

City of
Page

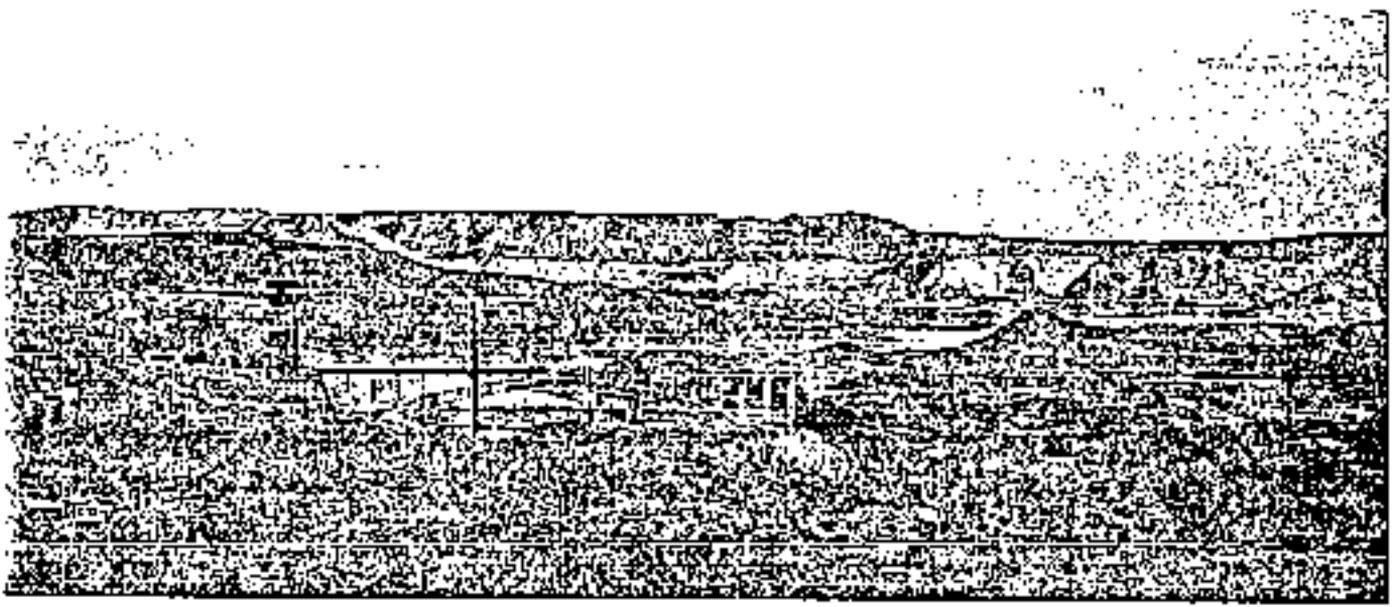
City Council
Strategic Priorities

2015



Page City Council

- William Diak, Mayor
- John Kocjan, Vice Mayor
- Michael Bryan, Councilmember
- Scott Sadler, Councilmember
- Levi Tappan, Councilmember
- David Tennis, Councilmember
- Dennis Warner, Councilmember



Staff

- J. Crystal Prentice, City Manager
- Joseph Etes, City Attorney
- Kim Larson, City Clerk

Vision & Values

The City of Page is a clean, financially responsible, diverse and vibrant community that respects the quality of its environment, fosters a sense of community and family, encourages a healthful, active lifestyle and supports a wide range of business opportunities to promote a prosperous economy.

Values

- Accountability and Transparency
- Fiscal Responsibility
- Integrity
- Customer Service
- Strategic Planning

We are accountable, transparent and fiscally responsible. We act with integrity, value customer service, and plan and act strategically.

Objective Criteria

Objective Criteria for Decision Making

- Is it in the best interest of the community and stakeholders?
- Does it align with our goals and mission?
- Is it achievable and sustainable?
- Is it financially viable?
- Is it legal?
- Is it fair?

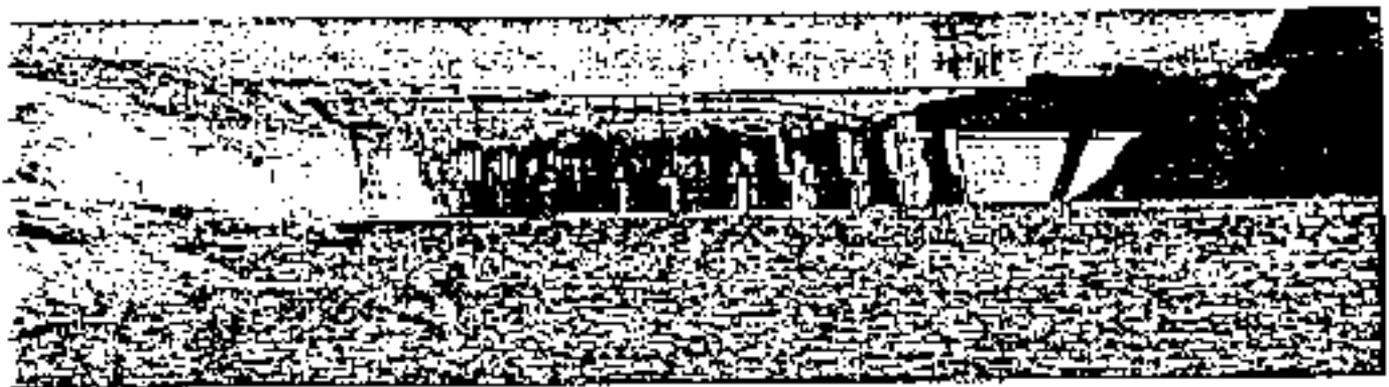


Community Development

A pleasant environment is a source of pride for its residents and an important component of the quality of life in an area. Community aesthetics take on an economic meaning, encouraging tourism and business recruitment. Community Development is a process by which local decision-makers and residents work together to leverage resources to increase business development and job opportunities and attract capital to improve the physical, social and environmental conditions in the community.

Goal. Implement economic development processes that assist in the development of a strong local economy; protect neighborhoods from blighting and deteriorating conditions that have a negative impact on area property values, and encourage residents and business owner's efforts to maintain the physical environment through standards set in local ordinances.

- Objective 1.1** Form a Community Development Department, and hire a Community Development Director to direct Planning and Zoning, Economic Development, Community Development, Tourism and Code Compliance.
- Objective 1.2** Initiate a process to develop a master plan for Horseshoe Bend and the Amphitheater.
- Objective 1.3** Review and update the property maintenance code and adopt a proactive approach to code enforcement.
- Objective 1.4** Collaborate with economic development partners to develop and support common economic objectives, promote local job creation and retention, and provide information on relocation, land sales and business recruitment.



Fiscal Stability

The City is committed to maintaining fiscal stability to ensure the delivery of high quality services. This requires an efficient, transparent financial system; accurate and reliable forecasting of revenues; control of expenses, and an expanded tax base.

Goal. Operate in a fiscally prudent manner, assuring the most efficient expenditure of public funds

- Objective 21 Combine the Finance, Risk Management and Human Resource Departments which will enable us to better understand our costs across our organization improve efficiency and help us to become more strategic.

- Objective 22 Reallocate and align resources to meet objectives identified in the Strategic Plan.

- Objective 23 Review cash flow and investment options for potential additional interest earnings revenue.

- Objective 24 Review employee insurance and fringe benefits for potential savings

- Objective 25 Provide City Council with a monthly itemized financial report



High Performing Organization

The City of Page strives to develop a high performing organization through continuous system and process improvements, the commitment to make time to do the "work of leadership"; and the encouragement of City employees to exercise their leadership and talents at every level of the organization.

Goal: To create an environment that supports engaged, high performing employees, enable the City to recruit, retain and compete for talent, and ensure retention of institutional knowledge.

- Objective 3.1 Create a culture of safety, innovation and efficiency.
- Objective 3.2 Develop, implement and monitor employee performance measures.
- Objective 3.3 Draft recruitment and retention plan for City Council consideration.
- Objective 3.4 Review and update City Code.
- Objective 3.5 Establish relevant employee development through training and expanded responsibilities to prepare high-potential employees for opportunities for advancement and key leadership roles within the organization.



Improving Infrastructure

The City Council is committed to maintaining and improving public infrastructure and City facilities to preserve both the physical character and livability of the community.

Goal: Maintain and improve critical City infrastructure, including streets, sidewalks, parks trails and facilities to support economic growth and improve quality of life in Page.

- Objective 4.1 Hire a Director of Engineer to oversee the design, construction, inspection, and maintenance of City infrastructure projects.
- Objective 4.2 In coordination with Page Utility Enterprises, create a multi-year Capital Improvement Plan for maintaining and extending the life of the City's infrastructure.
- Objective 4.3 Create a plan to address deferred maintenance on City facilities and equipment.
- Objective 4.4 Initiate the planning process for the feasibility of relocating the City's maintenance facilities.

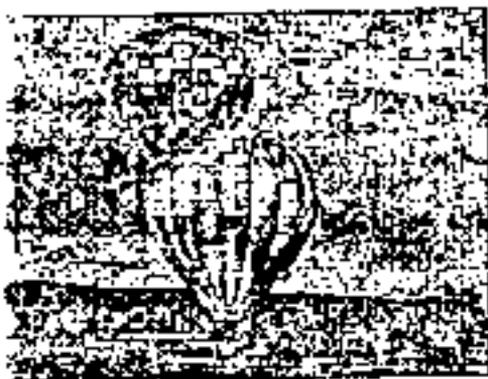


Quality of Life

The City strives to enhance the overall quality of life for our residents and visitors by offering high quality recreation and leisure activities and improving parks, trails, streetscapes and open spaces in Page.

Goal: Maximize resources that enhance the quality of life for our residents and visitors

- Objective 5.1 Create a Community Services Department and permanently appoint a Community Service Director to oversee the Library, Recreation, and Community Center.
- Objective 5.2 Hire a Recreation Supervisor to deliver safe, high quality recreational services
- Objective 5.3 Evaluate recreation programs and processes in an effort to increase participant satisfaction.
- Objective 5.4 Expand partnerships with schools and other public and private organizations to increase recreation programming and available facilities for recreation programs
- Objective 5.5 Assess needed improvements to parks, trails and open spaces



PRIORITIES
CITY OF PAGE
by
Mayor Bill Diak

2013/2014

Philosophy

- Do not reinvent the wheel
- Fine tune those things that are working
- Change those that do not
- Build a plan
- Think outside the box
- Work to consensus
- Respect others opinions
- Be professional
- Listen
- Foster accountability
- Learn
- Look to the future
- Use resources wisely
- Get the most bang for buck
- Improve city image
- Replace I with we
- Be positive
- Work as a council not as an individual

Priorities

Set up protocols for Council and Mayor

- How Council and Mayor address one another in public
- How direction is given to City Manager from Council
- Work toward consensus on decisions that Council differ on
- Support of decisions made by Council
- Respect others opinions

Be more proactive to citizens

- Plan agenda more than one week in advance, i.e.: work sessions, plan for the future not tomorrow
- Work toward those issues citizens feel are more important to them, i.e.: infrastructure, city image, direction of growth, youth activities, clean up the parks, public safety and tourist activities on the mesa

Accountability

- Use resources wisely
- Be professional
- Listen to the citizens

PRIORITIES
CITY OF PAGE
by
Vice Mayor John Kocjan

2013/2014

- 1) Secure a revenue stream to service bond debt load.
- 2) Increase water allocation
- 3) Infrastructure improvements

PRIORITIES
CITY OF PAGE
by
Councilor Dennis Warner

2013/2014

Short Term - One Year:
(No order of preference)

1. Budget and Finance Priorities
 - Maintain fiscal integrity and identify key result areas and goals to accomplish within the current budget year.
 - Identify measures to enhance the City's revenue stream such as:
 - Evaluate existing Model City Tax Code to assure that we are gaining all fair and equitable forms of tax revenue.
 - Collaborate with the business community to create ways to provide for business development and revenue enhancement.
 - Conduct City-owned land audit to identify parcels with potential sales and specific development potential.
2. Tourism, Economic and Community Development priorities:
 - Commission a master plan design for the Horseshoe Bend open space, parking and trail corridor.
3. Other
 - Evaluate pay and benefit package for city employees with help from third party survey of other benchmark communities inclusive of private sector jobs. Include analysis and financial viability of ASRS and PSPRS pension plans and explore all options.

Long Term - Two-Five Years:

1. Budget and Finance
 - Establish a five-year financial plan encompassing bond debt, staff restructuring, community development, beautification and city programs.
2. Tourism, Economic and Community Development
 - Seek funding and development of improvements at the Horseshoe Bend parking, trail and open space.
 - Establish a city/neighborhood revitalization and improvement program and develop an organizational process to tackle the breadth of housing, neighborhood and city-wide degradation issues.
 - Review, update, overhaul or abandon the existing Gateway Development Plan in lieu of a new comprehensive community development ordinance.

