City of Benson
City Council Communication

Regular Meeting **March 25, 2013**

To: Mayor and Council Consent Agenda Item # 1a

From: Vicki Vivian, CMC, City Clerk

Subject:

Minutes of the February 11, 2013 Worksession

Discussion:

Attached are the minutes of the February 11, 2013 Worksession.

Staff Recommendation:

Council pleasure

THE WORKSESSION
OF THE MAYOR AND CITY COUNCIL OF BENSON, ARIZONA
HELD FEBRUARY 11, 2013, AT 6:00 P.M.
AT CITY HALL, 120 W. 6TH STREET, BENSON, ARIZONA

CALL TO ORDER:

Acting Mayor McGoffin called the meeting to order at 6:00 p.m. with the Pledge of Allegiance.

ROLL CALL:

Present were: Acting Mayor Lori McGoffin, Councilmembers Ron Brooks, David Lambert (arriving at 6:37 p.m.), Nick Maldonado, Chris Moncada and Al Sacco. Excused was: Mayor Toney D. King, Sr.

NEW BUSINESS:

1. Discussion and direction to Ken Strobeck of the League of Arizona Cities and Towns to develop an advertisement and position profile for the City Manager position

City Manager Glenn Nichols introduced Ken Strobeck of the League of Arizona Cities and Towns. Mr. Strobeck addressed Council stating the position of a City Manager is really one that is without doubt, the most important hiring decision a City Council will make. Mr. Strobeck then stated under the City Council-Manager form of government in this state, the City Council approves the budget, sets policy and goals, looks out for the vision of the City and then hires professional staff to implement Council policy, adding this is really a system that works well for local government. Mr. Strobeck stated this is the most prominent form of government across the United States for cities and counties, noting it works so well because it establishes accredibility and accountability in the governmental system by having Council be the policy-makers who hire and hold the City Manager accountable, who then holds City staff accountable. Mr. Strobeck then stated the reason it works is not too many Councilmembers have degrees in public administration or experience in the system of government, adding they may be really good business people, but as the Council has learned, running a business is very different from running a government and this is why Councils have professional people who do that. Mr. Strobeck then stated the City Manager makes policy recommendations to the Council and answers to the Council following policy direction of the Council, but Council ultimately sets the policy. Mr. Strobeck then stated this is why cities have code provisions that generally prevent elected members of the Council from going and giving individual direction to City employees, adding if there were 7 people who came in every few days and directed Staff or told them to drop that project and pick up this project, it would result in chaos. Mr. Strobeck stated another reason this form of government was developed and works is to give assurance to the public, that their tax dollars are being spent professionally and objectively, adding it also addresses favoritism by separating Council and the political side of government from the administration and managerial side of government. Mr. Strobeck then again stated hiring a City Manager is an important decision, adding it is the most pivotal position in the City.

Mr. Strobeck then gave an overview of the League's recruitment process and discussed the hiring process, stating the League first works with the Council using a worksheet to create a profile with the characteristics Council would like to see in the City Manager, works with the Council on the advertisement they would like to use and advertises for the position.

Mr. Strobeck then stated in terms of what to expect in the marketplace, this is a good time, adding there is always a certain amount of churning in the profession of City Managers. Mr. Strobeck then stated ICMA (International City/County Manager Association) has determined the average length of time a City retains a City Manager is about 5 years, noting this means some stay 15-20 years while others have a very short

tenure. Mr. Strobeck then stated he expects to receive a lot of applications from people who have worked in other cities with some experience and knowledge and he also expects to see applicants who may have been dismissed from a previous position or left for a particular reason, adding it's not unusual to find managers in the business who have left under less than positive circumstances in one city but who work out fantastic in another city. Mr. Strobeck then stated with turnover on Council and other outside pressures creating a difficult situation, the Council should not look at someone's background and resume necessarily negative, but should look for a series of stability, without a lot of turnover and someone who has moved up with larger, more challenging duties and positions. Mr. Strobeck then stated the Council wouldn't want to hire someone who has no intention of being part of the community. Mr. Strobeck then stated some applicants will be people who are early in their career as well as people who are at the end of their career, adding some will probably be just out of college and looking for their first chief executive job as a City Manager and Council should think about whether they are willing to consider those applicants. Mr. Strobeck then stated City Managers operate with a personal services contract that outlines the employment agreement with the City and usually includes a severance package, adding it may contain a relocation allowance allowed also. Mr. Strobeck then stated the City Manager serves at the pleasure of the Council, noting at any time a 4 vote majority can terminate the City Manager, adding the severance provision protects both the City Manager, who enters the contract with his eyes open and the Council, who wants to attract a quality person.

Mr. Strobeck then stated the City Manager advertisement will be placed on the League's website and they recommend placing it on the ICMA national website as well, stating it would then be included in the ICMA newsletter, which goes out to several thousand members of ICMA, adding this is where the vast majority of qualified applicants come from. Mr. Strobeck then stated it is also a good idea to advertise in the local paper and on other job boards, noting the League often get applications from those, but usually those applicants don't understand the unique job of a City Manager. Mr. Strobeck then stated he feels it is also a courtesy for the City to advertise in the local paper to let the citizens know Council is looking for a manager and gives them the opportunity to see the advertisement. Mr. Strobeck stated the League will assemble the applications and resumes, acknowledging each one, and once the closing date occurs, they will screen the applicants based on the material Council has in the profile, the job description and anything else the League knows about them, adding since they do a lot of these recruitments at the League, they see a lot of the same names. Mr. Strobeck then stated sometimes you can look at a resume and think the applicant is fabulous, but research reveals a lot about some individuals, adding the League's recruiting process is a valuable service for Council. Mr. Strobeck stated at the end of this process, they will narrow the applicants down to 8-10 people they believe meet the qualifications Council wants and will then send those applications, along with all other applications, adding Council could review all of the applications or could choose to focus on the applicants the League recommends. Mr. Strobeck then stated the League would then ask the Council to narrow the applicants to 4 or 5 to consider as finalists, adding Council may want to go through a process of phone interviews of the 8-10 applicants the League recommends, but once Council has identified the finalists, the League will do an education verification, a courts background check to check for any criminal records and reference calling which will all be sent back to Council. Mr. Strobeck then stated to make the Council's selection even more refined, they may want to select 2 or 3 applicants to consider interviewing in person.

Councilmember Moncada asked if the League looked at accreditation for the educational institution with Mr. Strobeck stating that is something the League would look at before making a recommendation, adding education doesn't necessarily have to be in public administration and they usually say it should be in public administration or a related field, noting sometimes work experience has reasons for serious consideration. Councilmember Moncada then asked about the cost of the advertisements with Mr. Strobeck stating the League's fee is all inclusive.

