of targeted activities in an effort to convert leads into prospects as well as identify and pursue additional leads:

- Host and sponsor targeted industry events in California (e.g BIOCOM, MD&M, Corenet, ICSC, etc.) to reach out to leads frequently and visibly
- Host local events (investment conference, Blackstone golf tournament, spring training games etc.) that leads are invited to in order to visit the market and create relationships with potential supply chain and customers as well as local leaders
- Conduct comparative market studies as appropriate to present refined data
- Regular calls and eblasts
- Hire a lead generation firm that can facilitate meetings with qualified leads

Phase 2 Deliverables

Phase 2 deliverables will be projects and developments that commit to the area as well as an improved short list of prospects that can be targeted in future years.

CITY OF PEORIA, ARIZONA
COUNCIL COMMUNICATION

Agenda Item: 25R

Date Prepared: May 22, 2012 **Council Meeting Date: June 19, 2012**

TO: Carl Swenson, City Manager

FROM: Andrew Granger, P.E., Engineering Director

THROUGH: Susan J. Daluddung, Deputy City Manager

SUBJECT: Proposed changes to the Neighborhood Traffic Management Program (NTMP) Goals, Objectives and Policies

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Purpose:

This is a request for City Council to review and approve the proposed revisions to the Neighborhood Traffic Management Program (NTMP) Goals, Objectives and Policies in order to address the following issues in the current policy:

1. Local streets with very low volumes of traffic that meet the speed criteria will qualify for speed humps.

   Proposed change:
   - Use a minimum volume of 100 vehicles per day as a criteria, in addition to the speed requirement, to qualify a street for speed hump installation.

2. Local streets/collectors that do not have curb and gutter can qualify for speed humps resulting in drainage issues, and people driving around the speed humps to avoid them.

   Proposed change:
   - Install speed humps, cushions, or tables on streets with curb and gutter only.

3. Speed humps/speed cushions/speed tables are currently installed on qualifying streets regardless of the grade of the roadway.

   Proposed change:
   - Avoid installation of speed humps, cushions, or tables on streets where the grade is more than 6%.

4. Current policy indicates that a minimum of 70% of the signatures within a petition boundary is required for a petition to be approved. In addition, 100% of those directly

adjacent to the traffic calming features must sign the petition. If these requirements are met, the City of Peoria will pay 100% of the cost. With the current economic situation, there are homes that are either rentals or in the process of foreclosure and acquiring the required number of signatures from the owners is becoming very difficult.

Proposed change:

- Where it is determined by the City that more than 30% of the applicable households within the boundary are rental properties, the city can help the coordinator(s) in mailing certified letters to the rental property owner(s) indicating the requirements for traffic calming measures and provide the owner(s) with a timeline of 14 days to respond. If no response is received by the deadline, it will be treated as a "YES" to the installation of traffic calming measures. In case of foreclosed/bank-owned properties that are vacant the city would not include them in the petitioning process.

This revision to the current policy is necessary in order to address the above mentioned issues. If the revised NTMP Policy is not adopted, it may result in installing speed humps at locations that are not desirable or not warranted and depriving some other locations from getting speed humps.

Background/Summary:

The Neighborhood Traffic Management Program incorporates the following goals and objectives and a streamlined process based on community involvement.

1. Improve quality of life for Peoria residents.
2. Increase public health, safety and welfare.
3. Develop and maintain a transportation system that accommodates travel demands and discourages unnecessary use of residential local and collector streets.
4. Enhance accessibility for all street users including pedestrians and bicyclists.
5. Achieve safe, slow speeds for motor vehicles appropriate for residential local and residential collector streets in neighborhoods.
6. Reduce transient (cut-through or non-local) traffic.
7. Improve safety for all street users.
8. Work in cooperation with residents, since NTMP is a community-based program.
9. Implement residential street design standards for local and collector streets for the development of subdivisions that discourage excessive speeding and cut-through traffic in neighborhoods.
10. Promote the adoption of right-of-way width standards for arterial streets sufficient to accommodate capacity demands.

Previous Actions:

On September 5, 2000, Council adopted the original NTMP Goals, Objectives and Policies, Ordinance No. 00-188. On October 20, 2003, Council adopted the first amendment to the NTMP Goals, Objectives and Policies. On May 16, 2006, Council adopted the second amendment to the NTMP Goals, Objectives and Policies and on October 21, 2008, Council adopted the third amendment to the NTMP Goals, Objectives and Policies.

On April 11, 2012, staff presented above-mentioned issues to the Council Subcommittee and it was recommended that these issues be brought to the Council for discussion and possible amendment to the current policy.

Options:

A: Approve adoption of the revised policy

B: Deny adoption of the revised policy which may result in installing speed humps at locations that are not desirable or not warranted and depriving some other locations from getting speed humps.

Staff's Recommendation:

Staff recommends approval of the revised policy.

Fiscal Analysis:

There is no fiscal impact.

Narrative:

If the Council approves the proposed changes, staff will proceed with Amendment No. 4 to the Neighborhood Traffic Management Program Goals, Objectives and Policies.

Exhibit 1: Revised NTMP Policy

Contact Name and Number: Jamal Rahimi, City Traffic Engineer, 623-773-7224

CITY OF PEORIA

Neighborhood Traffic Management Program (NTMP)

Information Booklet

CITY OF PEORIA
Engineering Department
Traffic Engineering Division
9875 N. 85th Avenue
Peoria, AZ 85345
623-773-7652

NEIGHBORHOOD TRAFFIC MANAGEMENT PROGRAM
Goals, Objectives, and Policies

INTRODUCTION

In response to continued concerns about traffic in neighborhoods, the City of Peoria adopted City Code Sections 14-77 and 14-78 pertaining to the development of a Neighborhood Traffic Management Program (NTMP) and the designation of neighborhoods as Residential Traffic Control Areas. This document contains the Goals, Objectives and Policies for the NTMP and shall serve as the adopted guidelines to follow for neighborhood participation in the NTMP, as required by Peoria City Code Section 14-77 (d).

The NTMP works in cooperation with neighborhoods to promote the preservation of the residential character of Peoria's neighborhoods and to help improve the overall quality of life. The NTMP is designed to address traffic concerns in residential areas of the City that may have a negative influence on the health, safety, and welfare of Peoria citizens. Traffic concerns may include:

- traffic using a residential local or collector street as a shortcut or detour or;
- an excessive volume of traffic on a residential local or collector street or;
- traffic operating at excessive speeds on a residential local or collector street or;
- vehicles with an origin and destination outside the neighborhood.

GOALS

The Neighborhood Traffic Management Program incorporates the following goals:

1. To improve quality of life for Peoria residents
2. To increase public health, safety, and welfare
3. To develop and maintain a transportation system that accommodates travel demands and discourages unnecessary use of residential local and collector streets
4. To enhance accessibility for all street users including pedestrians and bicyclists.