PRIORITIES
CITY OF PAGE
by
Councilor Mike Bryan

2013-2014

Philosophy

- City government is set up to meet the needs of its citizens first and the wants second
- City government needs to be only as large as needed to get the job done
- All citizens have the right to be heard
- City officials should strive to lead by example
- Honesty is the foundation of governance
- Seek to understand then to be understood

Priorities

- Year one- Adopt a budget that allows the City to stay financially solvent
- Address long-term debt issues
- Avoid any future debt encumbrances
- Judicially exam all land sales
- Be an active liaison for the Tourism Board
- Create a future budget based on priorities and a vision

PRIORITIES
CITY OF PAGE
by
Councilor Scott Sadler

2012/2013

- 1) Work to increase the availability and access to City related meetings and events including City Council, Boards and Commissions, City hosted events; through various technology including having a local access channel to televise meetings and City events, by using the internet, cable services and any other means.
- 2) Work to see an increase in City and private events in the City of Page, including events for citizens and visitors.
- 3) See the City of Page Community Development proactively recruit industry, businesses and retail establishments to the City.

PRIORITIES
CITY OF PAGE
By
Councilor David Tennis

2012/2013

- 1) Effective allocation and use of resources entrusted to the City of Page
 - Budget allocations
 - Budget adherence
 - Resource planning

- 2) Economic development
 - Business development
 - Tourism development
 - Taxes

- 3) Community development
 - Infrastructure
 - Code enforcement
 - Master planning
 - Service levels

PRIORITIES
CITY OF PAGE
BY
Councilor Levi Tappan

2013-2014

1. The debt that is crippling the growth of Page
2. Families of Page are a constant priority. The Recreational Department and Community Center are fundamental to keeping families in Page
3. Partnerships, especially with local businesses that want to support the City of Page
4. Proponent of education and look forward to working with the school district and community college
5. Increased communication
6. The City's land is a finite resource that must be guarded and not given away or sold to languish as empty undeveloped lots and vacant store fronts
7. Ultimate priority is to the voters, individual rights including voter approved referendums. This includes ensuring state and local laws are enforced before federal laws pursuant to current Arizona case laws

**PAGE CITY COUNCIL
REGULAR MEETING MINUTES
FEBRUARY 25, 2015**

A Regular Meeting of the Page City Council was held at 6:30 p.m. on February 25, 2015, in the Council Chambers at City Hall in Page, Arizona. Mayor Bill Diak presided. Vice Mayor John Kocjan, Councilors Mike Bryan, Scott Sadler, Levi Tappan, David Tennis and Dennis Warner were present. There was a moment of meditation. City Manager Crystal Prentice led the Pledge of Allegiance.

Mayor Diak called the meeting to order.

Staff members present: City Manager, J. Crystal Prentice; City Attorney, Joe Estes; IT Director, Mike Bergner; Human Resource Director, Kay Eddlemon; Page Utilities General Manager, Bryan Hill; Finance Director, Linda Watson; Police Chief, Frank Balkcom; Deputy City Clerk, Sue Kennedy; and City Clerk, Kim Larson.

PRIORITY LIST

Discussion and possible action by the City Council pertaining to the City Council Strategic Priorities

Councilor Warner stated that he would like to have a monthly or quarterly status on the objectives that Council has identified.

City Manager Crystal Prentice stated that she would prepare a quarterly update.

Discussion and possible action by the City Council pertaining to the City Councilors individual priorities

There was no discussion by the City Council.

MINUTES

Regular City Council Meeting-February 11, 2015

Motion made by Vice Mayor Kocjan to approve the minutes. The motion was duly seconded and passed upon a vote.

CONSENT AGENDA

MINUTES

Lake Powell National Golf Course Advisory Board-December 9, 2014

Page Utility Enterprises Board-January 13, 2015

Page Planning and Zoning Commission-February 3, 2015

INFORMATION

Motion made by Vice Mayor Kocjan to approve the consent agenda. The motion was duly seconded and passed upon a vote.

Page City Council Regular Meeting-February 25, 2015

PUBLIC HEARINGS

None

HEAR FROM THE CITIZENS

No citizens addressed the City Council.

UNFINISHED BUSINESS

Discussion and possible action by the City Council pertaining to amending Chapter 10, Article 1, Offenses, of the Code of the City of Page-Ordinance 623-15 2nd reading

At the February 11, 2015 Regular City Council Meeting, the City Council passed Ordinance 623-15 to its second reading.

Various cities and towns throughout Arizona have enacted ordinances on aggressive panhandling or solicitation, and the courts have weighed in on a variety of the pertinent issues concerning these types of ordinances. The League, with the assistance of a number of its members and legal counsel, have developed a model ordinance that takes into account both the need to control this behavior and the courts' recent opinions. This model ordinance has been modified for the City of Page. Panhandling alone is protected as free speech, but accompanying actions such as being aggressive or within certain distances of financial institutions, is the types of things that government can regulate. This ordinance protects against solicitation in an aggressive manner, near public transportation, near banks and ATM's and at the entrance of a business in a manner that interferes with the ingress and egress of that business.

Motion made by Vice Mayor Kocjan to introduce Ordinance 623-15 by title only for its second reading. The motion was duly seconded and passed upon a vote.

The City Clerk introduced Ordinance 623-15 by title only.

AN ORDINANCE OF THE MAYOR AND COMMON COUNCIL OF THE CITY OF PAGE, COCONINO COUNTY, ARIZONA, AMENDING CHAPTER 10, ARTICLE 1, OFFENSES, OF THE CODE OF THE CITY OF PAGE, BY ADOPTING A NEW SECTION 26, AGGRESSIVE SOLICITATION, RELATED TO REGULATING AGGRESSIVE SOLICITATION IN SPECIFIED LOCATIONS AND MANNERS; SETTING FORTH DEFINITIONS; SETTING FORTH PROHIBITED ACTS; PROVIDING FOR REPEAL OF CONFLICTING ORDINANCES; PROVIDING FOR SEVERABILITY AND PROVIDING PENALTIES.

Motion made by Councilor Tennis to adopt Ordinance 623-15. The motion was duly seconded and passed upon a vote.

NEW BUSINESS

Discussion and possible action by the City Council pertaining to a renewal for the City of Page's General Liability Insurance

The City's annual liability policy renews each year on March 1st. The City's insurance broker is

Page City Council Regular Meeting-February 25, 2015

Willis of Arizona and Staff has been working with Willis updating the application data, and sought proposals from underwriters. Staff's recommendation to City Council is to approve underwriting with Travelers.

City Manager Crystal Prentice stated that Staff has been working with Willis for the last couple of months and have updated the application. She said that there was an increase of just over \$5,000.00 from last year for 2 line items for additional insurance: cyber liability from \$25,000.00 to \$1,000,000.00, and unintentional errors and omission to \$1,000,000.00.

Motion made by Vice Mayor Kocjan to approve the purchase of the City's comprehensive general liability insurance as presented by Willis of Arizona in the amount of \$224,593.04. The motion was duly seconded and passed upon a vote.

Discussion and possible action by the City Council pertaining to a renewal for Page Utility Enterprises Insurance

The insurance policy for Page's Water, Sewer, and Electric utilities is due for renewal on March 1, 2015. Hurtado & Associates are insurance professionals who specialize with the electric utility industry and have served Page Electric since 2005. PUE received a quotation for renewing the electric, water and sewer utility insurance program from Hurtado & Associates in the amount of \$158,414.00.

At the January 13, 2015 Regular Page Utility Board Meeting, the Board discussed the insurance program proposal and voted unanimously to recommend to the City Council to award the insurance program to Hurtado & Associates.

Bryan Hill, General Manager PUE, reviewed the cost comparison and premium breakdown handouts.

Motion made by Vice Mayor Kocjan to authorize payment of the Utility insurance program to Hurtado & Associates for \$158,414.00 as presented. The motion was duly seconded and passed upon a vote.

Discussion and possible action by the City Council pertaining to Authorization for Services No. 4 for the design of the Airfield Electrical Upgrades and Authorization for Services No. 5 for the design of the Runway 7 Connector Taxiway project C&S Companies for the Page Municipal Airport

At the February 11, 2015 Regular City Council Meeting, the City adopted Resolution 1140-15 for Services No. 4, and Resolution 1141-15 for Services No. 5.

The City of Page has a contract for engineering services with C&S Engineers, Inc. for Services No. 4 and Services No. 5, with a combined budget impact of \$6,412.25 to be paid from the "Airport Improvements" line item 40.485.9952.

City Manager Crystal Prentice introduced the item.

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Motion made by Councilor Sadler to authorize the Mayor to execute the Authorization for Services No. 4 and No. 5. The motion was duly seconded and passed upon a vote.

BID AWARDS

Discussion and possible action by the City Council pertaining to an award of bid on the Second Avenue Waterline Replacement project (Bid #15-01-W) for Page Utility Enterprises

Page Utility Enterprises (PUE) staff advertised for qualified contractors to bid on the Second Avenue Waterline Replacement project. The project's scope was to install a new water main from the intersection of Date Street and Third Avenue and then along Second Avenue to Birch Street. Also included in the project was the installation of two new fire hydrants and 23 new customer service laterals.

Four bids were received and opened on January 29, 2015. The PUE Staff reviewed the bids and recommended Construction & Mining Services, Inc. (CMSI) to the PUE Board. CMSI has successfully completed several cable replacement projects for the Electrical Utility and has demonstrated solid construction practices.

At the February 10, 2015 Regular Page Utility Board Meeting, the Board voted unanimously to recommend to the Page City Council to award the bid to CMSI in the amount of \$221,184.00.

Bryan Hill, PUE General Manager, stated that this is an ongoing project. He presented a map of the City demonstrating the finished waterline replacement projects, future projects, and the proposed waterline replacement project.

Motion made by Vice Mayor Kocjan to award Bid #15-01-W Second Avenue Waterline Replacement to Construction & Mining Services, Inc., in the amount of \$221,184.00. The motion was duly seconded and passed upon a vote.

BUSINESS FROM THE MAYOR

Discussion by the City Council pertaining to a State Legislative update

Mayor Bill Diak discussed HB 2254. He stated that if this bill passed it would eliminate rental tax from cities and towns. This bill has the potential of a major revenue hit to cities and towns.

BUSINESS FROM THE MANAGER

None scheduled

BUSINESS FROM THE CITY ATTORNEY

None scheduled

BUSINESS FROM THE COUNCIL

Discussion and possible action by the City Council pertaining to payment options for the 2011 Series Bond debt

In October 2011, the City of Page restructured the existing 1999 Series Bond Debt to the new 2011 Series Bond. The restructure substantially lowered the annual bond debt payments from

Page City Council Regular Meeting-February 25, 2015

approximately \$2 million per year to \$1.2 million. Since that time, the City Council has had discussion pertaining to paying off the bond debt balance by the first call date of July 1, 2021.

At the February 25, 2015 City Council Work Session, Option #1 and Option #2 was discussed to facilitate this.

Option 1 – Designate or set aside the funds either in the City’s Debt Service Fund balance; open up an additional Local Government Investment Pool (LGIP) account with the State of Arizona specific for the bond payoff; or similarly, open a separate bank account established solely for the purpose of paying off the bond debt on July 1, 2021. As discussed, this option would not preclude future Councils from utilizing these funds for other purposes.

Option 2 – Do what is commonly referred to as “bond defeasance”; under this approach, we would go out and purchase US Treasury Securities to pay off at the first call date (2021) a specific amount of bonds. As discussed, this approach is irrevocable; could not be reversed by a future Council and would take the debt off of the City’s balance sheet; however, there are costs associated with this option each time this process is done. The estimated costs are shown below:

- 1. Bond Counsel (Legal Fees)..... \$5,000.00
 - 2. Verification Agent (Account) \$1,500.00
 - 3. Depository Trustee Fees (Zion's Bank).. \$1,000.00
 - 4. Structuring Agent (RBC)..... \$2,500.00
- \$10,000.00 for each transfer of funds

Mayor Diak stated that the City Council had a Work Session prior to the Regular Meeting with extensive discussion.

Motion made by Vice Mayor Kocjan to direct Staff to create a separate LGIP Fund for the bond payment fund, and have the City Attorney look into covenants so that we can further restrict them. The motion was duly seconded and passed upon a vote.

The following agenda items were moved to this part of the agenda.

BOARDS & COMMISSIONS

Discussion by the City Council pertaining to reports by Board Liaisons

Councilor Bryan, Tourism Board, stated that one of the goals for the Tourism Board was to create shoulder events, to make them more robust and viable, and that appears to be happening. He stated that the tourism numbers are up by 22.4% from last year, measured by sales tax and lodging, and that the City continues to be doing well with visiting tourists. The Visitor Center is up 45% in visitors from last year, and the web traffic has increased. He also stated that the Tourism Board will be proposing a plan to City Council to use the stage, in front of City Hall, for Native American Dancing. The stage would be used during the summer months and funding may be requested.

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Discussion and possible action by the City Council pertaining to an appointment to Page Airport Board

There are two vacancies on the Page Airport Board. An application for the Page Airport Board has been received from James Hunt.

Motion made by Councilor Warner to appoint James Hunt to the Page Airport Board with a term ending June 2016. The motion was duly seconded and passed upon a vote.