Mr. Strobeck then reviewed the profile with the Council, stating the job description contains duties and expectations for job functions and responsibilities, but the profile is the characteristics and attributes of the people Council would like to see in the job, based on Council's experience. Mr. Strobeck then stated the

profile is not only a good tool for the League, but is also a good tool for the Council when they are interviewing candidates. Mr. Strobeck then stated Council should never hire a manager on a 4-3 vote, noting this is giving someone a handicap right out of the gate, so the Council needs to agree on what they want, who they want and then the candidate they want, once they have those people in front of them. Mr. Strobeck then stated it's important Council agree once they make a hiring decision, adding if they get to the point at the end of the day, that they are not really sure about the candidates or are not happy with the applicant pool, they shouldn't hire someone because they feel like they have to, adding Council can choose to have an Acting or Interim Manager before they have to make that decision.

Mr. Strobeck then began with education requirements, stating the job description says a master's degree is preferred, adding in today's world, a majority of the applicants will probably have a master's degree, noting this wasn't true of his generation, but now people generally think of getting a master's degree. Council discussed the education requirement for the profile, agreeing applicants should have at least a bachelor's degree in public administration or a related field with 10 years of experience or a master's degree in public administration or a related field with 5 years of experience. Council then discussed work experience, noting they would prefer someone with experience in addition to education since an education alone doesn't mean the applicant would be the most qualified. Mr. Strobeck then stated the ICMA does credentialing, which is a good indicator of professional commitment to the field of City Management and Council could use this as a differentiator in candidates.

Council then discussed experience and the preference for experience in the state of Arizona with Mr. Strobeck stating in general, it's easier for someone to start off with Arizona experience, but City Managers, especially with master's degrees, are going to be fairly adaptable from state to state, adding often times, people coming from other states bring other perspectives and have been very successful in Arizona. Council then agreed they were more interested in municipal government and municipal management experience and if the experience were in the state of Arizona, it would be a bonus. Mr. Strobeck then stated most of the time in the recruitment for a City Manager, the League looks for about 7 years of experience either as a manager or in a management capacity in cities, adding in that timeframe, the person has had time to realize what the job is and how it works. Mr. Strobeck then stated sometimes, applicants are fresh out of school, but the League recommends that they go somewhere and be a department head or a deputy manager for a few years before they become a City Manager. Council agreed with Mr. Strobeck.

Mr. Strobeck then moved to the subject of private sector experience and stated he wouldn't require it, but sometimes people really like the idea of private sector experience and to others, it doesn't matter, adding this is something Council needs to think about. Councilmember Maldonado stated he would take someone's private sector experience into account with Councilmember Sacco stating private sector experience would be a plus. Councilmember Brooks stated there are many times a municipality is directly aligned with the private sector and how that sector does a lot of times is how the municipality does. Councilmember Brooks then stated the relationship between the municipality and the private sector needs to be understood and if it isn't, there are conflicts between them, adding he also feels private sector experience would be a plus. Mr. Strobeck then stated many times, the applicants have military experience, adding he wouldn't recommend an applicant with military experience only, but if someone has military and civilian experience in municipal management, it would be considered good also.

Council then discussed administrative skills with Mr. Strobeck stating this covers what type of leadership style, characteristics and communication skills the Council would like in a City Manager. Acting Mayor McGoffin stated she would like to see a people person in the position and not someone who is condescending, adding the job consists of a lot of public relations. Councilmember Brooks agreed, stating we have had problems in the past and he would also like someone who can work with other departments to get solutions that leave both parties happy. Councilmember Maldonado stated he would like to see a person who can delegate, adding we have people who know what they are doing in their departments and while the City Manager should oversee them, he would like the City Manager not to micro-manage Staff, but allow them to do their jobs. Councilmember Brooks stated he would like someone with good overall

personal relations. Councilmember Moncada stated he would also like for the City Manager to have good communication skills as well as an open-door policy for Council, Staff, the public and City employees. Mr. Strobeck then stated he would write up the profile and then send it to Mr. Nichols and the Council, adding they can review it to make sure he captured everything accurately, noting he can then modify it based on the comments he receives back.

Council then discussed the area of budgets, finance and grants with Council agreeing the City Manager should be able to understand audits and reports the City generates, so when the Council has questions, he can answer them. Council then agreed the City Manager also needs to know where to look for grant opportunities and direct Staff toward them, actively pushing department heads to pursue them, as well as overseeing any grants the City receives. Mr. Strobeck then stated the profile would include the applicant being conversant in and having some financial background to include being able to present and explain the budget, being comfortable with presentations, and to be able to keep abreast of what is being built under Council authority.

Mr. Strobeck then moved the Council discussion to personnel and labor relations, stating Council has already decided they want someone who isn't a micro-manager and who isn't heavy-handed, since there is basically a good staff in place, adding they want someone who hires good people and works well with the current staff. Acting Mayor McGoffin stated she would like the City Manager to also be able to handle negative or disciplinary situations when they arise. Councilmember Brooks stated he would like to see someone with some inspirational ability and who knows how to empower people to get the job done. Councilmember Moncada stated the current City Manager, Mr. Nichols, is flexible with employees' schedules as long as their jobs are done and he would like to see someone who is flexible with employees to a point. Mr. Strobeck then stated he sees the Council doesn't want someone with a dictatorial style with the Council agreeing, adding the City had that and it was a bad idea.

Mr. Strobeck then moved to community relations stating the Council had stated earlier they would like to see someone with good public relations skills, good communication skills and someone who is accessible. Council then stated they would like someone to attend the Mayor/Manager luncheons and regional meetings, with Mr. Strobeck stating those subjects were under the subject of Intergovernmental Relations, adding this is more localized such as local club memberships and things like that. Council then stated they would like to see the City Manager belong to some local organizations and to meet at least once with each organization in the City to show the City is aware of them, and to be comfortable in making presentations in the community and being visible. Acting Mayor McGoffin stated it was also important to have someone who could get along with media. Mr. Strobeck stated he was assuming the Council would want someone who would live in the City and would put down roots, with Council stating they had made an exception to the City resident requirement with the current City Manager since he already owned a home 2 miles outside the City limits. Councilmember Brooks stated he felt it was important that the City Manager live inside the City limits with Council agreeing to discuss the issue. Mr. Strobeck then stated normally City Attorneys will tell Councils that a hard and fast residency requirement is probably not enforceable, but requiring a certain response time to City Hall or something like that is something Council could require, but it is perfectly fine to say they expect someone to live within the City as well.

Mr. Strobeck then discussed Council relations with Council stating they want the City Manager to have an open-door policy, adding Council should be able to contact the City Manager and come into his office to talk to him. Council then agreed and stated they wanted an honest person with great communication skills who was accessible and accountable. Acting Mayor McGoffin then stated she didn't want someone who was a "politician" or someone who would try and play politics. Councilmember Moncada agreed stating he wants someone who is more focused on doing a good job instead of worrying about whom they upset and whom they keep happy. Councilmember Brooks stated the Council currently gets reports from the City Manager on his activities and he would expect something like that to continue keeping the Council informed of substantial information.

Mr. Strobeck then briefly touched on intergovernmental relations stating Council had already addressed much of this with local meetings, such as Chamber meetings, and regional meetings attendance expected of the City Manager. Councilmember Moncada stated the Council would also expect the City Manager to attend the League of Arizona Cities and Towns' annual conference and to keep in contact with the League. Mr. Strobeck then asked about contact with other districts, such as the school district with Council stating the school usually contacts the City when they are requesting anything from the City.

