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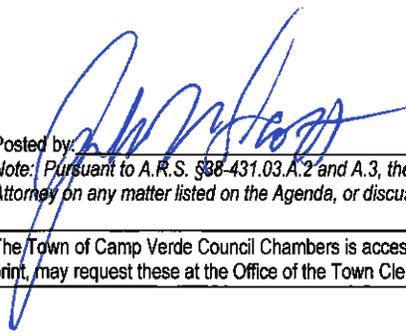
**AGENDA
REGULAR SESSION
MAYOR AND COUNCIL
473 S MAIN STREET, SUITE 106
WEDNESDAY, FEBRUARY 4, 2015 at 6:30 P.M.**

Note: Council member(s) may attend Council Sessions either in person or by telephone, video, or internet conferencing.

1. **Call to Order**
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) Regular Session – January 21, 2015
 - 2) Council/Manager Retreat – January 23, 2015
 - b) **Set Next Meeting, Date and Time:**
 - 1) Wednesday, February 11, 2015 at 5:30 p.m. – Work Session Retreat
 - 2) Wednesday, February 18, 2015 at 5:00 p.m. – Executive Session
 - 3) Wednesday, February 18, 2015 at 6:30 p.m. - Regular Session
 - 4) Friday, February 20, 2015 at 8:00 a.m. – Council/Manager/Department Heads Retreat
 - 5) Wednesday, February 25, 2015 at 6:30 p.m. – Council Hears Planning & Zoning
 - c) **Possible approval and authorization to execute the Arizona Department of Transportation (ADOT) IGA/JPA 14-0004471-I; To define access management on the crossroads along SR-260 from I-17 to Thousand Trails Road, responsibilities of ADOT, the Town for the completion, on-going maintenance of the improvements and recital #6 addressing the project budget. Staff Resource: Ron Long**
5. **Special Announcements and presentations:** There are no Special Announcements or Presentations.
6. **Call to the Public for Items not on the Agenda.**
7. **Discussion, Consideration and Possible Approval of Liquor License Application for Denise Morago, Sutler's Steak House Located at 563 S. Main Street in Camp Verde. Staff Resource: Virginia Jones.**
8. **Discussion, consideration, and possible direction to staff relative to proposed legislation by the 52nd State Legislature during its 1st Regular Session that convened on January 12, 2015. Staff Resource: Russ Martin**
9. **Call to the Public for items not on the agenda.**
10. **Council Informational Reports.** These reports are relative to the committee meetings that Council members attend. The

Committees are Camp Verde Schools Education Foundation; Chamber of Commerce, Intergovernmental Association, NACOG Regional Council, Verde Valley Transportation Planning Organization, Yavapai County Water Advisory Committee, and shopping locally. In addition, individual members may provide brief summaries of current events. The Council will have no discussion or take action on any of these items, except that they may request that the item be placed on a future agenda.

11. **Manager/Staff Report** Individual members of the Staff may provide brief summaries of current events and activities. These summaries are strictly for informing the Council and 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.
12. **Consultation with the Town Attorney for legal advice concerning the development agreement with Steve Coury:** Note: Note: Council may vote to go into Executive Session pursuant to ARS §38-431.03.A3 for discussion or consultation for legal advice with the attorney concerning the development agreements and §38-431.03(A)(4) for discussion or consultation with the attorney in order to consider Council's position regarding contracts that are the subject of negotiation.
13. **Adjournment**

Posted by: 

Date/Time: 01-29-15 4:15PM

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.

4.a

**DRAFT MINUTES
REGULAR SESSION
MAYOR AND COUNCIL
COUNCIL CHAMBERS - 473 S. MAIN STREET, ROOM #106
WEDNESDAY, JANUARY 21, 2015 AT 6:30 P.M.**

Minutes are a summary of the discussion. They are not verbatim.
Public input is placed after Council discussion to facilitate future research.

1. **Call to Order**

Mayor German called the meeting to order at 6:30 p.m.

2. **Roll Call**

Mayor German, Vice Mayor Jackie Baker, and Councilors Bruce George, Carol German, Brad Gordon, Robin Whatley, and Jessie Jones are present.

Also Present

Marshal's Office Commander Girt, Deputy Public Works Director Troy O'Dell, Community Development Director Mike Jenkins, Finance Director Mike Showers, Economic Development Director Steve Ayers, Planning and Zoning Commission Chairman B. J. Davis, Interim Town Clerk Virginia Jones and Recording Secretary Lynn Riordan.

3. **Pledge of Allegiance**

Mayor German led the pledge.

4. **Consent Agenda** - All those items listed below may be enacted upon 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) Regular Session – January 7, 2015

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

1) Friday, January 23, 2015 at 8:30 a.m. - Work Session Retreat

2) Wednesday, January 28, 2015 at 6:30 p.m. – Council Hears Planning & Zoning Matters

c) **Possible approval of Intergovernmental Service Agreement between the Town of Camp Verde through the Marshal's Office and the Arizona Department of Transportation (ADOT) to improve technology and efficiency by utilizing an E-Ticket system in order to streamline the citation process between Camp Verde Marshal's Office and the Court.** Staff Resource: Nancy Gardner

d) **Possible approval of Job Order Contracting Agreements for the period of 2-19-2015 to 2-19-2016 to the twelve (12) JOC Contractors in order to provide a variety of Public Works, Streets, Stormwater and General Maintenance Construction Services.** Staff Resource: Ron Long

On a motion by Vice Mayor Baker, seconded by Councilor Whatley, the council unanimously voted to approve the Consent Agenda, exception of Item 4.d due to stated concerns by Councilor George.

Councilor George requested clarification of Item 4.d, and requesting information on how the 12 JOC contractor system is working versus the previous 3 JOC contractor system. Clarification was provided by Troy O'Dell, Deputy Public Works Director, advising that having 12 JOC contractors has been beneficial to the Town, as previously it was difficult to get all three JOC contractors to bid or get involved in projects, now with 12 there is a better bid process, the process is financially competitive, only the contractors that are best suited for each project become actively involved in those projects, allows bids to be awarded locally, the 12 JOC Contractors can be re-visited each year for renewal.

On a motion by Councilor George, seconded by Vice Mayor Baker, the council unanimously voted to approve Consent Agenda Item 4.d.

5. **Special Announcements and presentations:**

None

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

John Basseau addressed the Mayor and Council regarding JOC Contractors stating the 12 contractors not only creates competition, but brings in new ideas, supply and demand is beneficial to the Town, and supports the approval of the JOC Contractor system the council just approved for the next year. Mr. Basseau suggested the Town create a similar policy/agreement for architectural and design services.

Tom Pitts addressed the Mayor and Council stating information regarding the Verde Valley Regional Conference at Yavapai College on February 19, 2015; he also advised that he would be creating a capital seminar in the Verde Valley that would be hosting a level of very qualified speakers.

7. Presentation and possible acceptance of the Town of Camp Verde Comprehensive Annual Financial Report for fiscal year ending June 30, 2014. Staff Resource: Mike Showers.

On a motion by Councilor Whatley, seconded by Councilor George, the council unanimously voted to accept the Audit/Report as presented by Scott Graff, CPA, Colby and Powell.

Finance Director Mike Showers addressed the Mayor and Town Council regarding the Comprehensive Annual Financial Report for fiscal year ending June 30, 2014, and introduced auditor Scott Graff, CPA, with Colby and Powell. Mr. Graff stated he presented a 101-page audit. Mr. Graff explained the responsibilities of the Town Manager, the finance department and the auditor. Mr. Graff stated the result was a clean audit, the audit showed the financial statements provided by the Town are true, and there were no material errors or fraud. Mr. Graff stated the Town Management has been, and continues to be, appropriate. Mayor German and Councilor Whatley commended the finance department for doing an excellent job. Vice Mayor Baker stated the finance department's achievements give the council and residents of Camp Verde a sense of comfort and confidence.

8. Presentation and possible discussion of Quarterly Reports as presented by:

- a) **Planning & Zoning Commission**
- b) **Board of Adjustment's & Appeals**

Planning and Zoning Chairman, B. J. Davis advised that in addition to the on-going progress with the General Plan/Land Use Character Areas, the Planning and Zoning Commission has considered two major issues: Approval of zoning change to commercial for Symington at the end of Homestead, which includes a donation of land for archeological use, and zoning change for Crazy RD Ranch, as it has operated under a conditional variance permit for 19 years with only one complaint during that time period.

Chairman Davis stated the sub-committee members are doing an excellent job and encouraged resident participation at the next Planning and Zoning meeting as the Committee will be discussing the Verde Lakes Character area. The Planning and Zoning Committee has only nine more meetings scheduled before finalizing the General Plan and the Character Areas.

Community Development Director Mike Jenkins advised that the Board of Adjustment had no activity during the **past** quarter except for appointment of a new Chairman, Jim Binick and new Vice Chairman, Mike Hough.

9. Update by Economic Development Department and Camp Verde Promotions regarding Special Events Permit Fees for vendors of Town events that are registered through Camp Verde Promotions, and possible approval of continuing with current agreement that includes the waiver of power fees, electrical fees, facility fees, and event sponsorship insurance for the 2015 Spring Heritage Festival, Cornfest, and Fort Verde Days.

Staff Resource: Steve Ayers

On a motion by Councilor German, seconded by Vice Mayor Baker, the council unanimously voted to approve continuing the current agreement with Camp Verde Promotions for the next three special events (2015) and directing that a Memorandum of Understanding be drafted for the public-private agreement as stated, and upon approval by the Town's insurance carrier, to be placed on the next Consent Agenda.

Economic Development Director Steve Ayers reported on the progress, and success, of an experimental private-public agreement with Camp Verde Promotions, stating this new agreement had increased participation and activity

with all of Camp Verde's special events, increased interest from vendors as well as visitors, and had reduced the work load and responsibilities of the Clerk's Office. Mr. Ayers introduced Nikki Miller, President of Camp Verde Promotions. Ms. Miller addressed the Mayor and Council, advising of the success of this experimental agreement, that it was beneficial to the Town and made participation by vendors affordable. Mr. Ayres requested direction from the Council, recommending a Memorandum of Understanding be drafted to continue the private-public partnership with Camp Verde Promotions, and placing adoption of the MOU on the next Consent Agenda. Vice Mayor Baker requested that the MOU be approved by the Town's insurance carrier prior to be placed on the Consent Agenda.

10. **Call to the Public for items not on the agenda.**

Steve Goetting addressed the Council in support of the private-public agreement with Camp Verde Promotions, stating that cutting fees and encouraging participation/business increases business and is beneficial to the Town, suggesting that the Town cut business license fees and over the counter building permits in half to encourage new development/business.

Tom Pitts addressed the Council stating the Arizona Economic Development committee luncheon will be held in Phoenix on January 22, 2015 for new legislators, he and others would be attending, giving the Town representation and a voice in meeting with the new Senators and Representatives.

11. **Council Informational Reports.** These reports are relative to the committee meetings that Council members attend. The Committees are Camp Verde Schools Education Foundation; Chamber of Commerce, Intergovernmental Association, NACOG Regional Council, Verde Valley Transportation Planning Organization, Yavapai County Water Advisory Committee, and shopping locally. In addition, individual members may provide brief summaries of current events. The Council will have no discussion or take action on any of these items, except that they may request that the item be placed on a future agenda.

Councilor Gordon stated he attended the last Planning and Zoning Commission Meeting and commended Chairman Davis, the Commission and the sub-committee for the excellent progress they have made on defining the new Character Areas and the General Plan. Councilor Gordon stated he had recently also attended the Fire District Meeting and that they also had received a "clean" audit.

Councilor George stated he had also attended the Planning and Zoning commission Meeting and the Fire District Meeting, and commended Chairman Davis, the Commission and the sub-committee for the excellent progress they have made on defining the new Character Areas and the General Plan, and the Fire District for their clean audit. Councilor George also attended the Verde Valley Transit Meeting wherein discussion primarily covered the applications of grant money, and he attended the Verde Valley Advisory Committee (Yavapai College) that included a discussion of potential classes that may be offered, including classes in Camp Verde. The classes currently offered include a Culinary Class (Certificate) in Camp Verde, and other classes that are offered can be viewed in the paper or the Yavapai College Website.

Councilor German stated she also had attended the Verde Valley Advisory Committee meeting and stated the College was working on expanding classes throughout the Verde Valley.

Mayor German stated he attended the Martin Luther King Holiday celebration and was hopeful that the school district would participate in the future. The Mayor also attended the WAC (water use/monitoring) meeting and stated that the WAC at this time would only be continuing their aquifer monitoring to determine where the water was coming from and how much was being use.

12. **Manager/Staff Report** Individual members of the Staff may provide brief summaries of current events and activities. These summaries are strictly for informing the Council and 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.

Virginia Jones, Interim Town Clerk, stated the Town Manager Russ Martin could not be present tonight, and the Clerk's office had nothing to report.

Adjournment

On a **motion** by Vice Mayor Baker, seconded by Councilor Jones, the council unanimously voted to adjourn the meeting at 7:26 p.m.

Charles German, Mayor

Lynn Riordan, 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 January 21, 2015. I further certify that the meeting was duly called and held, and that a quorum was present.

Dated this _____ day of _____, 2015.

Virginia Jones, Interim Town Clerk

**DRAFT MINUTES
RETREAT
MAYOR AND COUNCIL/TOWN MANAGER
COUNCIL CHAMBERS - 473 S. MAIN STREET, ROOM #106
WEDNESDAY, JANUARY 23, 2015 AT 8:30 A.M.**

Minutes are a summary of the discussion. They are not verbatim.
Public input is placed after Council discussion to facilitate future research.

1. **Call to Order**

Mayor German called the meeting to order at 8:35 a.m.

2. **Roll Call**

Mayor German, Vice Mayor Jackie Baker, and Councilors Bruce George, Carol German, Brad Gordon, Robin Whatley, and Jessie Jones are present.

Also Present

Town Manager Russ Martin, Interim Town Clerk Virginia Jones and Recording Secretary Lynn Riordan.

3. **Pledge of Allegiance**

Mayor German led the pledge.

4. **Discussion, consideration, and possible direction to staff relative to, but not limited to the following matters:
Findings from Investigations**

- **Training for Council on Council-Manager form of Government, including what actions are prohibited, would be beneficial. "inquiries" and attempts to "verify" information, if accompanies by requests for documents and/or with a goal of changing procedures and outcomes of proper processes, can cross the line-or come close to it and be considered improper interference**

The Mayor and Council actively discussed some of the prior difficulties in conflict resolution between the Council and the Town Manager and the current lack of a specific written policy or procedure for resolving conflicts, complaints, and/or inquiries. As no written policy or direction is in place for resolving conflicts, complaints, and/or inquiries other than employment (direct city employees) conflicts, and as the Town currently does not have a separate Human Resources Department, the Mayor, Council and Town Manager discussed and concluded that a policy and procedure should be written, and approved by the Town Attorney, that includes:

- Any/all complaints regarding the Town Magistrate or Court should be referred to the Administrative Office of the Courts and/or the AOC Judicial Committee as the Court is a separate branch of government;
- All complaints received by council members, external and including complaints that involve Town employees, should be referred to the Town Manager as acting Human Resources Director;
- The Town Manager should assess the complaint and bring the concerns to the Mayor and Town Council, and if necessary, be placed on the Council Agenda (executive or regular session depending on culpability);
- The Mayor and Council are not restricted in contacting the Town Attorney, however, for conflicts, complaints, and/or inquiries, involving the Town Attorney shall be after Town Manager and Council consideration and as a "last resort" depending on culpability;
- The Mayor and Council Members shall not act independently from the policy, or the Council and Town Manager, in resolving or investigating any conflicts, complaints, and/or inquiries;
- The Mayor, Council and Town Manager should make every effort to insure that investigation of, and resolution of, all conflicts, complaints, and/or inquiries are transparent to the Mayor, all members of the Council, the Town Manager, and the public;
- The Town policy and procedure for investigation and resolution of conflicts, complaints, and/or inquiries should encourage communication between the Mayor, Council and Town Manager, encourage resolution appropriately and efficiently, remain transparent, avoid liability, and not violate any open meeting laws;
- The Town Attorney should only be consulted if the matter cannot be resolved and if a potential liability exists.

The Mayor and Council directed the Town Manager and staff to have a policy and procedure drafted for the purpose of investigation and resolution of conflicts, complaints, and/or inquiries, and consult the Arizona League of Cities and Towns for direction in drafting the policy, and bring it before the Mayor and Council for consideration, before submitting it to the Town Attorney for approval.

At the recommendation of the Town Manager, and after discussion, the Mayor and Council conceded that having each department prepare and submit a monthly report to the Town Manager, Mayor and Council to safeguard against being blind-sided by any underlying problems and to identify any potential problems.

The Mayor, Council and Town Manager discussed and concluded that additional training, interactional and traditional, available by the Arizona League of Cities and Towns, and meeting with the Town Attorney, for understanding responsibilities and boundaries is a valuable asset that will be utilized by Council Members. Additionally, the Town Manager, Mayor and Council concluded that a brochure should be available to current council members and potential council members (prior to elections) regarding the responsibilities of, boundaries, and available training available for public service.

- **Human Resource Department**

The Town Manager advised that the Town currently does not have a Human Resources Department and that he is the "acting" Human Resources Director as there has been a lack of resources to fill that type of position. The Town Manager, Mayor and Council discussed the possibilities of leaving all HR Director responsibilities with the Town Manager, hiring a part-time HR manager, contracting out HR responsibilities, or assigning some HR duties to current town staff. The financial burden of hiring or contracting for HR responsibilities was discussed. The Town Manager suggested shifting some of the day-to-day HR responsibilities to current staff employees, specifically Barbie Bridge as she has experience in Human Resources. Additionally, with the retirement of Town Clerk Deborah Barber, Deputy Town Clerk Virginia Jones has been appointed as interim Town Clerk. The Town Manager advised that reclassifying Barbie Bridge for HR and Economic Development Administrative Assistant would alleviate two problems, one: the need for assistance in HR and avoid violation of the Town's nepotism rule as Mrs. Bridge and Mrs. Jones are related by marriage. Discussion followed that included support of the Town Manager's decision and inquiries regarding EOC requirements, town policy requirements for advertising for these positions, and potential legal opinion. The Town Manager advised that he believed that appointment within the Town organization was appropriate as these two employees being appointed were the best possible applicants under any circumstances, however at the Council's direction, he would make an appropriate investigation to insure that no violation or appearance of impropriety existed.

- **Records Management Manual**

The Mayor and Council reviewed the ombudsman look at the records manual and public access policy and concluded that the Town's current Records Management Manual complied with State Law with respect to retention and policies for public access. The Town Manager advised that ongoing training is available for staff with respect to updates of records retention and management, and public access rules and restrictions. After inquiry by Council, the Town Manager advised that redaction and/or sanitation of personnel records are being met according to the statutory requirements and privacy policies directed by the Attorney General. Council suggested that if employee records need to be redacted they should be redacted by the Town Attorney.

- **Policies regarding individual inquiries of the Town Attorney**

The Town Manager advised that the Town Attorney would be present at the next retreat session to discuss policies.

- **Logging public records request for Council review**

Interim Town Clerk Virginia Jones advised that the Clerk's Office began keeping a log of all requests for public records in December 2014, and she would like to see a policy or procedure to get this information to the Mayor and

Council monthly, although the records request log is available in the Clerks' office for the Town Manager and Council Members to review at any time. Mrs. Jones stated that it will give the Town and Council a clear view on who is requesting records and what records are being requested, and potentially give insight to any potential problems. The Town Manager, Mayor and Council concurred that any party with an inquiry or requesting information/records be referred to the Clerk's Office, therefore keeping a clean and accurate records and maintaining transparency.