DEPARTMENTS

None scheduled

CLAIMS

None scheduled

EXECUTIVE SESSION

Pursuant to ARS §38-431.03 (A)(4) The City Council, together with the Page Utility Enterprises Board, may go into executive session for the purpose of discussion or consultation with the City Attorney in order to consider its position and instruct its attorney regarding the City's position regarding contracts that are the subject of negotiations for the purpose of exploring fiber connectivity with the Page Utility Enterprises offices

Motion made by Councilor Sadler to enter into Executive Session at 6:55 p.m. The motion was duly seconded and passed upon a vote.

Mayor Diak reconvened the Regular City Council Meeting at 7:44 p.m.

Discussion and possible action by the City Council pertaining to contracts for fiber connectivity with the Page Utility Enterprises offices

Motion made by Councilor Bryan to direct City Attorney to continue negotiations on contracts as discussed in Executive Session. The motion was duly seconded and passed upon a vote.

ADJOURN

The meeting was adjourned at 7:45 p.m.

Kim L. Larson
City Clerk

William R. Diak
Mayor

**TOURISM BOARD
REGULAR MEETING MINUTES
JANUARY 27, 2015**

A Regular Meeting of the Page Tourism Board was held at 5:30 p.m. on January 27, 2015, in the Council Chambers at the City Hall in Page, Arizona. Chairman Ryan Zimmer presided. Members Dennis Hinchey, Bubba Ketchersid (via telephone), Richard Buck and Gay Ann Ward were present. Vice Chair Lee Ann Warner and Member Morningstar Wilson were excused. Tourism Director Lee McMichael and City Council liaison Mike Bryan were present.

Chairman Zimmer called the meeting to order.

HEAR FROM THE CITIZENS

No citizens addressed the Tourism Board.

MINUTES

Regular Tourism Board Meeting- December 15, 2014

Motion made by Chair Zimmer to approve the minutes. The motion was duly seconded by member Buck and passed upon a vote.

REPORTS/PRESENTATIONS

City Council - Mike Bryan

No report.

Tourism Director Report – Lee McMichael

Director McMichael gave a report from December, discussed advertising results and the third quarter visitor study.

Powell Museum and Visitor Center – Mark Law

Museum Executive Director Law gave a presentation on the quarterly visitor's report.

UNFINISHED BUSINESS

None scheduled

NEW BUSINESS

Discussion and possible action by the Board pertaining to Rock & Reel Film Festival

Chair Zimmer stated that at the January 6, 2015 Tourism Board Work Session that there was discussion regarding this topic.

There was brief discussion.

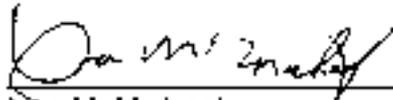
Motion made by Chair Zimmer to pursue the Rock and Roll Film Festival and recommend to Council to have a March 2016 event. He also stated that a sub-committee, consisting of the original members and/or new members, would make a

Page Tourism Board Regular Meeting-January 27, 2015

monthly report to the Board. The motion was duly seconded by Member Buck and passed upon a vote.

ADJOURN

The meeting was adjourned at 6:40 p.m.



Lee-McMichael
Tourism Director



Ryan Zimmer
Chairman

**PAGE PLANNING AND ZONING COMMISSION
REGULAR MEETING MINUTES
February 17, 2015**

A Regular Meeting of the Page Planning and Zoning Commission was held at 5:30 p.m. on February 17, 2015, in the Council Chambers at City Hall in Page, Arizona. Vice Chair Bill Justice presided. Pro-Tem, Larry Thowe and Commissioners Rob Peterson, R.B. Ward, Bubba Ketchersid were present. Chair Leroy Wicklund and Commissioner Sue Lerud were excused. City Council Liaison, Scott Sadler was present.

Vice Chair Bill Justice called the meeting to order at 5:30 p.m.

Staff members present: Planning and Zoning Director, Robin Crowther.

MINUTES

Regular Planning and Zoning Commission Meeting-February 3, 2015

Motion made by Commissioner R.B. Ward to approve the minutes. The motion was duly seconded by Commissioner Rob Peterson and passed upon a vote.

COMMUNICATIONS

None.

HEAR FROM THE CITIZENS

None.

PUBLIC HEARING

None.

UNFINISHED BUSINESS

None.

NEW BUSINESS

Discussion and possible action regarding approval of Site Plan (SPR 15-2.11) and Conditional Use Permit (CUP 15-2.4) Lake Powell Paddle Boards and Hostel.

Mike Downward 37 East 200 North explained the site plan.

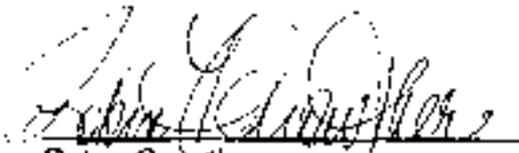
There was discussion.

Motion made by Commissioner R.B. Ward to approve Site Plan (SPR 15-2.11) and Conditional Use Permit (CUP 15-2.4) Lake Powell Paddle Boards and Hostel. Motion was duly seconded by Commissioner Rob Peterson and the motion passed 4 to 1 with Vice Chair Bill Justice, Commissioners Rob Peterson, R.B. Ward, Bubba Ketchersid voting for approval, and Pro Tem Larry Thowe voting against approval.

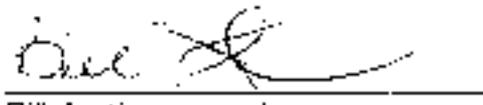
Planning and Zoning Regular Meeting-February 17, 2015

ADJOURN

Motion was made by Commissioner R.B. Ward to adjourn the meeting at 5:51 p.m. The motion was duly seconded by Commissioner Rob Peterson and passed upon a vote.



Robin Crowther
Planning and Zoning Director



Bill Justice
Vice Chair

PAGE COMMUNITY CENTER BOARD

REGULAR MEETING MINUTES

January 7, 2015

The regular meeting of the Page Community Center Board was held at the Page Community Center in Page, Arizona on Wednesday, January 7, 2015. Board members President Dele Fischer, Vice President Francine Hoover, Secretary Dawn Duggins, Trina Kaltmaier, Sharon Richardson, and City Council Liaison Levi Tappan were present.

Staff present: Director Debbie Winlock

Guest: Ron Hoover

Member Richardson gave the invocation. Member Duggins led the Pledge of Allegiance.

President Fischer called the meeting to order at 5:30pm.

MINUTES

Regular Community Center Board Meeting November 5, 2014

Motion was made by Member Kaltmaier to approve the minutes. The motion was duly seconded and passed upon a vote.

HEAR FROM THE CITIZENS

None

UNFINISHED BUSINESS

Report on the status of the grant for the Double Doors

Director Winlock reported that the current grant she submitted should be assigned this month. She will let the Board know the outcome.

Information concerning property tax exemption for seniors – Tax Form 140PTC – Levi Tappan

Liaison Tappan reported that one qualification for this exemption is being over age 65. He didn't know the other qualifications but will email us the link to Tax Form 140PTC and remaining qualifications.

Discussion and possible action by the Board pertaining to future activities of/for the Center and/or seniors

Spring and summer trips suggested were: Painted Desert, Canyon De Chelly, Monument Valley, Best Friends Sanctuary again, and Twin Arrows Casino.

Note: Liaison Tappan can be available to drive for day trips.

Other activities suggested were more crafts, i.e. scarf making. A seniors' oldies dance night was suggested, but there hasn't been much interest by seniors in going out at night or dressing up.

NEW BUSINESS

Discussion and possible action by the Board to acquire a small space heater for the library

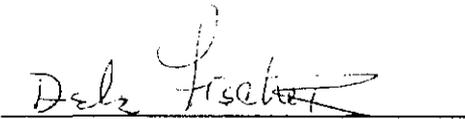
A motion was made by Member Richardson to buy a space heater for the library section of the Center. The motion was seconded. After discussion, a vote was taken and the motion was approved. Director Winlock said she would pick one up the next day.

Discussion and possible action by the Board to request procedures for other entities using Community Center possessions

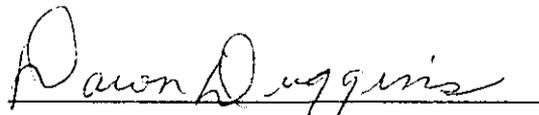
Director Winlock explained how it came about that the library took Christmas items from the Center. She said in the future she would inform the Board and get the Board's input if Center items were to be discarded or released to other City areas.

Next meeting date: Wednesday, March 4, 2015

ADJOURN Motion was made by member Richardson to adjourn the meeting at 6:10pm. The motion was seconded and passed upon a vote.



Dele Fischer, President



Dawn Duggins, Secretary

CITY OF PAGE
MONTHLY CASH ALLOCATION COMPARISON

		<u>Dec-14</u>	<u>Jan-15</u>
01-1110200	SAVINGS - LGIP GENERAL ACCT	7,156,812.23	6,885,927.90
01-1110300	CASH A/P CHECKING (COMBINED)	4,276,143.94	4,669,837.01
01-1110400	CASH P/R CHECKING (COMBINED)	171,103.85	128,683.97
01-1170000	ACCTS RECV CASH CLEARING ACCT	0.00	0.00
01-1175000	UTILITY CASH CLEARING ACCT	0.00	0.00
15-1120300	SAVINGS - LGIP HURF ACCT	1,609,865.06	1,543,730.55
32-1120400	JCEF SAVINGS ACCOUNT	60,252.02	60,376.61
72-1120700	FIRE PENSION SAVINGS	4,756.75	7,274.95
72-1121100	FIRE PENSION-INVESTMENT ACCT	460,873.08	451,833.98
		<u>13,739,806.93</u>	<u>13,747,664.97</u>

<u>FUND</u>		<u>Dec-14</u>	<u>Jan-15</u>
10	ALLOCATION TO GENERAL FUND	8,152,116.84	8,137,069.95
15	ALLOCATION TO HIGHWAY USER FUND	1,487,797.69	1,504,518.01
16	ALLOCATION TO SUBSTANCE ABUSE FUND	36,209.06	36,686.62
20	ALLOCATION TO DEBT SERVICE FUND	1,565,210.64	1,659,793.76
25	ALLOCATION TO MISCELLANEOUS GRANTS	14,388.65	20,122.58
30	ALLOCATION TO LIBRARY MISCELLANEOUS GRANTS	3,722.09	3,722.09
32	ALLOCATION TO JCEF FUND	60,560.92	60,716.52
40	ALLOCATION TO CAPITAL PROJECTS FUND	253,869.72	253,739.85
41	ALLOCATION TO BALLOON REGATTA FUND	36,367.90	36,367.90
42	ALLOCATION TO TOURISM & PROMOTION FUND	419,761.92	433,685.27
46	ALLOCATION TO AIRPORT FUND	833,597.19	813,668.37
47	ALLOCATION TO AIRPORT EVENTS FUND	2,886.96	2,886.96
48	ALLOCATION TO LAND FUND	0.00	0.00
50	ALLOCATION TO PAGE UTILITY ENTERPRISES	0.00	-2,458.32
51	ALLOCATION TO WATER FUND	-389.63	-2,755.52
52	ALLOCATION TO SEWER FUND	-134.00	-1,432.47
53	ALLOCATION TO REFUSE FUND	0.00	0.00
57	ALLOCATION TO CEMETERY FUND	343,028.78	269,358.22
72	ALLOCATION TO FIRE PENSION FUND	467,794.99	459,142.67
		<u>13,676,789.72</u>	<u>13,684,832.46</u>

Request for City Council Action

Title:	Discussion and Possible Action as to New Lease Agreement with Navajo Heritage Foundation		
Meeting Date:	March 11, 2015	Agenda Item Number:	
Agenda Section:	<input type="checkbox"/> Consent <input type="checkbox"/> Public Hearings <input checked="" type="checkbox"/> Old Business <input type="checkbox"/> New Business <input type="checkbox"/> Other	Action:	<input checked="" type="checkbox"/> Motion <input type="checkbox"/> Resolution <input type="checkbox"/> Ordinance
Originating Department:	City Attorney	Supporting Documents:	New Lease Agreement
Prepared By:	City Attorney	Presented By:	City Attorney
Reviewed By:	City Attorney	Approved By:	City Attorney
Proposed Action:	Approval of New Lease Agreement		

BACKGROUND: The lease agreement for the Navajo Village expires on March 10, 2015. During the February 11, 2015 Council meeting, City Council directed staff to prepare a new lease agreement through the end of 2015. The new lease agreement continues the requirement that the use of the property is to promote Navajo culture and educational experiences and to promote tourism for the City, while addressing Council's concerns regarding the hours of operation, promotion efforts and to insure the property is open to the public and provides a benefit to the City. The new lease agreement requires the Navajo Heritage Foundation to coordinate the promotion and use of the property with the City of Page Tourism Board and City Tourism Department. The new lease agreement also provides for the ability to review Navajo Heritage Foundation's books and records as desired by Council.

BUDGET IMPACT: Minimal, additional revenue of 65.50 per month.

ALTERNATIVES CONSIDERED: N/A

ADVISORY BOARD RECOMMENDATION: N/A

STAFF RECOMMENDATION:

- I move to allow the City Manager to execute the Land Lease Agreement between the City of Page and the Navajo Heritage Foundation, Inc.