OBJECTIVES

In order to accomplish the NTMP goals, the following objectives are adopted:

1. Achieve safe, slow speeds for motor vehicles appropriate for residential local and residential collector streets in neighborhoods
2. Reduce transient (cut-through or non-local) traffic
3. Improve safety for all street users
4. Work in cooperation with residents, since NTMP is a community-based program

5. Implement residential street design standards for local and collector streets for the development of subdivisions that discourage excessive speeding and cut-through traffic in neighborhoods
6. Promote the adoption of right-of-way width standards for arterial streets sufficient to accommodate capacity demands.

POLICIES

The goals and objectives of the City of Peoria's Neighborhood Traffic Management Program are achieved by meeting minimum criteria in the following policies and procedures. To provide a user-friendly and streamlined program based on community involvement, the Neighborhood Traffic Management Program (NTMP) will consist of the following 5-step process:

NTMP Process

1. Initial contact
2. Traffic studies
3. Petitions/Obtain Consensus
4. Implementation/Construction
5. Evaluation

1. **Initial contact.** Upon initial contact made by a resident or property owner inquiring about traffic calming in their neighborhood, City staff will mail an information packet about the Neighborhood Traffic Management Program and a "Traffic Action Request Form" to the requestor.

   After reading the information, if residents are interested in the NTMP, they should submit the completed Traffic Action Request Form to the City. The purpose of this form is to initiate the NTMP process and request a traffic study be conducted to determine if a particular street(s) meets the NTMP criteria; it is not a petition for traffic calming features. The form shall require signatures from residents of at least 10 different households on the street(s) where the features are to be installed in order to warrant the conduction of a traffic study.

   The construction of new subdivision developments must be built out before they can be eligible for the NTMP because developments under construction may impact traffic patterns within the neighborhood and affect the traffic study.

   Only public streets in the City of Peoria that are paved and maintained by the City are eligible for the NTMP.

2. **Traffic study.** Upon receipt of a completed Traffic Action Request Form, City staff will schedule a traffic study. Requests for studies should be conducted in the order they are received. Traffic studies are usually conducted during the school year unless unique circumstances exist, as determined by City Traffic Engineering staff.

The study area will be determined by City staff using engineering judgment to include the area most likely to be affected by the implementation of traffic calming features in order to address resident's concerns. Residential streets meeting the following criteria shall be eligible to participate in the NTMP ***and they will be designated as a Residential Traffic Control Area, which must be approved by City Council***.

Minimum NTMP Criteria

Street Classification	***Average Daily Traffic Volume (veh/day)***	***Average Volume in Peak Hour (veh/hour)***	***85th Percentile Speeds (MPH)***
Local	***700***	***70***	***5 over the posted speed limit***
Minor Collector	***1000***	***100***	***5 over the posted speed limit***
Major Collector	***3000***	***300***	***10 over the posted speed limit***

Local Streets:

Any street meeting the above traffic volume criteria is eligible for traffic calming features through the NTMP. However, in order to pursue speed humps on a local street, it must meet the following ~~speed~~ minimum volume criteria. ~~In addition, a street that does not meet the volume criteria may still pursue speed humps IF the speed criteria is met.~~

Minimum Volume Criteria for Local Streets for Speed Humps			
Local	**100**	**40**	***5 over the posted speed limit***

Residents on streets that are not eligible but are still interested in speed humps can request another traffic study be conducted after at least six months have passed from the date of the last traffic engineering study to see if they meet the minimum vehicular speed criteria.

However, if a street does not meet the volume criteria or the speed criteria, they may still pursue speed humps, IF, they meet all of the following conditions:

- ***the measured 85th percentile speed is at or above the posted speed limit, and***
- ***the residents are willing to pay the full cost of installation and maintenance fees, and***
- ***the neighborhood goes through the normal petition process (see page 4), and***
- ***the residents are able to obtain 80% support during petition process (see page 6)***

Collector Streets:

Collector streets may be eligible for speed cushions only if they meet the NTMP criteria and all of the following apply:

- ***they have one travel lane in each direction not including bike lanes or parking lanes, and***
- ***front facing homes***

In order to qualify for speed humps/speed cushions/speed tables, Local streets/Collectors must have curb and gutter in addition to meeting above criteria.

Speed humps/speed cushions/speed tables will not be installed at locations with a grade more than 6%.

3. **Petitions/Obtain Consensus.** Residents may request the City of Peoria prepare petitions for specific traffic calming features on specific streets. Traffic calming features available through the NTMP, subject to approval by the Engineering Department based on a review of street conditions and other parameters, include:

Speed humps	**Speed tables**
Traffic circles	**Chicanes**
Right-turn diverters	**Island diverters**
Diagonal diverters	**Median islands**
Turn prohibitions	**Speed cushions**

Speed humps, speed tables and speed cushions will be installed permanently. Other traffic calming features, except for signage applications, shall first be installed on a temporary basis for a 90-day test period; then, if residents would like to pursue permanent traffic calming features, a second petition will be required. Traffic restrictions implemented through signage applications may be either temporary for a 90-day test period or permanent. Complete street closures shall not be allowed through the NTMP.

Prior to the petitioning, a verbal OK map will be issued by City Traffic Engineering staff identifying the potential locations of the traffic calming features, along with those properties that will be most affected if the features are installed. The residents are then asked to contact the property owners of the properties mentioned above to find out if they are supportive of the locations. If the property owners are supportive, residents contact City staff to let them know they are ready to petition. If some or all of the property owners are not supportive, residents contact City staff who will then determine whether the features could be placed somewhere else.

All petition forms shall be prepared by City staff and provided to residents. A map showing the location of the traffic calming features and the petition boundary area shall also be included. City staff shall determine all petition boundaries on a case by case basis for the individual features requested by residents. In general, petition boundaries will be determined based on the degree to which the properties immediately adjacent to a traffic calming project are affected compared to those included in the entire study area. Boundaries can be enlarged or reduced where applicable as determined by City Traffic Engineering staff.

Where a traffic calming feature is proposed immediately adjacent to a fire station, a written consensus from the Fire Department shall be required when the proposed traffic calming feature impacts direct emergency vehicle response route.

Petitions must be completed and returned to the City within six months from the date they were provided to the neighborhood coordinator or they will expire. A one-time extension of ***one month*** may be requested if necessary.

Only signatures on official petition forms prepared by the City of Peoria will be accepted. No photocopies or substitutions will be allowed. If a person signing the petition decides to change their mind and would like to remove their name from the petition, the person has three business days from the date the petition was received by City staff to submit a letter to the City stating in writing that they would like to rescind their name from the petition.

Only one signature per property will be counted on the petition. Signatures from either the property owner or a renter will be sufficient for petitions for temporary traffic calming features***. Property owner signatures*** are required for permanent traffic calming features. Properties owned by the City of Peoria should be considered neutral and no signature from those properties will be required. ***If a multi-family dwelling (i.e. apartments, duplexes, etc…) is within the petition boundary area, the property will be counted as one unit, and the property manager or owner will need to sign the petition. The exception to this rule would be in cases such as condominiums***

where units are individually owned. Each unit would be counted separately in this case.