Mr. Strobeck then asked if there were other things the Council would like to consider for an applicant, mentioning public works projects, tourist attractions or other knowledge about the City with Councilmember Moncada stating if the candidate had any experience in bringing businesses to their city and had some creative ideas on economic development, it would be very beneficial. Council then agreed that would be a big plus for the applicant. Mr. Strobeck then asked about a track record of success in other cities and a record of longevity with the Council agreeing that would also be something to look at. Mr. Strobeck then stated he would be sending the profile to Mr. Nichols and to Council for their comments.

Mr. Strobeck then addressed the advertisement for the City Manager position with much of the discussion focused on the salary range that would be advertised. Councilmember Moncada stated he would like to advertise a minimum to mid-point salary with Councilmember Brooks stating he would first like to see the League's salary survey Mr. Nichols had mentioned to the Council. Councilmember Brooks then stated he would like to put the City Manager's salary range on the next Council agenda to discuss what range should be advertised and he would like to review the salary survey to see what other cities our size were doing before that discussion. Acting Mayor McGoffin stated the City couldn't afford much higher for the City Manager position and she felt it would be better to advertise the minimum to mid-point salary, adding the City could always go up once they entered into negotiations with an applicant. Councilmember Brooks then stated he agreed, but he would like to make sure the salary range advertised makes sense for the City. Mr. Strobeck then stated the Council needs to be careful in this decision, adding $89,000 looks really low in print for people who are professional City Managers with a master's degree and 7-10 years of experience, noting the City won't get very many applicants. Councilmember Brooks stated he didn't want to make a decision now about the pay range, but wanted to look at the survey and make sure what he was doing was right instead of just passing a range and then finding out later that for $80,000, the City could have a really good manager for a City of our size. Mr. Strobeck then stated the Council needed to remember the adage about being penny-wise and pound-foolish, noting you get what you pay for, especially in the ranks of a City Manager, adding that was just a word of caution. Mr. Strobeck then stated the Council needed to be careful, adding he would not recommend the low number of $89,000. Councilmember Brooks then stated he had no knowledge of the pay range and would like to look at it before deciding.

Human Resource Coordinator Melissa Quiroz stated a salary of $89,000 would be less than some of the current employees with Councilmember Brooks stating that may be something the Council needs to look at also. Councilmember Maldonado stated the salary could be dependent on education and experience with Mr. Strobeck stating that is why the advertisement contains a salary range instead of a set salary, adding he is just cautioning Council that if they put in low numbers and think they are going to get a bargain, people won't even apply for the position. Councilmember Maldonado stated the League survey has the pay for the surrounding communities with Mr. Strobeck adding the survey information is grouped by population. Councilmember Sacco then asked if the League still completed an annual salary survey with Mr. Nichols stating he would have the City Clerk send it to the Council. Councilmember Brooks then stated again, he would like to have the salary range for the advertisement come before the Council at the next Council meeting, so he could review the salary survey before making a decision.

City Clerk Vicki Vivian then stated approximately 8 years ago the City hired a Human Resource consultant who completed job descriptions and salary studies of the surrounding communities and competitive entities for employment, adding when this was completed the Council adopted the salary plan, which has been updated each year. Ms. Vivian then stated each year since then, the League's salary survey came out and

she didn't recall the salary for the City Manager being out of line with other communities of our size. Ms. Vivian then stated she would email the salary survey to the Council and they could address the issue at the next Council meeting, but reminded Council they were only setting a range for the advertisement, adding any change to the salary range would require official Council action at a Council meeting.

Councilmember Brooks stated he wanted to address the salary range for the advertisement at the next Council meeting. Mr. Strobeck stated after Council reviewed the survey, they should give him the salary range they wished to include in the advertisement, adding they should maybe leave a little bit of room on the high-end of the salary range so there is room for negotiations. Councilmember Brooks then sated he wasn't saying he wouldn't agree with the figures, but that he wanted to review the information and make sure the figures were appropriate for a City our size. Councilmember Brooks then stated he would hate to put out a maximum salary of $135,000 and miss out on someone with a master's degree and 30 years of experience in City administration. Councilmember Moncada stated he felt the Council should move ahead and advertise the minimum to mid-point salary range. Councilmember Brooks then stated he would like to direct the City Manager to place the salary range for the City Manager position advertisement on the next Council agenda. Mr. Nichols then reminded Council that the City Manager salary range had been approved by Council as part of the City's budget with Councilmember Brooks stating the Council should look at that and they may have to change it, adding it may make sense, but he would like to review it.

Mr. Strobeck then asked Council if they had any additional language about the community or anything else they would like to see in the advertisement with Council stating the advertisement was fine. Mr. Strobeck then stated he would finalize the advertisement and send it to Mr. Nichols and the Council for review, but he believed we were ready to move forward. Council thanked Mr. Strobeck for his time.

ADJOURNMENT:

Councilmember Maldonado moved to adjourn at 6:56 p.m. Seconded by Councilmember Brooks. Motion passed 6-0.

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Lori McGoffin, Acting Mayor

ATTEST:

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Vicki L. Vivian, CMC, City Clerk

City of Benson
City Council Communication

Regular Meeting **March 25, 2013**

To: Mayor and Council Consent Agenda Item # 1b

From: Vicki Vivian, CMC, City Clerk

Subject:

Minutes of the February 11, 2013 Regular Meeting

Discussion:

Attached are the minutes of the February 11, 2013 Regular Meeting.

Staff Recommendation:

Council pleasure

THE REGULAR MEETING
OF THE MAYOR AND CITY COUNCIL OF BENSON, ARIZONA
HELD FEBRUARY 11, 2013, AT 7:00 P.M.
AT CITY HALL, 120 W. 6TH STREET, BENSON, ARIZONA

CALL TO ORDER:

Acting Mayor McGoffin called the meeting to order at 7:05 p.m. with the Pledge of Allegiance. Acting Mayor McGoffin then introduced Pastor Lupe Diaz of Grace Chapel who gave the invocation.

ROLL CALL:

Present were: Acting Mayor Lori McGoffin, Councilmembers Ron Brooks, David Lambert, Nick Maldonado, Chris Moncada and Al Sacco. Excused was: Mayor Toney D. King, Sr.

EMPLOYEE RECOGNITION:

Acting Mayor McGoffin recognized Paul Moncada for 5 years of service with the City of Benson. Acting Mayor McGoffin then stated Chief of Police Paul Moncada had actually served the City for 35 years.

