

AGENDA



**REGULAR SESSION
MAYOR and COMMON COUNCIL
TOWN OF CAMP VERDE
COUNCIL CHAMBERS
473 S. Main Street, Room #106
WEDNESDAY, NOVEMBER 1, 2006
at 6:30 P.M.**

1. **Call to Order**

As a reminder, if you are carrying a cell phone, pager, computer, two-way radio, or other sound device, we ask that you turn it off at this time to minimize disruption of tonight's meeting.

2. **Roll Call**

3. **Pledge of Allegiance**

4. **Consent Agenda** – All those items listed below may be enacted upon by one motion and approved as consent agenda items. Any item may be removed from the Consent Agenda and considered as a separate item if a member of Council requests.

a) **Approval of the Minutes:**

- 1) October 18, 2006 – Executive Session
- 2) October 18, 2006 – Regular Session

b) **Set Next Meeting, Date and Time:**

- 1) Work Session – November 8, 2006 at 6:30 p.m.
- 2) Regular Session – November 15, 2006 at 6:30 p.m.
- 3) Council Hears P&Z – November 22, 2006 – **Cancelled**
- 4) Council Hears P&Z – November 29, 2006 at 6:30 p.m.

c) **Possible approval of Resolution 2006-713, a Resolution of the Mayor and Common Council of the Town of Camp Verde, Arizona, supporting the expansion of the Verde River Greenway Corridor from the Tuzigoot Bridge to Beasley Flats.**

5. **Call to the Public for Items not on the Agenda.**

6. **Public Hearing and possible recommendation to the Arizona Department of Liquor Licenses and Control for the following liquor license applications:**

- a) **Salt Mine Cellars located at 212 Finnie Flat Road (new license).**
- b) **Las Margaritas Grill located at 77 General Crook Trail (new license).**

7. **Update and discussion regarding the WIFA grant and the selection process for the Waste Water Master Plan and possible direction to staff regarding the consultant selection process and financial concerns.**

8. **Discussion, consideration, and possible approval of contract with Tetra Tech EM Inc. (\$104,999.46) to prepare a Waste Water Master Plan for the area extending from the western boundary of the Camp Verde Sanitary District to the location of the Coury dealership and to include financial information from a qualified subcontractor. This is a budgeted item.**

9. **Discussion, consideration, and possible approval of Banner Pole Policies, Procedures, and Use Application.**

10. **Discussion, consideration, and possible authorization for the Town to serve as a collection agency to receive donations from developers to complete a Water Adequacy Study (quantity and quality). This may be followed by possible direction to**

staff to establish the collection fund and to prepare a Request for Qualifications for a consultant to complete the study.

11. **Update on the Black Bridge River Front Park archaeological mitigation options.**
12. **PowerPoint presentation on Proposition 207 prepared by the City of Peoria. Proposition 207 addresses property condemnation through eminent domain.**
13. **Discussion, consideration, and possible direction to staff to proceed with the realignment of North Oasis Road right-of-way.**
14. **Call to the Public for Items not on the Agenda.**

There will be no Public Input on the following items:

15. **Advanced Approvals of Town Expenditures**
16. **Manager/Staff Report**
17. **Council Informational Reports** Individual members of the Council may provide brief summaries of current events and activities. These summaries are strictly for informing the public of such events and activities. The Council will have no discussion, consideration, or take action on any such item, except that an individual Council member may request that the item be placed on a future agenda.
18. **Adjournment**

Posted by: *R Jones*

Date/Time: 10-27-06 9:15 a.m.

Note: Pursuant to A.R.S. §38-431.03.A.2 and A.3, the Council may vote to go into Executive Session for purposes of consultation for legal advice with the Town Attorney on any matter listed on the Agenda, or discussion of records exempt by law from public inspection associated with an agenda item.

The Town of Camp Verde Council Chambers is accessible to the handicapped. Those with special accessibility or accommodation needs, such as large typeface print, may request these at the Office of the Town Clerk.

**MINUTES
REGULAR SESSION
MAYOR and COMMON COUNCIL
TOWN OF CAMP VERDE
COUNCIL CHAMBERS
WEDNESDAY, OCTOBER 18, 2006
at 6:30 P.M.**

Minutes are a summary of the actions taken. They are not verbatim.
Public input is placed after Council motions to facilitate future research.
Public input, where appropriate, is heard prior to the motion.

1. Call to Order

The meeting was called to order at 6:30 p.m.

2. Roll Call

Mayor Gioia, Vice Mayor Hauser, Councilors Baker, Kovacovich, Parrish and Parry were present; Councilor Smith was absent.

Also Present: Town Manager Bill Lee, Town Attorney Bill Sims, Finance Director Dane Bullard, Magistrate Bluff, Marshal Smith, Community Development Director Buckel, Housing Director Morris, Grants Administrator Casebier, Library Director Laurito, Engineer Long, Asst. to Town Manager Carol Brown, Town Clerk Debbie Barber, and Recording Secretary Margaret Harper.

3. Pledge of Allegiance

The Pledge was led by Baker.

4. Consent Agenda – All those items listed below may be enacted upon by one motion and approved as consent agenda items. Any item may be removed from the Consent Agenda and considered as a separate item if a member of Council requests.

a) Approval of the Minutes:

- 1) September 20, 2006 – Executive Session
- 2) September 27, 2006 – Council Hears Planning & Zoning
- 3) October 4, 2006 – Regular Session

b) Set Next Meeting, Date and Time:

- 1) Council Hears P&Z – October 25, 2006 at 6:30 p.m.
- 2) Regular Session – November 1, 2006 at 6:30 p.m.
- 3) Work Session – November 8, 2006 at 6:30 p.m.
- 4) Regular Session – November 15, 2006 at 6:30 p.m.
- 5) Council Hears P&Z – November 22, 2006 – **CANCELLED**
- 6) Council Hears P&Z – November 29, 2006 at 6:30 p.m.

c) Possible acceptance of Virginia Jones' letter of resignation from the Housing Commission, with appreciation.

d) Possible acceptance of quarterly reports from the Board of Adjustments and Planning & Zoning Commission.

e) Possible approval of Resolution 2006-706, a resolution of the Mayor and Town Council of the Town of Camp Verde, Arizona, supporting the Verde Valley Regional Land Use Plan with the attached recommended changes.

f) Possible approval of Resolution 2006-707, a resolution of the Town Council of the Town of Camp Verde, Arizona, stating the salary equivalency and the number of authorized positions for reserve police officers in the Town of Camp Verde.

g) Possible approval of Resolution 2006-710, a resolution of the Town of Camp Verde, Arizona, establishing a salary equivalent for purposes of computing insurance premium and compensation benefits for volunteers.

h) Possible approval of contract with Tetra Tech EM Inc. to prepare a Waste Water Master Plan for the area extending from the western boundary of the Camp Verde Sanitary District or Dickinson Circle to the location of the Coury dealership.

i) Possible approval of Economist.com contract to assist with additional financial evaluation, impact analysis, rate plans, and due diligence with regard to the possible acquisition of Camp Verde Water System.

On a motion by Hauser, seconded by Parrish, the Consent Agenda was unanimously approved as presented, with the exception of Items **h)** and **i)**.

Mayor Gioia requested that Items 4. **h)** and 4. **i)** be pulled for separate consideration.

h) Possible approval of contract with Tetra Tech EM Inc. to prepare a Waste Water Master Plan for the area extending from the western boundary of the Camp Verde Sanitary District or Dickinson Circle to the location of the Coury dealership.

A motion by Baker, seconded by Kovacovich, to approve the contract with Tetra Tech EM Inc. to prepare a Waste Water Master Plan for the area extending from the western boundary of the Camp Verde Sanitary District or Dickison Circle to the location of the Coury dealership; this is a budgeted item in the General Fund; **failed by a 2-4 vote**, with 'no' votes by Gioia, Hauser, Parrish and Parry.

On a motion by Gioia, seconded by Hauser, the **Council voted 4-2 to direct staff** to put together possibilities for change in proposal, document the time line to Council, include discussion with Tetra Tech for change to their scope, and contact WIFA for their recommendations in changing that scope; with 'no' votes by Baker and Kovacovich.

Mayor Gioia requested an explanation regarding how the RFP process required by the Town Code was by-passed. Lee said that Mike Casebier had re-applied for the WIFA Technical Assistance Grant to study the subject area and \$35,000 was received which will be combined with the \$70,000 received from the Yavapai-Apache Nation over the last two years. Casebier explained how the consultant was selected from the WIFA-approved list, as suggested by WIFA, as an alternative to following the RFP process. Mayor Gioia continued to express his concern about the method used to award the proposed consultant contract as well as the use of the Y-A funds earmarked for infrastructure.

Attorney Sims stated that Tetra Tech was procured under the authority of the Town to accomplish the direct selection of a professional pursuant to ARS Section 34-103.D.

Mayor Gioia discussed the proposed contract with the Tetra Tech Lead Consultant, **Waseem Kahn**, who explained in essence that the contract was intended to provide only the basis for requesting the future funding for the infrastructure, not how the funding will be provided, which would be a change in the scope of work. Mayor Gioia maintained that the Council's understanding was that the contract should have included a small chapter on the financial issues as possibilities that can be used, not specifics, and should be a part of the contract as one of the deliverables. Mr. Kahn said he would have to review the contract in order to make any change. Baker expressed concern about a change adversely affecting the WIFA grant and her understanding that the contract does provide what the Council had requested; Casebier confirmed that the grant funding could be lost by altering the scope of work substantially from what was approved.

To clarify the motion made by Gioia regarding the time line, staff was instructed to bring the issue back to Council as soon as possible based on whatever WIFA has to say, whether the Town has to go back through a process, all the time frame possibilities. Sims advised Gioia that the Town will be given legal advice on the issue during an Executive Session. Baker explained that her 'no' vote was based on concern about possibly losing the grant that has been received.

PUBLIC INPUT

Norma Garrison, in summary, stated her concern about the Town apparently acting contrary to the provisions of the Town Code that mandate advertising for bids. *Casebier responded that the bid from Tetra Tech was the only one received from the WIFA-approved list.*

There was no further public input.

NOTE: Item 4.i) was suspended from the Consent Agenda until after discussion in Executive Session.

5. **Call to the Public for Items not on the Agenda.**

There was no public input.

6. **Public Hearing followed by discussion, consideration, and possible endorsement of the American Legion Post 93 application for a Bingo License.**

On a motion by Gioia, seconded by Baker, the Council unanimously endorsed the American Legion Post 93 application for a Bingo License.

Town Clerk Barber advised the Council that the Bingo License application is similar to the requirements for a liquor license, has been posted for this public hearing, and no comments have been received. **Ken McKnight**, representing the American Legion Post 93 reviewed the plans for and the responses to the opportunity to play bingo locally, and outlined the charities that the net proceeds from the games will benefit.

PUBLIC INPUT

Hank Hoover offered his strong endorsement for the bingo games and how the funds help charities.

There was no further public input.

7. **Presentation by Arizona State Parks Representative Max Castillo on the Greenway River Trail System.**

Following the presentation the Council agreed to provide the **letter of support and/or a resolution; the issue will be included on a Consent Agenda.**

Max Castillo gave a comprehensive Power Point presentation on the Greenway River Trail System and the river trail that is planned to extend all the way to Beasley Flats and then through the wild and scenic river portion. Mr. Castillo explained that the goals and objectives of the Greenway project are basically to conserve the natural resources, describing and showing illustrations of many examples.

In response to a question regarding how the Town might be able to help in the project, Mr. Castillo suggested that the Council could submit a resolution or letter of support to the State Parks Board agreeing with the concept of extending the Greenway all the way down to Beasley. Lee reminded the Council of the Parks & Recreation Master Plan that has to do with developing a river trail system within the Town limits, and described the ongoing efforts in that regard.

PUBLIC INPUT

Robert Johnson asked about using chemicals on the invasive plants. *Mr. Castillo responded that it is possible to have the plants sprayed with chemicals by contract.*

Norma Garrison commented on the plan regarding forest road closures and wondered how that might affect the access roads to the river. *Mr. Castillo said that most of the access will be to a parking lot, and from there access will be non-motorized.*

There was no further public input.

8. Discussion, consideration, and possible approval for additional funding in the amount of \$12,432.62 to be added to the Janitorial Salaries line item.

On a motion by Kovacovich, seconded by Baker, the Council unanimously approved additional funding in the amount of \$12,432.62 to be added to the Janitorial Salaries line item.

Lynda Moore said that the janitorial services required have increased because of the addition of space in the Marshal's Office; there is not enough time to accomplish what needs to now be done within the hours approved by the budget. The requested amount would allow the part-time employee to work full time.

There was no public input.

9. Discussion, consideration, and possible approval of a budget override of line item 20-70-76-8401, Street and Safety Signing, for \$1,171.02 to cover the costs of the 'Covered Load' signs as requested by Council.

On a motion by Gioia, seconded by Hauser, the Council unanimously approved a budget override of line item 20-70-76-8401, Street and Safety Signing, for \$1,171.02.

Town Engineer Ron Long explained that the amount budgeted for did not include the 'Covered Load' signs, tht the requirement was not foreseen at budget time. The signs have been purchased at a cost of \$1,171, and based on experience the budget will be short that amount. Long felt the Council should be aware of that now rather than at the end of the year.

The Council raised the question of braking signs that are needed at more locations in the Town; **staff was directed** to look into that. Long confirmed he would do so.

PUBLIC INPUT

Robert Johnson reiterated his concern about vehicles speeding on the road where he exits Verde Lakes Drive, and that signs are needed there to warn drivers to slow down as well as at Sierra Verde Road.

There was no further public input.

10. Discussion, consideration, and possible direction to staff to negotiate a contract with EnviroSystems Management Inc. for the archaeological treatment or mitigation of Black Bridge Park.

Staff was directed as follows: (1) to look into the University possibility; (2) Gioia still waiting to hear back from the Nation; (3) to look into the possibility of the State agency; and (4) Brenda "has a friend" who might be of help. Gioia requested an update at the meeting on November 1st; that will be on the agenda.

For the record, Gioia clarified for the residents that any physical changes on the land have stopped until the excavation phase has been settled.

Lee referred to the proposal from EnviroSystems to clear the entire archaeological site as well as a 60-foot right-of-way. Lee understands that there is a State agency that might help pay for the cost; he also is aware that Gioia is discussing working with the Nation on getting their help. Lee also suggested the possibility of applying for a SLIF grant in December, and the more work that is accomplished in advance would be of more help in getting the grant. Lee said he hoped to wrap it up within the next 30 days; if there is no commitment from the Nation perhaps the Town could move forward with the proposal that has been presented. Gioia reported on his understanding from the Nation archaeologist that the Forest Service has volunteers that might do the work free, based on a grant application from the Nation archaeologist, if authorized, who

would also supervise. Parrish also suggested using the University students as had been done in the past. There was further discussion on the possible timeframe; it was agreed that a decision on the subject proposal could be held in abeyance.

PUBLIC INPUT

Paul Clawson requested clarification of the proposed cost; Lee said the \$38,000 would clear the entire site, but would not include construction of the road. Mr. Clawson sincerely thanked the Council for stopping the work, and assured the Council that the residents are in support of their efforts.

There was no further public input.

11. **Presentation by Town Manager Bill Lee regarding FY 05/06 departmental accomplishments.**

There was no action taken.

Lee made a Power Point presentation on his departmental FY05/06 accomplishments, ending with a commendation for the Town employees and their desire to serve the community, their ability to perform, and courage to act under adverse conditions at times. In conclusion, Lee stressed that he wants to continue as the Town Manager, that he has worked hard for the community and a lot of good things have been accomplished. He believes he has the support of the staff and the majority of the citizens of Camp Verde.

Mayor Gioia, on behalf of the Council, joined in thanking all of the department heads and staff members for all the work that is done for the community.

The Council next briefly discussed the possibility of going into Executive Session on the following four items 12, 13, 14 and 15; Attorney Sims confirmed that the action that the public would need to be aware of is the one item from the Consent Agenda, Item 4.i). It was also confirmed that direction to staff could be given during an Executive Session.

On a motion by Baker, seconded by Kovacovich, the Council voted unanimously to go into Executive Session for Items 12, 13, 14 and 15, and Consent Agenda Item 4.i).

NOTE: Items 16, 17, 18 and 19 were addressed for the benefit of the public prior to going into the Executive Session.

12. **Discussion, consideration, and review of the Burgess & Niple Camp Verde Water System appraisal.** Note: Council may vote to go into executive session to discuss this item, pursuant to ARS §38-431.03 (A)(7) for discussion or consultations with designated representatives in order to consider Council's position and instruct representatives regarding the negotiations for the purchase, sale, or lease of real property and (A)(3) for discussion or consultation for legal advice with the attorney.
13. **Discussion, consideration, and possible direction to staff regarding a possible agreement with Yavapai Ranch confirming the intent to participate in the Yavapai Ranch Land Exchange.** Note: Council may vote to go into executive session to discuss this item, pursuant to ARS §38-431.03 (A)(7) for discussion or consultation with designated representatives of the public body in order to consider its position and instruct its representatives regarding negotiations for the purchase, sale or lease of real property and (A)(3) for discussion or consultation for legal advice with the attorney.
14. **Update regarding Thomas L. Griffith v. Town of Camp Verde.** Note: Council may vote to go into executive session to discuss this item, pursuant to ARS §38-431.03 (A)(4) for discussion or consultation with the attorney regarding Council's position regarding contracts that are the

subject of negotiations, in pending or contemplated litigation or in settlement discussions in order to avoid or resolve litigation and (A)(3) for discussion or consultation for legal advice with the attorney.

15. **Update regarding legal advice regarding the possible assignment, appointment, promotion, demotion, dismissal, salaries, disciplining, or resignation of the Town Manager. This discussion will not include any evaluation of the Town Manager. Note:** Council may vote to go into executive session to discuss this item, pursuant to ARS §38-431.03 (A)(1) for discussion or consideration of assignment, appointment, promotion, demotion, dismissal, salaries, disciplining or resignation of a public officer, appointee or employee of any public body and (A)(3) for discussion or consultation for legal advice with the attorney.
16. **Call to the Public for Items not on the Agenda.**
There was no public input.
17. **Advanced Approvals of Town Expenditures**
There were no advanced approvals of Town expenditures.
18. **Manager/Staff Report**
Lee gave an update on the recent request from citizens regarding speeding buses; that information, as well as information provided by the Mayor about another area, has been relayed to the School Bus Department. Lee will be in attendance at the State Parks Board meeting at Red Rock State Park tomorrow on acquiring the 24 acres earlier mentioned. Lee thanked Moore for her efforts in putting the Fort Verde Days event together.
19. **Council Informational Reports**
Hauser reported on the Verde River Partnership meeting today; a scope of work has been adopted for the Title 2 process. Hauser also reported on the Verde Watershed meeting and reminded everyone about dues being payable; she also attended a Verde Greenway meeting, as well as the WAC meeting. Flu shots will be available at the drug store between 11:00 and 5:00. The football players are winning and doing well.

Parrish commented on the unusual rain on the Parade last Saturday, and relayed a complaint about motorcycles being placed in line behind horses which created a hazard for the horse riders as well as for the motorcycles.

Parry described his pleasure at being present and meeting the Governor at the presentation of the check for the cannons. He shared his opinion on the need to turn tourism into a profit center.

Baker announced that there will be a Yavapai County flu shot clinic scheduled for Friday, Room 206 on Town property, from 9:00 a.m. to 1:00 p.m.

Gioia reported on conversations with ADWR regarding their permitting for water adequacy and their concerns for no longer utilizing the study that was made in 1999. He also reported on following up on the letters received from Bwana Hal opposing Out of Africa endeavors. Gioia said that in response to concerns from Housing Commissioners regarding the need to be able to enforce the ICC and the Rental Codes; the attorney is working on a change to the Code that puts teeth in those administrative efforts.

A recess was called at 8:43 p.m. to go into Executive Session.

20. **Adjournment**

On a motion by Baker, seconded by Kovacovich, the meeting was adjourned at 8:43 p.m.

Tony Gioia, Mayor

Margaret Harper, Recording Secretary

CERTIFICATION

I hereby certify that the foregoing Minutes are a true and accurate accounting of the actions of the Mayor and Common Council of the Town of Camp Verde during the Regular Session of the Town Council of Camp Verde, Arizona, held on the 18th day of October 2006. I further certify that the meeting was duly called and held, and that a quorum was present.

Dated this _____ day of _____, 2006.

Debbie Barber, Town Clerk



Resolution 2006-713

**A RESOLUTION OF THE MAYOR AND COMMON COUNCIL
OF THE TOWN OF CAMP VERDE, ARIZONA,
SUPPORTING THE EXPANSION OF THE
VERDE RIVER GREENWAY COORIDOR FROM THE
TUZIGOOT BRIDGE TO BEASLEY FLATS**

WHEREAS, the original boundary of the Verde River Greenway is a six-mile stretch of the Verde River from the Tuzigoot Bridge to the Bridgeport Bridge; and

WEHREAS, the Arizona State Parks Department has successfully acquired, managed, and incorporated numerous properties into the Verde River Greenway Project; and

WHEREAS, the local communities and the State have benefited from the public ownership and management of these lands through preservation of natural resources, preservation of cultural resources, public access to the Verde River, increased recreation opportunities, and expanded tourism opportunities; and

WHEREAS, the Arizona State Parks Board has authorized expansion of the boundary for the Verde River Greenway Project to Beasley Flats, providing for the public benefits of the Verde River Greenway to a larger reach, thirty-five miles, of the Verde River corridor.

NOW THEREFORE, BE IT RESOLVED BY THE MAYOR AND COMMON COUNCIL OF THE TOWN OF CAMP VERDE, YAVAPAI COUNTY, ARIZONA, that the Town of Camp Verde supports the decision of the Arizona State Parks Board to expand the boundary of the Verde River Greenway Project, and hereby encourages continued acquisition of property to be incorporated within the Verde River Greenway, and further encourages the Arizona Legislature to appropriate funding to support said property acquisitions, management, and operation of the Verde River Greenway Project.

PASSED AND ADOPTED BY THE MAYOR AND COMMON COUNCIL OF THE TOWN OF CAMP VERDE, YAVAPAI COUNTY, ARIZONA, this 1st DAY OF NOVEMBER 2006.

Tony Gioia, Mayor

Attest: _____
Deborah Barber, Town Clerk

Approved as to form:

Town Attorney



ARIZONA DEPARTMENT OF LIQUOR LICENSES & CONTROL

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

400 W Congress #521
Tucson AZ 85701-1352
(520) 628-6595



APPLICATION FOR LIQUOR LICENSE

TYPE OR PRINT WITH BLACK INK

Notice: Effective Nov. 1, 1997, All Owners, Agents, Partners, Stockholders, Officers, or Managers actively involved in the day to day operations of the business must attend a Department approved liquor law training course or provide proof of attendance within the last five years. See page 5 of the Liquor Licensing requirements.

SECTION 1 This application is for a:

- INTERIM PERMIT *Complete Section 5*
- NEW LICENSE *Complete Sections 2, 3, 4, 13, 14, 15, 16, 17*
- PERSON TRANSFER (Bars & Liquor Stores ONLY)
Complete Sections 2, 3, 4, 11, 13, 15, 16, 17
- LOCATION TRANSFER (Bars and Liquor Stores ONLY)
Complete Sections 2, 3, 4, 12, 13, 15, 16, 17
- PROBATE/WILL ASSIGNMENT/DIVORCE DECREE
Complete Sections 2, 3, 4, 9, 13, 15, 17 (fee not required)
- GOVERNMENT *Complete Sections 2, 3, 4, 10, 13, 15, 16, 17*

SECTION 2 Type of ownership:

- J.T.W.R.O.S. *Complete Section 6*
- INDIVIDUAL *Complete Section 6*
- PARTNERSHIP *Complete Section 6*
- CORPORATION *Complete Section 7*
- LIMITED LIABILITY CO. *Complete Section 7*
- CLUB *Complete Section 8*
- GOVERNMENT *Complete Section 10*
- TRUST *Complete Section 6*
- OTHER Explain

SECTION 3 Type of license and fees:

LICENSE #: 12133351
Department Use Only
\$ 1290

1. Type of License: 12 2. Total fees attached: \$ 1290
APPLICATION FEE AND INTERIM PERMIT FEES (IF APPLICABLE) ARE NOT REFUNDABLE.
A service fee of \$25.00 will be charged for all dishonored checks (A.R.S. 44.6852)

SECTION 4 Applicant: (All applicants must complete this section)

1. Applicant/Agent's Name: Mr. CASTELLANOS TOSHA RICHARD
(Insert one name ONLY to appear on license) Last First Middle
2. Corp./Partnership/L.L.C.: RLR LLC
(Exactly as it appears on Articles of Inc. or Articles of Org.)
3. Business Name: SALT MINE CELLARS
(Exactly as it appears on the exterior of premises)
4. Business Address: 212 FINNIE FLA. SPD CAMO VERDE YAVAPAI 86322
(Do not use PO Box Number) City COUNTY Zip
5. Business Phone: (928) 567-0125 Residence Phone: (480) 510-9979
6. Is the business located within the incorporated limits of the above city or town? YES NO
7. Mailing Address: P.O. BOX 1785 CAMO VERDE AZ 86322
City State Zip
8. Enter the amount paid for a 06, 07, or 09 license: \$ _____ (Price of License ONLY)

DEPARTMENT USE ONLY					
Accepted by: <u>DC</u>	Date: <u>10/10/2006</u>	Lic. #:	<u>12133351</u>		
Fees: <u>1000</u>			<u>290</u>	\$	<u>1290</u>
Application	Interim Permit	Agent Change	Club	F. Prints	TOTAL

PROCESSING APPLICATIONS TAKES APPROXIMATELY 90 DAYS, AND CIRCUMSTANCES OFTEN RESULT IN A LONGER WAITING PERIOD. YOU ARE CAUTIONED REGARDING PLANS FOR A GRAND OPENING, ETC., BEFORE FINAL APPROVAL AND ISSUANCE OF THE LICENSE.

06 OCT 10 11:49 AM 12/25

SECTION 5 Interim Permit:

1. If you intend to operate business while your application is pending you will need an Interim Permit pursuant to A.R.S. 4-203.01.
2. There **MUST** be a valid license of the same type you are applying for currently issued to the location.
3. Enter the license number currently at the location. _____
4. Is the license currently in use? YES NO If no, how long has it been out of use? _____

ATTACH THE LICENSE CURRENTLY ISSUED AT THE LOCATION TO THIS APPLICATION.

I, _____, declare that I am the CURRENT OWNER, AGENT, CLUB
(Print full name)
 MEMBER, PARTNER, STOCKHOLDER OR LICENSEE of the stated license and location.

foregoing application

State of _____ County of _____
 The foregoing instrument was acknowledged before me this

X _____
(Signature)

_____ day of _____, _____
Day Month Year

My commission expires on: _____

(Signature of NOTARY PUBLIC)

06 OCT 10 11:41 AM '25

SECTION 6 Individual or Partnership Owners:

EACH PERSON LISTED MUST SUBMIT A COMPLETED FORM "LIC0101", AN "APPLICANT" TYPE FINGERPRINT CARD, AND \$29 FEE FOR EACH CARD.

1. Individual:

Last	First	Middle	% Owned	Residence Address	City	State	Zip

Partnership Name: (Only the first partner listed will appear on license) _____

General-Limited	Last	First	Middle	% Owned	Residence Address	City	State	Zip
<input type="checkbox"/> <input type="checkbox"/>								
<input type="checkbox"/> <input type="checkbox"/>								
<input type="checkbox"/> <input type="checkbox"/>								
<input type="checkbox"/> <input type="checkbox"/>								

(ATTACH ADDITIONAL SHEET IF NECESSARY)

2. Is any person, other than the above, going to share in the profits/losses of the business? YES NO
 If Yes, give name, current address and telephone number of the person(s). Use additional sheets if necessary.

Last	First	Middle	Residence Address	City, State, Zip	Telephone#

SECTION 7 Corporation/Limited Liability Co.:

EACH PERSON LISTED MUST SUBMIT A COMPLETED FORM "LIC0101", AN "APPLICANT" TYPE FINGERPRINT CARD, AND \$29 FEE FOR EACH CARD.

- CORPORATION Complete questions 1, 2, 3, 5, 6, 7, 8.
 L.L.C. Complete questions 1, 2, 4, 5, 6, 7 and attach copy of Articles of Org. and Operation Agreement.

1. Name of Corporation/L.L.C.: RLR LLC
 (Exactly as it appears on Articles of Inc. or Articles of Org.)
2. Date Incorporated/Organized: 8/26/04 State where Incorporated/Organized: ARIZONA
3. AZ Corporation Commission File No.: N/A Date authorized to do business in AZ: N/A
4. AZ L.L.C. File No: L-1151770-0 Date authorized to do business in AZ: 8/26/04
5. Is Corp./L.L.C. non-profit? YES NO If yes, give IRS tax exempt number: _____
6. List all directors, officers, controlling stockholders or members in Corporation/L.L.C.:

Last	First	Middle	Title	Residence Address	City State Zip
CASTELLANOS	JOSHUA	RICHARD	OWNER/AGENT	193 ARNOLD ST CAMP VERDE AZ	86322
MARCHANT-LEE	AMBER	LEE	MEMBER/OWNER	3575 S. RIVERSIDE DR CAMP VERDE AZ	86322

(ATTACH ADDITIONAL SHEET IF NECESSARY)

7. List stockholders or controlling members owning 10% or more:

Last	First	Middle	% Owned	Residence Address	City State Zip
CASTELLANOS	JOSHUA	RICHARD	50%	193 ARNOLD ST CAMP VERDE AZ	86322
MARCHANT-LEE	AMBER	LEE	50%	3575 S. RIVERSIDE DR CAMP VERDE AZ	86322

(ATTACH ADDITIONAL SHEET IF NECESSARY)

8. If the corporation/L.L.C. is owned by another entity, attach an ownership, and director/officer/members disclosure for the parent entity. Attach additional sheets as necessary in order to disclose real people.

SECTION 8 Club Applicants:

EACH PERSON LISTED MUST SUBMIT A COMPLETED FORM "LIC0101", AN "APPLICANT" TYPE FINGERPRINT CARD, AND \$29 FEE FOR EACH CARD.

1. Name of Club: _____ Date Chartered: _____
 (Exactly as it appears on Club Charter or Bylaws) (Attach a copy of Club Charter or Bylaws)
2. Is club non-profit? YES NO If tax exempt, give IRS tax exempt number: _____
3. List officer and directors:

Last	First	Middle	Title	Residence Address	City State Zip
<u>N/A</u>					

(ATTACH ADDITIONAL SHEET IF NECESSARY)

SECTION 9 Probate, Will Assignment or Divorce Decree of an existing Bar or Liquor Store:

- 1. Current Licensee's Name: _____
(Exactly as it appears on license) Last First Middle
- 2. Assignee's Name: _____
Last First Middle
- 3. License Type: _____ License Number: _____ Date of Last Renewal: _____
- 4. ATTACH TO THIS APPLICATION A CERTIFIED COPY OF THE WILL, PROBATE DISTRIBUTION INSTRUMENT, OR DIVORCE DECREE THAT SPECIFICALLY DISTRIBUTES THE LIQUOR LICENSE TO THE ASSIGNEE TO THIS APPLICATION.

SECTION 10 Government: (for cities, towns, or counties only)

- 1. Person to administer this license: _____
Last First Middle
- 2. Assignee's Name: _____
Last First Middle

A SEPARATE LICENSE MUST BE OBTAINED FOR EACH PREMISES FROM WHICH SPIRITUOUS LIQUOR IS SERVED.

SECTION 11 Person to Person Transfer:

Questions to be completed by CURRENT LICENSEE (Bars and Liquor Stores ONLY).

- 1. Current Licensee's Name: _____ Entity: _____
(Exactly as it appears on license) Last First Middle (Indiv., Agent, etc.)
- 2. Corporation/L.L.C. Name: _____
(Exactly as it appears on license)
- 3. Current Business Name: _____
(Exactly as it appears on license)
- 4. Current Business Address: Street _____
City, State, Zip _____
- 5. License Type: _____ License Number: _____ Last Renewal Date: _____
- 6. Current Mailing Address: Street _____
(Other than business) City, State, Zip _____
- 7. Have all creditors, lien holders, interest holders, etc. been notified of this transfer? YES NO
- 8. Does the applicant intend to operate the business while this application is pending? YES NO If yes, complete section 5, attach fee, and current license to this application.
- 9. I hereby relinquish my rights to the above described license to the applicant named in this application and hereby declare that the statements made in this section are true, correct and complete.

I, _____, declare that I am the CURRENT OWNER, AGENT, CLUB MEMBER, PARTNER, STOCKHOLDER or LICENSEE of the stated license. I have read this section foregoing questionnaire and the contents and all statements are true, correct and complete.

X _____
(Signature of CURRENT LICENSEE)

State of _____ County of _____
The foregoing instrument was acknowledged before me this _____ day of _____, _____ Year
Day Month Year

My commission expires on: _____

(Signature of NOTARY PUBLIC)

06 OCT 10 11:49 AM Lic. PM1225

N/A

SECTION 12 Location to Location Transfer: (Bars and Liquor Stores ONLY)

06 OCT 10 Liq. Lic. PM12:25

APPLICANTS CANNOT OPERATE UNDER A LOCATION TRANSFER UNTIL IT IS APPROVED BY THE STATE.

1. Current Business: Name _____
 (Exactly as it appears on license) Address _____
2. New Business: Name _____
 (Do not use PO Box Number) Address _____
3. License Type: _____ License Number: _____ Last Renewal Date: _____
4. What date do you plan to move? _____ What date do you plan to open? _____

SECTION 13 Questions for all in-state applicants:

1. Distance to nearest school: 2102 ft. Name of school: CAMP VERDE CHRISTIAN SCHOOL
 (Regardless of distance) Address 903 FINNIE FLAT RD CAMP VERDE, AZ 86322
2. Distance to nearest church: 2376 ft. Name of church: CHURCH OF JESUS CHRIST
 (Regardless of distance) Address 360 S. 5TH STREET CAMP VERDE, AZ 86322
3. I am the: LESSEE SUBLESSEE OWNER PURCHASER (of premises)
4. If the premises is leased give lessors: Name _____
 Address _____
- 4a. Monthly rental/lease rate \$ _____ What is the remaining length of the lease? _____ yrs. _____ mos.
- 4b. What is the penalty if the lease is not fulfilled? \$ _____ or other _____
 (give details - attach additional sheet if necessary)
5. What is the total **business** indebtedness of the applicant for this license/location excluding lease? \$ 260,000

Does any one creditor represent more than 10% of that sum? YES NO If yes, list below. Total must equal 100%.

Last	First	Middle	% Owed	Residence Address	City State Zip
NATIONAL BANK			100%	563 W. FINNIE FLAT RD	CAMP VERDE AZ 86322

(ATTACH ADDITIONAL SHEET IF NECESSARY)

6. What type of business will this license be used for? (BE SPECIFIC) RESTAURANT
7. Has a license, or a transfer license for the premises on this application been denied by the state within the past one (1) year?
 YES NO If yes, attach explanation.
8. Does any spirituous liquor manufacturer, wholesaler, or employee, have any interest in your business? YES NO
9. Is the premises currently licensed with a liquor license? YES NO If yes, give license number and licensee's name:
 License # 07130024 (Exactly as it appears on license) Name ROBERT JAMES REUNA

SECTION 14 Restaurant, or Hotel-Motel Applicants:

- Is there a valid restaurant or hotel-motel liquor license at the proposed location? YES NO If yes, give licensee's name: _____ and license #: _____
 Last First Middle
- If the answer to Question 1 is YES, you may qualify for an Interim Permit to operate while your application is pending; consult A.R.S. Section 4-203.01; and complete Section 5 of this application.
- All restaurant applicants must complete a Restaurant Operation Plan (Form LIC0114) provided by the Department of Liquor.
- Do you understand that **40% of your gross revenue** must be from food sales? YES NO

SECTION 15 Diagram of Premises: (Blueprints not accepted, diagram must be on this form)

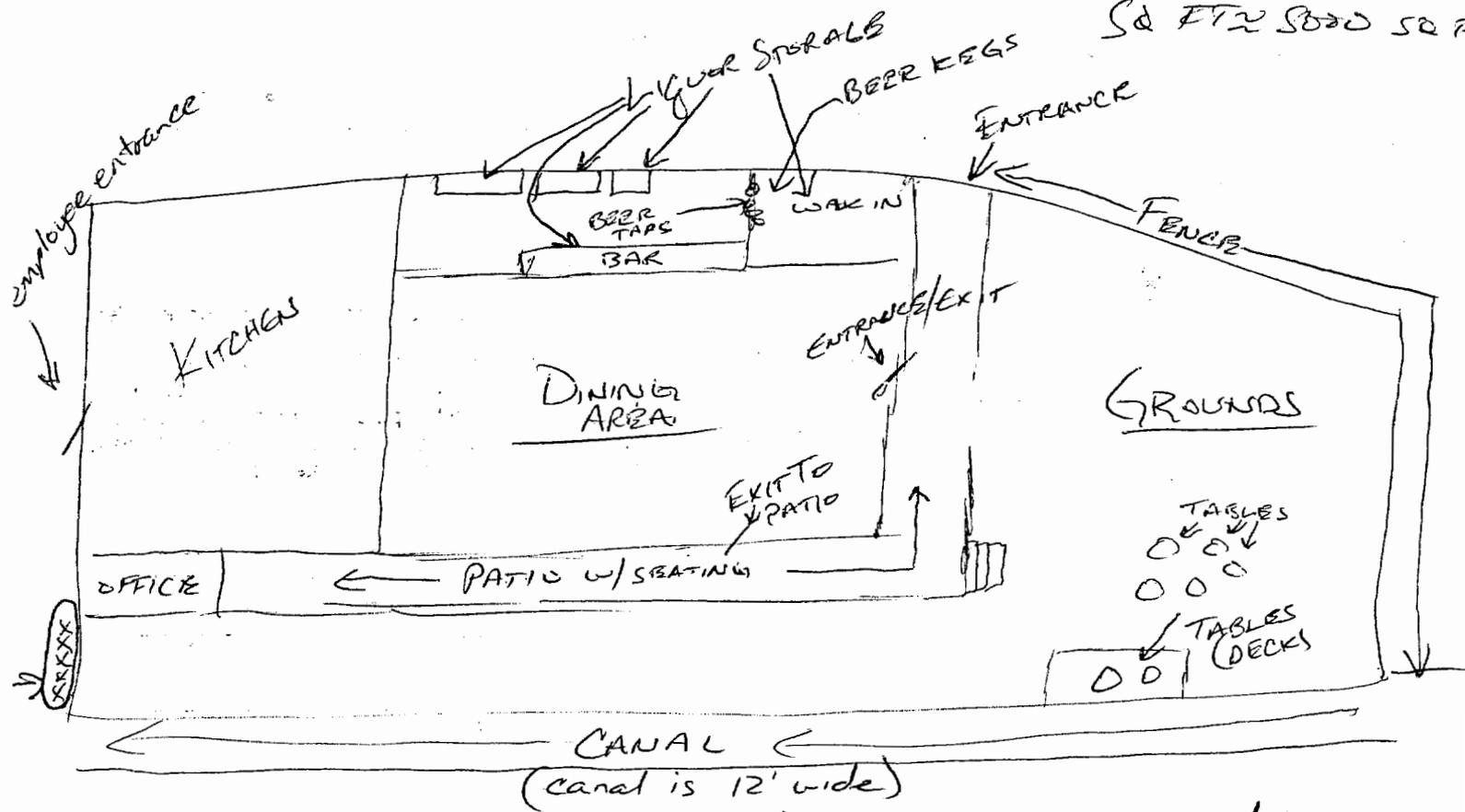
1. Check ALL boxes that apply to your licensed premises:

- | | |
|---|--|
| <input checked="" type="checkbox"/> Entrances/Exits | <input checked="" type="checkbox"/> Liquor storage areas |
| <input type="checkbox"/> Drive-in windows | <input checked="" type="checkbox"/> Patio enclosures |
| <input type="checkbox"/> Service windows | <input checked="" type="checkbox"/> Under construction: estimated completion date <u>DECEMBER 31st</u> |

- Restaurants and Hotel/Motel applicants must explicitly depict kitchen equipment and dining facilities.
- The diagram below is the only area where spirituous liquor is to be sold, served, consumed, dispensed, possessed, or stored. Give the square footage or outside dimensions of the licensed premises.

