



Agenda

Work Study and Possible Executive Session Queen Creek Town Council

Queen Creek Town Hall, 22350 S. Ellsworth Road
Council Chambers

March 21, 2012

5:30pm

1. Call to Order

2. Roll Call (one or more members of the Council may participate by telephone)

3. Motion to adjourn to Executive Session (to be held in the Saguaro Conference Room of the Municipal Services Building) for the following purposes:

A. Discussion and consultation with the Town Attorney for legal advice and to consider the Town's position and instruct the staff regarding acquisition of property (Victoria Towne Center). (A.R.S. 38-431.03(A)(3) & (7).

B. Discussion and consultation with the Town Attorney for legal advice and to consider the Town's position and instruct its attorney regarding the development agreement between the Town and Rock Point Church. (ARS 38-431.03(A)(3) and (4).

C. Discussion and consultation with the Town Attorney for legal advice and to consider the Town's position and instruct its attorney regarding pending litigation in the matter of Town v. Highland Homes and Mark Pugmire. (ARS 38-431.03(A)(3) and (4).

D. Discussion and consultation with the Town's attorneys for legal advice and to consider the Town's position and instruct its attorneys regarding litigation against the Social Security Administration. (ARS 38-431.03(A)(3) and (4).

E. Discussion and consultation with the Town's attorneys for legal advice regarding a notice of violation and possible settlement re: Queen Creek Landfill. (A.R.S. 38-431.03(A)(3).

F. Discussion and consultation with the Town Attorney for legal advice concerning scalloped street improvements and assessments. (A.R.S. 38-431.03(A)(3)

G. Discussion and consultation for legal advice with the Town Attorney and to consider the Town's position and instruct its staff regarding a possible land exchange. (ARS 38-431.03 (A)(3) and (7).

ITEMS FOR DISCUSSION These items are for Council discussion only and no action will be taken. In general, no public comment will be taken.

None.

4. Adjournment



Agenda
Regular and Possible Executive Session
Queen Creek Town Council
Queen Creek Town Hall, 22350 S. Ellsworth Road
Council Chambers
March 21, 2012
7:00 p.m.

1. Call to Order

2. Roll Call (one or more members of the Council may participate by telephone)

3. Pledge of Allegiance: Boy Scout Troop 861

4. Invocation

5. Ceremonial Matters: Presentations, Proclamations, Awards, Guest Introductions and Announcements.

- Boy Scout Recognition – Queen Creek East Stake
- Eagle Scout Recognition – Hayden Woodard

6. Committee Reports

A. Council summary reports on meetings and/or conferences attended. This may include but is not limited to Phoenix-Mesa Gateway Airport; MAG; East Valley Partnership; CAAG. The Council will not propose, discuss, deliberate or take legal action on any matter in the summary unless the specific matter is properly noticed for legal action.

B. Partner agencies quarterly or periodic updates to Council. This may include but is not limited to Queen Creek Chamber of Commerce; Queen Creek Performing Arts Center; Boys & Girls Club of East Valley; and Maricopa or Pinal County Board of Supervisors or other governmental agencies. The Council will not propose, discuss, deliberate or take legal action on any matter in the summary unless the specific matter is properly noticed for legal action.

C. Parks and Recreation Advisory Board – March 13, 2012

7. Public Comment: Members of the public may address the Town Council on items not on the printed agenda and during Public Hearings. Please complete a “Request to Speak Card”, located on the table at the rear of the Council Chambers and turn it in to the Town Clerk prior to the beginning of the meeting. There is a time limit of three minutes for comments.

Agenda for the Regular and Possible Executive Session

Queen Creek Town Council

March 21, 2012

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8. Consent Calendar: Matters listed under the Consent Calendar are considered to be routine and will be enacted by one motion and one vote. Public Hearing items are designated with an asterisk (*). Prior to consideration of the Consent Agenda, the Mayor will ask whether any member of the public wishes to remove a Public Hearing item for separate consideration. Members of the Council and or staff may remove any item for separate consideration.

A. Consideration and possible approval of the March 7, 2012 Work Study and Regular Session Minutes. **TAB A**

B. Consideration and possible approval of Expenditures over \$25,000. **TAB B**

C. Consideration and possible approval of **Resolution 900-12** the amended development agreement and deed of trust relating to in-lieu payments by Rock Point Church, and authorizing the Town Manager and Town Attorney to make changes, so long as those changes do not alter the material provision of the documents. **TAB C**

D. Consideration and possible approval of **Resolution 901-12** the Canvass of the March 13, 2012 Primary Election. **TAB D**

E. Consideration and possible approval of a lease agreement with GTP Infrastructure I, LLC for a renewable five-year lease of premises located at Founders Park for a cellular tower and equipment compound. **TAB E**

F. Consideration and possible approval of the appointment of Mayor Gail Barney as Chairperson and Town Manager John Kross as resident to the Queen Creek Local Public Safety Retirement Board. Both appointments are for four (4) years. **TAB F**

PUBLIC HEARINGS: If you wish to speak to the Council on an item listed as a Public Hearing, please complete a Request to Speak Card and turn it in to the Town Clerk. Speakers will be called upon in the order in which their cards are received. Speakers are limited to three (3) minutes each.

9. Public Hearing and possible action on **Resolution 899-12** amending the existing Schedule of Fees for Residential Waste Services relating to initial Cost and Replacement for newly constructed homes and future annexations, to be effective April 21, 2012. **TAB G**

FINAL ACTION: If you wish to speak to the Council on an item listed under Final Action, please complete a Request to Speak Card and turn it in to the Town Clerk. Speakers will be called upon in the order in which their cards are received. Speakers are limited to three (3) minutes each.

10. Discussion and possible action on the continuation of the Queen Creek Incubator (QC Inc.) program. **TAB H**

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Queen Creek Town Council
March 21, 2012
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ITEMS FOR DISCUSSION: These items are for Council discussion only and no action will be taken. In general, no public comment will be taken.

None.

11. Motion to adjourn to Executive Session: The Council may reconvene the Executive Session for any of the items listed on the Executive Session Agenda.

12. Adjournment



Minutes
Work Study Session
Queen Creek Town Council
Queen Creek Town Hall, 22350 S. Ellsworth Road
Council Chambers
March 7, 2012
6:00pm

DRAFT

1. Call to Order

The meeting was called to order at 6:00pm

2. Roll Call (one or more members of the Council may participate by telephone)

Council Members present: Alston; Barnes; Benning; Oliphant; Wheatley; Vice Mayor Brown and Mayor Barney.

3. Motion to adjourn to Executive Session (to be held in the Saguaro Conference Room of the Municipal Services Building) for the following purposes:

A. Discussion and consultation with the Town's attorney and staff to consider the Town's position and instruct its attorney and staff regarding a possible lease of town property at Founders Park to Global Towers Partners for a cell tower. (ARS 38-431.03(A)(4) and (7).

B. Discussion and consultation with the Town Attorney for legal advice and to consider the Town's position and instruct its attorney regarding the development agreement between the Town and Rock Point Church. (ARS 38-431.03(A)(3) and (4).

C. Discussion and consideration of assignments of Town Manager. (A.R.S. §38-431.03(A)(1).

Motion to adjourn to Executive Session at 6:01pm (Barnes/Brown/Unanimous)

ITEMS FOR DISCUSSION These items are for Council discussion only and no action will be taken. In general, no public comment will be taken.

None.

4. Adjournment

Motion to adjourn Work Study Session at 7:05pm (Benning/Brown/Unanimous)



DRAFT

Minutes
Regular Session
Queen Creek Town Council
Queen Creek Town Hall, 22350 S. Ellsworth Road
Council Chambers
March 7, 2012
7:00 p.m.

1. Call to Order

The meeting was called to order at 7:05pm.

2. Roll Call (one or more members of the Council may participate by telephone)

Council Members present: Alston; Barnes; Benning; Oliphant; Wheatley; Vice Mayor Brown and Mayor Barney.

3. Pledge of Allegiance: Mayor Barney

DRAFT

4. Invocation: Pastor Ben Lee, Living Waters Bible Church

5. Ceremonial Matters: Presentations, Proclamations, Awards, Guest Introductions and Announcements.

- Proclamation – Naval Petty Officer 3rd Class Kyler Estrada

Mayor Barney presented a proclamation to the Estrada family honoring Naval Petty Officer 3rd Class Kyler Estrada and proclaiming him a Queen Creek Hero.

6. Committee Reports

A. Council summary reports on meetings and/or conferences attended. This may include but is not limited to Phoenix-Mesa Gateway Airport; MAG; East Valley Partnership; CAAG. The Council will not propose, discuss, deliberate or take legal action on any matter in the summary unless the specific matter is properly noticed for legal action.

Council Member Benning:

- Pinal County Governmental Alliance Committee – February 24, 2012: Queen Creek hosted the meeting. The majority of the meeting was spent on a presentation and discussion on SRP's status on renewing a lease at the Navajo Generating Station. Several appointments to various sub-committees were also made.
- Central Arizona Association of Governments Regional Council (CAAG) – February 24, 2012: The 16th annual CAAG Legislative Day was held with a briefing by the League; update from Rural Transportation Advocacy Council on sweeps and of Highway User Revenue Funds (HURF). Council Member Benning thanked Representatives Frank Pratt and Justin Pierce for participating.

Mayor Barney:

- Met on February 20th with Congressman Gosar who is running for election in District 4 which Queen Creek will fall in if the redistricting maps are approved.
- Maricopa Association of Governments Regional Council (MAG) – February 22, 2012: The Council approved several amendments to the Transportation Improvement Plan (TIP) and discussed the timeline for the South Mountain freeway. The next is March 28, 2012.
- Phoenix-Mesa Gateway Airport Authority – February 21, 2012: The Board had an overview of the 2012-13 budget including transportation/busing costs for passengers from the Ray Road lot and the last phase of terminal expansion. The next meeting is March 19, 2012.
- Mayor Barney announced the Annual Gateway Aviation Day on Saturday March 20, 2012 from 9am – 2pm.
- Mayor Barney also attended two hospital events: MD Anderson Cancer Clinic to be located in Gilbert and Mountain Vista Hospital in Mesa.

B. Partner agencies quarterly or periodic updates to Council. This may include but is not limited to Queen Creek Chamber of Commerce; Queen Creek Performing Arts Center; Boys & Girls Club of East Valley; and Maricopa or Pinal County Board of Supervisors or other governmental agencies. The Council will not propose, discuss, deliberate or take legal action on any matter in the summary unless the specific matter is properly noticed for legal action.

DRAFT

None.

C. Economic Development Commission – February 22, 2012: Council Member Wheatley reported the Commission received an update on the Queen Creek Incubator program and unanimously supports continuing the program. Staff reviewed draft revisions to the Economic Development Strategic Plan. The next meeting is March 28, 2012.

D. Transportation Advisory Committee – March 1, 2012: Council Member Alston reported the Committee's discussion of unconnected trails & bike lanes; crossings at the UPRR on Ellsworth Road; possible abandonment of undeveloped right-of-way of Ellsworth Road adjacent to Queenland Manor and road name confusion regarding Ellsworth and Ellsworth Loop Roads. The next meeting is May 3, 2012.

7. Public Comment: Members of the public may address the Town Council on items not on the printed agenda and during Public Hearings. Please complete a "Request to Speak Card", located on the table at the rear of the Council Chambers and turn it in to the Town Clerk prior to the beginning of the meeting. There is a time limit of three minutes for comments.

Jack Reed, Queen Creek, spoke in regard to assessment of road improvements. He stated that he never received notification and the assessment is higher than the property value.

Scot Mussi, Phoenix, AZ, stated that he is working with property owners affected by scalloped streets and the unjust assessment to the property owners. Mr. Mussi read a letter from Kip & Cynthia Wolfe concerning the scalloped street assessment.

Greg Lake, representing Jorde properties, stated there were four issues with the scalloped street assessments: budgeted costs for improvements; assessment; elimination of any use of property for 10 years; and conflict with state statutes. Mr. Lake also said he had been trying to meet with staff to discuss the concerns but has been unable to.

Cliff Uptain, Queen Creek, read a statement against a proposed lien.

Jacob Jorde, Cave Creek, AZ, stated that he was told that the Town would bear the expense of the road improvements when he was working with MCDOT & the Town on right-of-way acquisition. He also said the assessment exceeds the value of the property and he is unable to sell or mortgage the property for 10 years.

Nancy Uptain Walpole, Vernon, AZ, stated she was a former resident of Queen Creek (Ellsworth & Riggs Road) and feels violated when she received an assessment notice. She said the property could help bring revenue but not with the assessment.

8. Consent Calendar: Matters listed under the Consent Calendar are considered to be routine and will be enacted by one motion and one vote. Public Hearing items are designated with an asterisk (*). Prior to consideration of the Consent Agenda, the Mayor will ask whether any member of the public wishes to remove a Public Hearing item for separate consideration. Members of the Council and or staff may remove any item for separate consideration.

A. Consideration and possible approval of the February 15, 2012 Work Study and Regular Session Minutes.

B. Consideration and possible approval of **Resolution 898-12** modifying the Town's Sewer Service Area.

C. Consideration and possible approval of **Ordinance 509-12** amending Town Code Chapter 14, Article 14-3, Section 14-3-1 Definitions by revising the definition of *Street Improvement*.

D. Consideration and possible approval of an Extension of Premises/Patio Permit submitted by Rebecca Ella Dettler, on behalf of Trophy's Steakhouse, 7215 S. Power Road, Ste 108 (Power Marketplace), for a one day special event on Saturday April 7, 2012. The business has a current Series 6 Bar license.