Public Comment:

Tom Pitts advised that Economic Development Director Steve Ayers was on the board of the Verde Valley Regional Economic Development Organization (VVREO), and clarified for the Council the duties of the VVREO and its board members. The VVREO meets monthly and board members cannot be elected officials, although VVREO does encourage cities and towns to be involved and represented. The Council requested that the Town Clerk verify the appointment of Steve Ayers to the board of the VVREO.

Discussion and review of the following:

- **Public Records Policy**
- **Mail Distribution Policy**
- **Agenda Policy**
- **Complaint Procedure Policy**

The Mayor, Council and Town Manager acknowledged that all these items have previously been discussed in this retreat meeting.

5. Discussion and review of possibilities development of training manuals for Council and/or employees.

As previously discussed training for council members and potential council members will be researched and made available, as well as ongoing training for records management, retention and public records for council and employees.

Mayor German adjourned the retreat at 11:46 a.m.

Charles German, Mayor

Lynn Riordan, 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 January 23, 2015. I further certify that the meeting was duly called and held, and that a quorum was present.

Dated this _____ day of _____, 2015.

Virginia Jones, Interim Town Clerk

4-c



Town of Camp Verde

Agenda Item Submission Form - Section I

Meeting Date: February 4, 2015

- Consent Agenda Decision Agenda Executive Session Requested
- Presentation Only Action/Presentation Special Session

Requesting Department: Public Works

Staff Resource/Contact Person: Ron Long

Agenda Title (be exact): Consideration and possible authorization to execute the Arizona Department of Transportation (ADOT) IGA/JPA 14-0004471-I: to define access management on the crossroads along SR- 260 from I-17 to Thousand Trails Road, responsibilities of ADOT the Town for the completion, on-going maintenance of the improvements and recital #6 addressing the project budget.

List Attached Documents: IGA/JPA 14-0004471-I (9 pages)

Estimated Presentation Time: N/A

Estimated Discussion Time:

Reviews Completed by: N/A

Department Head: Town Attorney Comments: included in the IGA

Finance Review: Budgeted Unbudgeted N/A

Finance Director Comments/Fund:

Fiscal Impact: Budget Code: _____ Amount Remaining: _____

Comments:

Background Information: As presented to and approved by Council on December 3, 2014: On January 1, 2014, Council approved Resolution 2014-909 to accept and execute IGA 1-0002982 between ADOT and the Town for improvements to SR-260

For the past several months, ADOT has met with representatives from The Town, The Nation, Cottonwood, utilities, and owners of property fronting the proposed improvements. ADOT recommended improvements to SR-260; from exit 287 at I-17 to Thousand Trails Road; and participants have agreed that transportation improvements will include seven (7) roundabouts, six (6) within the boundary of Camp Verde. The project will be funded through the Federal Highway Administration and administered by ADOT.

The IGA/JPA for the improvement project stipulates that ADOT:

- Will obtain FHWA project approval and funding
- Prepare scoping, design, and specifications for bidding and entering into a contract with a firm for the pre-construction and construction related activities
- That no access will be granted within three hundred (300) feet of each roundabout on crossroads, as shown on Exhibit B, for the project
- That new and existing access from three hundred (300) to six hundred (600) feet of each roundabout on the crossroads shown in Exhibit B for the Project will be reevaluated by ADOT at such time that traffic volumes increase to the point where safety is compromised or Level of Service (LOS) drops below C
- Will maintain roundabouts on ADOT's Rights of Way
- Provide the Town any necessary blanket permit to work within ADOT Rights-of-way

The Town of Camp Verde will be responsible for:

- Designate ADOT as the authorized agent of this project for the Town
- Review and provide comments of the design document,
- Provide ADOT and the contractor(s), without cost, with a blanket Encroachment Permit for the construction and on-going maintenance of the improvements
- The Town concurs that no access will be permitted within three hundred (300) feet of each roundabout on crossroads and that new and existing access may be reevaluated by ADOT at such time that traffic volumes increase to the point that public safety is compromised, or level of service drops below C.
- The electric bills to pay for the lighting at six (6) of the seven (7) roundabouts within Town limits

CHANGES TO CURRENT AGREEMENT: Item #6 is added: ADOT has programmed \$62,000,000.00 for the widening of SR 260 from I-17 to Thousand Trails Rd. However, should cost overruns or funding shortfall occur some elements of the Project may need to be removed in order to keep the Project within budget.

Recommended Action (Motion): Move to approve and authorize the mayor's signing of IGA/JPA 14-0004471-I; to define access management on the crossroads along SR- 260 from I-17 to Thousand Trails Road, responsibilities of ADOT the Town for the completion, on-going maintenance of the improvements and recital #6 addressing the project budget.

Instructions to Clerk: Bill Sims will be sending to Virginia Jones: 2 executed Approvals, please include with the two original, signed IGA's. Please print two (2) copies on plain bond paper, obtain the Mayor's signatures, and return both signed Agreements, **Please return the signed originals to: Anita Colebrook, Arizona Department of Transportation, Joint Project Administration, 205 S. 17th Avenue, MD 637E, Phoenix, AZ 85007**

ADOT CAR No.: IGA /JPA14-0004471-I
AG Contract No.: P001 2014 002786
Project: Thousand Trails to I-17
Section: I-17 to Thousand Trails Road
Federal-aid No.: N/A
ADOT Project No.: H8699 01D
TIP/STIP No.: N/A
CFDA No.: 20.205 - Highway Planning
and Construction

INTERGOVERNMENTAL AGREEMENT

BETWEEN
THE STATE OF ARIZONA
AND
TOWN OF CAMP VERDE

THIS AGREEMENT is entered into this date _____, 2015, pursuant to the Arizona Revised Statutes §§ 11-951 through 11-954, as amended, between the STATE OF ARIZONA, acting by and through its DEPARTMENT OF TRANSPORTATION (the "State" or "ADOT") and the TOWN OF CAMP VERDE, acting by and through its MAYOR and TOWN COUNCIL (the "Town"). The State and the Town are collectively referred to as "Parties".

I. RECITALS

1. The State is empowered by Arizona Revised Statutes § 28-401 to enter into this Agreement and has delegated to the undersigned the authority to execute this Agreement on behalf of the State.
2. The Town is empowered by Arizona Revised Statutes § 9-240 to enter into this Agreement and has by resolution, a copy of which is attached hereto and made a part hereof, resolved to enter into this Agreement on behalf of the Town.
3. The purpose of the agreement is to define access management on the crossroads near the intersections along State Route (SR) 260 from I-17 to Thousand Trails Road. The State will administer scoping, design and construct improvements for seven (7) roundabout intersections, shown in Exhibit A, with access restrictions along SR 260, as detailed in Exhibit B, hereinafter referred to as the "Project". Five (5) of the roundabout intersections are within the Town limits. The State will obtain federal funds for the design and construction costs associated with the Project.
4. The Parties will perform their responsibilities consistent with this Agreement, and any change or modification to the Project will only occur with the mutual written consent of both Parties.
5. The Project will be performed, completed, accepted and paid for in accordance with the requirements of the Project plans and specifications.
6. ADOT has programmed \$62,000,000.00 for the widening of SR 260 from I-17 to Thousand Trails Rd. However, should cost overruns or funding shortfall occur some elements of the Project may need to be removed in order to keep the Project within budget.

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

II. SCOPE OF WORK

1. The State will:

a. Upon execution of this Agreement, be the designated agent for the Town, for purposes of this Project only, if the Project is approved by FHWA and funds for the Project are available.

b. Prepare and provide the design plans, specifications and other such documents and services required for the construction bidding and construction of the Project and provide comments to the Town as appropriate.

c. Stipulate that no access will be granted within three hundred (300) feet of each roundabout on crossroads, as detailed in Exhibit B, for the SR 260 Project.

d. Stipulate that all new and existing accesses from three hundred (300) feet to six hundred (600) feet of each roundabout on crossroads described in Exhibit B, for the SR 260 Project will be reevaluated by ADOT at such time that traffic volumes increase to the point where safety is compromised or Level of Service (LOS) drops below C. Should a LOS of D, E or F occur, driveway turning restrictions could be imposed for safety reasons.

e. Upon FHWA approval, proceed to advertise for, receive and open bids subject to the concurrence of the FHWA. The State will enter into a contract with a firm to whom the award is made for the construction of the Project. Administer the contract for the Project and make all payments to the contractor.

f. Be granted, without cost requirements, the right to enter Town right-of-way as required to conduct any and all construction and pre-construction related activities for said Project, including without limitation, temporary construction easements or temporary rights of entry on to and over said rights-of-way of the Town.

g. Issue, per established procedures of the State's Prescott District Permit Office, a valid blanket Encroachment Permit for the routine/normal maintenance and emergency maintenance work to be provided by the Town within the State's rights-of-way. Process any other Encroachment Permits that may be needed to work within the State's right-of-way to effectively meet the obligations set forth for the Town in this Agreement. The State agrees all activities that are reasonably required to be performed by the Town under this Agreement shall be set forth in and covered by the appropriate Encroachment Permit.

h. Upon completion of the Project and final inspection and acceptance of all the Project improvements, the State will maintain the roundabouts on ADOT's right-of-way.

2. The Town will:

a. Upon execution of this Agreement, designate the State as the authorized agent for the Town for purposes of this Project only.

b. Review the design documents required for construction of the Project and provide comments to the State as appropriate.

c. Concur that no access will be permitted within three hundred (300) feet of each roundabout on crossroads, as detailed on Exhibit B for the SR 260 Project.

d. Agree that all new and existing accesses from three hundred (300) feet to six hundred (600) feet of each roundabout on crossroads described in Exhibit B for the SR 260 Project will be reevaluated by ADOT at such time that traffic volumes increase to the point where safety is compromised or Level of

Service (LOS) drops below C. Should a LOS of D, E or F occur, driveway turning restrictions could be imposed for safety reasons.

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

f. Grant to the State, its agents and/or contractors, without cost, the right to enter Town rights-of-way, as required, to conduct any and all construction and preconstruction related activities for the Project, including without limitation, temporary construction easements or temporary rights of entry on, to and over Town rights-of-way.

g. Request and maintain, per established procedures of the State's Prescott District Permit Office, a valid blanket Encroachment Permit for the routine/normal maintenance and emergency maintenance work provided by the Town within the State's rights-of-way. Agree to obtain separate permits for any new construction and/or installations in accordance with the Prescott District established procedures. The Town agrees all activities performed by the Town under this Agreement shall be set forth in and covered by the appropriate Encroachment Permit.

h. Be responsible to pay the electric bill for the lighting at five (5) of the seven (7) roundabouts. A future IGA will be initiated to address electrical and maintenance responsibilities through the entire Town limits.

III. MISCELLANEOUS PROVISIONS

1. The terms, conditions and provisions of this Agreement shall remain in full force and effect until completion of the Project and all reimbursements provided herein. All maintenance obligations contained herein shall be perpetual. This Agreement may be cancelled at any time prior to the award of a Project construction contract, upon thirty (30) days written notice to the other party. It is further understood and agreed that, in the event Town cancels this Agreement, the State shall have no other obligation to continue with the Project.

2. To the extent permitted by law, the Town hereby agrees to save and hold harmless, defend and indemnify from loss the State, any of its departments, agencies, officers or employees from any and all liability, costs and/or damage incurred by any of the above arising or resulting from the Agreement; and from any other liability, damage to any person or property whatsoever, which is caused by any activity, condition, misrepresentation, negligence, directives, instruction or event arising out of the performance or non-performance of any provisions of this Agreement by (a) the State, any of its departments, agencies, officers and employees, or its independent contractors; or (b) the Town, any of its agents, officers and employees, or its independent contractors. Costs incurred by the State, any of its departments, agencies, officers or employees shall include in the event of any action, court costs, and expenses of litigation and attorneys' fees.

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

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

5. Should the federal funding related to this Project be terminated or reduced by the federal government, or Congress rescinds, fails to renew, or otherwise reduces apportionments or obligation authority, the State shall in no way be obligated for funding or liable for any past, current or future expenses under this Agreement.

6. This Agreement may be cancelled in accordance with Arizona Revised Statutes § 38-511.
7. The provisions of Arizona Revised Statutes § 35-214 are applicable to this Agreement.
8. This Agreement is subject to all applicable provisions of the Americans with Disabilities Act (Public Law 101-336, 42 U.S.C. 12101-12213) and all applicable Federal regulations under the Act, including 28 CFR Parts 35 and 36. The parties to this Agreement shall comply with Executive Order Number 09-09 issued by the Governor of the State of Arizona and incorporated herein by reference regarding "Non-Discrimination".
9. **Non-Availability of Funds:** Every obligation of the State under this Agreement is conditioned upon the availability of funds appropriated or allocated for the fulfillment of such obligations. If funds are not allocated and available for the continuance of this Agreement, this Agreement may be terminated by the State at the end of the period for which the funds are available. No liability shall accrue to the State in the event this provision is exercised, and the State shall not be obligated or liable for any future payments as a result of termination under this paragraph.
10. In the event of any controversy which may arise out of this Agreement, the Parties hereto agree to abide by required arbitration as is set forth for public works contracts in Arizona Revised Statutes § 12-1518.
11. The Parties shall comply with the applicable requirements of Arizona Revised Statutes § 41-4401 and Title 34 of the Arizona Revised Statutes.
12. The Parties hereto shall comply with all applicable laws, rules, regulations and ordinances, as may be amended. In the event that any provision of this Agreement or portion thereof is held invalid, illegal or unenforceable, such, provision or portion thereof shall be severed from this Agreement and shall have no effect on the remaining provisions of this Agreement, which shall remain in full force and effect.
13. All notices or demands upon any party to this Agreement shall be in writing and shall be delivered in person or sent by mail, addressed as follows:

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

Town of Camp Verde
Attn: Ron Long P.E.
Public Works Director
395 S Main Street
Camp Verde, Arizona 86322
928-554-0821
928-567-1540 Fax
Ron.long@campverde.az.gov

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

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

TOWN OF CAMP VERDE

STATE OF ARIZONA
Department of Transportation

By _____
CHARLES GERMAN
Mayor

By _____
STEVE BOSCHEN, P.E.
ITD Division Director

ATTEST:

By _____
DEBROAH BARBER
Town Clerk

DRAFT

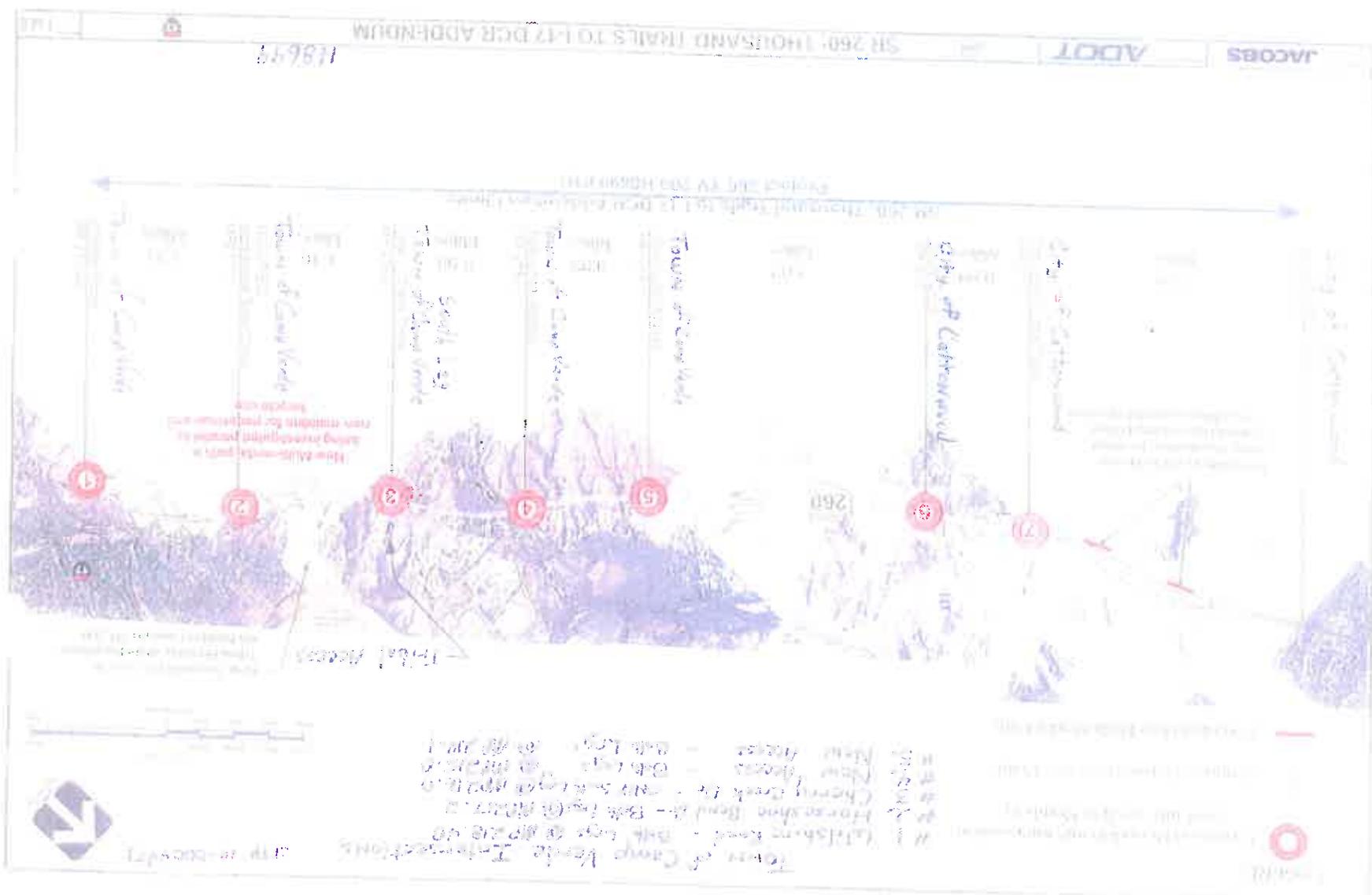
ATTORNEY APPROVAL FORM FOR THE TOWN OF CAMP VERDE

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

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

DATED this _____ day of _____, 2015.

