



Valerie Molina
Mayor

Anita Cota
Vice Mayor

Gloria Cota
Councilmember

Elvira Osuna
Councilmember

Joe Sanchez
Councilmember

Faustino Valenzuela
Councilmember

Ricardo Vital
Councilmember

Online agendas and
results available at
www.guadalupeaz.org

Town Council Chambers
9241 S. Avenida del Yaqui
Guadalupe, AZ 85283
Phone: (480) 730-3080
Fax: (480)-505-5368

NOTICE OF REGULAR MEETING OF THE TOWN OF GUADALUPE COUNCIL

NOVEMBER 8, 2018

Pursuant to A.R.S. 38-431.02, notice is hereby given to the members of the Town of Guadalupe Council and to the general public that the Town of Guadalupe Council will hold a meeting, open to the public, on Thursday, November, 8, 2018, at 6:00 P.M., at Guadalupe Town Hall, 9241 South Avenida del Yaqui, Guadalupe, Arizona, in the Council Chambers.

AGENDA

A. CALL TO ORDER

B. ROLL CALL

C. INVOCATION/PLEDGE OF ALLEGIANCE

D. APPROVAL OF MINUTES:

1. Approval of the minutes of the Town Council Regular Meeting held on October 22, 2018.
2. Approval of the minutes of the Town Council Work Study Session held on October 22, 2018.

E. CALL TO THE PUBLIC. An opportunity is provided to the public to address the Council on items that are not on the agenda or included on the consent agenda. A total of 3 minutes will be provided for the Call to the Audience agenda item, unless the Council requests an exception to this limit. Please note that those wishing to comment on agenda items posted for action will be provided the opportunity at the time the item is heard.

F. MAYOR and COUNCIL PRESENTATIONS: None.

G. DISCUSSION AND POSSIBLE ACTION ITEMS:

1. **TOWN COUNCIL SWEARING:** Presiding Judge, Fidelis Garcia, will swear in the newly elected Mayor and Councilmembers.
2. **VICE MAYOR SELECTION:** The Mayor and Councilmembers may consider, nominate, and vote for a Councilmember(s) to serve as Vice Mayor.
3. **EXECUTIVE SESSION:** The Guadalupe Town Council may vote to go into an Executive Session, which is closed to the public, as allowed by A.R.S. §38-431.03(A)3, to obtain legal advice from the Town Attorney concerning the legal requirements to grant, deny, or grant with modifications, requests for variances of the Guadalupe Town Code.



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4. **PUBLIC HEARING:** Request for a variance by the applicant Nature Med Inc. (d/b/a Harvest) located at 1821 W. Baseline Road, Suite 101 for a variance to the Town Zoning Code as it relates to the hours of operation for its' marijuana dispensary as set forth by Town of Guadalupe Zoning Ordinance, Article 2, Part III, Section 1, Subsection C, Paragraph 5, limiting the hours of operation to not earlier than 8:00 AM and not later than 6:00 PM. The applicant is seeking the following:
 - 1: an extension of the current variance approved by Town Council on December 14, 2017, to allow hours of operation open to the public from 8:00 AM to 9:00 PM , seven days a week, for a medical marijuana dispensary in the C-2 zoning district; and,
 - 2: approval of a new variance to allow hours of operation open to the public from 8:00 AM to 10:00 PM, seven days a week, for a medical marijuana dispensary in the C-2 zoning district.

The purpose of the public hearing is to allow the Town Council to receive input from the public concerning the variance extension request to extend business hours of operation.
5. **VARIANCE REQUEST:** Council will consider and may take action to approve, deny, or approve with modifications of said variance request of an extension of the current variance approved by Town Council on December 14, 2017 of the Town Zoning Code, Article 2, Part III, Section 1, Subsection C, Paragraph 5, for Nature Med Inc. (d/b/a Harvest) located at 1821 W. Baseline Road, Suite 101 to allow hours of operation open to the public from 8:00 AM to 9:00 PM , seven days a week, for a medical marijuana dispensary in the C-2 zoning district outside the existing Town ordinance for a period of two years from Council approval.
6. **VARIANCE REQUEST:** Council will consider and may take action to approve, deny or approve with modifications of said variance request of the Town Zoning Code, Article 2, Part III, Section 1, Subsection C, Paragraph 5, for Nature Med Inc. (d/b/a Harvest) located at 1821 W. Baseline Road, Suite 101 to allow hours of operation open to the public from 8:00 AM to 10:00 PM , seven days a week, for a medical marijuana dispensary in the C-2 zoning district outside the existing Town ordinance for a period of two years from Council approval.
7. **LICENSE AGREEMENT:** Council will consider and may approve authorizing the Mayor to sign a Wired Telecommunications License Agreement (Agreement) with MCImetro Access Transmission Services Corporation (d/b/a Verizon Access Transmission Services), effective upon Council approval. . Approval of this Agreement will allow Verizon to construct, install, operate, maintain, and repair telecommunication equipment in Town right-of-way. In exchange for use of Town right-of-way, Verizon agrees to pay the Town of Guadalupe a \$2,500 application fee, associated maintenance fees and fees related to dark fiber usage.
8. **FISCAL YEAR 2017/18 GENERAL FUND BUDGET ADJUSTMENT (RESOLUTION NO. R2018.22):** Council will consider and may take action to adopt Resolution No. R2018.22 authorizing the transfer from the fiscal year (FY) 2017/2018 General Fund consisting of \$7,000 to the FY 2017/18 Town Attorney, \$14,000 to the FY 2017/18 Building Safety fund, \$7,000 to the FY 2017/18 Building Maintenance fund, and \$10,000 to the FY 2017/18 Fire Department.



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Vice Mayor

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9. **FISCAL YEAR 2018/19 QUARTERLY FINANCIAL REPORT:** Staff will present a first quarter, fiscal year (FY) 2018/19 (July 2018 – September 2018) financial report that includes Town fund and cash balances, expenditures, and a comparison of FY2018/19 to FY 2017/18 first quarter.
10. **COUNCIL MEETING SCHEDULE:** Council will review and may modify and /or approve the Town Council meeting schedule for calendar year 2019 and provide direction to the Town Manager.

H. TOWN MANAGER'S REPORT

I. COUNCILMEMBERS' COMMENTS

J. ADJOURNMENT

Note: The public is invited to attend a reception for the newly elected and outgoing Mayor and Councilmembers. This event will be held immediately following the Town Council Regular Meeting in the Town Hall Museum Room, 9241 South Avenida del Yaqui, Guadalupe, AZ.



Minutes Town Council Regular Meeting October 22, 2018

Minutes of the Guadalupe Town Council Regular Meeting held on Monday, October 22, 2018, at 5:00 P.M., at Guadalupe Town Hall, 9241 South Avenida del Yaqui, Guadalupe, Arizona, in the Council Chambers.

Valerie Molina
Mayor

A. CALL TO ORDER

Mayor Molina called the meeting to order at 5:04 P.M.

Anita Cota
Vice Mayor

B. ROLL CALL

Councilmembers Present: Mayor Valerie Molina, Vice Mayor Anita Cota, Councilmember Gloria Cota, Councilmember Joe Sánchez, Councilmember Ricardo Vital, and Councilmember Faustino Valenzuela (*arrived at 5:06 p.m.*)

Gloria Cota
Councilmember

Councilmember Absent: Councilmember Elvira Osuna

Elvira Osuna
Councilmember

Staff Present: Jeff Kulaga – Town Manager / Clerk, Wayne Clement – Fire Chief, Kay Savard – Deputy Town Clerk, and David Ledyard – Town Attorney

Joe Sanchez
Councilmember

C. INVOCATION/PLEDGE OF ALLEGIANCE

Vice Mayor Cota provided the invocation. Mayor Molina then led the Pledge of Allegiance.

Faustino Valenzuela
Councilmember

D. APPROVAL OF MINUTES:

Motion by Vice Mayor Cota to approve agenda item D1; second by Councilmember Cota. Motion passed unanimously 6-0.

1. Councilmembers approved the October 11, 2018 Town Council Regular Meeting minutes.

Ricardo Vital
Councilmember

E. CALL TO THE PUBLIC: No one spoke.

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F. MAYOR and COUNCIL PRESENTATIONS:

Mayor Molina read a proclamation declaring October 21 – 27, 2018, League of Arizona Cities and Towns Week.

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G. DISCUSSION AND POSSIBLE ACTION ITEMS:

1. **EXECUTIVE SESSION:** The Guadalupe Town Council voted to go into an executive session, as allowed by (ARS 38-431.03(A)(1)), to discuss Personnel matters:

a. Town Manager / Clerk Performance Update

Motion by Vice Mayor Cota to convene into executive session at 5:09 p.m.; second by Councilmember Sánchez. Motion passed unanimously 6-0.

The Regular Council Meeting reconvened at 5:45 p.m.

2. **TOWN MANAGER / CLERK, EMPLOYMENT CONTRACT RENEWAL:** The Guadalupe Town Council reviewed and approved a one-year contract renewal (**C2018-28**) to reappoint Jeff Kulaga as Town Manager / Clerk.



Motion by Vice Mayor Cota to approve agenda item G2; second by Councilmember Sánchez. Motion passed unanimously 6-0.

H. TOWN MANAGER’S REPORT

Jeff Kulaga, Town Manager / Clerk, thanked Councilmembers for renewing his employment contract.

COUNCILMEMBERS’ COMMENTS

Valerie Molina
Mayor

➤ Vice Mayor Cota
Thanked Councilmember Sánchez for his work on a church clean-up project.
Thanked Mr. Kulaga, Town Manager / Clerk, for his service to the Town of Guadalupe.

Anita Cota
Vice Mayor

➤ Councilmember Sánchez
Thanked the youth that assisted with the church clean-up project.
Thanked Mr. Kulaga, Town Manager / Clerk, for his service to the Town of Guadalupe.

Gloria Cota
Councilmember

➤ Councilmember Vital
Thursday, October 25, 2018 – Spooktacular event.
Saturday, October 27, 2018 – United Way Uplift event.
Thanked the Maricopa County Sheriff’s Office for their partnership.
The Pascua Yaqui Tribe now has a medication drop off box for unused/outdated medications.

Elvira Osuna
Councilmember

➤ Councilmember Valenzuela
Thanked Mr. Kulaga, Town Manager / Clerk, for his service to the Town of Guadalupe.

Joe Sanchez
Councilmember

➤ Mayor Molina
Reported problems with trash pick-up.
Discussed traffic safety concerns for youth walking to school.
Thanked Councilmember Valenzuela for his service to the Town of Guadalupe.

Faustino Valenzuela
Councilmember

I. ADJOURNMENT

Motion by Vice Mayor Cota to adjourn; second by Councilmember Sánchez. Motion passed unanimously 6-0.

Ricardo Vital
Councilmember

The meeting was adjourned at 5:51 p.m.

Valerie Molina, Mayor

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ATTEST:

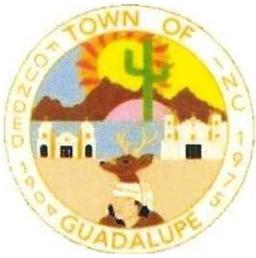
Jeff Kulaga, Town Manager / Town Clerk

CERTIFICATION

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Regular Town Council Meeting of the Town Council of Guadalupe, Arizona held on the 22nd day of October, 2018. I further certify the meeting was duly called and held and that a quorum was present.

Jeff Kulaga, Town Manager / Town Clerk

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Minutes

Town Council Work Study Session

October 22, 2018

Minutes of the Guadalupe Town Council Work Study Session held on Monday, October 22, 2018, immediately following the 5:00 P.M., Regular Council Meeting, at Guadalupe Town Hall, 9241 South Avenida del Yaqui, Museum Room, Guadalupe, Arizona.

Valerie Molina
Mayor

Anita Cota
Vice Mayor

Gloria Cota
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Elvira Osuna
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Joe Sanchez
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Faustino Valenzuela
Councilmember

Ricardo Vital
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A. CALL TO ORDER

Mayor Molina called the meeting to order at 6:06 P.M.

B. ROLL CALL

Councilmembers Present: Mayor Valerie Molina, Vice Mayor Anita Cota, Councilmember Gloria Cota, Councilmember Joe Sánchez, and Councilmember Ricardo Vital (*arrived at 7:07 p.m.*), and Councilmember Faustino Valenzuela

Councilmember Absent: Councilmember Elvira Osuna

Staff Present: Jeff Kulaga – Town Manager / Clerk, Wayne Clement – Fire Chief, Kay Savard – Deputy Town Clerk, and David Ledyard – Town Attorney

C. CALL TO THE PUBLIC: No one spoke.

D. DISCUSSION AND POSSIBLE ACTION ITEMS:

1. **TOWN OF GUADALUPE CODE OF ORDINANCES:** Councilmembers reviewed the proposed codification language to the Town of Guadalupe Code of Ordinances. The proposed codifier is American Legal Publishing Corporation.

Jeff Kulaga, Town Manager / Clerk, stated that the Town of Guadalupe Code of Ordinances (Code) was last updated in 1989. Since that time, approximately 125 ordinances have been adopted by the Town Council, which need to be incorporated into the Code. Also in need of updating are the zoning and right-of-way maps, Town fees, and revising outdated language to reflect current practices. Mr. Kulaga introduced Taylor Reinmann and Rachel Hudgens, Arizona State University Marvin Andrews Fellowship Scholarship scholars who assisted in researching Code and comparing benchmark cities and towns. Benchmark cities and towns include Apache Junction, Buckeye, Marana, Queen Creek, Tolleson, and Tempe.

Taylor Reinmann stated that the research indicated that the Town of Guadalupe fees are much lower overall, than the benchmark cities and towns; the Guadalupe Code lacks consistency and definitions for various activities. In general, cities and towns typically update their fees every 3-5 years.

David Ledyard, Town Counsel, stated that previous Town Council's chose to keep fees low due to affordability for community members. Mr. Kulaga discussed consideration of charging the proper fees, given the scale of the community; and, reviewed the Towns' fees, compared to benchmark cities and towns.

Mr. Kulaga stated that the Town is currently operating under the 1997 Uniform Building Code (UBC); however, a majority of cities and towns have adopted the 2012 UBC. Councilmembers could adopt the 2012 or the 2018 UBC. A policy to consider is incorporating language into the Code that would automatically adopt the most current UBC that the State of Arizona is operating under. Wayne Clement, Fire Chief, stated that this policy could extend to automatically adopting the most current International Fire Code as well.



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Mr. Kulaga and Mr. Ledyard then reviewed the proposed amendments to various sections the Code, as outlined in the meeting packet materials. Gender neutral language has been added to the Code and the departmental roles have been updated to reflect current business practices. The Town personnel organizational chart will not be impacted by the proposed amendments.