*E. Public Hearing and possible approval of an Interim Permit and new Series 12 Restaurant Liquor License application #12078997 submitted by Yun T. Tse, on behalf of Golden Harvest, 21805 S. Ellsworth Rd., #A112. The restaurant has a current Series 12 Restaurant license issued to Ken Chen/Golden Harvest Enterprise Inc.

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Queen Creek Town Council
March 7, 2012
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*F. Public Hearing and possible approval of a new Series 3 Domestic Microbrewery License application #03073059 submitted by Jonathan David Buford on behalf of Arizona Wilderness Brewing Co., LLC, 7215 S. Power Rd., #106 (Power Marketplace). The microbrewery will be a part of the expansion of the existing Trophy's restaurant to include "The Wilderness Taproom at Trophy's".

Councilmember Wheatley requested Item C pulled for discussion.

DRAFT

Motion to approve remainder of Consent Calendar A-B and D-F as presented (Brown/Alston/Unanimous)

It was asked whether Item C – (Town Code Amendment) should be continued in light of public comment received. It was clarified that this was a housekeeping amendment putting the Town's ordinance in line with State Statutes.

Motion to approve Item C as presented (Brown/Alston)

Additional clarification was requested on the amendment and whether any liens were placed on properties. Staff responded that no liens had been recorded.

Vote: Unanimous

The meeting was recessed at 7:40pm at which time Council Member Wheatley left the meeting. The meeting was reconvened at 7:50pm.

PUBLIC HEARINGS: If you wish to speak to the Council on an item listed as a Public Hearing, please complete a Request to Speak Card and turn it in to the Town Clerk. Speakers will be called upon in the order in which their cards are received. Speakers are limited to three (3) minutes each.

None.

FINAL ACTION: If you wish to speak to the Council on an item listed under Final Action, please complete a Request to Speak Card and turn it in to the Town Clerk. Speakers will be called upon in the order in which their cards are received. Speakers are limited to three (3) minutes each.

9. Update by the Friends of Horseshoe Park on the Roots N'Boots Rodeo event.

Jon Wootten, President of Friends of Horseshoe Park gave the following update on planning the Roots N'Boots Rodeo:

- Budget – on track to break even, including paying back the Town
- Contracts for 30 vendors offering a wide variety of product are signed; 40 sponsors including cash and in-kind totaling approximately \$68,000 have been secured.
- RV show is scheduled
- Cowboy Church will be held at 9am on Sunday April 1

DRAFT

- Team competitions; Family Rodeo events
- Marketing activity by Town staff has been outstanding; billboard at Tempe Marketplace (101); newspapers, radio, banners, and cross promotion with other events

DRAFT

Council thanked the Friends of Horseshoe Park and Town staff for the hard work done in the planning of the event.

10. Discussion and possible approval of an Intergovernmental Agreement with Maricopa County Department of Transportation for improvements, operation, maintenance and annexation of Riggs Road from Ellsworth Road to Hawes Road and the operation and maintenance and annexation of the Riggs Road Bridge over the Sonoqui Wash.

Public Works Division Manager Troy White explained the purpose of the agreement and the improvements that are being constructed. Mr. White outlined the responsibilities of Maricopa County Department of Transportation which include bridge construction and roadwork – at a cost of approximately \$6.5 million; and the operation and maintenance for a five-year period at which time it will be the Town's responsibility to annex and maintain the bridge and roadway. He also clarified that the costs for maintenance is approximately \$70,000 per lane mile over a 20-year period. Council asked when the improvements would be complete. Mr. White responded Spring 2013.

Motion to approve the Intergovernmental Agreement with Maricopa County Department of Transportation for improvements, operation, maintenance and annexation of Riggs Road from Ellsworth Road to Hawes Road and the operation and maintenance and annexation of the Riggs Road Bridge over the Sonoqui Wash (Benning/Oliphant/Unanimous)

11. Discussion and possible approval an Intergovernmental Agreement with Maricopa County Department of Transportation for Rittenhouse Road at 198th Street intersection improvements. This project is expected to cost \$177,500. A portion of this project will be funded from a Maricopa County Special Project Fund grant in the amount of \$100,000. The remaining cost of \$77,500 is budgeted in the Town's FY11-12 Capital Improvement Program.

DRAFT

Development Services Director Tom Condit stated the traffic signal would be installed at the intersection of Rittenhouse and 198th Street, just north of Hawes Road. He explained the location has had a high rate of rear-end collisions and was identified for an application to the Maricopa County Special Fund where the project was rated as high and recommended for approval. The total cost of the project is \$177,500 with \$100,000 coming from the awarded grant and remaining \$77,500 through the Capital Improvement Project.

Motion to approve the Intergovernmental Agreement with Maricopa County Department of Transportation for improvements to Rittenhouse Road at 198th Street (Benning/Alston/Unanimous)

ITEMS FOR DISCUSSION: These items are for Council discussion only and no action will be taken. In general, no public comment will be taken.

DRAFT

12. Legislative update.

Senior Management Assistant/Intergovernmental Liaison Wendy Kaserman reported the State Legislature is at the halfway point of the Regular Session and provided an update on several bills that are negative and harmful to local control:

- HB2815 – (employment; incentives; regulatory tax credit) sponsored by Queen Creek Representative J.D. Mesnard – while the bill support job training, the bill also phases out capital gains taxes and creates a regulatory tax credit. There has been an amendment that now allows only businesses to claim the credit.
- HB2826 – (consolidated election dates; political subdivisions) sponsored by Queen Creek Representatives Forese and Fillmore – the bill would require all elections to be held in fall of even numbered years beginning in 2014.
- SB1239 – (planned communities; zoning; requirements) – the bill would prohibit cities and towns from requiring HOA's. The Homebuilders Association is concerned with this bill also.
- HB2570 – (political subdivisions; proceedings; governing bodies) would require three readings of all resolutions and ordinances before taking action and documents would have to be available 14 days prior to first meeting. The bill passed out of committee and was amended to shorten the notice to 7 days.
- HB2729 – (state regulation of firearms) – provides for secured storage requirements and law enforcement and/or security guards and metal detectors if firearms are prohibited from public buildings. The cost for Queen Creek is estimated at \$300,000/year.

Council commented on the detrimental bills to residents and municipalities financially and that the State opposes any Federal regulation but feels it necessary to control local governments.

13. Motion to adjourn to Executive Session: The Council may reconvene the Executive Session for any of the items listed on the Executive Session Agenda.

None.

DRAFT

14. Adjournment

The meeting was adjourned at 8:20pm.



Requesting
Department:
Management Services

TO: HONORABLE MAYOR AND TOWN COUNCIL

THROUGH: JOHN KROSS, TOWN MANAGER

**FROM: KIM CLARK, SR. FINANCIAL SERVICES ANALYST
YOLANDA BRACAMONTE, CONTROLLER**

**RE: CONSIDERATION AND POSSIBLE APPROVAL OF
EXPENDITURES \$25,000 AND OVER**

DATE: March 21, 2012

Staff Recommendation:

Staff recommends approval of expenditures \$25,000 and over.

Proposed Motion:

Move to approve Town expenditures \$25,000 and over, pursuant to Town purchasing policy.

Discussion:

The following items being requested are:

1. Asphalt patchwork, maintenance and repairs of Town-wide streets
2. Texture seal/fog seal arterial roads Town-wide
3. Polymer-modified asphalt rubber chip seal subdivisions Town-wide
4. Concrete maintenance and repair Town-wide
5. Interim improvements on Ellsworth Road
6. Utility Billing

See attachment for additional explanation on the above expenditures.

Fiscal Impact:

The initial fiscal impact of the requested spending authority for the above expenditure is \$1,542,240. Funds have been identified within the line item budget as approved in the 2011-2012 fiscal year budgets.

Alternatives:

Items No. 1 – 5: Council could choose not to approve the expenditures. The impact of this action would prevent staff from performing required maintenance on Town streets as well as the interim improvements to Ellsworth road approved, by Council on 12-7-2011.

Item No. 6: Council could choose not to approve the expenditures. Utilities Services could continue to use the current vendor which would eliminate the costing savings by switching to a new vendor.

Attachments:


- A detailed list of requested expenditure.
- Work Order for Item No. 5

Attachment: Expenditures \$25,000 and over

**For Fiscal Year 2012
March 21, 2012**

Item #	Vendor	Description	Purpose	Requesting Dept	Fiscal Impact \$	Procurement Method
1.	CPC Construction, Inc.	Asphalt patchwork, maintenance & repair Town-wide	Small area removal and replacement of damaged asphalt on arterial and major collector routes, 8 specific project locations ranging in size from 11 – 5,215 square yards. Costs are within the allowance approved in Revised 11/12 Pavement Maintenance Plan, as presented at the 2/11/2011 Town Council Meeting.	Development Services	\$166,598	City of Chandler Asphalt Patchwork, Maintenance & Repair ST2-745-3039
2.	American Road Maintenance	Texture seal/fog seal arterial roads Town-wide	Spray a preservative fog seal with textured aggregate on 321,754 square yards of arterial pavement. Treatment is on a 3-5 year cycle. Projects were included in Revised 11/12 Pavement Maintenance Plan, as presented at the 2/11/2011 Town Council Meeting.	Development Services	\$331,697	City of Goodyear Street Preservation Contract No. CON-12-1937
3.	International Surfacing Systems	Polymer-modified asphalt rubber chip seal subdivisions Town-wide	Apply 187,474 square yards of rubberized chip seal in the following neighborhoods: Ellsworth Suburban Mini-farms, Rancho Jardines Units 1, 2, 3 and 4. Projects were included in Revised 11/12 Pavement Maintenance Plan, as presented at the 2/11/2011 Town Council Meeting.	Development Services	\$870,445	City of Peoria P10-0030
4.	CPC Construction, Inc.	Concrete maintenance and repair Town-wide	Contract spending authority for as-needed removal and replacement of damaged concrete, including curb & gutter, valley gutters, and sidewalks.	Development Services	\$50,000	City of Chandler Concrete Maintenance & Repair ST2-745-3040
5.	CPC Construction, Inc.	Interim Improvements (asphalt/curbing) on Ellsworth Road.	Per Councils approval of maintenance and interim improvements to Ellsworth Road between Ocotillo and Rittenhouse Roads on December 7, 2011	Development Services	\$73,500	City of Chandler Asphalt Patchwork, Maintenance & Repair No. ST2-745-3039

6.	InfoSend Inc.	Bill printing and mailing	Changing vendors due to cost savings in contract pricing, for printing and mailing of Utility Services Department bills, and second notices. Also included is monthly Town newsletter for Communication and Marketing. Amount to be approved for first year of the contract.	Utility Services Department	\$50,000	City of Glendale Agreement No C-7105.
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 WORK ORDER	WORK ORDER NUMBER: 2011-082-01	March 1, 2012
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TO: CPC Construction, Inc.
Job Order Contracting Contractor ("Contractor")

FROM: Tom Narva
Sr. Project Manager
Town of Queen Creek

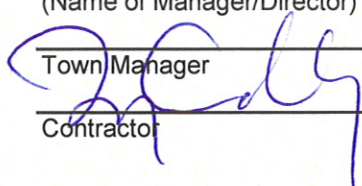
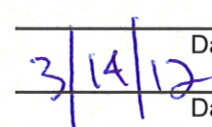
RE: **Town of Queen Creek - Ellsworth Road Improvements**

This Job Order is issued pursuant to the Agreement between the Town of Queen Creek and Contractor dated **March 1, 2012**, and the other documents that were made part of and referenced in the Agreement. This Job Order is the Notice to Proceed with the subject Job Order Project on the below Job Order Beginning Date. The terms of this Job Order are as follows:

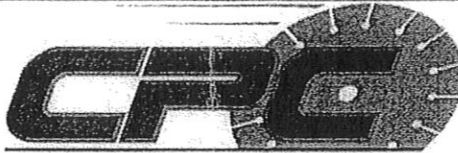
Part I - Scope of Job Order Work	
1. Description of the Scope of Job Order Work: Interim improvements to Ellsworth Road between Ocotillo and Rittenhouse Roads, approved by Council on December 7, 2011. Work will be as specified and completed per CPC Construction, Inc. Bid # 9421, submitted to the Town on 3/1/2012, and the terms and conditions of City of Chandler Asphalt Patchwork, Maintenance & Repair Agreement No. ST2-745-3039.	
2. A list of each task from the Town of Queen Creek [Unit Price Book], quantities for each task, total price for each task and total price for all Town of Queen Creek [UPB] tasks is attached as " Attachment 1 ", if applicable. The Town may require the Contractor to submit and complete this item.	
3. Description, Unit of Measurement, Price of Tasks (Other Tasks) and their quantity not included in the Town of Queen Creek [UPB] should be submitted by Contractor to the Town of Queen Creek as " Attachment 2 ", if applicable.	
4. A list of Drawings and Specifications for the Project is attached as " Attachment 3 ", if applicable.	

Part II - Specific Information		
1. Job Order Price		\$66,823.20
2. Schedule	Job Order Beginning Date: (Date project must start)	March 26, 2012
	Job Order Final Completion Date: i.e. Date project is complete, including, without limitation, all deficiency, incomplete or correction items (Job Order Punch List)	April 26, 2012
If there are more than sixty (60) calendar days between the Beginning Date and the Final Completion Date, or if the Town of Queen Creek has requested a Job Order Progress Schedule, a Job Order Progress Schedule should be attached as " Attachment 4 ".		