Signatures are required from those households immediately adjacent to each proposed speed hump, speed table, speed cushion or temporary/permanent traffic calming feature.

Residents and City staff should work in cooperation with an established Homeowners' Association or their designee if applicable to a neighborhood that has been designated as a Residential Traffic Control Area. However, a Homeowners' Association shall not prevent the implementation of a traffic calming project in the neighborhood if a petition is approved by a majority of property owners and/or residents.

Where a traffic calming feature is proposed immediately adjacent to a park, common area or drainage area that is owned by a Homeowners' Association or other entity, such as when a speed hump location is adjacent to it, written approval from the board of the association shall only be required when the proposed traffic calming feature impacts direct motor vehicle access to the parcel, such as an entrance to a parking lot. If approval is required, it can be satisfied with a letter signed by one or more board members.

If over 200 households are in a NTMP petition boundary, residents may ask City staff to mail ballots in lieu of petitions. At least 75% of the ballots must be returned, and at least 70% of the returned ballots must vote in favor of the NTMP project. If petitions are requested during the balloting process or in addition to the ballots, then a minimum of 70% of the signatures within a petition boundary will be required for approval.

4. **Implementation and Removal.** A minimum of 70% of the signatures within a petition boundary is required for any petition to be approved. ***In addition, 100% of those directly adjacent to the traffic calming features must be in support. If these requirements are met, the City of Peoria will pay 100% of the cost. The only exception applies to residents who did not qualify for City funding, but still desire to install speed humps. In this case, a minimum of 80% of the signatures within a petition boundary is required for any petition to be approved, and 100% of those directly adjacent to the traffic calming features must be in support, assuming the residents are willing to absorb the cost of the speed humps.***

The same petition boundary and petition process shall be required for the **removal** of any approved and installed traffic calming features through the Neighborhood Traffic Management Program process, or by a developer. Traffic calming features must be in place a minimum of one year before residents can request a petition for removals. Removal of temporary features does not require a petition and therefore are not subject to this process. The funding for removal of permanent features installed through the NTMP process

will be required from residents provided the minimum 70% approval is obtained from the property owners in the petition boundary. If residents paid for the installation, they will also be required to pay for the removal. Removal of permanent traffic calming features installed by a developer will be subject to a funding requirement of 50% of the cost of the removal project. Funding would be required to be received by the City prior to coordination of the removal project as directed by the City.

Where it is determined by the City that more than 30% of the applicable households within the boundary are rental properties, the City can help the coordinator(s) in mailing certified letters to the rental property owner(s) indicating the requirements for traffic calming measures and provide the owner(s) with a timeline of 14 days to respond. If no response is received by the deadline it will be treated as a "YES" to the installation of traffic calming measures. In case of foreclosed/bank-owned properties that are vacant the City would not include them in the petitioning process.

5. **Evaluation.** During the ninety (90) day test of temporary NTMP features, the City will evaluate their effectiveness. Based on the results of the evaluation, residents will decide if they want to try another temporary NTMP feature, install permanent NTMP features, or remove the temporary features altogether.

CITY OF PEORIA, ARIZONA
COUNCIL COMMUNICATION

Agenda Item: 26R

Date Prepared: May 24, 2012 **Council Meeting Date:** June 19, 2012

TO: Carl Swenson, City Manager

FROM: Katie Gregory, Interim Management & Budget Director

THROUGH: Susan Thorpe, Deputy City Manager

SUBJECT: Fiscal Year 2013 Property Tax Levy

Purpose:

This is a request for the Mayor and City Council to approve the resolution and ordinance adopting the City of Peoria, Arizona Primary and Secondary Property Tax Levies for FY 2013.

Background/Summary:

During the FY 2013 budget deliberations, it was recommended the City's overall property tax rate remain at $1.44 per $100 of assessed valuation. The primary property tax rate is recommended to remain at $.1900 per $100 of assessed valuation and the secondary tax rate at $1.25 per $100 of assessed valuation.

Given the proposed rate, the primary property tax levy is expected to generate $2,155,026 in the next fiscal year. New development within the City limits will generate an additional $29,606, but decreased valuations on existing properties will reduce the levy by $287,323.

The City's secondary property tax rate is used to retire outstanding debt on City-issued general obligation bonds. This will generate a secondary tax levy of $14,221,508.

Overall the FY 2013 property tax levy is $16,376,534, which represents a decrease of 10.9% from the FY 2012 levy.

In compliance with Section 42-17104 and 42-17107, Arizona Revised Statutes, the City of Peoria notified property taxpayers through advertisements placed in the Peoria Times on May 18, 2012 and May 25, 2012 of our intention to set the City's primary property tax levy. A public hearing was held on June 5, 2012 for citizen input into the fiscal year 2013 budget which was adopted based upon these proposed levies. Additionally, a public hearing was held on June 5, 2012 for citizen input into the proposed tax levies.

Previous Actions:

A public hearing was held on June 5, 2012, for citizen input into the proposed tax levies.

At the Council Budget Workshop held March 26th-30th, Council reviewed and discussed a budget that did not include any changes in the property tax rate for FY2013.

Options:

A: That the Mayor and Council approve the resolution and ordinance adopting the City of Peoria, Arizona Primary and Secondary Property Tax Levies for FY 2013.

B: That the Mayor and Council not approve the property tax levies and provide staff direction to change the property tax levies.

Staff's Recommendation:

Staff recommends that the Mayor and Council approve the resolution and ordinance adopting the City of Peoria, Arizona Primary and Secondary Property Tax Levies for FY 2013.

Fiscal Analysis:

Given the proposed rate, the primary property tax levy is expected to generate $2,155,026 and the secondary property tax levy is expected to generate $14,221,508 in the next fiscal year.

Narrative:

This is the final step of the formal budget and tax levy adoption for fiscal year 2013.

Exhibit(s):

Exhibit 1: Resolution for FY2013 Property Tax Levy

Exhibit 2: Ordinance for FY2013 Property Tax Levy

Contact Name and Number: Katie Gregory, (623) 773-7364

RESOLUTION NO. 2012-88

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF PEORIA, ARIZONA, APPROVING ORDINANCE 2012-11.

WHEREAS, in accordance with the provisions of Title 42, Section 17253, A.R.S. the City Council shall by resolution levy the tax for the city, and

WHEREAS, in accordance with said sections of said Code, compute the tax rate per one hundred dollars of valuation to be levied for each separate fund for which taxes are to be levied and collected; and

WHEREAS, in accordance with said sections of said Code, deliver a certified duplicate of its tax levy to the county board of supervisors on or before the day on which the board of supervisors levies the county tax; and

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the City of Peoria, as follows:

That said tax levies shown on the accompanying Ordinance 2012-11, are hereby adopted for Fiscal Year 2013.

PASSED AND ADOPTED by the Mayor and City Council of the City of Peoria, Arizona this 19th day of June, 2012.