Town Attorney



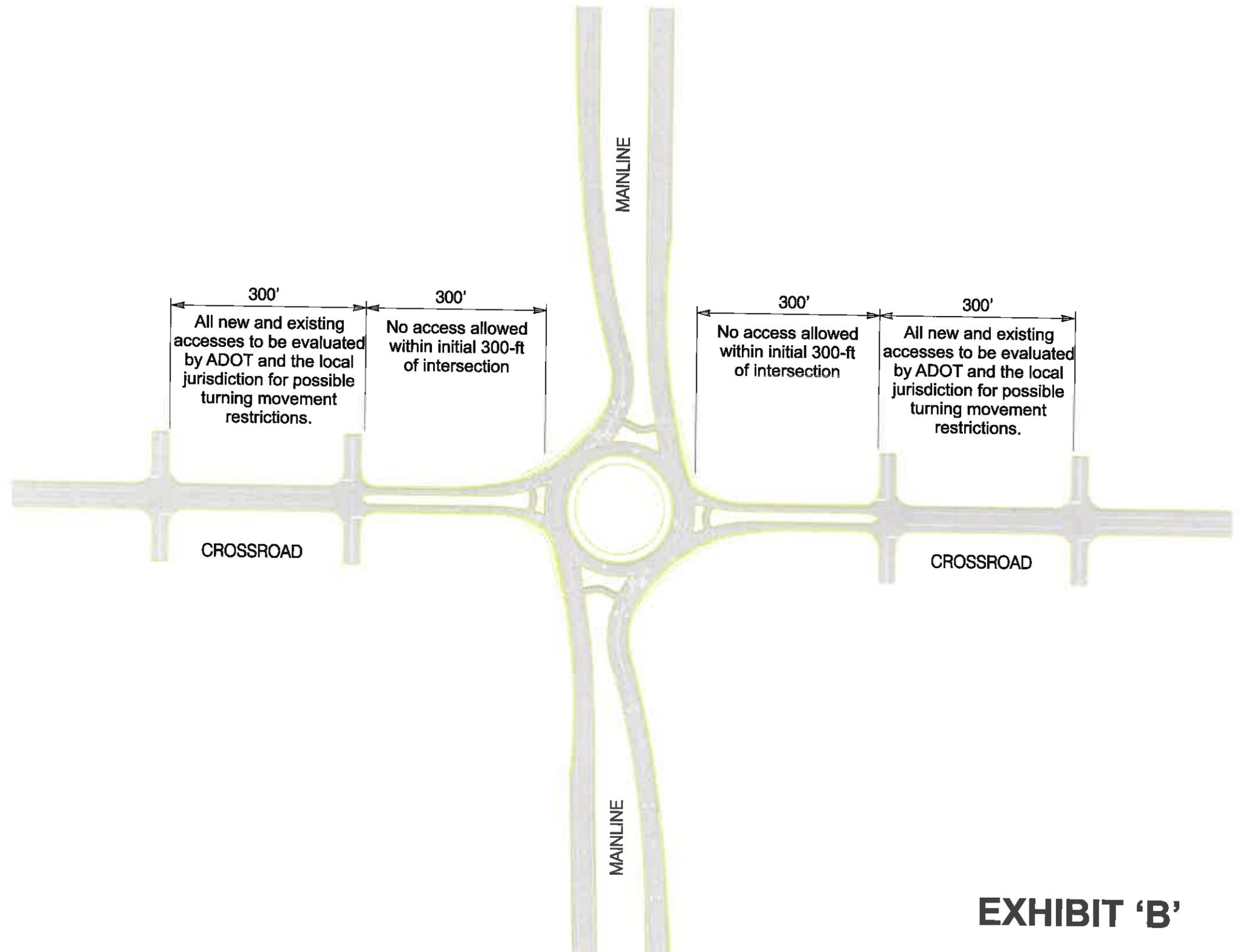


EXHIBIT 'B'

LOS or Level of Service, for non-signalized intersections, is determined by the minor or side leg delay. Per the 2010 Highway Capacity Manual, when side leg delay exceeds 25 Sec, the LOS for that approach drops to a LOS "D". Should the delay exceeds 35 seconds, the los would be "E" and below 50 seconds would be a LOS of "F". See 19-1 below.

Exhibit 19-1
Level-of-Service Criteria:
Automobile Mode

Control Delay (s/vehicle)	LOS by Volume-to-Capacity Ratio	
	$v/c \leq 1.0$	$v/c > 1.0$
0-10	A	F
>10-15	B	F
>15-25	C	F
>25-35	D	F
>35-50	E	F
>50	F	F

Note: The LOS criteria apply to each lane on a given approach and to each approach on the minor street. LOS is not calculated for major-street approaches or for the intersection as a whole.



Agenda Item Submission Form – Section I

Meeting Date: February 4th, 2015

- Consent Agenda Decision Agenda Executive Session Requested
- Presentation Only Action/Presentation

Requesting Department: Clerk's Office

Staff Resource/Contact Person: Virginia Jones

Agenda Title (be exact: Discussion, consideration and possible approval of Liquor License Application for Denise Moraga, Sutler's Steak House, located at 564 S. Main St., Camp Verde.

List Attached Documents: – Liquor License Application

Estimated Presentation Time: 5

Estimated Discussion Time: 10

Reviews Completed by: N/A

Department Head: Virginia Jones Town Attorney Comments: N/A

Finance Department N/A

Fiscal Impact: None

Budget Code: N/A Amount Remaining: _____

Comments:

Background Information: Staff received the Liquor License Application and posted the application on January 14th for 20 days as required by law.

Recommended Action (Motion): Approve Liquor License Application for Denise Moraga, Sutler's Steak House, located at 564 S. Main St., Camp Verde.

Instructions to the Clerk: Section II not required. Process application.

Arizona Department of Liquor Licenses and Control
800 West Washington, 5th Floor
Phoenix, Arizona 85007
www.azliquor.gov
602-542-5141

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:

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

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 #(s): 12133607

1. Type of License(s): New Licence Resturant series 12

2. Total fees attached:

\$ 150.00 Department Use Only

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

The fees allowed under A.R.S. 44-6852 will be charged for all dishonored checks.

SECTION 4 Applicant

1. Owner/Agent's Name: Mr. Moraga Denise Leann P1071474
(Insert one name ONLY to appear on license) Last First Middle

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

3. Business Name: Sutlers Steakhouse B1022002
(Exactly as it appears on the exterior of premises)

4. Principal Street Location 564 south main street Camp verde yavapia 86322
(Do not use PO Box Number) City County Zip

5. Business Phone: pending Daytime Phone: 928-649-5776 Email: dmoraga1965@gmail.com

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

7. Mailing Address: 4014 east Del rio drive Cottonwood Az 86326
City State Zip

8. Price paid for license only bar, beer and wine, or liquor store: Type \$ Type \$

DEPARTMENT USE ONLY

Fees: Application 100.00 Interim Permit 50.00 Site Inspection Finger Prints \$ 150.00
TOTAL OF ALL FEES

Is Arizona Statement of Citizenship & Alien Status For State Benefits complete? YES NO

Accepted by: SG Date: 12/30/14 Lic. #: 12133607

SECTION 5 Interim Permit:

*14 DEC 30 Lic. Lic. FM 4 29

1. If you intend to operate business when 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 MEMBER, PARTNER, MEMBER, STOCKHOLDER, OR LICENSEE (circle the title which applies) of the stated license and location.

(Print full name)

State of _____ County of _____

X _____
(Signature)

The foregoing instrument was acknowledged before me this

My commission expires on: _____

_____ day of _____
Day Month Year

(Signature of NOTARY PUBLIC)

SECTION 6 Individual or Partnership Owners:

EACH PERSON LISTED MUST SUBMIT A COMPLETED QUESTIONNAIRE (FORM LIC0101), AN "APPLICANT" TYPE FINGERPRINT CARD, AND \$22 PROCESSING FEE FOR EACH CARD.

1. Individual:

Last	First	Middle	% Owned	Mailing Address	City State Zip
Moraga	Denise	Leann	100	4014 east del rio drive cottonwood	Az 86326

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

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

) Y R A S S E C E N F I T

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	Mailing Address	City, State, Zip	Telephone#
n/a					

SECTION 7 Corporation/Limited Liability Co.:

14 DEC 30 Lig. Lic. PM 4:29

EACH PERSON LISTED MUST SUBMIT A COMPLETED QUESTIONNAIRE (FORM LIC0101), AN "APPLICANT" TYPE FINGERPRINT CARD, AND \$22 PROCESSING FEE FOR EACH CARD.

- CORPORATION Complete questions 1, 2, 3, 5, 6, 7, and 8.
- L.L.C. Complete 1, 2, 4, 5, 6, 7, and 8.

1. Name of Corporation/L.L.C.: _____
(Exactly as it appears on Articles of Incorporation or Articles of Organization)

2. Date Incorporated/Organized: _____ State where Incorporated/Organized: _____

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

4. AZ L.L.C. File No.: _____ Date authorized to do business in AZ: _____

5. Is Corp./L.L.C. Non-profit? YES NO

6. List all directors, officers and members in Corporation/L.L.C.:

Last	First	Middle	Title	Mailing Address	City State Zip

(ATTACH ADDITIONAL SHEET IF NECESSARY)

7. List stockholders who are controlling persons or who own 10% or more:

Last	First	Middle	% Owned	Mailing Address	City State Zip

(ATTACH ADDITIONAL SHEET IF NECESSARY)

8. If the corporation/L.L.C. is owned by another entity, attach a percentage of ownership chart, and a director/officer/member disclosure for the parent entity. Attach additional sheets as needed in order to disclose personal identities of all owners.

SECTION 8 Club Applicants:

EACH PERSON LISTED MUST SUBMIT A COMPLETED QUESTIONNAIRE (FORM LIC0101), AN "APPLICANT" TYPE FINGERPRINT CARD, AND \$22 PROCESSING 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

3. List officer and directors:

Last	First	Middle	Title	Mailing Address	City State Zip

(ATTACH ADDITIONAL SHEET IF NECESSARY)

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

- 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. Governmental Entity: _____
- 2. Person/designee: _____
Last First Middle Contact Phone Number

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-Series 06,07, and 09).

- 1. Current Licensee's Name: _____
(Exactly as it appears on license) Last First Middle Entity: _____
(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. Physical Street Location of Business: Street _____
City, State, Zip _____
- 5. License Type: _____ License Number: _____
- 6. If more than one license to be transferred: License Type: _____ License Number: _____
- 7. Current Mailing Address: _____
(Other than business) Street _____
City, State, Zip _____
- 8. Have all creditors, lien holders, interest holders, etc. been notified of this transfer? YES NO
- 9. Does the applicant intend to operate the business while this application is pending? YES NO If yes, complete Section 5 of this application, attach fee, and current license to this application.
- 10. I, _____, hereby authorize the department to process this application to transfer the
(print full name) privilege of the license to the applicant, provided that all terms and conditions of sale are met. Based on the fulfillment of these conditions, I certify that the applicant now owns or will own the property rights of the license by the date of issue.

I, _____, declare that I am the CURRENT OWNER, AGENT, MEMBER, PARTNER
(print full name) STOCKHOLDER, or LICENSEE of the stated license. I have read the above Section 11 and confirm that all statements are true, correct, and complete.

(Signature of CURRENT LICENSEE)

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

My commission expires on: _____

Day Month Year

(Signature of NOTARY PUBLIC)

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

14 DEC 30 Lic. Lic. PM 4 29

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 _____
(Physical Street Location) Address _____
3. License Type: _____ License Number: _____
4. If more than one license to be transferred: License Type: _____ License Number: _____
5. What date do you plan to move? _____ What date do you plan to open? _____

SECTION 13 Questions for all in-state applicants excluding those applying for government, hotel/motel, and restaurant licenses (series 5, 11, and 12):

A.R.S. § 4-207 (A) and (B) state that no retailer's 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 grades one (1) through (12) or within three hundred (300) horizontal feet of a fenced recreational area adjacent to such school building. The above paragraph DOES NOT apply to:

- a) Restaurant license (§ 4-205.02)
- b) Hotel/motel license (§ 4-205.01)
- c) Government license (§ 4-205.03)
- d) Fenced playing area of a golf course (§ 4-207 (B)(5))

1. Distance to nearest school: .5mile ft. Name of school American Heritage Academy
Address 675 sunland dr. Campverde az 86322
City, State, Zip _____
2. Distance to nearest church: 3.0 mile ft. Name of church Serentin Day Adventist Church
Address North Boot Hill Drive Campverde Az 86322
City, State, Zip _____
3. I am the: Lessee Sublessee Owner Purchaser (of premises)
4. If the premises is leased give lessors: Name R.G.A. Ventures LLC
Address p.o. Box 813 Cottonwood Az 86326
City, State, Zip _____
- 4a. Monthly rental/lease rate \$ 1800.00 What is the remaining length of the lease 5 yrs. 0 mos.
- 4b. What is the penalty if the lease is not fulfilled? \$ 0 or other none
(give details - attach additional sheet if necessary)
5. What is the total **business** indebtedness for this license/location excluding the lease? \$ 0
Please list lenders you owe money to.

Last	First	Middle	Amount Owed	Mailing Address	City State	Zip
N/A						

(ATTACH ADDITIONAL SHEET IF NECESSARY)

6. What type of business will this license be used for (be specific)? Resturant

SECTION 13 - continued

14 DEC 30 LIQ. LIC. PM 4:23

- 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 _____

SECTION 14 Restaurant or hotel/motel license applicants:

- 1. Is there an existing restaurant or hotel/motel liquor license at the proposed location? YES NO
 If yes, give the name of licensee, Agent or a company name:

_____ and license #: _____
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. § 4-203.01; and complete SECTION 5 of this application.
- 3. All restaurant and hotel/motel applicants must complete a Restaurant Operation Plan (Form LIC0114) provided by the Department of Liquor Licenses and Control.
- 4. As stated in A.R.S. § 4-205.02.G.2, a restaurant is an establishment which derives at least 40 percent of its gross revenue from the sale of food. Gross revenue is the revenue derived from all sales of food and spirituous liquor on the licensed premises. By applying for this hotel/motel restaurant license, I certify that I understand that I must maintain a minimum of 40 percent food sales based on these definitions and have included the Restaurant Hotel/Motel Records Required for Audit (form LIC 1013) with this application.

Denise Leann Morayer
applicant's signature

As stated in A.R.S § 4-205.02 (B), I understand it is my responsibility to contact the Department of Liquor Licenses and Control to schedule an inspection when all tables and chairs are on site, kitchen equipment, and, if applicable, patio barriers are in place on the licensed premises. With the exception of the patio barriers, these items are not required to be properly installed for this inspection. Failure to schedule an inspection will delay issuance of the license. If you are not ready for your inspection 90 days after filing your application, please request an extension in writing, specify why the extension is necessary, and the new inspection date you are requesting. To schedule your site inspection visit www.azliquor.gov and click on the "Information" tab.

DLM
applicant's initials

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

- 1. Check ALL boxes that apply to your business:
 Entrances/Exits Liquor storage areas Patio: Contiguous
 Service windows Drive-in windows Non Contiguous
- 2. Is your licensed premises currently closed due to construction, renovation, or redesign? YES NO
 If yes, what is your estimated opening date? February 1 2015
month/day/year
- 3. Restaurants and hotel/motel applicants are required to draw a detailed floor plan of the kitchen and dining areas including the locations of all kitchen equipment and dining furniture. Diagram paper is provided on page 7.
- 4. The diagram (a detailed floor plan) you provide is required to disclose only the area(s) where spiritous liquor is to be sold, served, consumed, dispensed, possessed, or stored on the premises unless it is a restaurant (see #3 above).
- 5. Provide the square footage or outside dimensions of the licensed premises. Please do not include non-licensed premises, such as parking lots, living quarters, etc.

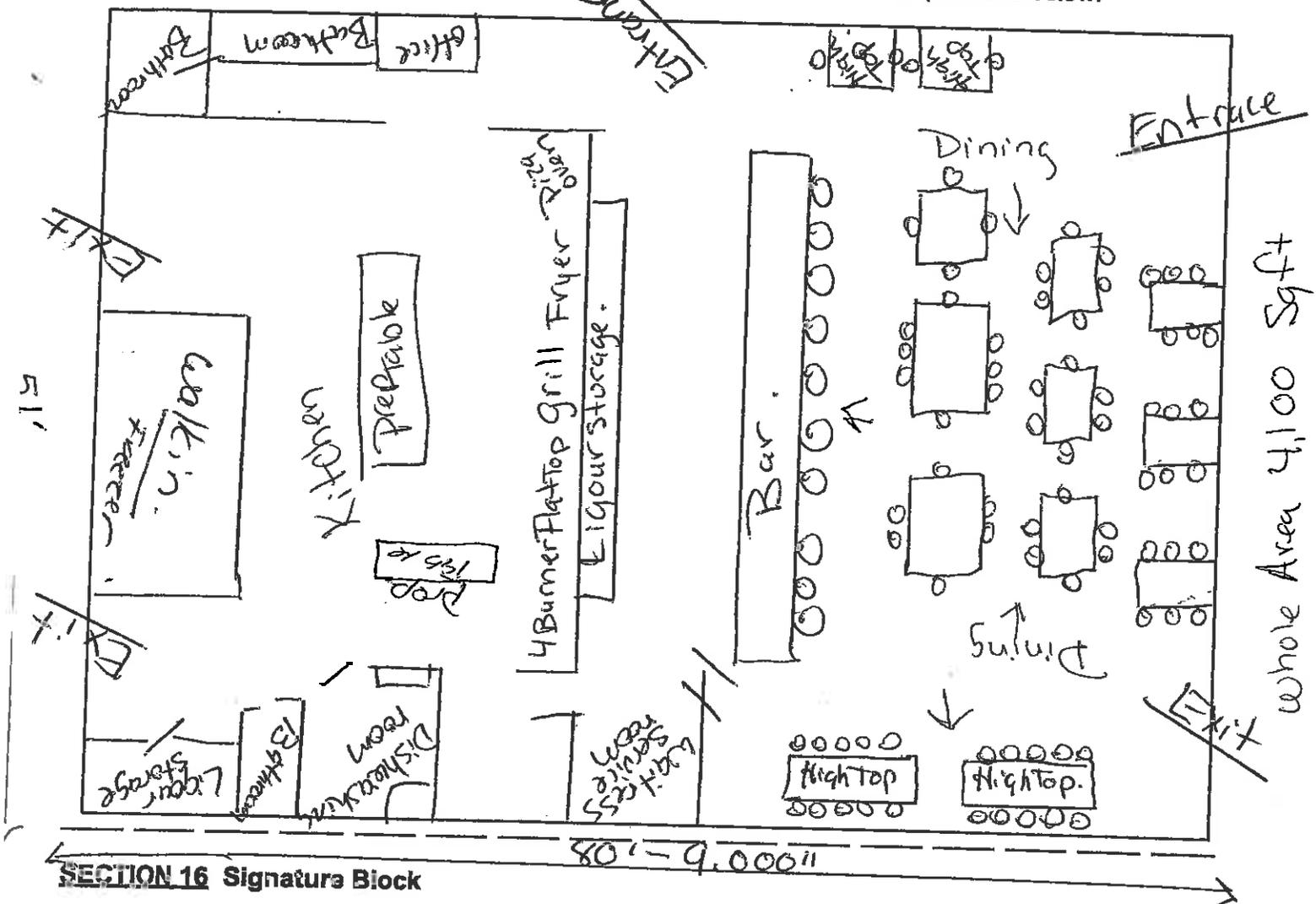
As stated in A.R.S. § 4-207.01(B), I understand it is my responsibility to notify the Department of Liquor Licenses and Control when there are changes to boundaries, entrances, exits, added or deleted doors, windows or service windows, or increase or decrease to the square footage after submitting this initial drawing.

DLM
applicant's initials

SECTION 15 Diagram of Premises

4. In this diagram please show only the area where spirituous liquor is to be sold, served, consumed, dispensed, possessed or stored. It must show all entrances, exits, interior walls, bars, bar stools, hi-top tables, dining tables, dining chairs, the kitchen, dance floor, stage, and game room. Do not include parking lots, living quarters, etc. When completing diagram, North is up ↑.

If a legible copy of a rendering or drawing of your diagram of premises is attached to this application, please write the words "diagram attached" in box provided below.

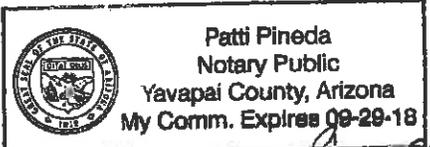


SECTION 16 Signature Block

I, Dentse Leann Moraga, hereby declare that I am the OWNER/AGENT filing this application as stated in Section 4, Question 1. I have read this application and verify all statements to be true, correct and complete.

x Dentse Leann Moraga
(signature of applicant listed in Section 4, Question 1)

Dentse Leann Moraga State of Arizona County of Yavapai



My commission expires on: 9-29-2018
 Day Month Year

The foregoing instrument was acknowledged before me this 30th of December, 2014
 Day Month Year

[Signature]
 signature of NOTARY PUBLIC

14 DEC 30 11:41 AM '14



Issue 1 - January 16, 2015

Legislative Overview

On Monday, January 12, the first regular session of Arizona's 52nd Legislature convened. Many mayors, council members and municipal staff attended the Opening Day ceremonies. In addition to the excitement and activity associated with welcoming legislators, Governor Doug Ducey delivered the annual State of the State Address, where he touted state fiscal responsibility and educational reform. You can [find his speech here](#).