LAND LEASE AGREEMENT

THIS LAND LEASE AGREEMENT (the "Lease") is made and entered into this ___ day of March, 2015, by and between the CITY OF PAGE, an Arizona municipal corporation organized and existing under the laws of the State of Arizona (the "Lessor"), and the NAVAJO HERITAGE FOUNDATION, INC., an Arizona non-profit corporation (the "Lessee").

RECITALS:

A. WHEREAS, Lessee is a private "IRC Section 501(c)(3) Organization" that provides cultural and educational experiences that portray Navajo culture;

B. WHEREAS, Lessor is the owner of certain Real Property located at 1255 Coppermine Rd., Page, Arizona 86040, APN 80210019, consisting of approximately 6.6 acres (the "Property"), which is the subject of a Lease for Real Property Agreement entered into between Lessor and Lessee originally executed on March 10, 2005, and extended by amendment on February 19, 2010 and which expired on March 10, 2015;

C. WHEREAS, Lessee desires to continue to operate the facilities it has constructed on the Property portraying the Navajo culture and lifestyle;

D. WHEREAS, Lessor is in the process of determining the long term use of the Property and the surrounding lands owned by Lessor and therefore does not wish to encumber the Property with a long term lease agreement at this time;

E. WHEREAS, Lessor has concerns with regards to the hours of operation, promotion efforts and use of the Property by Lessee to insure that the Property is open to the public and provides a benefit to Lessor by attracting additional visitors to the community; and

NOW THEREFORE, in consideration of the rents to be paid, the covenants and agreements to be performed by Lessee pursuant to this Lease and other good and valuable consideration, the receipt of which is hereby acknowledged, Lessor hereby leases unto Lessee, upon the terms and conditions hereinafter set forth in this Lease, those certain premises located in the City of Page, State of Arizona, more particularly described below in Article II.

WITNESSETH:

I. Term.

- 1.1 Initial Term. The term of this Lease shall commence immediately following the adoption of this Lease by the City Council of Page and shall extend until December 31, 2015, subject to the terms hereof.
- 1.2 Holding Over. In the event Lessee remains in possession of the Property after the expiration of this Lease and without the execution of a new lease, it shall be deemed

to be occupying said premises as a Lessee from month to month at a rate equal to the rate herein provided, and otherwise subject to all the conditions, provisions and obligations of this Lease insofar as the same are applicable to a month to month tenancy.

2. Property and Privileges.

2.1 Property. The Lessor does hereby lease to Lessee and Lessee does hereby lease from Lessor approximately 6.6 acres the Property, located at 1253 Coppermine Rd., Page, Arizona 86040, APN 80210019, as more particularly described and depicted as follows:

Subdivision: PAGE (BLOCK 196 LOT 8) INST 3366269
Block: 196 Lot: 8 Sixteenth: SE Quarter: NE Section: 05
Township: 40N Range: 09E Sixteenth: SW Quarter: NW
Section: 04 Township: 40N Range: 09E

2.2 Use of Property. The Property shall be used for operation of a Navajo cultural center, intended to depict the life and culture of the Navajo people and to foster tourism for the City of Page.

2.3 Promotion of Use. Lessee shall coordinate the promotion and use of the Property with the City of Page Tourism Board and City Tourism Department to better foster tourism and use of the Property.

3. Lease Rates and Fees.

3.1 Property Base Rate. Lessee shall, for the lease of the Property and the privilege granted under Section 2 herein, pay to the Lessor the sum of Sixty-Five Dollars and 50/100 (\$65.50) per month from the commencement of the Lease. Payments of said rate shall be payable in advance on the first day of each month.

3.2 Late Payment. Lessee hereby acknowledges that late payment by Lessee to Lessor of Rent and other sums due hereunder will cause Lessor to incur costs not contemplated by this Lease, the exact amount of which will be extremely difficult to ascertain. Such costs include, but are not limited to, processing and accounting charges, and late charges which may be imposed on Lessor by the terms of any mortgage or trust deed covering the Property. Accordingly, if any installment of Rent or any other sum due from Lessee shall not be received by Lessor or Lessor's designee within ten (10) days after such amount shall be due, Lessee shall pay to Lessor a late charge of Fifteen Dollar and 00/100 (\$15.00). The parties hereby agree that such late charge represents a fair and reasonable estimate of the costs Lessor will incur by reason of late payment by Lessee. Acceptance of such late charge by Lessor shall in no event constitute a waiver of Lessee's default with respect to such overdue amount, nor prevent Lessor from exercising any of the other rights and remedies granted

hereunder.

4. Improvements.

4.1 Construction Improvements. Lessee has constructed the following buildings, structures, and improvements upon the Property:

- (a) 3 - Hogahns
- (b) 3 - Shade Houses
- (c) Bread Oven
- (d) Trading Post Building

Any additional buildings, structures, or improvements shall require written approval by Lessor prior to construction. Lessee hereby acknowledges that any construction of improvements shall be at Lessee's own risk. Furthermore, Lessee acknowledges that it will be solely responsible for all utilities, repairs, maintenance, construction, remodeling, landscaping, upgrades, taxes, and existing defects to the Property. Lessor shall not be responsible for the maintenance or repair of landscaping, irrigation systems, parking lots or driveways that serve the Property. Lessor understands that this location used to be the old Gun Club Shooting Range.

4.2 Removal of Improvements. Upon the termination of this Lease for whatever reason, whether by expiration thereof, or by termination as provided for herein, Lessee shall, at Lessee's sole expense, remove all buildings, structures, and improvements and restore the Property to its original condition within a reasonable time, not to exceed one-hundred twenty (120) days. In the event Lessee fails to remove all buildings, structures, and improvements within one-hundred twenty (120) days, Lessor shall consider all buildings, structures, and improvements abandoned and may proceed to remove all such improvements and restore the Property to its original condition at the expense of Lessee.

4.3 Use of Amphitheater. Lessee acknowledges that this Lease does not include the use of the adjacent improved Amphitheater, stage and associated improvements and that if Lessee desires to use the Amphitheater, Lessee will coordinate such use with Lessor and such use shall be done under a Special Event Permit issued by the City of Page.

5. Rules and Regulations.

5.1 Compliance with all Law. The Lessee shall observe and comply with all laws, ordinances, rules, and regulations of the United States of America, the State of Arizona, the County of Coconino, and the City of Page, and all agencies and departments thereof, which may be applicable to its operations, now in effect or hereafter promulgated.

- 5.2 Nuisance. Lessee shall not use or permit the use of the Property in any manner that will tend to create waste or a nuisance. Lessee, at Lessee's expense, shall keep in a good, sanitary, and safe order, condition, and repair, the Property. Lessee shall be responsible for maintaining in a state of good repair the access road to the Property.
- 5.3 Special Events. Lessee acknowledges that Lessor uses the adjacent properties for special events throughout the year, which events could include, but are not limited to, outdoor concerts and motor-cross races. Lessee understands and accepts that these special events can create additional noise, dust and/or congestion in or around the Property, and that Lessor's use of such adjacent properties for such special events shall not create any legal cause of action against Lessor or be deemed a breach of this Lease.

6. **Indemnity and Insurance.**

- 6.1 Indemnity. The Lessee does hereby covenant and agree to indemnify, defend, and hold harmless Lessor, its officials, agents, employees, and representatives from and against any and all fines, suits, claims, demands, defense costs, liability, actions, and/or causes of action of any kind and nature for personal injury or death or property damage arising out of or in connection with any activity or operation of the Lessee on the Property or in connection with Lessee's use of the Property; provided, however, that the Lessee shall not be liable for any injury, damage, or loss occasioned by the gross negligence or willful misconduct of the Lessor, its agents or employees. The Lessee further agrees to and shall indemnify and hold the Lessor harmless from and against all liability, loss, damage, costs, or expenses (including reasonable attorney fees and court costs) arising from or in any way related to worker's Compensation claims, Unemployment Compensation claims, or Unemployment Disability Compensation claims or employees of Lessee and/or its contractors and subcontractors or claims under similar such laws and obligations.
- 6.2 Comprehensive General Liability Insurance. In addition to the indemnity required in Section 6.1 of this Lease, Lessee shall procure and maintain throughout the term of this Lease a policy or policies of insurance, naming and protecting the Lessee, all Lessee's employees from and against all claims, demands, losses, actions, and judgments for damages or injury to persons or property arising out of or in connection with Lessee's use of the Property. This Comprehensive General Liability Insurance shall have limits of liability of not less than One Million Dollars (\$1,000,000) per occurrence. Said policy or policies shall name the City of Page, its officers, agents, and employees as additional insureds. All insurance shall be primary and non-contributory with any other coverage available to the City of Page, et al.
- 6.3 Certificates of Insurance. Lessee shall file with the City Clerk and City Manager prior to or simultaneously with execution of this agreement, Certificates of insurance. All Certificates of Insurance shall provide that such insurance coverage will not be canceled or reduced without at least sixty (60) days prior written notice to Lessor.

The amount and type of insurance coverage requirements set forth within this Lease shall in no way be construed as limiting the scope of the foregoing indemnity.

All insurance companies shall be A.M. Best rated A-VI or better. An umbrella or Following Form Excess Liability Policy may be used to complete the One Million Dollar (\$1,000,000) limits required.

7. Assignment, Subletting, and Encumbrances.

- 7.1 Assignment/Subletting. Lessee shall not voluntarily or by operation of law assign, transfer, mortgage, sublet or otherwise transfer or encumber all or any part of Lessee's interest in this Lease or in the Property, without Lessor's prior written consent, which Lessor shall not unreasonably withhold. Any attempted assignment, transfer, mortgage, encumbrance or subletting without such consent shall be void.
- 7.2 Lessee's Remaining Obligation. Regardless of Lessor's consent, no subletting or assignment shall release Lessee of Lessee's obligation or alter the primary liability of Lessee to pay the Rent and to perform all other obligations to be performed by Lessee hereunder. The acceptance of Rent by Lessor from any other person shall not be deemed to be a waiver by Lessor of any provision hereof. Consent to one assignment or subletting shall not be deemed to be a waiver by Lessor of any provision hereof.
- 7.3 Limitations on Right to Encumber. Neither the Lessee nor any successors-in-interest to the Lessee shall engage in any financing or any other transaction creating any general leasehold mortgage or other encumbrance or lien upon the Property without the prior written consent of the Lessor.

8. Termination.

- 8.1 Cancellation of Lease Due to Conflict of Interest. This Lease is subject to cancellation for a conflict of interest pursuant to A.R.S. §38-511, the pertinent provisions of which are incorporated into this Lease by reference.
- 8.2 Termination of Lease For Cause. If, through any cause, Lessee shall fail to fulfill its obligations under this Lease, or if Lessee shall violate any of the covenants, provisions, or stipulations of this Lease, Lessor shall thereupon have the right to terminate this Lease by giving written notice to Lessee of such termination and specifying the effective date thereof, at least ten (10) days before the effective date of such termination. Furthermore, in the event a termination of the Lease for cause is determined to have been without legal right, then the termination shall be deemed to have been for convenience.
- 8.3 Termination For Convenience. Lessor or Lessee may terminate this Lease, without penalty or further obligation, at any time by giving the other party written notice of such termination and specifying the effective date thereof, at least ninety (90) days before the

effective date of such termination; provided, however, that Lessee retains the obligation(s) as set forth in Section 4.2.

- 8.4 Termination not an Exclusive Remedy. In the event Lessee shall fail to fulfill its obligations under this Lease, or if Lessee shall violate any of the covenants, provisions, or stipulations of this Lease, Lessor may pursue any other remedy now or hereafter available to Lessor under the laws or judicial decisions of the State of Arizona.

9. Miscellaneous Provisions.

- 9.1 Books and Records. Lessee, within 30 days request from Lessor, shall provide Lessor access to Lessee's books and records necessary to verify Lessor's non-profit status and the nature and extent of the services being provided by Lessor in connection with the Property.
- 9.2 As Is Acceptance; No Warranty. Lessee hereby accepts the Property in its condition existing as of the date of the execution of the original lease agreement, March 10, 2005, subject to all applicable zoning, municipal, county and state laws, and federal laws, ordinances and regulations governing and regulating the use of the Property, and accepts this Lease subject to all matters disclosed thereby. Lessee acknowledges that Lessor has made no representation or warranty as to the suitability of the Property for the conduct of Lessee's operation.
- 9.3 Damage by Casualty. Lessee waives the entire right of recovery Lessee may have had against the Lessor on account of loss or damage occasioned to the Property arising from any cause which could be insured against by fire and extended coverage insurance whether or not such insurance is in force.
- 9.4 Legal Relationship. Nothing herein contained shall be deemed or construed by the parties hereto, nor by any third party, as creating the relationship of principal and agent or of partnership or of joint venture between the parties hereto, it being understood and agreed that neither the method of computation of Rent, nor any other provision contained herein, nor any acts of the parties herein, shall be deemed to create any relationship between the parties hereto other than the relationship of Lessor and Lessee.
- 9.5 Binding Effect. Subject to any provisions hereof restricting assignment or subletting by Lessee and subject to the provisions hereof, this Lease shall extend to and be binding upon the heirs, executors, administrators, successors and assigns of the parties hereto.
- 9.6 Waiver. No waiver by Lessor of any provision hereof shall be deemed a waiver of any other provision hereof or of any subsequent breach by Lessee of the same or any other provision. Lessor's consent to or approval of any act shall not be deemed to render unnecessary the obtaining of Lessor's consent to or approval of any

subsequent act by Lessee. The acceptance of Rent hereunder by Lessor shall not be waiver of any preceding breach by Lessee of any provision hereof, other than the failure of Lessee to pay the particular Rent so accepted, regardless of Lessor's knowledge of such preceding breach at the time of acceptance of such Rent.