_____
Bob Barrett, Mayor

APPROVED AS TO FORM:

_____
Stephen M. Kemp, City Attorney

ATTEST:

_____
Wanda Nelson, City Clerk

ORDINANCE NO. 2012-11

AN ORDINANCE OF THE MAYOR AND COUNCIL OF THE CITY OF PEORIA, ARIZONA, LEVYING UPON THE ASSESSED VALUATION OF THE PROPERTY WITHIN THE CITY OF PEORIA, SUBJECT TO TAXATION A CERTAIN SUM UPON EACH ONE HUNDRED DOLLARS ($100.00) OF VALUATION SUFFICIENT TO RAISE THE AMOUNT ESTIMATED TO BE REQUIRED IN THE ANNUAL BUDGET, LESS THE AMOUNT ESTIMATED TO BE RECEIVED FROM OTHER SOURCES OF REVENUE; PROVIDING FUNDS FOR VARIOUS BOND REDEMPTIONS, FOR THE PURPOSE OF PAYING INTEREST UPON BONDED INDEBTEDNESS AND PROVIDING FUNDS FOR GENERAL MUNICIPAL EXPENSES; ALL FOR THE FISCAL YEAR ENDING THE 30TH DAY OF JUNE, 2013, AND DECLARING AN EMERGENCY.

BE IT ORDAINED by the Mayor and Council of the City of Peoria, Arizona, as follows:

SECTION 1. There is hereby levied a primary property tax of $2,154,483.93 for the fiscal year ending on the 30th day of June, 2013. The levy is based on a rate for each One Hundred Dollars ($100.00) of the assessed value of all property, both real and personal, within the corporate limits of the City of Peoria, located in Maricopa County, except such property as may be by law exempt from taxation. If such sum exceeds the maximum levy allowed by law, the Board of Supervisors of the County of Maricopa is hereby authorized to reduce the levy to the maximum amount allowed by law after providing notice to the City.

SECTION 2. There is hereby levied a primary property tax of $542.23 for the fiscal year ending on the 30th day of June, 2013. The levy is based on a rate for each One Hundred Dollars ($100.00) of the assessed value of all property, both real and personal, within the corporate limits of the City of Peoria, located in Yavapai County, Arizona, except such property as may be by law exempt from taxation. If such sum exceeds the maximum levy allowed by law, the Board of Supervisors of the County of Yavapai is hereby authorized to reduce the levy to the maximum amount allowed by law after providing notice to the City.

SECTION 3. In addition to the rate set in Section 1 hereof, there is hereby levied a secondary property tax of $14,217,934.25, to support the general obligation bond debt service due during the year for the purpose of providing a bond interest and redemption fund for the City of Peoria for the fiscal year ending June 30, 2013. The levy

is based on a rate for each One Hundred Dollars ($100.00) of assessed valuation of all property, both real and personal, within the corporate limits of the City of Peoria, located in Maricopa County, except such property as may be by law exempt from taxation.

SECTION 4. In addition to the rate set in Section 2 hereof, there is hereby levied a secondary property tax of $3,573.50, to support the general obligation bond debt service due during the year for the purpose of providing a bond interest and redemption fund for the City of Peoria for the fiscal year ending June 30, 2013. The levy is based on a rate for each One Hundred Dollars ($100.00) of assessed valuation of all property, both real and personal, within the corporate limits of the City of Peoria, located in Yavapai County, except such property as may be by law exempt from taxation.

SECTION 5. Failure by the County Officials of Maricopa County, Arizona to properly return the delinquent list, any irregularity in assessments or omissions in the same, or any irregularity in any proceedings shall not invalidate such proceedings or invalidate any title conveyed by any tax deed; failure or neglect of any officer or officers to perform or to timely perform any of the duties assigned to him or them shall not invalidate any proceeding or any deed deficiency or sale pursuant thereto; the validity of the assessment or levy of taxes, or of the judgment of sale by which the collection of the same may be enforced, shall not affect the lien of the City of Peoria upon such property for delinquent taxed paid thereon; overcharge as to part
of the taxes or of costs shall not invalidate any proceedings for the collection of taxes, or the foreclosure of lien therefore, or a sale of property under such foreclosure; and all acts of officers de facto shall be valid as if performed by officers de jure.

SECTION 6. Failure by the County Officials of Yavapai County, Arizona to properly return the delinquent list, any irregularity in assessments or omissions in the same, or any irregularity in any proceedings shall not invalidate such proceedings or invalidate any title conveyed by any tax deed; failure or neglect of any officer or officers to perform or to timely perform any of the duties assigned to him or them shall not invalidate any proceeding or any deed deficiency or sale pursuant thereto; the validity of the assessment or levy of taxes, or of the judgment of sale by which the collection of the same may be enforced, shall not affect the lien of the City of Peoria upon such property for delinquent taxed paid thereon; overcharge as to part of the taxes or of costs shall not invalidate any proceedings for the collection of taxes, or the foreclosure of lien therefore, or a sale of property under such foreclosure; and all acts of officers de facto shall be valid as if performed by officers de jure.

SECTION 7. All ordinances and parts of ordinances in conflict herewith are hereby repealed.

SECTION 8. This ordinance shall be in full force and effect from and after its passage by the Mayor and City Council.

SECTION 9. In conformance with A.R.S. § 42-17107, the City Council held a public hearing on June 5, 2012 to allow discussion on the City's intent to increase the primary tax levy.

SECTION 10. In order to preserve the peace, health and safety of the City of Peoria, an EMERGENCY is declared to exist and this ordinance shall be effective immediately upon its passage and adoption.

PASSED AND ADOPTED by the Mayor and Council of the City of Peoria, Arizona, this 19th day of June, 2012.

_____
Bob Barrett, Mayor

_____
Date Signed

ATTEST:

_____
Wanda Nelson, City Clerk

APPROVED AS TO FORM:

_____
Stephen M. Kemp, City Attorney

Published in: Peoria Times
Publication Dates: June 22 and June 29, 2012

Effective Date: _____

CITY OF PEORIA, ARIZONA
COUNCIL COMMUNICATION

Agenda Item: 27R

Date Prepared: May 24, 2012 **Council Meeting Date:** June 19, 2012

TO: Carl Swenson, City Manager

FROM: Katie Gregory, Interim Management & Budget Director

THROUGH: Susan Thorpe, Deputy City Manager

SUBJECT: Fiscal Year 2013 SLID/MID Levies

Purpose:

This is a request for the Mayor and City Council to approve the ordinances adopting the Street Light and Maintenance Improvement District Levies for FY 2013.

Background/Summary:

The Council will consider a motion to adopt an ordinance for one hundred and ninety nine (199) Street Light Improvement Districts located in the City. The ordinance approves the levies for each street light district in the City. A second action is requested to consider adoption of the City's eleven (11) Maintenance Improvement Districts.

A schedule of proposed tax revenues for the Maintenance and Street Light Improvement Districts within the City is attached. Staff has used calculations based on the percent of build out completed for the various subdivisions in calculating the proposed tax levies.