Discussion continued regarding the automatic adoption of Uniform Building Code, International Fire Code, Uniform Electrical Code, etc., and how that is impacted by the International Organization for Standardization (ISO). Councilmembers expressed an interest in including language to automatically adopt these types of codes when the State of Arizona adopts a newer version. Mr. Clement stated that to qualify for an ISO rating, the Town would have to be utilizing within two versions of the most current code.

Councilmembers discussed incorporating language into the Noise portion of the Code regarding music emitting from bands, mobile units that contain speakers, and disc jockeys; and, adding a definition for recyclables.

In response to a question concerning the \$5 Party Permit fee, Mr. Kulaga stated that although the fee is low, staff recognizes the value of having knowledge of party information. Councilmembers questioned the criteria for requiring a Party Permit. Mr. Kulaga stated that he will provide follow up information on this item.

In response to a question regarding what fees are required of mobile food vendors, Mr. Kulaga stated that he will provide follow up information on what the Town of Guadalupe requires of mobile food vendors.

Mr. Kulaga read the proposed curfew definition into the record as follows: A minor means any person less than 18 years of age. "It is unlawful for a minor under the age of sixteen to be in, about, or on any place in town away from the property where the youth resides between the hours of 10:00 p.m. and 5:00 a.m. the following day. It is unlawful for a minor 16 years of age or older, and under 18, to be in, about, or on any place in town from midnight to 5:00 a.m." Councilmembers discussed ceremonies where minors may be present during curfew hours, without their parents present; and, including language in the Code regarding minors being supervised during curfew hours.

Mr. Kulaga and Councilmembers reviewed various fees and how they should be revised, for consistency purposes. He then reviewed an updated zoning map and right-of-way map. In response to a question, Mr. Kulaga explained that the difference between R1-6 and R1-9 is the amount of density allowed, based on the square footage of a dwelling unit.

Councilmembers discussed the number of Councilmembers required to call a Special Meeting, with the exception of the Mayor. Mr. Ledyard stated that his preference would be to have a maximum of three Councilmembers that would be required to call a Special Meeting. If the requirement was for four Councilmembers to call a special meeting, it could be considered an Open Meeting Law violation.

Mr. Ledyard stated that once the Code has been adopted by the Council, Code updates will be done administratively, by staff. Mr. Kulaga added that the adopted Code will be on-line, in a searchable format. He added that there are service providers that update the on-line Code, for a fee. An updated, on-line Code illustrates stability in governance and assists the development community in understanding existing Town regulations.

Councilmembers agreed that staff could make revisions based on the discussion, and move forward with codification of the Code.

E. ADJOURNMENT



Motion by Vice Mayor Cota to adjourn; second by Councilmember Sánchez. Motion passed unanimously 6-0.

The meeting was adjourned at 7:29 p.m.

Valerie Molina, Mayor

ATTEST:

Valerie Molina
Mayor

Jeff Kulaga, Town Manager / Clerk

Anita Cota
Vice Mayor

CERTIFICATION

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the Town Council Work Study Session of the Town Council of Guadalupe, Arizona held on the 22nd day of October, 2018. I further certify the meeting was duly called and held and that a quorum was present.

Gloria Cota
Councilmember

Jeff Kulaga, Town Manager / Clerk

Elvira Osuna
Councilmember

Joe Sanchez
Councilmember

Faustino Valenzuela
Councilmember

Ricardo Vital
Councilmember

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November 2, 2018

To: The Honorable Mayor and Town Council

From: Jeff Kulaga, Town Manager / Clerk

RE: November 8, 2018 Town Council Regular Meeting Information Report

The purpose of this report is to provide brief information regarding each of the meeting's agenda items.

Agenda Items:

G1. Town Council Swearing in Ceremony: Presiding Judge, Fidelis Garcia, will swear in the re-elected Mayor, Valerie Molina, and re-elected Councilmembers Gloria Cota, and Joe Sánchez and newly elected Councilmember Mary Bravo. Once sworn in, the Mayor and Councilmembers will be presented with, and asked to sign an Oath of Office to be kept on file with the Town Clerk.

The newly elected Councilmembers will take their seat at the dais, and the meeting will resume.

G2. Vice Mayor Selection: Councilmembers may nominate and vote to select a Councilmember to serve as the Vice Mayor. The term of office for the Vice Mayor expires in November, 2020.

G3. Executive Session: At the Council's discretion, Council may vote to adjourn into Executive Session to obtain legal advice regarding variances to the Guadalupe Town Code.

G4. Public Hearing: The variance requests require a public hearing. Nature Med Inc. (d/b/a Harvest) located at 1821 W. Baseline Road, Suite 101 has applied for variances to the Town Zoning Code as it relates to the hours of operation for its' medical marijuana dispensary. The public hearing has been properly published in a newspaper of general circulation; and properties within a 150 foot radius of the applicant's property were also notified via postal mail, as required by the Town of Guadalupe Zoning Ordinance. To date, no public input has been received by the Town administration. Additionally, since opening for business a year ago, Harvest has not received any public safety calls for service from Guadalupe Fire Department or MCSO. **(Pages 1-16)**

G5. Variance Request: The variance application is attached for your information, review, and action. The applicant is requesting two variances for Nature Med Inc. (d/b/a Harvest) located at 1821 W. Baseline Road, Suite 101. Item G5, the first variance request, is for an extension of the current variance approved by Town Council on December 14, 2017, to continue extended hours of operation open to the public, from 8:00 AM to 9:00 PM, seven days a week outside, of the existing Town ordinance of 6:00 PM, for a period of two years. **(Pages 1-16)**

G6. Variance Request: The second variance request, for Nature Med Inc. (d/b/a Harvest) located at 1821 W. Baseline Road, Suite 101, seeks extended hours of operation open to the public, from 8:00 AM to 10:00 PM seven days a week, outside of the existing Town ordinance of 6:00 PM for a period of two years. **(Pages 1-16)**

G7. MCI/Verizon License Agreement: MCI/Verizon, dba Verizon, is applying for a license to operate in the right-of-way in the Town. Approval of this license would allow Verizon to install, operate, and maintain telecommunication materials and activities in Town right-of-way. In exchange, Verizon will pay a \$2,500 application fee; construction permit fees, and costs associated with right-of-way use, construction, and right-of-way improvements due to construction, to the Town.

An annual fee is only allowed if the carrier is providing interstate service only on the line. Currently, MCI is providing intrastate service. The agreement requires MCI to notify the town and to pay a fee if changes of service occur. Verizon has submitted the \$2,500 application fee, a Performance Bond, and a Certificate of Liability Insurance. Council is authorized under A.R.S. §§ 9-581 – 9-583, and the Town Code to approve or deny the Agreement.

Verizon is requesting this License in order to expand its fiber-optic communications network in the Town of Guadalupe. This network will be used to provide wireline high-speed broadband telecommunications services, including competitive telephone service and internet access, to business and government customers. In addition to installing fiber for business and government customers, Verizon will also deploy fiber to cell site locations to improve their capacity to handle the way many of us are using our smart phones and handheld devices for apps and to watch videos, which requires lots more data at very high speeds. Many of these existing cell sites have copper wire connections that cannot provide the capacity needed to meet this need. Our plans to replace the copper wires with fiber-optic connections to cell sites will help provide that capacity. **(Pages 17-39)**

G8. Fiscal Year 2017/18 General Fund Budget Adjustment (Resolution No. R2018.22): To close out the Fiscal Year 2017/2018 budget year, staff is requesting the authorization to transfer funds from the General Fund consisting of \$7,000 to the Town Attorney, \$14,000 to Building Safety fund, \$7,000 to the Building Maintenance fund, and \$10,000 to the Fire Department. **(Page 40)**

G9. Fiscal Year 2018/19 Quarterly Financial Report: This quarterly report will +be the first of many quarterly reports presented to Town Council. These reports provide an overview of current year expenditures compared to the last year's budget for the time period and the actual revenues and expenditures for FY 2018/19 as a percentage of the budget for the entire year. To that end, the target is 25% for the first quarter. **(Pages 41-53)**

The report provides revenue and expenditure information on:

- General Fund Revenues and Expenditures
- HURF
- LTAF
- Senior Center
- Community Action Program
- Enterprise Funds:
- Mercado
- Sewer
- Refuse
- Grant Fund
- Cash Balances

G10. Council Regular Meeting Schedule: Councilmembers will review the Town Council Regular Meeting Schedule for 2019, and may reschedule, cancel, or schedule additional meetings through December, 2019. Staff will post the approved meeting schedule. **(Pages 54-67)**

Project Narrative

1821 W. Baseline Road, Suite 101, Guadalupe, AZ

I. Introduction

This application requests the following:

1. Extension of the current variance approved by Town Council on December 14, 2017 to allow hours of operation from 8:00 am to 9:00 pm, seven days a week, for a medical marijuana dispensary in the C-2 zoning district;
2. Approval of a new variance to allow hours of operation from 8:00 am to 10:00 pm, seven days a week, for a medical marijuana dispensary in the C-2 zoning district.

II. Project Information

The subject site is located at 1821 W. Baseline Road in Guadalupe, AZ, (the "Property"), and identified on the Aerial Map attached at **TAB 1**. The Property is zoned commercial (C-2) as shown on the Zoning Map attached at **TAB 2**.

The Property is located in a commercial area appropriate for a medical marijuana dispensary facility as originally permitted by the Guadalupe Zoning Ordinance. The Property is improved with a multi-suite commercial building and complies with the Town spacing requirements which were in place at the time of its original dispensary application submittal.

On December 14, 2017, the Town of Guadalupe approved a variance request for this Property authorizing hours of operation from 8:00 am to 9:00 pm, Monday through Sunday. See December 14, 2017 Legal Action Summary at **TAB 3**. The Town Council found that the Property met the legal test for the requested variance, and that the property suffers from a number of special circumstances that create an undue hardship. The Property continues to suffer from the same special circumstances today, necessitating continued code relief for extended hours of operation in the form of an approved variance.

III. Hours of Operation

Providing reasonable patient access to medication is imperative for any medical service provider, including a medical marijuana dispensary. As noted above, the Property is subject to an existing variance that allows hours of operation from 8:00 am to 9:00 pm, Monday through Sunday. Due to the reasons listed below, customer feedback and demand suggest a need to vary slightly from the current variance approval. Compelling factors beyond the applicant's control suggest a minor change of one (1) hour would be appropriate.

Nature Med Inc. (dba Harvest) has learned from experience at this facility and others that patients will drive long distances for a very specific type of medication, unique to a particular dispensary. This often occurs even when other dispensaries may exist in closer proximity that do not carry the particular medication (either in form or potency) needed by the patient. Patients travel as far away as Tucson at times. Others travel from across the Valley to obtain a very specific strain or type of medication.

After the Arizona Medical Marijuana Act was signed into law, the Arizona Department of Health Services established rules and regulations for medical marijuana dispensaries. These rules were designed to balance the state's interests in security, oversight, and public safety while ensuring reasonable patient access. Rule R9-17-310 of the Arizona Administrative Code permits medical marijuana dispensaries to remain open until 10:00 pm. The applicant is merely requesting an additional hour of operation to remain open until 10:00 pm as authorized by the State of Arizona to accommodate patient access.

Reasonable patient access is the most important aspect of the Medical Marijuana law and the dispensary's primary goal. Accordingly, the applicant respectfully requests a minor adjustment to change the permitted hours of operation to 10:00 pm Monday through Sunday.

IV. Medication Type

While dispensaries are distributed throughout the State of Arizona via the CHAA (Community Health Analysis Area) map, it is not surprising that patients travel long distances when other dispensary options may be closer. Not all dispensaries are the same, and more importantly, rarely do different dispensaries carry the same medications.

For example, a bottle of Aspirin is the same regardless of where it is purchased. In contrast, medical marijuana medication varies significantly from dispensary to dispensary. Each facility has its own cultivation process, resulting in medication that varies substantially in strain, potency, efficacy, etc. No two medications are alike because each is grown by a different provider for a different purpose. Thus, while one dispensary may be closer, customers will travel farther to obtain the medication most effective for their specific ailment.

Additionally, though many medical marijuana products are administered via inhalation, others are administered in a variety of ways. Certain medications are ingested or edible, some are vaporized, and others are applied through oils and tinctures. Because of the different types of medication, both in substance and method of delivery, it is normal for patients to commute significant distances to get the exact type of medication they need.

V. Variance Test

A. Special Circumstances related to patient access and restrictive hours create an undue hardship.

There are a number of special circumstances, related to the property and the specific use, causing an undue hardship. The first is the nature of the use, the medication, and the restrictive hours impact. Because patients often travel greater distances to obtain this product-specific medication, some flexibility in the hours of operation is necessary. Extension of the hours of operation provides a reasonable accommodation to patients who must commute to obtain medication. The additional hour of operation will provide a greater window of time for patients to obtain medication, improving patient access.

Beyond those who travel for a specific medication type, extended hours also become necessary for patients with a sudden and urgent need for medication. Traditional over-the-counter medication, such as Aspirin, is not regulated by personal supply. On the other hand, the Department of Health Services limits medical marijuana to no more than 2.5 grams per patient in a two-week period. Moreover, the price of just a portion of the amount permitted is so cost prohibitive that patients are unable to stock up or purchase a large amount in a single visit. Thus, it's not uncommon for patients to make multiple trips in a week, largely based on their pain management that particular day or instance. Because pain is unpredictable, and because medication is limited by quantity and price, it becomes more imperative to allow a minor increase in the operating hours.

The second special circumstance is related to the Property itself. Baseline Road is the sole point of vehicular access to the Property. However, because of an existing raised median on Baseline Road, no left-turn is possible for westbound traffic – access to the site is limited to eastbound traffic only. Patients accessing the site in a westbound direction must pass the site and make a U-turn, more than 1,500 feet away at Pointe Parkway, before returning back toward the property on eastbound Baseline Road. This condition limits the ability of patients to conveniently access the site.

The third special circumstance is the approval for extended hours for another dispensary located at 5210 S. Avenida del Yaqui. On April 26, 2018, the Town of Guadalupe approved a variance to increase the hours of operation for the Mint Dispensary to 10:0 pm Monday through Sunday. See April 26, 2018 Legal Action Summary at **TAB 4**. The increase in hours creates an unfair competitive advantage which is peculiar given that there are only two approved dispensaries authorized to operate in the Town of Guadalupe. Two identical business operations should be allowed the same privileges and hours of operation, and any decision otherwise would be arbitrary and capricious.

B. The special circumstances are not self-imposed.

The special circumstances and undue hardship necessitating the requested variance are not self-imposed. Patient access is a key element of the Rules and Regulations promulgated by the Arizona Department of Health Services, which allow state-authorized medical marijuana dispensaries to remain open until 10:00 pm by state law. The disparity between the hours of operation authorized by state law and those authorized by the Town of Guadalupe was not created by the applicant. The unique nature of the medication offered by each dispensary, including the applicant's dispensary, necessitates extended hours of operation to allow for reasonable patient access.