PROCLAMATION: None

PUBLIC HEARING: None

CALL TO THE PUBLIC:

J.T. Moffitt addressed Council stating it seems there is no end to what some of them will do for City Hall. Mr. Moffitt then stated Councilmember Lambert was easy to understand with his pursuit for a position of power, while Councilmember Maldonado and Vice Mayor McGoffin didn't care if they got re-elected or not. Mr. Moffitt then stated he could only surmise that Mr. Nichols and Mr. Massee needed their votes, adding the majority of the Council has been puppets for City management for years. Mr. Moffitt then stated the Council is now faced with City Hall pushing Chapter 7 codes, which are formidable weapons in the hands of City management, adding he calls them a weapon because the codes give the City power to destroy any business or property owner they choose. Mr. Moffitt then stated the codes give Mr. Nichols and company this power and they will carry out vendettas as they have in the past, only now armed with court orders and police. Mr. Moffitt then stated the animosity from City management toward Stagecoach Trails and CAVE FM is well-documented and the City will undoubtedly use the new codes against them and others like them, then the lust for power will spread like the plague. Mr. Moffitt then stated this is a small town of 5,000 and these new codes are indicative of Chicago, where citizens have no rights and big government rules. Mr. Moffitt then stated Council tabled the vote to get an opinion from an outside source who will undoubtedly agree with Mr. Massee and they will then have someone to direct them on how to vote again. Mr. Moffitt then stated Councilmembers Lambert, Maldonado and Moncada and Vice Mayor McGoffin have gone along with every directive from City Hall and other outside sources, adding the only two Councilmembers who have not are Councilmembers Brooks and Sacco, who he respects for standing up for the citizens against big government time and time again. Mr. Moffitt then stated the Council is supposed to be the voice of the people of Benson and City Hall is to meet the wants and needs of the people of Benson, but instead the Council has been a rubberstamp for City management. Mr. Moffitt then stated he has yet to hear Council deny a single request from City Hall while witnessing them ignore the pleas of citizens and businesses and allowing the City to spend taxpayers' dollars like there is no end to it. Mr. Moffitt then stated he thinks Mr. Cox is the only Benson taxpayer in City management and asked why the Council listens to City Hall instead of the people who voted them in, adding Councilmember Maldonado was not chosen by the voters to be in that seat, but was chosen by the Council to fill the position, so he votes along with Council at every turn to repay them. Mr. Moffitt then stated Vice Mayor McGoffin's and Councilmember Moncada's close personal ties with City Hall are well-known and Councilmember Lambert has shown his love for big government over and over. Mr. Moffitt then stated he hopes the voters

of Benson will rise up and vote for Brian Crafts, Jeff Cook and Peter Wangsness who have answered the call for justice and to right the wrongs done by this Council and City Hall. Mr. Moffitt then predicted the second opinion on the Chapter 7 codes will come in backing the new codes and four members of the Council will use that opinion to pass the codes, then there will be a referendum to reverse that decision, adding it will be a landslide defeat for City management and Council will waste taxpayer dollars forcing a referendum in order for the voters to make their voices heard. Mr. Moffitt then stated if the Council listened to the citizens who voted them in office, they would know no one wants to give the City unlimited power to violate property rights and no one in this city of 5,000 wants Mr. Garcia knocking at their door armed with a court order allowing him to come into their home or business and levy fines against them. Mr. Moffitt then stated backed by this new law, the City will put liens on homes, businesses and properties and can force the sale of their homes and property if the fines are not paid. Mr. Moffitt then stated Mr. Garcia was quoted as saying the new Chapter 7 codes give the homeowners more protection and stated Mr. Garcia is so used to this Council accepting the smoke and mirrors he puts up that he actually made that ridiculous comment. Mr. Moffitt then stated Council doesn't need a second opinion regarding these codes, what they need is a conscience, adding the codes are a blatant violation of people's personal and property rights and it doesn't take a legal expert to see that, adding he read the codes and his conscience told him they are very wrong. Mr. Moffitt then stated the Council knows right from wrong, but choose to ignore their conscience and cop out to a second opinion, adding if they need an attorney to decipher the codes, they can't be good. Mr. Moffitt then stated the voting block on this Council has had their heyday, they have awakened the ire of this fine community and he hopes the election results create a new Council and gives the people of Benson their voice back.

CITY MANAGER REPORT:

City Manager Glenn Nichols addressed Council, giving the dates of upcoming meetings and events.

February 12, 2013	–	Library Advisory Board, 4:00 p.m., Library
February 16, 2013	–	Historic Preservation Commission, 9:00 a.m., City Hall
February 25, 2013	–	City Council Meeting, 7:00 p.m., City Hall
February 26, 2013	–	Community Watershed Alliance, 6:30 p.m., City Hall
February 18, 2013	–	Presidents' Day – City Offices Closed

Mr. Nichols reminded those present of the continuing work on the Interstate 10/State Route 90 Traffic Interchange project and the Marsh Station project, adding up-to-date information can be found at www.azdot.gov. Mr. Nichols then stated two candidate forums would be held during the month of February with Acting Mayor McGoffin stating the VFW would host a forum on February 20 and the Chamber would host their forum on February 28, noting she will be out of town on February 28 and will be unable to attend that forum. Councilmember Brooks asked if the City had received a date for the I-10 ribbon cutting with Mr. Nichols stating it would be held in April and as soon as a definite date was set, the Council would be informed.

NEW BUSINESS:

1. Consent Agenda

1a. Minutes of the January 12, 2013 Retreat
1b. Invoices processed for the period from January 18, 2013 through January 31, 2013

Councilmember Lambert moved to approve the Consent Agenda. Seconded by Councilmember Moncada. Motion passed 6-0.

Acting Mayor McGoffin then stated the Council would address Agenda Item 4.

4. League of Arizona Cities and Towns contract for the City Manager hiring process

City Manager Glenn Nichols stated a Memorandum of Understanding will be completed when Council sets the advertisement criteria, adding it lays out the parameters for the recruitment process and the total cost to the City will be $5,500. Councilmember Brooks asked if this was something the Council could vote on tonight with the Council stating they could agree to the contract for the process with information on the advertised salary range being given to the League after the Council reviews it at the next Council meeting. Councilmember Moncada moved to approve the Memorandum of Understanding agreement with the League of Arizona Cities and Towns for the City Manager hiring process. Seconded by Councilmember Brooks. Motion passed 5-1 with Councilmember Lambert voting nay.

2. Resolution 7-2013 of the Mayor and Council of the City of Benson, Arizona, appointing Election Officials for the Primary Election to be held on March 12, 2013 and the General Election to be held on May 21, 2013

City Clerk Vicki Vivian stated on January 14, 2013, Council passed Resolution 1-2013 approving an Intergovernmental Agreement with Cochise County for election supplies and services. Ms. Vivian stated the County then contacted poll workers to confirm their availability for the City election days and this resolution appoints those officials and their respective duties. Ms. Vivian then stated she received a call from a Councilmember who asked about poll workers' residency and qualifications, adding she contacted the County and gave the information to the Council, noting the poll workers are all citizens of the City. Councilmember Brooks then asked if a background check was performed to see if anyone had any criminal records with Ms. Vivian stating all poll workers were qualified to be registered to vote, which would include having their civil rights. Councilmember Moncada then moved to approve Resolution 7-2013. Seconded by Councilmember Lambert. Motion passed 6-0.