Previous Actions:

A schedule of SLIDS and MIDS was published in the Peoria Times newspaper on May 18, 2012 and May 25, 2012.

Options:

A: That the Mayor and Council approve the ordinances adopting the Street Light and Maintenance Improvement District Levies for FY 2013.

B: That the Mayor and Council not approve the improvement district tax levies and provide staff direction to change the improvement district tax levies.

Staff's Recommendation:

Staff recommends that the Mayor and Council approve the ordinances adopting the Street Light and Maintenance Improvement District Levies for FY 2013.

Fiscal Analysis:

The Street Light Improvement District levy is expected to generate $516,729 and the Maintenance Improvement District levy is expected to generate $137,543 in the next fiscal year.

Exhibit(s):

Exhibit 1: Street Light Improvement Districts Ordinance

Exhibit 2: Schedule of Street Light Improvement Districts

Exhibit 3: Maintenance Improvement Districts Ordinance

Exhibit 4: Schedule of Maintenance Improvement Districts

Contact Name and Number: Katie Gregory, (623) 773-7364

ORDINANCE NO. 2012-12

AN ORDINANCE OF THE MAYOR AND COUNCIL OF THE CITY OF PEORIA, ARIZONA, LEVYING UPON THE ASSESSED VALUATION OF THE PROPERTY WITHIN THE CITY OF PEORIA AND WITHIN THE FOLLOWING STREET LIGHT IMPROVEMENT DISTRICTS EACH DESIGNATED AS CITY OF PEORIA STREET LIGHT IMPROVEMENT DISTRICT NOS. 1 - 34 INCLUSIVE, NOS. 36 – 37, INCLUSIVE, NOS. 39 - 51 INCLUSIVE, NOS. 54 - 64 INCLUSIVE, NO. 66, NOS. 70 - 73 INCLUSIVE, NOS. 76 - 80 INCLUSIVE, NOS. 82 - 84 INCLUSIVE, NOS. 93 - 99 INCLUSIVE, NOS. 101 - 102 INCLUSIVE, NO. 104, NOS. 107 - 108 INCLUSIVE, NO. 110, NO. 114, NOS. 116 - 117 INCLUSIVE, NO. 119, NOS. 121 - 123 INCLUSIVE, NOS. 125 - 129 INCLUSIVE, NO. 131, NOS. 135 -157 INCLUSIVE, NOS. 159 – 164 INCLUSIVE, NOS. 166 - 167 INCLUSIVE, NOS. 171 - 172 INCLUSIVE, NOS. 176 - 177 INCLUSIVE, NO. 179, NOS. 183 - 185 INCLUSIVE, NOS. 187 - 191 INCLUSIVE, NO. 195, NOS. 197 - 199 INCLUSIVE, NOS. 201 - 202 INCLUSIVE, NOS. 204 - 216 INCLUSIVE, NO. 218, NO. 222-236 INCLUSIVE, NOS. 238 - 240 INCLUSIVE, NOS. 1000-1002 INCLUSIVE, NOS. 1004-1014 INCLUSIVE, NO. 1016, NO. 1022, NO. 1025, AND NO. 1050 SUBJECT TO TAXATION A CERTAIN SUM UPON EACH ONE HUNDRED DOLLARS ($100.00) OF VALUATION SUFFICIENT TO RAISE THE AMOUNT ESTIMATED TO BE REQUIRED IN THE ANNUAL BUDGET, LESS THE AMOUNT ESTIMATED TO BE RECEIVED FROM OTHER SOURCES OF REVENUE; PROVIDING FUNDS FOR THE PURPOSE OF GENERAL DISTRICT EXPENSES; ALL FOR THE FISCAL YEAR ENDING THE 30TH DAY OF JUNE, 2013, AND DECLARING AN EMERGENCY.

BE IT ORDAINED by the Mayor and Council of the City of Peoria, Arizona as follows:

SECTION 1. There is hereby levied on each One Hundred Dollars ($100.00) of the assessed value of all property, both real and personal, within the corporate limits of the City of Peoria Street Light Improvement Districts, except such property as may be by law exempt from taxation, a primary property tax rate sufficient to raise a sum necessary to pay annual expenses of said District for the fiscal year ending on the 30th day of June, 2013. If such sum exceeds the maximum levy allowed by law, the Board of Supervisors of the County of Maricopa is hereby authorized to reduce the levy to the maximum amount allowed by law after providing notice to the City.

SECTION 2. Failure by the County officials of Maricopa County, Arizona to properly return the delinquent list, any irregularity in assessments or omissions in the same, or any irregularity in any proceedings shall not invalidate such proceedings or invalidate any title conveyed by any tax deed; failure or neglect of any officer or officers to perform or to timely perform any of the duties assigned to him or to them shall not invalidate any proceeding or any deed deficiency or sale pursuant thereto, the validity of the assessment or levy of taxes, or of the judgment of sale by which the collection of the same may be enforced, shall not affect the lien of the City of Peoria upon such property for the delinquent taxes unpaid thereon; overcharge as to part of the taxes or of costs shall not invalidate any proceedings for the collection of taxes, or the foreclosure of the lien therefore, or a sale of the property under such foreclosure; and all acts of officers de facto shall be valid as if performed by officers de jure.

SECTION 3. All ordinances and parts of ordinances in conflict herewith are hereby repealed.

SECTION 4. This Ordinance shall be in full force and effect from and after its passage by the Mayor and Council.

SECTION 5. In order to preserve the peace, health and safety of the City of Peoria, an EMERGENCY is declared to exist and this Ordinance shall be effective immediately upon its passage and adoption.

PASSED AND ADOPTED by the Mayor and Council of the City of Peoria, Arizona, this 19th day of June, 2012.

_____
Bob Barrett, Mayor

_____
Date Signed

ATTEST:

_____
Wanda Nelson, City Clerk

APPROVED AS TO FORM:

_____
Stephen M. Kemp, City Attorney

Published in: Peoria Times
Publication Dates: June 22 and June 29, 2012

Effective Date: _____

City Of Peoria
Streetlight Improvement District Revenues

DESCRIPTION		PROJECTED FY2013
SLID 1	WESTFIELD GARDENS	$ 1,272
SLID 2	AUTUMN POINT	$ 1,362
SLID 3	VISTAS AVENIDA II	$ 1,034
SLID 4	CYPRESS POINT ESTATES II @ WBV	$ 1,669
SLID 5	SHAVANO	$ 1,513
SLID 6	BELL PARK CENTRAL	$ 2,464
SLID 7	BELL PARK & PARCELS 2B-8	$ 6,962
SLID 8	FOXWOOD UNIT FOUR	$ 1,513
SLID 9	VISTA CROSSING	$ 1,144
SLID 10	VISTA PINNACLE	$ 2,561
SLID 11	NORTH SHORES @ V.L.	$ 795
SLID 12	VISTAS @ DESERT HARBOR PHASE I	$ 1,431
SLID 13	VILLAGE TERRACE	$ 1,889
SLID 14	THE COVES/VENTANA LAKES	$ 3,553
SLID 15	WINDWOOD	$ 832
SLID 16	LAKESIDE UNIT2 @ VENTANA LAKES	$ 2,285
SLID 17	ARROWHEAD SHORES I	$ 2,862
SLID 18	ARROWHEAD SHORES II	$ 2,623
SLID 19	WESTFIELD GARDENS 2	$ 744
SLID 20	CACTUS POINT CROSSING	$ 1,643
SLID 21	COUNTRY MEADOWS ESTATES	$ 1,828
SLID 22	THE GARDENS @ V.L. INCLUDES NORTH PARK	$ 3,895
SLID 23	BROOKSIDE VILLAGE I & II	$ 1,669
SLID 24	COUNTRY MEADOWS UNIT 11	$ 239
SLID 25	VISTA POINT, VILLAGE TERRACE II & III, @ WI	$ 2,751
SLID 26	CALBRISA	$ 1,963
SLID 27	TORREY PINES I & II	$ 2,941
SLID 28	THE LANDINGS @ VL INCLUDES SOUTH BAY	$ 2,941
SLID 29	SWEETWATER PLACE	$ 2,119
SLID 30	VISTAS @ DESERT HARBOR UNIT II	$ 1,590
SLID 31	WESTFIELD GARDENS III	$ 1,277
SLID 32	83RD AVE & THUNDERBIRD	$ 3,707
SLID 33	CRYSTAL COVE	$ 2,147
SLID 34	VILLAS @ DESERT HARBOR	$ 1,047
SLID 36	ARROWHEAD COVE	$ 1,828
SLID 37	VISTAS FAIRWAYS @ WBV	$ 2,533
SLID 39	BRIDLEWOOD	$ 5,802
SLID 40	THE SHORES @ V.L.	$ 716
SLID 41	FAIRWAY VIEWS @ WBV	$ 1,749
SLID 42	SWEETWATER PLACE II	$ 681
SLID 43	STEEPLE HILL	$ 2,185
SLID 44	PARADISE SHORES	$ 1,352
SLID 45	CALLE LEJOS ESTATES	$ 1,113
SLID 46	EAGLE RIDGE@ WBV	$ 2,385
SLID 47	OLIVE PARK	$ 984
SLID 48	PASEO VERDE ESTATES	$ 2,567
SLID 49	THE BOARDWALK	$ 2,543
SLID 50	PARKRIDGE I & II	$ 11,603
SLID 51	SCOTTLAND HILLS @ WBV	$ 1,431
SLID 54	WILDFLOWER POINT I	$ 1,908
SLID 55	CRYSTAL BAY @ DESERT HARBOR	$ 398
SLID 56	DIAMOND COVE @ DESERT HARBOR	$ 2,102
SLID 57	ALTA VISTA ESTATES	$ 8,559
SLID 58	SWEETWATER RIDGE AMENDED	$ 5,258
SLID 59	HUNTER RIDGE	$ 2,226
SLID 60	ARROWHEAD HORIZONS	$ 1,669
SLID 61	CACTUS PLACE	$ 636
SLID 62	LEGACY PLACE	$ 1,589
SLID 63	GRANITE RUN	$ 3,020
SLID 64	WILLOW RIDGE @ WBV	$ 3,497
SLID 66	NEW RIVER SHORES	$ 3,100
SLID 70	SWEETWATER RIDGE UNIT 3	$ 379
SLID 71	TERESITA	$ 1,810
SLID 72	COUNTRY CLUB ESTATES @ WBV	$ 954
SLID 73	FLETCHER HEIGHTS PHASE 1A	$ 15,854
SLID 76	SILVERTON	$ 5,802
SLID 77	DEER VILLAGE UNIT 3	$ 1,272
SLID 78	DEER VILLAGE UNIT 1	$ 1,908
SLID 79	DEER VILLAGE UNIT 2	$ 2,067
SLID 80	DEER VILLAGE UNIT 4	$ 1,511
SLID 82	PIVOTAL PEORIA CENTER TRACTS C & D	$ 1,665
SLID 83	FAIRMONT UNIT 1	$ 4,610