DO NOT INCLUDE PARKING LOTS, LIVING QUARTERS, ETC.

06 OCT 10 11:41 AM 2005

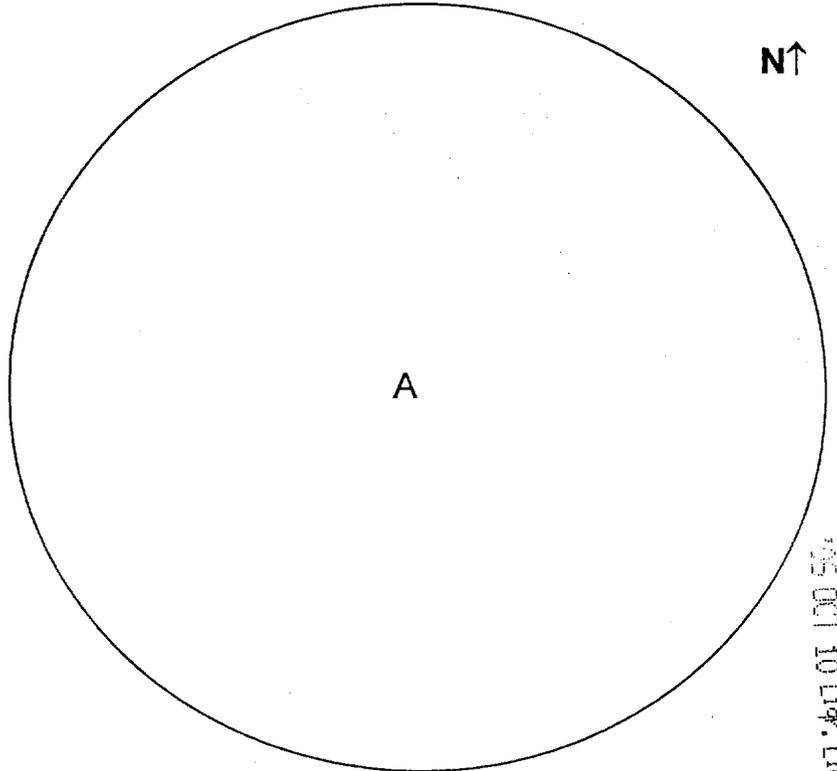


YOU MUST NOTIFY THE DEPARTMENT OF LIQUOR OF ANY CHANGES OF BOUNDARIES, ENTRANCES, EXITS, OR SERVICE WINDOWS MADE AFTER SUBMISSION OF THIS DIAGRAM.

SECTION 16 Geographical Data: A SAMPLE FOR THIS SECTION IS PROVIDED ON THE BACK OF THIS PAGE.

List below the exact names of all churches, schools, and spirituous liquor outlets within a one mile radius of your proposed location. Ref. A.R.S. 4-201 (B)

1. _____
2. _____
3. _____
4. _____
5. _____
6. _____
7. _____
8. _____
9. _____
10. _____
11. _____
12. _____
13. _____
14. _____
15. _____



(ATTACH ADDITIONAL SHEET IF NECESSARY)

A = Your business name and identify cross streets.

SECTION 17 Signature Block:

I, JOSHUA RICHARD CASTELLANOS, declare that: 1) I am the APPLICANT (Owner, Agent, Partner, Stockholder (Print name of APPLICANT/AGENT listed in Section 4 Question 1) (10% or more), Member, Officer (10% or more ownership), or Club Member making this application; 2) i have read the application and the contents and all statements are true, correct and complete; 3) that this application is not being made to defraud or injure any creditor, taxing authority, regulatory authority, or transferor; 4) that no other person, firm, or corporation, except as indicated, has an interest in the spirituous liquor license for which these statements are made; and 5) that to the best of my knowledge and belief, none of the owners, partners, members, officers, directors or stockholders listed have been convicted of a felony in the past five (5) years.

X _____
 (Signature)

State of _____ County of _____
 The foregoing instrument was acknowledged before me this
 _____ day of _____
 Day Month Year

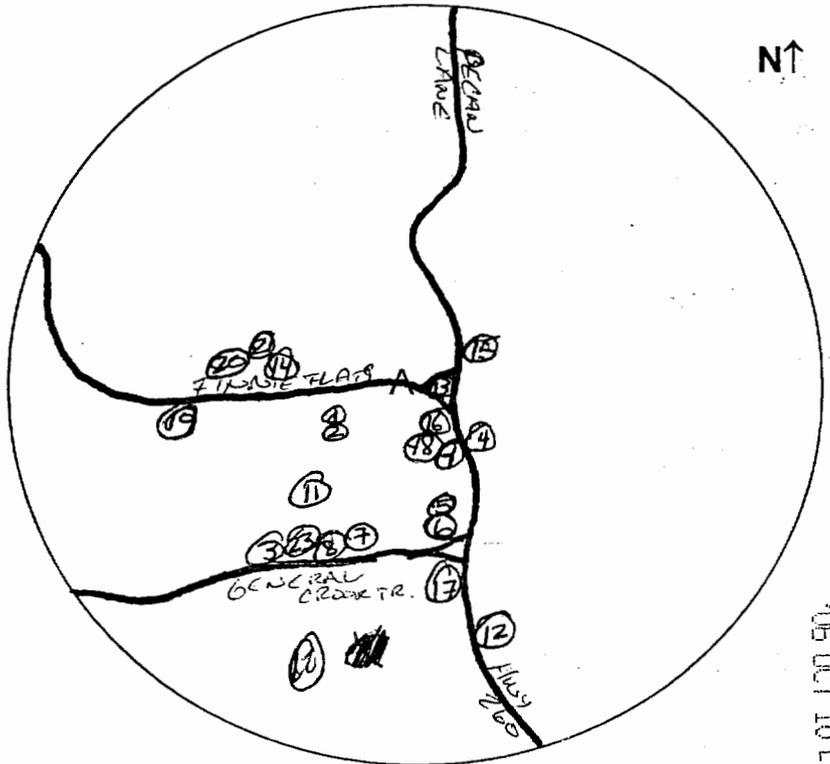
My commission expires on: _____
 (Signature of NOTARY PUBLIC)

SECTION 16 Geographical Data: A SAMPLE FOR THIS SECTION IS PROVIDED ON THE BACK OF THIS PAGE.

List below the exact names of all churches, schools, and spirituous liquor outlets within a one mile radius of your proposed location. Ref. A.R.S. 4-201 (B)

1. CHURCH OF JESUS CHRIST
2. FIRST SOUTHERN BAPTIST
3. ST FRANCIS CARRINI
4. CALVARY CHAPEL
5. CAMP VERDE UNITED METHODIST
6. FIRST BAPTIST CHURCH
7. NEW BEGINNINGS CHURCH
8. AMERICAN HERITAGE (SCHOOL)
9. PACE PREP ACADEMY
10. CAMP VERDE CHRISTIAN (SCHOOL)
11. COPPER CANYON ACADEMY
12. CHESTER NEWTON PRE-SCHOOL
13. CIRCLE K
14. CRUSTY'S PIZZA
15. BABE ROUND UP

(ATTACH ADDITIONAL SHEET IF NECESSARY)

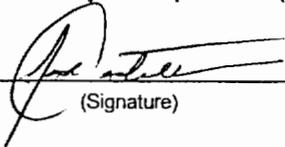


A = Your business name and identify cross streets.

05 OCT 10 11:49 AM '06

SECTION 17 Signature Block:

I, JOSHUA CASTELLANOS, declare that: 1) I am the APPLICANT (Owner, Agent, Partner, Stockholder (Print name of APPLICANT/AGENT listed in Section 4 Question 1) (10% or more), Member, Officer (10% or more ownership), or Club Member making this application; 2) I have read the application and the contents and all statements are true, correct and complete; 3) that this application is not being made to defraud or injure any creditor, taxing authority, regulatory authority, or transferor; 4) that no other person, firm, or corporation, except as indicated, has an interest in the spirituous liquor license for which these statements are made; and 5) that to the best of my knowledge and belief, none of the owners, partners, members, officers, directors or stockholders listed have been convicted of a felony in the past five (5) years.

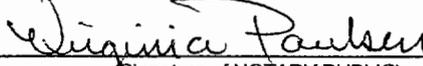
X 
(Signature)

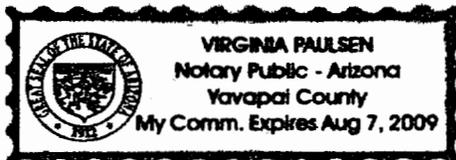
State of Arizona County of Yavapai

The foregoing instrument was acknowledged before me this

3rd day of October, 2006
Day Month Year

My commission expires on: 8-7-2009

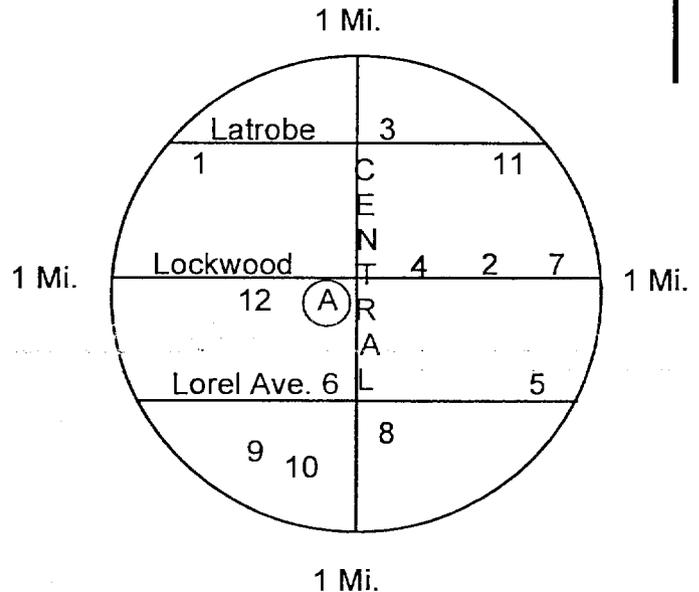

(Signature of NOTARY PUBLIC)



SAMPLE GEOGRAPHICAL DATA

In the area adjacent to the map provided below indicates your proposed location and the exact names Of all churches, schools, and alcoholic beverage outlets within a 1 mile radius of your proposed location. Ref. A.R.S. 4-201 (B) (See example below)

<u>A = Applicant</u>	<u>Series 12</u>
<u>01 Pink Elephants</u>	<u>Series 06</u>
<u>02 Mama's Rest.</u>	<u>Series 12</u>
<u>03 Corner Liquors</u>	<u>Series 09</u>
<u>04 Joe's Groceries</u>	<u>Series 10</u>
<u>05 Lions Club</u>	<u>Series 14</u>
<u>06 Burgers R Us</u>	<u>Series 07</u>
<u>07 Pizza Perfect</u>	<u>Series 07</u>
<u>08 Billy Bobs Bar</u>	<u>Series 06</u>
<u>09 St. Anthonys Church</u>	
<u>10 St. Anthonys School</u>	
<u>11 Burbank Middle School</u>	
<u>12 First United Baptist Church</u>	
<u>13</u>	
<u>14</u>	
<u>15</u>	



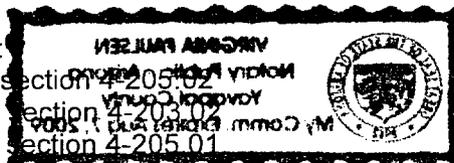
06 OCT 10 11:49 AM '06

A.R.S. Section 4-207.A reads as follows:

A. No retailers license shall be issued for any premises which are at the time the license application is received by the Director, within three hundred(300) horizontal feet of a church, within three hundred(300) horizontal feet of a public or private school building with kindergarten programs or any of grades one(1) through twelve(12) or within three hundred (300) horizontal feet of a fenced recreational area adjacent to such school building.

B. Subsection A of this section does not apply to a:

1. Restaurant issued a license pursuant to section 4-205.02
2. Special event license issued pursuant to section 4-205.02
3. Hotel-motel issued a license pursuant to section 4-205.01
4. Government license issued pursuant to section 4-205.03
5. Fenced playing area of a golf course issued a license pursuant to this article.



- Section 16 continued -

16. Ming house restaurant
17. Top Shelf liquor
18. Gabrielas restaurant
19. Veterans of Foreign Legions
20. Bashas Grocery
21. ESCO Drug
22. Veterans of Foreign Legions
23. Iglesias church

ARIZONA DEPARTMENT OF LIQUOR LICENSES & CONTROL

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



400 W Congress #521
Tucson AZ 85701-1352
(520) 628-6595

RESTAURANT OPERATION PLAN

LICENSE # ~~07130024~~
12133351

1. List by Make, Model and Capacity of your :

Grill	19 1/2" x 25" "Charmglow" = 48 7/2 SQ INCHES
Oven	① 30" x 42" ② 30" x 42" ③ 30" x 42" ^{BLADGETT} 3,780 9499W = 3,780
Freezer	① 15" x 25" x 54" ^{KCUNORE 931582} ② 24" x 24" x 34" ^{WHIRLPOOL} = 45,234 ^{CUBIC} INCHES
Refrigerator	① 26" x 47 1/2" x 60" ^{Whirlpool} ② 28" x 71" x 24" ^{TURBO A.I.R. #TST22SD} ③ 15 1/2" x 8' x 7' 5" ^{HUNG MADE CHINA} = 1238 ^{CUBIC} FT
Sink	① 29" x 10" x 14" ^{COLLUM INC} ② 21" x 12" x 23" ^{UltraTubs} ③ 25" x 19" x 5" ^{Stainless steel} = 16,291 ^{CUBIC} INCHES
Dish Washing Facilities	① 25" x 19 1/2" x 20" → PROLEAN # AF-3DS = 9,750 ^{CUBIC} INCHES
Food Preparation Counter (Dimensions)	① 21 1/2" x 84 1/2" ② 24" x 34 1/2" ③ 30" x 36" ← Stainless steel table 4454 ^{CUBIC} INCHES ④ 10" x 72 1/2" → "TURBO A.I.R. #TST22SD" MAKE/MODEL UNKNOWN
Other	DOUGH MIXER "Hobart D-300" 3,153.75 cubic inches

2. Print the name of your restaurant: SALT MINE CELLARS BAR & BISTRO

3. Attach a copy of your menu (Breakfast, Lunch and Dinner including prices).

4. List the seating capacity for:

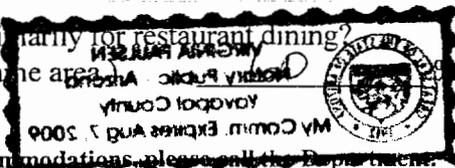
- a. Restaurant area of your premises [81]
- b. Bar area of your premises [+ 6]
- c. Total area of your premises [87]

5. What type of dinnerware and utensils are utilized within your restaurant?

Reusable Disposable

6. Does your restaurant have a bar area that is distinct and separate from the restaurant seating? (If yes, what percentage of the public floor space does this area cover). Yes 6 % No

7. What percentage of your public premises is used primarily for restaurant dining? (Does not include kitchen, bar, cocktail tables or game area) 60%



*Disabled individuals requiring special accommodations, please call the Department.

06 OCT 10 11:47 AM Lic. PM1226

8. Does your restaurant contain any games or television? Yes No
If yes, specify what types and how many of each type (Televisions, Pool tables, Video Games, Darts, etc).

We have 2 pool tables, 3 Televisions, 1 Video games
and 1 dart machine

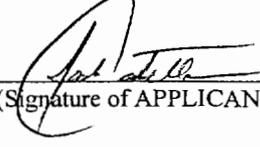
9. Do you have live entertainment or dancing? Yes No
(If yes, what type and how often?)

We have entertainment (live music) once
a week, and dancing about twice a month

10. Use space below or attach a list of employee positions and their duties to fully staff your business.

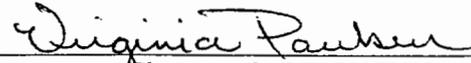
GRACE CHARLOTTE REEVES SERVER
JOSHUA DOUGLAS WOLFE COOK

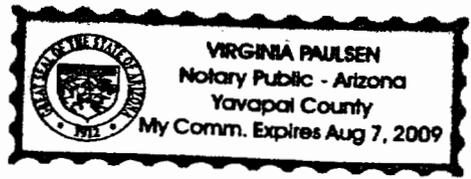
I, JOSH CASTELLANOS, hereby declare that I am the APPLICANT filing this application. I have
(Print full name)
read this application and the contents and all statements true, correct and complete.

X 
(Signature of APPLICANT)

State of Arizona County of Yavapai
The foregoing instrument was acknowledged before me this
3rd day of October, 2006.
Day of Month Month Year

My commission expires on: 8-7-2009


(Signature of NOTARY PUBLIC)



Salt Mine Cellars Bar & Grill

APPETIZERS

SPINACH & ARTICHOKE DIP.....	\$6.99
CHEESE CRISP.....	\$4.99
CHILI N' CHIPS.....	\$4.99
NACHOS.....	\$4.99
CHIPS N' SALSA.....	\$2.99
STEAK FRIES.....	\$2.99
CHILI:	
CUP.....	\$2.99
BOWL.....	\$5.99
HOT DOG.....	\$4.99

SALADS

DINNER SALAD.....	\$2.95
-------------------	--------

DESSERTS:

MUDSLIDE PIE.....	\$2.99
KEYLIME PIE.....	\$2.99

STEAK DINNERS

14 OZ PORTER HOUSE.....\$17.99

12 OZ TOP SIRLOIN.....\$15.99

2 (6 OZ) NEW YORK STRIP.....\$15.99

6 OZ NEW YORK STRIP.....\$9.99

ALL STEAK DINNERS ARE SERVED WITH DINNER SALAD, FOCACCIA BREAD, AND YOUR CHOICE OF SIDE



PIZZA

CHEESE:

SMALL.....	\$5.49
MEDIUM.....	\$6.69
LARGE.....	\$8.79

EXTRA TOPPINGS:

MUSHROOM, ONION, BLACK OLIVES, KALAMATA OLIVES, POTATO WEDGES, PEPPERONCINI, PINEAPPLE, JALAPENO, ARTICHOKE, FRESH GARLIC, TOMATO, GREEN PEPPER, EXTRA CHEESE, EXTRA SAUCE, PEPPERONI, CANADIAN BACON, SAUSAGE, HAMBURGER
\$1.50 EACH

ALL BURGERS ARE SERVED WITH GRILLED ONIONS, TOMATO, LETTUCE, AND A PICKLE

FAVORITES

LASAGNA DINNER.....\$8.99

LASAGNA SERVED WITH DINNER SALAD, AND FOCACCIA BREAD

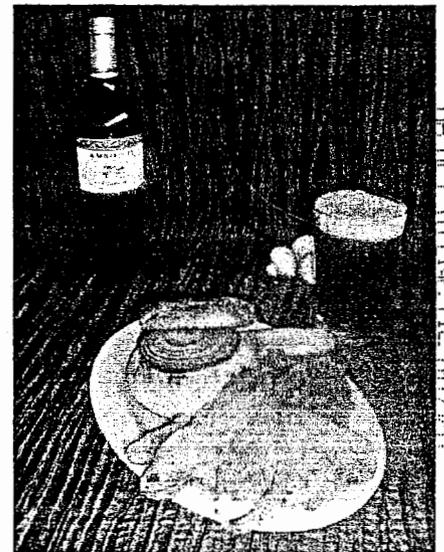
GENERAL CROOK BURGER.....\$6.95

GENERAL CROOK CHEESBURGER....\$7.95

JALEPENO BURGER(SAUTEED JALEPENOS) WITH CHEDDER AND SWISS CHEESE.....\$8.95

MUSHROOM BURGER(SAUTEED MUSHROOMS)WITH CHEDDER AND SWISS CHEESE.....\$8.95

THOUSAND ISLAND BURGER WITH CHEDDER AND SWISS CHEESE.....\$8.95



General Crook cheese burger with Steak fries

*Eating raw or undercooked meats can be hazardous to your health

*2.00 SPLIT PLATE CHARGE

Draft Beer

*Framboise

Glass...\$8.00

Small Pitcher... \$20.00

*Fat Tire

*Alaskan Amber

*Skinny Dip

*1554 Brussels black ale

*Hefenweizen

*Redhook Sunrye

*Black Butte Porter

*Blue Moon

*Grolsch

*Dogfish Head IPA

Glass..... \$3.00

Pitcher..... \$11.00

*Budlight

Glass..... \$2.50

Pitcher..... \$11.00

Bottled Beer

*Pacifico *Corona *Bacardi Raz *Oktoberfest ale *Negra Modelo

*Bacardi Watermelon *Mike's Hard Lemonade *Sparks Plus (can)

*St Pauli Girl *Blue Moon Pumpkin ale

\$3.00 ea

*Michelob Ultra *Budweiser *Budlight *Amberbock

*O'Doul's Amber *Coors N/A *Coors *Coors Light *Rolling Rock

*MGD *Miller Light *Miller High Life

\$2.50 ea

06 OCT 10 11P, LIC. #11226

HOUSE REDS

Merlot \$4.00 glass
Cabernet Sauvignon \$4.00 glass

HOUSE WHITES

White Zinfandel \$4.00 glass
Chardonnay \$4.00 glass

In House

Take Out

ARGENTINA

Ambiente - Tempranillo \$6.00 glass \$24.00 bottle \$20.00

CHILEAN

Casa Lapostol Merlot \$5.50 glass \$22.00 bottle \$18.00

MONDAVI-CALIFORNIA

Mondavi Port \$5.00 glass \$20.00 bottle \$18.00

CAVIT ITALY

Pinot Grigio-Delle Venezie \$5.00 glass \$20.00 bottle \$20.00

LINDEMANS AUSTRALIAN

Cabernet Merlot \$5.50 glass \$22.00 bottle \$20.00

DINEHARD - GERMANY

Riesling \$5.00 glass \$20.00 bottle \$20.00

KOKOPELLI WINERY-ARIZONA

White Merlot \$4.50 glass \$17.00 bottle \$15.00

Wine Margarita \$4.50 glass \$17.00 bottle \$15.00

White Muscat Canelli \$4.50 glass \$17.00 bottle \$15.00

Viognier \$4.50 glass \$17.00 bottle \$15.00

Red Sweet Lucy \$4.50 glass \$17.00 bottle \$15.00

FT. BOWIE WINERY-ARIZONA

Chablis \$4.50 glass \$17.00 bottle \$15.00

Bowie Red \$4.50 glass \$17.00 bottle \$15.00

Bowie Burgundy \$4.50 glass \$17.00 bottle \$15.00

BARTON & GUESTIER-FRANCE

Beaujolais \$5.50 glass \$21.00 per bottle \$18.00

CHAMPAGNE

Imperial Kir \$22.00

This Arizona sparkler, in a league of it's own, is brimming with raspberries and spun cotton candy, while holding it's own with mild yeasty and palate cleansing sweet bubbles.

Segura Viduas Brut Reserve \$18.00

This choice, Spanish, vibrant cava is noted for balance and delicacy. An enticing bouquet leads to crisp, fresh flavors that linger on the palate.

(Coffee \$1.50 Hot Tea \$1.50 Iced Tea \$1.50 Soda \$1.50)

06 OCT 10 11:49 AM 1226

ARIZONA DEPARTMENT OF LIQUOR LICENSES & CONTROL

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

400 W Congress #521
Tucson AZ 85701-1352
(520) 628-6595



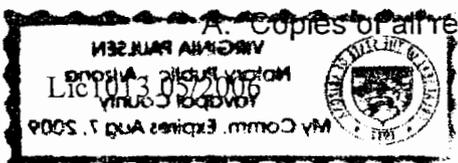
HOTEL-MOTEL AND RESTAURANT LICENSES RECORDS REQUIRED FOR AUDIT OF SERIES #11 & #12 LICENSES MAKE A COPY OF THIS DOCUMENT AND KEEP IT WITH YOUR DLLC RECORDS

In the event of an audit, you will be asked to provide to the Department any documents necessary to determine compliance with A.R.S. §4-205.02(G). Such documents requested may include however, are not limited to:

1. All invoices and receipts for the purchase of food and spirituous liquor for the licensed premises.
2. A list of **all** food and liquor vendors
3. The restaurant menu used during the audit period
4. A price list for alcoholic beverages during the audit period
5. Mark-up figures on food and alcoholic products during the audit period
6. A recent, **accurate** inventory of food and liquor (taken within two weeks of the Audit Interview Appointment)
7. Monthly Inventory Figures - beginning and ending figures for food and liquor
8. Chart of accounts (copy)
9. Financial Statements-Income Statements-Balance Sheets
10. General Ledger
 - A. Sales Journals/Monthly Sales Schedules
 - 1) Daily sales Reports (to include the name of each waitress/waiter, bartender, etc. with sales for that day)
 - 2) Daily Cash Register Tapes - Journal Tapes and Z-tapes
 - 3) Dated Guest Checks
 - 4) Coupons/Specials/Discounts
 - 5) Any other evidence to support income from food and liquor sales
 - B. Cash Receipts/Disbursement Journals
 - 1) Daily Bank Deposit Slips
 - 2) Bank Statements and canceled checks
11. Tax Records
 - A. Transaction Privilege Sales, Use and Severance Tax Return (copies)
 - B. Income Tax Return - city, state and federal (copies)
 - C. Any supporting books, records, schedules or documents used in preparation of tax returns
12. Payroll Records

06 OCT 10 11:47 AM '06

A. Copies of all reports required by the State and Federal Government



- B. Employee Log (A.R.S. §4-119)
 - C. Employee time cards (actual document used to sign in and out each work day)
 - D. Payroll records for all employees showing hours worked each week and hourly wages
13. Off-site Catering Records (must be complete and separate from restaurant records)
- A. All documents which support the income derived from the sale of food off the license premises.
 - B. All documents which support purchases made for food to be sold off the licensed premises.
 - C. All coupons/specials/discounts

The sophistication of record keeping varies from establishment to establishment. Regardless of each licensee's accounting methods, the amount of gross revenue derived from the sale of food and liquor must be substantially documented.

REVOCAION OF YOUR LIQUOR LICENSE MAY OCCUR IF YOU FAIL TO COMPLY WITH A.R.S. §4-210(A)7 AND A.R.S. §4-205.02(G).

A.R.S. §4-210(A)7

The licensee fails to keep for two years and make available to the department upon reasonable request all invoices, records, bills or other papers and documents relating to the purchase, sale and delivery of spirituous liquors and, in the case of a restaurant or hotel-motel licensee, all invoices, records, bills or other papers and documents relating to the purchase, sale and delivery of food.

A.R.S. §4-205.02(G)

For the purpose of this section:

1. "Restaurant" means an establishment which derives at least forty percent (40%) of its gross revenue from the sale of food.
2. "Gross revenue" means the revenue derived from all sales of food and spirituous liquor on the licensed premises, regardless of whether the sales of spirituous liquor are made under a restaurant license issued pursuant to this section or under any other license that has been issued for the premises pursuant to this article.

I, (print licensee name):

CASTELLANOS JOSHUA RICHARD
 Last First Middle

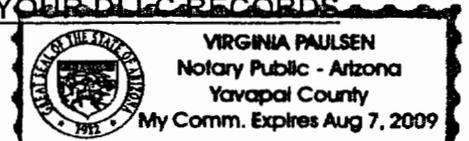
have read and fully understand all aspects of this statement.

State of Arizona County of Yavapai
 The foregoing instrument was acknowledged before me this

X [Signature] 3rd day of October, 2006
 (Signature of Licensee) Day Month Year

My commission Expires on: 8-7-2009 Virginia Paulsen
 Day Month Year (Signature of NOTARY PUBLIC)

MAKE A COPY OF THIS DOCUMENT AND KEEP IT WITH YOUR DLIC RECORDS



05 OCT 10 11:47 AM Lic. #ML2226

COMMISSIONERS
JEFF HATCH-MILLER - Chairman
WILLIAM A. MUNDELL
MIKE GLEASON
KRISTIN K. MAYES
BARRY WONG



ARIZONA CORPORATION COMMISSION

BRIAN C. MCNEIL
Executive Director

DAVID RABER
Director, Corporations Division

August 31, 2006

Josh Castellanos
PO Box 1785
Camp Verde, AZ 86322

RE: RLR LLC

We are pleased to notify you that your Articles of Amendment/Restated Articles of Organization were filed on August 23, 2006.

If the publication box below has been checked, you must publish a copy of the Articles of Amendment/Restated Articles. The publication must be in a newspaper of general circulation in the county of the known place of business in Arizona, as filed with the Commission, for three consecutive publications. For your convenience we have attached a list of known qualified newspapers for publishing.

An Affidavit from the newspaper, evidencing such publication, must be delivered to the Commission for filing **WITHIN NINETY (90) DAYS** from the date of this letter.

The Commission strongly recommends that you periodically check Commission records regarding the Limited Liability Company. The Commission web site www.cc.state.az.us/corp contains information specific to each corporation of record and is a good general source of information.

MUST BE PUBLISHED

DO NOT PUBLISH

Yvonne Watkins
(602) 364-1465
Examiner
Corporations Division

If you have any questions, please call the Corporations Division Phoenix (602) 542-3135,
Tucson (520)-628-6560 or toll free (Arizona residents only) at 1-800-345-5819
For more information contact our web site, at the address indicated below.

Apr11cother.wpd
Revised 03/2004

06 OCT 10 11:47 AM '06

AZ CORPORATION COMMISSION
FILED

AUG 23 2006

ARTICLES OF AMENDMENT

FILE NO. L-1151770-0

1. The name of the limited liability company is:

RLR LLC

2. The Articles of Organization were originally filed with the Arizona Corporation Commission on the 26th day of August, 2004.

3. Attached hereto as Exhibit A is the text of the amendment.

Dated this 21st day of August, 2006.

Signature: A L Marchant-Lee

Print Name: Amber L. Marchant-Lee

[Check One: Member Manager]

DO NOT PUBLISH THIS SECTION
The amendment must be executed by a manager if management of the limited liability company is vested in a manager, or by a member if management is reserved to the members.

06 OCT 10 11:47 AM '06

\$ PAID
101⁰⁰
#11.77

09/20/2006

State of Arizona Public Access System

9:48 AM

File Number: L-1151770-0

Corp. Name: RLR LLC

Domestic Address
212 W FINNIE FLAT RD

Second Address

CAMP VERDE, AZ 86322

Agent: JOSH CASTELLANOS
Status: APPOINTED 09/20/2006
Mailing Address:
212 FINNEY FLAT

CAMP VERDE, AZ 86322
Agent Last Updated: 09/20/2006

Business Type:

Domicile: ARIZONA
County: YAVAPAI
Corporation Type: DOMESTIC L.L.C.
Life Period: PERPETUAL
Incorporation Date: 08/26/2004
Approval Date: 08/26/2004
Last A/R Received: /
Date A/R Entered:
Next Report Due:

Location	Date	Corporate Microfilm Description
1-1677-006-018	08/26/2004	ARTICLES OF ORGANIZATION
3-1837-002-286	12/13/2004	PUB OF ARTICLES OF ORGANIZATION

RECORD(S) SUCCESSFULLY UPDATED. (A066)

06 OCT 10 11:47:11 AM '06

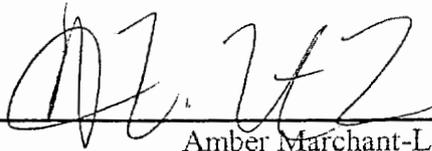
OPERATING AGREEMENT - RLR LLC

This document is intended to outline the operation plan for Salt Mine Cellars. The following is to include

Amber Marchant-Lee
3575 S. Riverside Dr.
Camp Verde, AZ 86322
And
Joshua Castellanos
3575 S. Riverside Dr.
Camp Verde, AZ 86322

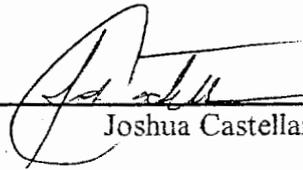
The restaurant will operate as follows:

Joshua Castellanos will act as general manager and over see all operations of the business. Amber Marchant-Lee will act as an owner and consultant of the business. All discrepancies will be discussed by both parties and an agreement will be reached.



Amber Marchant-Lee

10-4-06
Date



Joshua Castellanos

10/4/06
Date

05 OCT 10 11:47 AM '06

Minutes for Meeting held on August 20th, 2006. In attendance, Josh Casetllanos, Amber Marchant, Robert Ruena, and James Redinger
This document is herby showing the removal of James Redinger, and Robert Ruena, from the RLR LLC.

Robert Reuna
460 Angus
Camp Verde, AZ 86322
33% owner of RLR LLC

Is herby Granting, free of charge, 8% of his ownership to:

Amber Marchant-Lee
3575 S. Riverside Dr.
Camp Verde, AZ 86322

And the remaining 25% free of charge to:

Josh Castellanos
3575 S. Riverside Dr
Camp Verde, AZ 86322

IN ADDITION:

James A. Redinger
1168 S Canal Circle
Camp Verde, AZ 86322
33% Owner of RLR LLC

Is herby granting, free of charge, 8% of his ownership to

Amber Marchant-Lee
3575 S Riverside Dr
Camp Verde, AZ 86322

And the remaining 25% free of charge to:

Josh Castellanos
3575 S. Riverside Dr.
Camp Verde, AZ 86322

Thus leaving Josh Castellanos 50% owner (member/agent) of the RLR LLC and Amber Marchant-Lee (member) 50% Owner of the RLR LLC.

Robert Ruena 8-20-06

Robert Ruena

James Redinger 8-20-06

James Redinger

Amber Marchant-Lee 8-20-06

Amber Marchant-Lee

Josh Castellanos 8/20/06

Josh Castellanos

06 OCT 10 11:49 AM '06

EXHIBIT A

This document is intended to revise the RLR Limited Liability Corporation,
Located at 212 W Finney Flat Rd in Camp Verde Arizona, 86322.

The following members are to be REMOVED completely from this LLC:

Robert Reuna
460 Angus
Camp Verde, AZ 86322

AND

James A Redinger
1168 Canal Circle
Camp Verde, AZ 86322

The Following members are to REMAIN on the LLC:

Amber Marchant-Lee
3575 S Riverside Dr.
Camp Verde, AZ 86322

The Following members are to be ADDED to the LLC:

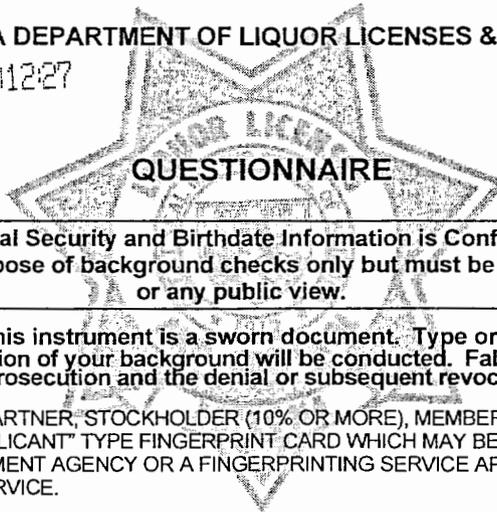
Joshua Castellanos
3575 S Riverside Dr
Camp Verde, AZ 86322

06 OCT 10 11:47 AM 2006

ARIZONA DEPARTMENT OF LIQUOR LICENSES & CONTROL

06 OCT 10 Licr. Lic. PM12:27
 800 W Washington 5th Floor
 Phoenix AZ 85007-2934
 (602) 542-5141

400 W Congress #521
 Tucson AZ 85701-1352
 (520) 628-6595



QUESTIONNAIRE

Handwritten signature and date: J. C. 10/05/2007

Attention all Local Governing Bodies: Social Security and Birthdate Information is Confidential. This information may be given to local law enforcement agencies for the purpose of background checks only but must be blocked to be unreadable prior to posting or any public view.

Read carefully. This instrument is a sworn document. Type or print with black ink. An extensive investigation of your background will be conducted. False or incomplete answers could result in criminal prosecution and the denial or subsequent revocation of a license or permit.