The legislature held only a few committee hearings this week, most notably on the Governor's push to include a civics test as a high school graduation requirement. That bill, HB 2064, passed both chambers on Thursday and was signed by the Governor that night.

Today the Governor reveals his budget. The League will provide information and analysis in the coming weeks as more details are made available.

Session Deadlines

Every session has **deadlines** pertaining to bill submissions and hearings. These are established by rule and are subject to change. This year, the schedule is as follows:

January 2015

Monday, the 12th - First day of session

Thursday, the 15th - House 7-bill Introduction Limit Begins (5 p.m.)

February 2015

Monday, the 2nd - Senate Bill Introduction Deadline (5 p.m.)

Monday, the 9th - House Bill Introduction Deadline (5 p.m.)

Friday, the 20th - Last Day to hear bills in the chamber of origin

March 2015

Friday, the 20th - Last Day to hear bills in the opposing chamber

April 2015

Tuesday, the 21st - 100th Day of Session

Monday Legislative Call

The League will continue to host a weekly conference call to report on the status and impact of various legislative bills in the 2015 session. The calls are scheduled for Monday mornings promptly at 10:00 a.m. Mayors, managers and other city or town staff who are interested in legislative activities are invited to participate. Call-in numbers and a brief agenda will be sent out prior to the calls. If you would like to receive the Monday agendas, please contact league@azleague.org and request to be added to the distribution list for the Monday teleconference. Note that due to the Monday holiday and the limited number of bills to discuss this early in the session, there will not be a call on January 19th.

Legislative Bulletin

The League will electronically distribute the Legislative Bulletin every Friday during the legislative session. The Bulletin serves as a way for the League to communicate to elected officials, staff and other interested parties about activities at the Legislature that are relevant to cities and towns. If you know of any municipal official or staff member that would like to subscribe to the Bulletin please have them send their name and email to league@azleague.org and request to be added to the Legislative Bulletin distribution list.

This year will see the continuation of the preferred streamlined format introduced two years ago. The Bulletin will highlight only the top half-dozen or so topics and bills from each week. Other legislation that the League is actively tracking will still be monitored and updated; however, that information will be available on our Legislative Bill Monitoring page on the League website. The Bulletin will contain links to legislation that has been updated in our Legislative Bill Monitoring Section. We hope this will make it more convenient for you to keep up to date on the latest legislative activities, while still providing a resource for more detailed information.

APS Legislative Intern

The League is pleased to welcome Erin Gantman as its new legislative intern for the 2015 session. Erin's background is in customer service as well as assisting the California League of Cities in Southern California in the summer of 2014. Currently, Erin is in her last semester at Arizona State University and will be receiving her bachelor's degree in both Political Science and Communications. Erin plans to go to law school in the fall of 2015. Erin will be assisting the League's legislative staff for the duration of the spring 2015 semester. Her stipend is being paid by a grant from APS.

Your Voice

The 2015 edition of [Your Voice at the Capitol](#), our listing of senators and representatives, is [available here](#). Please use this document to find contact information for your delegation. Early communication with your legislative delegation is strongly recommended in order to establish a relationship with the legislators representing your city or town. Maintaining good communications provides your legislators with invaluable insight as to how proposed legislation may affect their communities.

Additionally, you can contact our legislative division at (602) 258-5786 or email using the information below:

Ryan Peters, Legislative Associate: rpeters@azleague.org

Dale Wiebusch, Legislative Associate: dwiebusch@azleague.org

Legislative Bulletin is published by the League of Arizona Cities and Towns.
Forward your comments or suggestions to league@azleague.org.



Issue 2 - January 23, 2015

Legislative Overview

This week saw minimal bill action related to municipal concerns. We expect that to change next week as agendas get more fully developed. Last Friday Governor Ducey released his budget proposal which is analyzed further in the article below.

To date there have been 665 bills introduced, with 39 memorials and resolutions. One bill has been signed, HB2064, the graduation requirement, civics test bill.

Governor's Budget Proposal

The Governor's budget proposal came out last Friday afternoon. Here is our analysis of the sections that most directly affect cities and towns.

Department of Revenue

- TPT
 - A charge of \$0.76 per resident for the non-program cities for temporary staff to implement TPT simplification. This equals \$2.9 million. As of January 1, 2016, all cities are scheduled to become program cities.
 - An allocation of \$8.2 million from cities' TPT shared revenue statewide for DOR operations. This is a permanent charge for administering cities' and towns' portion of DOR operations for TPT collections.
 - A charge of \$2 million to create the DOR Collections Fund for additional collections staff. This money will come out of the base TPT revenues, before distribution to the state, counties and cities. The estimated impact to cities and towns is approximately \$500,000. This is also permanent.
- The Governor's budget assumes cities and towns will receive an additional \$6.5 million in TPT revenue due to enhanced collections activities.

HURF

- The Governor's proposal recommends using Motor Vehicle Registration Fees (which currently sends \$35 million into HURF) to fund a portion of DPS as a permanent mechanism. The proposed budget allows the ADOT director to increase that fee to cover 50% of DPS operations.
- The HURF diversion for FY2016 and FY2017 will be \$54 million. In FY2015 it was \$89 million.

WIFA

- The state will not appropriate \$1 million to WIFA for the Water Supply Development Fund. There are other monies from other sources that still go to WIFA.

State Aviation Fund

- The Governor's proposal transfers \$15 million out of the State Aviation Fund to the general fund. The current balance is \$37.5 million.

This [link](#) will take you to all of the Governor's budget documents.

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 Reno (775) 788-2200
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December 15, 2014

BY FEDERAL EXPRESS

Russ Martin
 Town Manager
 Town of Camp Verde
 P.O. Box 710
 473 S. Main Street
 Camp Verde, AZ 86322

BY FEDERAL EXPRESS

Camp Verde Town Attorney
 Town of Camp Verde
 P.O. Box 710
 473 S. Main Street
 Camp Verde, AZ 86322

BY HAND DELIVERY

Camp Verde Town Attorney
 Town of Camp Verde
 c/o William J. Sims III
 Sims & Murray, Ltd.
 2020 N. Central Avenue
 Suite 670
 Phoenix, AZ 85004-0001

Re: Town of Camp Verde/Coury Annexation and Development Agreement
 dated February 26, 2005

Dear Messrs. Martin and Sims:

Our firm represents Steven C. Coury and Julie Ann Coury (the "Courys") regarding the above referenced Annexation and Development Agreement (the "Agreement") between my clients and the Town of Camp Verde.

I am writing to you in your capacities as Town Manager and Town Attorney for the Town of Camp Verde, respectively. I am responding to the Town's alleged attempts to terminate the Agreement. As Mr. Sims and I discussed in our phone conversation late last week, we do not believe it is in the Town's or the Coury's best interests to terminate the Agreement at this time. Furthermore, it is our client's position that the Town has not complied with the requirements set

FENNEMORE CRAIG, P.C.

BY HAND DELIVERY

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forth in the Agreement, rendering its attempt to terminate the Agreement invalid and ineffective. After reviewing the issues with our client, we raise the following issues for the Town's attention.

1. Notice Requirements of the Annexation and Development Agreement.

(a) Town Has Failed to Comply with Notice Requirements of the Agreement.

The Town's efforts to terminate the Agreement are invalid. The Agreement expressly states the manner in which the Parties are to communicate with one another. It states:

10.4 Notices. All notices, approvals, and other communications provided for herein or given in connection herewith shall be validly given, made, delivered or served, and delivered personally or sent by nationally recognized courier (e.g., Federal Express, Airborne, UPS), or by United States mail, certified with return receipt requested, to:

None of the communications from the Town shows any evidence that its letters to the Courys met any of these listed requirements. Failure to do so renders any alleged communications with the Coury's invalid and its attempt to terminate the Agreement ineffective. For the record, the Town's December 5, 2014 letter attempting to terminate the Agreement appears to have been sent by regular mail, but the Courys have not received it as of today, nor have they received its partial payment check back from the Town.

(b) Notice of Default and Opportunity to Cure.

The Town also failed to comply with the notice and opportunity to cure provisions of Section 9.1 of the Agreement. That provision states that if one Party deems the other Party in breach it shall provide written notice to the alleged breaching party, per the Notice provisions of Section 10.4, and the alleged breaching party shall have at least 90 days to cure. It appears the Town attempted to allege a default per its August 4, 2014 letter to the Courys regarding the alleged unpaid \$10,000 annual fee. That issue was cured when the Parties entered into the Payment Plan agreement. Upon curing the alleged default by entering into the Payment Plan, the notice and opportunity to cure provisions were again applicable as to any subsequent default. If the Town is alleging the Courys are in breach of the Payment Plan, it must provide written notice to the Courys and permit them 90 days to cure the alleged default per Section 9.1 of the Agreement. By tendering the partial payment on December 5, 2014 to Mr. Showers, the Coury's cured the default and the Town was obligated to accept the payment. The Coury's December 5th partial payment, however, was wrongfully rejected by the Town. The Courys remain ready, willing and able to cure the alleged failure to pay through payment in full under the Payment Plan agreement, as more fully outlined in the discussion below.

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Page 3

(c) Request for Mediation.

In my call with Mr. Sims, it was argued that the last paragraph of the Payment Plan amended the notice and opportunity to cure provisions of Section 9.1 of the Agreement. We disagree. There is nothing in the Payment Plan that says that it is amending that provision of the Agreement. But assuming for the sake of argument that that position were true, it does not amend the Dispute Resolution provisions of Section 9.2. Therefore, in the alternative, our client hereby exercises its rights under the Dispute Resolution provisions of Section 9.2 and calls for this dispute to be presented to mediation.

2. Mr. Showers was the Town's De Facto Designated Representative Under the Agreement and had the Authority to Bind the Town When Coury Tendered the Partial Payment.

From the time Mr. Showers was appointed Finance Director of the Town, Mr. Michael Showers has served as the Town's primary and essentially, exclusive, representative with the Coury's under the Agreement. This is consistent with the fact that Mr. Showers is the Town's Finance Director and would be the logical person to represent the Town regarding payments to the Town. The Coury's made all their payments to him and he made all the decisions on behalf of the Town regarding the Agreement. Consistent with that history, the Coury's representative talked directly with Mr. Showers on December 4th and he agreed to accept the partial payment on behalf of the Town and his office accepted the partial payment when it was tendered to the Town on December 5, 2014. Mr. Showers told the Coury's representative that the Town was accepting the partial payment and he agreed that the Agreement would remain and continue in effect uninterrupted. Mr. Martin's act of overruling Mr. Shower's was inconsistent with the manner in which the relationship between the parties had been managed prior to that time. The Coury's relied on Mr. Showers' representations regarding acceptance of the payment and the ratification of the Agreement terms, and based on his position as Finance Director with the Town and the Parties' past experience and custom, the Coury's acted reasonably in relying on Mr. Showers' representations. Our client asserts that the Town Manager wrongfully overruled Mr. Showers' agreement with the Courys. The Town Manager's decision was untimely because the payment had already been paid and accepted by the Town. The Town must stand behind and ratify Mr. Showers' agreement to the Coury's.

3. Breach by Town.

Please accept this letter as the Coury's written notice of default by the Town under Section 9.1 of the Agreement for the following reasons:

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(a) The Coury's allege that the Town increased the sales tax from 2% to 3%. The Coury's allege that the Town continued to pay the Coury's the Developed Parcel Sales Tax Rebate based on the 2% tax rate and failed to increase the payments to the Coury's based on a 3% sales tax rate as is required under Section 7.1.1 of the Agreement.

(b) The Agreement states at Section 7.2.2.(c) that the Town shall pay the Economic Incentive Payments on a quarterly basis. However, Section 7.2.3 of the Agreement states that it is to be paid monthly, within 15 days of receipt of their tax. In fact, the Town has been paying the Coury's quarterly in violation of the requirements of Section 7.2.3.

(c) Section 7.2.2(d) states the Town is to send the Coury's an annual report no later than 45 days after the end of the Town's fiscal year so that the Coury's have the opportunity to audit and contest any payments. The Town has failed to provide these reports to the Coury's during the Term of the Agreement.

4. Settlement Proposal.

(a) Pending Lease Negotiations.

Notwithstanding the legal arguments made above, which the Courys are asserting to protect their interests, our client seeks to resolve these issues amicably with the Town. As a practical matter, it is important to note that the Courys are negotiating a lease of the Ford dealership with a new, independent, third party operator. For those who were not involved in the negotiations of the Agreement in 2005, the Ford dealership was the basis of the Annexation and Development Agreement with the Town in the first place. We believe that the possible introduction of a new auto dealer with a history of success in the auto dealership business and with the financial strength to renew and rebuild the Ford dealership, offers both Parties an opportunity to de-escalate this dispute and transition to a new Ford dealer on the property. We propose that the Town withdraw its alleged termination of the Agreement and allow Coury's lease negotiations to conclude. Once the new lease is in effect and the new operator is in place, the Parties relationship under the Agreement will change for the better.

As outlined in Mr. Coury's December 9, 2014 letter to the Town, the Town's action to terminate the Agreement will have a profoundly negative effect on the Courys. It will trigger a major change to the valuation of the Property, causing a default under the Coury's financing of the Property, and requiring Coury's lender to call the note on the Property. This, in turn, will likely force the Courys to file for bankruptcy protection tying up the Property and the Agreement in litigation for an extended period of time.

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Through cooperation, however, the Parties can avoid this type of confrontation, and the resulting litigation, and work together to transition the dealership to new, third party owners. We recommend the Parties agree to work together on a mutually agreed upon exit strategy. The Town withdrawing the termination notice and ratifying the Agreement are necessary first steps in that process. The next step would involve the Parties entering into an agreement or understanding for moving forward on the Assessment payment issues.

(b) Assessment Payments.

For its part, the Courys offer to do the following. First, regarding the alleged unpaid Assessments, the Courys offer to immediately pay in full the alleged delinquent amounts for 2013 in the amount of \$6,200. Second, at the same time, the Courys would pay the Town the full amount of the 2014 Assessment in the amount of \$10,000. Third, we suggest that the Parties amend the Agreement to permit the Town to pay itself every year out of the first \$10,000 of the Sales Tax Rebate Amounts generated in the relevant fiscal year, beginning with the Assessments for 2015. This would avoid any payment issues between the Parties in the future.

5. Conclusion.

The Coury's allege that it is in compliance with the provisions of the Agreement. They tendered payment of the overdue Assessments and they remain prepared to make the payment immediately. The Town designated Mr. Showers as its representative. On December 4th he said the Town would accept the partial payment and confirmed the Agreement would remain in effect, and on December 5th he accepted the partial payment. Mr. Showers is, after all, the Town's Finance Director, and it is reasonable for the Courys to rely on his representations on financial matters such as payments to the Town. In turn, it was reasonable for the Coury's to rely on Mr. Showers based on the years of working with him as the Town's primary representative on issues related to the Agreement.

Furthermore, the Courys allege that Town is in breach of the Agreement for failure to comply with the Notice provisions of Section 10.4 of the Agreement while also being in breach for failing to properly comply with the notice and opportunity to cure provisions of Section 9.1 of the Agreement. Our client believes the Town is in breach under Sections 7.2.2 and 7.2.3 of the Agreement for failing to increase the Rebate payment amounts when it increase the Town sales tax rate, for failing to make its payment on a monthly basis, and failing to provide an annual report accounting for the Rebates.

The Courys, however, would prefer to (1) negotiate a settlement whereby any allegation of breach or termination is retracted and/or avoided, (2) the Coury's pay its 2013 and 2014

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Assessments in full, (3) the Parties amend the Agreement to permit the Assessment to be paid directly out of the Sales Tax Rebate Amounts, beginning in 2015, thereby avoiding non-payment issues in the future, and (4) allow the Coury's to finalize its lease negotiations with a new, third party dealer to lease the Property and reestablish the Ford dealership on the Property with anew, third party auto dealer.

We look forward to working with you and the Town to find an amicable resolution of these issues without having to resort to litigation to protect our client's interests under the Agreement. Please contact me with any questions.

Sincerely,

FENNEMORE CRAIG, P.C.



Michael J. Phalen

cc: Steve Coury
Julie Coury
Joanie Horton

December 9, 2014

Town Of Camp Verde
473 S Main Street Suite 102
Camp Verde, AZ 86322

Copied Council *RM*
12-11-2014

Re: Development Agreement with Steve Coury

Mr Russ Martin, Mayor Charles German, Vice Mayor Jackie Baker & Town Council Members:

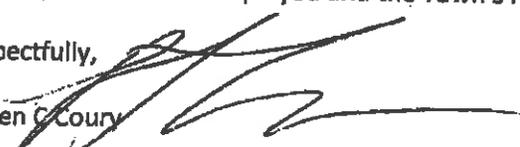
After signing the Payment Plan with the Town of Camp Verde, I had an incident at our Colorado Ranch and I had to immediately go to the ranch to cover for a period of time while the ranch hand recuperated from a broken back.

While I was away, I had a payment come due for my payment plan with the Town of Camp Verde. I was out of town and the my controller (Joan Horton) waited until my return to remind me of the payment due. I had her call immediately and speak with Mike Showers, which she did on Thursday the 4th of December. Mr Showers told her that he had just gotten done sending email to legal to ask what to do. She discussed matters with him, and he told her to bring the check in that was due, that the Town of Camp Verde would continue to honor the deal, that another payment was due on December 22nd, and he would have a bill ready for the next year at that time as well. Mrs. Horton dropped the check off at the town at 7:50 A.M. Friday morning as was agreed between the two of them.

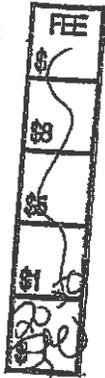
If I cannot keep this Development agreement, I will lose the sale of the Ford Franchise, as they need to lease the building to buy it. The mortgage company needs to be caught up and I need the sale of the Franchise to do this. The mortgage holder used the Development Agreement as part of the Valuation for the real estate. This will make a major change in the valuation, and will, under the terms of the Agreement, call the note due immediately. If I lose the mortgage, then I will need to declare bankruptcy, which places all in a holding process during the bankruptcy hearings, which could be upwards of two (2) years.

I have the ability to pay the balance of this year which at this point is \$6,200. I also have the ability at this point to pay next years invoice of \$10,000.00. I am asking, with hat in hand, that you please accept my cashier's check in the amount of \$16,200.00. I firmly believe that we have had a good relationship with the tax revenue and I have kept revenue and employment for the Town of Camp Verde. I am asking that you allow me to continue to do so, by ensuring I get a good viable tenant in my building that can keep the workers employed and the Town's revenue increasing once again.

Respectfully,


Steven C. Coury

CC Michael J Phalen, Fennemore Craig, PC via email



When recorded, return to:

Town of Camp Verde
PO Box 710
Camp Verde, AZ 86322

3828279 BK 4239 PG 617
Yavapai County, Arizona
Ana Wayman-Trujillo, Recorder
03/07/2005 10:46A PAGE 1 OF 38
TOWN OF CAMP VERDE
RECORDING FEE 19.50
SURCHARGE 0.00
POSTAGE 1.00

Caption Heading: Resolution 2005-631 Annexation and Development Agreement



**RESOLUTION 2005-631
DEVELOPMENT AGREEMENT WITH COURYS**

**A RESOLUTION OF THE TOWN OF CAMP VERDE
APPROVING THE DEVELOPMENT AGREEMENT
BETWEEN THE TOWN AND COURY FOR THE PROPOSED ANNEXATION,
ZONING, AND DEVELOPMENT OF PROPERTY ALONG SR 260, AND
AUTHORIZING THE MAYOR TO EXECUTE THE AGREEMENT.**

RECITALS:

- A. The Town has the authority to enter into development agreements pursuant to ARS §9-500.05.
- B. It is determined in the best interest of the Town that it enters into the development agreement with the Courys for the proposed annexation, zoning and development of their property located along State Route 260.