Part II - Approvals

_____ (Name of Manager/Director)	_____ Date
 Town Manager	 Date
_____ Contractor	_____ Date

JOC - Pavement



CONSTRUCTION, INC.
 General Engineering Construction
 1534 W. Scott Avenue, Gilbert, Arizona 85233
 (480) 839-6300 FAX: (480) 820-9958

PROPOSAL

Proposal Submitted to: Town of Queen Creek	Bid No.: 9421	Date: March 1, 2012
Street:	Job-Name: Town of Queen Creek Ellsworth Road Improvements	
City, State, Zip Code:	Job Address:	

ITEM	QUANTITY	DESCRIPTION	UNIT	AMOUNT
Ellsworth Road East Side				
1	910 L.F.	Saw Cut Asphalt (Est. 4" Thick)	\$0.70	\$637.00
2	916 S.Y.	Asphalt Milling/Removal (Est. 4" Thick)	\$5.00	\$4,580.00
3	1 L.S.	Fine Grade for Paving	\$5,500.00	\$5,500.00
4	916 S.Y.	Install New 3" Asphalt on Native	\$20.00	\$18,320.00
5	208 L.F.	Install New 6"x6" Extruded Curb	\$6.00	\$1,248.00
6	1 L.S.	Survey, Testing, QC	\$1,300.00	\$1,300.00
7	1 L.S.	Traffic Control	\$1,500.00	\$1,500.00
8	24 Hrs.	Police Officers	\$50.00	\$1,200.00
			TOTAL	\$34,285.00
Ellsworth Road West Side				
9	816 L.F.	Saw Cut Asphalt (Est. 4" Thick)	\$0.70	\$571.20
10	671 S.Y.	Asphalt Milling/Removal (Est. 4" Thick)	\$5.00	\$3,355.00
11	1 L.S.	Fine Grade for Paving, Grade & Install Retention Basin	\$8,250.00	\$8,250.00
12	671 S.Y.	Install New 3" Asphalt on Native	\$20.00	\$13,420.00
13	457 L.F.	Install New 6"x6" Extruded Curb	\$6.00	\$2,742.00
14	1 L.S.	Survey, Testing, QC	\$1,500.00	\$1,500.00
15	1 L.S.	Traffic Control	\$1,500.00	\$1,500.00
16	24 Hrs.	Police Officers	\$50.00	\$1,200.00
			TOTAL	\$32,538.20

Note: Work will be as specified and completed per terms and conditions of City of Chandler Asphalt Patchwork, Maintenance & Repair Agreement No. ST2-745-3039. CPC reserves the right to bill for additional work performed not included on this proposal.

Inclusion:
 Labor, equipment & material.

Exclusion:
 1) Any Item Not Specified on This Proposal

We propose hereby to furnish material and labor complete in accordance with above specifications, for the sum of: ***** dollars (*****). All material is guaranteed to be as specified. All work to be completed in a workmanlike manner according to standard practices. Any alteration or deviation from above specifications involving extra costs will be executed only upon written orders, and will become an extra charge over and above the estimate. All agreements contingent upon strikes, accidents or delays beyond our control. Owner to carry fire, tornado, and other necessary insurance. Our workers are fully covered by Workmen's Compensation Insurance.

Submitted by: CPC Construction, Inc. Acceptance of Proposal: _____

Authorized Signature: Troy Colby Authorized Signature: _____

This proposal may be withdrawn if not accepted within 30 days.



Requesting Department:
Development Services

TO: HONORABLE MAYOR AND TOWN COUNCIL

THROUGH: JOHN KROSS, TOWN MANAGER

FROM: TOM CONDIT, DEVELOPMENT SERVICES DIRECTOR

RE: CONSIDERATION AND POSSIBLE APPROVAL OF RESOLUTION 900-12 APPROVING AN AMENDMENT TO THE DEVELOPMENT AGREEMENT AND DEED OF TRUST RELATING TO IN-LIEU PAYMENTS BY ROCK POINT CHURCH AND AUTHORIZING THE TOWN MANAGER AND TOWN ATTORNEY TO MAKE MINOR CHANGES SO LONG AS THOSE CHANGES DO NOT ALTER THE MATERIAL PROVISIONS OF THE DOCUMENTS

DATE: MARCH 21, 2012

STAFF RECOMMENDATION

Staff recommends approval of Resolution 900-12 approving an amendment to the development agreement and deed of trust relating to in-lieu payments by Rock Point church and authorizing the Town Manager and Town Attorney to make minor changes so long as those changes do not alter the material provisions of the documents.

PROPOSED MOTION

Move to approve Resolution 900-12 approving an amendment to the development agreement and deed of trust relating to in-lieu payments by Rock Point church and authorizing the Town Manager and Town Attorney to make minor changes so long as those changes do not alter the material provisions of the documents.

DISCUSSION

On August 3, 2011 the Town approved a Development Agreement with Rock Point Church to construct a church building on a 5-acre portion of the 34-acre site.

Pursuant to the Town Code and Zoning Ordinance, the Church is required to provide certain off-site improvements as a condition of the Town's approval of the Project. The Development Agreement stipulated that the Town would collect monthly payments for the required half-street improvements over a 5-year period, starting on the date the Certificate of Occupancy is issued. The Development Agreement further stipulated that

a Town approved letter-of-credit shall be provided by the Church and used as a guarantee, until the Town has collected 100% of the required funding for the off-site improvements.

The Church has since notified the Town that they are unable to secure a letter of credit for the payments and is requesting an amendment to the Development Agreement to include a deed of trust in place of a letter of credit relating to in-lieu payments.

Town will perform a title search and use comparable area land evaluations to ensure sufficient equity exist in the property to cover the cash in-lieu amount due by the Church.

FISCAL IMPACT

The Town will collect monthly payments for the required half-street improvements over a 5-year period, starting on the date the Certificate of Occupancy is issued as previously approved by Council. The deed of trust shall remain in place until 100% of the required funding for the off-site improvements has been received.

ALTERNATIVES

Council could propose modifications to the proposed amendment to the Development Agreement, or could choose not to amend the original Development Agreement with Rock Point Church.

ATTACHMENTS

1. Resolution 900-12
2. Original Development Agreement

RESOLUTION 900-12

A RESOLUTION OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF QUEEN CREEK, ARIZONA, APPROVING AN AMENDMENT TO THE DEVELOPMENT AGREEMENT BETWEEN THE TOWN AND ROCK POINT CHURCH, AN ARIZONA NON-PROFIT CORPORATION, FOR PROPERTY LOCATED NEAR THE SOUTHEAST CORNER OF POWER AND CLOUD ROADS (THE "PROPERTY") PERTAINING TO THE CONSTRUCTION OF THE OFFSITE IMPROVEMENTS AND PAYMENT THEREFORE.

WHEREAS, on this 21st day of March, 2012, the Town Council adopted Ordinance 887-11, approving a Development Agreement ; and

WHEREAS, the Property Owner does not have the necessary funding to provide all of the Offsite Improvements at this time; and

WHEREAS, A.R.S. § 9-500.05 authorizes the Town to enter into development agreements relating to property within the municipality; and

WHEREAS, the Town Council wishes to provide the terms and conditions pursuant to which the Owner will provide or pay for the Offsite Improvements; and

WHEREAS, the Development Agreement between the Town and Rock Point Church is being amended to include a deed of trust, incorporated herein by reference, is in conformity with the *General Plan* for the Town of Queen Creek; and

WHEREAS, all the property subject to the Development Agreement attached as Exhibit A is located within the Town of Queen Creek; and

WHEREAS, the Town Council of the Town of Queen Creek finds that approving the amendment to the Development Agreement is in the best interest of the Town.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COMMON COUNCIL OF THE TOWN OF QUEEN CREEK, ARIZONA, AS FOLLOWS:

Section 1: That the Development Agreement between the Town of Queen Creek and Rock Point Church attached hereto as Exhibit A and incorporated herein by reference, is hereby approved.

Section 2: That the Town Mayor, the Town Manager, the Town Clerk and the Town Attorney, as appropriate, are hereby further authorized and directed to sign the deed of trust and execute all other documents and instruments and to take such actions as necessary or appropriate to consummate the transactions contemplated by this Resolution.

PASSED AND ADOPTED by the Mayor and Common Council of the Town of Queen Creek, Arizona, this 21st day of March, 2012.

FOR THE TOWN OF QUEEN CREEK:

ATTEST TO:

Gail Barney, Mayor

Jennifer Robinson, Town Clerk

REVIEWED BY:

APPROVED AS TO FORM:

John Kross, Town Manager

Fredda J. Bisman
Mariscal, Weeks, McIntyre & Friedlander, P.A.,
Town Attorneys



OFFICIAL RECORDS OF
MARICOPA COUNTY RECORDER
HELEN PURCELL
2011-0779453 09/20/11 12:13 PM
1 OF 1

RAMIREZP

When Recorded Return To:
Town of Queen Creek
Town Clerk's Office
22350 S. Ellsworth Rd.
Queen Creek, AZ 85142

Development Agreement

Rock Point Church
Resolution 887-11
Approved August 3, 2011

DEVELOPMENT AGREEMENT

This Development Agreement (this "**Agreement**") is entered into as of the 3rd day of AUGUST, 2011, by and between the TOWN OF QUEEN CREEK, an Arizona municipal corporation (the "**Town**") and ROCK POINT CHURCH, an Arizona nonprofit corporation (the "**Church**").

RECITALS

A. The Church is the owner of certain real property located in Maricopa County, Arizona, Assessor's Parcel No. 304-90-762 (approximately 10.68 acres) and 304-90-763 (approximately 23.25 acres) (collectively, the "**Property**") located at or near the southeast corner of Power Road and Cloud Road, within the corporate boundaries of the Town.

B. In December 2009, the Town approved a request for Planned Area Development (PAD) Zoning, Site Plan, Landscape Plan, Building Elevation Plan and Conditional Use approval for the Property Case Nos. RZ09-039 / SP09-040 / CU09-041 (collectively the "**Rezoning**"). On or about December 2, 2009, the Town Council adopted Ordinance No. 465-09, approving the Rezoning subject to certain requirements and stipulations.

C. Plans for the Church have changed, and the Church now wishes to construct a church building on a 5-acre portion of Parcel 304-90-762 depicted on Exhibit "A" (the "**Project Site**" and "**Project**"), and wishes to pursue termination of the Rezoning (including the stipulations) and approval of a new PAD for the Project Site. On or about May 24, 2011, the Church applied for an amendment to the PAD zoning to allow for development of the Project, and for termination of the PAD approved pursuant to Ordinance No. 465.09 (the "**PAD Amendment**").

D. Pursuant to the Town Code and Zoning Ordinance, the Church is required to provide certain off-site improvements as a condition of the Town's approval of the Project ("**Offsite Improvements**").

E. The Church does not have the necessary funding to provide the Offsite Improvements immediately, and has requested the Town to enter into an agreement providing for the deferment of the Offsite Improvements (and/or in lieu payments).

F. The Parties wish to enter into an agreement for the construction of the Offsite Improvements and payment therefore, upon the terms and conditions set forth herein. This Agreement shall only become effective 30 days after approval of both the PAD Amendment and this Agreement.

AGREEMENTS

Now, therefore, in consideration of the mutual covenants and agreements herein contained, the parties hereby agree as follows:

1. **STREET IMPROVEMENTS.**

A. **Power Road.**

I. The Church shall be responsible, at its sole cost and expense, for preparation of plans, provision of construction assurances and construction, in accordance with all applicable Town requirements, of the interim widening of the east side of Power Road to accommodate the northbound and southbound left-hand turn lane at Ivy Lane as described in Item 6.2. of the Town's Traffic Engineering Plan Review Comments dated March 17, 2011, together with related sidewalk, curb and gutter improvements (the "**Interim Power Road Improvements**"). The Interim Power Road Improvements shall be completed to the Town's satisfaction prior to issuance of a Certificate of Occupancy for the Project. The Church shall not be required to install street lights as part of the Interim Power Road Improvements.

II. The Church shall within 30 days of the approval by the Town Council of this Agreement, and in a form acceptable to the Town, dedicate a seventy (70) foot half street right-of-way extending from the Project's southern boundary to the Project's northern boundary, as depicted on Exhibit "A".

III. The Church shall, within 3 months of the approval by the Town Council of this Agreement and prior to issuance of a Building Permit for the Project, at its sole cost and expense, provide the Town with plans and specifications for the half-street "build-out" widening of Power Road to a principal arterial (6 through lanes – 3 in each direction, plus a center turn lane), together with related sidewalk, curb and gutter, streetlights, and landscaping requirements (the "**Final Power Road Improvements**"). Plans shall provide appropriate tapers, all in accordance with Town traffic control standards, extending from the north and south Project boundaries to the end point of those tapers. Plans shall also clearly indicate traffic control measures as required by the Town to provide only "right-in, right-out" turning movements from the north driveway of the Project, as shown on Exhibit "A". These plans shall be to an adequate level of detail (minimum 30% design plans) for the Church to provide an accurate Engineer's Cost Estimate ("**Estimate**") for the Final Power Road Improvements.

IV. Prior to issuing any permits for the Project, the Church shall provide a Bond or Letter of Credit to the Town, in the proper Town-approved form, in an amount equal to the approved Engineer's Estimate for construction of the Final Power Road Improvements, plus an additional 15% for final design and construction management.

V. Upon issuance of the Certificate of Occupancy for the Project, the Church shall be responsible for payment to the Town of the estimated cost of the Final Power Road Improvements, based on the approved Engineer's Estimate for the work (the "**Final Power Road Improvement Costs**"). The Church shall pay the Final Power Road Improvement Costs without interest, in sixty (60) equal monthly payments, with the first payment due on or before the issuance of the Certificate of Occupancy for the Project.