3. Jennella Drive Pre-Annexation Water Extension Agreement between Scott Allen Quick and Debra L. Quick and the City of Benson

Public Works Director Brad Hamilton stated the Council had approved several of these agreements in the past but none had been done recently, noting new construction has decreased significantly. Councilmember Brooks asked about annexing the property and if it would change the agreement with Mr. Hamilton stating if the City annexed the property, if would have no effect on the contract, since the City would be required to continue providing water service. Councilmember Moncada stated no refund of the fee would be given due to any annexation. Councilmember Brooks then asked about backflow prevention devices with Mr. Hamilton stating there is a list of criteria for either industrial or commercial usage that would warrant a backflow prevention device to protect the water system. Councilmember Brooks then asked about the provision requiring the property owner to agree to participate in the proposed annexation process favorably to the City's position and if that was something the City could legally require if the property owner did not want to be annexed. Mr. Hamilton stated that provision is very common when municipalities offer to provide utilities outside their service area. Councilmember Brooks then stated he wanted to make sure the City wasn't violating the rights of the property owner with City Attorney Mike Massee stating the provision is very common in this kind of agreement where the municipality is expanding our water service area with the agreement, adding it is up to the City Council if they choose to approve it since the City doesn't have to expand water service beyond the City limits. Mr. Massee then stated as a way of recovering some of the costs of this water line, those people who are right on the City border are granted this opportunity to go ahead and buy in, but if they buy in they become part of our service area and the City is now committed to serve them in the future. Mr. Massee then stated in exchange for the property owner receiving the very valuable water utility, the City can require the property owner to vote favorably in the City's position if an annexation is proposed, adding it is legal to do so and the agreement will be recorded and affect the property and whoever owns it in the future. Councilmember Brooks then moved to approve the Jennella Drive Pre-Annexation Water Extension Agreement between Scott Allen Quick and Debra L. Quick and the City of Benson. Seconded by Councilmember Moncada. Motion passed 6-0.

4. League of Arizona Cities and Towns contract for the City Manager hiring process

This item was addressed after Agenda Item 2. See above for action.

5. Review of City Finances with emphasis on December, 2012 financial results, the City's financial position at December 31, 2012, and discussion of expected future net revenue streams

Finance Director Jim Cox addressed Council stating he would review the financial highlights for month of December. Mr. Cox began with citywide financial highlights, stating the City's balance decreased $244,000 to $1.4 million and the bonds proceeds balance is $1.4 million. Mr. Cox then stated overall citywide fund balances decreased by $192,000 for the month of December and are down $419,000 year-to-date, adding the overall performance is very narrowly behind last year, but not alarmingly so. Mr. Cox then stated revenues were $683,000 for the month of December, which is down $138,000 compared to 2011, noting our sales tax revenues received were $50,000 less however, they were $100,000 more in the month of November and he really believes this is spillage between November and December, adding they are actually up over that two-month period. Mr. Cox stated the construction sales tax collections were down $19,000, due to the wrap up of the construction on Interstate 10. Mr. Cox then stated grant revenues were down $27,000, adding that is a matter of timing. Mr. Cox then stated personnel expenditures were $387,000 for the month of December, which is $202,000 less compared to 2011, but the costs were up $215,000 for the month of November, noting the difference is due to payroll periods between November and December. Mr. Cox then stated total personnel costs are $2.5 million year-to-date.

Mr. Cox then addressed the General Fund, stating other costs in the General Fund were $488,000 for the month of December, which is virtually identical to last year, and $2.85 million year-to-date. Mr. Cox then stated the General Fund revenues for December were $285,000, which is comparable to 2011, and $2.8 million year-to-date, which is an increase of $18,000 compared to FY2011. Mr. Cox then stated personnel costs in the General Fund were $250,000 for the month of December, down from last year, again noting the timing of pay periods in November and December. Mr. Cox then stated other costs were $130,000 which is comparable to last year. Mr. Cox then stated the fund balance in the General Fund decreased $188,000 for the month of December and decreased $314,000 year-to-date, compared to $400,000 negative last year at this time, so it is very similar to last year.

Mr. Cox then moved to the Enterprise funds, stating the Gas fund is up $30,000 for the month of December and down $14,000 year-to-date, adding it is rapidly turning around in the months of January, February and noted March will also be very profitable. Mr. Cox then stated the Water fund is up $1,000 for the month of December and is up $75,000 year-to-date, which is very good in comparison to last year. Councilmember Brooks asked if this was due to less rain with Mr. Cox stating that was a possibility, noting the City also accelerated our meter replacement program, adding the old water meters tend to run slow, which means people are not paying for the total amount of water they use and as we replace those meters, the revenues have consistently gone up. Mr. Cox then stated more water usage isn't necessarily happening, but the City has more accurate billing. Mr. Cox then asked Public Works Director Brad Hamilton how far along we were in the water meter replacement program with Mr. Hamilton stating about 50% of the old meters have been replaced. Mr. Cox then stated the Wastewater fund was down $7,000 for the month of December and down $35,000 year-to-date, adding this is due to the fact that we've had to pay for the haulage of the Whetstone Treatment plant to the tune of $115,000 year-to-date. Mr. Cox then stated we're happy to say the City's truck is now up and running and we will not be seeing anywhere near that kind of expense going forward.

Mr. Cox then briefly addressed the Golf Course stating it was down $9,000 for the month of December and down $26,000 year-to-date, adding it was negative in December due to expenses that were unusual. Mr. Cox then stated they had the expense of $20,000 in seed for the overseeding of the golf course, adding that was money very well-spent and there was also the expense of $5,000 worth of unusual repairs to equipment. Mr. Cox then stated the year-to-date finances of the Golf Course have turned around, up $96,000, adding that trend continues into January and February and he thinks Council will be pleased with the numbers they will see in those funds. Mr. Cox then stated restaurant changes are in process right now,

with a new menu and new hours. Councilmember Brooks asked why this change was done with Mr. Cox deferring to Director of Golf Operations Jay Tomerlin. Mr. Tomerlin addressed Council stating the changes were made to be more cost efficient, adding he has been looking at the finances for the last 6 months and while there were some good nights at the restaurant, there were also nights that were slow, as well as the previous hours requiring the employees being spread too thin, with some employees working 11 or 12 hours a day. Mr. Tomerlin stated this was bad for employee morale and it couldn't be addressed without increasing labor costs. Mr. Tomerlin stated it was also hard to get the word out that the restaurant was closed when private events were booked, noting the Golf Course has two weddings booked in March. Mr. Tomerlin then stated the most successful business plans he has seen with golf courses were catering to the golfers, which focused on lunch menus and hosting private events, adding he felt the best decision was to do the same and announced the new hours of 11 a.m. – 4:00 p.m., 7 days a week with a new menu that centered on sandwiches, salads and soups. Councilmember Brooks asked if the chef was the same with Mr. Tomerlin stating the chef did not change, adding he worked with the chef to find out what people came in and ordered and they changed the menu to reflect what most people liked. Councilmember Brooks then asked about advertising the new hours at the restaurant with Mr. Tomerlin stating employee health issues forced the change to be made sooner than he wanted to implement it and they are now working on updating their website and advertising to get the new hours out to the public. Mr. Cox then stated membership is continuing to expand, adding January was a great month and the Golf Course reputation is resulting in significantly more play which is going to make the economics look the way they should. Mr. Cox then stated the course conditions are excellent.