DESCRIPTION		PROJECTED FY2013
SLID 84	FAIRMONT UNIT 2	$ 2,862
SLID 93	TERRAMAR PARCEL 1	$ 4,731
SLID 94	TERRAMAR PARCEL 2A	$ 536
SLID 95	TERRAMAR PARCEL 3	$ 2,650
SLID 96	TERRAMAR PARCEL 4A	$ 1,673
SLID 97	TERRAMAR PARCEL 5	$ 1,511
SLID 98	TERRAMAR PARCEL 6	$ 3,456
SLID 99	TERRAMAR PARCEL 7B	$ 1,911
SLID 101	TERRAMAR PARCEL 9A	$ 1,113
SLID 102	TERRAMAR PARCEL 10A	$ 636
SLID 104	DOVE VALLEY RANCH PARCEL 2A (AMENI	$ 2,572
SLID 107	FLETCHER HEIGHTS PHASE 1B	$ 8,575
SLID 108	FLETCHER HEIGHTS PHASE 1C	$ 3,964
SLID 110	SOUTH BAY @ V.L.	$ 1,822
SLID 114	FLETCHER HEIGHTS PHASE 2A (AMENDED)	$ 10,526
SLID 116	TIERRA NORTE V	$ 2,668
SLID 117	SUMMERSETT VILLAGE	$ 8,398
SLID 119	DOVE VALLEY RANCH PARCEL 3A	$ 1,929
SLID 121	DOVE VALLEY RANCH PARCELS 3D & 3E	$ 5,035
SLID 122	CLEARVIEW ESTATES	$ 3,857
SLID 123	TERRAMAR PARCEL 2B	$ 3,318
SLID 125	TERRAMAR PARCEL 12	$ 3,504
SLID 126	TERRAMAR PARCEL 13	$ 2,336
SLID 127	TERRAMAR PARCEL 14	$ 1,511
SLID 128	PEORIA MOUNTAIN VISTAS	$ 3,750
SLID 129	FLETCHER HEIGHTS PHASE 2B	$ 9,748
SLID 131	BAY POINTE @ VL	$ 4,945
SLID 135	SUNCLIFF IV	$ 4,071
SLID 136	IRONWOOD PHASE 1A	$ 2,036
SLID 137	IRONWOOD PHASE 1B	$ 1,393
SLID 138	IRONWOOD PHASE 2A	$ 1,072
SLID 139	IRONWOOD PHASE 2B	$ 858
SLID 140	IRONWOOD PHASE 3A	$ 536
SLID 141	IRONWOOD PHASE 3B	$ 536
SLID 142	IRONWOOD PHASE 4A	$ 536
SLID 143	IRONWOOD PHASE 4B	$ 643
SLID 144	CROSSWINDS	$ 1,883
SLID 145	SUNCLIFF III	$ 751
SLID 146	RYLAND @ SILVERCREEK	$ 3,429
SLID 147	HARBOR SHORES @ DESERT HARBOR	$ 716
SLID 148	SUN AIRE ESTATES, UNIT 6	$ 1,135
SLID 149	SILVERTON 2	$ 5,357
SLID 150	DOVE VALLEY RANCH PARCEL 6	$ 5,892
SLID 151	DOVE VALLEY RANCH PARCEL 3B	$ 3,642
SLID 152	DOVE VALLEY RANCH PARCEL 3C	$ 3,321
SLID 153	DOVE VALLEY RANCH PARCEL 3F	$ 1,500
SLID 154	DOVE VALLEY RANCH PARCELS 2B & 2C	$ 1,286
SLID 155	DOVE VALLEY RANCH PARCEL 2D (AMENI	$ 3,722
SLID 156	DOVE VALLEY RANCH PARCEL 2E (AMENI	$ 2,250
SLID 157	DOVE VALLEY RANCH PARCEL 2F	$ 1,822
SLID 159	TERRAMAR PARCEL 7A	$ 1,590
SLID 160	TERRAMAR PARCEL 11	$ 1,490
SLID 161	SKYVIEW PLACE	$ 1,967
SLID 162	ARROWHEAD SHADOWS	$ 2,194
SLID 163	GREYSTONE HERITAGE @ V.L.	$ 1,272
SLID 164	ERIN GROVES	$ 3,026
SLID 166	BAY POINTE UNIT TWO @ V.L.	$ 2,532
SLID 167	SPRINGER RANCH 2	$ 1,211
SLID 171	GREYSTONE II HERITAGE @ VL	$ 2,319
SLID 172	ERIN GROVES 2	1286
SLID 176	TWIN PALMS	$ 1,286
SLID 177	DESERT STAR SUBDIVISION	$ 7,312
SLID 179	WESTWING MOUNTAIN PARCEL 1A	$ 1,715
SLID 183	WESTWING MOUNTAIN PARCEL 4	$ 322
SLID 184	WESTWING MOUNTAIN PARCEL 5	$ 1,073
SLID 185	WESTWING MOUNTAIN PARCEL 6	$ 429
SLID 187	WESTWING MOUNTAIN PARCEL 8	$ 1,286
SLID 188	WESTWING MOUNTAIN PARCEL 9	$ 1,500
SLID 189	WESTWING MOUNTAIN PARCEL 10	$ 1,179
SLID 190	WESTWING MOUNTAIN PARCEL 11	$ 1,500
SLID 191	WESTWING MOUNTAIN PARCEL 12	$ 1,393
SLID 195	SOUTH BAY UNIT 2 AT VENTANA LAKES	$ 2,143

DESCRIPTION		PROJECTED FY2013
SLID 197	SUN CLIFF V	$ 3,131
SLID 198	FLETCHER HEIGHTS 3A	$ 11,164
SLID 199	FLETCHER HEIGHTS 3B	$ 3,303
SLID 201	CENTRAL PARK SUBDIVISION	$ 3,321
SLID 202	STARLIGHT CANYON	$ 858
SLID 204	NORTH RANCH	$ 3,435
SLID 205	TUSCANY SHORES - DESERT HARBOR PARC	$ 1,272
SLID 206	WEST VALLEY RANCH	$ 1,135
SLID 207	SUNSET RANCH	$ 3,207
SLID 208	SONORAN MTN RANCH PAR 1	$ 2,464
SLID 209	SONORAN MTN RANCH PAR 2	$ 2,543
SLID 210	VISTANCIA VILLAGE A PAR A37	$ 875
SLID 211	VISTANCIA VILLAGE A PAR A36	$ 1,193
SLID 212	VISTANCIA VILLAGE A PAR A33	$ 1,113
SLID 213	VISTANCIA VILLAGE A PAR A32	$ 954
SLID 214	VISTANCIA VILLAGE A PAR A14	$ 795
SLID 215	VISTANCIA VILLAGE A PAR A13	$ 636
SLID 216	VISTANCIA VILLAGE A PAR A12	$ 1,034
SLID 218	VISTANCIA VILLAGE A PAR A10B	$ 954
SLID 222	CIBOLA VISTA PARCEL 2	$ 2,305
SLID 223	CIBOLA VISTA PARCEL 3	$ 6,039
SLID 224	CIBOLA VISTA PARCEL 4	$ 1,828
SLID 225	CIBOLA VISTA PARCEL 5	$ 3,179
SLID 226	SON MTN RANCH PAR 4.1	$ 2,226
SLID 227	SON MTN RANCH PAR 4.2	$ 1,669
SLID 228	SON MTN RANCH PAR 5	$ 1,590
SLID 229	SON MTN RANCH PAR 6	$ 2,543
SLID 230	SON MTN RANCH PAR 7	$ 2,703
SLID 231	SON MTN RANCH PAR 9A Ph 1	$ 1,669
SLID 232	SON MTN RANCH PAR 9A Ph 2	$ 1,113
SLID 233	WESTWING PH 2 PAR 18	$ 1,918
SLID 234	WESTWING PH 2 PAR 19	$ 858
SLID 235	WESTWING PH 2 PAR 29	$ 2,786
SLID 236	WESTWING PH 2 PAR 15	$ 2,036
SLID 238	CASA DEL REY	$ 8,662
SLID 239	WESTWING PH 2 PAR 21	$ 960
SLID 240	WESTWING PH 2 PAR 22	$ 1,279
SLID 1000	SON MTN RANCH PAR 10	$ 3,736
SLID 1001	VISTANCIA VILLAGE A PAR A9	$ 1,113
SLID 1002	FLETCHER FARMS	$ 1,987
SLID 1004	VISTANCIA VILLAGE A PAR G10	$ 636
SLID 1005	VISTANCIA VILLAGE A PAR A8	$ 716
SLID 1006	VISTANCIA VILLAGE A PAR A15	$ 1,034
SLID 1007	VISTANCIA VILLAGE A PAR G11	$ 477
SLID 1008	RIVERSTONE ESTATES	$ 10,682
SLID 1009	VISTANCIA VILLAGE A PAR G3	$ 8,647
SLID 1010	VISTANCIA VILLAGE A PAR A7	$ 477
SLID 1011	VARNEY VILLAGE	$ 239
SLID 1012	VISTANCIA VILLAGE A PAR G4	$ 636
SLID 1013	VISTANCIA VILLAGE A PAR A28	$ 1,749
SLID 1014	VISTANCIA VILLAGE A PAR A29	$ 5,938
SLID 1016	SON MTN RANCH PAR 14	$ 1,828
SLID 1022	TIERRA DEL RIO PARCEL 6	$ 12,286
SLID 1025	RIO ESTATES	$ 3,610
SLID 1050	SUNSET RANCH IIA	$ 2,708
		$ 516,729