B. **Ivy Lane.**

I. The Church shall be responsible, at its sole cost and expense, for preparation of plans, provision of construction assurances and construction in accordance with all applicable Town requirements for the interim forty (40) foot Ivy Lane half street right-of-way, from Power Road up to the Project's southern access drive only (the "**Interim Ivy Lane Improvements**"). In addition, a westbound right-turn lane with 150 feet of storage shall be constructed by the Church at the Ivy Lane approach to northbound Power Road and public sewer and water will be extended eastward along Ivy Lane to points past the proposed Project site entry. These improvements shall be completed to the Town's satisfaction prior to issuance of a Certificate of Occupancy for the Project. The Church shall not be required to install street lights as part of the Interim Ivy Lane Improvements.

II. The Church shall, within 30 days of the approval of this Agreement, and in a form acceptable to Town, dedicate a forty (40) foot half street right-of-way in connection with the Interim Ivy Lane Improvements. This right-of-way shall extend from the Project's western boundary at Power Road to the Project's eastern boundary (the proposed lot-line split) as depicted on Exhibit "A".

III. The Church shall, within 3 months from the approval by the Town Council of this Agreement and prior to issuance of a Building Permit for the Project, at its sole cost and expense, prepare plans and specifications for the half-street "build-out" widening of Ivy Lane from the Project's southern access drive to the Project's eastern boundary at the proposed lot-line split, together with related sidewalk, curb and gutter, streetlights, and landscaping requirements (the "**Final Ivy Lane Improvements**"). The plans and specifications for the Final Ivy Lane Improvements shall be complete and ready to build (100% design plans). An Engineer's Estimate shall be prepared and submitted, all to the Town's satisfaction, for the portion of Ivy Lane not being completed with the Interim Ivy Lane Improvements.

IV. Prior to issuing any permits for the Project, the Church shall provide a Bond or Letter of Credit to the Town, in the proper Town-approved form, in an amount equal to the approved Engineer's Estimate for construction of the Final Ivy Lane Improvements, plus an additional 8% for construction management.

V. Upon issuance of the Certificate of Occupancy for the Project, the Church shall be responsible for payment to the Town of the estimated cost of the Final Ivy Lane Improvements, based on the approved Engineer's Estimate for the work (the "**Final Ivy Lane Improvement Costs**"). The Church shall pay the Final Ivy Lane Improvement Costs without interest in sixty (60) equal monthly payments, with the first payment due on or before the issuance of the Certificate of Occupancy for the Project. Notwithstanding the foregoing, if the Town requires that an adjacent property owner complete the Final Ivy Lane Improvements prior to the Church completing these requirements, the Church agrees to pay the Town the remaining unpaid balance of the Final Ivy Lane Improvement Costs upon 30-day written notice from the Town.

C. **Traffic Signal.** Upon issuance of the Certificate of Occupancy for the Project, the Church shall be responsible for payment to the Town of its pro rata

(one-quarter) share of the Town-estimated cost of the traffic signal at Ivy Lane and Power Road (the "Traffic Signal"). The Church shall pay its share of the Traffic Signal cost without interest, in sixty (60) equal monthly payments, with the first payment due on or before the issuance of the Certificate of Occupancy for the Project. Notwithstanding the foregoing, if the Town requires that the Traffic Signal be installed prior to the Church completing these payments, the Church agrees to pay the Town its pro rata share of the cost of the Traffic Signal upon 30-day written notice from the Town.

D. **Church's Pro-Rata Share.** When the Improvement Costs specified in Sections A and B, and the Church's pro-rata share of the Traffic Signal costs specified in Section C have been calculated, a schedule setting out the amount and due date of each payment shall be set forth and attached to this Agreement as Exhibit "B." Exhibit "B" shall be attached hereto and incorporated herein, without the need to amend this Agreement.

2. DRAINAGE.

I. The Church shall be responsible, at its sole cost and expense, for preparation of plans, provision of construction assurances and construction in accordance with all applicable Town requirements for the interim drainage facilities (the "**Interim Drainage Improvements**"), including appropriately-sized culverts under the two entrances to the Project, and a drainage conveyance ditch appropriately sized along Power Road. These improvements shall be designed to carry the anticipated maximum 100-year upstream flow, based on an analysis of existing conditions and constraints and as approved by the Town. These improvements shall be completed to the Town's satisfaction prior to issuance of a Certificate of Occupancy for the Project.

II. The Church shall, within 3 months of the Town Council's approval of this Agreement and prior to issuance of a Building Permit for the Project, at its sole cost and expense, prepare 100% design plans and provide construction assurances in accordance with all applicable Town requirements for the final drainage facilities (the "**Final Drainage Improvements**"), including appropriately-sized culverts under the two entrances to the Project, and a drainage conveyance ditch appropriately sized along Power Road. These improvements shall be designed to carry the anticipated maximum 100-year upstream flow, based on the hydrologic and hydraulic studies currently approved by Maricopa County Flood Control District, and designed in accordance with Town requirements allowing for future realignment of said Drainage Channel. The plans and specifications for the Final Drainage Improvements shall be complete and ready to build (100% design plans). An Engineer's Estimate shall be prepared and submitted, all to the Town's satisfaction, for the Final Drainage Improvements.

III. The Church shall, prior to the issuance of a Building Permit for the Project, and in a form acceptable to the Town, dedicate a drainage easement to the Town in connection with the Interim Drainage Improvements, reflecting the ultimate width as determined via the Final Drainage Improvements design plans. The drainage

easement area for the Project will be held in reserve, landscape-free, in anticipation of future Final Drainage Improvements.

IV. Prior to issuing any permits for the Project, the Church shall provide a Bond or Letter of Credit to the Town, in the proper Town-approved form, in an amount equal to the approved Engineer's Estimate for construction of the Final Drainage Improvements, plus an additional 8% for construction management.

V. Upon issuance of the Certificate of Occupancy for the Project, the Church shall be responsible for payment to the Town of the estimated cost of the Final Drainage Improvements, based on the approved Engineer's Estimate for the work (the "**Final Drainage Improvements Cost**"). The Church shall pay the Final Drainage Improvements Cost without interest, in sixty (60) equal monthly payments, with the first payment due upon the issuance of the Certificate of Occupancy for the Project. Notwithstanding the foregoing, if Maricopa County develops a revised Master Drainage Plan for this area, or if the Town requires that an adjacent property owner complete the Final Drainage Improvements prior to the Church completing their requirements, the Church agrees to pay the Town the remaining unpaid Final Drainage Improvements Cost upon 30-day written notice from the Town.

3. **COMPLETION.** In the event the Church does not make a regular monthly payment according to the terms of this Agreement, the Town will utilize the construction assurance (bond or letter of credit) posted with the Town to complete the work. Such construction assurance may be reduced annually, in the event payments are being faithfully made by the Church. Improvements described in this Agreement shall be completed in accordance with all applicable Town requirements, free of any mechanics' or materialmens' liens, no later than five (5) years after issuance of the Certificate of Occupancy for the Project.

4. **BUILDING PERMITS AND CERTIFICATES OF OCCUPANCY.** The Church understands and agrees that if it fails to comply with the requirements of this Agreement or to make any payment required by this Agreement, building permits and certificates of occupancy will be withheld as set forth herein, and Church will not be able to proceed with building or to occupy the Project, until such requirements have been satisfied and such payments have been brought current.

5. **FORCE MAJEURE.** The parties will each comply with the time periods set forth herein; provided, however, that said periods shall be extended for a period or periods of time equal to any period or periods of delay caused by strikes, lockouts, fire or other casualty, the elements or acts of God, acts of terrorism, refusal or failure of governmental authorities to grant necessary permits and approvals for the construction of the buildings contemplated hereunder (the parties agreeing to use reasonable diligence to procure the same), or other causes, other than financial, beyond their reasonable control.

6. **INSURANCE.** Each party shall carry comprehensive general liability and broad form property damage insurance insuring the parties in connection with the performance of their respective work.

7. DEFAULT.

A. **Events of Default.** Either party to this Agreement shall be deemed to be in default of this Agreement upon the expiration of ten (10) days from receipt of written notice from the other party specifying the defaults by such party under this Agreement unless that party, prior to the expiration of said 10-day period, has cured the default specified in said notice. A party shall not be deemed to be in default if such failure (except the failure to pay money) is of such a nature that it cannot be cured within said ten 10-day period, provided that the cure is commenced within the 10-day period and diligently pursued to completion.

B. **No Waiver.** The failure of a party to insist upon strict performance of any of the terms, covenants, conditions or agreements contained herein shall not be deemed a waiver of any rights or remedies that said party may have, and shall not be deemed a waiver of any subsequent breach or default in any of the terms, covenants, conditions or agreements contained herein by the same or any other party hereto.

C. **Other Remedies.** In addition to the remedies set forth in this Agreement, each party shall have all other remedies available at law or in equity. No remedy herein conferred upon, or reserved to any party shall exclude any other remedy herein or by law provided, but each shall be cumulative.

8. **THIRD PARTY BENEFICIARY RIGHTS.** This Agreement is not intended to create, nor shall it be in any way interpreted or construed to create, any third party beneficiary rights in any person not a party hereto.

9. NOTICE.

All notices given pursuant to this Agreement shall be in writing and shall be given by personal delivery, or by United States express mail, return receipt requested or other established overnight delivery service (such as Federal Express), postage or delivery charge prepaid, addressed to the appropriate party at the address set forth below:

Town: Town Manager
Town of Queen Creek
22350 South Ellsworth Road
Queen Creek, Arizona 85142
Telephone: (480) 358-3000

Church: Rock Point Church
16928 East Mews Road
Queen Creek, Arizona 85142
Telephone: (480) 988-5391

The person and address to which notices are to be given may be changed at any time by any party upon written notice to the other party. A notice shall be deemed received on the date delivered, if delivered by hand, on the day it is sent by facsimile transmission, on the second day after its deposit with any commercial air courier or

express services or, if mailed, three (3) working days (exclusive of United States Post Office holidays) after the notice is deposited in the United States mail as above provided, and on the delivery date indicated on receipt, if delivered by certified or registered mail. Any time period stated in a notice shall be computed from the time the notice is deemed received.

10. **GENERAL PROVISIONS.**

A. **INCORPORATION OF RECITALS AND EXHIBITS.** The Recitals, Exhibits and Appendices attached hereto are acknowledged by the Parties to be substantially true and correct, and are hereby incorporated as agreements of the Parties.

B. **Headings.** The article headings in this Agreement are for reference only and shall not be deemed to define or limit the scope or intent of any of the terms, covenants, conditions or agreements contained herein.

C. **Entire Agreement.** This Agreement contains the entire agreement between the parties hereto and supersedes all prior agreements, oral or written, with respect to the subject matter hereof. The provisions of this Agreement shall be construed as a whole and not strictly for or against any party.

D. **Time of the Essence.** Time is of the essence of this Agreement.

E. **Construction.** In construing the provisions of this Agreement and whenever the context so requires, the use of a gender shall include all other genders, the use of the singular shall include the plural, and the use of the plural shall include the singular.

F. **Joint and Several.** In the event any party hereto is composed of more than one person, the obligations of said party shall be joint and several.

G. **Governing Law.** This Agreement shall be governed and construed in accordance with the substantive laws of the State of Arizona, without reference to conflict of laws and principles. Exclusive jurisdiction and venue for any action brought to enforce or construe any provision of this Contract shall be proper in the Superior Court of Maricopa County, Arizona and both Parties consent to the sole jurisdiction of, and venue in, such court for such purposes.

H. **Conflict of Interest.** This Agreement is subject to cancellation for conflict of interest pursuant to A.R.S. § 38-511.

I. **Not A Partnership.** The provisions of this Agreement are not intended to create, nor shall they be in any way interpreted or construed to create, a joint venture, partnership, or any other similar relationship between the parties.

J. **Successors and Assigns.** Except as otherwise expressly set forth herein, the terms, covenants, conditions and agreements contained herein shall constitute covenants running with the land and shall be binding upon and inure to the

benefit of the heirs, personal representatives, successors and assigns of the parties hereto.

K. **Modification.** This Agreement may be modified, only with the prior written agreement of all of the parties hereto.

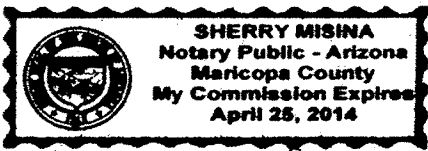
Executed as of the day and year first above written.

TOWN OF QUEEN CREEK

By *John [Signature]*

Its TOWN MANAGER

[Town]



ROCK POINT CHURCH, an Arizona nonprofit corporation

By *Randall [Signature]*

Its EXECUTIVE PASTOR

Sherry Misina 8-16-11
Sherry Misina
my Commission Expires 4-25-14 8.16.11

U:\ATTORNEYS\FBI\Queen Creek - General (13457-1)\Development Agreements\Rock Point Church\ToQC RPC Development Agreement RL 7.14.11.doc

benefit of the heirs, personal representatives, successors and assigns of the parties hereto.

K. **Modification.** This Agreement may be modified, only with the prior written agreement of all of the parties hereto.

Executed as of the day and year first above written.