NOW THEREFORE, BE IT RESOLVED:

1. That the development agreement between the Town and the Courys with the effective date of February 25, 2005 is approved.
2. That the Mayor is authorized to execute the agreement for and on behalf of the Town.

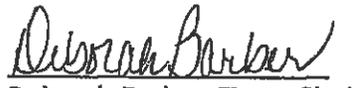
Passed and adopted this 25th day of February 2005.



Mitch Dickinson, Mayor

Date: Feb 25, 2005

Attest:



Deborah Barber, Town Clerk

Approved as to form:



Town Attorney

When recorded, return to:

Debbie Barber, Town Clerk
and Bill Lee, Town Manager
The Town of Camp Verde
P.O. Box 710
473 S. Main St.
Camp Verde, AZ

ANNEXATION AND DEVELOPMENT AGREEMENT

THIS ANNEXATION AND DEVELOPMENT AGREEMENT (this "Agreement") is entered into this 26 day of FEBRUARY, 2005 (the "Effective Date"), by and between the **Town of Camp Verde**, an Arizona municipal corporation (the "Town"), **Steven C. Coury**, a married man dealing with his sole and separate property and **Julie Ann Coury**, a married woman dealing with her sole and separate property (Steven C. Coury and Julie Ann Coury shall be referred to herein as the "Owner"). The Town and Owner are sometimes referred to herein collectively as the "Parties" or individually as a "Party".

RECITALS

A. **WHEREAS**, Steven C. Coury and Julie Ann Coury separately own two parcels of real property comprising a total acreage of 25 acres (the "Property") located in an unincorporated area of Yavapai County, which is legally described in Exhibit A, which is attached hereto and incorporated herein by reference. Steven C. Coury owns and operates an automobile dealership under the name of "Steve Coury Buick/Pontiac/GMC Truck" (the "Dealership") on seven (7) acres of the Property; and

B. **WHEREAS**, The Dealership has made a significant investment on advertising over the past several years to create an image with the consumer that one of the key advantages to purchasing a vehicle at the Dealership is that the purchaser will not pay city sales tax. By agreeing to be annexed into the Town, the Dealership will lose the investment the Dealership has made in advertising the sales tax advantages of purchasing a vehicle at the Dealership and will lose the competitive advantage with the Dealership's customers and competitors that the lack of a city sales tax gives the Dealership. Owner is willing to forego the economic advantage that the lack of a city sales tax gives the Owner by agreeing to permit the Property to be annexed into the Town, in consideration of, and in return for the Town providing Owner certain Economic Incentives for the existing Dealership, as well as for any new development opportunities Owner may bring to the Property and the Town during the term of this Agreement. It is the intent of the Town that the Economic Incentives compensate Owner for a portion of the losses they will incur upon the annexation of the Property into the Town; and

C. WHEREAS, the Parties agree that the current and future development of the Property, as well as the annexation of the Property into the municipal boundaries of the Town, will provide for orderly, controlled and quality growth in the area, will improve and enhance the economic welfare of the residents of the Town, as well as increase the tax revenues to the Town, which revenues would not be generated without such annexation and development or which revenues will likely exceed those which would be generated by alternative uses of the Property; and

D. WHEREAS, the Parties intend that this annexation, the current development of the Property and the proposed future development of the Property will be consistent with and complementary to the Camp Verde General Plan (the "General Plan"); and

E. WHEREAS, the Parties desire that the Property be annexed into the corporate limits of the Town and be developed as an integral part of the Town; and

F. WHEREAS, an annexation proposal has been filed with Yavapai County and meetings and hearing have been held and are being scheduled in connection with the annexation of the Property into the Town; and

G. WHEREAS, the current zoning of the Property under the Yavapai County zoning ordinance is M1-10A. The Owner has requested C3-2A zoning on the property. The Town agrees that C3-2A zoning is appropriate for the Property and that current development is consistent with C3-2A zoning. The Parties further agree that C3-2A zoning is the most appropriate land use designation for the future development of this Property under the terms of this Agreement because it establishes proper land use regulations and sets forth densities and intensities appropriate to support commercial and automotive based retail uses, in context to the location and topography of the Property. Prior to the execution of this Agreement, the Town has held public hearings and received public comment and has otherwise duly considered all such matters; and

H. WHEREAS, one of the Owners has already developed a portion of the Property for automotive based retail uses and the Town is desirous of annexing the Property to increase the tax revenues to the Town arising from and related to the current automotive related uses; and

I. WHEREAS, the Owner intends to develop the Property on the remainder of the Property for additional commercial and automotive based retail uses but desires to develop the Property within the Town in order to ensure adequate and dependable public services to the Property. The Town wishes to annex the Property to exercise proper oversight of the Property as well as the future development of the public infrastructure and municipal services in the Town's long range planning area; and

J. WHEREAS, in the event Owner pursues any future development of the Property and the Owner needs to construct or cause to be constructed certain additional public and private improvements in and around the Property in order to properly serve the Property, including without limitation certain Public Improvements, which Public Improvements the Parties agree may be financed and constructed pursuant to the terms of this Agreement; and,

K. WHEREAS, the Town also has determined that encouraging the development of the Property pursuant to this Agreement will result in significant planning, economic and other public purpose benefits to the Town and its residents by, among other things: (i) possibly providing for the construction of the Public Improvements; (ii) providing for development of the Property consistent with the Town's General Plan; (iii) increasing tax revenues to the Town arising from or relating to the existing and future improvements to be developed on the Property; (iv) creating new jobs and otherwise enhancing the economic welfare of the residents of the Town; and,

L. WHEREAS, the Parties understand and acknowledge that this Agreement is a "Development Agreement" within the meaning of and entered into pursuant to the terms of A.R.S. § 9-500.05, in order to facilitate the annexation, proper municipal zoning designation and development of the Property by providing for, among other things: (i) conditions, terms restrictions and requirements for the annexation of the Property by the Town; (ii) the permitted uses for the Property; (iii) the density and intensity of such uses; and (iv) other matters related to the development of the Property; and the terms of this Agreement shall constitute covenants running with the Property as more fully described in this Agreement; and,

M. WHEREAS, the Parties also understand and acknowledge that this Agreement is authorized by and entered into in accordance with the terms of A.R.S § 9-500.11. The actions taken by the Town pursuant to this Agreement are for economic development purposes as that term is used in A.R.S. §9-500.11, will assist in the creation and retention of jobs, and will otherwise improve or enhance the economic welfare of the residents of the Town.

NOW THEREFORE, in consideration of the above premises, the promises contained in this Agreement and for good and valuable consideration, the receipt and sufficiency of which the Parties acknowledge, the Parties hereto agree as follows:

ARTICLE I PURPOSE AND SCOPE OF AGREEMENT

1.1 Recitals. The Parties represent to one another that the recitals set forth above, which are incorporated herein by reference, are true and correct, and acknowledge that the Parties may rely thereon.

1.2 Purpose. This Agreement is intended to encourage the use and development of the Property for commercial and automotive based retail uses. The Agreement is intended to create incentives to the Owner to bring commercial opportunities to the Property, which might result in its full development as an integrated commercial development, through the construction of private structures and the placement of Public Infrastructure and the location of viable businesses and employment opportunities on the Property. The Parties realize that without the benefits offered to the Owner through this Agreement that the development of this Property to its full potential will take longer and be less successful than with these benefits. The Parties further

understand and agree that in order for the Owner to receive the benefits associated with a particular phase of development under the terms of this Agreement, the Owner must first develop that particular phase of the Property.

1.3 Property. On the date this Agreement is entered into by the Parties, the Property consists of two parcels of real property; (i) the existing developed parcel, which is approximately seven (7) acres in size (the "Developed Parcel"), on which the existing auto dealership is located; and (ii) undeveloped parcels, which collectively are approximately eighteen (18) acres in size (the "Undeveloped Parcel"), along with rights-of-way and streets appurtenant thereto. See Map of Property attached hereto as **Exhibit B-1**. The Parties intend, and the objective of this Agreement is to achieve, the annexation and future development of the Property in furtherance of the goals of the Town's General Plan. The purpose of this Agreement is to create an economic tax incentive to the Owner: (A) to preserve and enhance the existing automobile dealership, (B) to encourage the future and full development of the Property, and (C) to facilitate the construction of new commercial development and Public Infrastructure on and around the Property, within the corporate boundaries of the Town. The Parties understand and expect at some time during the Term of this Agreement that the Arizona Department of Transportation ("ADOT") may elect to widen Highway 260, and in the process, ADOT may take or condemn a portion of the Property. The Owner may acquire a similar amount of acreage adjacent to or in the vicinity of the Property ("New Property") if such an ADOT taking or condemnation were to occur. Therefore, the Parties agree that if the Owner were to lose part of the Property to ADOT, and subsequent adjacent parcels are acquired by Owner, Owner is entitled to request annexation of any New Property acquired by Owner. The New Property, up to the amount acquired by ADOT, will be made a part of this Agreement if annexation is successful. The legal description of the New Property will be appended as **Exhibit A** of this Agreement.

1.4 Economic Incentives. To carryout the objective of this Agreement, **Section 7.1** and the Schedule of Performance attached hereto as **Exhibit B** of this Agreement establish time periods in which: (1) the Owner may actively pursue new commercial and automotive retail based development opportunities for the Property, and (2) the Owner will receive the Economic Incentives from the Town as consideration for Owner agreeing to be annexed into the Town and to reimburse Owner for the risk and investment made in the new commercial and automotive based retail development and any private and Public Improvements.

1.5 Scope. This Agreement is intended to encourage and incentivize the Owner to agree to be annexed into the Town and once annexed, to develop the undeveloped portions of the Property for the benefit of the Owner and the Town. This Agreement and the Schedule of Performance, set forth in **Exhibit B**, are intended to establish goals and incentives for Owner to attempt to achieve in return for the Economic Incentive benefits offered by the Town. The Agreement and Schedule of benefits are not intended to: (i) mandate any additional performance or future development of the Property by the Owner; (ii) penalize Owner for failure to develop within the timelines set forth on the Schedule of Performance, except to authorize the Town to withhold the applicable economic benefit if the Owner fails to bring development to the Property within the timelines set forth on the Schedule of Performance; (iii) limit the Owner's ability to

receive an Economic Incentive vested pursuant to the terms of this Agreement; or (iv) mandate or limit the number of developments that may be placed on the Property.

ARTICLE II DEFINITIONS

The following terms shall have the meanings set forth below whenever used in this Agreement, except where the context clearly indicates otherwise.

- 2.1 **"Agreement"** means this Annexation and Development Agreement, as amended and restated or supplemented in writing from time to time, and includes all exhibits and schedules hereto. References to Articles, Sections or Exhibits are to this Agreement unless otherwise qualified. The Recitals A through M, inclusive, are incorporated herein by reference and form a part of this Agreement but are not intended to expand the scope, number or nature of the Parties' obligations beyond those expressly set forth in the numbered Articles and Sections of this Agreement.
- 2.2 **"Annexation and Zoning Ordinance"** is defined in Section 3.1.
- 2.3 **"Annexation Date"** is the date the Town Council adopts the ordinance annexing the Property, but only if the ordinance becomes final after the annexation of thirty days from the adoption of said ordinance pursuant to A.R.S. § 9-471(D).
- 2.4 **"Applicable Laws"** is defined in Section 3.8.
- 2.5 **"A.R.S."** means the Arizona Revised Statutes as now or hereafter enacted or amended.
- 2.6 **"Certificate of Occupancy"** means a final written acceptance of the completed and inspected development, issued by the Town Council or appropriate administrative staff member of the Town. A Certificate of Occupancy will not be issued until the entire Property or phase thereof is completed in conformance with this Agreement and accepted by the Town.
- 2.7 **"Commencement of Construction"** means the obtaining of a building, excavation, grading or similar permit by Owner for the construction of the subject Improvement.
- 2.8 **"Completion of Construction"** means: (i) the date on which final Certificate of Occupancy has been issued by the Town for any commercial development on the Property; and (ii) for the Public Improvements, acceptance of dedication by the Town Council or appropriate administrative staff member of the Town of the completed Public Improvements for maintenance in accordance with the policies, standards and specifications contained in the applicable Town ordinances, which acceptance shall not be unreasonably withheld, conditioned or delayed.

- 2.9 **“Conceptual Plan”** is defined in Section 3.4.
- 2.10 **“Current”** as it exists as of the Effective Date of the Agreement.
- 2.11 **“Default”** is defined in Section 9.1.
- 2.12 **“Developed Parcel”** is defined in Section 1.3.
- 2.13 **“Development”** means and refers to the development of a multi-phased commercial development the Parties envision being developed and constructed on the Property. The different phases of the Property envisioned by the Parties at the time this Agreement is executed are divided into the following phases:
- (i) The existing Steve Coury Buick/Pontiac Dealership facility (the **“Existing Dealership Phase”**).
 - (ii) The development of future additional commercial and automobile related retail facilities with related site development (the **“Future Commercial Development Phase”**).
- 2.14 **“Economic Incentive”** is defined in Section 7.1
- 2.15 **“Effective Date”** means the date on which the last Party executes this Agreement, as set forth above. The Effective Date shall be no less than thirty (30) days from the date upon which this Agreement has been adopted and approved by ordinance by the Town Council, and shall not occur before the annexation of the Property by the Town has been completed.
- 2.16 **“Improvements”** means any and all improvements that may be constructed within or adjacent to the Property.
- 2.17 **“Improvement District”** means and refers to the district created to finance the design and construction of the public road improvements, public utilities and other onsite and offsite public infrastructure development.
- 2.18 **“Monthly ADR Tax Report”** is defined in Section 7.2.2.
- 2.19 **“New Property”** is defined in Section 1.3.
- 2.20 **“Owner”** is defined in the Introductory Paragraph on page 1 and includes any successor thereto.
- 2.21 **“Owner’s Representative”** is defined in Section 5.3.

- 2.22 "Party" or "Parties" is designated on the first page of this Agreement.
- 2.23 "Property" is defined in Recital A.
- 2.24 "Public Improvements" is defined in Article VI.
- 2.25 "Public Use Assessment" is defined in Section 6.8 of this Agreement.
- 2.26 "Sales Taxes" means for the purposes of this Agreement the two percent (2.0%) general transaction privilege tax imposed under the Tax Code of the Town of Camp Verde and any increase or decrease of such tax during the term of this Agreement imposed on and actually received by the Town during the Rebate Period.
- 2.27 "Sales Tax Rebate" is defined in Section 7.1.1.
- 2.28 "Special Fund" is defined in Section 7.2.2.
- 2.29 "Schedule of Performance" means and refers to that schedule of performance agreed to by the Parties as set forth in Exhibit B attached hereto and incorporated herein by reference.
- 2.30 "Specific Plan of Development" is defined in Section 3.4.
- 2.31 "Taxable Activities" is defined in Section 7.1.1.
- 2.32 "Term" is defined in Section 7.4.
- 2.33 "Undeveloped Parcel" is defined in Section 1.3.

ARTICLE III
ANNEXATION AND DEVELOPMENT PLANNING

3.1 Annexation. The Owner hereby agrees to execute the Town's annexation petition for the Property within one month of the Effective Date of this Agreement. Upon receipt of the Annexation Petition, the Town agrees to comply with the provisions of A.R.S. § 9-471 *et seq.* and, if determined to be in the best interest of the Town, adopt the final ordinance annexing the Property into the corporate limits of the Town. The Town's annexation ordinance ("Annexation and Zoning Ordinance") shall adopt a zoning classification pursuant to Section 3.2, below. The final annexation ordinance shall contain a provision providing to the Owner the unilateral right, but not the obligation to call for the immediate rescission of the annexation ordinance by the Town if: (i) a referendum against the Town challenging the validity of the annexation, the C3-2A zoning designation or this Agreement passes the voters of the Town; (ii) the Town does not grant C3-2A zoning to the Property at the time of the adoption of

the annexation ordinance; or (iii) any Party succeeds in litigation challenging the annexation, the C3-2A zoning designation or this Agreement. The Town expressly acknowledges and agrees that the annexation petition and this Agreement will have been executed and delivered to the Town contingent on the Town's adoption of the ordinance described in the preceding sentence, including the rescission provisions. In addition to the foregoing, in the event the Town has not adopted an ordinance annexing and zoning the Property, as provided herein, on or before June 12, 2005, the Owner may elect to terminate this Agreement by withdrawing any petition(s) for annexation of the Property that may be pending by giving written notice thereof to the Town.

- 3.2 **Zoning.** Concurrently with the approval of the final ordinance annexing the Property into the corporate limits of the Town, pursuant to A.R.S. § 9-471(L), the Town shall adopt zoning classifications which permit densities and uses no greater than those permitted by Yavapai County immediately preceding the annexation. The current zoning of the Property under the Yavapai County zoning ordinance is M1-10A. The Town has previously held public meetings on a Zoning Amendment and has fully complied with all other requirements of A.R.S. § 9-462.04 necessary to adopt municipal zoning upon annexation of the Property, as provided in the Annexation and Zoning Ordinance. After the Annexation and Zoning Ordinance have become final under A.R.S. § 9-471(D), the Property shall be zoned C3-2A, the equivalent Town zoning to the current County zoning.
- 3.3 **General Plan Amendment.** The Town has complied with the provisions of A.R.S. § 9-461.06 regarding an amendment to the General Plan ("General Plan Amendment") that includes the Property and zoning for C3-2A. Should the Town fail to adopt the General Plan Amendment concurrently or prior to the adoption of the Annexation and Zoning Ordinance, this Agreement shall not become effective and neither Party shall have any obligations under this Agreement. Nothing in this Section is intended to limit the discretion of the Town in reviewing, adopting or declining to adopt the General Plan Amendment.
- 3.4 **Conceptual Plan.** The Owner's conceptual plan for the development of the Property includes continuing the existing automobile based retail use located on the Developed Parcel and developing additional commercial opportunities on the Undeveloped Parcels, and in return the Owner will receive Economic Incentives from the Town based on the Schedule of Performance for additional development.
- 3.5 **Specific Plan of Development.** Upon the Owner's procurement of appropriate commercial development opportunities for all or any portion of the Property, the Owner shall submit to the Town a proposed "Specific Plan of Development" for the Property, in accordance with normally applicable Town submission requirements for such applications. The Specific Plan of Development shall guide development of that portion of the Property upon approval of by the Town.

3.6 **Commercial Subdivision.** Upon the Owner's procurement of an appropriate commercial development opportunity for the Property, the Owner shall submit to the Town a preliminary plat and supplemental materials for the subdivision of the Property in accordance with normally applicable Town submission requirements for such applications. The Owner diligently shall pursue to completion, subject to the Town's customary review and approval process, the preparation and approval by the Town of a final plat for the subdivision of the Property, such final plat to be recorded in the official records of Yavapai County, Arizona, prior to the Commencement of Construction of the Property or any phase thereof.

3.7 **Amendments.** The Parties acknowledge that when and if Owner submits any Specific Plan of Development, that it constitute the vision of the Parties for the future commercial development of the Property but that it shall not mandate that Owner actually bring the commercial development to the Property or to otherwise perform in a particular manner. Therefore, the Parties recognize that it may be necessary from time to time to amend any Specific Plan of Development the Owner may submit to the Town, in order to reflect changes in market conditions and development financing and/or to meet the new requirements of one or more of the potential users of any part of the Property. If after the Town Council has accomplished the necessary review and approvals of the Specific Plan of Development and the Parties find that changes or adjustments are necessary or appropriate, any such changes or amendments shall be subject to review and approval by the Town Council in accordance with the customary review and approval process.