- 9.7 Severability. If any part of this Lease shall be held unenforceable, the remainder of this Lease shall nevertheless remain in full force and effect.
- 9.8 Choice of Law. Any dispute arising from this agreement shall be decided in accordance with the laws of Arizona with venue in Coconino County.
- 9.9 Cumulative Remedies. No remedy or election hereunder shall be deemed exclusive but shall, wherever possible, be cumulative with all other remedies at law or in equity.
- 9.10 Notices. Any notice desired or required to be served by either party upon the other or any notice provided for in this Lease shall be in writing and shall be deemed given upon hand-delivery or, if mailed, three (3) business days after being deposited in the United States mail, certified, return receipt requested, to the party whom addressed, as set forth herein below:

Lessor: City Manager
City of Page
P.O. Box 1180
Page, Arizona 86040

Lessee: President
Navajo Heritage Foundation, Inc.
P.O. Box 2464
Page, Arizona 86040

- 9.11 Entire Agreement. This instrument contains all of the agreements and conditions made between the parties to this Lease and may not be modified orally or in any other manner than by an agreement in writing signed by all the parties to this Lease or their respective successors in interest. No prior agreement or understanding pertaining to any such matter shall be effective. This Lease may be modified, in writing only, signed by the parties in interest at the time of the modification.
- 9.12 Covenants and Conditions. Each provision of this Lease shall be deemed both a covenant and a condition.
- 9.13 Headings. The headings are for convenience or reference only and shall not affect the interpretation of this Lease in any manner.
- 9.14 Counterparts. This Lease may be executed in counterparts, each of which shall be

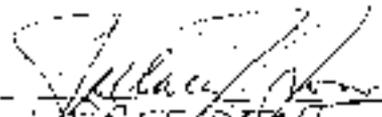
formed an original, all of which together shall constitute one and the same agreement.

IN WITNESS WHEREOF, the parties have duly executed this Lease as of the date first above written

CITY OF PAGE

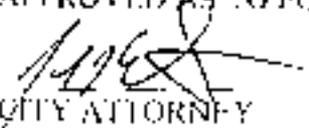
NAVAJO HERITAGE FOUNDATION, INC.

BY: _____
MAYOR

BY: 
PRESIDENT

ATTEST:

CITY CLERK

APPROVED AS TO FORM:

CITY ATTORNEY

Request for City Council Action

Title:	Essential Air Service		
Meeting Date:	3-11-15	Agenda Item Number:	
Agenda Section:	<input type="checkbox"/> Consent <input type="checkbox"/> Public Hearings <input type="checkbox"/> Old Business <input checked="" type="checkbox"/> New Business <input type="checkbox"/> Other	Action: Recommendation to the Federal Aviation Administration (FAA)	<input checked="" type="checkbox"/> Motion <input type="checkbox"/> Resolution <input type="checkbox"/> Ordinance
Originating Department:	Airport	Supporting Documents:	None Proposed
Prepared By:	Rick Olson	Presented By:	City Manager
Reviewed By:	City Manager	Approved By:	City Manager <i>[Signature]</i>
Proposed Action:	Recommend Carrier for Essential Air Service to the FAA		

BACKGROUND: The FAA late last year published requests for proposals pertaining to Essential Air Service for the City of Page. Two carriers responded, the respective proposals were previously forwarded to the Mayor/Council and Airport Board. After review and discussion on March 11, 2015, the Mayor and Council may make a recommendation of preference to the FAA.

BUDGET IMPACT: None

SUGGESTED MOTION:

- I move to recommend _____ as the provider of Essential Air Service for the Page Municipal Airport



BOUTIQUE AIR
548 Market St
San Francisco, CA
t. 415.449.0505
f. 415.738.7671

About Boutique Air

Our Story

Headquartered in San Francisco, California, Boutique Air has been in operation since 2007. We began by flying fire surveillance missions for the U.S. Forestry Service and Bureau of Land Management. We evolved to provide air charter services from the Burbank, Hawthorne, Las Vegas and Redding airports with our Pilatus and Cessna fleet of aircraft. As a charter operator we have received certifications from both industry leading safety organizations, ARG/US and Wyvern. Boutique Air has pilots that are highly experienced and hold the most advanced FAA ratings - a key reason for our continued perfect safety record.

In July of 2012 Boutique Air applied for commuter operating authority from the Department of Transportation. We quickly passed tests on financial fitness and management competency, receiving authority for scheduled service in January of 2013.

We began scheduled service between Los Angeles and Las Vegas in January of 2014.

We have worked to develop our distribution channels. We have connections in place with all of the major Global Distribution Systems (GDSs), which travel agents use to access the market. You will find us on Worldspan and Apollo (Travelport), Sabre, and Amadeus. In addition, we are on the major Online Travel Agencies (OTAs), including Expedia, Travelocity, Priceline, Orbitz, CheapTickets, and CheapOAir.

EAS Contracts

On April 22, 2014 the DOT selected Boutique Air to provide EAS between Clovis and DFW. We began service in July of 2014, and have since received very positive feedback from the business community, town council, and airport board. We have also experienced a steady increase in passenger counts since we first began providing service.

On December 4th, 2014 the DOT awarded Boutique Air a second EAS route of 4 round trips per day between Silver City and ABQ. We began service January 5th, 2015 and have experienced increasing passenger counts and positive customer feedback.



BOUTIQUE AIR
748 Market St
San Francisco, CA
T 415.499.8456
F 415.779.7670

What People Are Saying About Boutique Air

Boutique Air PC-12, one of the best turboprop aircraft on the market! .. Give them a try!!

-Tarek A. via Yelp.com

*We also feel that the PC-12 aircraft bid by Boutique Air presents the **safest and most comfortable option** for the traveling public.*

-Hon. Mayor David Lansford in Recommendation Letter
City of Clovis, NM

*Flew with Boutique from LA to Vegas and back and must say I was extremely surprised. From the ease of check-in. To the flight itself, **the whole process was great**. Price was competitive with any other airline out there. I plan on flying boutique for all my Vegas outings and may even look into renting the whole plane for a group trip. Thanks Boutique!*

-Kevin J. via Yelp.com

*We find that Boutique Air is fit, willing and able to operate as a commuter air carrier, and capable of providing reliable **Essential Air Service**...*

-Susan L. Kurland in Clovis EAS Award
Asst. Sec. for Aviation and International Affairs
US DOT

Right now Boutique Air is a very cool secret.

-Examiner.com

Flew with Boutique Air from LA to Las Vegas round trip and it was a great experience. Good service, on time departures, and a hassle free and nice way to travel in general. A really nice pilot and captain as well.

Patrick S. via Yelp.com

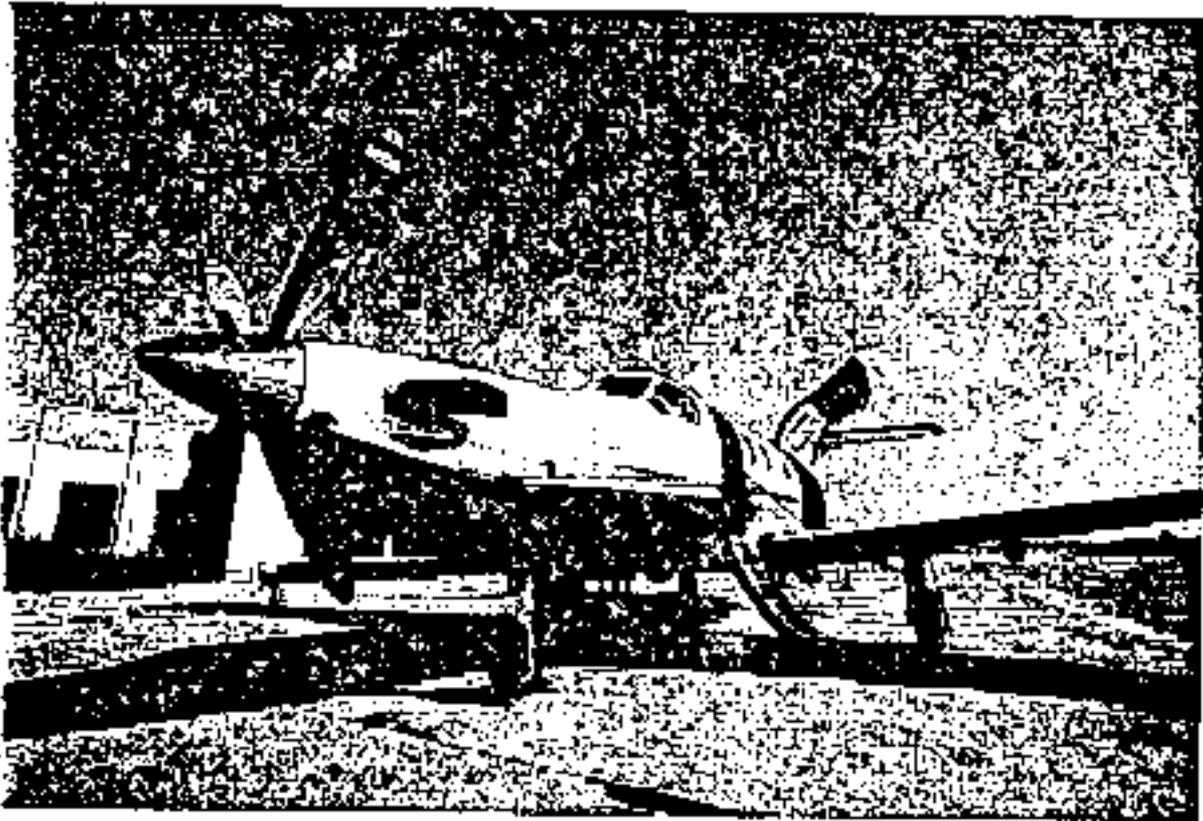


BOUTIQUE AIR
548 Market St
San Francisco, CA
T. 415-449-3705
F. 415-398-2651

Smooth flights and personable staff are part of the experience

-Clovis News Journal

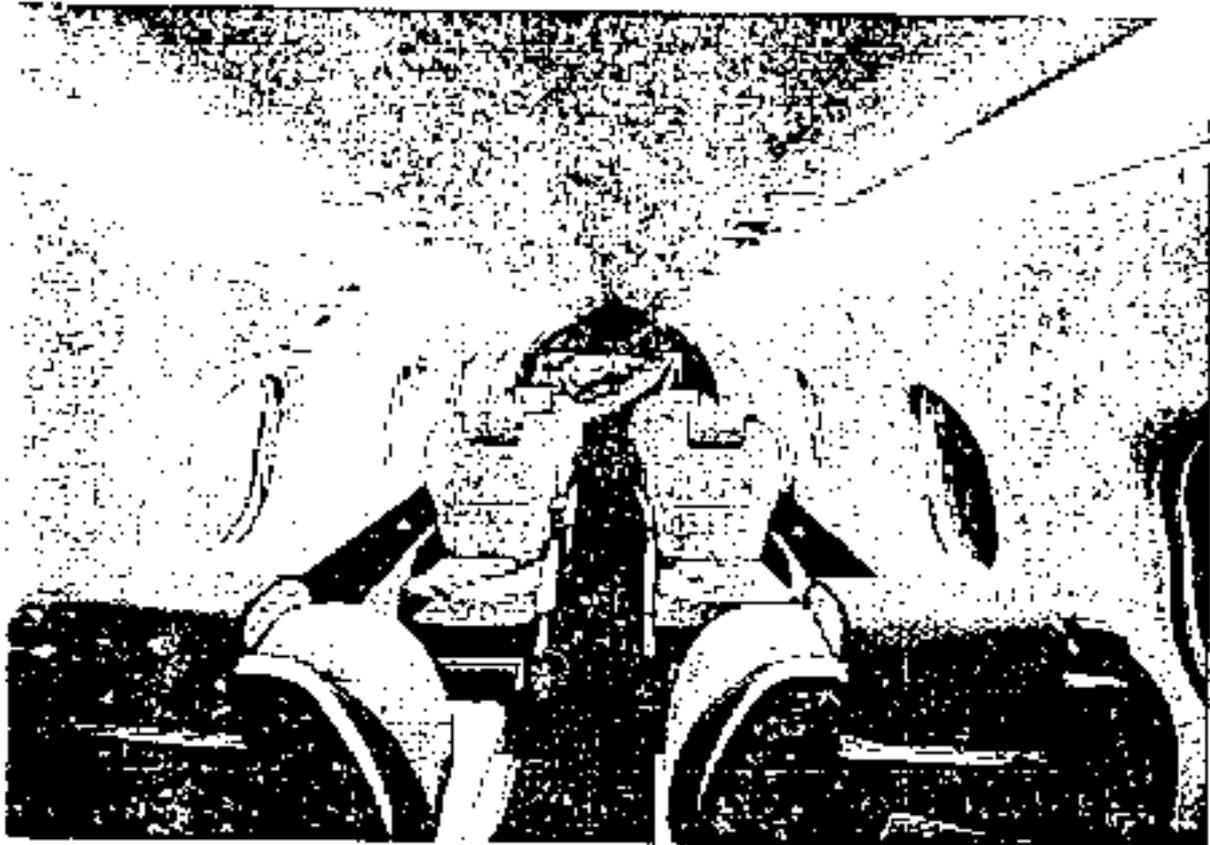
Photos of Boutique Air Aircraft





BOUTIQUE AIR
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F 415-738-1691

Photos of Boutique Air Aircraft





BOUTIQUE AIR
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f. 415.738.7671

Proposal

Overview

Our proposal would be flown in nine-seat, modern, pressurized Pilatus PC-12 aircraft. The term is two years.