Additionally, the limited access to the Property (right in/right out only onto Baseline Road) was not created by the applicant. This access condition is the result of continued development and significant increases in daily traffic along Baseline Road. The severely limited access creates a negative impact on convenient access to the site.

Finally, the applicant did create the competitive inequity resulting from Mint Dispensary's extended hours of operation. As it currently stands, Mint is able to serve patients for an additional seven (7) hours per week beyond the applicant's permitted hours of operation. This condition results in a significant economic disadvantage.

C. The request to extend hours of operation is necessary for the preservation and enjoyment of substantial property rights.

The variance is necessary for the preservation and enjoyment of substantial property rights. Here, a minor extension in the permitted hours of operation is necessary to compensate for the hardship created by limited vehicular access and the operation advantage currently enjoyed by the Mint Dispensary. The strict application of the code deprives the applicant of privileges enjoyed by other properties along Baseline Road, particularly the ability to establish hours of operation based on the needs of the patient.

Further, the conditions cited above place the appellant's property at an immediate disadvantage relative to other dispensary operators, and the approval of the requested hours extension is necessary to restore equity when the strict application of the zoning ordinance causes an undue hardship.

Finally, the variance is for patients to obtain reasonable access to medication. The relief requested is minor; only a 1-hour increase in the evening. It will not have a negative or adverse impact, and the public benefit to the patient population is substantial.

D. The variance will not be materially detrimental to adjacent persons and property.

The variance will not be materially detrimental to persons residing or working in the vicinity, to adjacent property, to the neighborhood, or to the public welfare in general. The properties immediately adjacent to the dispensary are similarly zoned, and consist of drive thru restaurants and adult-oriented facilities which have much later hours without any of the extra security measures implemented by the applicant.

The applicant has operated this facility in compliance with state statutes, Town ordinances, and attendant stipulations. Since the original hours extension was approved by the Town in December 2017, the applicant's dispensary has operated safely and without incident – demonstrating that extended hours of operation have no detrimental impact on adjacent persons or property.

The applicant has demonstrated its commitment to safety and compliance with all local and state laws and regulations. The property already complies with strict DHS requirements for security,

monitoring, and lighting. All security plans have been approved by DHS and this building complies in every regard.

There are substantial security protocols in place including video monitoring, electronic recordkeeping, and exterior cameras. Electronic security is provided by Centralized Vision. Uniformed security personnel provided by Patriot Security will be onsite during the extended hours. Strategic cameras area placed at the entry of the facility and around the perimeter. All areas of the interior building are monitored by cameras in every lobby, room, and hallway (except restrooms).

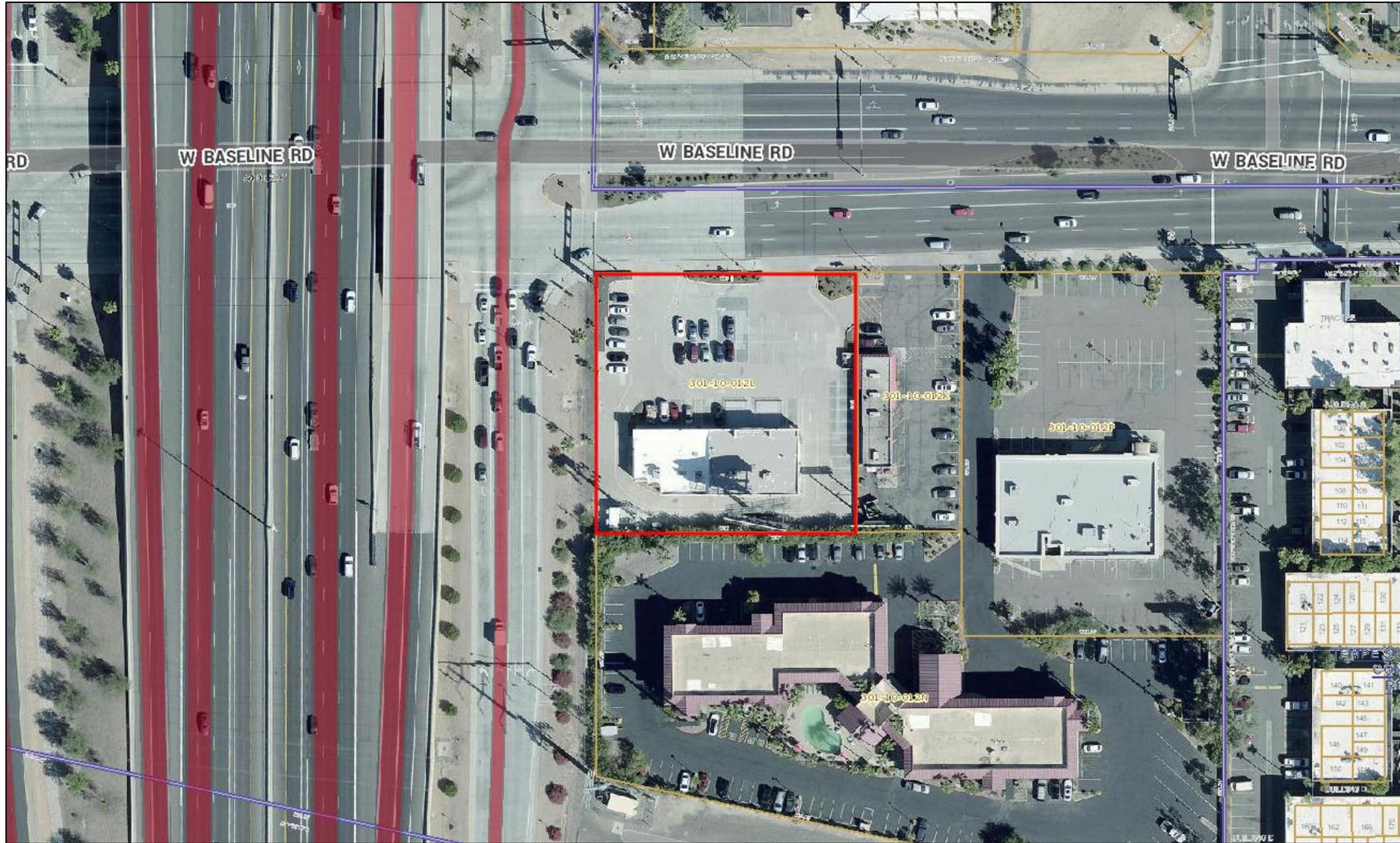
Video cameras have a recording resolution of at least 704 x 480 pixels. The recordings are electronically stored for a minimum 30-day period and have a battery back-up system in case of power loss. The security system has the capability to provide authorized remote viewing of live and recorded video with internet connectivity with at least 184kb upstream and a static IP address to allow for remote connection. A panic button is located at the reception desk, checkout area, counseling room, and prep room. This configuration yields optimal conditions for surveillance, prevention of unauthorized access, and discouraging theft. The same elements are incorporated into their other existing dispensaries and have proven to be an effective deterrent. To date, there have been no instances of crime at any of their sites.

VI. Conclusion

The applicant has demonstrated that special circumstances creating an undue hardship continue to persist in the form of the unique nature of the dispensary use, limited physical access, and the inequity resulting from the approved hours of operation for the other medical marijuana dispensary within the Town of Guadalupe. These special circumstances merit relief in the form of extended hours of operation from 8:00 am to 10:00 pm, Monday through Sunday.

The special circumstances affecting the appellant's medical marijuana dispensary meet the requirements to justify variance relief. The conditions cited are not self-imposed, and the unique and detrimental impact to the appellant's use does not apply to other commercial properties in the district. Variance relief is appropriate for this Property and merits the granting of this request.

TAB 1



1821 W. Baseline Road – Guadalupe, AZ



TAB 2

TAB 3



LEGAL ACTION SUMMARY

NOTICE OF REGULAR MEETING OF THE TOWN OF GUADALUPE COUNCIL

Valerie Molina
Mayor

Pursuant to A.R.S. 38-431.02, notice is hereby given to the members of the Town of Guadalupe Council and to the general public that the Town of Guadalupe Council will hold a meeting, open to the public, on **Thursday, December 14, 2017, at 6:00 P.M.**, at Guadalupe Town Hall, 9241 South Avenida del Yaqui, Guadalupe, Arizona, in the Council Chambers. The agenda is as follows:

Anita Cota
Vice Mayor

A. CALL TO ORDER

Gloria Cota
Councilmember

B. ROLL CALL

C. INVOCATION/PLEDGE OF ALLEGIANCE

Elvira Osuna
Councilmember

D. APPROVAL OF MINUTES:

1. Approval of the minutes of the regular council meeting held November 9, 2017 and the special council meeting held November 9, 2017.

APPROVED

Joe Sanchez
Councilmember

E. CALL TO THE PUBLIC. An opportunity is provided to the public to address the Council on items that are not on the agenda or included on the consent agenda. A total of 3 minutes will be provided for the Call to the Audience agenda item, unless the Council requests an exception to this limit. Please note that those wishing to comment on agenda items posted for action will be provided the opportunity at the time the item is heard.

Faustino Valenzuela
Councilmember

F. MAYOR and COUNCIL PRESENTATION:

Ricardo Vital
Councilmember

1. Pascua Yaqui Tribe Collaborative Efforts Presentation
2. Guadalupe Library Annual Report

Online agendas and
results available at
www.guadalupeaz.org

G. DISCUSSION AND POSSIBLE ACTION ITEM:

1. **PUBLIC HEARING:** Request for a variance by Nature Med Inc. (dba Harvest – a medical marijuana dispensary) located at 1821 W. Baseline Road, Suite 101 for extended hours of operation outside of existing Town ordinance. The current ordinance requires business closure at 6:00 P.M. The requested variance is to extend hours of operation to a 9:00 P.M. closure, Monday through Sunday. The purpose of this public hearing is to allow the Town Council to receive input from the public concerning the extend hour variance.

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Guadalupe, AZ 85283
Phone: (480) 730-3080
Fax: (480)-505-5368

NO ACTION TAKEN

2. **VARIANCE REQUEST:** Council will consider and may take action to approve or deny the requested variance for Nature Med Inc. (dba Harvest – a medical marijuana dispensary) located at 1821 W. Baseline Road, Suite 101 to extended hours of operation outside of existing Town ordinance from 6:00 P.M. to 9:00 P.M. Monday through Sunday.

APPROVED VARIANCE FOR A ONE-YEAR TIMEFRAME



Valerie Molina
Mayor

Anita Cota
Vice Mayor

Gloria Cota
Councilmember

Elvira Osuna
Councilmember

Joe Sanchez
Councilmember

Faustino Valenzuela
Councilmember

Ricardo Vital
Councilmember

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Guadalupe, AZ 85283
Phone: (480) 730-3080
Fax: (480)-505-5368

- 3. **RESOLUTION:** Council will consider and may adopt Resolution 2017-21 authorizing the Mayor to execute an intergovernmental agreement IGA2017A021 between the Ak-Chin Indian Community and the Town of Guadalupe to accept awarded 12% Contribution Grant in the amount of \$95,000 towards the purchase of a Type 1 Fire Engine and sign all necessary documents in furtherance of this agreement.

ADOPTED

- 4. **RESOLUTION:** Council will consider and may adopt Resolution 2017-22 authorizing the Mayor to execute an intergovernmental agreement IGA2017A022 between the Phoenix metropolitan area Cities, Towns, Fire Districts, and governmental jurisdictions and the Town of Guadalupe for the purpose of providing automatic aid assistance for fires and other types of emergency incidents as described under the terms of the Agreement (the “Automatic Aid System”) and authorize for the Mayor to execute formal notice that the Town of Guadalupe Fire Department is withdrawing from the currently existing Automatic Aid Agreement for Fire Protection and Other Emergency Service.

ADOPTED

- 5. **APPROVAL of BID:** Council will consider and may approve a bid to repair Maintenance Building roof, gutters and walls and provide direction to the Town Manager.

AWARDED BID TO WOODRUFF BWC CONSTRUCTION

- 6. Council will review the Mercado and Mercado Multi-Purpose Room fee schedule and may provide direction to the Town Manager.

STAFF WILL PRESENT MERCADO MULTI-PURPOSE ROOM FEE SCHEDULE TO COUNCIL IN JANUARY

- 7. Council will review the 2018 Town Council meeting calendar and may provide direction to the Town Manager.

APPROVED

- 8. Council may take action to cancel the December 28, 2017 Town Council meeting.

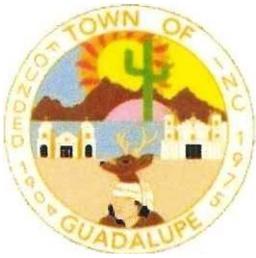
DECEMBER 28, 2017 TOWN COUNCIL MEETING CANCELLED

- 9. Council may vote to retire into a closed executive session to receive legal advice from its attorney and to discuss and consider its position and instruct its negotiators concerning said position on contracts and/ or the sale or lease of real property as allowed by ARS 38-431.03A (3)(4) and (7).

10. The Council will return to public session and vote to adjourn.

- H. TOWN MANAGER’S REPORT
- I. COUNCILS’ COMMENTS
- J. ADJOURNMENT

TAB 4



LEGAL ACTION SUMMARY
NOTICE OF REGULAR MEETING
OF THE TOWN OF GUADALUPE COUNCIL

Valerie Molina
Mayor

Pursuant to A.R.S. 38-431.02, notice is hereby given to the members of the Town of Guadalupe Council and to the general public that the Town of Guadalupe Council will hold a Regular Meeting, open to the public, on Thursday, April 26, 2018, at 6:00 P.M., at Guadalupe Town Hall, 9241 South Avenida del Yaqui, Guadalupe, Arizona, in the Council Chambers.

AGENDA

Anita Cota
Vice Mayor

A. CALL TO ORDER

B. ROLL CALL

Gloria Cota
Councilmember

C. INVOCATION/PLEDGE OF ALLEGIANCE

D. APPROVAL OF MINUTES:

Elvira Osuna
Councilmember

1. Approve the minutes of the Town Council Regular Meeting held on April 12, 2018.

E. CALL TO THE PUBLIC

Joe Sanchez
Councilmember

F. MAYOR and COUNCIL PRESENTATIONS: None.

G. DISCUSSION AND POSSIBLE ACTION ITEMS:

Faustino Valenzuela
Councilmember

1. **EXECUTIVE SESSION:** The Guadalupe Town Council may vote to go into an Executive Session, which is closed to the public, as allowed by A.R.S. §38-431.03(A)3, to obtain legal advice from the Town Attorney concerning the legal requirements to grant, deny, or grant with modifications, requests for variances of the Guadalupe Town Code.