Mr. Cox then gave a quick summary of sales tax stating the State sales tax collections are steady with year-over-year slight increases. Mr. Cox then stated the City sales tax collections are improved over last year, not markedly, but by a couple of percentage points. Mr. Cox stated the Golf Course is on a positive financial trend. Mr. Cox then stated cash flow is extremely tight, adding this is the tightest he has seen it in 5 years. Mr. Cox then stated overall, the City's financial performance is slightly below recent years, noting as he has said before, the FY 2013-2014 cash flow will be a challenge since we continue to very slowly chew away at our cash reserves and he thinks prudence is going to be the word in the upcoming budget. Mr. Cox then said the bottom line is the City remains financially sound under current financial conditions, but any further economic downturns may result in some tough decisions having to be made. Mr. Cox then briefly reviewed the sales tax charts, stating in the General Fund, Council could see a positive trend over the past 3 months, adding it appears to be continuing into January and February. Mr. Cox then stated bed tax collections are a little above last year, but not up to the year prior and construction sales tax is disappointing, but he thinks the City should get used to that, since there is not a lot of new construction on the horizon. Mr. Cox then stated the total City sales taxes collections are slightly ahead of last year, but not enough to get excited about at this point. Mr. Cox then stated taking a look at the last 3 years of City retail sales tax collections, we can see we are just slightly ahead of last year, adding again, it's nothing to get excited about. Mr. Cox then stated the State retail sales tax collections have a little different form to them, and we can see it's very positive that the State is improving each year over the past 2 ½ years, adding the City has remained constant while the State has improved slightly.

DEPARTMENT REPORTS: None

ADJOURNMENT:

Councilmember Moncada moved to adjourn at 7:41 p.m. Seconded by Councilmember Maldonado. Motion passed 6-0.

_____
Toney D. King, Sr., Mayor

ATTEST:

_____
Vicki L. Vivian, CMC, City Clerk

City of Benson
City Council Communication

Regular Meeting **March 25, 2013**

To: Mayor and Council Consent Agenda Item # 1c

From: Megan Moreno, Deputy Finance Director

Subject:

Opening an additional bank account with National Bank of Arizona

Discussion:

The Finance Department has a need to open an additional bank account to hold monies seized by the Police Department. The State requires that if an individual is granted the return of their seized money, it must be paid back with interest. To satisfy this requirement, these monies will be held in a separate interest bearing account and any monies returned will include the interest earned. This bank account will be opened with National Bank of Arizona and will be monitored by the Finance Department. Suggested authorized signers on the account will be Deputy Finance Director Megan Moreno, City Clerk Vicki Vivian, Councilmember Ron Brooks, and Mayor Toney King.

Staff Recommendation:

Approval to open an additional bank account with National Bank of Arizona

City of Benson
City Council Communication

Regular Meeting **March 25, 2013**

To: Mayor and Council Consent Agenda Item # 1d

From: Megan Moreno, Deputy Finance Director

Subject:

Invoices processed for the period from February 14, 2013 through February 27, 2013

Discussion:

Attached is a list of large and/or unusual invoices processed by the Finance Department during the period from February 14, 2013, through February 27, 2013. The total of the invoices is $217,170.56.

Unusual and large invoices consist of the following:

Arizona Public Safety Retirement	Bi-weekly Public Safety Retirement	8,287.72
Arizona State Retirement	Bi-weekly retirement contribution	23,979.02
Arizona Department of Revenue	Sales Tax Remitted	17,532.55
Colby and Powell, PLC	Financial Statement Audit Services	10,000.00
Rikertek	IT Services and Supplies	5,000.68
HD Supply Waterworks	Operating Supplies for Water & Waste Water Depts	2,839.57
Dell Marketing	New Computers for Clerk's Office	2,242.13
Michael Massee	December City Attorney Billing	4,060.00
SSVEC	Monthly Electric Service	33,180.40
US Food Services	Food Purchased for City Grille	4,556.70
Caselle	Quarterly Accounting Software Support	2,442.00
CNG	Maintenance on City Vehicles	2,001.41
Dana Kepner Company Inc	Electronic Meters	18,557.91
Granite Construction Co	Arterial Mix for Street Paving Project	2,997.25
League of Arizona Cities & Towns	City Manager Hiring Agreement	5,500.00
Oakley	Golf Pro Shop Inventory	2,432.85
Postal Pros Inc	Utility Bills	1,412.31
Sims Murray, LTD	Litigation Expenses	11,006.50
TASC	Employee Flexible Spending Acct Contributions	3,265.21
Mel's Auto LLC	Maintenance on City Vehicles	3,166.82
TOTAL LARGE INVOICES		**164,461.03**
Invoices listed above as a percentage of all invoices processed		**76%**

Staff Recommendation:

Approval of invoices processed for the period from February 14, 2013 through February 27, 2013

Report Criteria:
Report type: Summary
Check.Type = {<>} "Adjustment"