3.8 **Applicable Laws.** For the purposes of this Agreement, the term "Applicable Laws" means the federal, state, county and Town laws (statutory and common law), rules, regulations, permit requirements, development fees (adopted in accordance with A.R.S. § 9-463.05), and ordinances of the Town which apply to the development of the Property or any phase thereof, at the time of construction. The development of the Property will be subject to the 2003 International Building Codes as adopted by the Town, with local amendments.

3.8.1 **Permissible Additions to the Applicable Rules.** Notwithstanding the provisions of Section 3.8 above, the Town may enact the following provisions, and take the following actions, which shall be applicable to and binding on the development of the Property.

3.8.1.1 Future land use ordinances, rules, regulations, permit requirements and other requirements and official policies of the town, excluding development fees or exactions, which are applicable to all similarly-zoned property in the Town and not contrary to the existing land use regulations established in Section 3.8, provided such land use ordinances, rules,

regulations, permit requirements, and other requirements and official policies shall not impair the Owner's ability to develop the Property in the manner provided in this Agreement.

- 3.8.1.2** Future land use ordinances, rules, regulations, permit requirements and other requirements and official policies of the Town enacted as necessary to comply with mandatory requirements imposed on the Town by the county, state or federal laws and regulations, court decisions, and other similar superior external authorities beyond the control of the Town, provided that in the event any such mandatory requirement prevents or precludes compliance with this Agreement, if permitted by law, such affected provision of this Agreement shall be modified as may be necessary to achieve minimum permissible compliance with such mandatory requirements.
- 3.8.1.3** Future generally applicable ordinances, rules, regulations and permit requirements (but excluding new development fees or exactions) of the Town reasonably necessary to alleviate legitimate severe threats to public health and safety, in which event any ordinance, rule, regulation, permit requirement or other requirement or official policy imposed in an effort to contain or alleviate such a legitimate severe threat to public health and safety shall be the most minimal and least intrusive alternative practicable and, except in a bona fide emergency, may be imposed only after public hearing and comment and shall not, in any event, be imposed arbitrarily or in a discriminatory fashion.
- 3.8.1.4** Future updates of, and amendments to, existing building, plumbing, mechanical, electrical, dangerous buildings, drainage and similar construction and safety-related codes, such as the Uniform Building Code, which updates and amendments are generally by a nationally recognized construction/safety organization, such as the International Conference of Building Officials ("ICBO"), or by the county, state or federal governments, provided such code updates and amendments shall be applied in the most minimal and least intrusive manner which is practicable under the circumstances.
- 3.8.1.5** Amendments to such construction and safety codes generated by the Town for the purposes of conforming such codes to the conditions generally existing in the Town, provided that such code amendments shall be applied in the most minimal and least intrusive manner which is practicable under the circumstances.

ARTICLE IV FUTURE AND EXISTING LAND USE

4.1. **Non-Conforming Uses.** As of the Effective Date of this Agreement, all legally commenced uses, all existing buildings, and all other structures existing on the Property shall be deemed to be legally nonconforming uses (sometimes referred to as "grandfathered uses") and shall be entitled to all rights granted to nonconforming uses under all Applicable Laws. The current and future owners of the Property shall be fully entitled to and shall enjoy said nonconforming rights as to all such zoning, structures, buildings, uses, parking, and all other relevant regulations set forth in Applicable Law. All structures and improvements built after annexation and significant expansions of existing structures as defined in the Town Code must be built to Town Zoning and Code requirements.

4.2. **Rezoning.** At any time during the Term of this Agreement, if a Town approved Specific Plan of Development demonstrates that the Property, or any portion thereof, requires different zoning than is designated for the Property at that time, the Town agrees to initiate procedures to change the zoning to an appropriate designation(s) consistent with the Specific Plan of Development in a manner then set forth in the Town's zoning ordinance for amendments. Following the redesignation of the Property to C3-2A pursuant to the terms of the Town's annexation ordinance, the Town shall not initiate any changes or modifications to the zoning of the Property during the Term of this Agreement, except at the request of the Owner and upon filing of the proper paperwork and fees or as required by Applicable Laws.

4.3. **Fee Waivers.** The Town hereby agrees to waive any and all application and processing fees related to the rezoning or land entitlement processes applicable to the Property. In addition, the Town agrees to waive any building or permit fees for any new buildings constructed on the Property within forty-eight (48) months of the Effective Date of this Agreement, provided this Agreement remains in effect at the time.

ARTICLE V OWNER'S DEVELOPMENT SCHEDULE, PROCESS AND COMPLETION OF IMPROVEMENTS

5.1. **Approvals.** The Town hereby agrees that, in connection with any requests for approval relating to the development of the Property and the construction of any Public Improvements that only the standard plan or review requirements will be imposed on the Owner.

5.2. **Review and Inspection Process.** The Town acknowledges and agrees that in the event that Owner proposes any development of the Property, that the Town will provide an expedited review and construction inspection process, as may be necessary for that particular proposed development, in accordance with the terms in Section 5.4. Accordingly, the Parties agree that if at any time Owner believes an impasse has been reached with the Town staff on any

issue affecting the Property, Owner shall have the right to immediately appeal to the Town Manager for an expedited decision pursuant to this Section 5.

5.3 Appointment of Representative. In order to help expedite decisions by the Town relating to the development of the Property, the Town agrees to designate a representative ("Town Representative") of the Town to act as a liaison between the Town and the Owner and between the various departments of the Town and the Owner. The Town Representative shall be available at all reasonable times to serve as such liaison, it being the intention of this Section 5.3 to provide the Owner with one individual as the Town's principal representative with respect to the development of the Property. The Owner shall also designate a representative ("Owner's Representative") who shall serve as a liaison between the Property and the Town. The initial Town Representative shall be Will Wright, Community Development Director, and the initial Owner Representative shall be Steve Coury. The Parties may change their respective representatives at any time, by giving notice to the other Party as provided in Section 10.4.

5.4 Owner Assistance. Notwithstanding anything contained herein to the contrary, the Owner acknowledges that the Town may not have sufficient number of personnel to implement an expedited development review and/or expedited construction inspection process. In the event the Owner gives notice to the Town electing to have the Town implement an expedited development review and/or construction inspection process, and the Town responds in writing stating that it does not have the personnel or resources to provide the expedited review or inspection, then the Owner shall engage at its cost such private independent consultants and advisors as are approved by the Town to assist it in the review and/or inspection process; provided, however, that such consultants and advisors shall take instruction from, be controlled by, and be responsible to the Town rather than the Owner and provided further that, to the extent the Town elects to use its own personnel and the Town incurs overtime and similar charges, the Owner shall be responsible only for incremental overtime costs incurred above the Town's ordinary operation expenses for such personnel.

5.5 Certificate of Occupancy. Promptly after final Completion of Construction of any Improvements on the Property approved by the Town, following the inspection and approval of the Improvements, the Town shall furnish to the Owner a Certificate of Occupancy certifying that the construction of the Improvements has been completed. Upon issuance of the Certificate of Occupancy, the Owner may record the Certificate of Occupancy in the Office of the Yavapai County, Arizona Recorder. In the event that the Town refuses or fails to provide the Certificate of Occupancy, the Town shall, within five (5) business days after written request by the Owner issue a written statement indicating in adequate detail why the Certificate of Occupancy was not issued by the Town and what measures or acts the Town requires of Owner before the Town will issue the Certificate of Occupancy.

ARTICLE VI PUBLIC IMPROVEMENTS

6.1 **Public Improvements.** If the Owner proposes to develop the Property, pursuant to A.R.S. §34-201(L), the Town may impose additional conditions to the development, as authorized by A.R.S. § 9-463.01, and the Owner shall design, construct or cause to be constructed and dedicated to the Town the Public Improvements subject to the terms and conditions of this Agreement.

6.2 **Construction and Phasing.** Any Public Improvements required to support the development of all or any portion of the Property may be constructed in phases in accordance with the Specific Plan of Development and Schedule of Performance.

6.3 **Design, Bidding, Construction and Dedication.** Any Public Improvements that are financed by the Parties pursuant to an Improvement District shall be designed, publicly bid, constructed and dedicated in accordance with Applicable Laws, including without limitation all Town procurement and bidding procedures.

6.4 **Town Review and Approval of Plans; Financial Assurances.** The Owner recognizes that its development and construction of the Public Improvements pursuant to this Agreement is subject to the Town's normal plan submittal, review and approval processes, day-to-day inspection services, and the financial assurance requirements. The Town will use its best efforts to expedite its regulatory processes, including but not limited to zoning, plat, use permit, variance, design review and building permit processes, subject to the terms of Article 5 of this Agreement.

6.5 **Payment of Public Improvement Costs.** The Owner shall pay all Public Improvement Costs as the same become due, subject to Section 6.7 of this Agreement, if applicable, as a partial consideration for the Economic Incentive payments described in Section 7.1 of this Agreement.

6.6 **Dedication, Acceptance and Maintenance of Public Improvements.** Public Improvements are defined herein as streets, utilities, parking facilities, drainage facilities, storm water retention facilities and other on-site and off-site infrastructure including but not limited to water and sewer delivery and treatment facilities, that are or will be owned and/or operated by the Town or an Improvement District appropriately formed to conduct or provide such services (the "Public Improvements"). At such time as any Public Improvements are completed, then upon written request of Owner, the Town or Improvement District shall accept dedication of such Public Improvements in accordance with Applicable Laws and upon such reasonable and customary conditions as the Town or Improvement District may impose, including without limitation a two (2) year workmanship and materials contractor's warranty. Upon acceptance, the Public Improvements shall become public facilities and property of the Town or Improvement District and the Town or Improvement District shall be solely responsible for all subsequent maintenance, replacement or repairs; and (except for matters covered by express warranties provided to the Town or Improvement District), the Town or Improvement District shall bear all risk of loss, damage or failure to such Public Improvements, and shall indemnify the Owner and its affiliates, members, managers, agents and representatives, against any claims arising after the Town or Improvement District's acceptance of the Public

Improvements. Until accepted by the Town or Improvement District, Owner shall bear all risk of loss, damage, or failure to the Public Improvements constructed by the Owner and shall indemnify the Town or Improvement District and its officials, employees and Town Council members or Improvement District Board members, from and against any third party claim for bodily injury or loss or damage to tangible or intangible property caused, in whole or in part by negligent or willful acts or omissions of Owner or any of Owner's contractors agents or employees arising out of the design, construction, maintenance and repair of the Public Improvements which may occur, exist or arise prior to acceptance of the Public Improvements by the Town or Improvement District, but shall not include any negligent or willful acts or omissions of the Town or the Improvement District.

6.7 **Creation of Improvement District.** When and if the Owner decides to develop all or a portion of the Property, the Owner shall submit or cause to be submitted to the Town preliminary plans and specifications for the Public Improvements necessary to serve the Property for review and approval. Once the requisite Public Improvement Plans have been prepared by the Owner and approved by the Town, the Parties may agree to use their reasonable efforts to form one or more improvement districts (the "Improvement District"), or such other infrastructure financing mechanism the Parties may subsequently agree to, to finance the design and construction of on-site and off-site Public Improvements to serve the Property. The Parties understand and agree that the purpose of any Improvement District or other financing mechanism that the Parties may subsequently agree to, is to raise funds through the issuance of bonds to finance the construction of the required Public Improvements, and that the bonds will be repaid through assessments imposed against parcels, or any leasehold interests therein, within the Improvement District boundaries. The Owner herein agrees to pay its pro-rata share of the assessments levied by any Improvement Districts that are formed.

6.8 **Public Use Assessment.** In addition to the foregoing and in consideration for the initial imposition the Property will have at annexation on Town services, the Owner hereby agrees to pay the Town an annual assessment fee of no less than ten thousand dollars (\$10,000.00) ("Public Use Assessment"). This Public Use Assessment shall be made annually, prior to the end of the calendar year, through the Term of this Agreement.

ARTICLE VII ECONOMIC INCENTIVES

7.1 **Incentives to Owner.** The Town has determined that the future development of the Property: (i) will substantially enhance the economic health of the Town; (ii) will result in a net increase or retention of jobs in the Town; (iii) will add to the Town's tax base; (iv) will otherwise improve or enhance the economic welfare of the residents or businesses of the Town; (v) would not otherwise occur in this portion of the Town without these incentives; and (vi) demonstrates the potential to generate revenues and other benefits to the Town, which outweigh or are not disproportionate to the cost associated with these incentives. The Sales Tax Rebates are being offered by the Town as an inducement to Owner to consent to the annexation of the Property into the Town and for the purpose of offsetting Owner's future development and

Public Improvement costs to develop future phases of the Property and in partial consideration of the undertaking of the Owner's obligations under this Agreement. The Developed Parcel Sales Tax Rebate, the Second Dealership Sales Tax Rebate the Undeveloped Parcel Sales Tax Rebate, and the lease or rental of real property sales tax rebate are collectively referred to herein as the "Sales Tax Rebate" (also referred to herein as the "Economic Incentives"). The Developed Parcel Sales Tax Rebate Period, the Second Dealership Sales Tax Rebate Period and the Undeveloped Parcel Sales Tax Rebate Period are collectively referred to herein as the "Sales Tax Rebate Period". Therefore, in recognition of these benefits to the citizens of the Town of Camp Verde as set forth in this Section, the Town shall make the following payments and rebates to and on behalf Owner:

7.1.1 Sales Tax Rebate. The Town shall rebate and pay to Owner fifty percent (50%) of the current two percent (2%) ("Excise Sales Taxes") and any increase or decrease of such tax during the term of this Agreement imposed on and actually received by the Town for retail sales activities occurring within the Property (the "Taxable Activities") during the Rebate Period, and one hundred percent (100%) of the current two percent (2%) sales tax on the lease or rental of real property imposed on the Property (or any part thereof) and any increase or decrease of such tax during the Rebate Period term of this Agreement, provided that the Owner (as defined herein) has at least a fifty percent (50%) interest in the tenant entity. These rebates shall include:

- **Developed Parcel Sales Tax Rebate.** Fifty Percent (50%) of the current two percent (2%) of any and all Excise Sales Taxes and any increase or decrease of such tax during the term of this Agreement generated on the Developed Parcel and collected by the Town in any fiscal year (July 1st through June 30th), or portion thereof, so long as an auto dealership is operated thereon (the "Developed Parcel Sales Tax Rebate"), commencing upon the Town Council's adoption of the annexation ordinance for this Property and continuing for a period of two hundred and forty (240) months thereafter (the "Developed Parcel Sales Tax Rebate Period").
- **Second Auto Dealership Sales Tax Rebate.** If, in accordance with the Schedule of Performance, the Owner develops a second auto dealership (the "Second Dealership") on all or portion of the Undeveloped Parcel within forty-eight (48) months of the Effective Date of this Agreement, then fifty percent (50%) of the current two percent (2%) of any and all Excise Sales Taxes and any increase or decrease of such tax generated by the Second Dealership and collected by the Town in any fiscal year (July 1st through June 30th) or portion thereof (the "Second Dealership Sales Tax Rebate"), commencing upon the Town's issuance of a certificate of occupancy for the Second Dealership and continuing for a period of two hundred and forty (240) months thereafter, so long as an auto dealership is operated thereon (the "Second Dealership Sales Tax Rebate Period").

- **Undeveloped Parcel Sales Tax Rebate.** Fifty percent (50%) of the current two percent (2%) of any and all Excise Sales Taxes and any increase or decrease of such tax generated on all or a portion, except as to any portion of the Undeveloped Parcel developed as a Second Dealership, if any, and collected by the Town in any fiscal year (July 1st through June 30th), or portion thereof (the "Undeveloped Parcel Sales Tax Rebate"), commencing upon the Town's issuance of a Certificate of Occupancy on any development commenced on all or a portion of the Undeveloped Parcel in accordance with the Schedule of Performance, but no later than one hundred twenty (120) months after the Effective Date of this Agreement and continuing for a period not to exceed two hundred and forty (240) months thereafter (the "Undeveloped Parcel Sales Tax Rebate Period").
- **Sale or Lease of Real Property Tax Rebate.** One hundred percent (100%) of the current two percent (2%) sales tax on the lease or rental of real property within the Property and any increase or decrease of such tax (the "Sale or Lease of Real Property Tax Rebate"), commencing upon the Town Council's adoption of the annexation ordinance and continuing for a period of two hundred forty (240) months thereafter (the "Sale or Lease of Real Property Tax Rebate Period").

7.1.2 Independence of Economic Incentives. Owner may independently choose to develop none, all or portions of the Undeveloped Parcel pursuant to the **Exhibit B** Schedule of Performance in order to obtain the economic incentives related thereto. Failure to bring a Second Dealership or to develop any portion does not preclude development of any other portion, nor does it preclude Owner from gaining the benefit of the Economic Incentives set forth herein, except as specifically stated herein. Owner's failure, inability or decision not to develop all or any portion of the Property shall not constitute a breach or default under this Agreement.

7.1.3 Identification Change Incentive. The Owner will incur as the result of annexation of the Property into the Town of Camp Verde certain expenses associated with changing the locational identity of the existing businesses currently occupying the Property. The Town, upon the annexation ordinance for this Property becoming final, pursuant to the provisions of A.R.S. § 9-471(D), will make a one-time incentive payment to the Owner in the amount of ten thousand dollars (\$10,000) to help defray the cost associated with this identification change within ninety (90) days of passage of the Annexation Ordinance.

7.2 Incentive Obligation of the Town.

7.2.1 Incentive Amounts. The Town hereby agrees to pay the monies generated by the Sales Tax Rebates to Owner in accordance with the terms of this Section 7 as an Economic Incentive under this Agreement in connection with the annexation of the Property and the future development of the Property. The Town shall make such payments pursuant to periodic economic incentive payments (the "Economic Incentive Payments") to the Owner under Section 7.2.3 of this Agreement.

7.2.2 Allocation and Deposit of Revenues. The Town shall create a special account (the "Special Fund") that is segregated from other Town accounts and funds and shall deposit the Sales Tax Rebate monies in the Special Fund and hold them in constructive trust for the benefit of the Owner for the purposes of paying Owner the payment obligations of this Agreement. The monies held in the Special Fund shall be deposited in an interest bearing account.

- (a) **Deposit of Sales Taxes.** The first deposit of Sales Tax Rebate monies into the Special Fund shall be made after the annexation ordinance for the Property becomes final and within thirty (30) days following the Town's receipt of its first monthly transaction privilege tax report from the Arizona Department of Revenue (the "Monthly ADR Tax Report") listing Excise Sales Taxes actually received by the Town from any Taxable Activities on the Property. Subsequent deposits of the Sales Tax Rebate monies shall be made within thirty (30) days following the Town's receipt of each subsequent Monthly ADR Tax Report until the expiration of the applicable Sales Tax Rebate Period.
- (b) **Vesting of the Economic Incentive.** The Economic Incentive for the Developed Parcel shall be deemed to vest to the benefit of the Owner after the annexation ordinance for the Property becomes final and the Owner's right to receive the Economic Incentive shall accrue when the Excise Sales Taxes are actually received by the Town from any Taxable Activities on the Developed Parcel. The Economic Incentive for that portion or portions of the Undeveloped Parcel that have received a timely Certificate of Occupancy from the Town shall be deemed to vest to the benefit of the Owner on the date the Owner receives a Certificate of Occupancy from the Town and the Owner's right to receive the Economic Incentive shall accrue when the Excise Sales Taxes are actually received by the Town from any Taxable Activities on that corresponding portion of the Undeveloped Parcel.
- (c) **Payment of Allocated Revenues Received by the Town.** The Town Administrator (or his designee) shall pay the Economic Incentive Payment for each quarter (or partial quarter if applicable) with respect to the Property.