We are projecting fares starting at \$69. From time to time we will also have sales to increase both awareness and passenger counts. We will also cap fares at \$199 for the length of our term.

Community Input

Shortly after the bids are posted to the docket, Boutique Air will schedule meetings to meet with city officials and private citizens. This will allow us to answer any questions and provide additional information.

While we can't promise we will be able to implement everyone's suggestions, we welcome feedback from the citizens of these communities, as well as anyone who may have an interest in the proposed flights. What we can promise is that we will listen to your feedback, and give it the attention and consideration it deserves.

With respect and appreciation,

Shawn Simpson
CEO



BOUTIQUE AIR
548 Market St
San Francisco, CA
T 415-449-0105
F 415-778-2673

Page, AZ - Option 1

18 nonstop RT weekly PGA-PHX (3 Daily RT)

Operations	
Scheduled Flights	1,878
Completed Flights (96%)	1,835
Scheduled Block Hours	2,304
Scheduled Seats	16,848
Scheduled ASMs	4,094,054
Revenue	
Passengers	12,500
Average Fare	70.00
Fare Revenue	\$735,000
Total Revenue	\$735,000
Expenses	
Fuel	\$725,760
Ownership	\$960,000
Maintenance and Reserves	\$794,880
Staff	\$307,100
Marketing and Distribution	\$42,000
Other Indirect Costs	\$332,062
Total Costs	\$3,161,802
Profit Before	\$158,090
Margin	5.00%
Total	
Subsidy	\$2,584,892

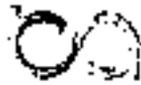


HOUGHTON AIR
348 MARKET ST
SAN FRANCISCO, CA
TEL: 415.449.0707
FAX: 415.778.7671

Page, AZ - Option 2

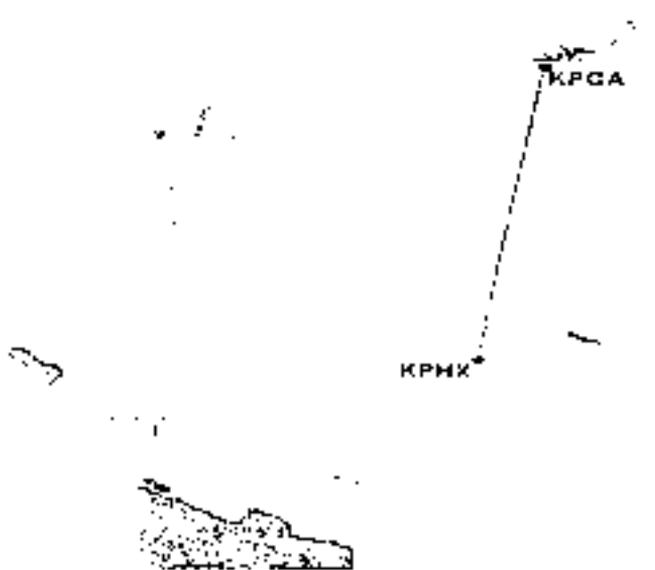
18 nonstop RT weekly PGA-SLC (3 Daily RT)

Operations	
Scheduled Flights	1,878
Completed Flights (98%)	1,835
Scheduled Block Hours	2,664
Scheduled Seats	16,848
Scheduled ASMs	4,515,264
Revenue	
Passengers	10,500
Average Fare	\$80.00
Fare Revenue	\$840,000
Total Revenue	\$840,000
Expenses	
Fuel	\$239,160
Ownership	\$660,000
Maintenance and Reserves	\$919,030
Staff	\$343,100
Marketing and Distribution	\$42,000
Other Indirect Costs	\$370,900
Total Costs	\$3,474,242
Profit Element	\$173,712
Margin	5.00%
Subsidy	Total
	\$2,807,954



ROUTE 66 AIR
648 Market St
San Francisco, CA
T 415-448-0505
F 415-779-7071

Option 1 - Map



Option 2 - Map



BOUQUET AIR
758 Market St
San Francisco, CA
T. 415.399.7903
F. 415.398.7971



Before the United States Department of Transportation

Washington, DC

January 20, 2015

Essential Air Service at

**PAGE, ARIZONA
PRESCOTT, ARIZONA
SHOW LOW, ARIZONA**

under 49 U.S.C. 41731, et seq.

**Docket OST-1997-2694
Docket OST-1996-1899
Docket OST-1998-4409**

This document contains the response of Great Lakes Aviation, Ltd. to Order Requesting Proposals 2014-11-15

Great Lakes Aviation, Ltd. is pleased to submit these proposals to provide essential air transportation to these Arizona communities addressed in the Order as stand alone proposals.

Our proposals provide conveniently timed schedules to our Denver, Phoenix and Los Angeles hubs, whereby passengers may utilize our code-share agreement with United Airlines. In addition to our code share agreement with United Airlines, Great Lakes maintains electronic interline ticketing and baggage agreements with American, Delta and United. Passengers will also be eligible for Delta Sky Miles Frequent Flyer program when travel is booked through Delta's sales channels. All of which will offer passengers traveling to and from these communities supplemental access to the domestic and international air transportation system.

Great Lakes is proposing multiple service alternatives for all three communities. The proposals consist of Beech 1900D service configured with nine seats and Beech 1900D service configured with 19 seats. Due to pilot supply, in the near term, we have been forced to offer nine seat service. To illustrate the economic impact of the effect of the pilot shortage on small community air service, the Beech 1900D service with 19 seats offers a substantial reduction in subsidy requirement due to the availability of more seats which can generate more passenger traffic and revenue. We have also offered a service option for Prescott utilizing pressurized 30 seat Embraer EMB-120 Brasilia aircraft. Please refer to the attached proposals for the the specific service patterns being offered for each community.

For illustrative and comparison purposes, we have also provided a Phoenix service option for Prescott that would be subject to significant modifications at the Phoenix hub gate facilities.

Changes to FAA pilot qualification rules have created an industry-wide pilot shortage which has had an acute impact on Great Lakes. These rules mandated that first officers obtain an Airline Transport Pilot certification ("ATP") prior to being qualified to perform crewmember duties in scheduled airline passenger service under FAR Part 121 regulatory requirements. A key factor to enable a pilot to receive an ATP certificate is the accumulation of 1,500 flight hours.

Great Lakes received FAA operations specifications allowing us to hire pilots under its FAR Part 121 certificate utilizing FAR Part 135 regulatory hiring requirements. This allows our new hire pilots to operate the Beech 1900D aircraft in a nine seat configuration and will enable Great Lakes to restore pilot staffing levels while maintaining FAR Part 121 pilot training and aircraft maintenance standards.

It is Great Lakes' belief that the unintended consequences of the changes in pilot qualification rules have debilitated small community air service whereby excessive subsidy requirements will force communities to lose EAS service eligibility. To avert these unintended consequences and revitalize small community air service, will necessitate regulatory relief. Great Lakes stands ready to participate in creative solutions to assist small communities in their efforts to remain in the National Air Transportation System.

Questions and comments may be referred to:

Michael O. Matthews
Chief Financial Officer
Great Lakes Aviation, Ltd.
1022 Airport Parkway
Cheyenne, WY 82001
(307) 432-7000

Table of Contents:

Brd	Service Points	Hub Options	Equipment	Subsidy Requirement	Passengers Forecast	Average Fare	Subsidy Cost per Passenger
1	Flag	Phoenix (one stop) and/or Denver (one stop) and/or Los Angeles (one stop)	8-Seat Beech 1900D	\$1,690,816	9,507	\$125.72	\$193.79
2	Flag	Phoenix (one stop) and/or Denver (one stop) and/or Los Angeles (one stop)	14-Seat Beech 1900D	\$2,375,118	14,216	\$117.34	\$199.45
Cost of 1,500 hour ATP to EAS program				\$415,934	4,713		\$120.57
3	Presort	Los Angeles (one stop) and/or Denver (one stop)	14-Seat Beech 1900D	\$3,157,565	11,533	\$124.13	\$370.89
4	Presort	Los Angeles (one stop) and/or Denver (one stop)	14-Seat Beech 1900D	\$2,721,854	14,000	\$114.92	\$194.42
Cost of 1,500 hour ATP to EAS program				\$490,592	4,651		\$176.47
5	Presort	Los Angeles (one stop)	14-Seat Beech 1900D	\$2,657,002	19,200	\$114.10	\$171.80
6	Show Low	Phoenix (one stop) and/or Denver (one stop)	8-Seat Beech 1900D	\$2,215,339	9,000	\$125.74	\$345.07
7	Show Low	Phoenix (one stop) and/or Denver (one stop)	14-Seat Beech 1900D	\$1,894,384	9,500	\$101.94	\$199.41
Cost of 1,500 hour ATP to EAS program				\$390,955	3,213		\$221.66
Total Annual Cost of 1,500 hour ATP to US DOT for Arizona EAS Communities				\$1,227,162	14,700		

Great Lakes Aviation, Ltd.

Annual Compensation Requirements for Essential Air Service at
Page, Arizona
B1900 - (nine seat configuration)
(at 98 percent completion)

Departures: 1936

Operating Revenues:					
Passenger:	PGA	9,500	psgrs at	\$125.72	\$1,194,340
	Other:		(at 0.62% of passenger revenue)		\$7,405
Total Operating Revenues:					\$1,201,745
Operating Expenses:					
Direct:	Aircraft and Hull Insurance			\$365,710	
	Fuel and Oil			\$1,101,034	
	Flying Operations			\$471,364	
	Maintenance			\$806,661	
Total Direct Expenses:					\$2,744,769
Total Indirect Expenses:					<u>\$962,260</u>
Total Operating Expenses:					\$3,707,029
Operating Loss					(\$2,505,284)
Profit Element (5.0% of Total Operating Expenses)					\$185,351
Annual Compensation Requirement:					\$2,690,636

Current published schedules should be used as sample service levels. Hub options eligible for subsidy are Phoenix (non-stop) and/or Denver (one-stop) or Los Angeles (one-stop).

At Great Lakes discretion, Great Lakes would operate four peak day round trip departures with reduced service to two round trips per day in off peak seasonal periods.

No less than 1,936 annual departures would be operated assuming a 98% completion factor.

Great Lakes Aviation, Ltd.

Annual Compensation Requirements for Essential Air Service at

Page, Arizona

B1900 - (19 seat configuration)
(at 98 percent completion)

Departures: 1936

Operating Revenues:					
Passenger:	PGA	14,250	psgrs at	\$117.94	\$1,680,645
	Other:		(at 0.62% of passenger revenue)		\$10,420
Total Operating Revenues:					\$1,691,065
Operating Expenses:					
Direct:	Aircraft and Hull Insurance			\$365,710	
	Fuel and Oil			\$1,101,034	
	Flying Operations			\$471,364	
	Maintenance			\$806,661	
Total Direct Expenses:					\$2,744,769
Total Indirect Expenses:					<u>\$1,032,541</u>
Total Operating Expenses:					\$3,777,310
Operating Loss					(\$2,086,245)
Profit Element (5.0% of Total Operating Expenses)					\$188,866
Annual Compensation Requirement:					\$2,275,111

Current published schedules should be used as sample service levels. Hub options eligible for subsidy are Phoenix (non-stop) and/or Denver (one-stop) or Los Angeles (one-stop).

At Great Lakes discretion, Great Lakes would operate four peak day round trip departures with reduced service to two round trips per day in off peak seasonal periods.

Great Lakes Aviation, Ltd.

Annual Compensation Requirements for Essential Air Service at
Prescott, Arizona to Los Angeles (LAX)
Three Round Trips - B1900 - (nine seat configuration)
(at 98 percent completion)

Departures:	1835
Block Hours:	2,860
Revenue Passenger Miles:	2,924,000
Available Seat Miles:	5,681,160

Operating Revenues:					
Passenger:	PRC	8,500	pgrs at	\$139.18	\$1,183,030

Other:	(at 0.62% of passenger revenue)				\$7,335
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Total Operating Revenues:					\$1,190,365
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Operating Expenses:

Direct:	Aircraft and Hull Insurance				\$365,710
	Fuel and Oil				\$1,284,941
	Flying Operations				\$568,339
	Maintenance				\$877,672

Total Direct Expenses:					\$3,096,662
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Total Indirect Expenses:					\$1,039,462
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Total Operating Expenses:					\$4,136,124
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Operating Loss					(\$2,945,759)
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Profit Element (5.0% of Total Operating Expenses)					\$206,806
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Annual Compensation Requirement:					\$3,152,565
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Current published schedules should be used as sample service levels. Hub options eligible for subsidy are Los Angeles non-stop and/or Denver (one-stop alternative hub).