Ricardo Vital
Councilmember

EXECUTIVE SESSION CONVENED

Online agendas and
results available at
www.guadalupeaz.org

2. **PUBLIC HEARING:** Request for a variance by the applicant G.T.L. LLC (d/b/a The Mint - a medical marijuana dispensary) located at 5210 S. Avenida del Yaqui for a variance to the Town Zoning Code as it relates to the hours of operation for its' marijuana dispensary as set forth by Town of Guadalupe Zoning Ordinance, Article 2, Part III, Section 1, Subsection C, Paragraph 5, limiting the hours of operation to not earlier than 8:00 AM and not later than 6:00 PM. The applicant is seeking the following:

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Guadalupe, AZ 85283
Phone: (480) 730-3080
Fax: (480)-505-5368

- 1: an extension of the current variance approved by Town Council on June 29, 2017, permitting the hours of operation open to the public from 8:00 AM to 9:00 PM, seven days a week; and,
- 2: a second variance to extend the hours of operation open to the public from 9:00 PM to 11:00 PM, seven days a week.

HELD A PUBLIC HEARING



Valerie Molina
Mayor

Anita Cota
Vice Mayor

Gloria Cota
Councilmember

Elvira Osuna
Councilmember

Joe Sanchez
Councilmember

Faustino Valenzuela
Councilmember

Ricardo Vital
Councilmember

Online agendas and
results available at
www.guadalupeaz.org

3. **VARIANCE REQUEST:** Council will consider and may take action to approve, deny, or approve with modifications of said variance request of an extension of the current variance approved by Town Council on June 29, 2017 of the Town Zoning Code, Article 2, Part III, Section 1, Subsection C, Paragraph 5, for G.T.L. LLC (d/b/a The Mint – a medical marijuana dispensary) located at 5210 S. Avenida del Yaqui to continue extended hours of operation open to the public outside the existing Town ordinance from 6:00 PM to 9:00 PM, seven days a week.

APPROVED A VARIANCE REQUEST TO ALLOW BUSINESS TO BE OPEN UNTIL 10:00 PM, SEVEN DAYS A WEEK

4. **VARIANCE REQUEST:** Council will consider and may take action to approve, deny or approve with modifications of said variance request of the Town Zoning Code, Article 2, Part III, Section 1, Subsection C, Paragraph 5, for G.T.L. LLC (d/b/a The Mint, a medical marijuana dispensary) located at 5210 S. Avenida del Yaqui to extended hours of operation open to the public outside the existing Town ordinance from 9:00 PM to 11:00 PM, seven days a week.

APPROVED A VARIANCE REQUEST TO ALLOW BUSINESS TO BE OPEN UNTIL 10:00 PM, SEVEN DAYS A WEEK

5. **RESOLUTION NO. 2018.09:** Adoption of Resolution No. 2018.09 authorizes the Town of Guadalupe to enter into an intergovernmental agreement with Maricopa County for Regional Emergency Operations Management and Disaster Services, effective July 1, 2018; and, authorizes the Mayor to execute all documents in furtherance of this agreement.

ADOPTED

6. **PROPOSED FY 2018 / 2019 TOWN BUDGET INTRODUCTION:** Staff will present the proposed fiscal year 2018/2019 Town budget and seek Town Council input and direction.

PRESENTATION AND DISCUSSION

7. **CONTRACT:** Council will consider and may approve the Proposal for construction management services from Dibble Engineering for the Calle Sahuaro flood remediation project for the cost of \$18,000.00 and authorize the Town Manager to execute all necessary documents in furtherance of this contract.

APPROVED

8. **CONTRACT:** Council will consider the recommendation from the Town Engineers for the award of the \$417,850.00 construction contract bid to KCCI, LLC for the Calle Sahuaro flood remediation project IGA2017A018. Council may award the bid to the low bidder and issue an Order to Proceed to the contractor receiving the award of bid.

APPROVED

- H. TOWN MANAGER’S REPORT
- I. COUNCILS’ COMMENTS
- J. ADJOURNMENT

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TOWN OF GUADALUPE
9241 S AVENIDA DEL YAQUI
GUADALUPE, AZ 85283

RR# 3185971

COPY OF NOTICE

(Not an Affidavit of Publication. Do not file.)

Reference #
Notice Type: MCHRG NOTICE OF HEARING
Ad Description VARIANCE FOR A SPECIFIC LOCATION MEDICAL MARIJUANA DISPENSARY HOURS OF OPERATION

To the right is a copy of the notice you sent to us for publication in THE RECORD REPORTER. Please read this notice carefully and fax or e-mail (record_reporter@dailyjournal.com) any corrections. The Affidavit will be filed, if required, and mailed to you after the last date below. Publication date(s) for this notice is (are):

10/22/2018

The charge(s) for this order is as follows. An invoice will be sent after the last date of publication. If you prepaid this order in full, you will not receive an invoice.

NOTICE OF PUBLIC HEARING VARIANCE FOR A SPECIFIC LOCATION MEDICAL MARIJUANA DISPENSARY HOURS OF OPERATION The Town Council of Guadalupe shall hold a meeting open to the public on the 8th day of November, 2018 at 6:00 p.m. at the Guadalupe Town Hall located at 9241 S. Avenida del Yaqui, Guadalupe, Arizona, for the following purpose – public hearing to consider: 1. Application by Nature Med Inc. (dba Harvest), for a variance to the Town Zoning Code as it relates to the hours of operation for its' marijuana dispensary located at 1821 West Baseline Road, Suite 101, Guadalupe, AZ, as set forth by Town of Guadalupe Zoning Ordinance Article 2, Part III, Section 1, Subsection C, Paragraph 5 limiting the hours of operation to not earlier than 8:00 A.M. and not later than 6:00 P.M.. 2. The applicant is seeking authorization of the continuation of the variance permitting hours of operation open to the public from 8:00 A.M. to 9:00 P.M. seven days a week, as approved by Town Council on December 14, 2017. 3. The applicant, in addition, is seeking an extension of hours of operation open to the public from 9:00 P.M. to 10:00 P.M. seven days a week. Written comments or objections may be filed at the Guadalupe Town Hall prior to, or at the hearing. Members of the public may also speak at the hearing as it relates to this variance request. Copies of the application and zoning requirements are available for review at the Town Hall.
10/22/18

RR-3185971#

Publication	\$3.60
Arizona Sales Tax	\$0.02
Total	\$3.62

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**WIRED TELECOMMUNICATIONS LICENSE BETWEEN THE TOWN OF GUADALUPE AND
MCIMETRO ACCESS TRANSMISSION SERVICES CORP. D/B/A VERIZON ACCESS
TRANSMISSION SERVICES**

This wired telecommunications license ("License" or "Agreement") issued by the Town of Guadalupe ("Licensor" or "Town"), an Arizona municipal corporation to MCImetro Access Transmission Services Corp. d/b/a Verizon Access Transmission Services ("Licensee" or "Verizon"), a corporation, (Town and Verizon are collectively the "Parties") is effective _____, 2018.

RECITALS

WHEREAS, Verizon has applied to the Town for permission to construct, install, operate, maintain and use the Public Highways in the Town in order to provide Telecommunications Services; and

WHEREAS, Verizon desires the ability to install Facilities within the right-of-way and/or operate and repair Facilities within the right-of-way subject to this Agreement; and

WHEREAS, Licensee has obtained from the Arizona Corporation Commission, a Certificate of Convenience and Necessity from the Arizona Corporation Commission by Decision No. 59983 dated January 16, 1997, updated by Decision No. 61014 dated July 16, 1998, and expanded by Decision No. 61378 dated January 29, 1999 to provide services within Arizona and is a Telecommunications Corporation; and

WHEREAS, MCImetro began using the fictitious name "Verizon Access Transmission Services ("Verizon") on January 23, 2006 in Arizona; and

WHEREAS, by the authority conferred by A.R.S. §§ 9-581 through 9-583 and the Town of Guadalupe Town Code as may be revised and updated, the Town is authorized to grant this License; and

WHEREAS, the Town Council is authorized to execute a license with Licensee to construct, install, operate, maintain and use Facilities in, along, under, over and across certain Public Highways within the Town to provide Telecommunications Services.

AGREEMENT

In consideration of the foregoing, the amounts hereunder paid by Verizon and the covenants and agreements contained herein, and for other good and valuable consideration, the Town grants Verizon a License and permission to use the public right-of-way on the following terms and conditions:

SECTION 1. Definitions.

For the purpose of this License, unless the context otherwise requires, the following terms, phrases, words, and their derivatives have these meanings. When not inconsistent with the context, words in the present tense include the future tense, words in the plural include the singular, and words in the singular include the plural. The word "shall" is always mandatory and not merely directory. If there is a conflict between these definitions and those listed in Guadalupe Town Code the definitions in Guadalupe Town Code prevail and control, as applicable.

"ACC" means the Arizona Corporation Commission.

"A.R.S." means Arizona Revised Statutes, as amended from time to time.

"Cable Services" and "Cable System" shall have the same meaning as defined in the Guadalupe Town Code.

"Town Council" means the Council of the Town of Guadalupe.

"Claims" means and includes losses, claims, damages, suits, actions, payments, judgments, demands, expenses and costs, including, but not limited to, attorney fees incurred through appeal.

"Commercial Mobile Radio Services" means two-way voice commercial mobile radio services as defined by the Federal Communications Commission in 47 United States Code Section 157.

"Conduit" means a pipe of either metal, ceramic or plastic that protects buried cables.

"Dark Fiber" means fiber optic strands that are not connected to transmission equipment.

"Environmental Laws" means all federal, state, and local laws, ordinances, rules, regulations, statutes and judicial decisions now or subsequently in effect, in any way relating to or regulating human health or safety, or industrial hygiene or environmental conditions, or protection of the environment, or prevention or cleanup of pollution or contamination of the air, soil, surface water or ground water.

"Equipment" means any tangible asset used to install, repair, or maintain Facilities in any ROW.

"Facilities" means the plant, equipment, and property used in the provision of Telecommunications Services and not owned by the Town, including but not limited to poles, wires, cables, pipe, conduits, pedestals, hand-holes, antennas, and other appurtenances placed in, on, or under Public Highways.

"FCC" means the Federal Communications Commission.

"Hazardous Substances" means those substances defined as toxic or hazardous substances, pollutants, or wastes by Environmental Laws and the following substances:

gasoline, kerosene, or other petroleum products, toxic pesticides and herbicides, volatile solvents, materials containing asbestos or formaldehyde, and radioactive materials.

“Interstate Telecommunications Services” means Telecommunications Services provided between users in Arizona and users outside of Arizona.

“License” means this non-exclusive authorization granted by the Town to construct, operate, maintain, reconstruct, repair and remove the Facilities.

“Pre-existing Environmental Condition” means the presence, emission, disposal, discharge or release of any Hazardous Substance at, in, on, under or about the Facilities, however caused, existing prior to the placement of Facilities within the Public Highway, whether the nature and extent of such contamination is known or unknown at the time.

“Proprietary Information” shall have the meaning prescribed in Section 6.5.

“Provider” means a Telecommunications Corporation that constructs, installs, operates or maintains telecommunications facilities or interstate telecommunications services in the Highway.

“Public Emergency” means any condition which, in the opinion of Town officials, poses an immediate threat to the lives and property of the citizens of Guadalupe or others caused by an natural or man-made disaster, including but not limited to, storms, floods, fire, accidents, explosions, major water main breaks, hazardous material spills, etc.

“Public Highway” or *“Highway”* means all roads, streets and alleys and all other dedicated public rights-of-way and public utility easements of the Town.

“Rights-of-way” and *“ROW”* shall have the same meaning as Public Highway or Highway.

“Telecommunications” means the transmissions between or among points specified by the user, of information of the user's choosing without change in the form or content of the information as sent and received. The term does not include Commercial Mobile Radio Services, pay phone services, Cable Services provided by a Cable System, interstate services, or the leasing of dark fiber for transmission purposes.

“Telecommunications Corporation” means any public service corporation to the extent that it provides Telecommunications Services in the State of Arizona.

“Telecommunications Services” means the offering of Telecommunications for a fee directly to the public, or to such users as to be effectively available directly to the public, regardless of the Facilities used.

SECTION 2. Permission Granted.

2.1 Subject to the terms of this License, and to the Guadalupe Town Code and Arizona state and federal law, the Town grants to Verizon the non-exclusive revocable license, right and privilege to construct, install, operate, maintain and use Facilities in, under, along, over and across Public Highways to provide Telecommunications Services, within the current and future

corporate Town limits of the Town. This authorization extends to the provision of ancillary communications services such as private carriage arrangements and facilities leasing.

The permission granted by this License is limited to the locations identified in the system route map, which is attached here as Exhibit B. If Verizon desires to expand its system, it will provide information on the additional routes as part of the permitting process and the system route map will be deemed updated to incorporate the additional routes being permitted, and pay all applicable fees outlined in Section 3.6 below, required by the Town Code or agreed to by the Parties. Further, if portions of the route are abandoned, Verizon shall submit a revised system route map to the Town within 30 days.

2.2 If it is necessary for Verizon to comply with any law or regulation of the FCC or the ACC to engage in business activities associated with use of the Public Highways to provide Telecommunications Services, Verizon shall comply with such laws or regulations as a condition precedent to exercising any rights granted by this License.

2.3 To the extent that Verizon occupies the right-of-way with solely empty conduit and/or solely leased dark fiber and/or uses the Town's right-of-way to provide services other than the telecommunications services defined by A.R.S. §9-581, such use and/or occupation of the right of way is subject to the terms and conditions of this License and any applicable fees, permits and laws.

2.3.1 At the time of the execution of this Agreement, Licensee plans to lease Dark Fiber to its affiliate Verizon Wireless. Licensee warrants and represents that at the time of the execution of this Agreement, it is not leasing Dark Fiber or Conduit to third party users within the public rights-of-way. In the future, should Licensee lease any of its Dark Fiber or Conduits to a non-Affiliate user, Verizon shall immediately notify the Town of the location and footage of such leased Dark Fiber or Conduit route(s). If Town, pursuant to Section 2.3, has enacted a lawful ordinance that requires fair and reasonable compensation from telecommunications providers, on a competitively neutral and nondiscriminatory basis, for the lease of Dark Fiber or Conduits, Licensee shall pay such compensation for any portion of the right of way used by Licensee solely for Dark Fiber or Conduit routes leased to non-Affiliate users that are installed and leased after the date such ordinance was enacted, unless a different calculation for fair and reasonable compensation is agreed to by the City or unless Verizon is providing in-kind services to the Town pursuant to Section 3.7.

SECTION 3. Reservation of Powers, Indemnification, Insurance.

3.1 The Parties agree if a regulatory body or a court of competent jurisdiction determines by a final, non-appealable order that the Town did not have the authority to issue this License under A.R.S. §§ 9-581 to 9-583, then this License will be considered a revocable permit with a mutual right in either Party to terminate without cause upon giving ninety (90) days written notice to the other Party. The requirements and conditions of such revocable permit will be the same requirements and conditions as set forth in this License except for conditions relating to the term of the License and the right of termination. If this License should be considered a revocable permit, the Licensee acknowledges the authority of the Town to issue and terminate revocable permits.