- (d) **Computation and Report of Revenues.** Within forty-five (45) days following the end of each Town fiscal year, the Town will deliver to the Owner a statistical report of all Excise Sales Taxes generated from Taxable Activities within the Property ("**Computation and Report of Revenues**"). Such report shall specifically identify any offsets, credits, exclusions or other deductions from the Excise Sales Taxes generated by or attributable to the Property, which have been utilized by the Town in computing the Economic Incentive Payments for the purposes of this Agreement.
- (e) **Audit and Contest.** Owner shall have the right to audit and contest the Town Administrator's (or his designee's) determination of the Economic Incentive Payment amount owed to Owner for each quarter (or partial quarter if applicable) with respect to the Property, and of the Town's Computation and Report of Revenues, as determined pursuant to Section 7.3.2(c) and (d), above .

7.2.3 Quarterly Economic Incentive Payments. The Economic Incentive Payments shall be paid by the Town to Owner from the Special Fund on a quarterly basis (the "**Allocated Revenues**"). The first Economic Incentive Payment shall be made by the Town to the Owner within forty-five (45) days after the Town's receipt of its first Monthly ADR Tax Report after the date the annexation ordinance for the Property becomes final. Thereafter, Economic Incentive Payments shall be made by the Town to the Owner within thirty (30) after the end of every calendar quarter until the end of the applicable Sale Tax Rebate Period.

7.2.4 Limitations on Payments to Owner. The Town shall in no event be required to pay to or on behalf of Owner, with respect to any period, any amount greater than the Allocated Revenues actually received by the Town in or prior to such period and credited (or which properly should have been credited) to the Special Fund.

7.3 Assignment. The Town agrees that Owner shall have the right to separately assign from time to time all or portions of the Economic Incentives that the Owner has the right to receive from the Town (or Owner's right to receive all or portions of the Economic Incentive Payments) to the Owner's heirs, devisees, assignees, transferees and successors, with respect to the all or portions of the Property to which the applicable Economic Incentives are attributable, provided that any such assignee shall own all or a portion of the Property. Owner shall provide the Town with copies of all such assignments, and the Town thereupon shall make such Economic Incentive Payments to such assignees in accordance with the terms of the assignments, and such assignees shall have the right to enforce their respective rights to receive such Economic Incentive Payments to the same extent as Owner. Nothing contained in this Section 7.3 shall be deemed to relieve Owner from making all required applications to or with the Town, or from obtaining all required permits and approvals, in connection with any proposed construction on or development of the Property, subject to the terms and conditions of this Agreement.

7.4 **Term.** Unless terminated earlier pursuant to the terms of this Agreement, the Term of this Agreement shall expire on the thirtieth (30th) anniversary of the Effective Date (the "Term").

ARTICLE VIII INDEMNITY AND RISK OF LOSS

8.1 **Indemnity by the Owner.** The Owner shall pay, defend, indemnify and hold harmless the Town and its Town Council members, officers, employees and agents from and against all claims, demands, fines, penalties, costs, expenses, damages, losses, obligations, judgments, liabilities, and suits (including reasonable attorneys' fees, experts' fees and court costs associated) which arise from or relate in any way to any negligent or willful acts or omissions by the Owner, or its employees, contractors, subcontractors, agents or representatives, undertaken in fulfillment of the Owner's obligations under this Agreement; provided however, that the provisions of this Section 8.1 shall not apply to any loss or to any instance in which a claim is asserted based, in whole or in part, upon an act or omission of the Town, its employees, contractors, subcontractors, agents or representatives. The foregoing indemnity obligations of the Owner shall survive the expiration or termination of this Agreement for a period equal to the applicable statute of limitations period.

8.2 **Indemnity by the Town.** The Town shall pay, defend, indemnify and hold harmless the Owner and their respective partners, shareholders, officers, managers, members, agents and representatives from and against all claims, demands, fines, penalties, costs, expenses, damages, losses, obligations, judgments, liabilities and suits (including reasonable attorneys' and experts' fees and court costs associated) which arise from or which relate in any way to any negligent or willful act or omission by the Town, its employees, contractors, subcontractors, agents or representatives, undertaken in fulfillment of the Town's obligations under this Agreement; provided however, that the provisions of this Section 8.2 shall not apply to any loss or to any instance in which a claim is asserted based, in whole or in part, upon an act or omission of the Owner and/or its Affiliates, or the respective agents, employees, contractors, subcontractors or representatives. The foregoing indemnity obligations of the Town shall survive the expiration or termination of this Agreement for a period equal to the applicable statute of limitations period.

8.3 **Risk of Loss.** The Owner assumes the risk of any and all loss, damage or claims to any portion of the Public Improvements unless and until title to the Public Improvements is transferred to the Town. At the time title to the Public Improvements is transferred to the Town by dedication deed, plat recordation, or otherwise, the Owner will, to the extent allowed by law, assign to the Town any unexpired warranties relating to the design, construction and/or composition of such Public Improvements. Acceptance of the Public Improvements shall be conditioned on the Town's receipt of a two (2) year warranty of workmanship, materials and equipment, in form and content reasonably acceptable to the Town, provided however that such warranty or warranties may be provided by the Owner's contractor or contractors directly to the Town and (in that instance) are not required from the Owner, and that any such warranties shall

extend from the date of completion of any Public Improvement, any component thereof, or the work of any specific trade or contractor, as applicable.

8.4 Town Representations. The Town represents and warrants to the Owner that:

8.4.1 The Town has the full right, power and authorization to enter into and perform this Agreement and each of Town's obligations and undertakings under this Agreement, and the Town's execution, delivery and performance of this Agreement have been duly authorized and agreed to in compliance with the requirements of the Town Code.

8.4.2 All consents and approvals necessary to the execution, delivery and performance of this Agreement have been obtained, and no further action needs to be taken in connection with such execution, delivery and performance.

8.4.3 The Town will execute and acknowledge when appropriate all documents and instruments and take all actions necessary to implement, evidence and enforce this Agreement.

8.4.4 The Town knows of no litigation, proceeding, initiative, referendum, investigation or threat of any of the same contesting the powers of the Town or its officials with respect to this Agreement, which has not been disclosed in writing to the Owner.

8.4.5 This Agreement (and each undertaking of the Town contained herein), constitutes a valid, binding and enforceable obligation of the Town, enforceable according to its terms, except to the extent limited by bankruptcy, insolvency and other laws of general application affecting creditors' rights and by equitable principles, whether considered at law or in equity. The Town will use reasonable efforts to defend the validity and enforceability of this Agreement in the event of any proceeding or litigation arising from its terms that names the Town as a party or which challenges the authority of the Town to enter into or perform any of its obligations hereunder. The severability and reformation provisions of Section 10.9 shall apply in the event of any successful challenge to this Agreement.

8.4.6 The execution, delivery and performance of this Agreement by the Town is not prohibited by, and does not conflict with, any other agreements, instruments or judgments or decrees to which the Town is a party or is otherwise subject.

8.4.7 The Town has been assisted by counsel of its own choosing in connection with the preparation and execution of this Agreement.

8.5 Owner Representations. The Owner represents and warrants to the Town that:

8.5.1 The Owner has the full right, power and authorization to enter into and perform this Agreement and of the obligations and undertakings of the Owner this Agreement, and the execution, delivery and performance of this Agreement by the Owner has been duly authorized and agreed to in compliance with the organizational documents of Owner.

8.5.2 All consents and approvals necessary to the execution, delivery and performance of this Agreement have been obtained, and no further action needs to be taken in connection with such execution, delivery and performance.

8.5.3 The Owner will execute and acknowledge when appropriate all documents and instruments and take all actions necessary to implement, evidence and enforce this Agreement.

8.5.4 As of the date of this Agreement, the Owner knows of no litigation, proceeding or investigation pending or threatened against or affecting the Owner, which could have a material adverse affect on the Owner's performance under this Agreement, which has not been disclosed in writing to the Town.

8.5.5 This Agreement (and each undertaking of the Owner contained herein) constitutes a valid, binding and enforceable obligation of the Owner, enforceable according to its terms, except to the extent limited by bankruptcy, insolvency and other laws of general application affecting creditors' rights and by equitable principles, whether considered at law or in equity. The Owner will use reasonable efforts to defend the validity and enforceability of this Agreement in the event of any proceeding or litigation arising from its terms that names the Owner as a party or which challenges the authority of the Owner to enter into or perform any of its obligations hereunder. The severability and reformation provisions of Section 10.9 shall apply in the event of any successful challenge to this Agreement.

8.5.6 The execution, delivery and performance of this Agreement by the Owner is not prohibited by, and does not conflict with, any other agreements, instruments, judgments or decrees to which the Owner is a party or to which the Owner is otherwise subject.

8.5.7 The Owner has not paid or given, and will not pay or give, any third party any money or other consideration for obtaining this Agreement other than normal costs of conducting business and costs of professional services such as the services of architects, engineers and attorneys.

8.5.8 The Owner has been assisted by counsel of its own choosing in connection with the preparation and execution of this Agreement.

**ARTICLE IX
DEFAULT; REMEDIES; TERMINATION**

9.1 Default. A Party hereunder shall be deemed to be in default under this Agreement if such Party breaches any obligation required to be performed by the respective Party hereunder within any time period required for such performance, and such breach continues for a period of ninety (90) days after written notice thereof from the nondefaulting Party ("**Default**"); provided, however, if the breach cannot reasonably be cured within such ninety (90) day period, then the Party shall be in default if it fails to commence the cure of such breach within the ninety (90) day period and diligently pursue the same to completion. Absent written agreement to the contrary, if such breach is not cured within the additional ninety (90) day period, this Agreement may be terminated, at the sole and absolute discretion of the non-breaching Party.

9.2 Dispute Resolution. If a dispute arises out of or relates to this Agreement, or the breach thereof, and if the dispute cannot be settled through negotiation, the Parties agree first to try to settle the dispute through mediation before resorting to arbitration, litigation or some other dispute resolution procedure. In the event that the Parties cannot agree upon the selection of a mediator within seven (7) days, either Party may request the presiding judge of the Superior Court of Yavapai County to assign a mediator from a list of mediators maintained by the Arizona Municipal Risk Retention Pool.

9.3 No Personal Liability. No member, official, employee or agent of the Town shall be personally liable to the Owner, or any successor or assignee, (a) in the event of any default or breach by the Town, (b) for any amount which may become due to the Owner or its successor or assign, or (c) pursuant to any obligation of the Town under the terms of this Agreement.

9.4 Owner's Remedies. In the event the Town is in breach under this Agreement and fails to cure any such breach within the time period required as set forth in Section 9.1 above, then, in that event, in addition to pursuing any and all other legal and equitable remedies which the Owner may have against the Town, the Owner may elect to terminate this Agreement by written notice delivered to the Town; provided, however, that any such termination shall not affect, and this Agreement and any Economic Incentives granted pursuant to this Agreement, shall continue in full force and effect with respect to those portions of the Property that have been previously developed by Owner and/or upon which Improvements have been constructed or substantial construction has commenced and upon which the applicable Economic Incentives have vested, and the Owner shall continue to make payments pursuant to Section 6.8 of this Agreement. In the event the Town defaults in its obligation to timely pay the Economic Incentive Payments to the Owner, the Town shall pay a default interest rate at the statutory ten percent (10%) rate of interest on the unpaid amounts, until Owner is paid in full.

9.5 Town's Remedies. In the event that the Owner is in breach under this Agreement and the Owner thereafter fails to cure any such breach within the time period described in Section 9.1 above, then the Town shall have the right to automatically terminate this Agreement

If to Owner: Steve Coury Buick Pontiac and GMC Trucks, Inc.
Attn: Steven C. Coury and Julie Ann Coury
P.O. Box 1889
6101 E Coury Drive
Hwy 260 & Coury Drive
Cottonwood, AZ 86326

With copies to: Michael J. Phalen
Fennemore Craig, P.C.
3003 North Central Avenue, Suite 2600
Phoenix, Arizona 85012

Or to such other addresses as any Party hereto may from time to time designate in writing and deliver in a like manner. Notices, approvals and other communications provided for herein shall be deemed delivered upon personal delivery, within twenty-four (24) hours following deposit with a nationally recognized overnight courier, or within forty-eight (48) hours following deposit with the United States mail, certified with return receipt requested, as hereinabove provided, prepaid and addressed as set forth above.

10.5 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Arizona. This Agreement has been made and entered into in Yavapai County, Arizona.

10.6 Successors and Assigns. Except as set forth in Section 7.3, this Agreement shall run with the land and all of the covenants and conditions set forth herein shall inure to the benefit of and be binding upon the successors and assigns of the Parties hereto.

10.7 Waiver. No waiver by either Party of any breach of any of the terms, covenants or conditions of this Agreement shall be construed or held to be a waiver of any succeeding or preceding breach of the same for any other term, covenant or condition herein contained.

10.8 Attorneys' Fees. In the event of any actual litigation between the Parties in connection with this Agreement, the Party prevailing in such action shall be entitled to recover from the other Party all of its costs and fees, including reasonable attorneys' fees, which shall be determined by the court and not by the jury.

10.9 Limited Severability. The Town and the Owner each believes that the execution, delivery and performance of this Agreement is in compliance with all Applicable Laws. However, in the unlikely event that any phrase, clause, sentence, paragraph, section, article or other portion of this Agreement is declared void or unenforceable (or is construed as requiring the Town to do any act in violation of any Applicable Laws, constitutional provision, law, regulation, Town Code), such provision shall be deemed severed from this Agreement and this Agreement shall otherwise remain in full force and effect; provide that this Agreement shall retroactively be deemed reformed to the extent reasonably possible in such a manner so that the reformed agreement (and any related agreements effective as of the same date) provide

essentially the same rights and benefits (economic or otherwise) to the Parties as if such severance and reformation were not required. The Parties further agree, in such circumstances, to do all acts and to execute all amendments, instruments and consents necessary to accomplish and to give effect to the purposes of this Agreement, as reformed.

10.10 Schedules and Exhibits. All schedules and exhibits attached hereto are incorporated herein by this reference as though fully set forth herein.

10.11 Entire Agreement. This Agreement constitutes the entire agreement between the Parties hereto pertaining to the subject matter hereof and all prior and contemporaneous agreements, representations, negotiations and understandings of the Parties hereto, oral or written, are hereby superseded.

10.12 Recordation of Agreement. This Agreement shall be recorded in the Official Records of Yavapai County, Arizona, within ten (10) days after its approval and execution by the Town. However, the Agreement shall not become effective until thirty (30) days from the date after approval by Town Council.

10.13 Assignment or Notice of Conveyance. Subject and in addition to the provisions of this Agreement, Owner shall have the right to assign and to collaterally assign all or a portion of Owner's right under this Agreement, including but not limited to Owner's right to receive all or any portion of the Economic Incentives, provided that any such assignee shall be the owner of the Property or a lender that has advanced funds to improve the Property. The Owner must give notice to the Town of any sale of the entire Property or any portion thereof, at least ten (10) days prior to the effective date of the sale.

10.14 No Third Party Beneficiaries. There are no third party beneficiaries to the Agreement, and no person or entity not a Party will have any right or cause of action.

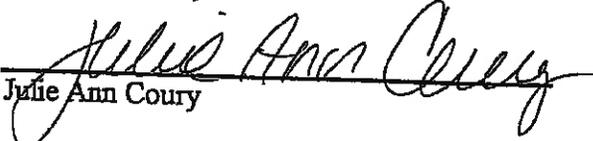
10.15 No Agency Created. Nothing contained in the Agreement will create any partnership, joint venture, or agency relationship between the Parties.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first set forth above.

OWNER:



Steven C. Coury



Julie Ann Coury

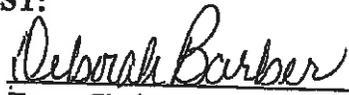
THE TOWN:

TOWN OF CAMP VERDE, an Arizona
municipal corporation

By: 

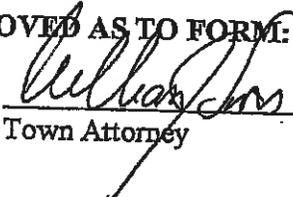
Mayor

ATTEST:

By: 

Town Clerk

APPROVED AS TO FORM:

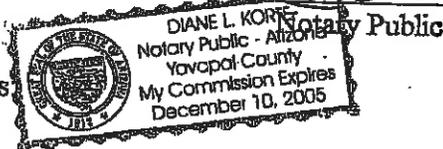
By: 

Town Attorney

STATE OF ARIZONA)
) ss.
County of Yavapai)

The foregoing instrument was acknowledged before me this 26 day of February, 2005, by Mitch Dickinson, Mayor of the Town of Camp Verde, who acknowledged that he/she signed the foregoing instrument on behalf of the Town.

Diane L. Korte



My commission expires:

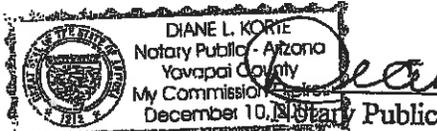
12-10-05

SEAL

STATE OF ARIZONA)
) ss.
County of Yavapai)

The foregoing instrument was acknowledged before me this 26 day of February, 2005, by Steven C. Coury.

Diane L. Korte

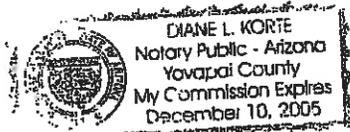


My commission expires:

SEAL

STATE OF ARIZONA)
) ss.
County of Yavapai)

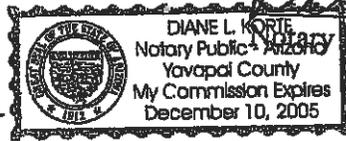
The foregoing instrument was acknowledged before me this 26 day of February, 2005, by Julie Ann Coury.



SEAL

Diane L. Korte

My commission expires:
12-10-05



Notary Public

EXHIBIT A
PROPERTY LEGAL DESCRIPTION

PARCEL II: 407-07-043A

PAGE 32 OF 38
BK 4239 PG 617 FEE#3828279

A PARCEL OF LAND LOCATED IN THE EAST 1/2 OF SECTION 31, TOWNSHIP 15 NORTH, RANGE 4 EAST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, YAVAPAI COUNTY, ARIZONA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF SAID EAST 1/2, FROM WHICH AN ALUMINUM CAP MARKED "ABCOR ENGINEERING #15858", MARKING THE NORTHWEST

CORNER OF SAID EAST 1/2 BEARS NORTH 00 DEGREES, 05 MINUTES, 20 SECONDS EAST, A DISTANCE OF 5238.54 FEET;

THENCE NORTH 00 DEGREES, 05 MINUTES, 20 SECONDS EAST, ALONG THE WEST LINE OF SAID EAST 1/2, A DISTANCE OF 1623.03 FEET;

THENCE SOUTH 88 DEGREES, 43 MINUTES, 43 SECONDS EAST, ALONG A NORTH LINE OF THE PARCEL OF LAND DESCRIBED IN BOOK 2481 OF OFFICIAL RECORDS, PAGE 486, RECORDS OF YAVAPAI COUNTY, ARIZONA, A DISTANCE OF 1269.07 FEET;

THENCE NORTH 00 DEGREES, 06 MINUTES, 36 SECONDS EAST, ALONG A WEST LINE OF SAID PARCEL, A DISTANCE OF 1038.67 FEET;

THENCE SOUTH 89 DEGREES, 02 MINUTES, 23 SECONDS EAST, ALONG A NORTH LINE OF LAST SAID PARCEL, A DISTANCE OF 334.63 FEET TO THE TRUE POINT OF BEGINNING;

THENCE SOUTH 78 DEGREES, 33 MINUTES, 53 SECONDS EAST, A DISTANCE OF 330.03 FEET;

THENCE NORTH 89 DEGREES, 02 MINUTES, 23 SECONDS WEST, ALONG A NORTH LINE OF THE PARCEL DESCRIBED IN BOOK 2025 OF OFFICIAL RECORDS, PAGE 212, RECORDS OF YAVAPAI COUNTY, ARIZONA, A DISTANCE OF 410.03 FEET;

THENCE NORTH 55 DEGREES, 54 MINUTES, 12 SECONDS EAST, ALONG THE CENTERLINE DESCRIBED IN EASEMENT RECORDED IN BOOK 2615 OF OFFICIAL RECORDS, PAGE 976, RECORDS OF YAVAPAI COUNTY, ARIZONA, A DISTANCE OF 104.46 FEET TO THE TRUE POINT OF BEGINNING.