Great Lakes Aviation, Ltd.

Annual Compensation Requirements for Essential Air Service at
Prescott, Arizona to Los Angeles (LAX)
Three Round Trips - B1900 - (19 seat configuration)
(at 98 percent completion)

Departures:	1835
Block Hours:	2,860
Revenue Passenger Miles:	4,816,000
Available Seat Miles:	11,993,560

Operating Revenues:					
Passenger:	PRC	14,000	psgrs at	\$124.92	\$1,748,880
					\$0
Other:	(at 0.62% of passenger revenue)				\$10,843
Total Operating Revenues:					\$1,759,723

Operating Expenses:					
Direct:	Aircraft and Hull Insurance			\$365,710	
	Fuel and Oil			\$1,284,941	
	Flying Operations			\$568,339	
	Maintenance			\$877,672	
Total Direct Expenses:					\$3,096,662
Total Indirect Expenses:					<u>\$1,171,535</u>
Total Operating Expenses:					\$4,268,197
Operating Loss					(\$2,508,474)
Profit Element (5.0% of Total Operating Expenses)					\$213,410
Annual Compensation Requirement:					\$2,721,884

Current published schedules should be used as sample service levels. Hub options eligible for subsidy are Los Angeles non-stop and/or Denver (one-stop alternative hub).

Great Lakes Aviation, Ltd.

Annual Compensation Requirements for Essential Air Service at
Prescott, Arizona to Los Angeles (LAX)
Two Round Trips - EMB-120 (30 seat aircraft)
(at 98 percent completion)

Departures:	1431
Block Hours:	2,230
Revenue Passenger Miles:	5,228,800
Available Seat Miles:	14,767,920

Operating Revenues:					
Passenger:	PRC	15,200	psgrs at	\$119.10	\$1,810,320

Other:	(at 0.62% of passenger revenue)				\$11,224
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Total Operating Revenues:					\$1,821,544
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Operating Expenses:

Direct:	Aircraft and Hull Insurance				\$365,975
	Fuel and Oil				\$1,326,966
	Flying Operations				\$535,022
	Maintenance				\$829,807

Total Direct Expenses:					\$3,057,770
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Total Indirect Expenses:					<u>\$1,207,512</u>
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Total Operating Expenses:					\$4,265,282
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Operating Loss					(\$2,443,738)
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Profit Element (5.0% of Total Operating Expenses)					\$213,264
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Annual Compensation Requirement:					\$2,657,002
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This Proposal is submitted with no upline scheduling restrictions

Great Lakes Aviation, Ltd.

Annual Compensation Requirements for Essential Air Service at
Show Low, Arizona
B1900 - (nine seat configuration)
(at 98 percent completion)

Departures: 1792

Three Round Trips in Summer Schedules - Two Round trips in Winter Schedules

Operating Revenues:					
Passenger:	SOW	5,000	psgrs at	\$106.74	\$533,700
Other:	(at 0.62% of passenger revenue)				\$3,309
Total Operating Revenues:					\$537,009
Operating Expenses:					
Direct:	Aircraft and Hull Insurance				\$365,710
	Fuel and Oil				\$714,108
	Flying Operations				\$276,022
	Maintenance				\$597,551
Total Direct Expenses:					\$1,953,391
Total Indirect Expenses:					<u>\$725,036</u>
Total Operating Expenses:					\$2,678,427
Operating Loss					(\$2,141,418)
Profit Element (5.0% of Total Operating Expenses)					\$133,921
Annual Compensation Requirement:					\$2,275,339

Current published schedules should be used as a sample service level. Hub options eligible for subsidy are Phoenix hub (non-stop) and/or Denver (one-stop alternate hub)

No less than 1,082 departures would be operated from May 1st through October 31st and no less than 710 departures would be operated from November 1st through April 30th.

No upline scheduling restrictions.

Great Lakes Aviation, Ltd.

Annual Compensation Requirements for Essential Air Service at
Show Low, Arizona
B1900 - (19 seat configuration)
(at 98 percent completion)

Departures: 1792

Three Round Trips in Summer Schedules - Two Round trips in Winter Schedules

Operating Revenues:					
Passenger:	SOW	9,500	psgrs at	\$102.98	\$978,310
	Other:			(at 0.62% of passenger revenue)	\$6,066
Total Operating Revenues:					\$984,376
Operating Expenses:					
Direct:	Aircraft and Hull Insurance				\$365,710
	Fuel and Oil				\$714,108
	Flying Operations				\$276,022
	Maintenance				\$597,551
Total Direct Expenses:					\$1,953,391
Total Indirect Expenses:					<u>\$788,285</u>
Total Operating Expenses:					\$2,741,676
Operating Loss					(\$1,757,300)
Profit Element (5.0% of Total Operating Expenses)					\$137,084
Annual Compensation Requirement:					\$1,894,384

Current published schedules should be used as a sample service level. Hub options eligible for subsidy are Phoenix hub (non-stop) and/or Denver (one-stop alternate hub)

No less than 1,082 departures would be operated from May 1st through October 31st and no less than 710 departures would be operated from November 1st through April 30th.

No upline scheduling restrictions.

Great Lakes Aviation, Ltd.

Annual Compensation Requirements for Essential Air Service at

** Prescott, Arizona to Phoenix (PHX)

Four Round Trips - B1900 - (nine seat configuration)
(at 98 percent completion)

Departures:	2454
Block Hours:	1,718
Revenue Passenger Miles:	739,500
Available Seat Miles:	1,921,482

Operating Revenues:					
Passenger:	PRC	8,500	pgrs at	\$54.10	\$459,850

 Other: (at 0.62% of passenger revenue) \$2,851

Total Operating Revenues: \$462,701

Operating Expenses:

Direct:	Aircraft and Hull Insurance	\$365,710
	Fuel and Oil	\$791,689
	Flying Operations	\$341,401
	Maintenance	\$784,259

 Total Direct Expenses: \$2,283,059

 Total Indirect Expenses: \$867,158

Total Operating Expenses: \$3,150,217

Operating Loss (\$2,687,516)

Profit Element (5.0% of Total Operating Expenses) \$157,511

Annual Compensation Requirement: \$2,845,027

This illustrative option assumes no upline scheduling restrictions

** For illustrative and comparison purposes, we have also provided a Phoenix service option for Prescott that would be subject to significant modifications at the Phoenix hub gate facilities.

Great Lakes Aviation, Ltd.

Annual Compensation Requirements for Essential Air Service at

** Prescott, Arizona to Phoenix (PHX)

Four Round Trips - B1900 - (19 seat configuration)
(at 98 percent completion)

Departures:	2454
Block Hours:	1,718
Revenue Passenger Miles:	1,044,000
Available Seat Miles:	4,056,462

Operating Revenues:					
Passenger:	PRC	12,000	psgrs at	\$50.72	\$608,640

Other:	(at 0.62% of passenger revenue)				\$3,774
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Total Operating Revenues:	\$612,414
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Operating Expenses:

Direct:	Aircraft and Hull Insurance	\$365,710
	Fuel and Oil	\$791,689
	Flying Operations	\$341,401
	Maintenance	\$784,259

Total Direct Expenses:	\$2,283,059
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Total Indirect Expenses:	<u>\$905,548</u>
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Total Operating Expenses:	\$3,188,607
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Operating Loss	(\$2,576,193)
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Profit Element (5.0% of Total Operating Expenses)	\$159,430
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Annual Compensation Requirement:	\$2,735,624
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This illustrative option assumes no upline scheduling restrictions

** For illustrative and comparison purposes, we have also provided a Phoenix service option for Prescott that would be subject to significant modifications at the Phoenix hub gate facilities.

Request for City Council Action

Title:	C & S Consultant Services		
Meeting Date:	3-11-15	Agenda Item Number:	
Agenda Section:	<input type="checkbox"/> Consent <input type="checkbox"/> Public Hearings <input type="checkbox"/> Old Business <input checked="" type="checkbox"/> New Business <input type="checkbox"/> Other	Action: Extend Consultant Services	<input checked="" type="checkbox"/> Motion <input type="checkbox"/> Resolution <input type="checkbox"/> Ordinance
Originating Department:	Airport	Supporting Documents:	None
Prepared By:	Rick Olson	Presented By:	City Manager
Reviewed By:	City Manager	Approved By:	City Manager <i>[Signature]</i>
Proposed Action:	Approve C & S Companies Contract Extension		

BACKGROUND: On May 22, 2012, the Mayor and City Council approved a contract with C & S Companies, Inc. to provide general airport consulting and engineering services. The initial three year contract can be extended two years upon mutual written consent of the parties. See Consultant Agreement, Page 2, Article II.

Inasmuch as the initial three year contract will expire on August 22, 2015, the option to renew for an additional two years is desirable as C & S Companies continues to provide extraordinary service. C & S Companies have agreed in writing to extend the contract pursuant to Article II.

BUDGET IMPACT: Consulting services will continue to paid from 00.485 9952 "Airport Improvements"

SUGGESTED MOTION:

- I move to extend the General Airport Consulting Services Agreement with C & S Companies for an additional two years pursuant to Article II.



C&S Companies
8750 E. Main Street
Suite 210
Scottsdale, AZ 85258
Phone: 480-757-7536
Fax: 480-991-0597
www.candc.com

February 24, 2015

Mr. Rick Olson
City of Page
697 Vista Avenue
P.O. Box 1180
Page, AZ 86040

Re: Consultant Agreement - General Airport Consulting Services

Dear Rick,

On August 22, 2015, our Consultant Agreement for General Airport Consultant Services will be eligible to renew for another year. Per the original agreement dated August 22, 2012, we were under contract for three years with the option to renew each subsequent year for the next two years. Per your request we are requesting an extension to our agreement for the remaining two years, to end August 22, 2017. If this is acceptable to you, please send us the appropriate contract paperwork to implement this extension.

Please give me a call if you have any questions.

Sincerely,

C&S Engineers, Inc.

A handwritten signature in black ink, appearing to read 'Lance R. McIntosh', written over a horizontal line.

Lance R. McIntosh, P.E.
Department Manager

Request for City Council Action

Title:	Republic Services, Inc. 2015 CPI Annual Rate Increase		
Meeting Date:	March 11, 2015	Agenda Item Number:	
Agenda Section:	<input type="checkbox"/> Consent <input type="checkbox"/> Public Hearings <input type="checkbox"/> Old Business <input checked="" type="checkbox"/> New Business <input type="checkbox"/> Other	Action:	<input checked="" type="checkbox"/> Motion <input type="checkbox"/> Resolution <input type="checkbox"/> Ordinance
Originating Department:	PUF	Supporting Documents:	Letter from Republic Services, Inc.
Prepared By:	City Attorney	Presented By:	City Attorney
Reviewed By:	City Attorney	Approved By:	City Attorney
Proposed Action:	Acceptance of Republic's proposed rate adjustment of 1.9% for residential rates		

BACKGROUND: On January 27, 2011, the City of Page entered into an Agreement for Residential and Commercial Solid Waste and Recyclables Collection Removal (the "Agreement") with Republic Services, Inc. (d/b/a Allied Waste Services of Page, Inc.) Pursuant to the Agreement, the City is responsible for the collection of fees for solid waste services provided to residential customers and the City manages this collection service through Page Utility Enterprises ("PUE").

Under Section 3.03 of the Agreement, Republic and the City are to evaluate rate adjustments pertaining to volatile market factors that may impact Republic's ability to provide service with acceptable margins. The basis for such adjustments include factors such as "increases or decreases in [Republic's] productivity, disposal charges, material and equipment costs, labor costs, [Republic's] level of service, prices paid in comparable communities, enacted, issues or amended laws and regulations, and or changes in the Consumer Price Index for Western Cities" ("CPI").

Republic proposes a rate adjustment for residential rates of 1.9% for 2015 based on the 2013-2014 CPI. This proposed adjustment based on the change in CPI is consistent with the adjustments that have been made in previous years. It should be noted that this rate increase is not originating from PUE, but some customers may associate the increase with PUE because PUE is the City entity that is collecting the fees for Republic. A representative with Republic will be available to address Council.

BUDGET IMPACT: None

ALTERNATIVES CONSIDERED: N/A

ADVISORY BOARD RECOMMENDATION: N/A

STAFF RECOMMENDATION:

- I move to accept Republic Services, Inc.'s proposed rate adjustment of 1.9% for residential rates.