3.2 The Town reserves every right and power which is required to be reserved or is provided by any ordinance or Guadalupe Town Code and Verizon by its acceptance of this

License, agrees to be bound thereby and to comply with any action or requirements of the Town in its exercise of such rights or power, whenever enacted or established, except those actions or requirements which have been found to be unlawful under state or federal law. Neither the granting of this License, nor any of its provisions, constitute a waiver or bar to the exercise of any governmental right, privilege, immunity or power of the Town.

3.3 Verizon acknowledges that it has liability for any and all of its Facilities installed in the ROW and for its use of the ROW and for its exercise of its rights under this License directly or through its contractor(s), except to the extent of intentional acts or gross negligence on the part of the Town. To the fullest extent permitted by law, Verizon, shall defend, indemnify and hold harmless the Town, or its officials, officers, boards, commissions, agents or employees, individually and collectively, from and against any and all claims arising out of or alleged to have resulted from or related to the acts, errors, mistakes, omissions of Verizon, its employees, agents, or any tier of contractors or any other person for whose acts, errors, mistakes, or omissions Verizon may be legally liable and from any claims or amounts arising or recovered under workers compensation laws or any other law, bylaw, or ordinance, order or decree related to any failure on the part of Verizon, its agent, employees or representatives to fulfill Verizon's obligations under this License, whether resolution of the above claim(s) proceeds to judgment or not. The provisions of this Section 3.3 shall survive cancellation, revocation, or termination of this License. This indemnification applies even if the Party seeking damages makes a claim against the Town or brings a claim against the Town based on vicarious liability or non-delegable duty, or challenging the right of the Town to enter into this Agreement with Verizon.

3.4 Verizon shall comply with the insurance requirements attached to this License as Exhibit "A" and incorporated by this reference.

3.5 The Town shall not levy any tax, rent, fee or charge on Licensee's activities conducted under this License except for such taxes, rents, fees, or other charges as are applied by the Town on a nondiscriminatory basis to the use of the ROW for provision of Telecommunications Services by Telephone Corporations under any lawful Town Code or Ordinance or by agreement of the Parties. Licensee represents and warrants that none of its Facilities are used solely for the provision of Interstate Telecommunications Services to the exclusion of intrastate Telecommunications Services. Licensee shall promptly notify the Town if any of Licensee's Facilities become utilized solely for the provision of Interstate Telecommunications Services to the exclusion of intrastate Telecommunications Services, and pay any fee applicable thereto agreed to by the parties or required or under any lawful Town Code or Ordinance, applied on a nondiscriminatory basis to the use of the ROW for the provision of exclusively Interstate Telecommunications Services by Telephone Corporations.

3.6 By entering into this Agreement, neither Party waives any current or future rights reserved under the Telecommunications Act of 1996, including but not limited to, those rights set forth in Section 253(c), reserving the Town's right to manage the public right-of-way and to require fair, non-discriminatory and reasonable compensation from Verizon for the use of the right-of-way. Verizon shall pay the following to the extent such charges are applied by the Town on a nondiscriminatory basis to use of the ROW for provision of Telecommunications Services by Telephone Corporations under any lawful Town Code or Ordinance or are agreed to by the Parties:

3.6.1 An Application Fee of \$2,500.

3.6.2 Public Highway construction permit fees established by the Town. The

permit fees shall apply each time Licensee enters the right of way to perform installation, maintenance, repair, or removal of the Facilities.

3.6.3 All reasonable costs associated with the construction, maintenance and operation of Licensee Facilities in the Public Highways, including reasonable costs associated with damage caused to the Public Highways, public property or public Improvements as a result of Verizon's work in the right-of-way .

3.6.4 A fee, if provided by the Town Code or agreed to by the Parties, for the portion of the right-of-way used by Verizon solely for leasing of dark fiber to non-affiliates or solely for empty conduit pursuant to Section 2.6 above.

3.7 This agreement does not currently provide for any future in kind payments by Verizon. However, should fees be owed under Section 3.6 above, upon mutual agreement of the parties, Verizon shall have the right to compensate the Town via in kind services or facilities in lieu of any payment of such fee subject to the Town's agreement on the scope and nature of the services and/or facilities to be provided by Verizon and their valuation. Licensee's provision of the in-kind services or facilities shall be memorialized in a separate agreement between the town and Verizon based on Verizon's standard terms and conditions for such services or facilities.

SECTION 4. Performance Bond

Verizon shall file and maintain until completion of the initial Facilities, or for the installation of additional Facilities with a construction cost in excess of \$100,000.00, a performance bond in favor of the Town in the sum of \$100,000.00 to guarantee Licensee's performance under this License. In case of breach of any condition of this License, part or all of the performance bond may be forfeited to compensate the Town for any actual damages it may suffer by reason of the breach. The performance bond shall be acknowledged by Licensee as principal and shall be issued by a surety with an AM Best rating of A-/VII or better.

SECTION 5. Records and Locator Service of Facilities.

5.1 Verizon shall comply with A.R.S. §§ 40-360.21 et seq. by participating as a member of the Arizona Blue Stake Center with the necessary records and persons to provide location service of Licensee's Facilities upon receipt of a "locate call" as promptly as possible, but in no event later than two working days. A copy of Verizon's agreement to locate or proof of membership in Arizona Blue Stake Center shall be filed with the Town.

5.2 Verizon shall maintain all As-Built Drawings of its Facilities located in the right-of-way and, on an annual basis, furnish a copy electronically and in hard copy in the format reasonable requested by the Town, if there has been a change in its Facilities since the previous As-Built Drawings were sent to the Town.

SECTION 6. Installation and Operation of the Facilities.

6.1 All installations, maintenance and repair of the Facilities and repair of any resulting damage caused by Verizon to the Public Highways, public property or public improvements shall meet the applicable standard specifications and requirements of the Town and be scheduled in cooperation with the Town. Verizon is completely responsible for ensuring that its Facilities are constructed, installed, operated and/or maintained in accordance with the Town Code and

established practices with respect to public right-of-way and easements, such as the proper permits being applied for prior to commencing any work and strict adherence to the conditions of the permit.

6.2 In addition to any indemnity obligation under this License, whenever the installation, use, maintenance, removal, repair or relocation of any of Verizon's Facilities are required or permitted under this Agreement, and such installation, use, removal, repair or relocation damages or disturbs the surface or subsurface of any right-of-way, public property or public improvement, unless caused by Town's gross negligence or willful misconduct, Verizon at its sole cost and expense shall promptly restore the damages or disturbed area or property to as good as condition as before the damaging event. If after receiving written notice from the Town, Verizon does not complete the required repairs or restoration within thirty (30) days, the Town may, at Verizon's expense, perform such reasonable and necessary work. Additionally, in the event of a Public Emergency, the Town shall have the right to perform such reasonable and necessary work on behalf of Verizon, at Verizon's expense, to repair and return the property to a safe and satisfactory condition.

6.3 The authority granted by this License to use the Public Highway does not authorize Verizon's use of the Facilities for operating a Cable Television System, a Cable System or authorize Verizon to operate as a cable operator as those terms are defined in the Communications Act of 1934, state law, or the Town Code. The authority granted by this License does not authorize the use of the Public Highways for an open video system as defined in the Communications Act of 1996 or as defined or authorized by the FCC. The authority granted by this License is not in lieu of any other license or franchise the Town may require to occupy the Highways to provide service other than as authorized under Section 2.

6.4 Verizon shall comply with rules and regulations of the FCC and ACC that apply to the services that Licensee provides over the Facilities in the Public Highways that Verizon is authorized to use by this License.

6.5 In order for the Town to determine Verizon's compliance with the terms of this License, within 10 days of a request for disclosure by the Town, Verizon shall provide the documentation requested by Town. For purposes of confirming that Verizon is providing solely services authorized under this License, upon reasonable request and notice by the Town, Verizon shall make available for joint inspection and testing as requested by Town, the current services being provided by Verizon through the Facilities authorized by this License. If Verizon determines it must reasonably provide proprietary information in order to respond to the Town's request for documentation and inspection, Verizon shall designate such claim to proprietary treatment on documents provided to the Town..

6.6 Proprietary information disclosed by Verizon for the purposes of this License shall mean any document or material clearly identified as proprietary ("Proprietary Information"). Such Proprietary Information shall include, but not be limited to, any customer lists, financial information, technical information, or other information clearly identified as confidential pertaining to services provided to its customers.

6.7 Proprietary Information disclosed by Verizon to the Town or its constituent departments shall be regarded as proprietary as to third parties. If the Town receives a request to disclose such Proprietary Information, the Town shall notify Verizon of the request and allow the Verizon a reasonable opportunity to defend its Proprietary Information from disclosure. The foregoing does not apply to any information which is already in the public domain. However, if

public domain information is included with Proprietary Information on the same document, the Town shall only disclose those portions within the public domain.

6.8 Notwithstanding any provision in this License, Verizon acknowledges and understands that the Town is a political subdivision of the State of Arizona and is subject to the disclosure requirements of Arizona's Public Records Law (A.R.S. §§ 39-121, et seq).

SECTION 7. Licensee Abandonment of the Facilities.

If Verizon abandons the use of its Facilities or Facilities are inoperable for more than six (6) consecutive months, or upon cancellation, revocation or termination of the privilege herein granted, Verizon shall notify the Town and may, subject to the Town's approval, permanently abandon the Facilities in place. In lieu of permanent abandonment, the Town may require Verizon to the reasonable satisfaction of the Town and, without cost or expense to the Town, promptly to remove its Facilities and to restore the Public Highways to a reasonable condition under the supervision of the Town. Upon permanent abandonment or if the Facilities are inoperable for more than six (6) consecutive months, if the Town does not require removal, the Verizon shall submit to the Town a proposal and instruments for transferring ownership to the Town. Any Facilities which are not removed within one hundred twenty (120) days of cancellation, revocation or termination, or from the date the Town issued a permit authorizing removal, whichever is later, automatically shall become the property of the Town. The Arizona Blue Stake Center must be notified to record abandoned Facilities.

SECTION 8. Term of License.

8.1 The term of this License is five (5) years from the effective date unless sooner revoked or canceled.

8.2 At any time prior to the cancellation, revocation or termination of this License, Verizon may apply to the Town for a renewal of the License in accordance with then-existing state and Town laws.

SECTION 9. Transfer of License.

9.1 This License and the related rights and privileges may not be assigned or otherwise transferred without the express written consent of the Town, which consent shall not be unreasonably withheld or delayed. The new licensee shall be equally subject to all the obligations and privileges of this License including any amendments, which will remain in effect, as if the new licensee was the original Licensee.

9.2 The approval of any change in ownership interest shall include an assignment agreement signed by the assignee, Verizon, and the Town. Verizon shall provide Town a copy of the deed, agreement, mortgage, lease, or other written instrument evidencing such sale, transfer or lease, certified and sworn to as correct by Verizon.. Verizon shall notify the Town within sixty (60) days of any change in mailing address.

9.3 After assignment, the License, including any amendments, shall be binding on the assignee to the full extent that is was binding upon Verizon. .

9.4 Nothing in this Section 9 prohibits a pledge, hypothecation or mortgage or similar instrument transferring conditional ownership of all of part of the Verizon's assets to a lender or

creditor in the ordinary course of business. In the event a lender assumes control of the assets and operation of Verizon through a default of loan obligations, the lender may assume the rights and obligations of Verizon. The Lender may not transfer or change control of the License without submitting the change to the Town for approval. If the lender continues operation on a basis at any time, the lender shall be subject to all provisions of the License. No later than three years after assumption of control by the lender, the lender shall apply to the Town for the right to continue assumption of control or transfer the License. Application for approval of the assumption of control or transfer shall be subject to consent by the Town and shall not be unreasonably denied or upheld. A "Lender" for the purposes of this License does not include a company, person, or corporation or other entities that operate cable television systems or telecommunications systems as a principal or important business. This paragraph is intended to prohibit the intentional use of lending and/or foreclosure as a method for effecting change of control or transfer of the License without Town review and approval.

9.5 Notwithstanding the foregoing, prior consent shall not be required for transfer to any company which is owned or controlled or under common control and with the same direct parent as Licensee, and which is intended after such transfer to remain under the ownership or control of that parent or an entity under common control or with the same direct parent, provided that, no such transfer shall be valid unless Licensee and the proposed transferee submit a binding agreement and warranty to the Town stating that:

9.5.1 The proposed transferee has read, accepts, and agrees to be bound by the License;

9.5.2 The proposed transferee assumes all obligations, liabilities and responsibility under the License for the acts and omissions of Licensee, known and unknown, for all purposes, and agrees that the transfer shall not permit it to take any position or exercise any right which Licensee could not have exercised; and

9.5.3 The transfer will not substantially diminish the financial resources available to the Licensee.

9.6 Prior to completing a transfer described in this Section, Licensee and the proposed transferee shall submit to the Town a description of the nature of the transfer, and submit complete information regarding the effect of the transfer on the direct and indirect ownership and control of the License.

SECTION 10. Non-exclusive License.

This License is not exclusive, and nothing in this License may be construed to prevent the Town from granting other similar licenses to any others, or to reduce the powers and privileges granted the Town under the Constitution and laws of the State of Arizona.

SECTION 11. Revocation of License.

11.1 This License may be revoked prior to expiration if Verizon fails to comply with any material term or condition of the License or applicable law.

11.2 Before revoking the License, the Town Manager shall give written notice to Verizon of the basis for revocation and give Verizon 60 days within which to cure.

11.3 The Town need not provide a 60 day cure period prior to revocation if the Town finds that the defect in performance is due to intentional misconduct, a violation of criminal law or is a part of a series of violations where Verizon has already had notice and opportunity to cure.

11.4 If Verizon requests a hearing before revocation, the Town shall provide a hearing prior to final action on the notice of intent to revoke.

SECTION 12. Acceptance of License Terms and Conditions.

12.1 This License shall not become effective until it has been formally approved by the Town Council and filed with the Town Clerk. By accepting this License, Verizon covenants and agrees to perform and be bound by all of the terms and conditions imposed by the Town Charter, the Town Code and this License.

12.2 Verizon acknowledges and accepts the right of the Town to issue a License.

12.3 Verizon has reviewed the Town's ability to grant a License and accepts a License as the Town may now be legally able to grant.

12.4 In the event of conflict between the terms and conditions of the License and the terms and conditions on which the Town may grant a license or permission to use the Public Highways as set forth in applicable federal law, Arizona law or the Town Charter, then the applicable federal law, Arizona law and Charter shall control.

12.5 Nothing in this License waives any of the requirements of the various codes, ordinances and regulations of the Town regarding permits, fees to be paid or manner of construction.

SECTION 13. General Conditions.