TO BE COMPLETED BY EACH OWNER, AGENT, PARTNER, STOCKHOLDER (10% OR MORE), MEMBER, OFFICER OR MANAGER. ALSO EACH PERSON COMPLETING THIS FORM MUST SUBMIT AN "APPLICANT" TYPE FINGERPRINT CARD WHICH MAY BE OBTAINED AT THE DEPT. FINGERPRINTING MUST BE DONE BY A BONA FIDE LAW ENFORCEMENT AGENCY OR A FINGERPRINTING SERVICE APPROVED BY THE DEPARTMENT OF LIQUOR. THE DEPARTMENT DOES NOT PROVIDE THIS SERVICE.

1213335-1
Liquor License #
~~07130024~~
 (If the location is currently licensed)

Eff. 10/01/03 there is a \$29.00 processing fee for each fingerprint card submitted.

A service fee of \$25.00 will be charged for all dishonored checks (A.R.S. 44.6852)

1. Check appropriate box →

<input type="checkbox"/> Owner	<input type="checkbox"/> Partner	<input type="checkbox"/> Stockholder	<input checked="" type="checkbox"/> Member	<input type="checkbox"/> Officer	<input checked="" type="checkbox"/> Agent	<input type="checkbox"/> Manager (Only)
(Complete Questions 1-20 & 24)						(Complete All Questions <i>except</i> # 14, 14a & 25)
Licensee or Agent must complete # 25 for a Manager						Licensee or Agent must complete # 25

2. Name: CASTELLANOS JOSHUA RICHARD Date of Birth: [REDACTED]
 Last First Middle (This Will Not Become a Part of Public Records)

3. Social Security Number: [REDACTED] Drivers License #: D01734020 State: ARIZONA
 (This Will Not Become a Part of Public Records)

4. Place of Birth: YUMA ARIZONA USA Height: 59 Weight: 160 Eyes: BR Hair: BR
 City State Country (not county)

5. Marital Status Single Married Divorced Widowed Residence (Home) Phone: (480) 510-9979

6. Name of Current or Most Recent Spouse: N/A Date of Birth: N/A
 (List all for last 5 years - Use additional sheet if necessary) Last First Middle Maiden

7. You are a bona fide resident of what state? ARIZONA If Arizona, date of residency: [REDACTED]

8. Telephone number to contact you during business hours for any questions regarding this document. (480) 510-0395

9. If you have been a resident less than three (3) months, submit a copy of driver's license or voter registration card.

10. Name of Licensed Premises: SALT MINE CELLARS Premises Phone: (928) 567-0125

11. Licensed Premises Address: 212 FINNIE FLATS RD CAMP VERDE YAVAPAI 86322
 Street Address (Do not use PO Box #) City County Zip

12. List your employment or type of business during the past five (5) years, if unemployed part of the time, list those dates. List most recent 1st.

FROM Month/Year	TO Month/Year	DESCRIBE POSITION OR BUSINESS	EMPLOYER'S NAME OR NAME OF BUSINESS (Give street address, city, state & zip)
06/06	CURRENT	MANAGER SALT MINE CELLARS	SALT MINE CELLARS 212 FINNIE FLATS RD AZ, 86322
09/05	06/06	DRIVER BARRIOS PIZZA	BARRIOS PIZZA GILBERT
06/04	09/05	MANAGER/DRIVER PIZZA HUT	2401 E BASLINE RD AZ 85234 PIZZA HUT 2767 E BROADWAY MESA AZ 85204

ATTACH ADDITIONAL SHEET IF NECESSARY FOR EITHER SECTION ↓

13. Indicate your residence address for the last five (5) years:

FROM Month/Year	TO Month/Year	Rent or Own	RESIDENCE Street Address	City	State	Zip
06/06	CURRENT	RENT	193 ARNOLD ST	CAMP VERDE	AZ	86322
06/04	06/06	RENT	2831 E Southern Ave #233	MESA	AZ	85204
07/98	06/04	RENT	3575 S. RIVERSIDE DRIVE	CAMP VERDE	AZ	86322

If you checked the Manager box on the front of this form skip to # 15

14. As an Owner, Agent, Partner, Stockholder, Member or Officer, will you be physically present and operating the licensed premises? If you answered YES, how many hrs/day? 8, answer #14a below. If NO, skip to #15. YES NO
- 14a. Have you attended a Department approved Liquor Law Training Course within the last 5 years? (Must provide proof) YES NO
If the answer to # 14a is "NO", course must be completed before issuance of a new license or approval on an existing license.
15. Have you EVER been detained, cited, arrested, indicted or summoned into court for violation of ANY law or ordinance (regardless of the disposition even if dismissed or expunged)? For traffic violations, include only those that were alcohol and/or drug related. YES NO
16. Have you EVER been convicted, fined, posted bond, been ordered to deposit bail, imprisoned, had sentence suspended, placed on probation or parole for violation of ANY law or ordinance (regardless of the disposition even if dismissed or expunged)? For traffic violations, include only those that were alcohol and/or drug related. YES NO
17. Are there ANY administrative law citations, compliance actions or consents, criminal arrests, indictments or summonses PENDING against you or ANY entity in which you are now involved? YES NO
18. Have you or any entity in which you have held ownership, been an officer, member, director or manager EVER had a business, professional or liquor APPLICATION OR LICENSE rejected, denied, revoked, suspended or fined in this or any other state? YES NO
19. Has anyone EVER filed suit or obtained a judgment against you in a civil action, the subject of which involved fraud or misrepresentation of a business, professional or liquor license? YES NO
20. Are you NOW or have you EVER held ownership, been a controlling person, been an officer, member, director, or manager on any other liquor license in this or any other state? YES NO

If any answer to Questions 15 through 20 is "YES" YOU MUST attach a signed statement. Give complete details including dates, agencies involved and dispositions.

If you checked the Manager box on the front of this form, fill in #21-23 and 24, all others skip the following box (21-23) and go to #24

Manager Section

21. Have you attended a Department approved Liquor Law Training Course within the last 5 years? (Must provide proof) YES NO
If the answer to #21 is "NO" course must be completed BEFORE ISSUANCE of a new license OR APPROVAL on an existing license.
22. Do you make payments to the licensee? YES NO If "yes", how much? \$ _____ per month. Total debt to licensee \$ _____
23. Is there a formal written contract or agreement between you and the licensee relating to the operation or management of this business? YES NO If "yes", attach a copy of such agreement

24. I, JOSHUA RICHARD CASTELLANOS, hereby declare that I am the APPLICANT filing this questionnaire. (Print full name of Applicant)

I have read this questionnaire and the contents and all statements are true, correct and complete.

X _____ (Signature of Applicant)



State of Arizona County of Maricopa
The foregoing instrument was acknowledged before me this 10 day of October, 2006
Day Month Year

My commission expires on: _____ Day Month Year

(Signature of NOTARY PUBLIC)

FILL IN THIS SECTION ONLY IF YOU ARE A LICENSEE OR AGENT APPROVING A MANAGER APPLICATION Licensee or Agent Approval of Manager

25.1. (Print Licensee/Agent's Name): _____
Hereby authorize the applicant to act as manager for the named liquor license.

State of _____ County of _____
The foregoing instrument was acknowledged before me this _____ day of _____, _____ Year

X _____ (Signature of LICENSEE/AGENT)

My commission expires on: _____ Day Month Year

(Signature of NOTARY PUBLIC)

05 OCT 10 11:40 AM 11227

EMPLOYMENT CONTINUED:

<u>From</u>	<u>To</u>	<u>DESCRIBE</u>	<u>NAME OF BUSINESS</u>
06/03	06/04	PRO-SHOP Attendant	BEAVER CREEK GOLF CLUB LAKE SHORE DRIVE, LAKE MONTEZUMA, AZ 86342
06/00	06/03	STUDENT	CAMP VERDE HIGH SCHOOL 1326 N MONTEZUMA CASTLE HWY CAMP VERDE, AZ 86322

RESIDENCE:

193 ARNOLD ST:

LANDLORD → LEON CARDINI
2755 4th ST
CAMP VERDE, AZ 86322
928-567-6180

2831 E SOUTHERN AVE #233

LANDLORD → AMBER & BILL LEE
3575 S. RIVERSIDE DR
CAMP VERDE, AZ 86322
928-567-6173

3575 S. Riverside Dr

Landlord → Amber & Bill Lee
3575 S. Riverside Dr
Camp Verde, AZ 86322
928-567-6173

06 OCT 10 11:41 AM '27

<u>FROM</u>	<u>TO</u>	<u>DESCRIBE</u>	<u>EMPLOYER'S NAME</u>
06/06	CURRENT	MANAGER-SALT MINE CELLARS	SALT MINE CELLARS 212 FINNIE FLAT RD CAMP VERDE, AZ 86322
09/05	06/06	DRIVER - BARROS PIZZA	BARROS PIZZA 2401 E BASELINE RD, GILBERT AZ 85234
06/04	09/05	MANAGER/DRIVER PIZZA HUT	PIZZA HUT - 2759 E BROADWAY MESA, AZ 85204

05 OCT 10 11:41 AM LIG PM1227

ARIZONA DEPARTMENT OF LIQUOR LICENSE & CONTROL

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



400 W Congress #150
Tucson AZ 85701-1352
(520) 628-6595

05 OCT 10 11:47 AM '07

CERTIFICATION OF COMPLETED ALCOHOL TRAINING PROGRAM(S)

OBTAIN ORIGINALS OF THIS FORM FROM DLLC-DO NOT PHOTOCOPY, DOCUMENT IS COMPUTER SCANNED. TYPE OR PRINT WITH BLACK INK.

ALCOHOL TRAINING PROGRAM INDIVIDUAL INFORMATION

Josh Castellanos

Individual Name (Print)

Individual Signature

8/25/2006

Date Training Completed

TYPE OF TRAINING COMPLETED

TRAINER MUST CHECK YES OR NO FOR EACH TYPE

- | | |
|--|--|
| <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO BASIC | <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO ON SALE |
| <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO MANAGEMENT | <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO OFF SALE |
| <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO BOTH | <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO OTHER |

LANGUAGE OF INSTRUCTION :

- ENGLISH SPANISH

IF TRAINEE IS EMPLOYED BY A LICENSEE:

NAME OF THE LICENSEE

BUSINESS NAME

LIQUOR LICENSE NUMBER

ALCOHOL TRAINING PROGRAM PROVIDER INFORMATION

BARTENDING ACADEMY

Company or Individual Name

1250 E. APACHE BLVD. SUITE 111

Address

TEMPE, ARIZONA 85281 480-921-9925

City

State

Zip

Phone

I Certify the above named individual has successfully completed the specified program(s).

ALAN ORTON

Trainer Name (Print)

8/25/2006

Trainer Signature

Date

Trainer give original of completed form to trainee, photocopy and maintain completed document for your records.

Mandatory Liquor Law Training for all new applications submitted after Nov. 1, 1997. A.R.S. Section 4-112(G)(2). Completion of the Liquor License Training Courses is required at the issuance of a license.

The person(s) required to attend both the Basic Liquor Law and Management Training, (either on-sale or off-sale), will include all of the following : owner(s), licensee/agent or manager(s) **WHO ARE ACTIVELY INVOLVED IN THE DAY TO DAY OPERATION OF THE BUSINESS.** Proof of attendance within the last five years for the required courses must be submitted to the Department before the license application is considered complete.

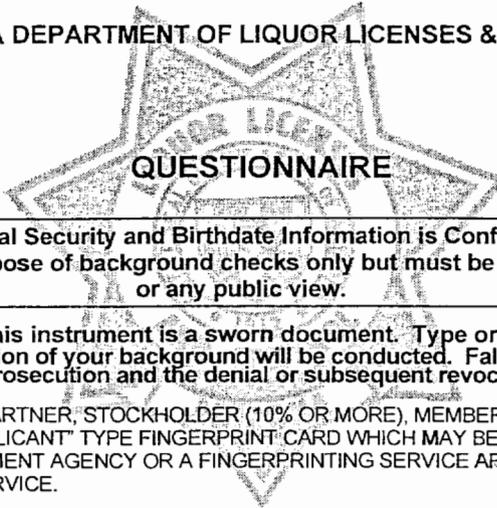
Before acceptance of a Manager's Questionnaire and/or Agent Change for an existing license, proof of attendance for the Basic Liquor Law and Management Training (either on-sale or off-sale) will be required.

ARIZONA DEPARTMENT OF LIQUOR LICENSES & CONTROL

801-815

05 OCT 18 10:14 AM
 800 W Washington 5th Floor
 Phoenix AZ 85007-2934
 (602) 542-5141

400 W Congress #521
 Tucson AZ 85701-1352
 (520) 628-6595



Handwritten signature/initials

Attention all Local Governing Bodies: Social Security and Birthdate Information is Confidential. This information may be given to local law enforcement agencies for the purpose of background checks only but must be blocked to be unreadable prior to posting or any public view.

Read carefully. This instrument is a sworn document. Type or print with black ink. An extensive investigation of your background will be conducted. False or incomplete answers could result in criminal prosecution and the denial or subsequent revocation of a license or permit.

TO BE COMPLETED BY EACH OWNER, AGENT, PARTNER, STOCKHOLDER (10% OR MORE), MEMBER, OFFICER OR MANAGER. ALSO EACH PERSON COMPLETING THIS FORM MUST SUBMIT AN "APPLICANT" TYPE FINGERPRINT CARD WHICH MAY BE OBTAINED AT THE DEPT. FINGERPRINTING MUST BE DONE BY A BONA FIDE LAW ENFORCEMENT AGENCY OR A FINGERPRINTING SERVICE APPROVED BY THE DEPARTMENT OF LIQUOR. THE DEPARTMENT DOES NOT PROVIDE THIS SERVICE.

18158351
Liquor License #
~~07130024~~
 (If the location is currently licensed)

Eff. 10/01/03 there is a \$29.00 processing fee for each fingerprint card submitted.
 A service fee of \$25.00 will be charged for all dishonored checks (A.R.S. 44.6852)

1. Check appropriate box →	<input type="checkbox"/> Owner	<input type="checkbox"/> Partner	<input checked="" type="checkbox"/> Stockholder	<input checked="" type="checkbox"/> Member	<input type="checkbox"/> Officer	<input type="checkbox"/> Agent	<input type="checkbox"/> Manager(Only)
	Licensee or Agent must complete # 25 for a Manager						Licensee or Agent must complete # 25

2. Name: MERCHANT-LEE AMBER Lei Date of Birth: [REDACTED]
 Last First Middle (This Will Not Become a Part of Public Records)

3. Social Security Number: [REDACTED] Drivers License #: 564130019 State: AZ
 (This Will Not Become a Part of Public Records)

4. Place of Birth: ROOSEVELT, UTAH USA Height: 5'11" Weight: 150 Eyes: Blue Hair: Blonde
 City State Country (not county)

5. Marital Status Single Married Divorced Widowed Residence (Home) Phone: (928) 567-6173

6. Name of Current or Most Recent Spouse: LEE, William Edwin Date of Birth: [REDACTED]
 (List all for last 5 years - Use additional sheet if necessary) Last First Middle Maiden

7. You are a bona fide resident of what state? Arizona If Arizona, date of residency: 1979

8. Telephone number to contact you during business hours for any questions regarding this document. (928) 567-8234

9. If you have been a resident less than three (3) months, submit a copy of driver's license or voter registration card.

10. Name of Licensed Premises: Salt Mine Cellars Premises Phone: (928) 567-0125

11. Licensed Premises Address: 212 Finnie Flats Road Camp Verde, Yavapai 86322
 Street Address (Do not use PO Box #) City County Zip

12. List your employment or type of business during the past five (5) years, if unemployed part of the time, list those dates. List most recent 1st.

FROM Month/Year	TO Month/Year	DESCRIBE POSITION OR BUSINESS	EMPLOYER'S NAME OR NAME OF BUSINESS (Give street address, city, state & zip)
11/05	CURRENT	Salt Mine Cellars Owner	212 Finnie Flats Road CV, AZ 86322
06/2002	Current	Special Education Director	Camp Verde Unified School District
04/1998	05/2002	School Psychologist	Payson School District, Payson, AZ 85941

13. Indicate your residence address for the last five (5) years:

FROM Month/Year	TO Month/Year	Rent or Own	RESIDENCE Street Address If rented, attach additional sheet giving name, address and phone number of landlord	City	State	Zip
07/1998	CURRENT	own	3575 S. Riverside Dr	Camp Verde	AZ	86322

If you checked the Manager box on the front of this form skip to # 15

14. As an Owner, Agent, Partner, Stockholder, Member or Officer, will you be physically present and operating the the licensed premises ? If you answered YES, how many hrs/day? _____, **answer #14a below**. If NO, skip to #15. YES NO
- 14a. Have you attended a Department approved Liquor Law Training Course within the last 5 years? (Must provide proof) YES NO
If the answer to # 14a is "NO", course must be completed before issuance of a new license or approval on an existing license.
15. Have you **EVER** been **detained, cited, arrested, indicted or summoned** into court for violation of **ANY** law or ordinance (regardless of the disposition even if dismissed or expunged)? **For traffic violations, include only those that were alcohol and/or drug related.** YES NO
16. Have you **EVER** been **convicted, fined, posted bond, been ordered to deposit bail, imprisoned, had sentence suspended, placed on probation or parole** for violation of **ANY** law or ordinance (regardless of the disposition even if dismissed or expunged)? **For traffic violations, include only those that were alcohol and/or drug related.** YES NO
17. Are there **ANY** administrative law citations, compliance actions or consents, criminal arrests, indictments or summonses **PENDING** against you or **ANY** entity in which you are now involved? YES NO
18. Have you or any entity in which you have held ownership, been an officer, member, director or manager **EVER** had a business, professional or liquor **APPLICATION OR LICENSE rejected, denied, revoked, suspended or fined** in this or any other state? YES NO
19. Has anyone **EVER filed suit or obtained a judgment against you** in a civil action, the subject of which involved **fraud or misrepresentation of a business, professional or liquor license?** YES NO
20. Are you **NOW** or have you **EVER** held ownership, been a controlling person, been an officer, member, director, or manager on **any other liquor license** in this or any other state? YES NO

If any answer to Questions 15 through 20 is "YES" YOU MUST attach a signed statement. Give complete details including dates, agencies involved and dispositions.

If you checked the Manager box on the front of this form, fill in #21-23 and 24, all others skip the following box (21-23) and go to #24

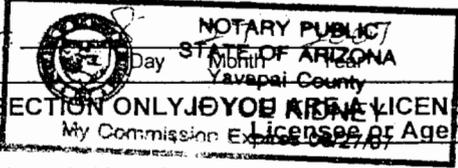
Manager Section

21. Have you attended a Department approved Liquor Law Training Course within the last 5 years? (Must provide proof) YES NO
If the answer to #21 is "NO" course must be completed **BEFORE ISSUANCE** of a new license **OR APPROVAL** on an existing license.
22. Do you make payments to the licensee? YES NO If "yes", how much? \$ _____ per month. Total debt to licensee \$ _____
23. Is there a formal written contract or agreement between you and the licensee relating to the operation or management of this business? YES NO If "yes", attach a copy of such agreement

24. I, Amber Lei Marchant-Lee, hereby declare that I am the APPLICANT filing this questionnaire. (Print full name of Applicant)
I have read this questionnaire and the contents and all statements are true, correct and complete.

X [Signature]
(Signature of Applicant)

State of Arizona County of Yavapai
The foregoing instrument was acknowledged before me this 9th day of October, 2006
Day Month Year

My commission expires on: 

[Signature]
(Signature of NOTARY PUBLIC)

FILL IN THIS SECTION ONLY FOR THE LICENSEE OR AGENT APPROVING A MANAGER APPLICATION
Licensee or Agent Approval of Manager
25. I, (Print Licensee/Agent's Name): _____
Hereby authorize the applicant to act as manager for the named liquor license.
State of _____ County of _____
The foregoing instrument was acknowledged before me this _____ day of _____, _____ Year
X _____
(Signature of LICENSEE/AGENT)
My commission expires on: _____ Day Month Year
(Signature of NOTARY PUBLIC)

05 OCT 20 11:41 Lic 111227

ARIZONA DEPARTMENT OF LIQUOR LICENSES & CONTROL

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

400 W Congress #521
Tucson AZ 85701-1352
(520) 628-6595

AMENDMENT
APPLICATION FOR LIQUOR LICENSE

TYPE OR PRINT WITH BLACK INK

Notice: Effective Nov. 1, 1997, All Owners, Agents, Partners, Stockholders, Officers, or Managers actively involved in the day to day operations of the business must attend a Department approved liquor law training course or provide proof of attendance within the last five years. See page 5 of the Liquor Licensing requirements.

SECTION 1 This application is for a:

- INTERIM PERMIT *Complete Section 5*
- NEW LICENSE *Complete Sections 2, 3, 4, 13, 14, 15, 16, 17*
- PERSON TRANSFER (Bars & Liquor Stores ONLY)
Complete Sections 2, 3, 4, 11, 13, 15, 16, 17
- LOCATION TRANSFER (Bars and Liquor Stores ONLY)
Complete Sections 2, 3, 4, 12, 13, 15, 16, 17
- PROBATE/WILL ASSIGNMENT/DIVORCE DECREE
Complete Sections 2, 3, 4, 9, 13, 15, 17 (fee not required)
- GOVERNMENT *Complete Sections 2, 3, 4, 10, 13, 15, 16, 17*

SECTION 2 Type of ownership:

- J.T.W.R.O.S. *Complete Section 6*
- INDIVIDUAL *Complete Section 6*
- PARTNERSHIP *Complete Section 6*
- CORPORATION *Complete Section 7*
- LIMITED LIABILITY CO. *Complete Section 7*
- CLUB *Complete Section 8*
- GOVERNMENT *Complete Section 10*
- TRUST *Complete Section 6*
- OTHER Explain _____

SECTION 3 Type of license and fees:

LICENSE #: 12133348
Department Use Only

1. Type of License: _____ 2. Total fees attached: \$ _____

APPLICATION FEE AND INTERIM PERMIT FEES (IF APPLICABLE) ARE NOT REFUNDABLE.

A service fee of \$25.00 will be charged for all dishonored checks (A.R.S. 44.6852)

SECTION 4 Applicant: (All applicants must complete this section)

1. Applicant/Agent's Name: Mr. Olmedo Vasquez Apolinar ^{PI 3074}
(Insert one name ONLY to appear on license) Last First Middle

2. Corp./Partnership/L.L.C.: _____
(Exactly as it appears on Articles of Inc. or Articles of Org.)

3. Business Name: _____
(Exactly as it appears on the exterior of premises)

4. Business Address: S Access Rd Camp Verde 0 B/02365
(Do not use PO Box Number) City COUNTY Zip

5. Business Phone: () _____ Residence Phone: () _____

6. Is the business located within the incorporated limits of the above city or town? YES NO

7. Mailing Address: 324 S Main St Pattersonwood AZ 86326
City State Zip

8. Enter the amount paid for a 06, 07, or 09 license: \$ _____ (Price of License ONLY)

DEPARTMENT USE ONLY						
Accepted by: <u>J.W.</u>	Date: <u>9/20/06</u>	Lic. #:	<u>12133348</u>			
Fees: <u>100</u>	<u>100</u>		<u>58</u>	\$	<u>258-</u>	
Application	Interim Permit	Agent Change	Club	F. Prints	TOTAL	

PROCESSING APPLICATIONS TAKES APPROXIMATELY 90 DAYS, AND CIRCUMSTANCES OFTEN RESULT IN A LONGER WAITING PERIOD. YOU ARE CAUTIONED REGARDING PLANS FOR A GRAND OPENING, ETC., BEFORE FINAL APPROVAL AND ISSUANCE OF THE LICENSE.

AMENDMENT

06 SEP 20 11:49 AM Dept 011103

ARIZONA DEPARTMENT OF LIQUOR LICENSES & CONTROL

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

400 W Congress #521
Tucson AZ 85701-1352
(520) 628-6595

APPLICATION FOR LIQUOR LICENSE

TYPE OR PRINT WITH BLACK INK

Notice: Effective Nov. 1, 1997, All Owners, Agents, Partners, Stockholders, Officers, or Managers actively involved in the day to day operations of the business must attend a Department approved liquor law training course or provide proof of attendance within the last five years. See page 5 of the Liquor Licensing requirements.

SECTION 1 This application is for a:

- INTERIM PERMIT *Complete Section 5*
- NEW LICENSE *Complete Sections 2, 3, 4, 13, 14, 15, 16, 17*
- PERSON TRANSFER (Bars & Liquor Stores ONLY)
Complete Sections 2, 3, 4, 11, 13, 15, 16, 17
- LOCATION TRANSFER (Bars and Liquor Stores ONLY)
Complete Sections 2, 3, 4, 12, 13, 15, 16, 17
- PROBATE/WILL ASSIGNMENT/DIVORCE DECREE
Complete Sections 2, 3, 4, 9, 13, 15, 17 (fee not required)
- GOVERNMENT *Complete Sections 2, 3, 4, 10, 13, 15, 16, 17*

SECTION 2 Type of ownership:

- J.T.W.R.O.S. *Complete Section 6*
- INDIVIDUAL *Complete Section 6*
- PARTNERSHIP *Complete Section 6*
- CORPORATION *Complete Section 7*
- LIMITED LIABILITY CO. *Complete Section 7*
- CLUB *Complete Section 8*
- GOVERNMENT *Complete Section 10*
- TRUST *Complete Section 6*
- OTHER Explain

SECTION 3 Type of license and fees:

LICENSE #: 12133348

1. Type of License: Series 12 2. Total fees attached: \$

APPLICATION FEE AND INTERIM PERMIT FEES (IF APPLICABLE) ARE NOT REFUNDABLE.

A service fee of \$25.00 will be charged for all dishonored checks (A.R.S. 44.6852)

SECTION 4 Applicant: (All applicants must complete this section)

1. Applicant/Agent's Name: Mr. Olmedo Apolinar Vasquez
(Insert one name ONLY to appear on license) Last First Middle
2. Corp./Partnership/L.L.C.: Las Margaritas Grill LLC
(Exactly as it appears on Articles of Inc. or Articles of Org.)
3. Business Name: Las Margaritas Grill
(Exactly as it appears on the exterior of premises)
4. Business Address: 77 General Crook Camp Verde Yavapai 86322
(Do not use PO Box Number) City COUNTY Zip
5. Business Phone: (928) 567-2435 Residence Phone: (928) 634-1982
6. Is the business located within the incorporated limits of the above city or town? YES NO
7. Mailing Address: 1240 E Crestview Dr Cottonwood Az. 86326
1240 E Crestview Dr City State Zip
8. Enter the amount paid for a 06, 07, or 09 license: \$ _____ (Price of License ONLY)

DEPARTMENT USE ONLY

Accepted by: J.U. Date: 9/20/06 Lic. # 12133348

Fees: 100 100 58 \$ 258

Application Interim Permit Agent Change Club F. Prints TOTAL

PROCESSING APPLICATIONS TAKES APPROXIMATELY 90 DAYS, AND CIRCUMSTANCES OFTEN RESULT IN A LONGER WAITING PERIOD. YOU ARE CAUTIONED REGARDING PLANS FOR A GRAND OPENING, ETC., BEFORE FINAL APPROVAL AND ISSUANCE OF THE LICENSE.

SECTION 5 Interim Permit:

1. If you intend to operate business while your application is pending you will need an Interim Permit pursuant to A.R.S. 4-203.01.
2. There **MUST** be a valid license of the same type you are applying for currently issued to the location.
3. Enter the license number currently at the location. 12130031
4. Is the license currently in use? YES NO If no, how long has it been out of use? 10 days

ATTACH THE LICENSE CURRENTLY ISSUED AT THE LOCATION TO THIS APPLICATION.

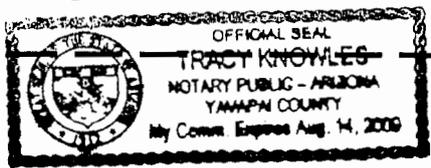
I, KEVIN SCOTT KLEIN, declare that I am the CURRENT OWNER, AGENT, CLUB MEMBER, PARTNER, STOCKHOLDER OR LICENSEE of the stated license and location.

foregoing application X Kevin Scott Klein
(Signature)

State of Arizona County of Pavapai
The foregoing instrument was acknowledged before me this 15th day of August, 2006
Day Month Year

My commission expires on: 8/14/09

Tracy Knowles
(Signature of NOTARY PUBLIC)



SECTION 6 Individual or Partnership Owners:

EACH PERSON LISTED MUST SUBMIT A COMPLETED FORM "LIC0101", AN "APPLICANT" TYPE FINGERPRINT CARD, AND \$29 FEE FOR EACH CARD.

1. Individual:

Last	First	Middle	% Owned	Residence Address	City State Zip

Partnership Name: (Only the first partner listed will appear on license) _____

General-Limited	Last	First	Middle	% Owned	Residence Address	City State Zip
<input type="checkbox"/> <input type="checkbox"/>						
<input type="checkbox"/> <input type="checkbox"/>						
<input type="checkbox"/> <input type="checkbox"/>						
<input type="checkbox"/> <input type="checkbox"/>						

(ATTACH ADDITIONAL SHEET IF NECESSARY)

2. Is any person, other than the above, going to share in the profits/losses of the business? YES NO

If Yes, give name, current address and telephone number of the person(s). Use additional sheets if necessary.

Last	First	Middle	Residence Address	City, State, Zip	Telephone#

AMENDMENT

SECTION 5 Interim Permit:

06 SEP 20 Ligr. Dept AM1103

1. If you intend to operate business while your application is pending you will need an Interim Permit pursuant to A.R.S. 4-203.01.
2. There **MUST** be a valid license of the same type you are applying for currently issued to the location.
3. Enter the license number currently at the location. _____
4. Is the license currently in use? YES NO If no, how long has it been out of use? _____

ATTACH THE LICENSE CURRENTLY ISSUED AT THE LOCATION TO THIS APPLICATION.

I, Kevin S Klein, declare that I am the CURRENT OWNER, AGENT, CLUB MEMBER, PARTNER, STOCKHOLDER OR LICENSEE of the stated license and location.

foregoing application

X _____
(Signature)

State of _____ County of _____
The foregoing instrument was acknowledged before me this

_____ day of _____, _____
Day Month Year

My commission expires on: _____

(Signature of NOTARY PUBLIC)

SECTION 6 Individual or Partnership Owners:

EACH PERSON LISTED MUST SUBMIT A COMPLETED FORM "LIC0101", AN "APPLICANT" TYPE FINGERPRINT CARD, AND \$29 FEE FOR EACH CARD.

1. Individual:

Last	First	Middle	% Owned	Residence Address	City	State	Zip

Partnership Name: (Only the first partner listed will appear on license) _____

General-Limited	Last	First	Middle	% Owned	Residence Address	City	State	Zip
<input type="checkbox"/>								
<input type="checkbox"/>								
<input type="checkbox"/>								
<input type="checkbox"/>								

(ATTACH ADDITIONAL SHEET IF NECESSARY)

2. Is any person, other than the above, going to share in the profits/losses of the business? YES NO

If Yes, give name, current address and telephone number of the person(s). Use additional sheets if necessary.

Last	First	Middle	Residence Address	City, State, Zip	Telephone#

STATE OF ARIZONA

DEPARTMENT OF LIQUOR LICENSES
AND CONTROL

ALCOHOLIC BEVERAGE LICENSE

License 12130031

Issue Date: 11/29/1991

Expiration Date: 8/31/2007

Issued To:
KEVIN S KLEIN, Owner
Location:
LAS MARGARITAS GRILL
S ACCESS RD
CAMP VERDE, AZ 86322

Restaurant

Mailing Address:
KEVIN S KLEIN
LAS MARGARITAS GRILL
324 S MAIN ST
COTTONWOOD, AZ 86326



Leesa Berens Morrison
LEESA BERENS MORRISON
DIRECTOR

POST THIS LICENSE IN A CONSPICUOUS PLACE

RREST

License 12130031

Issue Date: 11/29/1991

Expiration Date: 8/31/2006

Issued To:
KEVIN S KLEIN, Owner

Restaurant

Mailing Address:
KEVIN S KLEIN
RIO VERDE
P O BOX 3711
CAMPE VERDE, AZ 86322

Location:
RIO VERDE
S ACCESS RD
CAMP VERDE, AZ 86322

EXP 8/31/2006

SECTION 7 Corporation/Limited Liability Co.:

EACH PERSON LISTED MUST SUBMIT A COMPLETED FORM "LIC0101", AN "APPLICANT" TYPE FINGERPRINT CARD, AND \$29 FEE FOR EACH CARD.

CORPORATION Complete questions 1, 2, 3, 5, 6, 7, 8.

L.L.C. Complete questions 1, 2, 4, 5, 6, 7 and attach copy of Articles of Org. and Operation Agreement.

1. Name of Corporation/L.L.C.: Las Margaritas Grill LLC
(Exactly as it appears on Articles of Inc. or Articles of Org.)

2. Date Incorporated/Organized: 9/5/06 State where Incorporated/Organized: Arizona

3. AZ Corporation Commission File No.: _____ Date authorized to do business in AZ: _____

4. AZ L.L.C. File No: L13091712 Date authorized to do business in AZ: 9/5/06

5. Is Corp./L.L.C. non-profit? YES NO If yes, give IRS tax exempt number: _____

6. List all directors, officers, controlling stockholders or members in Corporation/L.L.C.:

Last	First	Middle	Title	Residence Address	City State Zip
Olmedo - Vasquez	Javier		Member owner	584 Wrangler St Oakdale Ca.	95361
Olmedo	Apolinar	Vasquez	Member owner	1240 E Crestview Dr Cottonwood Az	86326

(ATTACH ADDITIONAL SHEET IF NECESSARY)

7. List stockholders or controlling members owning 10% or more:

Last	First	Middle	% Owned	Residence Address	City State Zip
Olmedo - Vasquez	Javier		50%	584 Wrangler St Oakdale Ca	95361
Olmedo	Apolinar	Vasquez	50%	1240 E Crestview Dr Cottonwood Az	86326

(ATTACH ADDITIONAL SHEET IF NECESSARY)

8. If the corporation/L.L.C. is owned by another entity, attach an ownership, and director/officer/members disclosure for the parent entity. Attach additional sheets as necessary in order to disclose real people.

SECTION 8 Club Applicants:

EACH PERSON LISTED MUST SUBMIT A COMPLETED FORM "LIC0101", AN "APPLICANT" TYPE FINGERPRINT CARD, AND \$29 FEE FOR EACH CARD.

1. Name of Club: _____ Date Chartered: _____
(Exactly as it appears on Club Charter or Bylaws) (Attach a copy of Club Charter or Bylaws)

2. Is club non-profit? YES NO If tax exempt, give IRS tax exempt number: _____

3. List officer and directors:

Last	First	Middle	Title	Residence Address	City State Zip

(ATTACH ADDITIONAL SHEET IF NECESSARY)

SECTION 12 Location to Location Transfer: (Bars and Liquor Stores ONLY) AM1103

APPLICANTS CANNOT OPERATE UNDER A LOCATION TRANSFER UNTIL IT IS APPROVED BY THE STATE.

1. Current Business: Name _____
(Exactly as it appears on license) Address _____
2. New Business: Name _____
(Do not use PO Box Number) Address _____
3. License Type: _____ License Number: _____ Last Renewal Date: _____
4. What date do you plan to move? _____ What date do you plan to open? _____

SECTION 13 Questions for all in-state applicants:

1. Distance to nearest school: _____ ft. Name of school: _____
(Regardless of distance) Address _____
2. Distance to nearest church: _____ ft. Name of church: _____
(Regardless of distance) Address _____
3. I am the: LESSEE SUBLESSEE OWNER PURCHASER (of premises)
4. If the premises is leased give lessors: Name _____
Address _____
- 4a. Monthly rental/lease rate \$ _____ What is the remaining length of the lease? _____ yrs. _____ mos.
- 4b. What is the penalty if the lease is not fulfilled? \$ _____ or other _____
(give details - attach additional sheet if necessary)
5. What is the total business indebtedness of the applicant for this license/location excluding lease? \$ _____

Does any one creditor represent more than 10% of that sum? YES NO If yes, list below. Total must equal 100%.

Last	First	Middle	% Owed	Residence Address	City	State	Zip

(ATTACH ADDITIONAL SHEET IF NECESSARY)

6. What type of business will this license be used for? (BE SPECIFIC) _____
7. Has a license, or a transfer license for the premises on this application been denied by the state within the past one (1) year?
 YES NO If yes, attach explanation.
8. Does any spirituous liquor manufacturer, wholesaler, or employee, have any interest in your business? YES NO
9. Is the premises currently licensed with a liquor license? YES NO If yes, give license number and licensee's name:
License # _____ (Exactly as it appears on license) Name _____

AMENDMENT

SECTION 12 Location to Location Transfer: (Bars and Liquor Stores ONLY)

06 SEP 20 11:47 AM 1103

APPLICANTS CANNOT OPERATE UNDER A LOCATION TRANSFER UNTIL IT IS APPROVED BY THE STATE.

1. Current Business: Name _____
(Exactly as it appears on license) Address _____
2. New Business: Name _____
(Do not use PO Box Number) Address _____
3. License Type: _____ License Number: _____ Last Renewal Date: _____
4. What date do you plan to move? _____ What date do you plan to open? _____

SECTION 13 Questions for all in-state applicants:

1. Distance to nearest school: 1/4 Mile ft. Name of school: Chester Newton Montessori
(Regardless of distance) Address 30 Hwy 260 E Camp Verde Az 86322
2. Distance to nearest church: 300 ft. Name of church: Iglesia Cristiana
(Regardless of distance) Address 102 General Crook Camp Verde Az. 86322
3. I am the: LESSEE SUBLESSEE OWNER PURCHASER (of premises)
4. If the premises is leased give lessors: Name N/A
Address _____
- 4a. Monthly rental/lease rate \$ _____ What is the remaining length of the lease? _____ yrs. _____ mos.
- 4b. What is the penalty if the lease is not fulfilled? \$ _____ or other _____
(give details - attach additional sheet if necessary)
5. What is the total **business** indebtedness of the applicant for this license/location excluding lease? \$ 0

Does any one creditor represent more than 10% of that sum? YES NO If yes, list below. Total must equal 100%.