Bryan Hill, PE
General Manager
Page Utility Enterprises
P O Box 1555
Page, AZ 86040

Jason Godfrey
Division Manager
Republic Services, Inc
3004 Coppermine Road
Page, AZ 86040

Feb 5, 2015

Re: 2015 City of Page Rates

Dear Mayor and City Council

The contract between the City of Page and Republic Services (formerly Allied Waste) provides for annual rate increases based on the Consumer Price Index.

From 2013 to 2014, the Consumer Price Index of Western Cities increased by 1.8%. Accordingly, effective March 1, 2015 the rates for waste collection and removal will be as follows:

Residential:

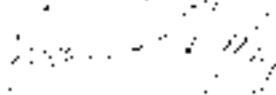
- Monthly service: \$21.40
- Additional trash carts: \$4.23
- Additional recycling carts: \$2.11

Transfer Station:

- Residential Rate: \$54.50

We are grateful for the opportunity to serve the City of Page and its residents and look forward to another year working with you.

Respectfully submitted,



Jason Godfrey
Division Manager



U.S. Bureau of Labor Statistics

Consumer Price Index Overview Table – West

Consumer Price Index for All Urban Consumers, all items, in the U.S., West, and selected metropolitan areas, not seasonally adjusted (1982-84=100 unless otherwise noted)

Area (Links provide news releases)	Back data	Annual average 2014	Nov 2014	Dec 2014	Percent change		
					Annual average 2013 to 2014	12 months ended Nov 2014	Dec 2014
U.S. City Average	↗	236.736	236.151	234.812	1.6	1.3	0.8
West region (1)	↗	240.215	240.220	239.095	1.9	1.7	1.3
West City Size Class (population)							
A (over 1.5 million)	↗	245.319	245.311	244.204	2.0	1.8	1.4
B/C (50,000-1.5 million) (2)	↗	143.527	143.395	142.669	1.3	1.2	0.6
Metropolitan areas							
Los Angeles-Riverside-Orange County, CA	↗	242.434	241.753	240.375	1.3	1.3	0.7
San Francisco-Oakland-San Jose, CA (3)	↗	251.985		252.273	2.9		2.7
Seattle-Tacoma-Bremerton, WA (3)	↗	246.018		245.050	1.8		1.7
Anchorage, AK (4)	↗	215.805			1.6		
Honolulu, HI (4)	↗						
Phoenix-Mesa, AZ (4) (5)	↗						
Portland-Salem, OR-WA (4)	↗						
San Diego, CA (4)	↗						

Footnotes

(1) The West region includes Alaska, Arizona, California, Colorado, Hawaii, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington, and Wyoming.

(2) December 1990=100.

(3) Published in alternate months.

(4) Published in the second or third month of the year.

(5) December 2001=100.

For more Consumer Price Index

and Consumer Price Index (CPI) information, contact us at www.bls.gov or services provided for all consumers in our household.

Schedule of Upcoming Releases for the Consumer Price Index

U.S. Bureau of Labor Statistics | Western Information Office, Attn: SA & I, P.O. Box 192766, San Francisco, CA

24, 19-1, 96

www.bls.gov/regions/west | Telephone: 1-415-625-3370 | Contact Western Region

Request for City Council Action

Title:	Amendments to the Bed & Breakfast Ordinance		
Meeting Date:	March 11, 2013	Agenda Item Number:	
Agenda Section:	<input type="checkbox"/> Consent <input type="checkbox"/> Public Hearings <input type="checkbox"/> Old Business <input checked="" type="checkbox"/> New Business <input type="checkbox"/> Other	Action:	<input type="checkbox"/> Motion <input type="checkbox"/> Resolution <input checked="" type="checkbox"/> Ordinance
Originating Department:	City Attorney	Supporting Documents:	Ordinance 624-15
Prepared By:	City Attorney	Presented By:	City Attorney
Reviewed By:	City Attorney	Approved By:	City Attorney
Proposed Action:	Adoption of Ordinance No. 624-15 to reinstate changes for B&B's that were provided for in Ordinance 585-12 and to remove the \$150 annual water and sewer fee.		

BACKGROUND: On April 25, 2012, the City Council passed and adopted Ordinance 585-12, allowing for the conditional use of bed and breakfasts ("B&B") within residential zoning districts. However, the Ordinance contained a sunset provision and the changes have thus expired as of May 26, 2014. The matter was addressed to the Planning and Zoning Commission, which unanimously approved the recommendation to continue the changes that were made in 2012. There are currently 5 B&B within the City of Page, only one of which is in an R1-8 residential zone. There have been no complaints or issues logged with the City concerning B&B's in residential zones.

The current ordinance is identical to that of 585-12, with the inclusion of the removal of the \$150 annual fee for water and sewer. The \$150 annual water and sewer fee contained in the B&B ordinance was approved in 1981 and is paid to PUE. The PUE Board has requested that the fee be removed from the B&B ordinance as the Board is considering modifications to its rules and fees for the water and sewer utilities. The Planning and Zoning Commission unanimously approved the recommendation that the fee be removed from the B&B ordinance.

BUDGET IMPACT: \$750 to the PUE budget.

ALTERNATIVES CONSIDERED: N/A

ADVISORY BOARD RECOMMENDATION: N/A

STAFF RECOMMENDATION:

1. move to introduce Ordinance No. 624-15 by title only for its first reading.

2. move to pass Ordinance No. 624-15 to its second reading.

ORDINANCE NO. 624-15

AN ORDINANCE OF THE MAYOR AND COMMON COUNCIL OF THE CITY OF PAGE, COCONINO COUNTY, ARIZONA, AMENDING THE CITY OF PAGE ZONING ORDINANCE SECTION 4, PERMITTED USE TABLE A: RESIDENTIAL ZONING DISTRICTS, AND SECTION 5.5 BED AND BREAKFAST HOMESTAY, SUBSECTION 5.5.2 REQUIREMENTS (F) AND (J); AND (B) REMOVING THE REQUIREMENT TO PAY \$150.00 WATER AND SEWER FEER FEE.

WHEREAS, the City of Page Zoning Ordinance was adopted on April 9, 2001; and

WHEREAS, the Zoning Ordinance of the City of Page provides for the Planning and Zoning Commission to initiate amendments in accordance with the provisions of the Zoning Ordinance and Section §9-462 of the *Arizona Revised Statutes*;

WHEREAS, on April 25, 2012, the Mayor and Common Council passed and adopted Ordinance 585-12, which provided for the inclusion of Bed and Breakfast ("B&B") use in residential districts by way of a Conditional Use ("CUP");

WHEREAS, Ordinance 585-12 contained a sunset provision and therefore, all changes under Ordinance 585-12 expired on May 26, 2014;

WHEREAS, separate from the changes made in Ordinance 585-12, the City of Page Zoning Ordinance requires B&B's to pay an additional water and sewer fee in the amount of \$150 per year; and

WHEREAS, the Mayor and Common Council, upon recommendation of the Planning and Zoning Commission, desire to amend the City of Page Zoning Ordinance, Section 4, Permitted Use Table A: Residential Zoning Districts, and Section 5.5.2, Requirements, by allowing a B&B as a CUP in the R1-8 Zoning District and allowing up to four (4) guest rooms; and further amend Section 5.5.2, Requirements removing the requirement that B&B's pay a \$150 sewer fee.

NOW, THEREFORE, BE IT ORDAINED BY THE MAYOR AND COMMON COUNCIL OF THE CITY OF PAGE, COCONINO COUNTY, ARIZONA, as follows:

The City of Page Zoning Ordinance, Section 4, Permitted Use Table A: Residential Zoning Districts is amended to read:

Ordinance No. 624-15

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Permitted Use Table A: Residential Zoning Districts

USE	RE-2A	RE-1A	R1-B	R1-7	RZ-1	RMF	MHS	MHP
Single Family Dwelling ¹	P	P	P	P	P	P	P	CUP ²
Accessory Buildings & Uses Incidental to the Principal Use	P	P	P	P	P	P	P	P
Temporary Offices, Travel Trailers, Construction Sheds, etc., Associated with Home Construction ³	P	P	P	P	P	P	P	NP
Churches & Accessory Uses, Including Convents and Parish Houses	NP	NP	NP	CUP	CUP	CUP	NP	NP
Schools	NP	NP	NP	CUP	CUP	CUP	NP	NP
Nurseries	NP	NP	NP	CUP	CUP	CUP	NP	NP
Hospitals	NP	NP	NP	CUP	CUP	CUP	NP	NP
Day Care	NP	NP	NP	CUP	CUP	P	NP	NP
Senior Citizen Centers	NP	NP	NP	CUP	CUP	CUP	NP	NP
Dental & Medical Clinics	NP	NP	NP	CUP	CUP	CUP	NP	NP
Professional Offices	NP	NP	NP	CUP	CUP	CUP	NP	NP
Dormitories	NP	NP	NP	NP	NP	CUP	NP	NP
Duplex	NP	NP	NP	NP	P	P	NP	NP
Apartments	NP	NP	NP	NP	NP	P	NP	NP
Manufactured Home Park & Accessory Laundry & Recreational Facilities	NP	P						
Convenience Stores and Restaurants as an Integral Part of Manufactured Home Park	NP	CUP						
Recreational Vehicle Park	NP	CUP						
Single Family Manufactured Homes & Accessory Uses and Buildings	NP	NP	NP	NP	NP	NP	P	P
One Non-Rental Guest House	P	P	NP	NP	NP	NP	NP	NP
Large Livestock, Plus Shelters, Stables, Stalls, Cages, Pens where they are held ⁴	P	P	NP	NP	NP	NP	NP	NP
Carnivals, Circuses & Similar Uses	TUP ⁵	TUP ⁶	TUP ⁵	TUP ³	TUP ⁵	TUP ⁵	TUP ⁴	TUP ³
Bed & Breakfast Homeslay	CUP	CUP	NP CUP	CUP	CUP	CUP	CUP	NP

Group Home	NP	NP	NP	CUP ^o	CUP ^o	CUP ^o	NP	NP
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P = Permitted Permit NP = Not Permitted CUP = Conditional Use Permit TUP = Temporary Use Permit

BE IT FURTHER ORDAINED BY THE MAYOR AND COMMON COUNCIL OF THE CITY OF PAGE, COCONINO COUNTY, ARIZONA, as follows:

The City of Page Zoning Ordinance Section 5.5, BED AND BREAKFAST HOMESTAY, Subsection 5.5.2(F), Requirements, is amended to read:

F. The Bed and Breakfast Homestay shall be restricted to the principal single-family building, with no more than 4 bedrooms being used as guest rooms, as follows:

- 0-999 square feet of liveable floor area: Not permitted
- 1,000- 1,499 square feet of liveable floor area: One guest room
- Over 1,500- 1,999 square feet of liveable floor area: 2 TWO guest rooms
- 2,000- 2,499 SQUARE FEET OF LIVEABLE FLOOR AREA: THREE GUEST ROOMS
- 2,500- 2,999 SQUARE FEET OF LIVEABLE FLOOR AREA: FOUR GUEST ROOMS

No accessory structure, guest house, motor home, travel trailer, shed, garage, or other similar facility shall be used as guest room facilities.

BE IT FURTHER ORDAINED BY THE MAYOR AND COMMON COUNCIL OF THE CITY OF PAGE, COCONINO COUNTY, ARIZONA, as follows:

The City of Page Zoning Ordinance Section 5.5, BED AND BREAKFAST HOMESTAY, Subsection 5.5.2(J), Requirements, is amended to read:

J. Bed and Breakfast Homestays may be permitted as conditional uses in single-family dwellings only in the following zones: R1-8, R1-7, R2, RM, R1-5 MHS, RE-2A, and RE-1A.

BE IT FURTHER ORDAINED BY THE MAYOR AND COMMON COUNCIL OF THE CITY OF PAGE, COCONINO COUNTY, ARIZONA, as follows:

The City of Page Zoning Ordinance Section 5.5, BED AND BREAKFAST HOMESTAY, Subsection 5.5.2(B), Requirements, is amended to read:

- B. The owner of the single-family dwelling desiring to conduct a Bed and Breakfast Homestay shall obtain a Conditional Use Permit. The permit shall be personal to the permittee and applicable only to the specific property and shall not be transferable. The permit shall be applied for, the property posted, and shall be in accordance with *Section 2.6, Conditional Use Permits*, of this Ordinance. Applications for a Bed and Breakfast Homestay Conditional Use Permit shall be accompanied by a map, created by the applicant, showing a 300 foot radius of the single-family dwelling; plus a list of all residential property owners within the 300-foot radius of the dwelling, together with the signatures of 75% of the property owners indicating their approval to the operation of a Bed and Breakfast Homestay by the applicant. ~~An additional water and sewer fee for the permit shall be assessed by March 31 of each year. This fee will be \$150, payable upon submittal of the application and each year thereafter. The first year's rate shall be pro-rated at a rate of 1/12 of \$150 for each full month prior to the forthcoming March 31.~~

PASSED AND ADOPTED BY THE MAYOR AND COMMON COUNCIL OF THE CITY OF PAGE, ARIZONA this _____ day of _____ 2015, by the following vote:

Ayes	_____
Nays	_____
Abstentions	_____
Absent	_____

CITY OF PAGE

BY _____
Mayor

ATTEST:

City Clerk

APPROVED AS TO FORM:

City Attorney