ORDINANCE NO. 2012-13

AN ORDINANCE OF THE MAYOR AND COUNCIL OF THE CITY OF PEORIA, ARIZONA, LEVYING UPON THE ASSESSED VALUATION OF THE PROPERTY WITHIN THE CITY OF PEORIA AND WITHIN THE FOLLOWING MAINTENANCE INPROVEMENT DISTRICTS EACH DESIGNATED AS CITY OF PEORIA MAINTENANCE IMPROVEMENT DISTRICT NOS. 1 - 7 INCLUSIVE, NO. 10, NO. 69 NO. 1025, AND NO. 1044 SUBJECT TO TAXATION A CERTAIN SUM UPON EACH ONE HUNDRED DOLLARS ($100.00) OF VALUATION SUFFICIENT TO RAISE THE AMOUNT ESTIMATED TO BE REQUIRED IN THE ANNUAL BUDGET, LESS THE AMOUNT ESTIMATED TO BE RECEIVED FROM OTHER SOURCES OF REVENUE; PROVIDING FUNDS FOR THE PURPOSE OF GENERAL DISTRICT EXPENSES; ALL FOR THE FISCAL YEAR ENDING THE 30TH DAY OF JUNE, 2013, AND DECLARING AN EMERGENCY.

BE IT ORDAINED by the Mayor and Council of the City of Peoria, Arizona as follows:

SECTION 1. There is hereby levied on each One Hundred Dollars ($100.00) of the assessed value of all property, both real and personal, within the corporate limits of the City of Peoria Maintenance Improvement Districts, except such property as may be by law exempt from taxation, a primary property tax rate sufficient to raise a sum necessary to pay annual expenses of said District for the fiscal year ending on the 30th day of June, 2013. If such sum exceeds the maximum levy allowed by law, the Board of Supervisors of the County of Maricopa is hereby authorized to reduce the levy to the maximum amount allowed by law after providing notice to the City.

SECTION 2. Failure by the County officials of Maricopa County, Arizona to properly return the delinquent list, any irregularity in assessments or omissions in the same, or any irregularity in any proceedings shall not invalidate such proceedings or invalidate any title conveyed by any tax deed; failure or neglect of any officer or officers to perform or to timely perform any of the duties assigned to him or to them shall not invalidate any proceeding or any deed deficiency or sale pursuant thereto, the validity of the assessment or levy of taxes, or of the judgment of sale by which the collection of the same may be enforced, shall not affect the lien of the City of Peoria upon such property for the delinquent taxes unpaid thereon; overcharge as to part of the taxes or of costs shall not invalidate any proceedings for the collection of taxes, or the foreclosure of the lien therefore, or a sale of the property under such foreclosure; and all acts of officers de facto shall be valid as if performed by officers de jure.

SECTION 3. All ordinances and parts of ordinances in conflict herewith are hereby repealed.

SECTION 4. This Ordinance shall be in full force and effect from and after its passage by the Mayor and Council.

SECTION 5. In order to preserve the peace, health and safety of the City of Peoria, an EMERGENCY is declared to exist and this Ordinance shall be effective immediately upon its passage and adoption.

PASSED AND ADOPTED by the Mayor and Council of the City of Peoria, Arizona, this 19th day of June, 2012.

_____
Bob Barrett, Mayor

_____
Date Signed

ATTEST:

_____
Wanda Nelson, City Clerk

APPROVED AS TO FORM:

_____
Stephen M. Kemp, City Attorney

Published in: Peoria Times
Publication Dates: June 22 and 29, 2012

Effective Date: _____

City Of Peoria

Maintenance Improvement District Revenues

DESCRIPTION			PROJECTED FY2013
MID 1	CACTUS POINT CROSSING	$	10,675
MID 2	WESTFIELD GARDENS II	$	10,643
MID 3	BELL PARK PARCEL 5	$	9,866
MID 4	COUNTRY MEADOWS	$	10,281
MID 5	CRYSTAL COVE	$	20,018
MID 6	WESTFIELD GARDENS III	$	11,416
MID 7	SWEETWATER PLACE	$	13,890
MID 10	TIERRA NORTE III	$	19,053
MID 69	STONEBRIDGE	$	13,822
MID 1025	BEDFORD VILLAGE 1	$	8,882
MID 1044	BEDFORD VILLAGE 2	$	8,998
		$	137,543

City Council Calendar

Color Key:
City Council

< May	June 2012					July >
Sunday	**Monday**	**Tuesday**	**Wednesday**	**Thursday**	**Friday**	**Saturday**
					1	2
3	4	5 Regular City Council Meeting Special City Council Meeting & Study Session	6	7	8	9
10	11	12 City Council Subcommittee on Policy & Appointments	13	14	15	16
17	18	19 Regular City Council Meeting Special City Council Meeting & Study Session	20 Special Meeting and Study Session	21 City Council Subcommittee on Community Culture & Public Safety	22	23
24	25	26	27	28	29	30

City Council Calendar

Color Key:
City Council

< June	July 2012					August >
Sunday	**Monday**	**Tuesday**	**Wednesday**	**Thursday**	**Friday**	**Saturday**
1	2	3 Regular City Council Meeting Special City Council Meeting & Study Session	4 July 4th All American Festival	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19 City Council Subcommittee on Community Culture & Public Safety	20	21
22	23	24	25	26	27	28
29	30	31				

CITY OF PEORIA, ARIZONA
COUNCIL COMMUNICATION

RCM: 3a

Date Prepared: May 23, 2012 **Council Meeting Date: June 19, 2012**

TO: **Carl Swenson, City Manager**

FROM: **Scott Whyte, Economic Development Services Director**

THROUGH: **Susan J. Daluddung, Deputy City Manager**

SUBJECT: **Peoria Development Services Online Portal**

Summary:

In 2009, the City moved from Permits Plus software to a web-based permitting system, named Accela. One of the selling points of this online system was the ability for our citizens, businesses and visitors to access online permitting information 24 hours a day, seven days a week. After a tremendous amount of work by the Information Technology Department, Economic Development Services Department, Fire Department, Planning Department and Engineering, the citizen access portion of Accela is now available. Users can now view information on building, engineering, fire, and planning related permits, as well as schedule inspections online. The development related departments of the City feel this will provide our permitting users with an even higher level of service that makes living and working in our community a more enjoyable experience.

Future enhancements, such as obtaining certain types of permits online, and viewing financial details of permits are being planned.

Contact Name and Number:
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CITY OF PEORIA, ARIZONA
CITY MANAGER REPORT

RCM: 3b

Date Prepared: 30 May 2012

Council Meeting Date: 19 June 2012

TO: Carl Swenson, City Manager

FROM: John Schell, Director, Governmental Affairs and Council Office

SUBJECT: Legislative Update

Summary:

The Arizona Legislature adjourned (sine die) on May 3, 2012. The Governmental Affairs and Council Office Director will provide a brief overview of this year's activities which will highlight the bills that have the most impact on local jurisdictions.

Contact Name and Number: John Schell x 7370