Last	First	Middle	% Owed	Residence Address	City State	Zip

(ATTACH ADDITIONAL SHEET IF NECESSARY)

6. What type of business will this license be used for? (BE SPECIFIC) Restaurant
7. Has a license, or a transfer license for the premises on this application been denied by the state within the past one (1) year?
 YES NO If yes, attach explanation.
8. Does any spirituous liquor manufacturer, wholesaler, or employee, have any interest in your business? YES NO
9. Is the premises currently licensed with a liquor license? YES NO If yes, give license number and licensee's name:
License # 12130031 (Exactly as it appears on license) Name Kevin Klein

SECTION 14 Restaurant, or Hotel-Motel Applicants:

1. Is there a valid restaurant or hotel-motel liquor license at the proposed location? YES NO If yes, give licensee's name:
Klein Kevin S and license #: 12130031
Last First Middle
2. If the answer to Question 1 is YES, you may qualify for an Interim Permit to operate while your application is pending; consult A.R.S. Section 4-203.01; and complete Section 5 of this application.
3. All restaurant applicants must complete a Restaurant Operation Plan (Form LIC0114) provided by the Department of Liquor.
4. Do you understand that **40% of your gross revenue** must be from food sales? YES NO
-

SECTION 15 Diagram of Premises: (Blueprints not accepted, diagram must be on this form)

1. Check ALL boxes that apply to your licensed premises:
- | | |
|---|--|
| <input checked="" type="checkbox"/> Entrances/Exits | <input checked="" type="checkbox"/> Liquor storage areas |
| <input type="checkbox"/> Drive-in windows | <input type="checkbox"/> Patio enclosures |
| <input type="checkbox"/> Service windows | <input type="checkbox"/> Under construction: estimated completion date _____ |
2. Restaurants and Hotel/Motel applicants must explicitly depict kitchen equipment and dining facilities.
3. The diagram below is the only area where spirituous liquor is to be sold, served, consumed, dispensed, possessed, or stored. Give the square footage or outside dimensions of the licensed premises.

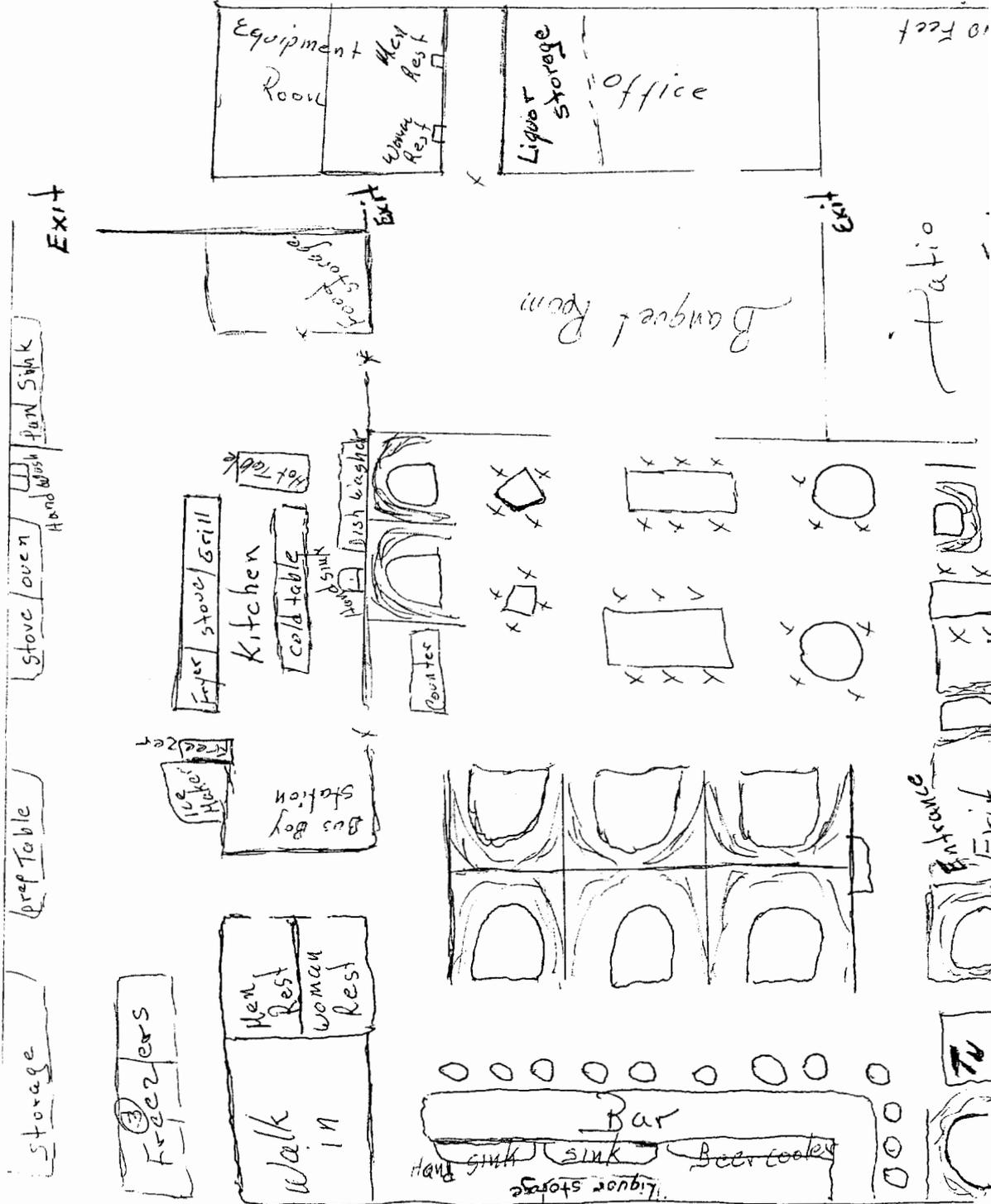
DO NOT INCLUDE PARKING LOTS, LIVING QUARTERS, ETC.

See Attached

3700 sq ft

YOU MUST NOTIFY THE DEPARTMENT OF LIQUOR OF ANY CHANGES OF BOUNDARIES, ENTRANCES, EXITS, OR SERVICE WINDOWS MADE AFTER SUBMISSION OF THIS DIAGRAM.

3700 sq ft



10 Feet

ratio

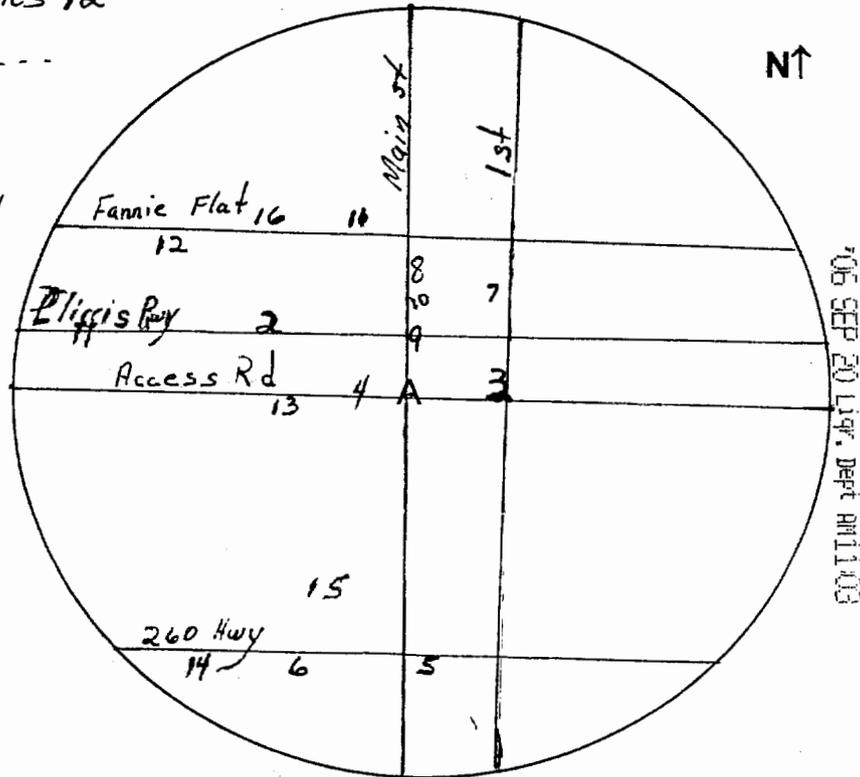
Exit

TV

SECTION 16 Geographical Data: A SAMPLE FOR THIS SECTION IS PROVIDED ON THE BACK OF THIS PAGE.

List below the exact names of all churches, schools, and spirituous liquor outlets within a one mile radius of your proposed location. Ref. A.R.S. 4-201 (B)

1. Las Margaritas Grill Series 12
2. St Frances Cabrini church
3. Top Shelf Liquor Archery
4. Iglesia Cristiana Sinai
5. Chester Newton Montessori school
6. V.F.W Post 6739
7. Los Niños Preschool
8. Gabriela's Cantina
9. Feeds and Country store
10. Bolers Bar
11. Salt Mine Cellars
12. Maverik Gas station
13. American Heritage Academy
14. First Assembly of God
15. Church of the Nazarene



A = Your business name and identify cross streets.

6 Crusty's Pizza - Osco Drug - Bashas

SECTION 17 Signature Block:

I, _____, declare that: 1) I am the APPLICANT (Owner, Agent, Partner, Stockholder (Print name of APPLICANT/AGENT listed in Section 4 Question 1) (10% or more), Member, Officer (10% or more ownership), or Club Member making this application; 2) I have read the application and the contents and all statements are true, correct and complete; 3) that this application is not being made to defraud or injure any creditor, taxing authority, regulatory authority, or transferor; 4) that no other person, firm, or corporation, except as indicated, has an interest in the spirituous liquor license for which these statements are made; and 5) that to the best of my knowledge and belief, none of the owners, partners, members, officers, directors or stockholders listed have been convicted of a felony in the past five (5) years.

X _____
(Signature)

State of _____ County of _____

The foregoing instrument was acknowledged before me this _____ day of _____ Month _____ Year

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

AMENDMENT

St Frances Cabrini Church
781 S Cliffis Parkway
Camp Verde Az. 86322
P.O Box1677

Top Shelf Liquor Archery
736 Main St
Camp Verde 86322

Iglesia Cristiana Sinai
102 General Crook
Camp Verde Az 86322

Chester Newton Montessori School
30 Hwy 260 E
Camp Verde Az 86322

Los Ninos Preschool
602 1st
Camp Verde Az 86322

Gabrilas Mexican Food
Main St
Camp Verde Az 86322

Feeds & Country Store
Main St
Camp Verde Az 86322

Bolers Bar
325 Main St
Camp Verde Az 86322

Salt Mine Cellars
212 Finnie Flat Rd.
Camp Verde Az 86322 Maverik Gas Station
541 Cliff Parkway
Camp Verde Az 86322

American Heritage Academy
132 W General Crook
Camp Verde Az 86322

Crusty's Pizza --Osco Drug --Bashas
650 Finnie Flat Rd
Camp Verde Az 86322

Firs Assembly of God
918 W Hwy 260
Camp Verde Az 86322

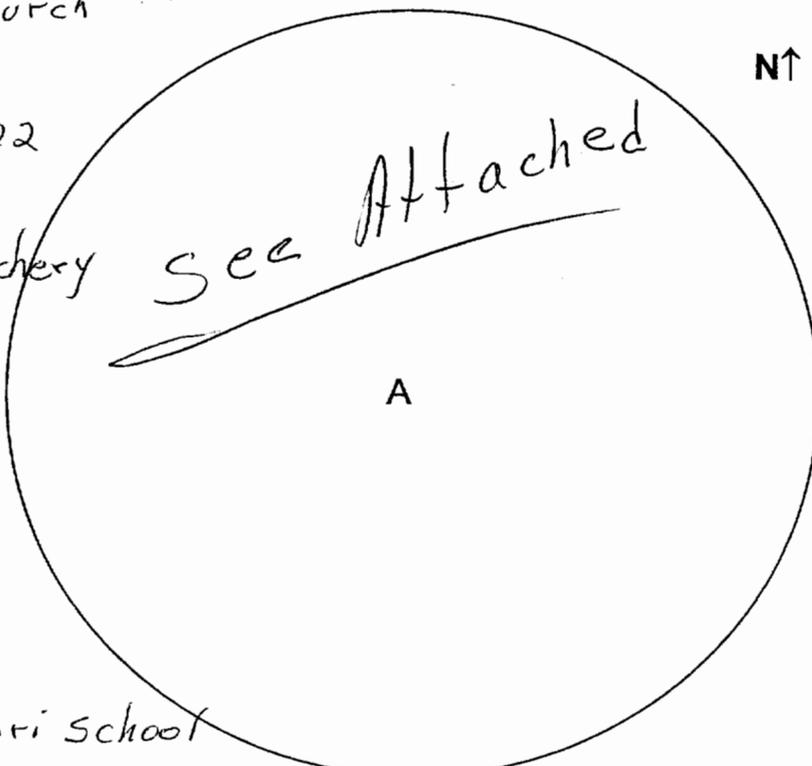
Church Of The Nazarene
644 S 7th st
Camp Verde Az 86322

V F W Post 6739
301 Hwy 260
Camp Verde Az 86322

SECTION 16 Geographical Data: A SAMPLE FOR THIS SECTION IS PROVIDED ON THE BACK OF THIS PAGE.

List below the exact names of all churches, schools, and spirituous liquor outlets within a one mile radius of your proposed location. Ref. A.R.S. 4-201 (B)

- 1. St Frances Cabrini Church
- 2. 781 S Cliffis Parkway
- 3. P.O Box 1677
- 4. Camp Verde AZ 82322
- 5. _____
- 6. Top Shelf Liquor Archery
- 7. 736 Main st
- 8. Camp Verde AZ 86322
- 9. _____
- 10. Iglesia Cristiana Sinai
- 11. 102 General Crook
- 12. Camp Verde Arizona 86322
- 13. _____
- 14. 30 Hwy 260 E
- 15. Chester Newton Montessori School



(ATTACH ADDITIONAL SHEET IF NECESSARY)

A = Your business name and identify cross streets.

SECTION 17 Signature Block:

1. Apolinas Olmedo Vazquez, declare that: 1) I am the APPLICANT (Owner, Agent, Partner, Stockholder (Print name of APPLICANT/AGENT listed in Section 4 Question 1) (10% or more), Member, Officer (10% or more ownership), or Club Member making this application; 2) I have read the application and the contents and all statements are true, correct and complete; 3) that this application is not being made to defraud or injure any creditor, taxing authority, regulatory authority, or transferor; 4) that no other person, firm, or corporation, except as indicated, has an interest in the spirituous liquor license for which these statements are made; and 5) that to the best of my knowledge and belief, none of the owners, partners, members, officers, directors or stockholders listed have been convicted of a felony in the past five (5) years.

X *Apolinas Olmedo Vazquez*
 (Signature)

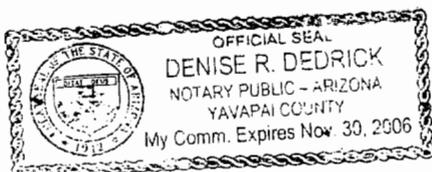
State of AZ County of Yavapai

The foregoing instrument was acknowledged before me this

22 day of Aug, 2006
 Day Month Year

My commission expires on: Nov 30 2006

Denise R. Dedrick
 (Signature of NOTARY PUBLIC)



SAMPLE GEOGRAPHICAL DATA

In the area adjacent to the map provided below indicates your proposed location and the exact names Of all churches, schools, and alcoholic beverage outlets within a 1 mile radius of your proposed location. Ref. A.R.S. 4-201 (B) (See example below)

A = Applicant Series 12

01 Pink Elephants Series 06

02 Mama's Rest. Series 12

03 Corner Liquors Series 09

04 Joe's Groceries Series 10

05 Lions Club Series 14

06 Burgers R Us Series 07

07 Pizza Perfect Series 07

08 Billy Bobs Bar Series 06

09 St. Anthony's Church

10 St. Anthony's School

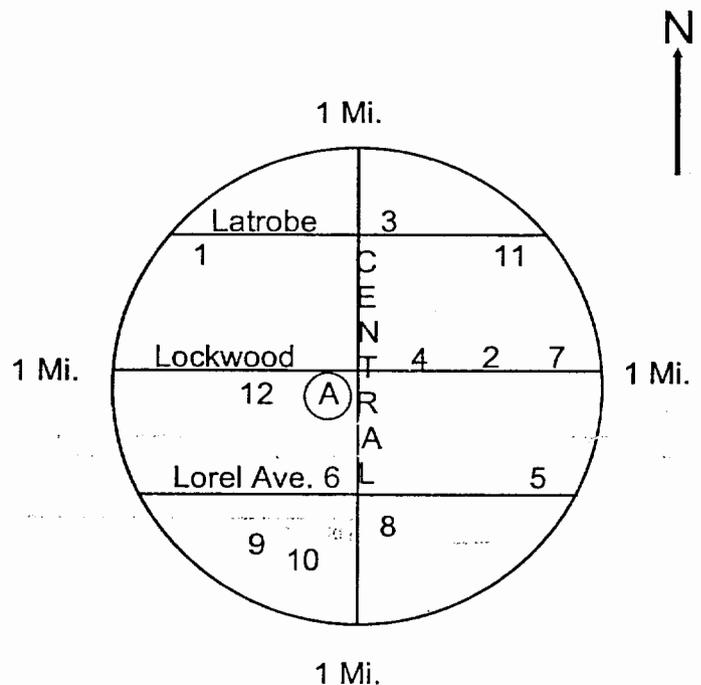
11 Burbank Middle School

12 First United Baptist Church

13 _____

14 _____

15 _____



A.R.S. Section 4-207.A reads as follows:

A. No retailers license shall be issued for any premises which are at the time the license application is received by the Director, within three hundred(300) horizontal feet of a church, within three hundred(300) horizontal feet of a public or private school building with kindergarten programs or any of grades one(1) through twelve(12) or within three hundred (300) horizontal feet of a fenced recreational area adjacent to such school building.

B. Subsection A of this section does not apply to a:

1. Restaurant issued a license pursuant to section 4-205.02
2. Special event license issued pursuant to section 4-203.02
3. Hotel-motel issued a license pursuant to section 4-205.01
4. Government license issued pursuant to section 4-205.03
5. Fenced playing area of a golf course issued a license pursuant to this article.

ARIZONA DEPARTMENT OF LIQUOR LICENSES & CONTROL

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

400 W Congress #521
Tucson AZ 85701-1352
(520) 628-6595

HOTEL-MOTEL AND RESTAURANT LICENSES RECORDS REQUIRED FOR AUDIT OF SERIES #11 & #12 LICENSES MAKE A COPY OF THIS DOCUMENT AND KEEP IT WITH YOUR DLLC RECORDS

In the event of an audit, you will be asked to provide to the Department any documents necessary to determine compliance with A.R.S. §4-205.02(G). Such documents requested may include however, are not limited to:

1. All invoices and receipts for the purchase of food and spirituous liquor for the licensed premises.
2. A list of **all** food and liquor vendors
3. The restaurant menu used during the audit period
4. A price list for alcoholic beverages during the audit period
5. Mark-up figures on food and alcoholic products during the audit period
6. A recent, **accurate** inventory of food and liquor (taken within two weeks of the Audit Interview Appointment)
7. Monthly Inventory Figures - beginning and ending figures for food and liquor
8. Chart of accounts (copy)
9. Financial Statements-Income Statements-Balance Sheets
10. General Ledger
 - A. Sales Journals/Monthly Sales Schedules
 - 1) Daily sales Reports (to include the name of each waitress/waiter, bartender, etc. with sales for that day)
 - 2) Daily Cash Register Tapes - Journal Tapes and Z-tapes
 - 3) Dated Guest Checks
 - 4) Coupons/Specials/Discounts
 - 5) Any other evidence to support income from food and liquor sales
 - B. Cash Receipts/Disbursement Journals
 - 1) Daily Bank Deposit Slips
 - 2) Bank Statements and canceled checks
11. Tax Records
 - A. Transaction Privilege Sales, Use and Severance Tax Return (copies)
 - B. Income Tax Return - city, state and federal (copies)
 - C. Any supporting books, records, schedules or documents used in preparation of tax returns
12. Payroll Records
 - A. Copies of all reports required by the State and Federal Government

06 SEP 20 11:41 AM Dept AM1103

- B. Employee Log (A.R.S. §4-119)
 - C. Employee time cards (actual document used to sign in and out each work day)
 - D. Payroll records for all employees showing hours worked each week and hourly wages
13. Off-site Catering Records (must be complete and separate from restaurant records)

- A. All documents which support the income derived from the sale of food off the license premises.
- B. All documents which support purchases made for food to be sold off the licensed premises.
- C. All coupons/specials/discounts

The sophistication of record keeping varies from establishment to establishment. Regardless of each licensee's accounting methods, the amount of gross revenue derived from the sale of food and liquor must be substantially documented.

REVOCAION OF YOUR LIQUOR LICENSE MAY OCCUR IF YOU FAIL TO COMPLY WITH A.R.S. §4-210(A)7 AND A.R.S. §4-205.02(G).

A.R.S. §4-210(A)7

The licensee fails to keep for two years and make available to the department upon reasonable request all invoices, records, bills or other papers and documents relating to the purchase, sale and delivery of spirituous liquors and, in the case of a restaurant or hotel-motel licensee, all invoices, records, bills or other papers and documents relating to the purchase, sale and delivery of food.

A.R.S. §4-205.02(G)

For the purpose of this section:

1. "Restaurant" means an establishment which derives at least forty percent (40%) of its gross revenue from the sale of food.
2. "Gross revenue" means the revenue derived from all sales of food and spirituous liquor on the licensed premises, regardless of whether the sales of spirituous liquor are made under a restaurant license issued pursuant to this section or under any other license that has been issued for the premises pursuant to this article.

I, (print licensee name):

Olmedo Vazquez Vazquez Apolinario Apolinario
 Last First Middle

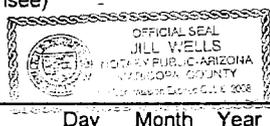
have read and fully understand all aspects of this statement.

State of Arizona County of Maricopa
 The foregoing instrument was acknowledged before me this

[Signature]
 (Signature of Licensee)

5 day of September, 2000
 Day Month Year

My commission Expires on:



Day Month Year

[Signature]
 (Signature of NOTARY PUBLIC)

MAKE A COPY OF THIS DOCUMENT AND KEEP IT WITH YOUR DLLC RECORDS

ARIZONA DEPARTMENT OF LIQUOR LICENSES & CONTROL

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



400 W Congress #521
Tucson AZ 85701-1352
(520) 628-6595

RESTAURANT OPERATION PLAN

LICENSE # 12133348

1. List by Make, Model and Capacity of your :

Grill	Wolf 2.4'x6'
Oven	Wolf 24'x6'
Freezer	True Freezer
Refrigerator	Walk-in 6x6
Sink	NSF 2' x 7.6
Dish Washing Facilities	AFC-3A
Food Preparation Counter (Dimensions)	2 1/2 x 6 & 3 x 2 1/2
Other	Ice Machine (Manitowoc)

06 SEP 20 1:47 PM Dept 01103

2. Print the name of your restaurant: Las Margaritas Grill

3. Attach a copy of your menu (Breakfast, Lunch and Dinner including prices).

4. List the seating capacity for:

- a. **Restaurant area** of your premises [97]
- b. **Bar area** of your premises [+ 0]
- c. **Total area** of your premises [97]

5. What type of dinnerware and utensils are utilized within your restaurant?
 Reusable Disposable

6. Does your restaurant have a bar area that is distinct and separate from the restaurant seating? (If yes, what percentage of the public floor space does this area cover). Yes _____ % No

7. What percentage of your public premises is used primarily for restaurant dining?
 (Does not include kitchen, bar, cocktail tables or game area.) 100% %

*Disabled individuals requiring special accommodations, please call the Department.

8. Does your restaurant contain any games or television? Yes No
If yes, specify what types and how many of each type (Televisions, Pool tables, Video Games, Darts, etc).

televisions (2) Orion - Mitsubishi

9. Do you have live entertainment or dancing? Yes No
(If yes, what type and how often?)

10. Use space below or attach a list of employee positions and their duties to fully staff your business.

Waiters / Waitresses
Bus person
Dishwasher
Cook

I, Apelinar Olmedo Vasquez, hereby declare that I am the APPLICANT filing this application. I have
(Print full name)
read this application and the contents and all statements true, correct and complete.

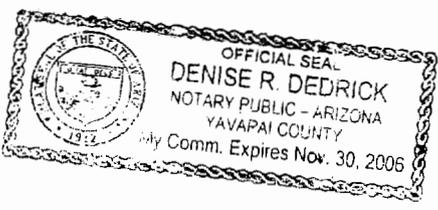
X Apelinar Olmedo Vasquez
(Signature of APPLICANT)

State of Arizona County of Yavapai

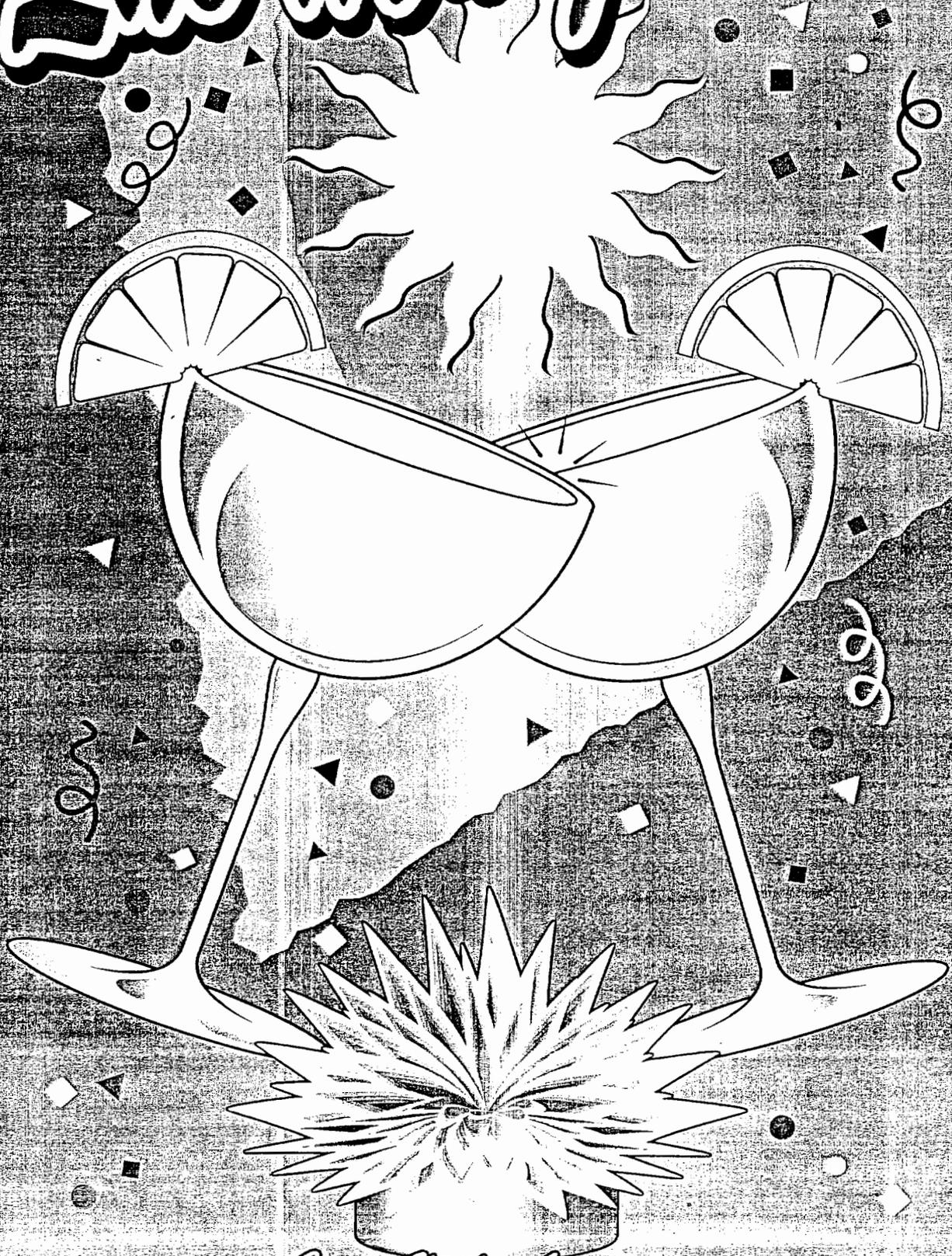
The foregoing instrument was acknowledged before me this
22 day of Aug, 2006
Day of Month Month Year

My commission expires on: Nov 30 2006

Denise R. Dedrick
(Signature of NOTARY PUBLIC)



Las Margaritas



'06 SEP 20 Lic. AM1109

Camp Verde, Arizona
928/567-2435

LUNCH SPECIALS

Lunch Specials are Served from 11:00am til 3:00pm

COMBINATIONS

Served with rice and beans. Choice of fillings are: Ground Beef, Chicken, Shredded Beef.
Add Carne Asada for 50¢. Add Guacamole and Sour Cream for \$1.50.

No. 1 Cheese Enchilada, Taco.....	\$6.49	No. 9 Chimichanga.....	\$6.49
No. 2 Chile Relleno, 1 Flour Tortilla.....	\$6.49	Garnish with lettuce & tomatoes with parmesan cheese.	
No. 3 Cheese Enchilada, Bean Tostada.....	\$6.49	No. 10 Flautas (Two)	\$6.49
No. 4 Two Tacos.....	\$6.49	Corn tortilla with shredded beef, rolled and deep fried until very crisp. Served with guacamole and sour cream.	
No. 5 Chalupa (Big Flour Taco).....	\$6.49	No. 11 Chile Colorado.....	\$7.25
No. 6 Two Enchiladas.....	\$6.49	Beef chunks cooked in tasty red sauce and 2 tortillas.	
No. 7 Sopito, Cheese Enchilada.....	\$6.49	No. 12 Chile Verde.....	\$7.25
No. 8 Tamale, Taco.....	\$6.49	Pork chunks cooked in green tomato sauce and 2 tortillas.	

OR CHOOSE ONE ITEM FOR..... \$5.49
Tamale, Enchilada, Taco, Sopito, Flautas

BURRITOS

Served with rice and beans, and smothered with sauce and cheese.

Carne Asada Burrito (Steak).....	\$6.99
Carnitas Burrito (Fried Pork).....	\$6.99
Pork Chile Verde Burrito (Green Sauce).....	\$6.49
Picadillo Burrito (Shredded Beef).....	\$6.49
Chicken Burrito.....	\$6.49
Chorizo and Eggs Burrito.....	\$6.49
Ground Beef Burrito.....	\$6.49
Refried Beans Burrito.....	\$5.49
Chile Colorado Burrito.....	\$6.49

GRAND ENCHILADAS

Our Enchiladas are served on Large 10" tortilla with rice and beans, smothered with red sauce and cheese.

Sea Food (Baby Shrimp and Crab).....	\$7.25
Chile Verde (Pork in Green Sauce).....	\$6.49
Cheese and Onions.....	\$6.49
Enchiladas Verdes (Green Sauce)	\$6.49
Chicken - Cheese - Ground Beef - Shredded Beef	

TAPATIAS

A flat crisp, flour tortilla layered with beans and your choice of Chicken, Shredded Beef, Ground Beef, Chile Colorado, Chile Verde Pork. Topped with lettuce, tossed with mayonnaise and garnished with guacamole and tomatoes.

.....\$6.25

SALADS

Add Guacamole and Sour Cream for \$1.50

Avocado Salad.....	\$4.95
Regular Salad.....	\$2.00
Grilled Chicken Breast Salad.....	\$7.99
Taco Salad.....	\$5.95
(Ground Beef, Shredded Beef, or Chicken)	

TOSTADAS

Add Guacamole and Sour Cream for \$1.50

A flat deep fried corn tortilla layered with beans and topped with lettuce, tomatoes, and cheese.

Bean's Tostada.....	\$3.50
Avocado Tostada.....	\$4.95
Chicken Tostada.....	\$4.95
Ground Beef Tostada.....	\$4.95
Picadillo Tostada (Shredded Beef).....	\$4.95
Chile Verde (Green Chile Pork).....	\$5.25
Chile Colorado (Red Chile Steak Chunks).....	\$5.25

SIDE ORDERS

Guacamole.....	\$3.00	Avocado.....	\$1.00	Cheese Burgers and Fries.....	\$5.49
Sour Cream.....	\$1.00	Tortillas.....	\$.75	Green or Red Sauce.....	\$.75

EGG DISHES

Served with rice and beans, and two tortillas.

Huevos Rancheros.....	\$6.99	Machaca.....	\$6.99	Chorizo Con Huevos.....	\$6.99
Eggs over easy, served on soft corn tortillas and topped with ranchero sauce.		Slices of skirt steak mixed with scrambled eggs.		Ground Mexican sausage blended with eggs.	
Huevos Sonora.....\$6.99					
Two fresh Country eggs cooked onelette, filled with sliced avocados, cheese, covered with chile sauce and served with chi laquiles.					

06 SEP 20 11:49 Lic. AM1110

PORK DISHES

Served with beans, rice and tortillas.

Chile Verde.....\$9.95
 Chunks of pork cooked in green chile sauce made with tomatillos, cilantro, bell pepper and onions and spices.

CHICKEN DISHES

Served with choice of refried beans or whole beans, rice and tortillas or American style, french fries and salad.

Arroz Con Pollo.....\$10.95
 Boneless breast of Chicken sauteed with mushrooms and cooked with our special sauce, served over a bed of rice (no beans).

Pollo A La Cazuela.....\$10.95
 Sliced Boneless breast of Chicken, sauteed mushrooms, bell peppers, onions and cooked in a creamy sauce.

Pollo and Mole.....\$10.95
 Sliced boneless breast of Chicken cooked in a tasty sweet sauce.

PLATILLOS DE PUERCO

Servido con arroz y frijoles refrito o de la olla y tortillas.

Carnitas de puerco.....\$9.95
 Succulent pieces of deep fried pork with a dash of seasoning.

PLATILLO DE POLLO

Servido con arroz frijoles de refrito o de la olla and tortillas o stilo Americano, papas fritas and enselada.

Pollo Azado.....\$10.95
 A filet of boneless breast of chicken marinated in a special way and grilled. Garnished with green onions and tomatoes.

Carnitas De Pollo.....\$10.95
 Sliced boneless chicken sauce with bell peppers, onions and tomatoes.

Pollo Mexican Style.....\$10.95
 Sliced boneless breast of chicken sauteed with mushrooms, bell peppers and onions cooked in a special sauce.

SIZZLING FAJITA DISHES

Served with choice of refried or whole beans, rice, tortillas, guacamole and sour cream.

Prawn Fajitas.....\$13.95
 Jumbo prawns cooked with mushrooms in a tasty sauce poured over a bed of sauteed bell peppers and onions delivered sizzling hot!

Chicken Fajitas.....\$12.95
 Marinated strips of chicken delivered sizzling hot over a bed of sauteed bell peppers and onions.

Steak Fajitas.....\$12.95
 Marinated strips of flank steak delivered sizzling hot over a bed of sauteed bell peppers and onions.

Mixed Fajitas.....\$12.95
 Marinated strips of flank steak and chicken delivered sizzling hot over a bed of sauteed bell peppers and onions.

Fajitas for Two.....\$22.99
 Your choice of Chicken, Steak or Mixed (Chicken and Steak).

SALADS

Add Guacamole and Sour Cream for \$1.50

Taco Salad.....\$6.99
 (Ground Beef, Chicken or Shredded Beef)

Seafood Salad (Baby Shrimp and Crab).....\$7.95

Grilled Chicken Breast Salad.....\$8.99
 Juicy breast of chicken strips on top of a crisp bed of lettuce. Garnished with Monterey Jack, Cheddar Cheese and tomatoes.

Dinner Salad.....\$2.75

Avocado Salad.....\$5.95

Tapatias.....\$6.95

A flat crisp flour tortilla layered with beans and your choice of chicken, shredded beef or tender chunks of chili colorado or chili verde, topped with lettuce, diced tomatoes, guacamole and sour cream.

Chef Salad.....\$6.95
 The "Super Bowl" of salads: Tackle our line up of Julienne ham, hard boiled eggs, fresh tomatoes, jack and cheddar cheese and avocados. and

*06 SEP 20 11:47. LIC. AM11110

SEAFOOD DISHES (MARISCOS)

Served with two tortillas, rice and choice of refried beans or cholesterol-free beans or American Style with salad and French Fries.

Our special sauce is made of carrots, celery and tomatoes.

- | | |
|--|---|
| Camarones Con Arroz\$12.95
Jumbo prawns cooked with mushrooms and sauteed with special sauce. (Beans and rice not included) | Canpechana (Octopus and shrimp soup)\$11.99
Tomatoes, avocados and onions. (Beans and rice not included) |
| Camarones Mojo De Ajo\$12.95
Jumbo prawns cooked with mushrooms, bell pepper, and onions and sauteed in garlic and onion juice. | Canpechana Mojo De Ajo\$12.95
Octopus and shrimp cooked with mushrooms and sauteed in garlic and onion juice. |
| Camarones A La Diabla\$12.95
Jumbo prawns cooked with mushrooms and sauteed in a spicy sauce. | Canpechana A La Diabla\$12.95
Octopus and shrimp cooked with mushrooms and sauteed in a spicy sauce. |
| Apreta La Dos\$13.95
Jumbo prawns wrapped in bacon and fried. Served over a bed of peppers and onions topped with hot melted cheese. | Shrimp Soup\$10.95
Jumbo prawns soup, served with chopped salsa, avocado cubes, tomato juice, cilantro and onion. (Beans and rice not included) |
| Las Margaritas' Special\$13.95
Prawn Kabobs sauteed in a special green sauce cooked with green pepper and onions served with rice, beans and slices of avocado, topped with green sauce. | Tostadas De Ceviche (2 Tostadas)\$ 8.95
Chopped baby shrimp, jalapeno, tomato, onions, cilantro, cucumber on top of a deep fried corn tortilla. |
| 7 Marez (Soup of the Seven Seas)\$12.95
Shrimp, octopus, crab legs, abalone, clams, muscles, zucchini, carrots and potatoes. (Beans and rice not included) | Camarones Charroz\$12.95
Fresh large shrimp sauteed mushrooms, bell pepper and tomatoes cooked in a very special sauce. |
| Pescado Frito (Fried Fish)\$11.95
Your choice of catfish or talapin fish refried in our special way and garnished with slice of avocados, onions, tomatoes, lemon and cucumber. | Crab Legs And Shrimp\$13.95
Crab legs and shrimp, mushrooms sauteed in butter and marinated with our delicious mix of spices. |

STEAK DISHES • (CARNE)

Served with two tortillas, rice and beans or American Style with salad and French Fries.