Exhibit A Property legal description

Walter Dickinson
For the Town

Sharon E. Coury

Julie A. Coury

PARCEL L 907-090-43

A TRACT OF LAND IN THE EAST HALF OF SECTION 31, TOWNSHIP 15 NORTH, RANGE 4 EAST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, YAVAPAI COUNTY, ARIZONA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEAST CORNER OF SECTION 31 (A FOUND BLM BRASS CAP 1994) FROM WHICH THE NORTHEAST CORNER OF SECTION 31 (A FOUND BLM BRASS CAP 1994) BEARS NORTH 00 DEGREES, 07 MINUTES, 20 SECONDS EAST, 5294.76 FEET (RECORD NORTH 00 DEGREES, 07 MINUTES, 26 SECONDS EAST);

THENCE NORTH 00 DEGREES, 06 MINUTES, 24 SECONDS EAST, 1323.54 FEET (RECORD NORTH 00 DEGREES, 07 MINUTES, 28 SECONDS EAST, 1323.62 FEET) TO A FOUND 1/2 INCH REBAR WITH PLASTIC CAP (RLS 9078) AND THE TRUE POINT OF BEGINNING;

THENCE NORTH 88 DEGREES, 27 MINUTES, 18 SECONDS WEST, 664.68 FEET (RECORD NORTH 88 DEGREES, 27 MINUTES, 14 SECONDS WEST, 664.65 FEET) TO A SET 1/2 INCH REBAR WITH PLASTIC CAP (LS 25384);

THENCE NORTH 00 DEGREE, 06 MINUTES, 50 SECONDS EAST, 659.62 FEET (RECORD NORTH 00 DEGREE, 06 MINUTES, 52 SECONDS EAST, 659.62 FEET) TO A SET 1/2 INCH REBAR WITH PLASTIC CAP (LS 25384);

THENCE NORTH 88 DEGREES, 43 MINUTES, 46 SECONDS WEST, 664.66 FEET (RECORD NORTH 88 DEGREES, 43 MINUTES, 43 SECONDS WEST, 664.66 FEET) TO A 1/2 INCH REBAR WITH PLASTIC CAP (LS 25384);

THENCE NORTH 00 DEGREES, 06 MINUTES, 17 SECONDS EAST, 655.48 FEET (RECORD NORTH 00 DEGREES, 06 MINUTES, 18 SECONDS EAST, 655.44 FEET) TO A FOUND 1/2 INCH REBAR WITH PLASTIC CAP (RLS 9078);

THENCE SOUTH 89 DEGREES, 02 MINUTES, 19 SECONDS EAST, 775.71 FEET (RECORD SOUTH 89 DEGREES, 00 MINUTES, 12 SECONDS EAST, 775.73 FEET) TO A SET 1/2 INCH REBAR WITH PLASTIC CAP (LS 25384);

THENCE ALONG THE WEST RIGHT OF WAY OF HIGHWAY 260 AND A CURVE TO THE LEFT HAVING A CENTRAL ANGLE OF 02 DEGREES, 03 MINUTES, 48 SECONDS, A RADIUS OF 23018.32 FEET (RECORD 23018.32 FEET), A LENGTH OF 828.87 FEET AND A CHORD BEARING SOUTH 34 DEGREES, 39 MINUTES, 16 SECONDS EAST, 828.92 FEET TO A FOUND ARIZONA HIGHWAY DEPARTMENT BRASS CAP STAMPED P.O.C. STA. 478+51.26-1963;

THENCE CONTINUING ALONG THE RIGHT OF WAY AND A CURVE TO THE LEFT HAVING A CENTRAL ANGLE OF 00 DEGREES, 20 MINUTES, 40 SECONDS, A RADIUS OF 23018.32 FEET (RECORD 23018.32 FEET) A LENGTH OF 136.37 FEET AND A CHORD BEARING SOUTH 35 DEGREES, 51 MINUTES, 29 SECONDS EAST, 136.37 FEET TO A SET 1/2 INCH REBAR WITH PLASTIC CAP (LS 25384);

THENCE SOUTH 00 DEGREES, 09 MINUTES, 59 SECONDS WEST, 839.71 FEET (RECORD SOUTH 00 DEGREES, 07 MINUTES, 28 SECONDS WEST, 539.89 FEET) TO THE TRUE POINT OF BEGINNING.

EXCEPTING THEREFROM THE FOLLOWING:

A PARCEL OF LAND LOCATED IN THE EAST 1/2 OF SECTION 31, TOWNSHIP 15 NORTH, RANGE 4 EAST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, YAVAPAI COUNTY, ARIZONA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF SAID EAST 1/2, FROM WHICH AN ALUMINUM CAP MARKED "ABCOR ENGINEERING #19868", MARKING THE NORTHWEST CORNER OF SAID EAST 1/2 BEARS NORTH 00 DEGREES, 06 MINUTES, 20 SECONDS EAST, A DISTANCE OF 828.54 FEET;

THENCE NORTH 00 DEGREES, 05 MINUTES, 20 SECONDS EAST, ALONG THE WEST LINE OF SAID EAST 1/2, A DISTANCE OF 1523.03 FEET;

THENCE SOUTH 88 DEGREES, 43 MINUTES, 43 SECONDS EAST, ALONG A NORTH LINE OF THE PARCEL OF LAND DESCRIBED IN BOOK 2481 OF OFFICIAL RECORDS, PAGE 486, RECORDS OF YAVAPAI COUNTY, ARIZONA, A DISTANCE OF 1269.07 FEET;

THENCE NORTH 00 DEGREES, 06 MINUTES, 36 SECONDS EAST, ALONG A WEST LINE OF SAID PARCEL, A DISTANCE OF 808.28 FEET;

THENCE NORTH 65 DEGREES, 54 MINUTES, 12 SECONDS EAST, ALONG THE CENTERLINE OF THE EASEMENT DESCRIBED IN BOOK 2615 OF OFFICIAL RECORDS, PAGE 876, RECORDS OF YAVAPAI COUNTY, ARIZONA, A DISTANCE OF 72.65 FEET TO THE TRUE POINT OF BEGINNING;

THENCE NORTH 00 DEGREES, 06 MINUTES, 36 SECONDS EAST, ALONG THE WEST LINE OF THE PARCEL OF LAND DESCRIBED IN BOOK 2025 OF OFFICIAL RECORDS, PAGE 212, RECORDS OF YAVAPAI COUNTY, ARIZONA, A DISTANCE OF 130.73 FEET;

THENCE SOUTH 89 DEGREES, 02 MINUTES, 23 SECONDS EAST, ALONG THE NORTH LINE OF LAST SAID PARCEL, A DISTANCE OF 188.22 FEET;

THENCE SOUTH 55 DEGREES, 54 MINUTES, 12 SECONDS WEST, ALONG SAID CENTERLINE, A DISTANCE OF 227.67 FEET TO THE TRUE POINT OF BEGINNING.

Walter D. Dickstein Exhibit A-1 Property legal description
For the town of _____
Julie A. Coory
Julie A. Coory

RECORDERS MEMO: LEGIBILITY
QUESTIONABLE FOR GOOD REPRODUCTION

Exhibit B

PROPOSED SCHEDULE OF PERFORMANCE

If the Owner performs the listed Tasks within the specified timeframe.

Then the Town will provide the listed incentive for the specified incentive period.

Owner signs annexation petition within thirty (30) days of Effective Date of this Agreement.

Town provides Developed Parcel Sales Tax Rebate for Developed Parcel Sales Tax Rebate Period and Sale or Lease of Real Property Sales Tax Rebate for the Sale or Lease of Real Property Tax Rebate Period.

Owner develops Second Dealership on a portion of the Undeveloped Parcel (as depicted on Exhibit B-1) within forty-eight (48) months of the Effective Date of this Agreement.

Town provides Second Dealership Sales Tax Rebate for the Second Dealership Sales Tax Rebate Period and Sale or Lease of Real Property Sales Tax Rebate for the Sale or Lease of Real Property Tax Rebate Period.

Owner develops a portion or portions of the Undeveloped Parcel (as depicted on Exhibit B-1) within eighty-four (84) months of the Effective Date of this Agreement.

Town provides Undeveloped Parcel Sales Tax Rebate for the second portion of the Undeveloped Parcel for the Undeveloped Parcel Sales Tax Rebate Period and Sale or Lease of Real Property Sales Tax Rebate for the Sale or Lease of Real Property Tax Rebate Period.

Owner develops a portion or portions of the Undeveloped Parcel (as depicted on Exhibit B-1) within one hundred twenty (120) months of the Effective Date of this Agreement.

Town provides Undeveloped Parcel Sales Tax Rebate for the third portion of the Undeveloped Parcel for the Undeveloped Parcel Sales Tax Rebate Period and Sale or Lease of Real Property Sales Tax Rebate for the Sale or Lease of Real Property Tax Rebate Period.

Exhibit B-1

(Map of Property Depicting Developed Parcel and Undeveloped Parcel)

A PARCEL OF LAND LOCATED IN THE EAST 1/2 OF SECTION 31, TOWNSHIP 15 NORTH, RANGE 4 EAST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, YAVAPAI COUNTY, ARIZONA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF SAID EAST 1/2, FROM WHICH AN ALUMINUM CAP MARKED "ABCOR-ENGINEERING #15858", MARKING THE NORTHWEST

CORNER OF SAID EAST 1/2 BEARS NORTH 00 DEGREES, 05 MINUTES, 20 SECONDS EAST, A DISTANCE OF 5238.54 FEET;

THENCE NORTH 00 DEGREES, 05 MINUTES, 20 SECONDS EAST, ALONG THE WEST LINE OF SAID EAST 1/2, A DISTANCE OF 1623.03 FEET;

THENCE SOUTH 88 DEGREES, 43 MINUTES, 43 SECONDS EAST, ALONG A NORTH LINE OF THE PARCEL OF LAND DESCRIBED IN BOOK 2481 OF OFFICIAL RECORDS, PAGE 486, RECORDS OF YAVAPAI COUNTY, ARIZONA, A DISTANCE OF 1269.07 FEET;

THENCE NORTH 00 DEGREES, 06 MINUTES, 36 SECONDS EAST, ALONG A WEST LINE OF SAID PARCEL, A DISTANCE OF 1038.67 FEET;

THENCE SOUTH 89 DEGREES, 02 MINUTES, 23 SECONDS EAST, ALONG A NORTH LINE OF LAST SAID PARCEL, A DISTANCE OF 334.63 FEET TO THE TRUE POINT OF BEGINNING;

THENCE SOUTH 78 DEGREES, 33 MINUTES, 53 SECONDS EAST, A DISTANCE OF 330.03 FEET;

THENCE NORTH 89 DEGREES, 02 MINUTES, 23 SECONDS WEST, ALONG A NORTH LINE OF THE PARCEL DESCRIBED IN BOOK 2025 OF OFFICIAL RECORDS, PAGE 212, RECORDS OF YAVAPAI COUNTY, ARIZONA, A DISTANCE OF 410.03 FEET;

THENCE NORTH 55 DEGREES, 54 MINUTES, 12 SECONDS EAST, ALONG THE CENTERLINE DESCRIBED IN EASEMENT RECORDED IN BOOK 2615 OF OFFICIAL RECORDS, PAGE 976, RECORDS OF YAVAPAI COUNTY, ARIZONA, A DISTANCE OF 104.46 FEET TO THE TRUE POINT OF BEGINNING.

Exhibit A Property legal description

Mitchell D. Johnson
For the Town

Stephen G. Coury

Jolie A. Coury

PARCEL I: ~~907-090-43~~

A TRACT OF LAND IN THE EAST HALF OF SECTION 31, TOWNSHIP 15 NORTH, RANGE 4 EAST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, YAVAPAI COUNTY, ARIZONA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEAST CORNER OF SECTION 31 (A FOUND BLM BRASS CAP 1964) FROM WHICH THE NORTHEAST CORNER OF SECTION 31 (A FOUND BLM BRASS CAP 1964) BEARS NORTH 00 DEGREES, 07 MINUTES, 26 SECONDS EAST, 5294.76 FEET (RECORD NORTH 00 DEGREES, 07 MINUTES, 26 SECONDS EAST);

THENCE NORTH 00 DEGREES, 06 MINUTES, 24 SECONDS EAST, 1323.54 FEET (RECORD NORTH 00 DEGREES, 07 MINUTES, 26 SECONDS EAST, 1323.62 FEET) TO A FOUND 1/2 INCH REBAR WITH PLASTIC CAP (RLS 9078) AND THE TRUE POINT OF BEGINNING;

THENCE NORTH 86 DEGREES, 27 MINUTES, 16 SECONDS WEST, 664.66 FEET (RECORD NORTH 86 DEGREES, 27 MINUTES, 14 SECONDS WEST, 664.66 FEET) TO A SET 1/2 INCH REBAR WITH PLASTIC CAP (LS 25384);

THENCE NORTH 00 DEGREES, 06 MINUTES, 50 SECONDS EAST, 658.62 FEET (RECORD NORTH 00 DEGREES, 06 MINUTES, 52 SECONDS EAST, 658.62 FEET) TO A SET 1/2 INCH REBAR WITH PLASTIC CAP (LS 25384);

THENCE NORTH 88 DEGREES, 43 MINUTES, 45 SECONDS WEST, 664.89 FEET (RECORD NORTH 88 DEGREES, 43 MINUTES, 43 SECONDS WEST, 664.88 FEET) TO A 1/2 INCH REBAR WITH PLASTIC CAP (LS 25384);

THENCE NORTH 00 DEGREES, 08 MINUTES, 17 SECONDS EAST, 655.45 FEET (RECORD NORTH 00 DEGREES, 08 MINUTES, 18 SECONDS EAST, 655.44 FEET) TO A FOUND 1/2 INCH REBAR WITH PLASTIC CAP (RLS 9078);

THENCE SOUTH 89 DEGREES, 02 MINUTES, 19 SECONDS EAST, 776.71 FEET (RECORD SOUTH 89 DEGREES, 00 MINUTES, 12 SECONDS EAST, 776.73 FEET) TO A SET 1/2 INCH REBAR WITH PLASTIC CAP (LS 25384);

THENCE ALONG THE WEST RIGHT OF WAY OF HIGHWAY 260 AND A CURVE TO THE LEFT HAVING A CENTRAL ANGLE OF 02 DEGREES, 03 MINUTES, 48 SECONDS, A RADIUS OF 23018.32 FEET (RECORD 23018.32 FEET), A LENGTH OF 828.97 FEET AND A CHORD BEARING SOUTH 34 DEGREES, 38 MINUTES, 15 SECONDS EAST, 828.92 FEET TO A FOUND ARIZONA HIGHWAY DEPARTMENT BRASS CAP STAMPED P.O.C. STA. 476+51.26-1983;

THENCE CONTINUING ALONG THE RIGHT OF WAY AND A CURVE TO THE LEFT HAVING A CENTRAL ANGLE OF 00 DEGREES, 20 MINUTES, 40 SECONDS, A RADIUS OF 23018.32 FEET (RECORD 23018.32 FEET) A LENGTH OF 138.37 FEET AND A CHORD BEARING SOUTH 36 DEGREES, 51 MINUTES, 29 SECONDS EAST, 138.37 FEET TO A SET 1/2 INCH REBAR WITH PLASTIC CAP (LS 25384);

THENCE SOUTH 00 DEGREES, 09 MINUTES, 59 SECONDS WEST, 539.71 FEET (RECORD SOUTH 00 DEGREES, 07 MINUTES, 28 SECONDS WEST, 539.89 FEET) TO THE TRUE POINT OF BEGINNING.

EXCEPTING THEREFROM THE FOLLOWING:

A PARCEL OF LAND LOCATED IN THE EAST 1/2 OF SECTION 31, TOWNSHIP 15 NORTH, RANGE 4 EAST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, YAVAPAI COUNTY, ARIZONA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF SAID EAST 1/2, FROM WHICH AN ALUMINUM CAP MARKED "ABCOR ENGINEERING #19888", MARKING THE NORTHWEST CORNER OF SAID EAST 1/2 BEARS NORTH 00 DEGREES, 05 MINUTES, 20 SECONDS EAST, A DISTANCE OF 8238.54 FEET;

THENCE NORTH 00 DEGREES, 05 MINUTES, 20 SECONDS EAST, ALONG THE WEST LINE OF SAID EAST 1/2, A DISTANCE OF 1823.93 FEET;

THENCE SOUTH 88 DEGREES, 43 MINUTES, 43 SECONDS EAST, ALONG A NORTH LINE OF THE PARCEL OF LAND DESCRIBED IN BOOK 2481 OF OFFICIAL RECORDS, PAGE 486, RECORDS OF YAVAPAI COUNTY, ARIZONA, A DISTANCE OF 1269.07 FEET;

THENCE NORTH 00 DEGREES, 06 MINUTES, 36 SECONDS EAST, ALONG A WEST LINE OF SAID PARCEL, A DISTANCE OF 895.28 FEET;

THENCE NORTH 55 DEGREES, 54 MINUTES, 12 SECONDS EAST, ALONG THE CENTERLINE OF THE EASEMENT DESCRIBED IN BOOK 2819 OF OFFICIAL RECORDS, PAGE 878, RECORDS OF YAVAPAI COUNTY, ARIZONA, A DISTANCE OF 12.65 FEET TO THE TRUE POINT OF BEGINNING;

THENCE NORTH 00 DEGREES, 06 MINUTES, 36 SECONDS EAST, ALONG THE WEST LINE OF THE PARCEL OF LAND DESCRIBED IN BOOK 2028 OF OFFICIAL RECORDS, PAGE 212, RECORDS OF YAVAPAI COUNTY, ARIZONA, A DISTANCE OF 130.73 FEET;

THENCE SOUTH 89 DEGREES, 02 MINUTES, 23 SECONDS EAST, ALONG THE NORTH LINE OF LAST SAID PARCEL, A DISTANCE OF 186.22 FEET;

THENCE SOUTH 55 DEGREES, 54 MINUTES, 12 SECONDS WEST, ALONG SAID CENTERLINE, A DISTANCE OF 227.57 FEET TO THE TRUE POINT OF BEGINNING.

Mitchell D. Jackson Exhibit A-1 Property legal description
For the town
Steven E. Gury
Julie A. Gury

RECORDERS MEMO: LEGIBILITY
QUESTIONABLE FOR GOOD REPRODUCTION



**RESOLUTION 2005-631
DEVELOPMENT AGREEMENT WITH COURYS**

**A RESOLUTION OF THE TOWN OF CAMP VERDE
APPROVING THE DEVELOPMENT AGREEMENT
BETWEEN THE TOWN AND COURY FOR THE PROPOSED ANNEXATION,
ZONING, AND DEVELOPMENT OF PROPERTY ALONG SR 260, AND
AUTHORIZING THE MAYOR TO EXECUTE THE AGREEMENT.**

RECITALS:

- A. The Town has the authority to enter into development agreements pursuant to ARS §9-500.05.
- B. It is determined in the best interest of the Town that it enters into the development agreement with the Courys for the proposed annexation, zoning and development of their property located along State Route 260.

NOW THEREFORE, BE IT RESOLVED:

1. That the development agreement between the Town and the Courys with the effective date of February 25, 2005 is approved.
2. That the Mayor is authorized to execute the agreement for and on behalf of the Town.

Passed and adopted this 25th day of February 2005.


Mitch Dickinson, Mayor

Date: Feb 25, 2005

Attest:


Deborah Barber, Town Clerk

Approved as to form:


Town Attorney