TOWN OF QUEEN CREEK

By Jeff Bauer

Its VICEMAYOR

[Town]

ROCK POINT CHURCH, an Arizona nonprofit corporation

By _____

Its _____

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EXHIBIT 'A'
RESOLUTION 887-11
ROCK POINT DEVELOPMENT AGREEMENT

**THIS EXHIBIT IS ON FILE IN THE DEVELOPMENT SERVICES
DEPARTMENT AND TOWN CLERK'S OFFICE**

Town of Queen Creek
Municipal Services Building
22358 S. Ellsworth Rd.
Queen Creek, AZ

RESOLUTION 887-11

A RESOLUTION OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF QUEEN CREEK, ARIZONA, APPROVING A DEVELOPMENT AGREEMENT BETWEEN THE TOWN AND ROCK POINT CHURCH, AN ARIZONA NON-PROFIT CORPORATION, FOR 5.4 ACRES OF PROPERTY LOCATED NEAR THE SOUTHEAST CORNER OF POWER AND CLOUD ROADS (THE "PROPERTY") PERTAINING TO THE CONSTRUCTION OF THE OFFSITE IMPROVEMENTS AND PAYMENT THEREFORE.

WHEREAS, on this 3rd day of August, 2011, the Town Council adopted Ordinance 502-11, approving a Planned Area Development ("PAD") and rezoning for the Property; and

WHEREAS, the Property Owner does not have the necessary funding to provide all of the Offsite Improvements at this time; and

WHEREAS, A.R.S. § 9-500.05 authorizes the Town to enter into development agreements relating to property within the municipality; and

WHEREAS, the Town Council wishes to provide the terms and conditions pursuant to which the Owner will provide or pay for the Offsite Improvements; and

WHEREAS, the Development Agreement between the Town and Rock Point Church, attached hereto as Exhibit A and incorporated herein by reference, is in conformity with the *General Plan* for the Town of Queen Creek; and

WHEREAS, all the property subject to the Development Agreement attached as Exhibit A is located within the Town of Queen Creek; and

WHEREAS, the Town Council of the Town of Queen Creek finds that approving the Development Agreement is in the best interest of the Town.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COMMON COUNCIL OF THE TOWN OF QUEEN CREEK, ARIZONA, AS FOLLOWS:

Section 1: That the Development Agreement between the Town of Queen Creek and Rock Point Church attached hereto as Exhibit A and incorporated herein by reference, is hereby approved.

Section 2: That the Town Mayor, the Town Manager, the Town Clerk and the Town Attorney, as appropriate, are hereby further authorized and directed to sign the Development Agreement and execute all other documents and instruments and to take such actions as necessary or appropriate to consummate the transactions contemplated by this Resolution.

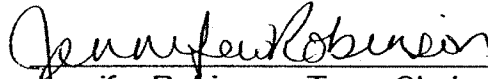
PASSED AND ADOPTED by the Mayor and Common Council of the Town of Queen Creek, Arizona, this 3rd day of August, 2011.

FOR THE TOWN OF QUEEN CREEK:

ATTEST TO:



Gail Barney, Mayor



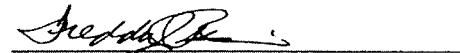
Jennifer Robinson, Town Clerk

REVIEWED BY:

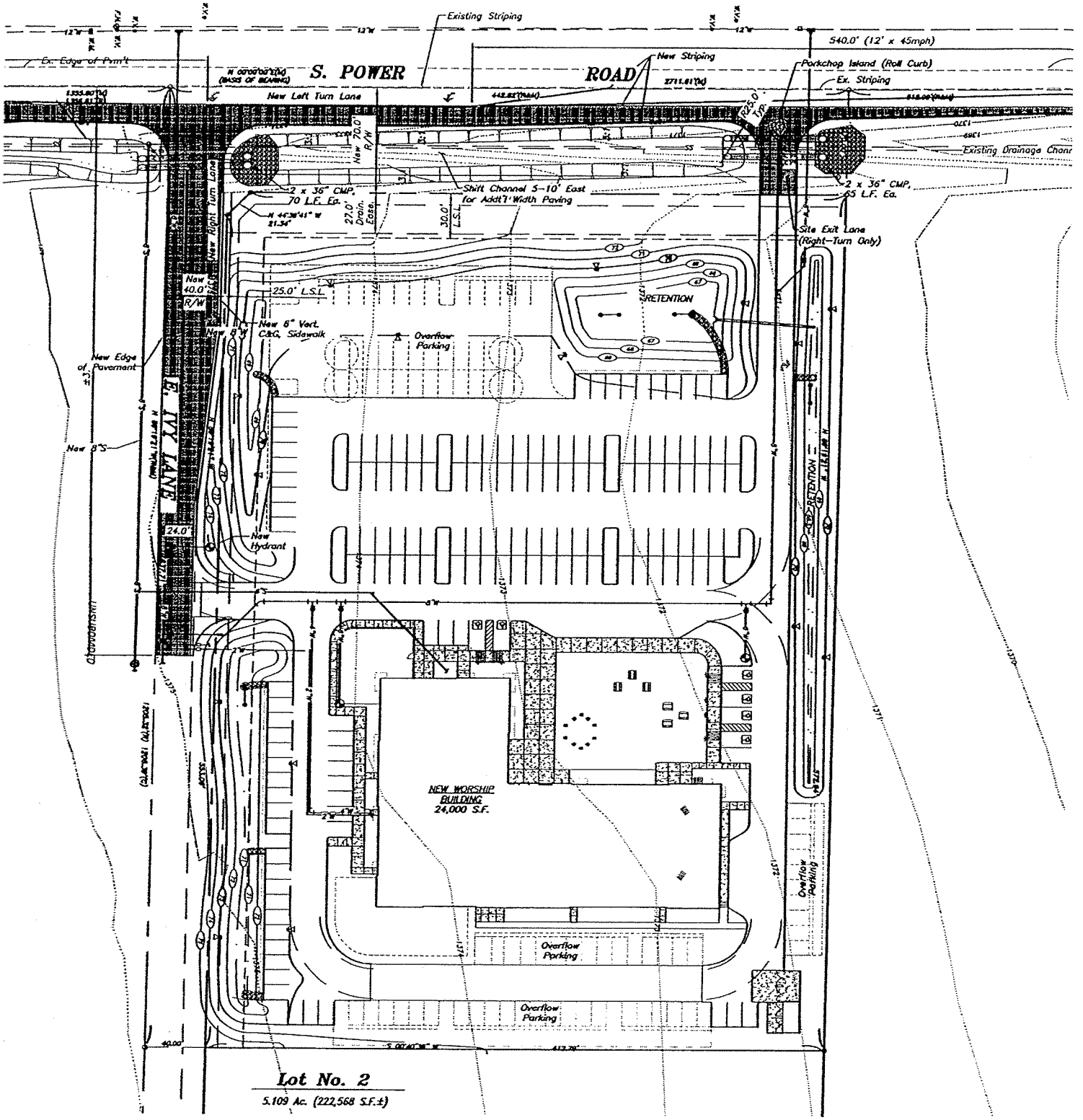
APPROVED AS TO FORM:



John Kross, Town Manager



Fredda J. Bisman
Mariscal, Weeks, McIntyre & Friedlander, P.A.,
Town Attorneys



Lot No. 2
5.109 Ac. (222,568 S.F. ±)

SHEET: 1
OF: 1
PROJECT No.: 081200
SCALE: 1" = 40'
PREPARED: DED/WHS



Standage & Associates, Ltd.
Consulting Engineers
 409 S. El Dorado
 Mesa, Arizona 85202
 (480) 892-8090



Conceptual Offsite Plan

ROCK POINT CHURCH

QUEEN CREEK, AZ



Date: March 21, 2012
To: Mayor and Council
Through: John Kross, Town Manager
Fredda Bisman, Town Attorney

From: Jennifer Robinson, Town Clerk
RE: Resolution 901-12 – Canvass of the Primary Election

The final results of the March 13, 2012 Primary Election will not be available until 5pm on Friday March 16. Resolution 901-12 and staff report will be sent to you by e-mail and posted on Council Sites-Council Packets on Monday March 19. A copy will also be available at the Council Meeting.



Requesting Department:
Real Estate

TO: HONORABLE MAYOR AND TOWN COUNCIL

THROUGH: JOHN KROSS, AICP
TOWN MANAGER

FROM: PATRICK FLYNN, ASSISTANT TOWN MANAGER
SANDRA MCGEORGE, MANAGEMENT ASSISTANT II

RE: CONSIDERATION AND POSSIBLE APPROVAL OF A LEASE AGREEMENT WITH NEW GTP INFRASTRUCTURE I, LLC) FOR A RENEWABLE FIVE YEAR LEASE OF PREMISES LOCATED AT FOUNDERS PARK FOR A CELLULAR TOWER AND EQUIPMENT COMPOUND

DATE: MARCH 21, 2012

Staff Recommendation:

Staff recommends approval of the attached lease agreement with GTP Infrastructure I, LLC for a renewable five-year lease of premises located at Founders Park for a cellular tower and equipment compound.

Proposed Motion:

Move to approve the attached lease agreement with GTP Infrastructure I, LLC for a renewable five-year lease of premises located at Founders Park for a cellular tower and equipment compound.

Discussion:

GTP assumed the Cricket lease last year and that lease expires July 31, 2012. There are no more extension terms allowed under the current lease. A new lease has been prepared by our attorneys that strengthens certain terms. GTP has agreed to this new lease, starting Aug. 1, 2012.

A significant term of this new lease is the provision that GTP will move its facilities at their cost upon notice from the Town that the facilities have to be moved. This gives the Town the flexibility to redesign or expand Founders Park in the future. Their compound is currently located behind the fire station.

There is one extension term of five years, for a total of ten years. If the move has not taken place in the ten years, a new lease with similar terms could be negotiated at that time.

Fiscal Impact:

This lease will provide revenue of \$1,500.00 per month for the first year and increase 3% per year over the ten year period (5 year term plus one lease extension for another five years).

Alternatives:

The Town Council could choose not to lease this property and forego the \$1,500.00 + per month revenue.

Attachments:

Lease Agreement

SITE LEASE AGREEMENT FOR CELLULAR PROVIDERS

21st THIS SITE LEASE AGREEMENT (this "Agreement") is made and entered into this day of March, 2012 (the "Effective Date"), by and between the Town of Queen Creek, an Arizona municipal corporation ("Lessor"), whose address is 22350 South Ellsworth Road, Queen Creek, Arizona 85142-9311 and GTP Infrastructure I, LLC, a Delaware limited liability company ("Lessee"), whose address is 750 Park of Commerce Boulevard, Suite 300, Boca Raton, Florida 33487-3612.

RECITALS

A. Lessor is the owner of certain real property and the improvements thereon as more particularly described in Exhibit "A" attached hereto and made a part hereof by this reference (the "Property").

B. Lessor deems the portion of the Property depicted in the diagram attached hereto as Exhibit "B" and made a part hereof by this reference (the "Premises"), suitable for the installation and operation of communication facilities, including, but not limited to, antennas for the transmission and reception of radio and other signals, support mounts, cables, equipment, equipment storage structures and other improvements thereto (collectively, "Communication Facilities").

C. Lessee desires to lease the Premises from Lessor for the purpose of installing and operating Communication Facilities, and Lessor desires to lease the Premises to Lessee, on the terms, covenants and conditions set forth herein.

AGREEMENTS

NOW THEREFORE, Lessor and Lessee (each, a "Party" and, collectively, the "Parties"), for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, agree as follows:

1. OPTION. Intentionally Deleted

2. LEASE. Lessor shall lease the Premises to Lessee on the terms set forth in this Section 2 (the "Lease").

2.1 Lease Term. The effective term of the Lease (the "Lease Term") shall begin on August 1, 2012 (the "Commencement Date") and shall continue until July 31, 2017.

2.2 Extension of Lease Term. Lessee may extend the Lease Term for 1 separate 5-year period (the "Extension Term"), from the expiration of the initial Lease Term, provided Lessee delivers to Lessor written notice of each election to extend the Lease Term (the "Extension Notice") at least 90 days, but no more than 180 days prior to the expiration of the initial Lease Term and provided Lessee has not committed a breach that remains uncured at the time of Lessor's receipt of the Extension Notice. The terms and conditions of the Lease during

the Extension Term shall remain the same and in full force and effect, except that Lessee shall have no further right to extend the Lease Term beyond the expiration of the Extension Term.

2.3 Rent. Subject to adjustment as provided in Section 2.16(iii), Lessee shall, throughout the Lease Term, pay to Lessor as rental, the applicable amounts below ("Rent"), commencing on Commencement Date, and on or before the first day of each month thereafter. In the event that the Lease Term shall commence in the middle of the month, the first month's installment of Rent shall be prorated based on a 30 day month and the Rent amount for "Month 1" below, and all of the provisions of this Lease shall apply in full, but the first full month following the Commencement Date shall be deemed "Month 1" for the purpose of defining the Lease Term.

Months 1-12	\$1500.00
Months 13-24	\$1,545.00
Months 25-36	\$1,591.35
Months 37-48	\$1,639.09
Months 49-60	\$1,688.26
Months 61-72*	\$1,738.91
Months 73-84*	\$1,791.08
Months 85-96*	\$1,844.81
Months 97-108*	\$1,900.15
Months 109-120*	\$1,957.15

*if applicable

2.4 Additional Rent. In addition to any payment of Rent, Lessee shall also pay to Lessor, as additional rent, within 10 days of Lessee's receipt of notice thereof: (i) any incremental additional utility charges to the Premises or the Property incurred as a result of Lessee's use of the Premises; (ii) any transaction privilege tax or use tax assessed against Lessor in connection with this Agreement or Lessee's use of the Premises; and (iii) any increase in real property taxes attributable to Lessee's use of the Premises.

2.5 Late Charge. If any amount due to Lessor under this Lease is not received in full by Lessor on or before 5 days after the date any such payment is due, then Lessee shall pay to Lessor a late payment charge equal to the greater of: (i) 5% multiplied by the amount past due; or (ii) \$50.00.