- | | |
|---|--|
| Steak Ranchero\$13.95
T-bone steak marinated and broiled in a very special way. Served with guacamole and green onions. | Steak Picado\$11.95
Dashed Steak with peppers, onions, tomatoes and a delicious sauce served with rice and beans. |
| Rib Eye Steak\$13.95
Rib Eye Steak broiled over charcoal and served with guacamole and green onions. | Chili Colorado\$9.95
Chunks of Beef served in a tasty chili sauce. |
| Muy Muy Bueno\$16.95
Your choice of Rib Eye Steak or Skirt Steak cooked over charcoal plus for prawns and mushrooms sauteed in butter and garlic sauce. | Tacos Rancheros (3 large tacos)\$10.95
Marinated skirt steak with salsa ranchero. Guacamole included. |
| Carne Asada\$11.25
Slices of skirt steak cooked over charcoal served with guacamole and sauteed green onions. | Taquitos Al Pastor (3 large tacos)\$10.95
Flank steak marinated and cut into small pieces in a tortilla with ranchero sauce and guacamole. |
| Carnitas De Res\$10.95
Top Sirloin Steak strips with green peppers, onions and guacamole. | Steak And Crab Legs\$15.95
Juicy New York Steak and succulent crab legs served with hot melted butter. |
| Steak Relleno\$16.95
Juicy New York Steak stuffed with sauteed bell peppers, tomatoes, onions and ham. Wrapped in bacon and grilled. Topped with a delicious sauce and garnished with avocados. | Talpiquenta\$10.95
Flank Steak cooked on a grill topped with cocktail shrimp sauce and melted cheese. |
| New York Steak\$13.95
10 oz. of a perfect cut of New York Steak. Grilled to perfection. | Banderilla\$11.95
Cubed Beef with onions, peppers and tomatoes. Served with special sauce, rice and beans. |
| Tacos Mexicanos\$11.95
Two soft tacos filled with broiled steak or carnitas, served with guacamole and a pot of charro beans. | |

COMBINATIONS

Choices of fillings are: Chicken - Ground Beef - Shredded Beef - Cheese.

No choice of filling in Tamale or Chili Relleno.

Add Guacamole and Sour Cream for \$1.50 & Green Sauce.

Ground Beef or Cheese Chicken or Shredded Beef Chile Verde or Chile Colorado or Carne Asada

POQUITO (Choice of one item)\$6.25.....\$6.50.....\$6.75

Flauta (including guacamole and sour cream), taco, enchilada, tamale, tostada, sopito, chili relleno, chimichanga, chalupa or burrito.

MEDIO (Choice of two items).....\$7.99.....\$8.49.....\$8.99

Taco, enchilada, tamale, tostada, sopito, chili relleno, chimichanga, chalupa, burrito, flauta (rolled corn tortilla with meat and deep fried).

GRANDE (Choice of three items).....\$8.99.....\$9.49.....\$10.25

Flauta (rolled corn tortilla with meat and deep fried), taco, enchilada, tamale, tostada, sopito, chile relleno, burrito.

Taquitos de Pollo..... \$9.95

3 Flour tortillas rolled and stuffed with chicken, cut to bite sized pieces and served with guacamole, sour cream, rice and beans.

Enchiladas Verdes.....\$9.25

Corn Tortillas rolled and stuffed with cheese, topped with green sauce, sour cream & guacamole. Served with rice & beans

Enchiladas Suizas.....\$9.25

2 Tortillas stuffed with chicken, rolled and topped with green sauce and sour cream. Served with beans and sweet corn

Seafood Enchilada (Baby Shrimp & Crab).....\$8.95

Served with rice & beans on a large 10" corn tortilla, smothered with red sauce and cheese

TOSTADAS

Our traditional tostadas are made with crispy corn tortilla shells or, if you prefer, a crispy flour tortilla.

Texas Style - ask your wait staff. All tostadas are layered with beans and garnished with lettuce, cheese, tomatoes and sauce. Add guacamole and sour cream for \$1.50

Shredded Beef Tostada.....\$5.95

Chili Verde Tostada.....\$5.95

Chunks of Pork in a green sauce

Seafood Tostada (Baby Shrimp and crab).....\$7.50

Beans and Avocado.....\$5.95

Chicken or Beef.....\$5.95

Bean Tostada.....\$2.95

Chili Colorado Tostada.....\$5.95

Chunks of Top Sirloin in a red sauce.

BURRITOS

10" Flour tortilla. Served with rice and beans.

Super Burrito.....\$9.00

Flour tortilla filled with rice, beans and ground beef and garnished with lettuce, cheese, tomatoes, guacamole and sour cream.

Burrito Verde.....\$8.00

Pork chunks in green sauce.

Carnitas Burrito.....\$8.95

Our special carnitas rolled in a large flour tortilla topped with tomatoes and guacamole.

Burrito Colorado.....\$7.75

Ground Beef Burrito.....\$7.75

Bean Burrito.....\$6.25

Seafood Burrito.....\$8.25

Baby shrimp and crab cooked in butter with chopped salsa.

Burro Relleno.....\$8.00

Flour tortilla filled with rice, beans and chile relleno.

Garnished with lettuce, cheese, tomatoes and guacamole.

Burro Carne Asada (includes guacamole).....\$8.95

Shredded Beef (picadillo).....\$7.75

Chicken Burrito.....\$7.75

Bean & Cheese Burrito.....\$6.25

Bean and Chorizo Burrito.....\$6.25

*06 SEP 20 Liar, Lic. AM1110

ARIZONA DEPARTMENT OF LIQUOR LICENSES & CONTROL

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

400 W Congress #521
Tucson AZ 85701-1352
(520) 628-6595

QUESTIONNAIRE

SEP 20 11 04

Attention all Local Governing Bodies: Social Security and Birthdate Information is Confidential. This information may be given to local law enforcement agencies for the purpose of background checks only but must be blocked to be unreadable prior to posting or any public view.

Read carefully. This instrument is a sworn document. Type or print with black ink. An extensive investigation of your background will be conducted. False or incomplete answers could result in criminal prosecution and the denial or subsequent revocation of a license or permit.

TO BE COMPLETED BY EACH OWNER, AGENT, PARTNER, STOCKHOLDER (10% OR MORE), MEMBER, OFFICER OR MANAGER. ALSO EACH PERSON COMPLETING THIS FORM MUST SUBMIT AN "APPLICANT" TYPE FINGERPRINT CARD WHICH MAY BE OBTAINED AT THE DEPT. FINGERPRINTING MUST BE DONE BY A BONA FIDE LAW ENFORCEMENT AGENCY OR A FINGERPRINTING SERVICE APPROVED BY THE DEPARTMENT OF LIQUOR. THE DEPARTMENT DOES NOT PROVIDE THIS SERVICE.

Eff. 10/01/03 there is a \$29.00 processing fee for each fingerprint card submitted.

A service fee of \$25.00 will be charged for all dishonored checks (A.R.S. 44.6852)

Liquor License #

12133348

(If the location is currently licensed)

1. Check appropriate box → Owner Partner Stockholder Member Officer Agent Other _____ (Complete Questions 1-20 & 24)
Licensee or Agent must complete # 25 for a Manager

Manager(Only) (Complete All Questions except # 14, 14a & 25)
Licensee or Agent must complete # 25

2. Name: Olmedo Vazquez Apelinar Date of Birth: _____
Last First Middle (This Will Not Become a Part of Public Records)

3. Social Security Number: _____ Drivers License #: _____ State: _____
(This Will Not Become a Part of Public Records)

4. Place of Birth: _____ Height: _____ Weight: _____ Eyes: _____ Hair: _____
City State Country (not county)

5. Marital Status Single Married Divorced Widowed Residence (Home) Phone: (____) _____ - _____

6. Name of Current or Most Recent Spouse: _____ Date of Birth: _____
(List all for last 5 years - Use additional sheet if necessary) Last First Middle Maiden

7. You are a bona fide resident of what state? _____ If Arizona, date of residency: _____

8. Telephone number to contact you during business hours for any questions regarding this document. (____) _____ - _____

9. If you have been a resident less than three (3) months, submit a copy of driver's license or voter registration card.

10. Name of Licensed Premises: _____ Premises Phone: (____) _____ - _____

11. Licensed Premises Address: 18 Access Rd 5 Access Rd
Street Address (Do not use PO Box #) City County Zip

12. List your employment or type of business during the past five (5) years, if unemployed part of the time, list those dates. List most recent 1st.

FROM Month/Year	TO Month/Year	DESCRIBE POSITION OR BUSINESS	EMPLOYER'S NAME OR NAME OF BUSINESS (Give street address, city, state & zip)
	CURRENT		
8/31/03	9/30/04	Las Margaritas Grill/Waiter	1214 E st Oakdale Ca 95361 (209) 847-5606
2/1/98	7/1/2003	Manager El Toreo Inc.	4061 W Ave L Quartz Hill Ca. 93534 (661) 722-9309

ATTACH ADDITIONAL SHEET IF NECESSARY FOR EITHER SECTION

13. Indicate your residence address for the last five (5) years:

FROM Month/Year	TO Month/Year	Rent or Own	RESIDENCE Street Address If rented, attach additional sheet giving name, address and phone number of landlord	City	State	Zip
	CURRENT					

If you checked the Manager box on the front of this form skip to # 15

14. As an Owner, Agent, Partner, Stockholder, Member or Officer, will you be physically present and operating the the licensed premises ? If you answered YES, how many hrs/day? _____, **answer #14a below**. If NO, skip to #15. YES NO
- 14a. Have you attended a Department approved Liquor Law Training Course within the last 5 years? (Must provide proof) YES NO
If the answer to # 14a is "NO", course must be completed before issuance of a new license or approval on an existing license.
15. Have you **EVER** been **detained, cited, arrested, indicted or summoned** into court for violation of **ANY** law or ordinance (regardless of the disposition even if dismissed or expunged)? **For traffic violations, include only those that were alcohol and/or drug related.** YES NO
16. Have you **EVER** been **convicted, fined, posted bond, been ordered to deposit bail, imprisoned, had sentence suspended, placed on probation or parole** for violation of **ANY** law or ordinance (regardless of the disposition even if dismissed or expunged)? **For traffic violations, include only those that were alcohol and/or drug related.** YES NO
17. Are there **ANY** administrative law citations, compliance actions or consents, criminal arrests, indictments or summonses **PENDING** against you or **ANY** entity in which you are now involved? YES NO
18. Have you or any entity in which you have held ownership, been an officer, member, director or manager **EVER** had a business, professional or liquor **APPLICATION OR LICENSE rejected, denied, revoked, suspended or fined** in this or any other state? YES NO
19. Has anyone **EVER** **filed suit or obtained a judgment against you** in a civil action, the subject of which involved **fraud or misrepresentation of a business, professional or liquor license?** YES NO
20. Are you **NOW** or have you **EVER** held ownership, been a controlling person, been an officer, member, director, or manager on any other liquor license in this or any other state? YES NO

If any answer to Questions 15 through 20 is "YES" YOU MUST attach a signed statement. Give complete details including dates, agencies involved and dispositions.

If you checked the Manager box on the front of this form, fill in #21-23 and 24, all others skip the following box (21-23) and go to # 24

Manager Section

21. Have you attended a Department approved Liquor Law Training Course within the last 5 years? (Must provide proof) YES NO
If the answer to #21 is "NO" course must be completed BEFORE ISSUANCE of a new license OR APPROVAL on an existing license.
22. Do you make payments to the licensee? YES NO If "yes", how much? \$_____ per month. Total debt to licensee \$_____
23. Is there a formal written contract or agreement between you and the licensee relating to the operation or management of this business?
 YES NO If "yes", attach a copy of such agreement

24. I, _____, hereby declare that I am the APPLICANT filing this questionnaire.
 (Print full name of Applicant)

I have read this questionnaire and the contents and all statements are true, correct and complete.

X _____
 (Signature of Applicant)

State of _____ County of _____
 The foregoing instrument was acknowledged before me this _____ day of _____, _____ Year

 (Signature of NOTARY PUBLIC)

My commission expires on: _____ Day Month Year

FILL IN THIS SECTION ONLY IF YOU ARE A LICENSEE OR AGENT APPROVING A MANAGER APPLICATION
Licensee or Agent Approval of Manager

25. I, (Print Licensee/Agent's Name): _____
 Hereby authorize the applicant to act as manager for the named liquor license.
 State of _____ County of _____
 The foregoing instrument was acknowledged before me this _____ day of _____, _____ Year

X _____
 (Signature of LICENSEE/AGENT)

My commission expires on: _____ Day Month Year

 (Signature of NOTARY PUBLIC)

ARIZONA DEPARTMENT OF LIQUOR LICENSES & CONTROL

P1053074

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

SEP 20 11 04

400 W Congress #521
Tucson AZ 85701-1352
(520) 628-6595

SDL 804

QUESTIONNAIRE

Attention all Local Governing Bodies: Social Security and Birthdate Information is Confidential. This information may be given to local law enforcement agencies for the purpose of background checks only but must be blocked to be unreadable prior to posting or any public view.

Read carefully. This instrument is a sworn document. Type or print with black ink. An extensive investigation of your background will be conducted. False or incomplete answers could result in criminal prosecution and the denial or subsequent revocation of a license or permit.

TO BE COMPLETED BY EACH OWNER, AGENT, PARTNER, STOCKHOLDER (10% OR MORE), MEMBER, OFFICER OR MANAGER. ALSO EACH PERSON COMPLETING THIS FORM MUST SUBMIT AN "APPLICANT" TYPE FINGERPRINT CARD WHICH MAY BE OBTAINED AT THE DEPT. FINGERPRINTING MUST BE DONE BY A BONA FIDE LAW ENFORCEMENT AGENCY OR A FINGERPRINTING SERVICE APPROVED BY THE DEPARTMENT OF LIQUOR. THE DEPARTMENT DOES NOT PROVIDE THIS SERVICE.

Liquor License #

12133348
(If the location is currently licensed)

Eff. 10/01/03 there is a \$29.00 processing fee for each fingerprint card submitted.

A service fee of \$25.00 will be charged for all dishonored checks (A.R.S. 44.6852)

1. Check appropriate box → Owner Partner Stockholder Member Officer Agent Other (Complete Questions 1-20 & 24) Licensee or Agent must complete # 25 for a Manager

Manager(Only) (Complete All Questions except # 14, 14a & 25) Licensee or Agent must complete # 25

2. Name: Olmedo Apolinar Vasquez Last First Middle Date of Birth: [REDACTED] (This Will Not Become a Part of Public Records)

3. Social Security Number: [REDACTED] Drivers License #: D03363115 State: Arizona (This will Not Become a Part of Public Records)

4. Place of Birth: Tlalisco Mexico City State Country (not county) Height: 5-7 Weight: 195 Eyes: Blk Hair: Blk

5. Marital Status Single Married Divorced Widowed Residence (Home) Phone: (928) 634-1982

6. Name of Current or Most Recent Spouse: Olmedo Yolanda R Last First Middle Maiden Date of Birth: [REDACTED] (List all for last 5 years - Use additional sheet if necessary)

7. You are a bona fide resident of what state? Arizona If Arizona, date of residency: Oct. 2004

8. Telephone number to contact you during business hours for any questions regarding this document. (928) 451-9321

9. If you have been a resident less than three (3) months, submit a copy of driver's license or voter registration card.

10. Name of Licensed Premises: Las Margaritas Grill Premises Phone: (928) 567-2435

11. Licensed Premises Address: 77 General Crook Camp Verde Yavapai 86322 Street Address (Do not use PO Box #) City County Zip

12. List your employment or type of business during the past five (5) years, if unemployed part of the time, list those dates. List most recent 1st

FROM Month/Year	TO Month/Year	DESCRIBE POSITION OR BUSINESS	EMPLOYER'S NAME OR NAME OF BUSINESS (Give street address, city, state & zip)
08-06	CURRENT	Owner	Las Margaritas Grill 77 General Crook Camp Verde Arizona 86322 (928) 567-2435
11/06	08/21/06	Owner	Diner Inc. 324 S Main St Cottonwood AZ 86326 (928) 634-8284
11/1/04	10/30/05	La Carreta Restaurant	Waiter 2181 Hwy 89A Cottonwood AZ 86326 (928) 634-4928

ATTACH ADDITIONAL SHEET IF NECESSARY FOR EITHER SECTION ↓

13. Indicate your residence address for the last five (5) years:

FROM Month/Year	TO Month/Year	Rent or Own	RESIDENCE Street Address	City	State	Zip
5/1/06	CURRENT	Own	1240 E Crestview Dr Cottonwood AZ 86326	Cottonwood	AZ	86326
10/4/06	4/31/06	Rent	The Pueblo Apts. 355 S 12th St 639-0068	Cottonwood	AZ	86326
4/03	10/04	Rent	Harvest Apts. 1505 Wood Apt 130	Oakdale	CA	95361
4/99	3/03	Own	814 W Ave H7	LANCASTER	CA	93534

If you checked the Manager box on the front of this form skip to # 15

14. As an Owner, Agent, Partner, Stockholder, Member or Officer, will you be physically present and operating the the licensed premises? If you answered YES, how many hrs/day? 8, answer #14a below. If NO, skip to #15. YES NO
- 14a. Have you attended a Department approved Liquor Law Training Course within the last 5 years? (Must provide proof) YES NO
If the answer to # 14a is "NO", course must be completed before issuance of a new license or approval on an existing license.
15. Have you **EVER** been detained, cited, arrested, indicted or summoned into court for violation of **ANY** law or ordinance (regardless of the disposition even if dismissed or expunged)? For traffic violations, include only those that were alcohol and/or drug related. YES NO
16. Have you **EVER** been convicted, fined, posted bond, been ordered to deposit bail, imprisoned, had sentence suspended, placed on probation or parole for violation of **ANY** law or ordinance (regardless of the disposition even if dismissed or expunged)? For traffic violations, include only those that were alcohol and/or drug related. YES NO
17. Are there **ANY** administrative law citations, compliance actions or consents, criminal arrests, indictments or summonses PENDING against you or **ANY** entity in which you are now involved? YES NO
18. Have you or any entity in which you have held ownership, been an officer, member, director or manager **EVER** had a business, professional or liquor APPLICATION OR LICENSE rejected, denied, revoked, suspended or fined in this or any other state? YES NO
19. Has anyone **EVER** filed suit or obtained a judgment against you in a civil action, the subject of which involved fraud or misrepresentation of a business, professional or liquor license? YES NO
20. Are you **NOW** or have you **EVER** held ownership, been a controlling person, been an officer, member, director, or manager on any other liquor license in this or any other state? YES NO

If any answer to Questions 15 through 20 is "YES" YOU MUST attach a signed statement. Give complete details including dates, agencies involved and dispositions.

If you checked the Manager box on the front of this form, fill in #21-23 and 24, all others skip the following box (21-23) and go to # 24

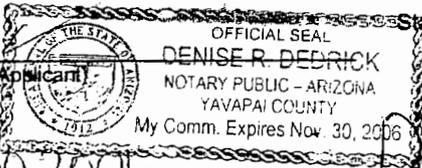
Manager Section

21. Have you attended a Department approved Liquor Law Training Course within the last 5 years? (Must provide proof) YES NO
If the answer to #21 is "NO" course must be completed **BEFORE ISSUANCE** of a new license **OR APPROVAL** on an existing license.
22. Do you make payments to the licensee? YES NO If "yes", how much? \$ _____ per month. Total debt to licensee \$ _____
23. Is there a formal written contract or agreement between you and the licensee relating to the operation or management of this business? YES NO If "yes", attach a copy of such agreement

24. I, Apolinar Olmedo Vasquez, hereby declare that I am the APPLICANT filing this questionnaire.
(Print full name of Applicant)

I have read this questionnaire and the contents and all statements are true, correct and complete.

X [Signature] State of AZ County of Yavapai
(Signature of Applicant) The foregoing instrument was acknowledged before me this 22 day of Aug, 2006
My commission expires on: Nov 30 2006 Day Month Year
[Signature] (Signature of NOTARY PUBLIC)



FILL IN THIS SECTION ONLY IF YOU ARE A LICENSEE OR AGENT APPROVING A MANAGER APPLICATION
Licensee or Agent Approval of Manager

25. I, (Print Licensee/Agent's Name): _____
Hereby authorize the applicant to act as manager for the named liquor license.
State of _____ County of _____
The foregoing instrument was acknowledged before me this _____ day of _____, _____
X _____ Day Month Year
(Signature of LICENSEE/AGENT)
My commission expires on: _____ Day Month Year
(Signature of NOTARY PUBLIC)

ARIZONA DEPARTMENT OF LIQUOR LICENSES & CONTROL

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



400 W Congress #150
Tucson AZ 85701-1352
(520) 628-6595

CERTIFICATION OF COMPLETED ALCOHOL TRAINING PROGRAM(S)

OBTAIN ORIGINALS OF THIS FORM FROM DLLC-DO NOT PHOTOCOPY, DOCUMENT IS COMPUTER SCANNED. TYPE OR PRINT WITH BLACK INK.

ALCOHOL TRAINING PROGRAM INDIVIDUAL INFORMATION

Apolinar Olmedo

Individual Name (Print)

Individual Signature

8/26/2005

Date Training Completed

TYPE OF TRAINING COMPLETED

TRAINER MUST CHECK YES OR NO FOR EACH TYPE

YES NO BASIC

YES NO ON SALE

YES NO MANAGEMENT

YES NO OFF SALE

YES NO BOTH

YES NO OTHER

LANGUAGE OF INSTRUCTION :

ENGLISH SPANISH

IF TRAINEE IS EMPLOYED BY A LICENSEE:

NAME OF THE LICENSEE

BUSINESS NAME

LIQUOR LICENSE NUMBER

ALCOHOL TRAINING PROGRAM PROVIDER INFORMATION

BARTENDING ACADEMY

Company or Individual Name

5135 W. THUNDERBIRD

Address

GLENDALE,

ARIZONA

85306

602-548-1300

City

State

Zip

Phone

I Certify the above named individual has successfully completed the specified program(s).

Dwayne Crissey

Trainer Name (Print)

8/26/2005

Trainer Signature

Date

Trainer give original of completed form to trainee, photocopy and maintain completed document for your records.

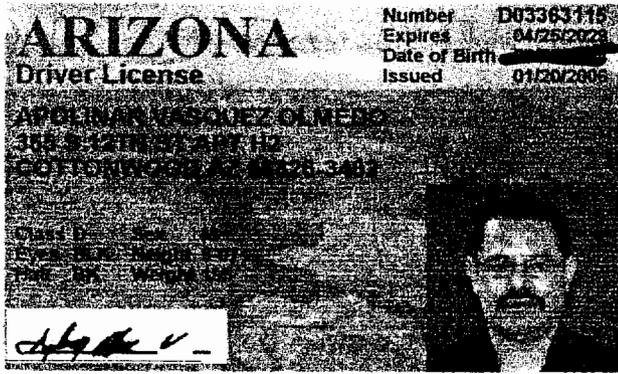
Mandatory Liquor Law Training for all new applications submitted after Nov. 1, 1997. A.R.S. Section 4-112(G)(2). Completion of the Liquor License Training Courses is required at the issuance of a license.

The person(s) required to attend both the Basic Liquor Law and Management Training, (either on-sale or off-sale), will include all of the following : owner(s), licensee/agent or manager(s) **WHO ARE ACTIVELY INVOLVED IN THE DAY TO DAY OPERATION OF THE BUSINESS.**

Proof of attendance within the last five years for the required courses must be submitted to the Department before the license application is considered complete.

Before acceptance of a Manager's Questionnaire and/or Agent Change for an existing license, proof of attendance for the Basic Liquor Law and Management Training (either on-sale or off-sale) will be required.

06 SEP 20 04:47:14 PM 1104



3/1/2003 to 8/30/03
~~that~~ Unemployed

1240 E Crestview Dr
Cottonwood AZ 86326

Oct. 05 - 1/06

~~that~~ Unemployed

1240 E Crestview Dr
Cottonwood AZ 86326

ARIZONA DEPARTMENT OF LIQUOR LICENSES & CONTROL

06 SEP 20 11:47 AM Dept AM1104
 800 W Washington 5th Floor
 Phoenix AZ 85007-2934
 (602) 542-5141

400 W Congress #521
 Tucson AZ 85701-1352
 (520) 628-6595

P1053075
 801806



Attention all Local Governing Bodies: Social Security and Birthdate Information is Confidential. This information may be given to local law enforcement agencies for the purpose of background checks only but must be blocked to be unreadable prior to posting or any public view.

Read carefully. This instrument is a sworn document. Type or print with black ink. An extensive investigation of your background will be conducted. False or incomplete answers could result in criminal prosecution and the denial or subsequent revocation of a license or permit.

TO BE COMPLETED BY EACH OWNER, AGENT, PARTNER, STOCKHOLDER (10% OR MORE), MEMBER, OFFICER OR MANAGER. ALSO EACH PERSON COMPLETING THIS FORM MUST SUBMIT AN "APPLICANT" TYPE FINGERPRINT CARD WHICH MAY BE OBTAINED AT THE DEPT. FINGERPRINTING MUST BE DONE BY A BONA FIDE LAW ENFORCEMENT AGENCY OR A FINGERPRINTING SERVICE APPROVED BY THE DEPARTMENT OF LIQUOR. THE DEPARTMENT DOES NOT PROVIDE THIS SERVICE.

Eff. 10/01/03 there is a \$29.00 processing fee for each fingerprint card submitted.

A service fee of \$25.00 will be charged for all dishonored checks (A.R.S. 44.6852)

Liquor License #

12139348

(If the location is currently licensed)

1. Check appropriate box →

<input type="checkbox"/> Owner	<input type="checkbox"/> Partner	<input type="checkbox"/> Stockholder	<input checked="" type="checkbox"/> Member	<input type="checkbox"/> Officer	<input type="checkbox"/> Agent	<input type="checkbox"/> Manager(Only)
<input type="checkbox"/> Other (Complete Questions 1-20 & 24)						(Complete All Questions except # 14, 14a & 25)
Licensee or Agent must complete # 25 for a Manager						Licensee or Agent must complete # 25

2. Name: Olmedo - Vasquez Javier Date of Birth: _____
 Last First Middle (This Will Not Become a Part of Public Records)

3. Social Security Number: _____ Drivers License #: _____ State: _____
 (This Will Not Become a Part of Public Records)

4. Place of Birth: _____ Height: _____ Weight: _____ Eyes: _____ Hair: _____
 City State Country (not county)

5. Marital Status Single Married Divorced Widowed Residence (Home) Phone: (____) _____ - _____

6. Name of Current or Most Recent Spouse: _____ Date of Birth: _____
 (List all for last 5 years - Use additional sheet if necessary) Last First Middle Maiden

7. You are a bona fide resident of what state? _____ If Arizona, date of residency: _____

8. Telephone number to contact you during business hours for any questions regarding this document. (____) _____ - _____

9. If you have been a resident less than three (3) months, submit a copy of driver's license or voter registration card.

10. Name of Licensed Premises: _____ Premises Phone: (____) _____ - _____

11. Licensed Premises Address: _____
 Street Address (Do not use PO Box #) City County Zip

12. List your employment or type of business during the past five (5) years, if unemployed part of the time, list those dates. List most recent 1st.

FROM Month/Year	TO Month/Year	DESCRIBE POSITION OR BUSINESS	EMPLOYER'S NAME OR NAME OF BUSINESS (Give street address, city, state & zip)
	CURRENT		
2/1979	3/2002	Mexican Restaurant	El Torero Mexican Restaurant (661) 273-4050 38801 10th St West Palmdale Ca 93550

ATTACH ADDITIONAL SHEET IF NECESSARY FOR EITHER SECTION ↓

13. Indicate your residence address for the last five (5) years:

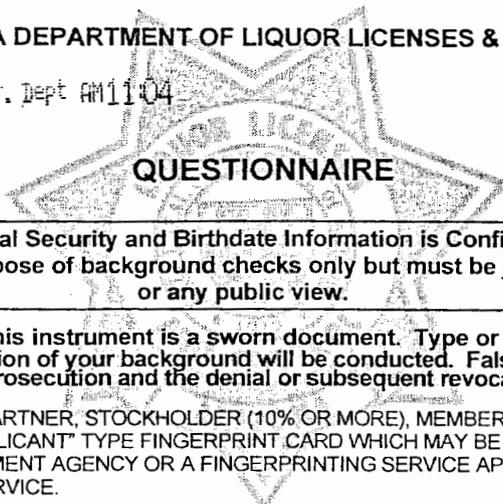
FROM Month/Year	TO Month/Year	Rent or Own	RESIDENCE Street Address	City	State	Zip
	CURRENT					
11/98	9/2002	OWN	36900 Charter Ct Palmdale Ca	Palmdale	CA	93552



ARIZONA DEPARTMENT OF LIQUOR LICENSES & CONTROL

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

400 W Congress #521
Tucson AZ 85701-1352
(520) 628-6595



QUESTIONNAIRE

Attention all Local Governing Bodies: Social Security and Birthdate Information is Confidential. This information may be given to local law enforcement agencies for the purpose of background checks only but must be blocked to be unreadable prior to posting or any public view.

Read carefully. This instrument is a sworn document. Type or print with black ink. An extensive investigation of your background will be conducted. False or incomplete answers could result in criminal prosecution and the denial or subsequent revocation of a license or permit.

TO BE COMPLETED BY EACH OWNER, AGENT, PARTNER, STOCKHOLDER (10% OR MORE), MEMBER, OFFICER OR MANAGER. ALSO EACH PERSON COMPLETING THIS FORM MUST SUBMIT AN "APPLICANT" TYPE FINGERPRINT CARD WHICH MAY BE OBTAINED AT THE DEPT. FINGERPRINTING MUST BE DONE BY A BONA FIDE LAW ENFORCEMENT AGENCY OR A FINGERPRINTING SERVICE APPROVED BY THE DEPARTMENT OF LIQUOR. THE DEPARTMENT DOES NOT PROVIDE THIS SERVICE.

Eff. 10/01/03 there is a \$29.00 processing fee for each fingerprint card submitted.

A service fee of \$25.00 will be charged for all dishonored checks (A.R.S. 44.6852)

Liquor License #

12133348

(If the location is currently licensed)

1. Check appropriate box → Owner Partner Stockholder Member Officer Agent Other SA (Complete Questions 1-20 & 24) Licensee or Agent must complete # 25 for a Manager

Manager(Only) (Complete All Questions except # 14, 14a & 25) Licensee or Agent must complete # 25

2. Name: OLMEDO - VASQUEZ JAVIER Date of Birth: [REDACTED]
Last First Middle (This Will Not Become a Part of Public Records)

3. Social Security Number: [REDACTED] Drivers License #: C1021834 State: CALIF.
(This Will Not Become a Part of Public Records)

4. Place of Birth: TALISCO MEXICO Height: 5-8 Weight: 180 Eyes: BRO Hair: BLACK
City State Country (not county)

5. Marital Status Single Married Divorced Widowed Residence (Home) Phone: (209) 847-0473

6. Name of Current or Most Recent Spouse: OLMEDO, ELOISA GARCIA Date of Birth: [REDACTED]
(List all for last 5 years - Use additional sheet if necessary) Last First Middle Maiden

7. You are a bona fide resident of what state? CALIFORNIA If Arizona, date of residency: _____

8. Telephone number to contact you during business hours for any questions regarding this document. (209) 847-5606

9. If you have been a resident less than three (3) months, submit a copy of driver's license or voter registration card.

10. Name of Licensed Premises: Las Margaritas Grill Premises Phone: (928) 567-2435

11. Licensed Premises Address: 77 General Crook Camp Verde Yavapai 86322
Street Address (Do not use PO Box #) City County Zip

12. List your employment or type of business during the past five (5) years, if unemployed part of the time, list those dates. List most recent 1st.

FROM Month/Year	TO Month/Year	DESCRIBE POSITION OR BUSINESS	EMPLOYER'S NAME OR NAME OF BUSINESS (Give street address, city, state & zip)
10/2002	CURRENT	MEXICAN RESTAURANT	LAS MARGARITAS 1214 WEST F ST #B-1 OAKDALE CA 95361
		Hexi	

ATTACH ADDITIONAL SHEET IF NECESSARY FOR EITHER SECTION ↓

13. Indicate your residence address for the last five (5) years:

FROM Month/Year	TO Month/Year	Rent or Own	RESIDENCE Street Address If rented, attach additional sheet giving name, address and phone number of landlord	City	State	Zip
2/2006	CURRENT	own	584 WRANGLER ST.	OAKDALE	CA	95361
10/2002	2/2006	rent	150 WOOD AVE #130	OAKDALE	CA	95361

If you checked the Manager box on the front of this form skip to # 15

14. As an Owner, Agent, Partner, Stockholder, Member or Officer, will you be physically present and operating the the licensed premises ? If you answered YES, how many hrs/day? _____, **answer #14a below.** If NO, skip to #15. YES NO
- 14a. Have you attended a Department approved Liquor Law Training Course within the last 5 years? (Must provide proof) YES NO
If the answer to # 14a is "NO", course must be completed before issuance of a new license or approval on an existing license.
15. Have you **EVER** been detained, cited, arrested, indicted or summoned into court for violation of **ANY** law or ordinance (regardless of the disposition even if dismissed or expunged)? **For traffic violations, include only those that were alcohol and/or drug related.** YES NO
16. Have you **EVER** been convicted, fined, posted bond, been ordered to deposit bail, imprisoned, had sentence suspended, placed on probation or parole for violation of **ANY** law or ordinance (regardless of the disposition even if dismissed or expunged)? **For traffic violations, include only those that were alcohol and/or drug related.** YES NO
17. Are there **ANY** administrative law citations, compliance actions or consents, criminal arrests, indictments or summonses **PENDING** against you or **ANY** entity in which you are now involved? YES NO
18. Have you or any entity in which you have held ownership, been an officer, member, director or manager **EVER** had a business, professional or liquor **APPLICATION OR LICENSE rejected, denied, revoked, suspended or fined** in this or any other state? YES NO
19. Has anyone **EVER** filed suit or obtained a judgment against you in a civil action, the subject of which involved **fraud or misrepresentation of a business, professional or liquor license**? YES NO
20. Are you **NOW** or have you **EVER** held ownership, been a controlling person, been an officer, member, director, or manager on any other liquor license in this or any other state? YES NO

If any answer to Questions 15 through 20 is "YES" YOU MUST attach a signed statement. Give complete details including dates, agencies involved and dispositions.

If you checked the Manager box on the front of this form, fill in #21-23 and 24, all others skip the following box (21-23) and go to # 24

Manager Section

21. Have you attended a Department approved Liquor Law Training Course within the last 5 years? (Must provide proof) YES NO
If the answer to #21 is "NO" course must be completed **BEFORE ISSUANCE** of a new license **OR APPROVAL** on an existing license.
22. Do you make payments to the licensee? YES NO If "yes", how much? \$ _____ per month. Total debt to licensee \$ _____
23. Is there a formal written contract or agreement between you and the licensee relating to the operation or management of this business?
 YES NO If "yes", attach a copy of such agreement

24. I, JAVIER OLMEDO - VASQUEZ, hereby declare that I am the APPLICANT filing this questionnaire.
(Print full name of Applicant)

I have read this questionnaire and the contents and all statements are true, correct and complete.

x Javier Olmedo - Vasquez
(Signature of Applicant)

State of CALIFORNIA County of STANISLAUS
The foregoing instrument was acknowledged before me this
21st day of AUGUST, 2006
Day Month Year

My commission expires on: 14th JAN. 2007
Day Month Year

Paula Burgess
(Signature of NOTARY PUBLIC)

FILL IN THIS SECTION ONLY IF YOU ARE A LICENSEE OR AGENT APPROVING A MANAGER APPLICATION
Licensee or Agent Approval of Manager

25. I, (Print Licensee/Agent's Name): _____
Hereby authorize the applicant to act as manager for the named liquor license.

State of _____ County of _____
The foregoing instrument was acknowledged before me this

X _____ day of _____
(Signature of LICENSEE/AGENT) Day Month Year

My commission expires on: _____
Day Month Year (Signature of NOTARY PUBLIC)

 **PAULA BURGESS**
COMM. #1394161
NOTARY PUBLIC-CALIFORNIA
STANISLAUS COUNTY
My Comm. Expires Jan. 14, 2007

ARTICLES OF ORGANIZATION
OF
LAS MARGARITAS GRILL, L.L.C.

RECEIVED
SEP 05 2006

The undersigned hereby forms a limited liability company under the Arizona Limited Liability Company Act and adopt as the Articles of Organization of such limited liability company the following:

ARIZONA CORP. COMMISSION
CORPORATIONS DIVISION

1. THE NAME OF THE LIMITED LIABILITY COMPANY:

LAS MARGARITAS GRILL, L.L.C.

2. A. THE ADDRESS OF THE COMPANY'S KNOWN PLACE OF BUSINESS IN THIS STATE:

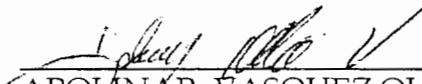
Las Margaritas Grill, L.L.C.
77 S. Access Road
Camp Verde, AZ 86322

B. THE NAME AND ADDRESS OF THE REGISTERED AGENT FOR SERVICE OF PROCESS IN ARIZONA:

Apolinar Vasquez Olmedo
1240 E. Crestview Drive
Cottonwood, AZ 86326

ACCEPTANCE AS STATUTORY AGENT

I, APOLINAR OLMEDO, having been designated to act as Statutory Agent, hereby consent to act in that capacity until removed or resignation is submitted.



APOLINAR VASQUEZ OLMEDO

3. The limited liability company continues perpetually.

4. MANAGEMENT:

Management of the limited liability company is reserved to the Members.

5. OWNERSHIP:

At the time of formation, there are four members:

- 50% -- Javier Olmedo-Vasquez
- 50% -- Apolinar Vasquez Olmedo

'06 SEP 20 Ligr. Dept AM1104

Dated this 1st day of September, 2006.