13.1 Any trimming of trees on the Public Highways or in the right-of-way by Verizon shall be subject to regulation by the Town to protect the public health, safety and convenience.

13.2 In all matters of License administration, the Town has authority to determine Verizon's compliance with the terms and provisions of the License, and in the event of non-compliance to exercise any or all of the remedies included in this License and as provided by Arizona law.

13.3 The Town has the right to inspect all construction or installation work subject to the provisions of this License and to make any tests it finds necessary to ensure compliance with the terms of this License and other pertinent provisions of law.

13.4 The Town shall have the right of intervention in any suit or proceeding involving the License to which Verizon is party, and Verizon shall not oppose that intervention.

13.5 Upon request from Town, but no more than annually, Verizon shall provide the Town information relating to this License and/or to Town's or Verizon's rights or obligations under this License. Verizon shall make available to Town the requested reports or records in the formats in which they are customarily prepared by Verizon. Verizon reserves the right to object to any request made under this Section 13.5 as unnecessary, unreasonable or inappropriate under the circumstances and to seek appropriate confidentiality protections for any information to be

produced to Town. The Town shall have the right to inspect all books, records, maps, plans, and other like material which relate to the License at any time during normal business hours. Such records shall be available to Town at Verizon's offices in Maricopa County, Arizona or delivered electronically as may be appropriate. Verizon shall also require its employees, agents, and accountants to give their cooperation and assistance in connection with Town's access to such records.

13.6 Verizon shall relocate at no expense to the Town any Facilities or other encroachment installed or maintained in, on or under any public place or ROW, as may be necessary to facilitate any public purpose whenever directed to do so by Town. To the extent that the Town receives funds from any third parties or government entities for a project that requires the relocation of Facilities owned, operated and/or maintained by the Verizon, the Town shall allocate such funds to the relocation of Verizon's Facilities. If more than one licensee is required to relocate for the same project, and is eligible for reimbursement, any such funds shall be distributed on a pro rata basis based on the total relocation costs of each of the licensees eligible for such reimbursement. Verizon shall not hold the Town liable for failure to request or file a claim for any funds for the relocation of the Verizon's Facilities. Such relocations shall be accomplished in accordance with the directions from Town and shall be pursuant to the same terms and conditions as the initial installation allowed pursuant to this License and any applicable issued permits. Within ninety (90) days after service of notice by the Town, Verizon shall remove the designated portions of the Facilities, or in the event that, by the nature of the removal such removal cannot be performed within the ninety-day period, Verizon shall take reasonable steps to remove the Facilities and diligently prosecute the removal to completion, and, if requested, restore the sidewalks and other ROW to a condition comparable to the condition before the construction of the public improvement at no cost and expense to the Town. Town agrees to cooperate with Verizon to identify alternate locations where available within the ROW.

13.7 This License does not convey the right to install any of Verizon's Facilities on private property.

13.8 Verizon shall comply with all applicable Federal and State of Arizona laws, as well as all Town ordinances, resolutions, rules, and regulations whenever adopted or established as they pertain to the exercise of the rights and duties under this License.

13.9 Verizon shall have no recourse against the Town or its officials, boards, commissions, agents or employees for any loss, costs, expense or damage arising out of any provision, requirement or enforcement of the License, or because of defects in issuing the License.

13.10 Verizon shall not be relieved of its obligation to comply with any of the provisions of this License by reason of any failure of the Town upon one or more occasions to insist upon or to seek compliance with any License terms and conditions.

13.11 The Town reserves every right and power which is required to be reserved or provided by any ordinance or the Town Charter, and Verizon, by its acceptance of this License, agrees to be bound thereby and to comply with any action or requirements of the Town in its exercise of those rights or powers, whenever enacted or established. Neither the granting of this License nor any provision of it constitutes a waiver or bar to the exercise of any governmental right or power of the Town. No privilege or exemption is granted under this License except those specifically described.

13.12 Verizon's representations and warranties made under this License or any permit issued hereunder shall survive termination or revocation.

13.13 Verizon is responsible for proper investigation and management of all Hazardous Substances under its control, including Hazardous Substances which it uses, generates or disposes of, and must comply with all Environmental Laws in carrying out its obligations under this License. In the event Verizon releases to the environment Hazardous Substances under its control, to the extent that a governmental agency with jurisdiction requires reporting, investigation, cleanup or remedial measures to be taken, Licensee shall, at its sole cost and expense, promptly undertake such required actions. If Verizon discovers a Pre-existing Environmental Condition, Licensee shall immediately notify the Town.

13.14 Verizon acknowledges that this License is subject to cancellation by the Town pursuant to the provisions of A.R.S. § 38-511.

13.15 Verizon warrants that no person has been employed or retained to solicit or secure this License upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee; and that no member of the Town Council, or any employee of the Town has any interest, financially or otherwise, in this License. For breach or violation of this warranty, the Town shall have the right to revoke this License without liability.

13.16 Any provision in this License that may appear to give the Town the right to direct Verizon or Verizon's the right to direct the Town as to the details of accomplishing the work or to exercise a measure of control over the work means only that the party shall follow the wishes of the other party as to the results of the work.

13.17 This License will be governed by the laws of the State of Arizona. Any action at law, suit in equity or judicial proceeding for the enforcement of this License shall be instituted only in the courts located within Maricopa County, Arizona.

13.18 All notices, consent or other communication under this License shall be in writing and either delivered in person, deposited in the United States mail, postage prepaid, or deposited with any commercial air courier or express service and addressed as follows:

To:

MCImetro Access Transmission Services Corp.
600 Hidden Ridge Dr.
HQE02E102
Irving, TX 75038
Phone: 972-457-7420

With copy to:

MCImetro Access Transmission Services Corp.
1320 N. Courthouse Rd., 9th Floor
Arlington, VA 22201
ATTN: Network Counsel
Email: timothy.vogel@verizon.com

To the Town:

Town Manager / Clerk
Town of Guadalupe
9241 S. Avenida del Yaqui
Guadalupe, AZ 85283

Notice shall be deemed received at the time it is personally served or, on the second day after its deposit with any commercial air courier or express service or, if mailed, 3 calendar days after the notice is deposited in the United States mail as above provided. Any time period stated in a notice shall be computed from the time the notice is deemed received unless noted otherwise. Any Party may change its mailing address or the person to receive notice by notifying the other Party as provided in this Section.

13.20 This License is not intended to constitute, create, give rise to, or otherwise recognize a joint venture, agreement, or relationship, partnership, or formal business organization of any kind, and the rights and obligations of the Parties shall be only those expressly set forth. Verizon agrees that no persons engaged by Verizon are Town employees and that no rights of Town Civil Service, Retirement or Personnel rules accrue to such persons. Verizon shall have total responsibility for all salaries, wages, bonuses, retirement, withholdings, workmen's compensation, unemployment compensation, other benefits, and all related taxes and premiums concerning such persons, and shall save and hold the Town harmless with respect thereto.

13.21 This License, and the exhibits listed below that are either attached and/or on file at the Town and available for inspection, are incorporated by this reference, and constitute the entire agreement between the Town and Verizon with respect to this License and supersede all prior negotiations, communications, discussions and correspondence, whether written or oral, concerning this License. No supplement, modification, waiver or amendment of any term of this License shall be binding or effective unless executed in writing by the Parties. No waiver of any provision of this License shall constitute a waiver of any other provision, whether or not similar, nor shall any waiver constitute a continuing waiver.

13.22 Nothing in this License, whether express or implied, is intended to confer any right or remedies on any persons other than the Parties to this License and their respective successors and permitted assigns. Nothing in this License is intended to relieve or discharge any obligation or liability of any person who is not a Party to this License. No person who is not a party to this License has a right of subrogation or action over or against any Party to this License.

13.23 Unless otherwise provided, the terms and provisions of this License shall be construed in accordance with their usual and customary meanings. The Parties waive the application of any rule of law that ambiguous or conflicting terms or provisions should be construed against the Party who (or whose attorney) drafted the License. The words "hereof", "herein", "hereunder" and similar terms in this License refer to this License as a whole and not to any particular provision of this License. All references to "Sections" refer to the sections and paragraphs of this License unless specifically stated otherwise. The section and other headings contained in this License are inserted for convenience of reference only, and they neither form a part of this License nor are they to be used in the construction or interpretation of this License.

13.24 Except as set forth in Section 3.1, if any covenant, condition, term or provision of this License is held to be illegal, invalid or unenforceable, the remainder of this License or the application of such covenant, condition, term or provision to persons or in circumstances other than those to which it is held invalid or unenforceable, shall not be affected.

13.25 Each of the Parties agrees to provide the other Party with any additional documents reasonably requested to fulfill the intent of this License.

13.26 The Parties agree that the recitals are accurate and correct and are incorporated by this reference.

13.27 Verizon certifies it is not currently engaged in, and agrees for the duration of the contract to not engage in, a boycott of Israel as that term is defined in A.R.S. § 35-393.

The Parties have executed this License as of the date first set forth above.

“Licensee”

“Licensor”

By: 
Its: Senior Manager – Network Engineering & Operations

By: _____
Mayor:

ATTEST:

Town Clerk

APPROVED AS TO FORM:

Town Attorney

Exhibit A – Insurance Requirements

A. The Licensee shall procure and maintain for the duration of this agreement, insurance against claims for injuries to persons or damage to property which may arise from or in connection with the performance of the work hereunder by the Licensee, or its employees in the amounts and types set forth below:

1. Automobile Liability insurance covering all owned, non-owned, hired, and leased vehicles with a combined single limit for bodily injury and property damage of \$1,000,000.00 per accident. Coverage shall be written on Insurance Services Office (ISO) form or a substitute form providing equivalent liability coverage.

2. Commercial General Liability insurance with limits of \$1,000,000.00 each occurrence for bodily injury and property damage and, \$2,000,000.00 general aggregate including \$2,000,000.00 products-completed operations aggregate limit. Coverage shall be written on ISO occurrence form or a substitute form providing equivalent coverage and shall cover liability arising from premises-operations, independent contractors, products-completed operations, personal injury and advertising injury and contractual liability assumed under an insured contract. There shall be no endorsement or modification of the Commercial General Liability insurance for liability arising from explosion, collapse, or underground property damage. The Town shall be included as an additional insured as their interest may appear under this License under the Licensee's Commercial General Liability insurance policy with respect to the work performed under this agreement using ISO Additional Insured Endorsements or substitute endorsements providing equivalent coverage.

3. Professional Liability insurance with limits \$1,000,000.00 per claim and aggregate covering the negligent actions of the Licensee in the performance of professional services under this agreement under this agreement.

4. Workers' Compensation coverage as required by the Industrial Insurance laws of the State of Arizona and Employer's Liability with a limit of \$1,000,000.00 each accident/disease/policy limit.

B. The insurance policies shall be primary insurance as respects the Town. Any insurance, self-insurance, or insurance pool coverage maintained by the Town shall be in excess of the Licensee's insurance and shall not contribute with it.

C. Upon receipt of notice from its insurer(s) The Licensee's shall use commercially reasonable efforts to provide the Town with thirty (30) days' prior written notice of Cancellation.

D. Acceptability of Insurers. Insurance is to be placed with insurers with a current A.M. Best rating of not less than A:VII.

E. Verification of Coverage. Licensee shall furnish the Town with certificate of insurance and blanket additional insured endorsements evidencing the insurance requirements of Licensee before commencement of the work.

F. Licensee shall have the right to self-insure any or all of the above-required insurance.

G. Licensee's maintenance of insurance as required by this agreement shall not be construed to limit the liability of Licensee to the coverage provided by such insurance, or otherwise limit the Town's recourse to any remedy to which the Town is otherwise entitled at

law or in equity.

PERFORMANCE IN PUBLIC RIGHTS OF WAY BOND

BOND NUMBER: CMS0332132

KNOW ALL MEN BY THESE PRESENTS, That we MCImetro Access Transmission Services Corp. dba Verizon Access Transmission Services as Principal, and RLI Insurance Company, incorporated under the laws of the State of Illinois, with its Home Office in Peoria, IL, as Surety, are held and firmly bound unto Town of Guadalupe 9241 South Avenida Del Yaqui, Guadalupe, AZ 85283, as Obligee, in penal sum of One Hundred Thousand and NO/100 Dollars (\$100,000.00) lawful money of the United States, for which payment, well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

WHEREAS, the Principal has applied to the Obligee for a Permit for WORK WITHIN THE RIGHT OF WAY OF THE TOWN OF GUADALUPE, AZ.

THEREFORE, THE CONDITION OF THIS OBLIGATION IS SUCH, that if the Principal shall indemnify the Obligee against all loss to it caused by said Principal's breach of any ordinance, rule or regulation relating to such Permit then the above obligation shall be void, otherwise to be and remain in full force and effect.

THE LIABILITY HEREUNDER may be terminated (a) by written notice from Surety to Obligee that liability shall terminate upon expiration of thirty (30) days from the date of such notice or (b) upon written cancellation from Obligee addressed to Surety. In either event, a copy of the notice of authorization shall be forwarded to the Principal. In the event of such cancellation by the Surety, the Surety shall refund the unearned premium, if any.

SIGNED, SEALED AND DATED the 10th day of October, 2018. This bond is effective the 10th day of October, 2018.

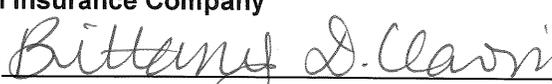
**MCImetro Access Transmission Services Corp. dba Verizon
Access Transmission Services**

By: 

James E. Beckert, Asst Treasurer

Principal

RLI Insurance Company

By: Brittany D. Clavin, Attorney-in-Fact
AZ Non-Resident License No.: 17600095

Surety

ACKNOWLEDGMENT BY SURETY

STATE OF Missouri
City of St. Louis } ss.

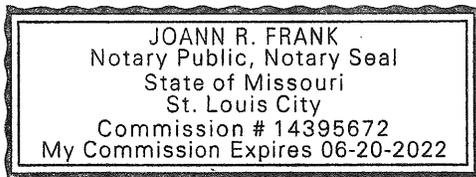
On this 10th day of October, 2018, before me personally
appeared Brittany D. Clavin, known to me to be the Attorney-in-Fact of
RLI Insurance Company

_____, the corporation
that executed the within instrument, and acknowledged to me that such corporation executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, at my office in the aforesaid
County, the day and year in this certificate first above written.

My Commission Expires: June 20, 2022
(Seal)

JoAnn R. Frank
JoAnn R. Frank
Notary Public in the State of Missouri
City of St. Louis
Commission #14395672



POWER OF ATTORNEY

RLI Insurance Company Contractors Bonding and Insurance Company

9025 N. Lindbergh Dr. Peoria, IL 61615
Phone: 800-645-2402

Bond No. CMS0332132

Know All Men by These Presents:

That this Power of Attorney is not valid or in effect unless attached to the bond which it authorizes, but may be detached by the approving officer if desired.