2.6 Taxes. Lessee shall pay all personal property taxes on the Lessee Facilities.

2.7 Permitted Use. Lessee, at Lessee's sole cost, shall use the Premises only to install, construct, reconstruct and maintain, on the Premises, the Communication Facilities described on Exhibit "C" attached hereto and made a part hereof by this reference (the "Lessee's Facilities") (the "Permitted Use"). Lessee shall have the right to modify, supplement, replace, or upgrade the Lessee's Facilities only with the written consent of Lessor, which shall not be unreasonably withheld so long as said relocation, replacement or upgrade is made for the purpose of improving the operation of the Lessee's Facilities. Lessee shall not use, or permit others to use, the Premises in any way that interferes with the use of the Property by Lessor or

other tenants, invitees, licensees or guests of Lessor.

2.8 Access. Subject to the requirements of Section 2.10 and Section 6, Lessee may access the Premises at all times during the Lease Term and shall have all additional rights of access, ingress and egress to and from the Premises, provided that Lessee or Lessee's agents or employees may not drive any vehicle in any area not designated for vehicular traffic, unless prior written approval has been granted by Lessor. If Lessor grants permission for Lessee to drive a vehicle in any area not designated for vehicular traffic, Lessee, upon receipt of notice thereof, shall immediately reimburse Lessor for any expenses incurred by Lessor to repair damage to the Property caused thereby.

2.9 Installation. The Parties acknowledge that Lessee previously installed its current Lessee's Facilities with Lessor's approval pursuant to a prior lease agreement. Said Installation is as set forth on attached Exhibit "C". Prior to installing any replacement of, or addition to, the Lessee's Facilities ("Installation"), Lessee shall provide Lessor with construction drawings, including color of paint, if any, to be used on the replacement or additional Lessee's Facilities. Lessee shall obtain Lessor's prior written consent, which shall not be unreasonably withheld or delayed, before proceeding with the Installation.

2.10 Maintenance. Lessee, at Lessee's sole cost, shall keep the Premises and the Lessee's Facilities in good order, and in a neat, clean and sanitary condition at all times during the Lease Term. Lessee may enter the Premises to improve, maintain, repair or replace the Lessee's Facilities (collectively, "Maintenance"), provided Lessee provides prior written notice of any such entry as follows: (i) if no Lessee vehicle will be driven on the turf at the Property, such notice must be received by Lessor 24 hours in advance; and (ii) if a Lessee vehicle will be driven on the turf at the Property, such notice must be received by Lessor 3 days in advance. Any provision of this Agreement to the contrary notwithstanding, in an emergency, Lessee may conduct Maintenance upon the Premises upon prior notice via telephone to the Lessor's Parks and Recreation Department at 480-358-3700.

2.11 Damage to Property. Lessee shall immediately notify Lessor of any damage to the Property, the Premises, or the property of any third party upon the Property caused by Lessee or Lessee's agents or employees ("Lessee's Damage"). Lessee, at Lessee's sole cost, shall begin making preparations for any necessary repairs within 24 hours of Lessee becoming aware of such Lessee's Damage and, provided that Lessee shall not unreasonably interfere with Lessor's use of the Property, Lessee shall commence and prosecute such repairs with reasonable diligence until complete to the satisfaction of Lessor, in Lessor's sole discretion.

2.12 Compliance with Laws. Lessee's use of the Premises, including, but not limited to, the Installation and any Maintenance, shall conform with all applicable Town of Queen Creek Codes and any other applicable laws, rules, codes and regulations, including any amendments or changes thereto.

2.13 Landscaping. Lessee, at Lessee's sole cost, shall provide and maintain reasonably adequate landscaping on the Premises and, at Lessee's sole cost, shall promptly replace any part of such landscaping that wilts or dies.

2.14 Lighting. Lessee shall not install lighting at the base of the Lessee's Facilities unless such lighting is required by the Federal Aviation Administration.

2.15 Lessor Co-location. Lessor reserves the right to co-locate any of Lessor's equipment (the "Lessor's Equipment") anywhere on the Premises and Lessee shall reserve for Lessor's use, and shall not place the Lessee's Facilities within, the top 10 feet of the tower located on the Premises (the "Tower"), provided that the Lessor's Equipment shall not unreasonably interfere with Lessee's use of the Premises.

2.16 Third-Party Co-Location. During the Lease Term, Lessee may sublet to third parties for third-party co-locations on the Tower (each, a "Third-Party Co-Location"), provided that:

(i) Lessee shall provide Lessor, at least 30 days prior to the effective date thereof, any agreement for a Third-Party Co-Location (a "Co-Location Agreement"), which Co-Location Agreement shall be subject to the approval of Lessor, in Lessor's sole discretion. If the Town disapproves any Co-Location Agreement for any reason, the Town shall provide to Lessee notice of such disapproval (the "Disapproval Notice") prior to the proposed effective date of the respective Co-Location Agreement and the proposed tenant under the respective Co-Location Agreement shall not be permitted to place any equipment on the Premises. If the Town fails timely to provide the Disapproval Notice, the Town shall be deemed to have approved the proposed Co-Location Agreement;

(ii) any Co-Location Agreement shall be in writing and shall include the following:

(a) an agreement by the co-locating third party (a "Subtenant") to comply with the requirements substantially similar to the following sections of this Agreement: Section 2.7, Section 2.8, Section 2.10, Section 2.11, Section 2.12, Section 2.14, Section 4.2, Section 5, Section 6, Section 7, Section 8 (except that no Subtenant shall have the right to further sublease the Premises), Section 13.2, Section 13.6 and Section 13.9;

(b) an agreement by the parties thereto that "the Town of Queen Creek, Arizona, an Arizona municipal corporation, is intended to be a third party beneficiary" of the Co-Location Agreement;

(c) an agreement that the effective term of the Third-Party Co-Location shall automatically terminate upon the expiration or termination of this Agreement or the Lease Term; and

(d) an agreement that no Communication Facilities for use by the Subtenant (the "Subtenant Facilities") may be installed on the Premises without the prior written consent of Lessor of the Subtenant's construction drawings, which consent shall not be unreasonably withheld or delayed;

(iii) for each Third Party Co-Location entered by Lessee during the

Term, Lessee shall pay to Lessor, as additional Rent, \$300.00 per month for each month during the term of such Third Party Co-Location ("Co-Location Rent"). In the event the term of such Third Party Co-Location shall commence in the middle of the month, the first month's installment of Co-Location shall be prorated based on a 30 day month; and

(iv) the Subtenant Facilities shall not unreasonably interfere with any Lessor's Equipment located on the Premises prior to the effective date of the respective Co-Location Agreement.

3. Intentionally omitted.

4. INTERFERENCE.

4.1 By Lessee. Lessee shall not use the Premises in any way that interferes with the use of the Property by: (i) Lessor; or (ii) tenants, licensees, invitees or guests of Lessor (collectively, "Existing Users").

4.2 By Lessor. So long as Lessee is not in breach of this Agreement, Lessor shall not interfere with Lessee's use and quiet enjoyment of the Premises, provided that continued use by Lessor or Existing Users in the same manner as existed as of the Commencement Date shall not constitute interference with Lessee's use or quiet enjoyment of the Premises.

5. ENVIRONMENTAL MATTERS.

5.1 Indemnity. Lessee shall defend, indemnify and hold harmless Lessor, its agents, and employees for, from and against any and all claims, damages, losses, costs, liens, encumbrances, liabilities and expenses, including reasonable attorneys', accountants' and investigators' fees and court costs (collectively "Claims"), arising out of or in connection with the cleanup or restoration of the Property associated with the Lessee's use of Hazardous Materials.

5.2 Definitions.

5.2.1 "Hazardous Materials Laws" means any and all federal, state or local laws, ordinances, rules, decrees, orders, regulations or court decisions (including the so-called "common-law") relating to hazardous substances, hazardous materials, hazardous waste, toxic substances, environmental conditions on, under or about the Property, or soil and ground water conditions, including, but not limited to, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. §9601, et seq., the Resource Conservation and Recovery Act, 42 U.S.C. §6901, et seq., the Hazardous Materials Transportation Act, 49 U.S.C. §1801, et seq., any amendments to the foregoing, and any similar federal, state or local laws, ordinances, rules, decrees, orders or regulations.

5.2.2 "Hazardous Materials" means any chemical, compound, material, substance or other matter that: (i) is a flammable explosive, asbestos, radioactive material, nuclear medicine material, drug, vaccine, bacteria, virus, hazardous waste, toxic substance, petroleum

product, or related injurious or potentially injurious material, whether injurious or potentially injurious by itself or in combination with other materials; (ii) is controlled, designated in or governed by any applicable Hazardous Materials Law; (iii) gives rise to any reporting, notice or publication requirements under any Hazardous Materials Law; or (iv) gives rise to any liability, responsibility or duty on the part of Lessee or Lessor with respect to any third person under any Hazardous Materials Law.

5.3 Lessee's obligations under this Section 5 shall survive the expiration or other termination of this Agreement.

6. INSURANCE.

6.1 Liability Insurance. Prior to any entry upon the Property and at all times during the Lease Term, Lessee, at Lessee's sole expense, shall maintain commercial general liability insurance covering actions by Lessee providing for a limit of not less than \$2,000,000.00 single limits, bodily injury and/or property damage combined, for damages arising out of bodily injuries to or death of all persons and for damages to or destruction of property, including the loss of use thereof. Coverage shall include independent contractor's protection, premises-operations, and contractual liability with respect to the liability assumed by Lessee hereunder. The liability policy or policies shall contain an endorsement naming Lessor as an additional insured.

6.2 Casualty Insurance. During the Lease Term, Lessee shall keep in full force and effect, a policy or policies of so called "All Risk" or "All Peril" insurance, including coverage for vandalism or malicious mischief, insuring Lessee's improvements to the Premises and Lessee's personal property, equipment and other items in the Premises, with coverage in an amount equal to the replacement cost.

6.3 Adequacy of Insurance. Lessor makes no representation or warranty to Lessee that the amount of insurance to be carried by Lessee under the terms of this Agreement is adequate to fully protect Lessee's interests. Lessee acknowledges that Lessor shall not, by the fact of approving, disapproving, waiving, accepting, or obtaining any insurance, incur any liability for or with respect to the amount of insurance carried, the form or legal sufficiency of such insurance, the solvency of any insurance companies or the payment or defense of any lawsuit in connection with such insurance coverage, and Lessee hereby expressly assumes full responsibility for and all liability, if any, with respect to, Lessee's insurance coverage.

6.4 Certificate. Prior to any entry upon the Property by Lessee or its employees, agents or contractors, Lessee shall deliver to Lessor a certificate of insurance evidencing the coverage required by this Section 6.

7. INDEMNITY. Lessee shall indemnify, defend and hold harmless Lessor and Lessor's officers, employees and officials, for, from and against all Claims, however caused, arising in whole or in part from: (i) Lessee's use of all or any part of the Premises and/or the Property or from any activity, work or thing done, permitted or suffered by Lessee or by any invitee, servant, agent, contractor, employee, tenant or subtenant of Lessee in the Premises and/or the Property; (ii) any breach or default in the performance of any obligation to be performed under the terms of this

Agreement; (iii) any act, neglect, fault or omission by Lessee or by any invitee, servant, agent, employee or subtenant of Lessee anywhere in the Premises and/or the Property. In case any action or proceeding is brought to which this indemnification shall be applicable, Lessee shall pay all awards resulting therefrom and shall defend such action or proceeding, if Lessor shall so request, at Lessee's sole cost and expense, by counsel reasonably satisfactory to Lessor. The obligations of Lessee under this Section 7 shall survive the expiration or earlier termination of this Agreement.

8. NO ASSIGNMENT. Except as set forth in Section 2.16, Lessee shall not assign, transfer or sublet this Agreement, or any portion thereof or any of Lessee's other rights hereunder to any person or business entity without Lessor's consent, which consent may be withheld or granted in Lessor's reasonable discretion. Any attempted assignment, transfer or sublet in violation of this Section 8 shall be void ab initio.

9. TERMINATION. This Agreement may be terminated:

9.1 by Lessor if Lessee fails to cure a breach for payment of amounts due hereunder within 10 days after Lessee's receipt of written notice of such breach from Lessor;

9.2 by the non-breaching Party if the other Party breaches this Agreement (other than a breach described in section 9.1 above) and fails to cure such breach within 20 days after written notice of such breach is received by the breaching Party from the non-breaching Party; provided, however, that if such breach is capable of being cured, this Agreement may not be terminated so long as the breaching Party commences appropriate curative action within such 20 day period and thereafter diligently prosecutes such cure to completion as promptly as possible; and

9.3 by Lessee upon 90 days prior written notice.

10. SUCCESSORS AND ASSIGNS. This Agreement shall run with the Property and shall be binding upon and inure to the benefit of the Parties, their respective successors and assigns.

11. REPRESENTATIONS AND WARRANTIES. Each Party covenants and warrants to the other Party that: (i) such Party has full right, power and authority to execute this Agreement and has the power to grant all rights hereunder; (ii) such Party's execution and performance of this Agreement will not violate any laws, ordinances, covenants, or the provisions of any mortgage, lease or other agreement binding on said Party; and (iii) the execution and delivery of this Agreement, and the performance of its obligations hereunder, have been duly authorized by all necessary personnel or corporate officers and do not violate any provisions of law or such Party's certificate of incorporation or bylaws or any other arrangement, provision of law or court order or decree.