Apolar Vasquez Olmedo
APOLINAR VASQUEZ OLMEDO

STATE OF ARIZONA)
) ss.
County of Yavapai)

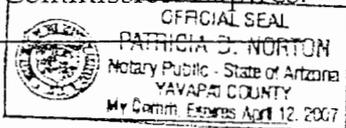
I, APOLINAR VASQUEZ OLMEDO, being first duly sworn, on oath, depose and say: that I have read the contents of the Articles of Organization, know the contents thereof, and that the statements contained in such Articles of Organization are true.

Apolar Vasquez Olmedo
APOLINAR VASQUEZ OLMEDO

SUBSCRIBED AND SWORN TO before me this 1st day of Sept. 2006, by APOLINAR VASQUEZ OLMEDO.

Patricia D Norton
Notary Public

My Commission Expires:



**OPERATING AGREEMENT OF
LAS MARGARITAS GRILL, L.L.C.**

THIS OPERATING AGREEMENT (this "Agreement") made and entered into as of this 9 day of September, 2006, by and among APOLINAR VASQUEZ OLMEDO and JAVIER OLMEDO-VASQUEZ, as members of LAS MARGARITAS GRILL, L.L.C, an Arizona limited liability company (the "Company"), and consented to by their spouses.

WHEREAS the parties to this Agreement, desiring to form a limited liability company pursuant to the provisions of the Arizona Limited Liability Company Act (the "Act"), hereby constitute themselves a limited liability company for the purposes and on the terms and conditions set forth in this Agreement.

NOW, THEREFORE, in consideration of the mutual promises of the parties, and other good and valuable consideration, the receipt and sufficiency of which are hereby agreed and acknowledged, it is mutually agreed by and between the parties as follows:

**ARTICLE I
FORMATION, NAME, PURPOSES, DEFINITIONS**

1.1 Formation. Pursuant to the Arizona Limited Liability Company Act (the "Act"), the parties have formed an Arizona limited liability company effective upon the filing of the Articles of Organization of this Company with the Arizona Corporation Commission. The members shall immediately and from time to time hereafter, as may be required by law, execute all amendments of the Articles of Organization and do all filing, recording, and other acts as may be appropriate to comply with the operation of the Company under the Act.

1.2 Intent. It is the intent of the Members that the Company shall always be operated in a manner consistent with its treatment as a "partnership" for federal and state income tax purposes. It also is the intent of the Members that the Company not be operated or treated as a "partnership" for purposes of Section 303 of the United States federal Bankruptcy Code. No Member shall take any action inconsistent with the express intent of the parties hereto.

1.3 Name. The name of this Company shall be:

LAS MARGARITAS GRILL, L.L.C.

1.4 Place of Business. The principal place of business of the Company shall be 77 S. Access Road, Camp Verde, AZ 86322 or such other place as the Members shall determine in their sole discretion.

1.5 Purpose. This Company has been formed to engage in the restaurant/bar business and may engage in any activities that are directly related to the accomplishment of such purpose.

1.6 Term. This Company shall commence upon the filing of its Articles of Organization and shall continue in full force and effect until terminated under the terms of this Agreement.

1.7 Members. The names and addresses of each of the Members of this Company are:

Apolinar Vasquez Olmedo
1240 E. Crestview Drive
Cottonwood, AZ 86326

Javier Olmedo-Vasquez
584 Wrangler Street
Oakdale, CA 95361

1.8 Agent for Service of Process. The name and business address of the agent for service of process for the Company

APOLINAR VASQUEZ OLMEDO
1240 E. Crestview Drive
Cottonwood, AZ 86326

or such other person as the Members shall appoint from time to time.

1.9 Definitions. Whenever used in this Agreement, the following terms shall have the following meanings:

- a. "Act" shall mean the Arizona Limited Liability Company Act.
- b. "Additional Member" shall mean any person who is admitted to the Company as an Additional Member pursuant to this Operating Agreement.
- c. "Agreement" shall mean this written Operating Agreement.
- d. "Capital Account" shall mean the account established and maintained for each member in accordance with this Agreement and applicable Treasury Regulations.
- e. "Capital Contribution" shall mean any contribution to the capital of the Company in cash, property, or services by a Member whenever made. "Initial Capital Contribution" shall mean the initial contributions of capital made to this Company. "Additional Capital Contributions" shall mean the contributions made pursuant to Section 2.2 of this Agreement.
- f. "Code" shall mean the U.S. Internal Revenue Code, as amended from time to time.
- g. "Company" shall refer to LAS MARGARITAS GRILL, L.L.C.

h. "Fiscal Year" means the Company's fiscal year which shall be the calendar year.

i. "Interest" shall mean the proportion that a Member's positive Capital Account (if any) bears to the aggregate positive Capital Accounts of all Members whose Capital Accounts have positive balances.

j. "Losses" shall mean, for each Fiscal Year, the losses and deductions of the Company determined in accordance with accounting principles consistently applied from year to year under the cash method of accounting and as reported, separately or in the aggregate, as appropriate, on the Company information tax return filed for federal income tax purposes, plus any expenditures described in Section 705(a)(2)(B) of the Code.

k. "Majority-In-Interest" shall mean Members owning a simple majority of the Percentage Interests.

l. "Manager" shall mean the Members.

m. "Member" shall mean each of the parties who execute a counterpart of this Operating Agreement as a Member and each of the parties who may hereafter become Additional or Substituted Members.

n. "Percentage Interest" shall be the percentage interest in the Capital, Profits, and Losses of this Company initially as set forth in Sections 2.1 hereof and subsequently as may vary from time to time.

o. "Profits" shall mean, for each Fiscal Year, the income and gains of the Company determined in accordance with accounting principles consistently applied from year to year under the cash method of accounting and as reported, separately or in the aggregate, as appropriate, on the Company information tax return filed for U.S. federal income tax purposes, plus any income described in Section 705(a)(1)(B) of the Code.

p. "Withdrawal Event" shall mean those events and circumstances listed in the Act, Section 29-733.

**ARTICLE II
CAPITALIZATION OF THE COMPANY**

2.1 Initial Capital Contributions. Each Member shall have made the Initial Capital Contributions of property to the Company and shall have a Percentage interest ("Interest" or "Percentage Interest") in the Company all as set forth below:

<u>Member</u>	<u>Capital Contribution</u>	<u>Percentage Interest</u>
Apolinar Vasquez Olmedo	\$1,000.00	50%
Javier Olmedo-Vasquez	\$1,000.00	50%

2.2 Additional Capital Contributions. The Members may make additional capital contributions and/or loans to the Company at such time or times and upon such conditions as the Members may determine.

ARTICLE III RIGHTS AND OBLIGATIONS OF MEMBERS

3.1 Limitation of Liability. Each Member's liability for the debts and obligations of the Company shall be limited as set forth in the Act and other applicable law.

3.2 Approval of Sale of All Assets. The Members shall have the right, by the affirmative vote of a Majority-In-Interest of the Members, to approve the sale, exchange, or other disposition of all, or substantially all, of the Company assets which is to occur as part of a single transaction or plan.

3.3 Priority and Return of Capital. No Member shall have priority over any other Member, either as to the return of Capital Contributions or as to Profits, Losses, or Distributions; provided that this section shall not apply to loans (as distinguished from Capital Contribution) which a Member has made to the Company.

3.4 Additional Members. After the formation of the Company, any Person acceptable to a Majority-In-Interest of the Members may become a Member of this Company for such consideration as the members by their unanimous vote shall determine.

3.5 Other Business of Members. It is not intended that any of the Members will be called upon to devote full-time effort to the Company, but it is understood that each of the Members shall use its commercially reasonable efforts to further the interests of the Company. However, nothing contained in this Agreement shall be construed as preventing a Member from engaging in any other business activity, including an activity that would compete with this Company.

3.6 Marital Interests. In the event of marriage of a Member, or if a Member is married, each Member hereby agrees that upon divorce or dissolution of marriage between himself and his wife, all the interest in the LLC owned by the spouse as her share of the community estate shall be transferred to the Member. The Member shall be solely responsible for division and distribution of his property during the divorce or dissolution of marriage.

It is agreed if in the future an unmarried Member contemplates marriage, such Member agrees before such marriage takes place that a pre-nuptial agreement, if lawful and not against public policy, shall be entered into with the respective spouse stating that the interest of such Member shall be subject to this Agreement with this Agreement remaining controlling as to such interest, which may be held as either separate or community property, and shall be assigned to the Member. The prospective spouse shall have no management authority whatsoever and that all provisions of this agreement, as may be amended, shall be controlling as to such spouse as such

provisions relate to such non-Member spouse. Each spouse shall execute the form of Spousal Consent, attached hereto.

ARTICLE IV OFFICERS

4.1 Manager. Management of the Company shall be reserved to the Members. The Members shall do and perform all acts as may be necessary or appropriate to the conduct of the Company business. All powers of the Company shall be exercised by or under the authority of, and the business and affairs of the Company shall be managed under the direction of, the Members.

4.2 Other Officers. The Company may, at the discretion of the Members, have Officers including, without limitation, one or more Managing Members, one or more Vice-Managers, one or more Secretaries, and one or more Treasurers. When the incumbent of an office is (as determined by the incumbent himself or by the Members) unable to perform the duties thereof, or when there is no incumbent of an office (both such situations referred to hereafter as the "absence" of the Officer), the duties of the office shall be performed by the person specified by the Members.

4.3 Election and Tenure. The Officers of the Company shall be elected annually by the Members at the annual meeting. Each Officer shall hold office from the date of his election until the next annual meeting and until his successor shall have been elected unless he sooner resigns or is removed.

4.4 Resignations and Removal. Any Officer may resign at any time by giving written notice to all of the Members, and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. Any Officer may be removed any time by a Majority-In-Interest of the Members with or without cause.

4.5 Vacancies. A vacancy in any office may be filled for the unexpired portion of the term by the Members.

4.6 Salaries. The salaries of the Officers shall be fixed from time to time by the Members, and no officer shall be prevented from receiving such salary by reason of the fact that he is also a Member of the Company.

ARTICLE V MEETINGS

5.1 Annual Meeting. The annual meeting of the Members shall be held on the 10th day of January of each year, beginning with the year 2007 at the hour of 5:00 p.m. for the purpose of electing Officers, if any, and for the transaction of such other business as may come before the meeting.

5.2 Regular Meetings. The Members may by resolution prescribe the time and place for the holding of regular meetings and may provide that the adoption of such resolution shall constitute notice of such regular meetings.

ARTICLE VI FISCAL MATTERS

6.1 Fiscal Year. The Fiscal Year of the Limited Liability Company shall begin on the first day of January and end on the last day of December each year unless otherwise determined by resolution of the Members.

6.2 Deposits. All funds of the Limited Liability Company shall be deposited from time to time to the credit of the Limited Liability Company in such banks, trust companies, or other depositories as the Members may select.

6.3 Checks, Drafts, Etc. All checks, drafts, or other orders of the payment of money and all notes or other evidences of indebtedness issued in the name of the Company may be signed by any Member.

6.4 Loans. No loans shall be contracted on behalf of the Limited Liability Company and no evidences of indebtedness shall be issued in its name unless authorized by a resolution of the Members. Such authority may be general or confined to specific instances.

6.5 Contracts. The Members may authorize any Member or agent of the Company to enter into any contract or execute any instrument in the name of and on behalf of the Company, and such authority may be general or confined to specific instances.

6.6 Accounting Method. The books and records of account of the Company shall be maintained in accordance with the cash method of accounting.

ARTICLE VII RESTRICTIONS ON TRANSFERABILITY - WITHDRAWAL

No Member shall have any right to retire or withdraw voluntarily from the Company or to sell, transfer, or assign an interest or to voluntarily commit an act that constitutes a withdrawal event. Any voluntary act of a Member that constitutes a withdrawal from this Company shall constitute an intentional breach of this Agreement. As set forth in Section 10.1 of this Agreement, after an event of withdrawal, the Company may continue only if all of the remaining Members, within 90 days after the event or occurrence, unanimously elect to continue the business of the Company.

ARTICLE VIII BOOKS AND RECORDS

8.1 Books and Records. The books and records of the Company and all other documents required in the Act, Section 29-607 shall be kept at the registered office of the Company.

8.2 Right of Inspection. Any Member of record shall have the right to examine, at any reasonable time or times for all purpose, the books and record of

account and minutes and records of Members and to make copies thereof. Such inspection may be made by any agent or attorney of the Member.

8.3 Financial Records. All financial records shall be maintained and reported based on generally acceptable accounting practices.

ARTICLE IX PROFITS, LOSSES, DISTRIBUTIONS

9.1 Profits and Losses. The profits and Losses for each Fiscal Year of the Company shall be allocated to the Members based upon their Percentage Interests.

9.2 Distributions. Except as provided otherwise in Section 10.2 below, all distributions of cash or other property shall be made to the Members in proportion to their Percentage Interests on the record date of such distribution. All distributions shall be made at such time as is determined by the Members. All amounts withheld pursuant to the Code or any provisions of state or local tax law with respect to any payment or distribution to the Members from the Company shall be treated as amounts distributed to the relevant Member or Members pursuant to this section.

ARTICLE X DISSOLUTION, LIQUIDATION, TERMINATION AND CONTINUATION

10.1 Dissolution. The Company shall be dissolved upon the happening of any of the following events: (a) upon the written consent to dissolve by more than one-half of the Members and by one or more Members who, on dissolution and liquidation of the assets of the limited liability company, would be entitled to receive assets valued at more than one-half of the value of all assets distributed to all Members on liquidation; and (b) upon the withdrawal of a Member, as defined in A.R.S. § 29-733, unless all of the remaining Members, within 90 days after the event or occurrence, unanimously elect to continue the business of the Company.

10.2 Valuation. If the Company continues in accordance with Section 10.1, the withdrawn Member shall be entitled to be paid the value of his interest in the Company as of the date of withdrawal which shall be the sum of:

- (a) His capital account;
- (b) His income account and or his share of accounts receivable;
- (c) Any earned and unpaid salary for service as an Officer, if any; and
- (d) His proportionate share of accrued net profits.

If a net loss has been incurred as of the date of withdrawal, his share of such loss shall be deducted. No value for goodwill of firm name shall be included in any valuation of the Member's interest.

10.3 Liquidation and Termination. Subject to any restrictions in agreements to which the Company is a party, the Company shall be terminated after dissolution if the remaining Members do not elect to continue the Company as provided above. In such event, the Members shall promptly liquidate and terminate the affairs of the Company by discharging all debts and liabilities of the Company and by distributing all assets as follows:

a. In the event the Company is liquidated or dissolved, the assets of the Company shall be distributed after taking into account the allocations of Profit or Loss, if any, and distributions of cash or property, if any, to the Members to the extent of and in proportion to the balances in their respective Positive Capital Accounts.

b. No Member shall be obligated to restore a Negative Capital Account at any time.

ARTICLE XI MISCELLANEOUS

11.1 Notice. Any notice required or permitted to be given pursuant to the provisions of the statute, the Articles of Organization of the Limited Liability Company, or this Operating Agreement shall be effective as of the date personally delivered, or if sent by mail on the date deposited with United States Postal Service, prepaid and addressed to the intended receiver at his last known address as shown in the records of the Limited Liability Company.

11.2 Application of Arizona Law. This Operating Agreement and its application and interpretation shall be governed exclusively by its terms and by the laws of the State of Arizona.

11.3 Waiver of Action for Partition. Each Member irrevocably waives during the term of the Company any right that he may have to maintain any action for partition with respect to the property of the Company.

11.4 Amendments. This Agreement may not be amended except by the Majority-In-Interest written agreement of the Members.

11.5 Execution of Additional Instruments. Each Member hereby agrees to execute such other and further statements of interest and holdings, designations, powers of attorney, and other instruments necessary to comply with any laws, rules, or regulations.

11.6 Construction. Whenever the singular number is used in this Operating Agreement and when required by the context, the same shall include the plural, and the masculine gender shall include the feminine and neuter genders and vice versa; and the word "person" or "party" shall include a corporation, firm, partnership, proprietorship, or other form of association.

11.7 Articles and Other Headings. The articles and other headings contained in this Operating Agreement are for reference purposes only and shall not affect the meaning or interpretation.

11.8 Waivers. The failure of any party to seek redress for violation of or to insist upon the strict performance of any covenant or condition of this Operating Agreement shall not prevent a subsequent act which would have originally constituted a violation from having the effect of an original violation.

11.9 Rights and Remedies Cumulative. The rights and remedies provided by this Operating Agreement are cumulative, and the use of any one right or remedy by any party shall not preclude or waive the right to use any or all other remedies. Said rights and remedies are given in addition to any other rights the parties may have by law, statute, ordinance, or otherwise.

11.10 Severability. If any provision of this Operating Agreement or the application thereof to any person or circumstance shall be invalid, illegal, or unenforceable to any extent, the remainder of this Operating Agreement and the application thereof shall not be affected and shall be enforceable to the fullest extent permitted by law.

11.11 Heirs, Successors, and Assigns. Each and all of the covenants, terms, provisions, and agreements herein contained shall be binding upon and inure to the benefit of the parties hereto and, to the extent permitted by this Agreement, their respective heirs, legal representatives, successors, and assigns.

11.12 Creditors. None of the provisions of this Agreement shall be for the benefit of or enforceable by any creditors of the Company.

11.13 Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original but all of which shall constitute one and the same instrument.

11.14 Waiver of Notice. Whenever any notice is required to be given pursuant to the provisions of the statute, the Articles of Organization of the Limited Liability Company, or this Operating Agreement, a waiver thereof, in writing, signed by the persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

11.15 Indemnification by Company. The Limited Liability Company shall indemnify (to the full extent permitted by law) any person who was or is a party defendant or is threatened to be defendant to any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative (other than an action by or in the right of the Limited Liability Company) by reason of the fact that he is or was a Member of the Company, Officer, employee, or agent of the Company, or is or was serving at the request of the Company, against expenses (including attorneys' fees), judgments, fines, and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit, or proceeding if the Members determine that he acted in good faith and in a manner he reasonably

believed to be in or not opposed to the best interest of the Limited Liability Company, and with respect to any criminal action or proceeding have no reasonable cause to believe his conduct was unlawful.

CERTIFICATION

THE UNDERSIGNED, being all of the Members of LAS MARGARITAS GRILL, L.L.C., an Arizona limited liability company, hereby evidence their adoption and ratification of the foregoing Operating Agreement of the Company and the spouses evidence their consent hereto.

EXECUTED by each Member on the date indicated.

Apolinar Vasquez Olmedo Date: 9/19/06
Apolinar Vasquez Olmedo, Member

Javier Olmedo-Vasquez Date: 9-19-06
Javier Olmedo-Vasquez, Member

CONSENT OF MEMBER'S SPOUSE

I certify I am the spouse of a Member of LAS MARGARITAS GRILL, L.L.C. I have read and approved the provisions of the Operating Agreement dated _____, 2006 ("Agreement"), and I agree to be bound by and accept the provisions of such in lieu of all other interests I may have in the Member's interest whether the interest may be community or otherwise. I agree to be bound by the terms and conditions of the Agreement as surviving spouse or in any other capacity and acknowledge that the Member's interest may only be transferred under the terms of this Agreement. I agree to forego any and all management/voting rights attaching to the Member's interest except as specifically otherwise allowed by the Agreement. I acknowledge that Corbin Vandemoer of the Law Firm of Corbin Vandemoer, P.C., only represents the L.L.C. and also acknowledge being advised by Corbin Vandemoer to seek independent counsel before signing this consent. The undersigned spouse further acknowledges that this Agreement contains waivers of protective statutory provisions as well as other restrictive provisions, including spousal/divorce contingency and nuptial agreement provisions and the undersigned spouse voluntarily agrees to such. The undersigned spouse acknowledges receipt of good and valuable consideration in the form of payment of Ten Dollars (\$10.00) by the business upon execution of this consent and the potential pecuniary benefits to the marital community such as future compensation/distributions, as well as other potential pecuniary benefits to the marital community, such as fringe benefits, etc. This consent shall be fully incorporated into the above Agreement.

DATED this 9/19/06, 2006.

Yolanda Olmedo
Yolanda Olmedo

CONSENT OF MEMBER'S SPOUSE

I certify I am the spouse of a Member of LAS MARGARITAS GRILL, L.L.C. I have read and approved the provisions of the Operating Agreement dated _____, 2006 ("Agreement"), and I agree to be bound by and accept the provisions of such in lieu of all other interests I may have in the Member's interest whether the interest may be community or otherwise. I agree to be bound by the terms and conditions of the Agreement as surviving spouse or in any other capacity and acknowledge that the Member's interest may only be transferred under the terms of this Agreement. I agree to forego any and all management/voting rights attaching to the Member's interest except as specifically otherwise allowed by the Agreement. I acknowledge that Corbin Vandemoer of the Law Firm of Corbin Vandemoer, P.C., only represents the L.L.C. and also acknowledge being advised by Corbin Vandemoer to seek independent counsel before signing this consent. The undersigned spouse further acknowledges that this Agreement contains waivers of protective statutory provisions as well as other restrictive provisions, including spousal/divorce contingency and nuptial agreement provisions and the undersigned spouse voluntarily agrees to such. The undersigned spouse acknowledges receipt of good and valuable consideration in the form of payment of Ten Dollars (\$10.00) by the business upon execution of this consent and the potential pecuniary benefits to the marital community such as future compensation/distributions, as well as other potential pecuniary benefits to the marital community, such as fringe benefits, etc. This consent shall be fully incorporated into the above Agreement.

DATED this 9-19-06, 2006.

Eloisa Olmedo
Eloisa Olmedo

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



400 W Congress #521
Tucson AZ 85701-1352
(520) 628-6595

12130031

STATE OF ARIZONA
DEPARTMENT OF LIQUOR LICENSES AND CONTROL

ANNUAL RENEWAL OF SPIRITUOUS LIQUOR LICENSE
RH060568

KEVIN S KLEIN
RIO VERDE
P O BOX 3711
CAMPE VERDE AZ 86322

Pending

LICENSES EXPIRE ON AUGUST 31, 2006

RENEWALS MUST BE POSTMARKED NO LATER THAN THE EXPIRATION DATE. \$150 PENALTY FOR LATE FILING.
A SERVICE FEE WILL BE CHARGED FOR ALL DISHONORED CHECKS. (A.R.S. 44-6853)

06 SEP 20 11:47 AM 1050

A. TYPE OF OWNERSHIP: Section A must be completed even if there are no changes. Please check 'New' box if applicable.

Corporation/L.L.C./Club: Attach additional sheet if necessary.

AZ Corporation Commission file number (if applicable): _____

New	Title	Last	First	Middle	Residence Address	City	State	Zip
<input type="checkbox"/>								
<input type="checkbox"/>								
<input type="checkbox"/>								
<input type="checkbox"/>								
<input type="checkbox"/>								

Percentage of Ownership: **PERCENTAGE MUST EQUAL 100%**. Attach additional sheet if necessary.

New	Last	First	Middle	Residence Address	City	State	Zip	Ownership
<input type="checkbox"/>								%
<input type="checkbox"/>								%
<input type="checkbox"/>								%
<input type="checkbox"/>								%

Partnership: Please indicate if General or Limited partner. **PERCENTAGE MUST EQUAL 100%**.

New	G / L	Last	First	Middle	Residence Address	City	State	Zip	Ownership
<input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>								%
<input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>								%
<input type="checkbox"/>	<input type="checkbox"/> <input type="checkbox"/>								%

RENEWLET 01/1999

Joint Tenant With Right Of Survivorship (JTWR0S):

Last	First	Middle	Residence Address	City	State	Zip	Ownership
							%
							%

Individual:

Last	First	Middle	Residence Address	City	State	Zip	Ownership
							%

B. MANAGER: A Manager's Agreement must be on file with the department for each manager.

Last	First	Middle	Residence Address	City	State	Zip	Ownership
							%
							%

C. EQUITABLE INTEREST HOLDER: A Statement of Equitable Interest must be on file with the department.

Last	First	Middle	Residence Address	City	State	Zip	Ownership
							%
							%

1. Has any owner, partner, agent, manager, officer, director, stockholder, member, or anyone holding 10% or more interest, been convicted of any felony violation in the past five (5) years or had a liquor license revoked within the last year? YES NO If yes, attach explanation.

2. Does your business include any of the following: Adult Live Entertainment Contests
 Grocery Sales Split Premises Entertainment
 Gasoline Sales

The following is a list of licenses that are due for renewal, please review them carefully and make any changes if necessary (changes in ownership or business location may require filing an application with this department):

 License# 12130031 Renew? Yes No
 Status: Surrendered Status Date: 8/7/2006
 License Inactive? Yes No Changes: (may require additional Filing)
 Agent: _____
 Location: RIO VERDE _____
 S ACCESS RD _____
 CAMP VERDE, AZ 86322 _____
 Business Phone: (520)567-9966 _____
 % Of Revenue From Food Sales: _____

Renewal Fees:
 License Renewal: 500.00
 ARS 4-209 K Sur-Charge: 35.00
 Audit Sur-Charge: 30.00
 ARS 4-209 L Sur-Charge: 20.00
 Total: 585.00

**COUNCIL
AGENDA ITEM REPORT**

Council meeting of: November 1, 2006 – Regular Session

Title: Update and discussion regarding the WIFA grant and the selection process for the Waste Water Master Plan and possible direction to staff regarding the consultant selection process and financial concerns.

Budgeted item: N/A

Description of Item: WIFA explained the opportunities for the Town to participate in the selection process and have all of our scope of work for the project distributed to their entire list of consultants, whereby we can likely have a number of proposals to consider, along with the opportunity to review cost differences between consultants.

Council Member's Recommendation: Council may wish to consider alternate options in this contract and to participate in the selection process.

Comments: None

Attachments: No

Prepared by: D. Barber for Mayor Gioia

STAFF REPORT

Council meeting of: 11-01-06 (Consent)

Title: Possible approval of contract with Tetra Tech EM Inc. (\$104,999.46) to prepare a Waste Water Master Plan for the area extending from the western boundary of the Camp Verde Sanitary District to the location of the Coury dealership and to include financial information from a qualified subcontractor. This is a budgeted item.

Budgeted item: Yes - \$70,000 of the cost is funded by the Yavapai Apache gaming donations and \$35,000 is funded by a grant from WIFA.

Description of Item: Following the direction of Council on 10-18-06 Town Staff has received from Tetra-Tech the requested changes to the scope of work which included financial options for construction and if selected, rate determinations to be accomplished by a qualified subcontractor (Economist.com). Additionally a timeline as relates to this grant.

Staff Recommendation: Approve the contract.

Comments: None

Attachments: Yes

Prepared by: Michael Casebier

11-01-2006

Time Line

Water Infrastructure Finance Authority of Arizona (WIFA) Technical Assistance Grant 2007 (Wastewater)

Wastewater Master Planning and Engineering for Highway 260 Corridor, Town of Camp Verde

- 1. Technical Assistance Grant Awarded 6-21-2006.**
- 2. TA “Kick off” meeting in Phoenix 7-13-2006.**
- 3. Council Approves and Mayor Signs “Delegation of Authority” letter for WIFA selection of Consultant 8-3-2006.**
- 4. Meetings, phone calls, and emails held with Tetra-Tech (Waseem Kahn and Teresa Harris) to determine scope of work, attended or made by Town Manager, Public Works Director and Grants Administrator.**
- 5. Contract Provided by Tetra-Tech 9-29-2006.**
- 6. Town Council Requests addition/change to scope of work from Tetra-Tech 10-18-2006.**
- 7. Tetra-Tech provides updated contract with requested change in scope of work 10-26-2006.**
- 8. Deadline for signed contract for submission\approval to WIFA 11-10-2006. If deadline is not met WIFA board reviews process and advises Town of outcome.**

Explanation of Water Infrastructure Finance Authority of Arizona (WIFA) Delegation of authority agreement.

When the applicant for a WIFA grant is a governmental entity we give them the choice to select their own consultant, based on their own local procurement process, or to delegate authority to WIFA to select a consultant on behalf of the grant recipient. The WIFA list of consultants is developed through the ADEQ procurement section and is in compliance with state procurement rules. (Please contact Miranda Riojas or Sandra Sutton of ADEQ for further information on the procurement process.) These consultants have responded to the RFQ and been evaluated by a committee. We use this list as a way to save time and money in the grant process.

<https://spirit.az.gov/Applications/SPIRIT/SR.nsf>

The web site above is where the state procurement process begins.

So, if the applicant communicates that they wish to use WIFA to select a consultant, we send out the Delegation of Authority Agreement letter. If the applicant chooses to participate in the selection process we can provide the list WIFA contracted consultants and help facilitate interviews or site visits, and in the end the applicant is playing a major role, without having to go through their own procedures. If the applicant chooses not to participate in the selection process, then WIFA staff evaluates the qualifications of the firms under WIFA's Contract for the purposes of performing the work indicated in the application or scope of work. At this point WIFA staff selects three (3) firms most qualified to do the job, and send out a Task Assignment letter to the top firm of the three. If the firm fails to respond by deadline, or chooses not to participate, then WIFA will solicit a proposal from the next firm on the list.

We have been working with the Technical Assistance Providers on our most recent list since 2001, and the newly approved contract list of TA providers went into effect this month.

Please note that, per the Town request, WIFA is funding this project and facilitating its related process in an effort to assist the Town in completing their project in the most cost effective way. Also, it is important to note that the Town will have the ultimate decision of entering into a contract with the selected consultant.

I hope this helps

Jon Bernreuter

Environmental Program Specialist

Water Infrastructure Finance Authority of Arizona (WIFA)

1110 West Washington St., Suite 290

Phoenix, AZ 85007

(602) 364-1326

(602) 364-1327 Fax

jbernreuter@azwifa.gov

www.azwifa.gov

“Arizona’s water and wastewater funding source”

Table 1

Town of Camp Verde - Waste Water Master Plan

WIFA Technical Assistance CW 012-2007

Cost Estimate
10/24/2006

Personnel	Rate	Task 1 Project Mgmt., Coordination & Admin.		Task 2 Project Data Collection & Compilation		Task 3 Infrastructure Needs Assessment		Task 4 Engineering Feasibility Study		Task 5 Waste Water Master Plan		Total	
		Hours	Cost	Hours	Cost	Hours	Cost	Hours	Cost	Hours	Cost	Hours	Cost
Principal Staff	\$130	40.0	\$5,200.00	8.0	\$1,040.00	7.0	\$910.00	22.0	\$2,860.00	13.0	\$1,690.00	90.0	\$11,700.00
Project Manager	\$112	110.0	\$12,320.00	20.0	\$2,240.00	24.0	\$2,688.00	40.0	\$4,480.00	46.0	\$5,152.00	240.0	\$26,880.00
Prof. Engr. / Geologist	\$105	70.0	\$7,350.00	34.0	\$3,570.00	62.0	\$6,510.00	82.0	\$8,610.00	100.0	\$10,500.00	348.0	\$36,540.00
Senior Staff I	\$85	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00
Mid-Level Staff II	\$80	0.0	\$0.00	60.0	\$4,800.00	32.0	\$2,560.00	38.0	\$3,040.00	40.0	\$3,200.00	170.0	\$13,600.00
Graphics / CAD	\$68	20.0	\$1,360.00	4.0	\$272.00	8.0	\$544.00	36.0	\$2,448.00	10.0	\$680.00	78.0	\$5,304.00
Financial Manager	\$70	12.0	\$840.00	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00	12.0	\$840.00
Junior Staff/FM	\$65	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00
Support Staff	\$45	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00
Administrative	\$45	14.0	\$630.00	5.0	\$225.00	3.0	\$135.00	6.0	\$270.00	9.0	\$405.00	37.0	\$1,665.00
		266.0	\$27,700.00	131.0	\$12,147.00	136.0	\$13,347.00	224.0	\$21,708.00	218.0	\$21,627.00	975.0	\$96,525.00
Reimbursable Other Direct Costs													
Mailing/Shipping			\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00
Shipping/Freight/Delivery			\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00
Reproduction			\$0.00		\$0.00		\$50.00		\$150.00		\$110.00		\$310.00
Computer (\$6.05/hr) Hrs		87.78	\$531.07	45.9	\$277.39	68.0	\$411.40	168.0	\$1,016.40	174.4	\$1,055.12		\$3,747.63
Subcontractor/Equipment*			\$0.00		\$1,800.00		\$0.00		\$0.00		\$100.00		\$1,900.00
15% Markup			\$0.00		\$270.00		\$0.00		\$0.00		\$15.00		\$285.00
Travel													
Airfare		(NA)	\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00
Per Diem			\$290.00		\$200.00		\$0.00		\$0.00		\$0.00		\$490.00
Mileage	0.445		\$687.08		\$462.80		\$231.40		\$231.40		\$231.40		\$1,844.08
Lodging			\$100.00		\$150.00		\$0.00		\$0.00		\$0.00		\$250.00
Car Rental	per day		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00
Subtotal ODC's			\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00
15% Markup			\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00
Total ODC's			\$1,608.15		\$3,160.19		\$692.80		\$1,397.80		\$1,611.52		\$8,470.46
TOTAL			\$29,308.15		\$15,307.19		\$14,039.80		\$23,105.80		\$23,238.52		\$104,999.46

* = Costs associated with Aerial Photos and other County/State Data Acquisition

Total Project Costs:

\$104,999.46



TETRA TECH

October 25, 2006

Ms. Laura Tsosie
Environmental Coordinator
Water Infrastructure and Finance Authority
1110 West Washington Street
Suite 290
Phoenix, Arizona 85007

**Re: Task Assignment for Town of Camp Verde
Waste Water Master Plan – TA CW 012-2007**

Tetra Tech EM Inc. Proposal #09-06-04

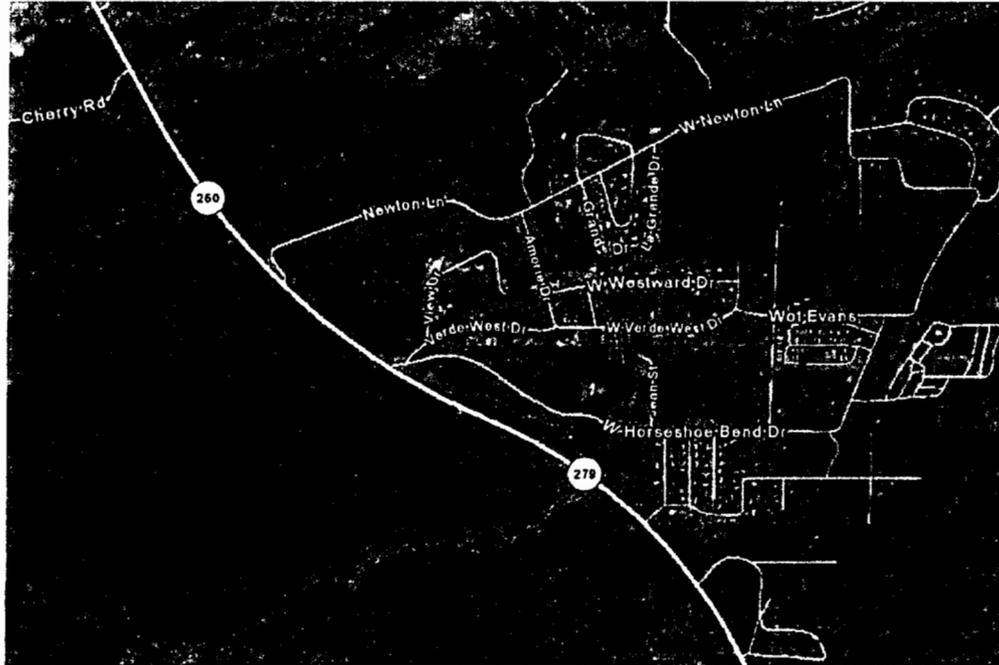
Dear Ms. Tsosie:

Tetra Tech EM Inc. (Tetra Tech) is pleased to submit this revised proposal and associated cost estimate to prepare a Waste Water Master Plan for the Town of Camp Verde (Camp Verde), Arizona. This proposal is prepared in support of the above referenced Water Infrastructure and Finance Authority (WIFA) of Arizona Technical Assistance (TA) project. The proposed Scope of Work (SOW) is based on information gathered during a site reconnaissance visit and follow up meeting with Camp Verde officials on September 20, 2006. Additional project background information was provided in the SOW drafted by Camp Verde and presented in the WIFA TA dated September 19, 2006. It should be noted that the SOW was updated on September 21, 2006 following Tetra Tech and Camp Verde meeting the day before.

Project Background

The focus of this project is described generally as the area extending from the western boundary of the Camp Verde Sanitary District (CVSD) or Dickinson Circle to the location of the Coury auto dealership, approximately 6 miles west of Interstate 17 along State Route 260 (SR 260). This area is currently experiencing development with additional growth expected within the next 5-10 years. The Town of Camp Verde anticipates that the potential growth within the subject area will consist of a commercial corridor along SR260 and some residential developments. The area is currently under developed with scattered residential areas located north-northeast of SR 260 extending from the highway to the banks of the Verde River. State Route 260 and its' Right-of-Way (ROW) are maintained by the Arizona Department of Transportation (ADOT).

For the purposes of this proposal, this area will be designated as "Special Planning Area" or SPA. The Town of Camp Verde will provide a specific legal description of the SPA before commencing the project. In general the homes and businesses within the SPA are currently on individual septic systems and are not within the service boundary of the CVSD. CVSD service area ends near the beginning of the SPA along SR 260. It should also be noted that CVSD is not owned and operated by the Town of Camp Verde. Although interest in developing the area has been expressed by various parties, the absence of a centralized municipal waste water collection and treatment infrastructure in the SPA hinders future development. It is our understanding that no Waste Water Master Plan exists for the SPA or for the CVSD.



Proposed Scope of Work

Tetra Tech has prepared the following SOW based on preliminary information and the revised SOW as issued by Camp Verde on September 21, 2006 following Tetra Tech's project scoping meeting the day before. The proposed technical services are focused on identifying and prioritizing necessary infrastructure needs to facilitate development along the SR 260 Corridor west of Interstate 17 in Camp Verde. The resulting Waste Water Master Plan will be prepared to assist Camp Verde as a planning tool to outline a necessary program of improvements, provide technical support necessary to acquire future infrastructure financing and as a guide to implement the next phase of capital improvements in the SPA. All work will be developed to be consistent with the requirements for waste water facilities as set forth in Arizona Administrative Code (AAC) Title 18, Chapter 9. Article 3, Part A (R18-9-317).