That this Power of Attorney may be effective and given to either or both of **RLI Insurance Company and Contractors Bonding and Insurance Company**, required for the applicable bond.

That **RLI Insurance Company** and/or **Contractors Bonding and Insurance Company**, each Illinois corporations (as applicable), each authorized and licensed to do business in all states and the District of Columbia do hereby make, constitute and appoint:

Brittany D. Clavin in the City of St. Louis, State of Missouri, it's true and lawful Agent and Attorney in Fact, with full power and authority hereby conferred upon him/her to sign, execute, acknowledge and deliver for and on its behalf as Surety, in general, any and all bonds and undertakings in an amount not to exceed Twenty Five Million Dollars (\$25,000,000) for any single obligation, and specifically for the following described bond.

Principal: MCIMetro Access Transmission Services Corp. dba Verizon Access Transmission Services
Obligee: Town of Guadalupe

RLI Insurance Company and Contractors Bonding and Insurance Company, as applicable, have each further certified that the following is a true and exact copy of a Resolution adopted by the Board of Directors of each such corporation, and now in force, to-wit:

"All bonds, policies, undertakings, Powers of Attorney or other obligations of the Corporation shall be executed in the corporate name of the Corporation by the President, Secretary, any Assistant Secretary, Treasurer, or any Vice President, or by such other officers as the Board of Directors may authorize. The President, any Vice President, Secretary, any Assistant Secretary, or the Treasurer may appoint Attorneys in Fact or Agents who shall have authority to issue bonds, policies or undertakings in the name of the Corporation. The corporate seal is not necessary for the validity of any bonds, policies, undertakings, Powers of Attorney or other obligations of the Corporation. The signature of any such officer and the corporate seal may be printed by facsimile or other electronic image."

IN WITNESS WHEREOF, **RLI Insurance Company** and/or **Contractors Bonding and Insurance Company**, as applicable, have caused these presents to be executed by its respective Vice President with its corporate seal affixed this 10th day of October, 2018.

State of Illinois }
County of Peoria } SS



**RLI Insurance Company
Contractors Bonding and Insurance Company**
B. A. W. Davis
Barton W. Davis Vice President

CERTIFICATE

I, the undersigned officer of **RLI Insurance Company** and/or **Contractors Bonding and Insurance Company**, do hereby certify that the attached Power of Attorney is in full force and effect and is irrevocable; and furthermore, that the Resolution of the Company as set forth in the Power of Attorney, is now in force. In testimony whereof, I have hereunto set my hand and the seal of the **RLI Insurance Company** and/or **Contractors Bonding and Insurance Company** this 10th day of October, 2018.

On this 10th day of October, 2018, before me, a Notary Public, personally appeared Barton W. Davis, who being by me duly sworn, acknowledged that he signed the above Power of Attorney as the aforesaid officer of the **RLI Insurance Company** and/or **Contractors Bonding and Insurance Company**, and acknowledged said instrument to be the voluntary act and deed of said corporation.

By: Gretchen L. Johnnigk
Gretchen L. Johnnigk Notary Public



**RLI Insurance Company
Contractors Bonding and Insurance Company**
By: Jean M. Stephenson
Jean M. Stephenson Corporate Secretary

AGENCY CUSTOMER ID: 570000027366

LOC #:



ADDITIONAL REMARKS SCHEDULE

Page _ of _

AGENCY Aon Risk Services Northeast, Inc.		NAMED INSURED MCImetro Access Transmission	
POLICY NUMBER See Certificate Number: 570073546056		EFFECTIVE DATE:	
CARRIER See Certificate Number: 570073546056	NAIC CODE		

ADDITIONAL REMARKS

**THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,
 FORM NUMBER: ACORD 25 FORM TITLE: Certificate of Liability Insurance**

INSURER(S) AFFORDING COVERAGE	NAIC #
INSURER	
INSURER	
INSURER	
INSURER	

ADDITIONAL POLICIES If a policy below does not include limit information, refer to the corresponding policy on the ACORD certificate form for policy limits.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YYYY)	POLICY EXPIRATION DATE (MM/DD/YYYY)	LIMITS
	AUTOMOBILE LIABILITY						
A				CA 774-22-65 NH - Primary	06/30/2018	06/30/2019	
A				CA 774-22-66 NH - Excess	06/30/2018	06/30/2019	
	WORKERS COMPENSATION						
D		N/A		WC014590552 FL	06/30/2018	06/30/2019	
B		N/A		WC014590553 ME	06/30/2018	06/30/2019	
B		N/A		WC014590549 NJ, NY, TX, VA	06/30/2018	06/30/2019	
B		N/A		WC014590554 MA, ND, OH, WA, WI, WY	06/30/2018	06/30/2019	

RESOLUTION NO. R2018.22

A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF GUADALUPE, ARIZONA, AUTHORIZING A BUDGET ADJUSTMENT WITHIN THE FISCAL YEAR (FY) 2017/18 GENERAL FUND BY TRANSFERRING \$38,000 FROM THE ADMINISTRATION DEPARTMENT TO GENERAL FUND OPERATING DEPARTMENTS: TOWN ATTORNEY, BUILDING SAFETY DEPARTMENT, BUILDING MAINTENANCE, AND FIRE DEPARTMENT WITH COST OVERRUNS THAT WERE UNFORESEEN AT THE TIME THE FY2017/18 BUDGET WAS ADOPTED.

BE IT RESOLVED by the Town Council of the Town of Guadalupe, Arizona, as follows:

SECTION 1. The transfer of funds from the FY 2017/18 General Fund, Administration Department to the Town Attorney, Building Safety Department, Building Maintenance, and Fire Department in the amounts herein below specified is hereby authorized:

Fiscal Year 2017-2018

<u>Transfer From:</u>	<u>Transfer To:</u>	<u>Amount</u>
General Fund-Administration Department	General Fund-Town Attorney	\$ 7,000
General Fund-Administration Department	General Fund-Building Safety	\$14,000
General Fund-Administration Department	General Fund-Building Maint.	\$ 7,000
<u>General Fund-Administration</u>	<u>General Fund-Fire Department</u>	<u>\$10,000</u>
	Total:	\$38,000

PASSED AND ADOPTED BY THE TOWN COUNCIL OF THE TOWN OF GUADALUPE, ARIZONA THIS _____ DAY OF _____, 2018.

Valerie Molina, Mayor

ATTEST:

APPROVED AS TO FORM:

Jeff Kulaga, Town Manager / Clerk

David Ledyard, Town Attorney



TOWN OF GUADALUPE

First Quarter Report FY2018-19

TO: Mayor and Town Council

FROM: Jeff Kulaga, Town Manager
Bob Thaxton, Finance Director

DATE: November 2, 2018

SUBJECT: Fiscal Year 2018-19 First Quarter Report

We are pleased to present to you a comprehensive fiscal year 2018-19 (FY19) first quarter (July 2018–September 2018) financial report. This report will include a financial status summarization for the General Fund and Highway User Revenue Fund (HURF), Local Transportation Fund (LTAF), Senior Center, Community Action Program, Mercado, Sewer, Solid Waste and Bond, a description of major revenue categories, a comparison to the first quarter year-to-date (YTD) of fiscal year 2017-18 (FY18) to first quarter YTD fiscal year 2018-19 (FY19), and cash balances as of September 30, 2019. All tables are located at the end of the document for reference. Each section will clearly indicate which table it is referring to. We have not included a FY19 year-end financial projection because at this point in the fiscal year, we only have 3 months of revenue and expenditures data.

We have used one or more of the following in our analysis in order to assess the fund status for fiscal year end:

- ◆ 2018-19 Actual revenue/expenditure as a percentage of budget for the entire year
- ◆ Comparison of actual FY 2018-19 as compared to actual for FY 2017-18 for the first quarter

This report illustrates where the Town finished the first quarter of FY 2019. If you divide the budget evenly over twelve months, both revenues and expenditures would be at 25% of the budget projection. In reality, revenues such as sales tax or fees normally do not follow that pattern nor do expenditures. This is especially the case in the first quarter because some large expenditures are incurred during the first month of the fiscal year, July. Also, if a large expenditure is paid early it has more of an effect on the percentage of the budget used than if it were made later in the year. For tracking purposes, if revenues do not equal at least 25% for the first quarter, or expenditures exceed 25%, it is important to research and document the variances to determine if there may be an impact on the Town's financial position by fiscal year end.

GENERAL FUND SUMMARY

Overall, based on revenue and expenditure analysis of fiscal year 2019, Guadalupe is close to the annual budget projections for revenues and expenditures year-to-date. As will be discussed in this report, the economy continues to improve from FY 19 as we projected in the FY18 Budget. Therefore, revenue is expected to keep pace with budget projections.

The General Fund's first quarter YTD revenue less fund balance carryforward for FY2018-19 totals \$1,026,308 (Table A), which is approximately a (6%) decrease as compared to the first quarter of FY18. Revenue categories are discussed in further detail in the report. Table C shows the General Fund's expenses for the quarter totaled \$1,258,911 which is approximately 11% more than was expended in the first quarter of FY19.

GENERAL FUND REVENUES

General Fund- Major Revenue Categories - Table B presents the FY19 General Fund actual revenue collections compared to budget for the first quarter of 2019 fiscal year (July 1, 2018 through September 30, 2018). The remaining column illustrates the difference between what was budgeted for the entire year and what the Town collected for the first quarter of FY19. The positive amounts demonstrate how much still needs to be collected to reach budget figures, and the negative numbers show where the collections exceeded budget projections. As shown in the table, the total collections for the fiscal year less fund balance carryforwards were 21% of what was budgeted for the year or 4% to be collected to meet the 25% amount by year end.

The Court revenues are below projections because of a decrease in fine collections. Business License revenue is less than projected due to late collections prior year. Miscellaneous revenue is largely comprised of burial fees and due to the nature of the miscellaneous revenue it is difficult to project the amount to be collected in this revenue category. Total revenue is the most important row in Tables A and B.

Local Sales Tax, Restaurant Bar Tax & Transient Occupancy Tax – In Table A, local sales tax collections decreased by \$24,125 compared to 1st quarter of FY18. This is a result of a former business no longer in Guadalupe. In Table B, the local sales tax, restaurant bar and transient occupancy tax finished the quarter at 21%, 22% & 18% of the budget projection. All three of these local taxes lag in collections by one month and are typically lower during the summer months. It is expected that all three categories will improve and meet budgeted amounts during the last two quarters of the fiscal year.

State Shared Revenues - These revenues include the Town's portion of the State Urban Revenue Sharing (Income Tax), State-Shared Sales Tax, and Vehicle License Tax.

GENERAL FUND EXPENDITURES

As noted earlier in this report, Table C shows the General Fund spent \$1,258,911 during the first quarter of fiscal year 2018-19. This is the first year in which transfers to other funds are included in a quarterly budget within the administration department. Those transfers can be found in the

respective schedules and were Local Transportation for \$8,394, Senior Center for \$28,669, Community Action for \$15,744 and Bond Fund for \$73,063. Table D shows how much budget is remaining and the percent of the budget used. Positive remaining figures are still under budget. Overall the General Fund has spent 24% of the budget. As a reminder, with one quarter of data the numbers are more affected by the timing of large expenses. As an example annual dues in the manager department are paid during the first month of the quarter as is the case with information technology wherein the maintenance contract for accounting software is due in June. All other departments are near 25% of the budget or below.

HURF SUMMARY

The Highway User Revenue Fund (HURF) is what is referred to as the gasoline tax. HURF monies are only to be used for street-related purposes. The Town maintains the HURF revenues and expenditures in a separate fund to ensure this. Table E shows HURF revenue less Transfers in totaled \$109,482 for the first quarter. Table F shows HURF revenue totaled 24% of budget projections.

HURF REVENUES

Table E is a summary of the HURF revenues collected for FY19 as compared to FY18. The HURF received \$4,382 or 4% less revenue than during the first quarter of FY 18. Table F is a comparison of FY 19 revenues compared to the budget. For the first quarter, direct HURF revenues are at 24% of the budget projection.

HURF EXPENDITURES

Table G shows FY 19 HURF expenditures for the first quarter. \$228,289 or 73% of the \$313,955 in expenses was for flood control projects. Both flood control projects are now complete and the % of budget should stabilize over time.

LOCAL TRANSPORTATION SUMMARY

Local Transportation revenues will not be received until April 2019 and are expected to be \$16,700. Table G shows expenses at 23% of budget.

SENIOR CENTER SUMMARY

The Senior Center has four departments within its budget. Congregate Meals that are made and served at the Center. Home delivered meals that are made at the Center but delivered to qualifying individuals. Multi-Purpose Services provides activities and craft education to seniors. Transportation transports seniors to and from the Center, medical appointments, pharmacies and local visitations to other facilities.

Table F indicates that revenues are well below budget. However, this is due to the timing of reimbursements received, Revenues are based on contract and therefore will catch up as time goes by. Table G shows that expenses are at 23% of budget or \$54,387.

COMMUNITY ACTION PROGRAM SUMMARY

The Community Action Program offers many social services. The largest of those are utility assistance, food boxes for seniors, emergency food, rental assistance and holiday assistance.

Maricopa County reimburses the Towns for 1.5 full time employees. No other operating costs are reimbursed. The total contracted amount is \$35,000 and will go through March 2019. The Town will cover 100% of costs at that time. Table F shows that revenues are at 29% and Table G shows expenses to be at 14%. The percentage is low due to gaming funds not yet received.

ENTERPRISE FUNDS SUMMARY

The Mercado is a retail/office space rental facility that is owned and managed by the Town. Rentals are primarily from month to month. However, the Town also rents the common area patio and the multipurpose suite on an hourly basis. Table H shows that revenues are at 31% or 6% over budget. This is due to the success of hourly rentals. Table F also shows expenses at 36% for the first quarter. This is caused by building repairs and high electricity bills during the summer months.

The City of Tempe collects both sewer and refuse revenues on the behalf of the Town. The Town uses sewer revenues for general expenses for repair and other activities involving the sewer. The Town sends the refuse revenues to Waste Management to collect both residential and commercial roll offs. Table H shows that revenues for sewer and refuse are at 54% and 47% respectively. Much higher than where they should be at 25% for the first quarter. This is caused from the timing of receipts from the City of Tempe. After removing prior year receipts and adding in receipts due through the first quarter both revenues are at 25% collected. Table H shows sewer expenses to be at 54%. This is caused from transfers to other funds. After removing those transfers sewer expenses are at 23%. Table H also shows that refuse expenses are at 23%.

GRANTS FUND SUMMARY

The grant fund is a new fund to the Town. This fund was created to remove grants from other funds so that operational expenses will be more transparent and clear. For the first quarter both grant revenues and expenses include a new fire truck and equipment for the truck, Fire House Subs funding for emergency response equipment, flood control programs and a minimal amount for court related security expenses. Expenses in the grant fund should always be equal to the revenues.