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Check GL Account	Amount	
02/13	02/22/2013	350	6756	SOUTHERN ARIZONA DISTRIBUTING	1020200	521.65	M
02/13	02/27/2013	351	6756	SOUTHERN ARIZONA DISTRIBUTING	1020200	1,105.90	M
02/13	02/15/2013	1079	7007	TASC	1020200	3,265.21	M
02/13	02/15/2013	1080	1490	AZ STATE RETIREMENT ACC REC	1020200	23,979.02	M
02/13	02/14/2013	38336	2730	CHRISTINE RHODES	1020200	9.00	
02/13	02/15/2013	38337	1023	A-1 PORT-A-POTS	1020200	285.00	
02/13	02/15/2013	38338	1216	AMERIPRIDE SERVICES INC	1020200	364.62	
02/13	02/15/2013	38339	1334	ARIZONA DEPARTMENT OF CORRECTIONS	1020200	427.50	
02/13	02/15/2013	38340	1415	ARIZONA MACHINERY	1020200	494.04	
02/13	02/15/2013	38341	1690	AZ DEPT OF REVENUE - SALES TAX	1020200	17,532.55	
02/13	02/15/2013	38342	1365	AZ GLOVE & SAFETY	1020200	45.25	
02/13	02/15/2013	38343	1430	AZ PUBLIC SAFETY RETIREMENT	1020200	8,287.72	
02/13	02/15/2013	38344	1838	BAKER & TAYLOR, INC.	1020200	94.44	
02/13	02/15/2013	38345	1875	BANNER PRINTING	1020200	253.62	
02/13	02/15/2013	38346	1990	BENSON FEED-SUPPLY	1020200	54.00	
02/13	02/15/2013	38347	7448	BJ DRILLING COMPANY, INC.	1020200	1,329.87	
02/13	02/15/2013	38348	2562	BRIAN K ORMSBY	1020200	202.50	
02/13	02/15/2013	38349	2496	CARDIAC SCIENCE CORP	1020200	611.04	
02/13	02/15/2013	38350	2592	CENTRAL ALARM INC	1020200	77.00	
02/13	02/15/2013	38351	2599	CENTURYLINK	1020200	1,794.31	
02/13	02/15/2013	38352	2730	CHRISTINE RHODES	1020200	196.00	
02/13	02/15/2013	38353	2751	CITY OF BENSON - SALES TAX	1020200	6,179.69	
02/13	02/15/2013	38354	2750	CITY OF BENSON - UTILITIES	1020200	2,668.84	
02/13	02/15/2013	38355	2784	CNG	1020200	1,009.93	
02/13	02/15/2013	38356	2839	COCA COLA REFRESHMENTS	1020200	559.48	
02/13	02/15/2013	38357	2930	COLBY & POWELL, PLC	1020200	10,000.00	
02/13	02/15/2013	38358	3119	COX COMMUNICATIONS	1020200	1,212.45	
02/13	02/15/2013	38359	3137	CROP PRODUCTION SERVICES INC	1020200	240.00	
02/13	02/15/2013	38360	11362	DEBORAH MARKS	1020200	50.83	
02/13	02/15/2013	38361	3333	DELL MARKETING LP	1020200	2,242.13	
02/13	02/15/2013	38362	3339	DENNIS CRUMP WINDOW CLEANING	1020200	120.00	
02/13	02/15/2013	38363	3704	FARMER BROTHERS COFFEE	1020200	304.25	
02/13	02/15/2013	38364	3995	GIANT ELECTRIC CORPORATION	1020200	170.28	
02/13	02/15/2013	38365	4085	GRAINGER	1020200	368.21	
02/13	02/15/2013	38366	4130	GURSTEL CHARGO PA	1020200	186.26	
02/13	02/15/2013	38367	4333	HD SUPPLY WATERWORKS	1020200	1,297.22	
02/13	02/15/2013	38368	3051	HSBC BUSINESS SOLUTIONS	1020200	365.49	
02/13	02/15/2013	38369	5989	LEGALSHIELD	1020200	207.20	
02/13	02/15/2013	38370	4907	LEGEND TECHNICAL SERVICES	1020200	1,051.80	
02/13	02/15/2013	38371	4924	LESLIES SWIMMING POOL SUPPLIES	1020200	390.77	
02/13	02/15/2013	38372	5067	MARCOS A GATTON	1020200	49.50	
02/13	02/15/2013	38373	5157	MARYLAND CHILD SUPPORT ACCOUNT	1020200	69.81	
02/13	02/15/2013	38374	5190	MATTSON QUALITY PRODUCTS, INC	1020200	137.38	
02/13	02/15/2013	38375	5222	MEGAN MORENO	1020200	273.60	
02/13	02/15/2013	38376	5289	MICHAEL J MASSEE	1020200	4,060.00	
02/13	02/15/2013	38377	5436	MWI VETERINARY SUPPLY CO	1020200	312.54	
02/13	02/15/2013	38378	5495	NATIONWIDE RETIREMENT SOLUTION	1020200	1,020.00	
02/13	02/15/2013	38379	5645	OFFICE DEPOT, INC	1020200	180.98	
02/13	02/15/2013	38380	5661	O'REILLY AUTOMOTIVE INC	1020200	37.22	
02/13	02/15/2013	38381	5740	PAT HARROLD	1020200	100.00	
02/13	02/15/2013	38382	6119	R&R PRODUCTS	1020200	255.24	
02/13	02/15/2013	38383	6252	RIKERTEK	1020200	2,197.50	
02/13	02/15/2013	38384	6337	RWC INTERNATIONAL	1020200	106.42	

M = Manual Check, V = Void Check

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Check GL Account	Amount
02/13	02/15/2013	38385	6526	SCHOLER TECHNOLOGIES	1020200	260.00
02/13	02/15/2013	38386	6599	SHOWCASES	1020200	140.61
02/13	02/15/2013	38387	6701	SIMPLOT PARTNERS	1020200	456.88
02/13	02/15/2013	38388	6746	SONORA QUEST LABORATORIES LLC	1020200	105.00
02/13	02/15/2013	38389	6759	SOUTHERN ARIZONA CHAPTER OF ICC	1020200	75.00
02/13	02/15/2013	38390	6756	SOUTHERN ARIZONA DISTRIBUTING	1020200	467.35
02/13	02/15/2013	38391	6809	STANDARD RESTAURANT EQUIPMENT CO	1020200	182.66
02/13	02/15/2013	38392	6938	STOCK YARDS PHOENIX	1020200	3.62
02/13	02/15/2013	38393	6970	SULPHUR SPRINGS VALLEY ELEC	1020200	33,180.40
02/13	02/15/2013	38394	2791	SUPPORT PAYMENT CLEARINGHOUSE	1020200	523.17
02/13	02/15/2013	38395	7402	US FOODSERVICE INC	1020200	3,366.73
02/13	02/15/2013	38396	7598	VALLEY IMAGING SOLUTIONS	1020200	751.59
02/13	02/15/2013	38397	7685	WASHINGTON STATE SUPPORT REGISTRY	1020200	115.38
02/13	02/15/2013	38398	11361	ZACH STROHMEYER	1020200	135.44
02/13	02/22/2013	38399	1096	ACKERLEY ADVERTISING	1020200	764.50
02/13	02/22/2013	38400	1095	AIRGAS - WEST, INC	1020200	176.08
02/13	02/22/2013	38401	1117	ALL CREATURES VETERINARY SVC	1020200	199.50
02/13	02/22/2013	38402	1170	AMERICAN LIBRARY ASSN.	1020200	175.00
02/13	02/22/2013	38403	1197	AMERICAN TACTICAL ADVANTAGE	1020200	131.21
02/13	02/22/2013	38404	1297	ARIZONA BLUE STAKE INC	1020200	527.80
02/13	02/22/2013	38405	1334	ARIZONA DEPARTMENT OF CORRECTIONS	1020200	342.50
02/13	02/22/2013	38406	1337	ARIZONA DEPARTMENT OF HOUSING	1020200	20.00
02/13	02/22/2013	38407	1415	ARIZONA MACHINERY	1020200	740.02
02/13	02/22/2013	38408	1478	ARIZONA STATE FORESTRY DIVISION	1020200	452.57
02/13	02/22/2013	38409	1924	BEAVEX, INC	1020200	184.80
02/13	02/22/2013	38410	1975	BENSON SHOP WITH A COP INC	1020200	211.00
02/13	02/22/2013	38411	2289	BORDER STATES ELECTRIC SUPPLY	1020200	338.31
02/13	02/22/2013	38412	2562	BRIAN K ORMSBY	1020200	315.00
02/13	02/22/2013	38413	2520	CARROT-TOP INDUSTRIES, INC	1020200	140.02
02/13	02/22/2013	38414	2530	CASELLE INC	1020200	2,442.00
02/13	02/22/2013	38415	2744	CITIFORM	1020200	384.35
02/13	02/22/2013	38416	2784	CNG	1020200	2,001.41
02/13	02/22/2013	38417	2839	COCA COLA REFRESHMENTS	1020200	606.31
02/13	02/22/2013	38418	3119	COX COMMUNICATIONS	1020200	255.90
02/13	02/22/2013	38419	3129	CREATIVE COMMUNICATIONS	1020200	150.36
02/13	02/22/2013	38420	3210	DANA KEPNER COMPANY INC	1020200	18,557.91
02/13	02/22/2013	38421	3211	DANA KING	1020200	28.80
02/13	02/22/2013	38422	3460	DUNLAP OIL COMPANY INC	1020200	2,965.31
02/13	02/22/2013	38423	3541	EDWARD EISMON	1020200	88.50
02/13	02/22/2013	38424	3704	FARMER BROTHERS COFFEE	1020200	319.67
02/13	02/22/2013	38425	3829	FOOTJOY	1020200	78.78
02/13	02/22/2013	38426	3995	GIANT ELECTRIC CORPORATION	1020200	80.00
02/13	02/22/2013	38427	4100	GRANITE CONSTRUCTION CO	1020200	2,997.25
02/13	02/22/2013	38428	4094	H & E EQUIPMENT SERVICES	1020200	369.26
02/13	02/22/2013	38429	4333	HD SUPPLY WATERWORKS	1020200	1,542.35
02/13	02/22/2013	38430	4268	HILL BROTHERS CHEMICAL CO	1020200	620.78
02/13	02/22/2013	38431	4293	HORIZON IRRIGATION	1020200	26.37
02/13	02/22/2013	38432	4933	ICC	1020200	46.21
02/13	02/22/2013	38433	5618	L & E AUTO PARTS LLC	1020200	189.56
02/13	02/22/2013	38434	4890	LEAGUE OF ARIZONA CITIES&TOWNS	1020200	5,500.00
02/13	02/22/2013	38435	4907	LEGEND TECHNICAL SERVICES	1020200	381.00
02/13	02/22/2013	38436	4954	LN CURTIS & SONS	1020200	557.93
02/13	02/22/2013	38437	5212	MCI COMM SERVICE	1020200	83.45
02/13	02/22/2013	38438	5229	MEL'S AUTO LLC	1020200	3,166.82
02/13	02/22/2013	38439	5340	MILLER, BALIS & O'NEIL, P.C.	1020200	87.82
02/13	02/22/2013	38440	5645	OFFICE DEPOT, INC	1020200	645.99
02/13	02/22/2013	38441	5663	OFFICE SMART INC	1020200	530.63