Based on Tetra Tech's initial reconnaissance of the subject area and our experience in performing this type of work, we have developed a scope of services that includes the following primary tasks:

- **Task 1 Project Management, Coordination and Administration;**
- **Task 2 Project Data Collection and Compilation;**
- **Task 3 Infrastructure Needs Assessment**
- **Task 4 Engineering Feasibility Study; and**
- **Task 5 Prepare and Submit a Waste Water Master Plan**

The following sections describe each of the proposed tasks and level of effort associated with them is summarized in Table 1.

Task 1 – Project Management, Coordination and Administration

This Task will include various efforts required to coordinate and manage the project. Tetra Tech will designate Ms. Teresa Harris as the Project Manager who will be closely assisted by Ms. Susan Alvarez, PE (project engineer). Key project personnel resumes are provided in Attachment I. Ms. Harris's responsibilities include but are not limited to the following:

1. Primary contact between Tetra Tech, Camp Verde and WIFA;
2. Coordinate and schedule a Project Kickoff Meeting with Camp Verde and WIFA Project Manager;
3. Represent Tetra Tech in meetings with Camp Verde, WIFA and/or other concerned parties including but not limited to the members of the Town Council and the general public at applicable project presentations;
4. Assist Camp Verde officials with up to three (3) presentations to the Town Council on the scope of work, project status and update and schedule milestones at the beginning, I the middle and at or near the end of the project;
5. Schedule and present project updates to City officials, WIFA Project Manager and/or other third parties on a monthly basis using conference calls;
6. Oversee the overall project progress both from a technical and administrative point of view;
7. Supervise the day to day technical and administrative tasks associated with the project;
8. Oversee and supervise vital data collection and compilation phases of work;
9. Manage overall project budget ;
10. Assign appropriate personnel to various project tasks commensurate with their experience;
11. Be responsible for verifying that all work is completed in accordance with the Tetra Tech Quality Assurance/Quality Control (QA/QC) standards;
12. Provide technical insight and guidance into various project tasks;
13. Supervise project staff; and
14. Supervise technical document preparation.

Task 2 – Project Data Collection and Compilation

The objective of existing data collection and compilation will be to obtain the information and data necessary provide a good solid foundation for infrastructure planning that can lead to effective decision making. As part of this Task, Tetra Tech will collect available information and data necessary to assess existing conditions in the SPA as well as to assess capacity and condition of the existing CVSD infrastructure. Several sources will be utilized for this Task including but not limited to the Town of Camp Verde, CVSD, ADOT (ROW along SR 260) and other pertinent utilities in the area whose presence may affect future infrastructure development.

Data collection will include but not be limited to:

1. **Aerial mapping and area wide maps:** Tetra Tech will obtain available current and historic aerial photo coverage of the subject area. In addition, we will obtain various area-wide maps that illustrate existing development trends in the area. Maps will be obtained from Camp Verde Department of Public Works, CVSD, ADOT, Yavapai County and other sources as appropriate.
2. **Current population:** Tetra Tech will utilize information on hand at the Town of Camp Verde Chamber of Commerce and the latest State of Arizona Census for the area.
3. **Current land use:** The land use data will include current and planned development densities by area, land use types and zoning categories for the SPA/CVSD service area that are consistent with Camp Verde planning and zoning ordinances. Other land use data may include available tax maps, land ownership mapping, water rights and other pertinent information.
4. **Future land use and build-out population projections:** Tetra Tech will obtain these projection from the Town of Camp Verde (General Plan, Capital Improvement Plan, Land Use Plan, Planning Department or other similar sources) and review the growth over last 5 years along with preliminary plat requests to assess future population growth and land use potential. This growth will also be projected by reviewing historical aerial photos to assess rate, direction and any other trends in local growth patterns. While understanding the total projected population for the area is important, it is also necessary to understand how the population is distributed. The population distribution will create the basis for the conceptual demand for the area.
5. **Existing sanitary sewer system:** This data will be obtained from CVSD and the Yavapai Health Department (regarding septic systems). It will include data concerning the locations, sizes, and any flow or other capacity data concerning the collection, any sanitary lift stations or siphons, waste water treatment processes, treatment plant type/capacity and status of National Pollutant Discharge Elimination System (NPDES)/Aquifer Protection (APP) Permit discharge permits and monitoring. Any data concerning treated effluent reuse, infrastructure and flow rates will also be collected. Readily available sewer monitoring data, provided by CVSD, will also be reviewed.
6. **Current waste water demand in the area:** Current average daily wastewater demand will be estimated by using the CVSD data concerning average daily demand per connection. This known average daily demand will be considered with the number of existing connections within the SPA and registered septic systems to determine the potential total average daily wastewater demand for the SPA. Peak dry weather and wet weather daily demand will be calculated by

applying appropriate peaking factors as determined from Table 1 in ACC R18-9-B201 and input from the CVSD concerning differences in dry weather and wet weather flow monitoring. Peak hour demand flow rates will also be determined through the evaluation of flow records from the CVSD facilities. Any seasonal fluctuations and peak demand periods will also be noted.

7. **Anticipated future waste water demand:** The anticipated future wastewater demands will be estimated by projecting the current wastewater demands forward using the future land use and population projections as determined in Task 5. Assumptions concerning these projections will be discussed with Camp Verde staff prior to developing the future demand scenarios.
8. **Existing utility corridors in the subject area:** Tetra tech will identify existing utility corridors in the SPA and in the areas between the SPA and the CVSD service area, to the extent possible based upon available information. This effort will involve obtaining above ground and/or buried utility maps from various sources including but not limited to phone company(s), cable firms, fiber optics (if present), natural gas company and both overhead and underground electric company information. A field reconnaissance of likely corridors will be made to preliminarily identify potential utility locations.
9. **Delineate ADOT ROW along SR 260 and any other right of ways in the area:** Tetra Tech will also identify the existing ADOT ROW along SR 260. In addition, other utility easements or right of ways that may exist for various utility corridors in the area will also be noted.

Task 3 – Infrastructure Needs Assessment

An infrastructure needs assessment will be performed by evaluating the existing and future wastewater demands with respect to the capacity of the existing infrastructure to meet these demands. In order to perform the infrastructure needs assessment, and to establish adequate conceptual design(s) for use in the feasibility study resulting in the Waste Water Master Plan, Tetra Tech will review the design criteria as set forth in the ACC Title 18- Section 9-criteria, along with CVSD, Yavapai County and local ordinances and considering any special requirements that may effect the level of wastewater treatment provided such as Total Maximum Daily Load, APP or NPDES permit requirements etc. This will be used to establish an appropriate local waste water design criteria for use by the Town of Camp Verde that takes into account present day needs, conditions and anticipated future needs. The infrastructure needs assessment will utilize this design criteria to evaluate the

1. Sanitary sewer collection system;
2. Wastewater treatment requirements and applicable technologies;
3. Types of permitting requirements;
4. Operations and maintenance requirements;
5. Requires level of effort with respect to engineering design and construction; and
6. Available infrastructure improvement funding mechanisms.

The existing waste water infrastructure will also be assessed with respect to the ability to meet the Camp Verde design requirements, in addition to ACC R18-9-B201, any NPDES/APP discharge permit requirements. Information and data gathered and compiled during in Task 2 will be utilized to evaluate future waste water needs in the area. Information gaps and infrastructure in need of upgrade or replacement will be identified through this process. The infrastructure needs assessment will assist in formulating a conceptual wastewater collection and treatment system for the SPA that can address the existing conditions and be expanded to address future conditions with the planned and projected area build out and population growth.



Task 4 – Engineering Feasibility Study

The data collected in Task 2 and the Infrastructure Needs Assessment performed in Task 3 will allow Tetra Tech to prepare an Engineering Feasibility Study (EFS). The EFS includes development and evaluation of alternatives for meeting the Camp Verde wastewater infrastructure needs and recommendations of alternatives that merit consideration for inclusion in the Waste Water Master Plan. The findings of the EFS will be utilized to help select the best options for developing wastewater infrastructure to serve the SPA. In general, the EFS will include three major components which are presented below.

Task 4.1 Engineering Alternatives Evaluation

The EFS will include several alternatives that address infrastructure needs in the SPA. These alternatives will be assessed on individual basis. Tetra Tech will meet with Camp Verde staff upon completing the infrastructure needs assessment in order to identify three conceptual alternatives that best meet the needs of the area which can also be expanded to meet future needs. Each alternative evaluation will include construction, permitting and engineering costs. We will also evaluate engineering and/or administrative challenges that may be associated with implementing each of the alternatives identified in the EFS. In addition to the evaluation of technical feasibility and administrative issues such as ease of implementation, likely acceptance by community, local commerce, requirements for permitting, estimates

of probable costs, potential funding methods, and life cycle costs that evaluate a projects' costs over time will be developed. Relative advantages and disadvantages will be developed based on technical inputs, balanced with input from Camp Verde staff. A summary matrix that allows side-by-side comparison of the alternatives will be developed to allow ease of review and consideration by Camp Verde staff, Town Council and public during open houses concerning the project.

Task 4.2 Engineering Alternative Recommendation

A preferred alternative will be selected and recommended to Camp Verde. This recommendation will be based upon the technical evaluation as well as upon input received from Camp Verde staff, Town Council etc. following the alternatives evaluation. This alternative will be the focus of the Waste Water Master Plan and will be used in determining final cost estimates for implementing the next phase of the project. The EFS will be prepared such that it can be appended to the Waste Water Master Plan.

Task 4.3 Engineering and Infrastructure Funding Sources Identification

The EFS will include a general discussion of potential funding mechanisms and other sources of financial assistance that the Town of Camp Verde can consider as methods to use to implement the proposed wastewater infrastructure program. Tetra Tech will identify different funding sources appropriate for the next phase of capital improvements, and provide information concerning applicable program descriptions, program contact information, application deadlines etc. The information concerning funding programs will be summarized in a matrix format with side-by-side comparisons of different funding options. Potential funding source(s) and programs will include: United States Department of Agriculture – Rural Development, (RD) the Arizona Department of Commerce – Greater Arizona Development Authority (GADA), the Arizona WIFA Capacity Development, Infrastructure Loan and Technical Assistance Grant Programs, and the Arizona Rural Infrastructure Committee, etc.

Upon selecting the recommended engineering and infrastructure alternative, and development of this list of options available for public infrastructure funding, the potential funding source(s) necessary to secure the estimated funding to address project planning, design, and initial capital construction costs will be identified, and discussed in the EFS.

The Town of Camp Verde may want to explore other options for project funding through a follow-on rate study as a separate scope of work. This rate study would consist of a separate stand-alone document that would be developed outside of the Scope of Work as presented in Tasks 1 through 5, herein. The rate study would be focused on the development of a municipal infrastructure financial program that addresses the anticipated infrastructure costs and implementation schedule as identified in the Waste Water Master Plan.

Task 5 – Prepare and Submit a Waste Water Master Plan

Upon completion of the above tasks, Tetra Tech will prepare a comprehensive report, entitled “Waste Water Master Plan” that summarizes the findings of the study and the EFS. The Waste Water Master

Plan will address potential growth in SPA and most effective way(s) to address the wastewater collection and treatment needs for the subject area. The Waste Water Master Plan will provide a prioritized plan for implementing the preferred alternative from the EFS along with a project schedule. The Waste Water Master Plan will be developed in a format that will allow Camp Verde to prioritize capital improvement budgets, to guide local development by others and to assist the Town in demonstrating a need when applying for infrastructure improvement funding. This Plan will be sealed by a Professional Engineer that is registered to practice in Arizona.

PROJECT DELIVERABLES

The project will be developed so that technical memorandums will be provided as interim deliverables at the completion of each task. These memorandums will form the primary sections of the Waste Water Master Plan. This allows continuous input from Camp Verde and a streamlined Waste Water Master Plan development that will address Camp Verde's priorities. The project deliverables are:

Task 1 - Project invoices including status reports, meeting notes, assistance with up to 3 presentations to the Town Council, monthly project status conference calls and other correspondence (electronic and paper format as appropriate);

Task 2 - Technical Memorandum re: data collection and compilation (electronic format);

Task 3 - Technical Memorandum re: System Evaluation (electronic format);

Task 4 - Engineering Feasibility Study re: identified alternatives evaluation and recommended alternative – Two (2) draft and two (2) final copies and one final electronic format;

Task 5 – Waste Water Master Plan – Report: Three (3) (2) draft copies and three (3) final copies and one electronic format CD.

Tetra Tech will submit electronic draft copies of the EFS and Waste Water Master Plan to Camp Verde for review and comment. Upon receipt of Camp Verde comments, Tetra tech will finalize and issue the Waste Water Master Plan.

PROJECT COST AND SCHEDULE

Total costs for completion of Tasks 1 through 5, as presented herein are estimated at **\$104,995.94** and will not be exceeded without prior written notification and approval from Camp Verde. Services provided by Tetra Tech will be invoiced monthly on a time-and-materials basis, in accordance with the terms and conditions outlined in the attached Professional Services Contract (Attachment II), and include developing Water Infrastructure Finance Authority of Arizona (WIFA) formatted attachments. A detailed cost breakdown is provided as Table 1. The Task Assignment Budget Worksheet indicating total budget and TA grant and local matching funds breakdown by tasks is presented in Attachment III,

Tetra Tech is prepared to begin work on this scope of services immediately upon written approval to proceed. It is anticipated that the project will be completed within **193 days** of receiving a signed authorization to proceed (page 4 of the Professional Services Contract; Attachment II). A project

Ms. Laura Tsosie
Water Infrastructure and Finance Authority
October 25, 2006
Page 9 of 9

schedule showing completion of the above scope of work is attached as Figure 1. This schedule assumes a start date of November 16, 2006 and a completion date of May 27, 2007.

Tetra Tech EM Inc. looks forward to working with the WIFA of Arizona and Town of Camp Verde on this important project. If you have any questions or concerns, please do not hesitate to contact either of the under signed at (602) 682-3310. The signed authorization to proceed from Camp Verde (Attachment I) can be faxed to our attention at (602) 682-3311.

Sincerely,
Tetra Tech EM Inc.



Waseem Khan, PG, CEM
Arizona Operations Manager



Teresa Harris, CEM
Senior Project Manager

Attachments: Figure 1 – Project Schedule
Table 1 – Cost Schedule
Attachment I – Key Personnel Resumes
Attachment II – Standard Services Agreement
Attachment III – Technical Assistance Budget Worksheet

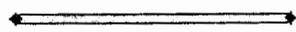
FIGURE 1

Project Schedule

Proposed Schedule for Town of Camp Verde Wastewater Master Plan

	Activity Name	Start Date	Finish Date	2006		2007					
				Nov	Dec	Jan	Feb	Mar	Apr	May	
1	<i>Notice to Proceed</i>	11/15/06	11/15/06	○							
2	Task 1 - Project Management	11/15/06	5/31/07	◄	◄	◄	◄	◄	◄	◄	◄
3	Project Kickoff Meeting/ Site Visit	11/15/06	11/19/06	○							
4	Status/Invoices, etc	12/8/06	5/31/07		◄	◄	◄	◄	◄	◄	◄
5	Project Management	11/15/06	5/31/07	◄	◄	◄	◄	◄	◄	◄	◄
6	Project Communications	11/15/06	5/31/07	◄	◄	◄	◄	◄	◄	◄	◄
7	Task 2 - Project Data Collection & Compilation										
8	Camp Verde Data Collection	11/15/06	11/30/06	◄	◄						
9	CVSD System Data Collection & Review	11/15/06	11/30/06	◄	◄						
10	Other Data Sources	11/22/06	12/4/06	◄	◄						
11	Identify Utility Corridors	11/30/06	12/8/06	◄	◄						
12	Tech Memo - Data Collection	11/30/06	12/11/06	◄	◄						
13	Camp Verde Review & Meeting	12/11/06	12/27/06		○						
14	Task 3 - Infrastructure Needs Assessment										
15	Estimate Current & Future Wastewater Demands	11/27/06	12/8/06	◄	◄						
16	Compile Camp Verde Design Criteria	11/27/06	12/9/06	◄	◄						
17	Infrastructure Needs Analysis	12/6/06	12/18/06	◄	◄						
18	Tech Memo - Infrastructure Needs Assessment	12/18/06	12/27/06	◄	◄						
19	Camp Verde Review & Meeting	12/27/06	1/10/07		○						
20	Task 4 - Engineering Feasibility Study										
21	Workshop to Identify Conceptual Alternatives	1/10/07	1/17/07			○					
22	Develop Wastewater Alternatives	1/17/07	2/11/07			◄	◄				
23	Develop Estimates of Probable Cost	2/7/07	2/16/07			◄	◄				
24	Evaluate Alternatives	2/7/07	2/16/07			◄	◄				
25	Progress Meeting to Review Alternatives	2/21/07	2/28/07			○					
26	Draft Engineering Feasibility Study	2/21/07	3/14/07			◄	◄				
27	Camp Verde Review & Meeting	3/14/07	3/28/07			○					
28	Identify Preferred Alternative	3/28/07	4/4/07			○					
29	Task 5 - Waste Water Master Plan										
30	Develop Project Priorities	3/26/07	4/4/07			◄	◄				
31	Develop Project Schedule	4/4/07	4/18/07			◄	◄				
32	Develop Draft Waste Water Master Plan	4/4/07	4/30/07			◄	◄				
33	Camp Verde Review & Meeting	5/2/07	5/16/07			○					
34	Finalize Final Documents	5/16/07	5/30/07			◄	◄				

Legend



Tetra Tech Task



Tetra Tech Text Development



Camp Verde Coordination/ Review

TABLE 1
Project Cost Estimate

Table 1

Town of Camp Verde - Waste Water Master Plan

WIFA Technical Assistance CW 012-2007

Cost Estimate
10/25/2006

Personnel	Rate	Task 1 Project Mgmt., Coordination & Admin.		Task 2 Project Data Collection & Compilation		Task 3 Infrastructure Needs Assessment		Task 4 Engineering Feasibility Study		Task 5 Waste Water Master Plan		Total	
		Hours	Cost	Hours	Cost	Hours	Cost	Hours	Cost	Hours	Cost	Hours	Cost
Principal Staff	\$130	40.0	\$5,200.00	12.0	\$1,560.00	7.0	\$910.00	16.0	\$2,080.00	13.0	\$1,690.00	88.0	\$11,440.00
Project Manager	\$112	90.0	\$10,080.00	20.0	\$2,240.00	50.0	\$5,600.00	40.0	\$4,480.00	40.0	\$4,480.00	240.0	\$26,880.00
Prof. Engr. / Ecologist	\$105	70.0	\$7,350.00	34.0	\$3,570.00	62.0	\$6,510.00	82.0	\$8,610.00	100.0	\$10,500.00	348.0	\$36,540.00
Senior Staff I	\$85	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00
Mid-Level Staff II	\$80	0.0	\$0.00	60.0	\$4,800.00	32.0	\$2,560.00	38.0	\$3,040.00	40.0	\$3,200.00	170.0	\$13,600.00
Graphics / CAD	\$68	0.0	\$0.00	4.0	\$272.00	28.0	\$1,904.00	37.0	\$2,516.00	9.0	\$612.00	78.0	\$5,304.00
Financial Manager	\$70	12.0	\$840.00	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00	12.0	\$840.00
Junior Staff/FM	\$65	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00
Support Staff	\$45	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00
Administrative	\$45	14.0	\$630.00	5.0	\$225.00	8.0	\$360.00	6.0	\$270.00	7.0	\$315.00	40.0	\$1,800.00
TOTAL		226.0	\$24,100.00	135.0	\$12,667.00	187.0	\$17,844.00	219.0	\$20,996.00	209.0	\$20,797.00	976.0	\$96,404.00
Reimbursable Other Direct Costs													
Mailing/Shipping			\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00
Shipping/Freight/Delivery			\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00
Reproduction			\$0.00		\$0.00		\$0.00		\$150.00		\$110.00		\$310.00
Computer (\$6.05/hr) Hrs		67.8	\$410.19	40.5	\$245.03	93.5	\$565.68	164.3	\$993.71	167.2	\$1,011.56		\$3,691.61
Subcontractors/Equipment*			\$0.00		\$1,800.00		\$0.00		\$0.00		\$100.00		\$1,900.00
15% Markup			\$0.00		\$270.00		\$0.00		\$0.00		\$15.00		\$285.00
Travel													
Airfare (NA)			\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00
Per Diem			\$100.00		\$200.00		\$200.00		\$120.00		\$0.00		\$620.00
Mileage 0.445			\$534.00		\$445.00		\$431.65		\$224.28		\$235.85		\$1,870.78
Lodging			\$0.00		\$150.00		\$130.00		\$0.00		\$0.00		\$280.00
Car Rental			\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00
Subtotal ODC's			\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00
15% Markup			\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00
Total ODC's			\$1,044.19		\$3,110.03		\$1,377.33		\$1,487.99		\$1,572.41		\$8,591.94
TOTAL			\$25,144.19		\$15,777.03		\$19,221.33		\$22,483.99		\$22,369.41		\$104,995.94

* = Costs associated with Aerial Photos and other County/State Data Acquisition

Total Project Costs: \$104,995.94

ATTACHMENT I

Key Personnel Professional Resumes

TERESA HARRIS, CEM

Senior Geologist / Project Manager

Tetra Tech EM Inc.

EDUCATION/SPECIAL TRAINING

University of Oklahoma, B.S., Geology, 1988

REGISTRATIONS/CERTIFICATIONS

Nevada Certified Environmental Manager
EPA Introduction to Groundwater Investigations
EPA Asbestos Hazard and Emergency Response Act (AHERA) Contractor/Supervisor
EPA AHERA Inspector
EPA AHERA Management Planner
40-Hour OSHA Health & Safety
8-Hour OSHA Site Supervisor's Certification

QUALIFICATIONS

Ms. Harris has 17 years of professional experience that emphasizes technical environmental and engineering project management, as well as staff team building and regulatory liaison. Ms. Harris participates in various ADEQ and ADWR technical committees and is the current president of the Arizona Women's Envirolink.

Her technical experience is broad-based and varies in project scopes ranging from small building asbestos surveys, environmental due diligence to large scale land development projects. Many of the projects required such entitlements as Army Corp of Engineers' Jurisdictional Waters Designation; ADEQ 208 permitting for wastewater systems; NEPA surveys; and NPDES, APP, and NESHP permitting. Ms. Harris also collaborated with legal associates to acquire non-environmental entitlements such as re-zoning, property annexation, and Arizona Corporation Commission Water Franchises. These projects required managing multi-disciplined teams

RELEVANT EXPERIENCE

Ms. Harris' professional experience in water resources includes municipal water planning, hydrogeologic investigations for the development of groundwater supplies and recharge projects, as well as aquifer testing and interpretation. Her responsibilities include but are not limited to working closely with municipal clients to prepare capital improvement and master water plans. Some relevant projects are presented below:

■ **Town of Camp Verde Water Resource Plan, Project Manager**

The Town of Camp Verde is located within the Verde River Valley. Ms. Harris was the project manager of the town's water resource plan development. The water resource plan was developed to provide the town a useful, detailed description of the legal and institutional framework that controls their use of available water supplies. The plan addressed both groundwater and surface water rights, as well as water quality issues. The plan encompassed population growth and demand forecasts, as well as conservation and reclaimed water development.

■ **Town of Camp Verde Water Company Valuation, Project Participant & Client Contact**

Ms. Harris participated in the valuation of the Camp Verde Water System, a private water company on behalf of the Town of Camp Verde. The valuation included an assessment of the tangible assets of the water company; an evaluation of the needs of the water company operations; and an evaluation and estimate of the “fair market value” of the tangible assets of the water company.

■ **Del Rio Springs Physical Availability Study, Project Manager**

The physical availability study consisted of a 3,000-acre ranch property. The subject property included the Del Rio Spring, located in Chino Valley, Arizona. The Del Rio Spring is noted as a significant component of the headwaters of the Verde River. The physical availability study included installation of three wells, conducting aquifer tests, and developing a hydrologic model of the groundwater system.

■ **Project Manager, Various Clients**

Ms. Harris’ duties include management of multi-disciplined projects and client advocacy. As a client advocate, Ms. Harris reviews proposed environmental regulations, participates in stakeholder activities and communicates potential impacts to our public and private sector clients. Ms. Harris is responsible for providing compliance direction and assistance to clients by determining compliance status; developing compliance programs; and when necessary developing strategies and criteria for corrective actions.

In her capacity as project manager, Ms. Harris is also responsible for the contract administration and technical oversight of a variety of projects. Her projects range from multi-disciplined water and wastewater projects with timelines of several months and budgets upwards of \$250,000 to straightforward environmental site assessments with 2-week completion dates and \$2,500 budgets. She is the project manager for Arizona State University and the Town of Camp Verde’s storm water compliance programs.

EMPLOYMENT HISTORY

2006 - Present	Tetra Tech EM Inc.	1990 - 1992	Dahl & Associates	
2003 - 2006	Burgess & Niple, Inc.	1989 - 1990	Mayhew Env. Associates	Training
1999 - 2003	Allen Stephenson Associates	1987 — 1989	Standard Testing	
1992 - 1999	EnecoTech Southwest, Inc.			

PROFESSIONAL ASSOCIATIONS

Arizona Women’s Envirolink
National Environmental Information Association
Western Petroleum Marketers Association
Arizona Hydrological Society
American Water Resource Association

SUSAN M. ALVAREZ, PE

Senior Engineer

Tetra Tech EM Inc. - Phoenix

EDUCATION/SPECIAL TRAINING

B.S., Civil Engineering, Rice University, Houston, Texas, 1981
Graduate Studies in Water Resources/ University of Washington, Seattle, Humboldt State University, Arcata, California, and University of Houston, Texas

REGISTRATIONS/CERTIFICATIONS

Professional Engineer: Arizona - No. 34413, Idaho - No. 8214, New Mexico - No.11521, Oregon No. 18394, Texas - No. 60372, Washington - No. 32633
Hazardous Waste Operations and Emergency Response (HAZWOPER) 40-Hour Training;
Occupational Safety and Health Administration (OSHA) Site Supervisor
Arizona Department of Environmental Quality – Water Distribution System Operations – Grade 1

QUALIFICATIONS

Ms. Alvarez has over 25 years of broad practical experience in civil and environmental planning, engineering and design for site remediation, and facility-related projects. She has completed designs for the U.S. EPA, ADEQ, Fort McDowell Yavapai Nation, Yavapai Prescott Tribe, and numerous small water districts and private firms. Ms. Alvarez has been providing ongoing technical assistance to numerous small and mid-sized water and wastewater systems throughout Arizona including system evaluation; infrastructure needs assessments, wastewater collection, water distribution systems, water/ wastewater treatment, and utility district formation. Ms. Alvarez has been involved in all aspects of a project's development: from the initial project planning and site evaluation, to the development of plans, specifications and cost estimates, to field observation and construction management. She also has considerable experience in grantsmanship, NEPA, public involvement, and other agency requirements that bring projects into fruition.

RELEVANT EXPERIENCE

■ **Town of Quartzsite, Wastewater Re-Use Feasibility Study, Quartzsite, Arizona**

Ms. Alvarez evaluated water quality and flow records from the existing wastewater treatment plant and developed six alternatives for wastewater re-use, including constructed wetlands, industrial water supply, grey- water systems to irrigate Town landscaping, golf course, or recreational facilities at the park (soccer fields), and storage options to support construction and dust suppression. The project included life-cycle cost estimating, public information, and recommendations for changes in City Codes to address wastewater reuse. This project was funded through a WIFA Technical Assistance grant.

■ **Ranch 160 Wastewater Pump Station, Can-Am Engineering, Florence Junction, Arizona**

Ms. Alvarez prepared the design of a 200 GPM submersible wastewater pump station with a 3.5 mile long force-main. She designed the system, performed a streamlined surge analyses, and wrote the Design Report for the project.

■ **EPA Chamberino *Colonia* Water and Wastewater Facility Plans, Doña Ana County, New Mexico:**

Ms. Alvarez performed the EPA Facility Plan for the Chamberino *Colonia*, a small 100- home rural community served by private wells, septic systems and cesspools. She developed preliminary design and cost estimates for wastewater collection, treatment and disposal facilities including gravity, low-pressure vacuum collectors, extended aeration treatment, and constructed wetlands. Ms. Alvarez also participated in bi-lingual

public hearings, established a Rural Utility District, developed preliminary water system designs, estimated costs, prepared the Preliminary Engineering Report and grant applications.

■ **Maricopa Mountain Water Company; DWID Formation Services, Maricopa, Arizona**

Ms. Alvarez is providing water district formation support services for a small rural water utility in central Arizona. Services for this WIFA Technical Assistance funded project include DWID formation petitions and other legal notices, a water source inventory, water system inventory and evaluation, and assessment of water quality from four existing wells. The existing system serves approximately 200 homes in a developing area with over 800 possible connections. Water quality concerns include fluoride, nitrates, and arsenic. The project includes development of alternatives for providing community water service, and development of a DWID Formation Engineering Report.

■ **Mountain Glen Water Service, Inc., Linden West Water System Upgrade, Linden, Arizona**

Ms. Alvarez worked with the Mountain Glen Water Service to upgrade the water system to support Compliance with the Arsenic Rule for public drinking water systems. Ms. Alvarez designed upgrades, including construction of a new 150 GPM well, 88,000 gallon ground storage tank. She also wrote the design report for Linden West water system.

■ **Why Utility Company, Water System Upgrade, Why, Arizona**

Ms. Alvarez worked on this USDA-RD funded water system upgrade project for the Why Utility Company to achieve compliance with the Arsenic Rule for public drinking water systems. Ms. Alvarez developed concepts for system upgrades, including value engineering for several treatment methods to address Arsenic, and worked on the Environmental Assessment.

■ **Beardsley West Water System Planning & Technical Design Support, Can-Am Engineering Geomatics, LLC (Can-Am), Wittman, Arizona:**

Ms. Alvarez provides ongoing engineering technical support for a small public water system located near Wittman, Arizona, in northwestern Maricopa County. The system includes interconnected water services for the 500 acre Patton Place Estates (Units 1-6), 320 acre Peak View Ranch, and 50 acre Trail of Light residential subdivisions tied into the Beardsley West system. Services include data compilation, water supply assessment, demand and water system design calculations, and WaterCAD™ modeling to assess system performance. Ms. Alvarez wrote the Water Master Plan that addresses water supply, water quality, flow, distribution, pressure fire capacity and overall system performance. Susan has also developed the design for two booster pump stations, ground storage and other measures necessary to bring these systems into compliance with Maricopa County, and ADEQ design requirements.

PROFESSIONAL AFFILIATIONS

American Society of Civil Eng. American Water Works Assoc. Arizona Hydrological Society

EMPLOYMENT HISTORY

2006 – Present	Tetra Tech EM Inc.	1981 – 1982 & 1989 - 1991	Lockwood, Andrews & Newman
2004 – 2006	Miller Brooks Environmental, Inc.	1985 –1989	Espey Huston & Associates, Inc.
1996 – 2004	Ridolfi, Inc.	1982 - 1985	Bernard Johnson, Inc.
1991 – 1996	Leedshill-Herkenhoff, Inc.		

WASEEM A. KHAN, PG. CEM

Arizona Operations Manager

Tetra Tech EM Inc. - Phoenix

EDUCATION/SPECIAL TRAINING

M.S., Geology, Bowling Green State University, Bowling Green, Ohio

B.S., Geology, University of Toledo, Toledo, Ohio

National Ground Water Association Courses: Capture Zone Analysis for Containment, Remediation and Wellhead Protection, Corrective Action for Containing and Controlling Ground Water Contamination, Risk Assessment for Environmental Professionals: Contaminant Fate and Transport using API Decision Support Software.

Other Courses and Seminars: Risk Assessment: Characterizing, Quantifying and Communicating by Nicholas Associates, Inc., and Arizona and Federal Environmental Law by Arizona Chamber of Commerce

REGISTRATIONS/CERTIFICATIONS

Professional Geologist: Wisconsin

Registered Geologist: Washington

Certified Environmental Manager: Nevada

QUALIFICATIONS

Mr. Khan has 16 years of experience in applying engineering and environmental technologies to assist private and public sector clients. He has personally conducted or managed environmental and water resource projects and/or managed client accounts ranging in cost from a few thousand to over one million dollars a year. Oriented and focused toward problem solving, He has been commended by his clients and the regulatory community for his thorough, comprehensive investigations, practical solutions, and clear and concise reports. He has an excellent record for obtaining agency cooperation and approval as well as fostering public understanding of complex and controversial projects. Mr. Khan's current responsibilities include operations manager for Tetra Tech EM, Inc., office in Phoenix, Arizona.

RELEVANT EXPERIENCE

Mr. Khan's area of expertise include but not limited to coordinating the design and permitting of water treatment systems (both wellhead and centralized systems), permitting, design/build team set up, hydrologic studies, geologic and hydrologic data interpretation, water system planning, Capital improvement Planning, cost estimating, aquifer testing, Preliminary Engineering Report preparation, well spacing studies, Assured Water Supply studies, facilitating client/regulatory agency interaction and overall project management. Brief narratives on project experience are presented below.

WATER RESOURCES

■ **Maricopa Mountain Water Company**

Mr. Khan is currently the project director for this ADEQ WIFA Technical Assistance project which includes technical / engineering assistance to the water company's application for formally becoming a Domestic Water Improvement District. His responsibilities include but are not limited to overall project management and provide/facilitate corporate and technical resources to project needs.

■ **Mountain Glen Water Service, Linden, Arizona**

Mr. Khan was the project manager for this ADEQ WIFA Technical Assistance and Revolving Fund funded project. The project scope of work included the design and installation of a water production well, which was selected as an alternative to active arsenic treatment of water produced from existing impacted water wells owned by the client. The well design includes drilling and collecting discreet interval water samples to a maximum depth of 500 feet, design the well based on arsenic concentrations to minimize the intake of arsenic laden waters and complete the well with a pump. Additional site infrastructure included the design and engineering of a water conveyance network that connected a new 88,000-gallon storage tank and the water main that serves the area.

■ **U.S. Department of Agriculture Rural Development –Water Infrastructure Improvements, Town of Why, Arizona**

Mr. Khan was the program director for this USDA-RD funded project. His responsibilities included facilitating corporate resources to the needs of this project. The scope of work includes conducting an arsenic removal Feasibility Study using filtration/coagulation technology, installation of an arsenic removal system, installation of a new chlorination system, installation of two storage tanks, upgrading of the water main and installing of up to eight new fire hydrants. The project is currently in the construction bidding phase.

■ **City of Goodyear, Goodyear, Arizona – Well Number 18B Water Treatment Design/Build & Permitting**

Mr. Khan served as the project director for this arsenic treatment project which was a team effort with Hennessy Mechanical Sales and University Mechanical and as part of a design-build team. Mr. Khan oversaw the engineering design services for installation of treatment system equipment and infrastructure improvements for reduction of arsenic concentrations to comply with the current Arsenic Rule. The arsenic treatment system addressed a 450-gpm production well and consisted of a Severn Trent Services complete Sorb 33™ Arsenic Treatment System. The fully automated system includes Severn Trent's dual adsorbers, Bayoxide® E33 media, auxiliary equipment for pH control, and equipment for backwash recovery, storage and recycling. Infrastructure for the project included upgrade of Well 18B's submersible pump, structural foundations, shade covering for the equipment, piping to the treatment system and between the treatment system and the City's water storage tank, lighting and power supply, and telemetry/control interface with the City's water storage and distribution system.

EMPLOYMENT HISTORY

2006 – Present	Tetra Tech EM Inc.	1990 – 1995	Env. Science & Engineering, Inc.
1995 – 2006	Miller Brooks Environmental, Inc.	1989 – 1990	Tooke Northeast, Inc.

Senior Scientist

Tetra Tech EM Inc.

EDUCATION/SPECIAL TRAINING

Ph.D., Inorganic Chemistry, University of California, Davis, 2004

B.S., Environmental Chemistry, Northern Arizona University, Flagstaff, 2000

Graduated *summa cum laude*

Arizona Department of Environmental Quality – Water Distribution System Operations – Grade 1

QUALIFICATIONS

Dr. Downey has more than 10 years of in-depth environmental chemistry background, with extensive experience with numerous laboratory techniques and equipment, geochemical modeling software, field sample collection, data analysis and document research. She has worked with Lawrence Livermore National Laboratory, the U.S. Department of Energy, the Delaware Department of Natural Resources and Environmental Controls, the Arizona Department of Water Resources (ADWR), and the Arizona Department of Environmental Quality (ADEQ).

RELEVANT EXPERIENCE

- **Maricopa Mountain Water District Formation Support, Maricopa Mountain Water Company and Water Infrastructure Finance Authority of Arizona, Maricopa, Arizona** — Assisted with ongoing water district formation support services, including a water source inventory, water system inventory and evaluation, and assessment of water quality from four existing wells. Recommendation and design of water treatment for water quality concerns (fluoride, nitrates, and arsenic), including development of alternatives for providing community water service.
- **Hydrological Study to Obtain a 100-Year Certificate of an Assured Water Supply for Developments, Park Water Company, Florence, Arizona** — Conducted hydrologic studies for a private water company in Florence, Arizona, including an evaluation of local hydrology, water quality, water availability, demand estimates, and a modeling analysis to predict impacts to the underlying aquifer associated with the projected groundwater withdrawals of the developments for the next 100 years to obtain a Certificate of an Assured Water Supply from ADWR for several proposed planned communities.
- **Arizona Department of Environmental Quality**— Served as a general geochemical information resource and performs fundamental research for various projects to assist in determining proper corrective action, especially with respect to in situ chemical oxidation treatments.
- **ADEQ Park-Euclid WQARF Site, Tucson, Arizona** — Researched and drafted the feasibility study for regional aquifer treatment of PCE contamination. Modeled the bio- and geochemical transformations of PCE along the contamination plume. Supervised on-site field activity. Performed data management, reduction and validation.