12. NOTICES. All notices, requests, demands and other communications hereunder shall be in writing and shall be deemed given if personally delivered, or mailed by certified mail, return receipt requested, to the following addresses:

If to Lessor, to: Town of Queen Creek
22350 South Ellsworth Road
Queen Creek, Arizona 85242-9311
Attn: Town Manager

With a copy to: Mariscal, Weeks, McIntyre & Friedlander, P.A.
Attn: Fredda J. Bisman, Esq.
2901 N. Central Ave., Ste. 200
Phoenix, Arizona 85012

If to Lessee, to: GTP Infrastructure I, LLC
750 Park of Commerce Boulevard, Suite 300
Boca Raton, Florida 33487
Attn: Asset Manager

13. MISCELLANEOUS.

13.1 Entire Agreement; Modifications. This Agreement shall constitute the entire agreement and understanding of the Parties with subject matter hereof and supersedes all offers, negotiations and other agreements with respect thereto. There are no representations or understandings of any kind not set forth herein. Any amendment to this Agreement must be in writing and executed by both Parties.

13.2 Governing Law; Jurisdiction and Venue. This Agreement shall be governed by and construed or enforced in accordance with the laws of the State of Arizona without reference to conflict of laws principles. With regard to any litigation which may arise in regard to this Agreement, each Party shall and does hereby submit exclusively to the jurisdiction of, and hereby agree that the proper venue shall be exclusively in, the Superior Court of Maricopa County, Arizona. The provisions of this Section 13.2 shall survive any termination or expiration of this Agreement.

13.3 Broker. Either Party that is represented in this transaction by a broker, agent or commission salesperson (a "Representative") shall be fully and exclusively responsible for the payment of any fee, commission or other compensation owing to such Representative, and Lessee shall indemnify and hold Lessor harmless from and against any claim to a fee, commission or other compensation asserted by such Representative claiming through Lessee, including reasonable attorneys' fees and costs incurred in defending such claim. The provisions of this Section 13.3 shall survive any termination or expiration of this Agreement.

13.4 Severability. If any term of this Agreement is found to be void or invalid, such invalidity shall not affect the remaining terms of this Agreement, which shall continue in full force and effect.

13.5 No Joint Venture. By executing this Agreement, the Parties are not establishing any Joint undertaking, joint venture or partnership. Each Party shall be deemed an

independent contractor and shall act solely for its own account.

13.6 Restoration of the Premises. Lessee, at Lessee's sole cost, shall within 30 days after the expiration or termination of this Agreement, remove all Lessee's property from the Premises and restore the Premises to their original condition as of the Commencement Date, excepting reasonable wear, tear and casualty.

13.7 Conflict of Interest. Pursuant to the provisions of Arizona Revised Statutes § 38-511, Lessor may cancel this Agreement, without penalty or obligation if any person significantly involved in initiating, negotiating, securing, drafting or creating this Agreement on behalf of Lessor is, at any time while this Agreement or any extension hereof is in effect, an employee of Lessee in any capacity or a consultant to Lessee with respect the subject matter of the contract

13.8 Exhibits. The Parties understand and acknowledge that Exhibit A (the legal description of the Property), Exhibit B (the Premises location within the Property) and Exhibit C (the Lessee's Facilities) may be attached to this Agreement in preliminary form. Accordingly, the Parties agree that upon the preparation of final, more complete exhibits, Exhibits A, B and/or C, as the case may be, which may have been attached hereto in preliminary form, may be replaced by Lessor with such final, more complete exhibits(s).

13.9 No Liens. Lessee shall pay or cause to be paid all costs for work done by Lessee or caused to be done by Lessee on the Premises, and Lessee shall keep the Premises and the Property free and clear of all mechanics' liens and materialmen's liens, professional service liens and other liens on account of work done or materials supplied to Lessee or persons claiming under Lessee. Lessee shall keep Lessee's leasehold interest and any improvements which are or may become the property of Lessor pursuant to this Agreement free and clear of all liens of attachment or judgment liens.

13.10 Relocation of Communications Facilities. Lessee agrees to relocate the Communications Facilities to a reasonable location chosen by Lessor (the "New Location") within the time frames provided for herein. Lessor acknowledges and agrees that the New Location will not be deemed reasonable unless it allows Lessee to provide greater or equal services as are provided by Lessee's Communications Facility prior to such relocation. Lessee shall commence its due diligence and planning for said relocation within 30 days of Lessor's written notice of relocation and Lessor will provide to Lessee reasonable rights of access to the New Location for such purposes. Lessor will work cooperatively with Lessee so as not to interrupt any use of the facility as described in Section 2.7. All direct and reasonable costs and expenses of Lessee arising in connection with relocation shall be borne by Lessee. The relocation shall be made only in accordance with the plans and specifications submitted to and approved by Lessor, which shall approval shall not be unreasonably withheld, conditioned, or delayed. Lessee shall have 180 days from the date it obtains all necessary permits and governmental approvals to effectuate the relocation after receipt of Lessor's approval of plans and specification of Communications Facilities. Lessor agrees to cooperate with Lessee or its representatives in zoning or any other required governmental or Association approvals that may be necessary to relocate the Communications Facilities. If requested, Lessor, at no cost to Lessor, agrees to provide copies of

any existing surveys of Property, design plans, or any other documentation that may be required for private and municipal approval processes as described herein.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Parties have entered into this Agreement as of the Effective Date.

LESSOR:

Town of Queen Creek:

By: _____
Gail Barney, Mayor

Approval of Contract Administrator:

By: _____
John Kross, Town Manager

Attest:

By: _____
Jennifer Robinson, Town Clerk

Reviewed as to form:

By: _____
Fredda J. Bisman, Esq.
For Mariscal, Weeks, McIntyre & Friedlander, P.A.
Attorneys for the Town

LESSEE:

GTP Infrastructure I, LLC, a
Delaware limited liability company

By: _____
Name: Shawn Ruben
Title: Secretary



LEGAL DESCRIPTION OF THE PROPERTY

**EXHIBIT A TO
SITE LEASE AGREEMENT**

EXHIBIT A-1

Legal Description

A Leasehold Estate, said leasehold being a portion of the following described parent parcel:

That part of the Southwest quarter of the Northwest quarter of Section 22, Township 2 South, Range 7 East of the Gila and Salt River Base and Meridian, Maricopa County, Arizona, more particularly described as follows:

COMMENCING at the Northwest corner of the Southwest quarter of the Northwest quarter of said Section 22;

thence South $0^{\circ} 14' 58''$ East along the West line of said Southwest quarter of the Northwest quarter, 50.0 feet to the POINT OF BEGINNING;

thence North $89^{\circ} 56' 46''$ East parallel with the North line of said Southwest quarter of the Northwest quarter, 660.0 feet;

thence South $0^{\circ} 14' 58''$ East, parallel with the West line of said Southwest quarter of the Northwest quarter, 390.0 feet;

thence South $89^{\circ} 56' 46''$ West parallel with the North line of said Southwest quarter of the Northwest quarter, 660.0 feet to a point, said point being on the West line of said Southwest quarter of the Northwest quarter;

thence North $0^{\circ} 14' 58''$ West along the West line of said Southwest quarter of the Northwest quarter, 390.0 feet to the POINT OF BEGINNING.

AND BEING the same property conveyed to Town of Queen Creek, a municipal corporation from Citizens for Queen Creek, Inc., a corporation by Special Warranty Deed dated May 30, 1997 and recorded June 04, 1997 in Instrument No. 97-0375896.

Tax Parcel No. 304-65-021-C

DIAGRAM OF PREMISES

**EXHIBIT B TO
SITE LEASE AGREEMENT**

Exhibit B - Diagram

Founders Park 22407 S. Ellsworth Road - Assessor's 304-65-021C



LESSEE'S FACILITIES

**EXHIBIT C TO
SITE LEASE AGREEMENT**

Exhibit C - Lessee's Facilities

Real property located at: 22407 South Ellsworth Road, Queen Creek, Arizona 85242-9311.

Location of Site: Antennas mounted on park light pole and equipment cabinets located on the ground in an area approximately 12' by 15', as determined by property owner and U S West Communications, Inc.

Requesting Department:
Workforce and
Technology



TO: HONORABLE MAYOR AND TOWN COUNCIL

THROUGH: JOHN KROSS, TOWN MANAGER

FROM: BRUCE GARDNER, WORKFORCE & TECHNOLOGY DIRECTOR *gab*
JENNIFER ROBINSON, TOWN CLERK AND PSPRS BOARD *jr*
SECRETARY

**RE: APPOINTMENT OF LOCAL PUBLIC SAFETY RETIREMENT
BOARD MEMBERS**

DATE: March 21, 2012

Staff Recommendation:

Staff requests Council reappointment of the following members for the Public Safety Retirement Board.

Chairperson: Gail Barney, Mayor
Citizen Member: John Kross, Town Manager and Head of Town of Queen Creek Merit System

Proposed Motion:

Consideration and possible approval of the appointment of Mayor Gail Barney as Chairperson and Town Manager John Kross as resident to the Queen Creek Local Public Safety Retirement Board. Both appointments are for four (4) years.

Discussion:

On January 16, 2008, the Council approved two resolutions:

- Resolution 708-08, which approved the preliminary steps to be taken to become a participating employer in the Arizona Public Safety Personnel Retirement System (PSPRS); and,
- Resolution 709-08, which authorized the Town of Queen Creek to enter into a joinder agreement with the Arizona Public Safety Personnel Retirement System (PSPRS).

As per Arizona Revised Statutes, it is required for the Town to maintain a local Public Safety Retirement Board and each local board shall be constituted as follows:

- The Mayor or a designee of the Mayor approved by the Town Council as chairperson;
- Two citizens, one of whom shall be the head of the merit system, appointed by the Mayor with the approval of the Town Council; and,
- Two members elected by secret ballot by members employed by the Fire Department.

In discussion with the Mayor, he has agreed to continue to serve as chair of the Board. Because Town Manager John Kross is the current head of the Town merit system, he should continue to serve as one of the citizen members of the retirement board. Vance Gray, a current resident within the Town of Queen Creek, still has two years remaining of eligibility as the other citizen Board member. Kris Gale, firefighter, also has two years remaining as a Board member as one of the two members from the Fire Department. The other member is vacant and will be replaced by a secret ballot election sometime in March.

For information purposes, some of the responsibilities of the local board consist of the following (as per statute):

1. To decide all questions of eligibility and service credits, and determine the amount, manner and time of payment of any benefits under the system.
2. To prescribe procedures to be followed by claimants in filing applications for benefits.
3. To make a determination as to the right of any claimant to a benefit and to afford any claimant or the fund manager or both a right of a rehearing on the original determination.
4. To request and receive from the employers and from members such information as is necessary for the proper administration of the system and action on claims for benefits and to forward such information to the fund manager.
5. To distribute, in such manner as the local board determines to be appropriate, information explaining the system received from the fund manager.
6. To furnish the employer, the fund manager, and the legislature, upon request, with such annual reports with respect to the administration of the system as are reasonable and appropriate.

7. To receive and review the actuarial valuation of the system for its group of members.
8. To receive and review reports of the financial condition and of the receipts and disbursements of the fund from the fund manager.
9. To appoint medical boards.
10. To sue and be sued to effectuate the duties and responsibilities set forth.

Essentially, the Public Safety Retirement System (PSPRS) gives local boards the authority to approve individuals into and out of the retirement system. To summarize the responsibilities above, the three main areas revolve around:

1. Approving new hires into the PSPRS system and designating, if any, pre-existing conditions in which the new hire may have that would eliminate them from disability coverage in the event of injury/illness due to the pre-existing condition. This will require the Board to review the medical information that will be organized by Human Resources and the Town Clerk's office.
2. Approving/determining disability claims by the employees in the public safety retirement system.
3. Approving/determining eligibility for retirement.

Meetings are to be held only as necessary, but at least once per year.

Fiscal Impact:

Not Applicable

Alternatives:

Council could choose not to approve the members of the Public Safety Retirement Board and request for staff to seek other candidates.



Requesting Department:

Development Services

TO: HONORABLE MAYOR AND TOWN COUNCIL

THROUGH: JOHN KROSS, TOWN MANAGER

**FROM: TOM CONDIT, DEVELOPMENT SERVICE DIRECTOR
TROY WHITE, PUBLIC WORKS DIVISION MANAGER
RAMONA SIMPSON, MANAGEMENT ASSISTANT II**

**RE: PUBLIC HEARING AND POSSIBLE ACTION ON RESOLUTION 899-12, TO AMEND
THE EXISTING SCHEDULE OF FEES FOR RESIDENTIAL WASTE SERVICES RELATING
TO INITIAL COST AND PLACEMENT OF CARTS FOR NEWLY CONSTRUCTED
HOMES AND FUTURE ANNEXATIONS, TO BE EFFECTIVE APRIL 21, 2012**

DATE: March 21, 2012

Staff Recommendation:

Staff recommends the approval of the Resolution 899-12 to amend the existing schedule of fees for Residential Waste Services relating to initial cost and placement of carts for newly constructed homes and future annexations, to be effective April 21, 2012.

Relevant Council Goal(s):

KRA 2: FINANCIAL MANAGEMENT AND SUSTAINABILITY- Objective 1: Maintain long-term financial sustainability for local government operations. Ensure that new programs are properly evaluated based on available revenues, community need and operational sustainability.

Proposed Motion:

Move to hold a public hearing and approve an amendment to the existing schedule of fees for Residential Waste Services relating to initial cost and placement of carts for newly constructed homes and future annexations, to be effective April 21, 2012.