CASH BALANCES

The Town has cash accounts at Chase Bank and the State Treasurer's Local Governmental Investment Pool (LGIP). Cash balances through September 30, 2019 were \$211,400.42 in Chase Bank and \$1,833,875.73. Of the total cash amount of \$2,045,276 a portion of the funds are restricted for certain purposes, an example would be grant funds or recognized over a contract period, an example would be billboard revenues and cell tower revenues. This is the major cause of the difference between fund balances and cash balances.

TABLE A

GENERAL FUND 1ST QTR YTD REVENUE COMPARED TO YTD FY 18

	FY 19	FY 18	VARIANCE	% VARIANCE
Town Sales Tax	401,947	426,072	(24,125)	-6%
Utility Franchise Fees	6,412	6,299	113	2%
Occupational License	2,150	2,835	(685)	-24%
Building Permits	4,214	18,435	(14,221)	-77%
Transient Occupancy Tax	72,451	62,916	9,535	15%
Restaurant Bar Tax	54,017	54,671	(654)	-1%
Urban Revenue Sharing	197,540	196,194	1,347	1%
State Sales Tax	154,318	167,616	(13,297)	-8%
Vehicle License Tax	70,129	64,625	5,505	9%
Billboard Revenues	16,174	13,750	2,424	18%
Other Rev. from Gov. Agencies	2,468	43,552	(41,085)	-94%
Court Enhancement Fund	0	0	0	0%
Judicial Collection Enhancement	0	0	0	0%
Court Revenue	5,859	6,615	(756)	-11%
JCEF & Fill the Gap Revenues	4,694	0	4,694	0%
Interest/Local Govt Inv Pool	1,962	2,688	(726)	-27%
Rents & Concessions	25,348	20,737	4,611	22%
Gain on State Investment Loss	2,664	0	2,664	0%
Ballfield Fees Charged	735	739	(4)	-1%
Misc. Fees	2,050	2,500	(450)	-18%
Event Revenue	1,175	2,000	(825)	-41%
Fund Balance Carryforward - GF	232,602	134,607	97,995	73%
Total Revenue	\$1,258,910	\$1,226,851	\$32,059	3%

TABLE B

GENERAL FUND 1ST QTR YTD REVENUE COMPARED TO BUDGET

	ACTUAL YTD	BUDGET	REMAINING	% OF BUDGET
Town Sales Tax	401,947	1,900,000	1,498,053	21%
Utility Franchise Fees	6,412	24,562	18,150	26%
Occupational License	2,150	18,000	15,850	12%
Building Permits	4,214	75,000	70,786	6%
Transient Occupancy Tax	72,451	395,164	322,713	18%
Restaurant Bar Tax	54,017	250,000	195,983	22%
Urban Revenue Sharing	197,540	790,150	592,610	25%
State Sales Tax	154,318	650,535	496,217	24%
Vehicle License Tax	70,129	284,120	213,991	25%
Billboard Revenues	16,174	57,433	41,259	28%
Other Rev. from Gov. Agencies	2,468	248,600	246,132	1%
Court Enhancement Fund	0	0	0	0%
Judicial Collection Enhancement	0	0	0	0%
Court Revenue	5,859	30,000	24,141	20%
JCEF & Fill the Gap Revenues	4,694	-	(4,694)	0%
Interest/Local Govt Inv Pool	1,962	8,000	6,038	25%
Rents & Concessions	25,348	82,269	56,921	31%
Gain on State Investment Loss	2,664	-	(2,664)	0%
Ballfield Fees Charged	735	1,500	765	49%
Misc. Fees	2,050	15,000	12,950	14%
Event Revenue	1,175	7,000	5,825	17%
Fund Balance Carryforward - GF	232,602	385,829	153,227	60%
Total Revenue	\$1,258,910	\$5,223,162	\$3,964,252	24%

TABLE C

GENERAL FUND 1ST QTR YTD EXPENDITURES COMPARED TO YTD FY 18

	FY 19	FY18	VARIANCE	% VARIANCE
MAYOR/COUNCIL	16,559	18,479	(1,919)	-10%
COURT	60,316	56,217	4,099	7%
TOWN MANAGER	45,049	19,785	25,263	128%
ADMINISTRATION	174,932	41,552	133,380	321%
FINANCE	29,303	39,215	(9,912)	-25%
ATTORNEY	22,555	33,511	(10,956)	-33%
TOWN CLERK	10,079	1,046	9,033	864%
COMMUNITY DEVELOPMENT	9,882	9,597	285	3%
INFORMATION DEVELOPMENT	25,282	18,495	6,787	37%
BUILDING SAFETY	19,090	15,852	3,238	20%
MAINTAINANCE	27,858	35,023	(7,165)	-20%
POLICE	443,941	415,125	28,816	7%
FIRE	329,221	381,437	(52,215)	-14%
CEMETERY	2,681	2,793	(112)	-4%
PARKS	39,500	39,547	(48)	0%
LIBRARY	2,663	3,835	(1,172)	-31%
Total Expenditure	\$1,258,911	\$1,131,507	\$127,403	11%

TABLE D

GENERAL FUND 1ST QTR YTD EXPENDITURES COMPARED TO BUDGET

	ACTUAL YTD	BUDGET	REMAINING	% OF BUDGET
MAYOR/COUNCIL	16,559	71,780	55,221	23%
COURT	60,316	236,014	175,698	26%
TOWN MANAGER	45,049	160,699	115,650	28%
ADMINISTRATION	174,932	958,081	783,149	18%
FINANCE	29,303	144,062	114,759	20%
ATTORNEY	22,555	117,000	94,445	19%
TOWN CLERK	10,079	42,508	32,429	24%
COMMUNITY DEVELOPMENT	9,882	38,127	28,246	26%
INFORMATION DEVELOPMENT	25,282	65,510	40,228	39%
BUILDING SAFETY	19,090	91,360	72,270	21%
MAINTENANCE	27,858	110,312	82,454	25%
POLICE	443,941	1,776,258	1,332,317	25%
FIRE	329,221	1,237,189	907,968	27%
CEMETERY	2,681	12,472	9,791	21%
PARKS	39,500	145,559	106,059	27%
LIBRARY	2,663	16,230	13,567	16%
Total Expenditure	1,258,911	5,223,162	3,964,251	24%

TABLE E

HIGHWAY USER REVENUE FUND 1ST QTR REVENUE COMPARED TO YTD FY 18

	FY 19	FY 18	VARIANCE	% VARIANCE
Highway User Revenue	107,435	111,817	(4,382)	-4%
Interest/Local Gov't Inv Pool	2,047	375	1,672	446%
Transfers In	204,286	0	204,286	0%
Total Revenue	313,768	112,191	201,577	180%

LOCAL TRANSPORTATION FUND 1ST QTR REVENUE COMPARED TO YTD FY 18

	FY 19	FY 18	VARIANCE	% VARIANCE
Transit Revenues	0	0	0	0%
Transfers In	8,394	7,582	812	11%
Total Revenue	8,394	7,582	812	11%

SENIOR CENTER FUND 1ST QTR REVENUE COMPARED TO YTD FY 18

	FY 19	FY 18	VARIANCE	% VARIANCE
Congregate Meals	11,562	13,212	(1,650)	-12%
Home Delivered Meals	6,860	10,288	(3,428)	-33%
Senior Center Operations	2,254	7,510	(5,256)	-70%
Transportation Income	2,664	3,995	(1,331)	-33%
Miscellaneous Revenues	117	4,453	(4,336)	-97%
Program Income Congr. Meals	2,192	1,883	309	16%
Prog. Inc. Home Delivered	44	31	13	42%
Prog. Inc. Transportation	25	33	(8)	-24%
Transfer In	28,669	11,378	17,291	152%
Total Revenue	54,387	52,783	1,604	3%

COMMUNITY ACTION PROGRAM FUND 1ST QTR REVENUE COMPARED TO YTD FY 18

	FY 19	FY 18	VARIANCE	% VARIANCE
COUNTY REIMBURSEMENTS	10,206	13,904	(3,699)	-27%
CAP PASS THRU GRANTS	35	14,279	(14,244)	-100%
Transfer In	15,744	10,904	4,840	44%
Total Revenue	25,985	39,087	(13,102)	-34%

TABLE F

HIGHWAY USER REVENUE FUND 1ST QTR REVENUE COMPARED TO BUDGET

	ACTUAL YTD	BUDGET	REMAINING	% OF BUDGET
Highway User Revenue	107,435	444,261	336,826	24%
Interest/Local Gov't Inv Pool	2,047	300	(1,747)	682%
Transfers In	204,286	233,163	28,877	88%
Total Revenue	313,768	677,724	363,955	46%

LOCAL TRANSPORTATION FUND 1ST QTR REVENUE COMPARED TO BUDGET

	ACTUAL YTD	BUDGET	REMAINING	% OF BUDGET
Transit Revenues	0	16,700	16,700	0%
Transfers In	8,394	19,631	11,237	43%
Total Revenue	8,394	36,331	27,937	23%

SENIOR CENTER FUND 1ST QTR REVENUE COMPARED TO BUDGET

	ACTUAL YTD	BUDGET	REMAINING	% OF BUDGET
Congregate Meals	11,562	52,850	41,288	22%
Home Delivered Meals	6,860	41,159	34,299	17%
Senior Center Operations	2,254	30,044	27,790	8%
Transportation Income	2,664	15,979	13,315	17%
Miscellaneous Revenues	117	-	(117)	0%
Program Income Congr. Meals	2,192	5,386	3,194	41%
Prog. Inc. Home Delivered	44	263	219	17%
Prog. Inc. Transportation	25	458	433	5%
Transfer In	28,669	105,624	76,955	27%
Total Revenue	54,387	251,763	197,376	22%

COMMUNITY ACTION PROGRAM FUND 1ST QTR REVENUE COMPARED TO BUDGET

	ACTUAL YTD	BUDGET	REMAINING	% OF BUDGET
COUNTY REIMBURSEMENTS	10,206	35,000	24,794	29%
CAP PASS THRU GRANTS	35	80,000	79,965	0%
Transfer In	15,744	69,467	53,723	23%

Total Revenue	25,985	184,467	<u>158,483</u>	14%
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GRANT FUND 1ST QTR REVENUE COMPARED TO BUDGET

	ACTUAL YTD	BUDGET	REMAINING	% OF BUDGET
Flood Mitigation-FCD	250,000	436,469	186,469	57%
Ak-Chin-Fire Truck	69,724	112,000	42,276	62%
Fire House Subs-Stuff	18,429	1,320,000	1,301,571	1%
Court Security-CSI	4,883	4,883	0	100%
Total Revenue	343,035	1,873,352	<u>1,530,316</u>	18%

TABLE G

SPECIAL REVENUE FUNDS 1ST QTR EXPENDITURES COMPARED TO BUDGET

	ACTUAL YTD	BUDGET	REMAINING	% OF BUDGET
Highway Users Revenue	313,768	677,724	363,955	46%
Local Transportation	8,394	36,331	27,937	23%
Senior Center	54,387	251,763	197,375	22%
Community Action Prog.	25,985	184,467	158,483	14%
Grant Fund	343,035	2,863,453	2,520,418	12%
Total Expenditures	745,569	4,013,738	3,268,169	19%

TABLE H

ENTERPRISE FUNDS 1ST QTR REVENUE COMPARED TO BUDGET

	ACTUAL YTD	BUDGET	REMAINING	% OF BUDGET
Mercado	47,894	154,851	106,957	31%
Sewer	224,762	416,238	191,477	54%
Refuse	163,552	350,978	187,426	47%
Total Revenue	436,207	922,067	485,860	47%

ENTERPRISE FUNDS 1ST QTR EXPENDITURES COMPARED TO BUDGET

	ACTUAL YTD	BUDGET	REMAINING	% OF BUDGET
Mercado	47,894	133,388	85,494	36%
Sewer	224,762	416,238	191,477	54%
Refuse	79,874	350,978	271,104	23%
Total Revenue	352,530	900,604	548,075	39%



GUADALUPE TOWN COUNCIL MEETING SCHEDULE AND NOTICE
JANUARY 2019 THROUGH DECEMBER 2019

Pursuant to Arizona Revised Statutes §38-431.02, notice is hereby given to the members of the Guadalupe Town City Council and to the general public that the Guadalupe Town Council will hold meetings open to the public on the following dates and times.

Pursuant to Town Resolution 2017-01, until further notice the regularly scheduled Town Council meetings shall be at 6:00 p.m. on the second and fourth Thursdays of the month at the Council Chambers at in the Council Chambers, Guadalupe Town Hall, 9241 S. Avenida del Yaqui, Guadalupe, Arizona unless they fall on a legal holiday or are otherwise posted for a different time or place.

Special meetings of the Town Council may be scheduled for different dates, times or locations.

The notice and agenda for any meeting shall be posted at least 24-hours in advance in accordance with the Arizona Revised Statutes, A.R.S. §38-431.02 at the following primary locations:

- (a) The Town of Guadalupe website: www.guadalupeaz.org; and
- (b) On the front window of the lobby of Town Hall, facing out.

In addition, meeting notices and agendas will be available at the reception desk at Guadalupe Town Hall, Monday through Friday from 8:00 a.m. – 5:00 p.m. For questions or further information, please contact the Town Clerk’s Office at (480) 505-5376 or email to clerk@guadalupeaz.org.

Month	2nd Thursday Date:	4th Thursday Date:	Special Meeting:
January	10	24	
February	14	28	
March	14	28	
April	11	25	
May	9	23	
June	13	27	
July	11	25	
August	8	22	
September	12	26	
October	10	24	
November	14	-	
December	12	-	

Month	2 nd Thursday Date:	4 th Thursday Date:	Proposed Agenda Item and other Key Dates
January	10	24	
February	14	28	
March	14	28	
April	11	25	April 25: Proposed FY 2019/20 Budget Presented
May	9	23	May 23: Review FY 2019/20 Budget
June	13	27	June 27: Approve FY 2019/20 Budget
July	11	25	
August	8	22	
September	12	26	
October	10	24	
November	14	-	November 28: Thanksgiving
December	12	-	December 26: Day after Christmas

February 2019						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
					1	2
3	4	5	6	7	8	9
10	11	12	13	14 Council Meeting	15	16
17	18 Town Hall Closed	19	20	21	22	23
24	25	26	27	28 Council Meeting		

Notes:

Feb 14: Valentine's Day

Feb 18: President's Day

July 2019						
Sun	Mon	Tue	Wed	Thu	Fri	Sat
	1	2	3	4 Town Hall Closed	5	6
7	8	9	10	11 Council Meeting	12	13
14	15	16	17	18	19	20
21	22	23	24	25 Council Meeting	26	27
28	29	30	31			

Notes:

Jul 4: Independence Day