- **ADEQ Dry Cleaner Inventory, Various Municipalities, Arizona** — Researched the names, locations, and dates of operation for historic dry cleaners dating back to about 1920 throughout Arizona to create a database and linked GIS coded map and identify point sources of trichloroethylene (TCE) and tetrachloroethene (PCE) detected in various wells. Composed the draft and final reports.
- **Various Clients**— Performed various field work activities as needed that includes, but is not limited to, groundwater sampling, vapor sampling, surface soil sampling, soil borings, well installation and well development, supervision of large (more than 1,000 ton) excavations, hydrogen peroxide injections, and various site assessments. Analysis and verification of analytical data. Performed miscellaneous geochemical calculations to assist in remedial activities, and assisted in the preparation of various GIS maps.
- **University of Delaware, Post-Doctoral Researcher** — Applied X-ray absorption spectroscopy (XAS) techniques to study the adsorption of arsenic in soils at contaminated tannery sites. Conducted various adsorption studies to determine the mobility and speciation of arsenic in soil samples, in addition to total metal digests and soil characterization. Used various geochemical speciation software such as Visual Minteq, and participated in the soil sampling of the three sites used in this study.
- **University of California, Davis, Graduate Researcher, Teaching Assistant** — Worked for the Department of Chemistry as well as the Department of Land, Air, and Water Resources teaching organic, physical, and aqueous geochemistry courses in addition to beginning dissertation research described above.

EMPLOYMENT HISTORY

2006-Present	Tetra Tech EM Inc., Phoenix, Arizona Environmental Scientist
2005–2006	Miller Brooks Environmental, Phoenix, Arizona Senior Staff Scientist/Project Scientist
2004–2005	University of Delaware, Newark, Delaware Post-Doctoral Researcher
2002–2004	Lawrence Livermore National Laboratory, Livermore, California Student Employee Graduate Research Fellow
2000-2002	University of California, Davis, California Graduate Researcher, Teaching Assistant
1997–2000	Northern Arizona University, Flagstaff, Arizona Undergraduate Researcher, Teaching Assistant



TETRA TECH, INC.

Ray Allen Brown, PE
Project Engineer

EDUCATION:

BS/Civil Engineering/New
Mexico State University/1979
BS/Geological
Engineering/New Mexico
State University/1981
MS/Civil Engineering/New
Mexico State University/1985

REGISTRATION:

Professional Civil Engineer
AZ #21439

During the most recent part of his career, Ray has prepared development plans, utility plans, and grading plans. He has also been involved in a variety of engineering studies, preparing drainage studies, drainage reports, flood-insurance studies, and assuring regulatory compliance with the United States Army Corps of Engineers and the Federal Emergency Management Agency. He has prepared master drainage plans for the University of Arizona, and the Polytechnic Campus of Arizona State University. He has prepared hydrologic models for the National Cemetery Administration for Fort Sam Houston National Cemetery in San Antonio Texas, and for the Bureau of Land Management near Las Vegas, Nevada. He prepared the Flood Insurance Rate Map Letter of Map Revision for the City of Tucson's new Police Station located at 22nd Street and Alvernon Way. Ray was also involved in a twelve facility analysis of Veteran's Administration facilities in the Gulf Coast area to assess potential hazard and methods which could be employed to assure facility operation under extreme weather conditions.

Mr. Brown has also managed the design engineering section for a Tucson consulting firm, which included preparation of development plans, grading plans, utility plans, and hydrology studies. As a Senior Design Engineer, he was responsible for the management, coordination, and organization of all site, development, utility, construction, and engineering plans at the Tucson office. This work also included the design of drainage structures and wastewater collection facilities. Other work experience has included development of the master drainage plan for the City of Flagstaff, Arizona. Mr. Brown has designed commercial sites, flood-control improvements, stormwater-management facilities, and storm-drain systems for both public and private clients. Mr. Brown has a wide variety of experience in Engineering—especially in the areas of design, project management, site development, utility work, and project coordination with Governmental agencies. He also served as the technical representative for Terra Aqua Gabions for a period of time, and analyzed and designed retaining walls, jetties, levies, drainage structures, and erosion protection structures.

Mr. Brown also worked for the City of Tucson for a period of three years, two as the head of the development review group of the Floodplain section, and one in the City's Design Section, where he was project manager for arterial roadway and landscaping projects.

SUMMARY OF RELATED EXPERIENCE:

- **City of San Luis, Arizona Wastewater Master Plan:** Project Engineer/Manager for the evaluation of existing wastewater collection and treatment facilities. Work included population projections, development of a long-term growth model, assessment of current operation and maintenance procedures, identification of system deficiencies, and development of a system master plan. (Client: The United States Army Corps of Engineers/Pima County Wastewater Department).
- **Sewering of Littleton, Arizona:** Project Engineer/Manager for the design and construction inspection of approximately 300 household connections to a new sewer. Work included research and field reconnaissance to identify existing septic systems and household connections, design of new house connection sewers, and the inspection of construction on private property. (Client: The United States Army Corps of Engineers).
- **Drainage Master Plan for the City of Flagstaff, Arizona:** Project Engineer/Assistant Manager for the development of drainage concepts and models, project design, and preparation of design drawings for the master drainage plan for Flagstaff, Arizona. (Client: The United States Army Corps of Engineers).
- **Regulatory Compliance:** Remapped floodplains for the Federal Emergency Management Agency in Tucson, Arizona. Other work included compliance with Section 404 of the Clean Water Act as administered by the United States Army Corps of Engineers. Compliance with Federal, State, and City floodplain guidelines and prepared stormwater pollution prevention plans were also included.



TETRA TECH, INC.

Richard Wood, PE
Senior Engineer

EDUCATION:

BS Pennsylvania State
University, Civil Engineering
University of City of New
York, Civil Engineering
Pennsylvania State University,
2-Year Business Management
Program

REGISTRATION:

Registered Civil Engineer
Arizona No. 21224

**PROFESSIONAL
AFFILIATIONS:**

American Society of Civil
Engineers

Mr. Wood is a Senior Professional Civil Engineer with over 40 years experience in Project Management and Consulting Engineering with over 15 years in Southern Arizona. He has an in-depth background in water and wastewater treatment plant design and construction, as well as conveyance systems, highways, and underground utilities. Mr. Wood is a recognized expert with special ability in project/construction management and contract preparation and administration. His responsibilities included design review for constructability, construction management philosophy, construction surveillance, and environmental monitoring. Additional responsibilities have included preparation and monitoring of detailed and milestone schedules, resource allocation; construction cost estimating, construction phasing, budgeting, cash flow forecasting, project documentation program development and administration, change order negotiation and claims and dispute resolution.

SUMMARY OF RELATED EXPERIENCE:

- **Ina Road and Roger Road Wastewater Treatment Plant Expansions, Pima County, AZ;** Project Engineer/Project Manager, responsible for design coordination, construction management services, and schedule monitoring on over \$50 million multiphase/multi-contract expansion(s) to existing plants. Project responsibilities included interfacing existing facility operational with new construction activities. New facilities design and construction consisted of new and upgraded treatment processes, including pump station and storage tanks, new and upgraded underground utilities, coordination with local and state agencies, EPA and state permitting support, and general site infrastructure improvements.
- **Alvernon/Grant "B" Zone Transmission Main for Tucson Water, Tucson, Arizona;** Alignment of over 8,200 feet of 24" ductile iron pipe potable water transmission main from Speedway to Flower Street along Alvernon Way. Creation and design of the plan and profile sheets and the survey control sheet for this project. Major design components for this project were the horizontal and vertical alignment of the transmission main, which minimized the number of utility crossings and the restrained joint calculations, and constructability review.
- **Black Horse Pumping Station for Black Horse Advisors, L.L.C., Tucson, Arizona;** The project is the design of a potable water booster station, which serves 411 lots of the Black Horse development plat. The main components of the booster station are the well pump, a 300,000-gallon water storage tank, a 5,000-gallon hydropneumatic tank, and four booster pumps three to satisfy the water usage requirements and

one to satisfy the fire flow requirements. The major design components of the booster station are the proper sizing of the pumps, the sizing for the pipes on the suction side and distribution side of the pumps, the control components for the booster and well pumps, and the Pressure Pipe network modeling used to set the control components for the booster pumps.

- **Manhole Rehabilitation, Potable Water System Upgrade, and Sanitary Sewer Extension, City of Yuma, Arizona;** As Project Manager instituted a comprehensive program for utility and agency review and coordination. In addition to normal underground and aerial utilities, a detailed program was established with the railroad, ADOT, transcontinental gas companies and fiber optics communications companies. Additionally, reviewed alternate wastewater manhole liner/coatings applications, provided overall QC for design and contract documents, utility and agency review, and support for agency approval. The project was completed ahead of schedule.
- **Tohono O'odham Nation \$70 Million SAWRSA Project, Tucson, Arizona;** As Senior Project Engineer/Construction Manager, established overall project management programs including project scope, budgets, milestones, and detailed schedules, contract documents, technical surveillance programs, and design review for constructability. The project included over 30 miles of 12 inch through 48-inch water conveyance pipeline. Three projects were to be constructed simultaneously.

OTHER ACTIVITIES

Arbitration: Served as a Panel Member for the American Arbitration Association on hearings involving construction claims. The claims were for damages due to delays, changed conditions and breach of contract.

Additional Responsibilities: Represented owner's interests by overseeing contractor's safety and insurance programs, and compliance to operational and environmental audit findings. Established program controls for avoidance of environmental permit violations.

ATTACHMENT II

**Tetra Tech EM Inc.
Professional Services Contract**



**TETRA TECH EM INC.
PROFESSIONAL SERVICES CONTRACT**

PROJECT: Town of Camp Verde Waste Water Master Plan TETRA TECH EM INC. TIN: 62-1080561

CLIENT: Town of Camp Verde

ADDRESS: 395 South Main Street, Camp Verde, Arizona 86322

INVOICING ADDRESS: 395 South Main Street, Camp Verde, Arizona 86322

PROJECT CONTACT: Mr. Ron Long TEL: 928.567.0534 FAX: 928.567.1540

PAYMENT CONTACT: Mr. Ron Long TEL: 928.567.0534 FAX: 928.567.1540

CONSULTANT: TETRA TECH EM INC.

ADDRESS: 4801 East Washington Street, Suite 260
Phoenix, Arizona 85034

TECHNICAL CONTACT: Teresa Harris TEL: 602.682.3310 FAX: 602.682.3311

Contractual CONTACT: Waseem Khan TEL: 602.682.3310 FAX: 602.682.3311

PAYMENT ADDRESS: Tetra Tech EM Inc., DEPT 1642, Denver, CO 80291-1642.

PROJECT DESCRIPTION: Engineering Feasibility Study and Waste Water Master Plan preparation

SCOPE OF SERVICES/PERIOD OF PERFORMANCE (See Attachment) PRICE SCHEDULE (See Attachment)

TERMS AND CONDITIONS

- 1. DEFINITIONS AND CONTRACT FORMATION.**
- (a) "Client" shall mean the person or entity identified in the Tetra Tech EM, Inc. "TT EMI" Proposal for whom Services are to be performed.
 - (b) "TT EMI" shall mean Tetra Tech EM Inc.
 - (c) "Client Order" shall mean the purchase order, request, authorization or other notification, and additions or modifications thereto whereby Client indicates its desire that TT EMI furnish Services.
 - (d) "TT EMI Proposal" shall mean these terms and conditions and the letter, proposal, quotation, or other notification, including any response to the Client Order, wherein TT EMI offers to furnish Services.
 - (e) "Services" shall mean the Services of TT EMI personnel described in the TT EMI Proposal or Client Order and any other Services as may be added to, or performed in connection with, the Contract provided, however, that TT EMI shall have no responsibility as a generator, operator, transporter, disposer or arranger of the transportation and/or disposal of Hazardous Substances as defined in Article 7 below.
 - (f) "Contract" shall mean these Terms and Conditions and the TT EMI Proposal, and shall include, only to the extent not inconsistent with any aspect of the TT EMI Proposal and these Terms and Conditions, the provisions of the Client Order. Upon execution by Client or commencement of Services at Client's request, TT EMI's Proposal and these Terms and Conditions shall constitute a binding Contract and govern exclusively any Services provided.



**TETRA TECH EM INC.
PROFESSIONAL SERVICES CONTRACT**

2. COMPENSATION.

- LUMP SUM.** Compensation for these Services shall be a Lump Sum of \$ N/A.
- TIME AND MATERIALS.** Funding for these Services will not exceed \$ 104,995.94 unless increased in accordance with this Contract and will be based on the following option (per the attached Scope of Services or List of Hourly Rates); plus Reimbursable Expenses times a factor of N/A and subcontractor/vendor Expenses times a factor of 15%; TT EMI's Direct Job Wages times a factor of N/A.
- COST PLUS FIXED FEE.** Compensation for these Services shall be TT EMI's cost plus a fixed professional fee, including reimbursable expenses times a factor of N/A; TT EMI's Direct Job Wages times a factor of _____; plus subcontractor/vendor expenses times a factor of _____. The estimated compensation for Services is \$ _____; plus a fixed fee of \$ _____; for an estimated total of \$ _____.

Direct Job Wages or Hourly Rates for Time and Materials or Cost plus Fixed Fee contracts are subject to change to reflect adjustments in TT EMI's salary levels.

In the event services beyond those specified in the Scope of Services and not included in the compensation above are required, TT EMI shall submit a cost estimate for such services and a contract modification for cost and fee shall be negotiated and approved by the Client. TT EMI may perform such additional efforts prior to the execution of such modification, but is not required to.

TT EMI shall be compensated in accordance with TT EMI's Proposal and the terms of this Article. TT EMI's invoices are rendered monthly and are payable upon receipt. Payment shall be made to the following address: Tetra Tech EM Inc., DEPT 1642, Denver, CO 80291-1642. Interest shall accrue at the rate of two percent (2%) over prevailing prime rate shall be charged on a monthly basis (or the maximum percentage allowed by law, whichever is less) on any amounts not paid within thirty (30) days of invoice submittal. In the event legal action is necessary to enforce the provisions of this Contract, TT EMI shall be entitled to collect from the Client any judgment or settlement sums due, reasonable attorneys' fees, court costs and expenses incurred by TT EMI in connection therewith and, in addition, the reasonable value of TT EMI's time and expenses spent in connection with such action, computed at TT EMI's prevailing fee schedule and expense policies. TT EMI may, but is not required to, terminate its services if any invoice is unpaid for sixty (60) days. TT EMI, its officers, employees, or consultants may be asked or required to appear as a witness or deponent, to furnish information or data through interrogatories, or otherwise be compelled to participate in, administrative or judicial proceedings arising in connection with Client's project. In that event and notwithstanding expiration or termination of this Contract, Client shall compensate TT EMI in accordance with this Article and reimburse TT EMI for reasonable legal expenses incurred in connection therewith, provided, however, that the provisions of Article 5, below, shall govern in the event TT EMI is found to be at fault.

3. CONFIDENTIALITY, ACCESS TO SITE, USE OF FACILITIES AND INFORMATION. Client shall provide TT EMI with access to facilities and information conducive to the efficient and accurate provision of Services, including such maps, drawings, and records as are needed for the proper conduct of the Services, and shall indicate the reliability of all information provided. TT EMI will maintain in confidence and return to Client any information designated by Client as confidential. If site visits are included in the Scope of Services, but not field construction or remediation, TT EMI INC. shall visit the project and/or construction site at appropriate intervals to become generally familiar with the progress, quality of work (contractors' work) and if applicable to determine if the work is proceeding in general accordance with the Contract Documents. Visits to the project site and observations made by TT EMI as part of Services during construction under Agreement shall not make TT EMI responsible for, nor relieve the construction contractor(s) of the obligation to conduct comprehensive monitoring of the work sufficient to ensure conformance with the intent of the Contract Documents, and shall not make TT EMI responsible for, nor relieve the construction contractor(s) of the full responsibility for all construction means, methods, techniques, sequences, and procedures necessary for coordinating and completing all portions of the work under the construction contract(s) and for all safety precautions incidental thereto.

4. INSURANCE.

- (a) During the course of performance of the Services, TT EMI will maintain the following insurance coverages:

<u>TYPE OF COVERAGE</u>	<u>AMOUNT OF COVERAGE</u>
Workers' Compensation/Employers Liability	Statutory/\$1,000,000
Commercial General Liability/Excess Liability	\$1,000,000/\$2,000,000
Professional Liability/Contractors Pollution Liability	\$1,000,000
Automobile Public Liability and Property Damage, including coverage for all hired or non-owned automotive equipment used in connection with the insured's operations.	\$1,000,000

- (b) If required, TT EMI shall deliver to Client, Certificates evidencing that the above coverages are in effect and will not be canceled or materially changed without thirty (30) days written notice; (c) Additional Coverages: If desired, TT EMI, will on a cost-reimbursable basis, endeavor to procure other desired insurance coverages if commercially available and applicable to the work being performed.



TETRA TECH EM INC. PROFESSIONAL SERVICES CONTRACT

5. **INDEMNIFICATION.** TT EMI shall indemnify and save harmless Client from claims, actions and judgments arising out of bodily injury, death or damage to property of third parties to the extent caused by the negligence of TT EMI, provided, however, that "Hazardous Substance Claims" as defined in Article 7, below, shall be governed by that Article.

6. **WARRANTY OF SERVICES.** TT EMI warrants that TT EMI and its employees shall, in performing Services hereunder, exercise the degree of skill, care and diligence consistent with customarily accepted good practices and procedures at the time and location and for the type of Services performed. Should TT EMI fail to perform to those standards, it shall (a) without cost to Client, reperform and correct any substandard Services; and (b) reimburse Client for Client's direct damages or otherwise correct faulty construction, to the extent resulting from such substandard Services. Services involving such activities as the prediction of ecological or health impacts, clean-up criteria, extent or degree of contamination or dispersion, air or water movement, geologic and hydrogeologic conditions, extent of appropriate investigation, scheduling, and cost estimating are highly sensitive to changes in regulatory and scientific criteria, methodologies and interpretations thereof and require the balance of diverse, often conflicting, Client business, economic, legal and other priorities. Client acknowledges these conditions and accepts the risk that, although TT EMI may perform to the above standards, the Client's goals or desires may nevertheless not be realized. TT EMI makes no other warranties, express or implied, with respect to its performance under this Contract. TT EMI's liability hereunder, including any for damage to or loss of Client property, shall in no event extend beyond one year after completion of the Services in question or exceed the amount specified in Article 8 below.

7. **HAZARDOUS SUBSTANCE CLAIMS.** (a) In the event that TT EMI's negligence is found, by final judicial determination, to have caused a Hazardous Substance Claim as defined below, TT EMI shall reimburse Client for its costs and liabilities incurred under this Article 7, to the extent caused by TT EMI, in an amount not to exceed that specified in Article 8 below; (b) "Hazardous Substance Claim" shall mean any and all claims, losses, costs, expenses, judgments, damages, and liabilities of any form or nature including but not limited to any for personal or emotional injury, death or damage to property arising out of or in connection with any actual, threatened or feared release, discharge or exposure to any toxic or hazardous waste, substance, material, or vapor, including without limitation, PCB's, petroleum, hydrocarbons, asbestos, mixed, radioactive or nuclear wastes and any other substance designated as hazardous or toxic under CERCLA, TSCA, RCRA or other statute or regulation ("Hazardous Substances"); (c) Except as provided in (a), above and to the fullest extent provided in Article 9 below (i) Client shall indemnify and hold harmless TT EMI, its officers, directors, employees, agents, and representatives from and against any and all Hazardous Substance Claims; and (ii) Client shall defend any claim, action, or proceeding which may be brought against TT EMI, its officers, directors, employees, agents, and representatives ("Defendants") arising out of or in connection with any Hazardous Substance Claim and shall bear all fees and expenses of attorneys and costs any Defendant incurs in the defense thereof.

8. **TT EMI LIABILITY.** TT EMI's total aggregate liability in connection with or arising out of the Contract or Services, including without limitation any under Articles 5, 6 and 7 above, shall in no event exceed the total amount of compensation paid to TT EMI hereunder up to a total maximum amount of \$250,000.

9. **CONSEQUENTIAL DAMAGES AND OTHER LIABILITIES.** TT EMI and its employees shall in no event be liable for any special, indirect or consequential damages, including specifically but without limitation, any based on loss of profits or revenue, loss of or interference, whether or not by third parties, with full or partial use of any equipment, facility or property, including real property, cost of replacement power, energy or product, delay in or failure to perform or to obtain permits or approvals, cost of capital, loss of goodwill, claims of customers, fines or penalties assessed against client or similar damages. These terms provide allocations of risk and reward consistent with the nature and extent of the Services and to that end include (i) protections against, and limitations on, liability of TT EMI and (ii) specific remedies of Client which shall be its sole and exclusive remedies. The allocations, including without limitation those set forth above and under Articles 6, 7, 8 and 13, shall survive this contract and apply to the fullest extent allowed by law irrespective of whether liability of TT EMI is claimed, or found, to be based in contract, tort or otherwise (including negligence, warranty, indemnity and strict liability) and Client hereby waives all rights of recovery and assumes all risks beyond those explicitly allocated to TT EMI herein.

10. **SITE CONTRACTORS.** For the benefit of Client and TT EMI, Client agrees that it will cause provisions acceptable to TT EMI governing insurance and indemnity to be inserted in each of Client's agreements for remediation or other construction or site services or work related to the Services.

11. **DELAYS.** Neither party shall be considered in default in the performance of its obligations hereunder to the extent that the performance of such obligations is prevented or delayed by any cause which is beyond the reasonable control of the affected party, and the time for performance of either party hereunder shall in such event be extended for a period equal to any time lost as a result thereof, and an equitable adjustment shall be made to TT EMI's compensation.

12. **THIRD PARTY INTERESTS.** This Contract and the Services and Work Product produced hereunder are solely for the benefit of Client and are not intended to be for the benefit, or to be construed as creating rights in favor, of any third party. If Client is not the ultimate beneficiary of the Services or TT EMI's work product is used in such a way as to create or induce any reliance by any third party, Client represents and warrants (i) that it shall bind its clients and/or such third parties to limitations on and protections against liability "protective provisions" commensurate with those afforded TT EMI hereunder and that such protective provisions will, in fact, inure to the benefit of TT EMI, and/or (ii) that Client has the power to act on behalf of its clients and/or such third parties and does hereby bind such parties to these protective provisions.

13. **CHANGES AND TERMINATION.** This Contract shall not be modified except by written agreement signed by both parties. Client shall have the right to make changes within the general scope of Services upon execution of a mutually accepted change order. Client shall also have the right to terminate this Contract prior to completion of the Services, after reasonable notice to TT EMI in writing, in which event Client shall pay TT EMI all amounts due TT EMI hereunder up to the effective date of termination, plus TT EMI's reasonable costs incurred after such date in terminating the Services. In the event that Client alleges breach on behalf of TT EMI, Client shall afford TT EMI in 30 days written notice to submit a reasonably acceptable plan to cure any alleged deficiency prior to termination. Recognizing that termination prior to completion may involve risks and exposures both as to cost of work and third party claims, Client shall in such event indemnify, protect and defend TT EMI from claims arising out of any incomplete aspect of the Services.



**TETRA TECH EM INC.
PROFESSIONAL SERVICES CONTRACT**

14. **GOVERNING LAW, PRECEDENCE AND DIVISIBILITY.** Unless specified otherwise in Client orders, this Agreement shall be governed by the laws of the State of Arizona excluding choice of law rules, which direct application of the laws of another jurisdiction. The provisions of the TT EMI Proposal and these Terms and Conditions shall govern exclusively any Services furnished by TT EMI and shall prevail over and render void any inconsistent or conflicting provision of the Client Order. If any term, condition, provision or portion of this Contract is declared void or unenforceable, or limited in its application or effect, such event shall not affect any other provision or portion hereof. All other provisions and unaffected portions thereof shall remain fully enforceable and an adjustment in the compensation or other provisions shall be made with the purpose of equitably affecting the intent of the Contract to the maximum extent allowed by law.

15. **ENTIRE AGREEMENT.** This Contract contains the entire agreement between the parties as to the Services rendered hereunder. All previous or contemporaneous agreements, representations, warranties, promises, and conditions relating to the subject matter of this Contract are superseded by this Contract.

TETRA TECH EM INC. – Accepted by:

CLIENT -- Accepted by:

Town of Camp Verde - Waste Water Master Plan

Town of Camp Verde

CONTRACT OR PROJECT NAME

CLIENT

Donald Campbell

BY TT EMI (PRINT NAME)

BY (PRINT NAME)

Operations Manager

TITLE

TITLE

SIGNATURE

DATE

SIGNATURE

DATE

ATTACHMENT III

**Water Infrastructure and Finance Authority and Town of Camp Verde
Technical Assistance Budget Worksheet
(Billable Tasks)**

EXHIBIT B
Technical Assistance Budget Worksheet
(Billable Tasks)

PROJECT NAME: Waste Water Master Plan

Tasks to be paid by WIFA

<i>Task</i>	<i>Description of Task</i>	<i>Task Cost</i>
I		\$
II	Project Data Collection & Compilation	\$15,777.03
III	Infrastructure Needs Assessment	\$19,221.33
IV		\$
V		\$

Tasks to be paid by Applicant
(if applicable)

<i>Task</i>	<i>Description of Task</i>	<i>Task Cost</i>
XXX I	Proj. Management, Coordination & Administration	\$25,144.19
XXX IV	Engineering Feasibility Study	\$22,483.99
XX V	Wastewater Master Plan	\$22,369.41
X		\$

Total Budget: \$104,995.94

WIFA Portion \$34,998.35

Applicant Portion \$69,997.59

STAFF REPORT

Council meeting of: November 1, 2006 – Regular Session

Title: Discussion, consideration, and possible approval of Banner Pole Policies, Procedures and Use Application.

Budgeted item: NA

Description of Item: Policies, Procedures and Use Permit for Parks & Rec. banner poles located on Hwy. 260 and next to Rain Tunnel Car Wash.

Staff Recommendation: Approve application and policies.

Comments: The Parks & Recreation Department is approached nearly every week with requests for businesses, churches and other groups to use the banner poles. It has become necessary to have policies in place.

Attachments: Yes.

Prepared by: L. Moore

TOWN OF CAMP VERDE
BANNER POLE POLICIES, PROCEDURES AND USE APPLICATION

I. APPLICATION – PRIORITIES

- a) The primary use of the municipal banner poles is for the promotion of recreational activities and special events, organized and conducted by the Parks & Recreation Department.
- b) Town activities, Town sponsored groups and Town agencies will have priority use of the banner poles over other applications. When conflict occurs, use permits held by non-sponsored groups may be cancelled as authorized by the Parks & Recreation Director.
- c) The application should be completed and received by the Parks & Recreation Department at least two weeks before the proposed date of use to the Parks & Recreation Department.
- d) Only banners for Town co-sponsored events, school activities, Chamber of Commerce, nonprofit, individuals, groups or organization whose purpose is clearly of a non-profit nature and benefits the Town in part or whole.
- e) Only banners for local activities will be allowed.
- f) Banners shall not be permitted for religious, political, business or commercial activities.
- g) Application shall be issued to responsible adults only. (21 yrs and older)
- h) The Parks & Recreation Director will review all applications, but we cannot guarantee that every application will be approved.

II. APPROVAL

- a) All banners must be approved by the Parks & Recreation Department before being hung.
- b) Banners may not be hung more than two weeks before event and must be taken down within two working days following event.
- c) Any banners left more than two days will be taken down by Town staff and discarded.
- d) All permits shall be immediately revocable by the Parks & Recreation Director upon his/her determination that a violation of any rules, this code, or other Town Ordinance or State Statute has occurred.

Additional Stipulations: _____

(PLEASE PRINT)

Name of Individual or Group: _____

Person Responsible: _____

Mailing Address: _____

Phone: Home _____ Work _____ Cell _____

Requested dates of use: _____

I HAVE READ THE ABOVE POLICIES AND PROCEDURES AND AGREE TO ABIDE BY SAID RULES.

Applicants Signature

Date

Parks & Recreation Director Signature

Date

APPROVED

NOT APPROVED

STAFF REPORT

Council meeting of: **November 1, 2006**

Title: **Discussion, consideration and possible approval for the Town of Camp Verde to be a collection agency to receive donations from developers to complete a water adequacy study (quantity and quality). This may be followed by possible direction to staff to establish the collection fund and prepare a Request for Qualification for a consultant to complete the study.**

Budgeted item: **N/A**

Description of Item: If the Council would approve the Town of Camp Verde as a collection agency, we will go to a Request for Qualification (RFQ) to hire a consultant. Subsequently, we would come back to Council for approval to do the hydrological study and for the consultant to request a 'Letter of Adequacy' from Arizona Department of Water Resources (ADWR). The 'Letter of Adequacy' would provide a determination whether Camp Verde can adequately provide water supplies in our Town Boundaries for 100 years. This project will be completely funded by developers donations Council approves the Town as a collection agency.

Staff Recommendation: **None**

Comments: **None**

Attachments: **No**

Prepared by: **Bill Lee/cjb**

STAFF REPORT

Council meeting of: **November 1, 2006**

Title: **Update on the Black Bridge River Front Park progress on archeological mitigation options.**

Budgeted item: N/A

Description of Item: Per the October 18, 2006 Council motion; Staff was directed as follows: (1) to look into the University possibility; (2) Gioia is still waiting to hear back from the Nation; (3) to look into the possibility of the State agency; and (4) Brenda "has a friend" who might be of help.

Staff Recommendation: None

Comments: None

Attachments: No

Prepared by: Bill Lee/cjb

STAFF REPORT

Council meeting of: **November 1, 2006**

Title: **PowerPoint presentation on Proposition 207 prepared by the City of Peoria regarding property condemnation through eminent domain.**

Budgeted item: N/A

Description of Item: The PowerPoint presentation was prepared by the City of Peoria's staff and recently presented to their Council. The City of Peoria provided permission through the League of Arizona Cities and Towns to use this presentation.

Staff Recommendation: None

Comments: None

Attachments: Yes

Prepared by: Bill Lee/cjb

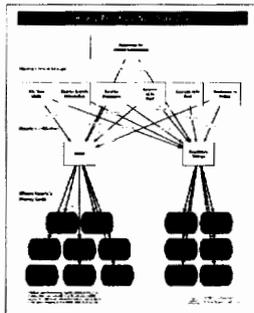
Proposition 207

Where did it come from?
What are its impacts?
The Oregon Experience.

Proposition 207

- Where did it come from?
- Americans for Limited Government.
- Fund for Democracy.

Proposition 207



Funding

- Americans for Limited Government.
 - Feb. 24, 2006 \$ 27,000.00
 - May 4, 2006 \$ 50,000.00
 - May 31, 2006 \$ 75,000.00
 - June 12, 2006 \$ 50,000.00
 - June 16, 2006 \$ 75,000.00
 - June 16, 2006 \$ 150,000.00
 - June 26, 2006 \$ 150,000.00
 - June 27, 2006 \$ 150,000.00
 - June 30, 2006 \$ 100,000.00
 - Aug. 23, 2006 \$ 65,000.00
 - Sept. 22, 2006 \$ 100,000.00
 - Oct. 3, 2006 \$ 125,000.00
- Total Contributions \$1,117,000.00

Proposition 207

- Fund for Democracy.
 - April 20, 2006 \$25,000.00.
- Total Howard Rich Organization Contributions to Proposition 207 \$1,142,000.00.
- Source: Arizona Secretary of State-Notifications of Contributions.

Proposition 207

- What are its impacts-Eminent Domain
- Changes Arizona Law on Eminent Domain.
 - Economic Development is not a public use for which property may be condemned.
 - Condemnation in Redevelopment areas must be evaluated on a parcel by parcel basis.
 - Property owner instead of being paid the fair market value of his house, will now be paid the amount it cost to buy a dwelling of comparable size.
 - Property owner will be entitled to attorney fees on condemnations in Redevelopment areas, if City's offer is not as great as value determined at court.

Proposition 207

- Arizona Facts:
 - Arizona Court of Appeals has already held that use of eminent domain to acquire property for transfer to another private party is not public use.
 - Many Redevelopment areas created by cities specifically provide that Eminent Domain will not be used, such as Central Peoria Revitalization District.
 - Almost all Eminent Domain Cases in all jurisdictions result in **agreed upon settlements between City and property owner**. In 17 years, Peoria has had one eminent domain case go to trial.

Proposition 207

- What are the Impacts-Regulatory Takings
- Existing law as determined by U.S. Supreme Court.
 - A taking must involve loss of economic use of the whole property, not a portion of the property.
 - The property owner must go through all the governmental processes and get a final decision from the government prior to going to court
 - There is no taking, if the burden caused by development of the property is roughly proportional with the requirements imposed by government.
 - The value of a taking is based on looking at the reasonable investment backed expectations of the property owner, taking into account existing and future government regulations; zoning; natural constraints; adjacent property and other factors that would affect the value of the property.

Proposition 207

- How Proposition 207 changes current law.
 - Under Proposition 207-any reduction in value on any portion of the property resulting from government regulation results in compensation-even if the property is still usable for development.
 - No requirement for the property owner to go through the governmental process before filing a lawsuit.
 - No measurement of proportionality. If any governmental action results in a diminution in value, there is a right to compensation, even if the proposed development results in major costs to the citizens.
 - Value is determined by looking at the most likely price the property would be sold for, based on the uses it is capable of being used for, without regard for existing and future government regulations; zoning; adjacent property and other factors that would affect the value of the property.

Proposition 207

- Actions that may be subject to compensation.
 - City enacts regulations limiting noise, dust, sound and hours of sand and gravel operations.
 - City reduces the number of signs a commercial property owner may have on their property.
 - City enacts regulations requiring commercial uses to have larger buffers with residential areas to mitigate against noise and delivery impacts.
 - City reduces the number of lots that a developer may build to provide for additional open space along washes and river corridors.
 - City increases the number of handicapped parking spaces a commercial property must include.

Proposition 207

- Impacts on Arizona Military Facilities
 - Protection of Arizona Military Facilities is the result of ongoing decisions by local government implementing provisions of State Law. Should Proposition 207 be enacted, each of these decisions will now be subject to claims for compensation.
 - Types of decisions that could lead to claims for compensation.
 - Including additional areas inside Noise and Safety contours and limiting development to commercial uses.
 - Adding additional areas to Territory within the vicinity of a Military Airport.
 - Establishing new noise and safety contours for new missions such as the Joint Strike Fighter.
 - Waiver of regulations by cities, towns and the county allowing development adjacent to Military Facilities that conflicts with their mission.

Proposition 207

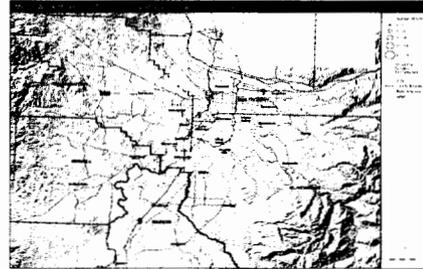
- The Oregon Experience.
 - Background. In 2004, Oregon voters approved Measure 37 requiring payment for lost value of real property due to land use regulations enacted after acquisition of the property by the current owner.

Proposition 207

- The Oregon Experience-Impacts
 - Over 5 Billion Dollars in Land Use Claims—**none have been paid, state and local government waives the regulation.**
 - Since any new regulation that results in a diminution of value, creates a right to compensation—Local Governments have frozen their regulations in place. Changes that improve the quality of development are not made since it may cause a claim.
 - Increased conflicts and litigation. As set forth on the next three slides, huge numbers of claims have been filed against local governments.

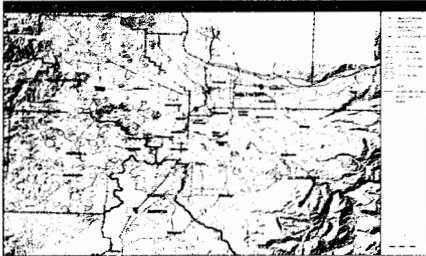
Proposition 207

- Measure 37 Claims for new subdivisions.



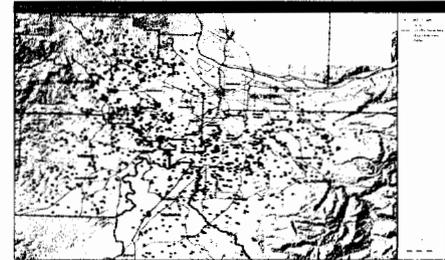
Proposition 207

- Claims for residential development in forest areas



Proposition 207

- All Measure 37 Claims in Metro Portland



Proposition 207

- The Oregon Experience
 - Waivers granted for conflicting uses—Sand and Gravel pits next to residential areas.
 - Residential development in forest areas.
 - Scarce city revenues to hire specialized staff to deal with these claims.
 - Removes predictability from land use decisions
 - Conflicts between property making a claim and adjacent property owners that are impacted by waiver of city regulations.

Proposition 207

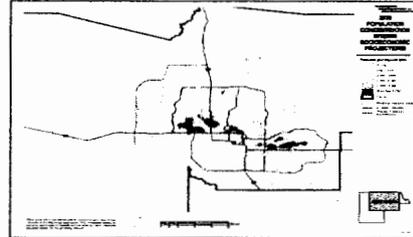
- How does it affect me?
 - Cities will not adopt new regulations to provide for open space protection; buffers between residential and commercial areas; landscape requirements and other regulations that improve our quality of life.
 - These claims are not covered by the City's insurance. Money to pay for these claims comes right from the City's general fund; the same dollars used to pay for police, fire, parks and other needed services.
 - Lots of lawsuits, since claimants can go right to court and never have to file an application with the city or attempt to resolve issues.

Proposition 207

- How does it affect me
 - Almost all zoning cases are filed by developers—each case may result in Proposition 207 Claims, therefore the City may choose not to zone resulting in lost jobs, lost sales tax to pay for services and lost businesses to provide services to our community
 - Based on Oregon's experience—Millions of Dollars in claims—No claims paid, but the regulations waived
 - Important Arizona Economic Resources such as our Military Facilities put at risk from development that interferes with their missions.

Proposition 207

- How will it impact me?
- Maricopa County.



Proposition 207

- Questions?

STAFF REPORT

Council Meeting of:	November 1st, 2006
Title:	Discussion, consideration, and possible direction for staff to proceed with the re-alignment of North Oasis Road right of way.
Budgeted item:	N/A – no cost to the Town
Description of item:	Staff would like to re-align North Oasis Road right of way to reflect the presently used and maintained gravel road.
Staff Recommendation:	Staff recommends moving ahead with the right of way re-alignment.
Comments:	The proposed re-alignment of the right of way will provide legal access for the residents and legitimizes the road blading and maintenance the Town currently provides.
Attachments:	No
Prepared by:	Marvin Buckel