Discussion:

In accordance with Town Code Section 10-8-13 Rates, Charges, Fees and Payment, the Town Council by resolution may adopt, set or amend the fees, rates, payments, penalties and charges related to Article 10-8, which resolution shall be on file with the Town Clerk.

On January 18, 2012, the Town Council adopted a Notice of Intention setting the time and place for a public hearing prior to considering the proposed amendment to the existing schedule of fees for Residential Waste Services.

The notice was continuously posted on the Town's website for 60 days prior to the public hearing letting residents know of their ability to comment on the proposed amendment to the existing schedule of solid waste fees. No comments were received.

The proposed amendment to the existing Residential Waste schedule of fees sets a new service establishment fee for the initial cost and placement of carts for newly constructed homes, this fee will not impact existing ratepayers and will not apply to existing residential properties that have already been identified to be brought into the Town's solid waste service area.

This service establishment fee will apply to newly constructed homes and future annexations of county pockets into the Town's solid waste service area. The service establishment fee will be used to cover the initial costs to the Town for providing carts to these properties. This approach is modeled after the City of Chandler's operation and recoups the direct costs of providing carts to new development.

At present, the Town through its solid waste enterprise purchases carts for new residential development, fronting the capital costs for new growth, of which is being subsidized by existing ratepayers. It takes approximately three to four years for the Town to recoup the capital costs of cart acquisitions for new development. Town staff is concerned; as we bring on a larger development such as Church Farms the total cost of new carts could be a substantial cost to the Town.

By adopting this service establishment fee, the cost of providing new carts for new homes will be borne by the new development, letting new growth pay for itself. The adoption of the service establishment fee will not reduce existing rates, because this fee was intended to be established on the onset of the program. The fee was included in the ordinance approved by Council establishing the Solid Waste Program; however, it was omitted from the fee schedule. Fortunately, new home permits have been very low and the program has been able to absorb this cost; however, as the program continues to grow this cost can no longer be covered by existing revenues. .

Fiscal Year	NSF Permits	Cart Costs
FY13	125	\$18,750
FY14	138	\$20,700
FY15	151	\$22,650
FY16	166	\$24,900
FY17	183	\$27,450
Total	763	\$114,450

The approval of the Resolution is recommended.

Fiscal Note:

In FY13 the Town staff has forecasted 125 new single family (NSF) permits, which will cost the Town \$18,750 to provide new carts to those properties. This cost is expected to increase each year to \$27,450 by FY17. As long as the Town generates NSF's, there will always be a cost to the Town to provide carts for Solid Waste service to new residents. By adopting a solid waste service establishment fee the Town can mitigate the impact, to some extent, of future solid waste rate increases on Town residents. If growth ever returns to the pre-housing market downturn highs, the up-front capital costs to the Town for cart purchases will be substantial.

Alternatives:

The Solid Waste Enterprise will continue to operate under the same fee structure, methods and practices as in use today.

Attachments:

- 1) Resolution 899-12

RESOLUTION No. 899-12

A RESOLUTION OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF QUEEN CREEK, ARIZONA, AMENDING THE SCHEDULE OF RATES, CHARGES AND FEES FOR RESIDENTIAL WASTE SERVICES AUTHORIZED BY THE TOWN CODE CHAPTER 10 HEALTH AND SANITATION, ARTICLE 10-8, SECTION 10-8-13.

WHEREAS, the Town of Queen Creek Town Code, Section 10-8-13 authorizes the Town Council to adopt, set or amend, by resolution, the fees, rates, payments, penalties and charges related to Article 10-8: Residential Waste Services; and

WHEREAS, the Town of Queen Creek Residential Waste Services Fee Schedule was originally adopted by Resolution No. 820-10 on January 20, 2010, pursuant to the requirements of the Town Code; and

WHEREAS, Town of Queen Creek Residential Waste Services Fee Schedule is amended on occasion to update fees that no longer accurately reflect the cost to provide the services listed, or to establish fees for services that are currently provided; and

WHEREAS, the amendments to the schedule reflect the costs, including the costs for assembly, of the initial provision of Carts to Residential Waste Service Units and the cost for placement of additional Carts to Residential Waste Service Units.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COMMON COUNCIL OF THE TOWN OF QUEEN CREEK, ARIZONA, THAT the Town of Queen Creek Residential Waste Services schedule and each of the rates and fees listed therein is hereby approved and amended as set forth below, and such amended fees shall become effective April 21,, 2012 (deletions shown in ~~strikethrough~~; additions shown in *underlined italics*):

PASSED AND ADOPTED BY THE Mayor and Common Council of the Town of Queen Creek, Arizona, this ____ day of March, 2012.

FOR THE TOWN OF QUEEN CREEK:

ATTESTED TO:

Gail Barney, Mayor

Jennifer F. Robinson, Town Clerk

REVIEWED BY:

APPROVED AS TO FORM:

John Kross, Town Manager

Fredda J. Bisman
Mariscal, Weeks, McIntyre &
Friedlander, PA
Attorneys for the Town

**TOWN OF QUEEN CREEK
RESIDENTIAL WASTE SERVICE RATES**

Effective April 21, 2012

Except where expressly provided otherwise in Chapter Article 10-8 Solid Waste Services, Bulk Waste Services; Recycling Services; Animal Waste Services for Residential Dwelling, this schedule for rates shall include the following:

A. Base Rate. Base Rate shall include:

- (1) Once per week collection of one (1) Solid Waste Cart;
- (2) Once per week collection of one (1) Recycling Cart; and
- (3) Once per month collection of up to six (6) cubic yards of Bulk Waste.

Residential Service Unit Base Rate \$ 15.41 per month

B. Other Rates.

- (1) **Additional Solid Waste Cart Rate.** Additional Solid Waste Cart Rate shall include one once per week collection of one (1) additional Solid Waste Cart

Additional Solid Waste Cart Rate \$ 7.00 per month per Residential Service Unit

- (2) **Non-collection Day Solid Waste *or Recycling* Cart Rate.** Non-collection Day Solid Waste *or Recycling* Cart Rate shall include one once per week collection on a non-collection day of one (1) Solid Waste Cart.

Additional Non-collection Day Solid Waste or Recycling Cart Rate \$ 20.00 per occurrence per Residential Service Unit

- (3) **Additional Recycling Cart Rate.** Additional Recycling Cart Rate shall include one once per week collection of one (1) additional Recycling Cart.

Additional Recycling Cart Rate no charge per month per Residential Service Unit

- (4) **Additional Bulk Waste Rate.** Additional Bulk Waste Rate shall include one collection of up to (6) cubic yards of Bulk Waste.

Additional Bulk Waste Rate \$ 75.00 per occurrence per Residential Service Unit

- (5) **Half Manure Cart Rate.** Manure Cart Rate shall include one once per week collection of one (1) approximately forty-seven (47) gallons of manure.

Half Manure Cart Rate \$ 11.00 per month per Residential Service Unit

Requesting Department:

Economic Development



TO: HONORABLE MAYOR AND TOWN COUNCIL

THROUGH: JOHN KROSS, TOWN MANAGER

FROM: DOREEN COTT, ECONOMIC DEVELOPMENT DIRECTOR
KIM MOYERS, ECONOMIC DEVELOPMENT SPECIALIST

**RE: DISCUSSION AND POSSIBLE APPROVAL FOR THE
CONTINUATION OF THE QUEEN CREEK INCUBATOR
PROGRAM.**

DATE: MARCH 21, 2012

Staff Recommendation:

Staff recommends continuing the QC Inc. program as currently established.

Proposed Motion:

Move to continue the QC Inc. program as currently established. Direct staff to continue evaluating potential locations for the program and work to secure a location prior to the current lease ending in December 2012.

Discussion:

Despite challenging economic times and limited resources Economic Development staff recognized an opportunity to nurture and grow businesses in the community by implementing a new program that would utilize vacant office space and bring together an array of business resources for entrepreneurs, small business owners, businesses ready to move to the next level and those interested in starting a new business. After extensive research, a feasibility study, input from key stakeholders and approval from the Town Council the Queen Creek Incubator "pilot" program was launched. QC Inc. held its grand opening on February 9, 2011 and after one full year in operation QC Inc. has had a full array of businesses utilize the available space as well as the business counseling and business development resources available through the program.

The businesses that have occupied space at QC Inc. include:

- Chamber of Commerce – Anchor Tenant
- DAC, Enterprises LLC – home-based business expansion.
- The Prospecting Group- retail business expanded into wholesaling.
- Desert Winds Counseling-expanding into Queen Creek.
- At Home Solutions-expanding into Queen Creek.

- Bill King/Adam Reitch attorney at law-expanding into Queen Creek.
- Champion Satellite – home-based business expansion.
- Firehorse Solutions-consultant moving into area but has not seen any activity at this point.
- Karen Berg-realtor - main office in Chandler with satellite office at QC Inc.
- Lynn Freed- insurance representative - home-based business expansion.
- Open Technology Development- Material Research Corporation – pre-business/concept phase. Researchers in Arizona (Phoenix, Tucson and California). Utilizing mail service. Goal: facility in the east valley
- Richard Eggleston-start up business. Utilizing mail service.
- Today Publications – moved main office to Queen Creek
- SANDIGITAL – home-based business expansion.

The tenants listed above have or currently utilized the full range of services including mail service, social membership, business growth suites, and business development suites. Each tenant is in a different stage of the business lifecycle with training needed specific to their business. Each tenant has utilized the specialized business training the incubator offers through the Small Business Development Center, Service Corp of Retired Executives (SCORE), Small Business Resource Team (SBRT), My Brothers' Office and Chamber. Over 60 businesses have participated in seminars and training provided by the incubator.

QC Inc. has seen two tenants graduate in its first year: At Home Solutions and The Prospecting Group. Each business has continued additional training and services provided by the incubator. At Home Solutions has leased space within the Town Center with Economic Development's assistance. The Economic Development Department also assisted in trying to provide space in Queen Creek for The Prospecting Group; however; could not find the right fit. The Prospecting Group found a location in an unincorporated part of Queen Creek but continues their Chamber membership and connection to the Town. In addition, jobs that were creating in Queen Creek help bolster potential sales tax in the Town.

QC Inc has assisted in adding over 50 new jobs in the community (full and part time).

The Queen Creek Incubator has seen several additional accomplishments throughout the year including:

- Kim Moyers was asked to participate as a panelist at the AAED Spring Conference to discuss Queen Creek's office style incubator. There was a great amount of interest from other communities trying to stimulate economic development in their area.
- The Arizona Business Incubator Association (AZBIA) was recently formed with Kim Moyers appointed as Treasurer on the Board of Directors.
- QC Inc received the 2011 Innovation Award for Economic Development from the Arizona Commerce Authority (ACA).

- Staff has given a number of tours and served as a mentor to other municipalities researching incubator options.
- QC Inc. received a good deal of positive media coverage discussing the program and the Town's goal to encourage economic growth and entrepreneurship. All marketing pieces have boasted the development and nurturing of small business in Queen Creek.

Throughout the first year of operations staff has learned a lot about the intricacies of an incubation program. In addition to learning from other incubator best practices throughout Arizona and the country, the National Business Incubation Association (NBIA) has served as a significant resource for staff. The NBIA supports the sustainability of incubators; as well as, the flexibility needed to allow each incubator to vary their structure to the needs of the community. Many question the definition of "incubator" and prefer terms such as "business accelerators" or "business centers". While each incubator may vary in the services they provide, it is generally accepted that the goal of an incubator is to: create jobs, foster entrepreneurs, diversify the employment base and retain business in the community. The QC Inc review team evaluates tenants on the desire and ability of the business to create jobs and increase their sales base within the incubation period.

Staff is working on the continuation and evolution of the incubator program. In year two, the incubator will host a variety of "industry specific" workshops to attract particular sectors into our program. Staff has also evaluated the effectiveness of the program. In doing so, My Brothers' office will no longer be a partner but will remain as our "Meeting of the Minds" trainer. Staff is also researching the potential of different locations since the lease on the current space will expire in December 2012. Options include empty town facilities, which offers the necessary space needed to grow the incubator and would create a one-stop shop for potential business owners, negotiating a new lease at the current location and exploring other office space options in the community.

Staff presented an update on the QC Inc. program to the Economic Development Commission and asked for their recommendation on moving forward. The Commission unanimously agreed that the program should continue. The Commission made a MOTION

that the Economic Development Commission support the ongoing operations of the QC Incubator program, move the program to the parks building at the end of the current lease and maintain broad criteria for evaluating potential tenants for the program allowing for flexibility in the type of businesses that can utilize the program.

Fiscal Impact: In the first year of operation, QC Inc's revenues reached \$37,412.00 with expenditures of \$31,359.00, excluding the lease expense which is currently being paid by the Water Enterprise Fund. For FY 12/13, we would anticipate a similar budget program with the added expense of a potential lease expense after 12/31/12.

Alternatives:

End the QC Inc. program in December 2012 when the current lease expires.

Attachments:

Breakdown of additional employees to Queen Creek

Tenants that have added employees since entering QC Inc.:

- DAC, Enterprises LLC – added 1 part-time person. Goal: to add another full-time employee within the next 6 months
- The Prospecting Group- added 1 full time, 2-3 part-time. Graduated from the program.
- Desert Winds - 2 jobs in Queen Creek. Goal: 1-2 additional employees by end of year.
- At Home Solutions- 42 full and part-time jobs. Graduated from the program.
- Bill King attorney - added 1 job to Queen Creek. Goal: full-time law firm in Queen Creek
- Richard Eggleston-added 1 part time job. Goal: full time employment.
- Today Publications – added 2 part time jobs. Goal: continued growth and room for additional full-time employees.