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Check GL Account	Amount
02/13	02/22/2013	38442	5923	PING	1020200	7.43
02/13	02/22/2013	38443	5978	POSTAL PROS INC	1020200	1,412.31
02/13	02/22/2013	38444	5981	PRECISION OUTDOOR POWER INC	1020200	880.48
02/13	02/22/2013	38445	6119	R&R PRODUCTS	1020200	1,312.27
02/13	02/22/2013	38446	6106	RDJ SPECIALTIES, INC.	1020200	223.13
02/13	02/22/2013	38447	6180	RECORDED BOOKS, LLC	1020200	197.93
02/13	02/22/2013	38448	6252	RIKERTEK	1020200	590.00
02/13	02/22/2013	38449	6480	SAN PEDRO VALLEY NEWS	1020200	1,169.47
02/13	02/22/2013	38450	6526	SCHOLER TECHNOLOGIES	1020200	65.00
02/13	02/22/2013	38451	6570	SHANNON'S CARQUEST AUTO PARTS	1020200	198.57
02/13	02/22/2013	38452	6659	SIMPSON NORTON CORP	1020200	312.60
02/13	02/22/2013	38453	6708	SIMS MURRAY, LTD	1020200	11,006.50
02/13	02/22/2013	38454	6787	SPECIALTY CIGARS INTERNATIONAL INC	1020200	185.95
02/13	02/22/2013	38455	1492	TOURIST NEWS LLC	1020200	400.00
02/13	02/22/2013	38456	7279	TRANSWORLD NETWORK CORP	1020200	237.40
02/13	02/22/2013	38457	7510	UNITED FIRE EQUIPMENT COMPANY	1020200	389.66
02/13	02/22/2013	38458	7402	US FOODSERVICE INC	1020200	1,189.97
02/13	02/22/2013	38459	7536	USA BLUEBOOK	1020200	182.89
02/13	02/22/2013	38460	7697	WAXIE SANITARY SUPPLY	1020200	660.40
02/13	02/22/2013	38461	7706	WELL AMERICA	1020200	92.00
02/13	02/27/2013	38462	1965	BENSON BOBCAT BOOSTER CLUB	1020200	200.00
02/13	02/27/2013	38463	2562	BRIAN K ORMSBY	1020200	162.00
02/13	02/27/2013	38464	2599	CENTURYLINK	1020200	41.89
02/13	02/27/2013	38465	2632	CES	1020200	36.35
02/13	02/27/2013	38466	4666	COCHISE CO TREASURER	1020200	1,000.00
02/13	02/27/2013	38467	1923	GARDNER MEDIA LLC	1020200	158.10
02/13	02/27/2013	38468	4508	JAY TOMERLIN	1020200	150.00
02/13	02/27/2013	38469	5067	MARCOS A GATTON	1020200	157.50
02/13	02/27/2013	38470	5624	OAKLEY	1020200	2,432.85
02/13	02/27/2013	38471	5923	PING	1020200	776.36
02/13	02/27/2013	38472	6252	RIKERTEK	1020200	2,213.16
02/13	02/27/2013	38473	7018	TEES PLEASE INC	1020200	397.50
02/13	02/27/2013	38474	7969	THE TORO COMPANY - NSN	1020200	139.00
02/13	02/27/2013	38475	7200	THE WALL STREET JOURNAL	1020200	774.77
02/13	02/27/2013	38476	7276	TOUR EDGE GOLF MFG INC	1020200	275.00
Grand Totals:						217,170.56

Summary by General Ledger Account Number

GL Account	Debit	Credit	Proof
1020200	.00	217,170.56-	217,170.56-
10-22250	24,999.02	.00	24,999.02
10-22255	8,287.72	.00	8,287.72
10-22265	894.62	.00	894.62
10-22292	3,265.21	.00	3,265.21
10-22293	207.20	.00	207.20
10-41-310	5,535.00	.00	5,535.00
10-41-330	510.00	.00	510.00
10-41-340	80.00	.00	80.00
10-41-410	1,306.59	.00	1,306.59
10-41-415	921.54	.00	921.54
10-41-430	681.52	.00	681.52
10-41-540	343.38	.00	343.38

GL Account	Debit	Credit	Proof
10-41-542	645.76	.00	645.76
10-41-610	556.53	.00	556.53
10-41-640	4.18	.00	4.18
10-41-670	360.00	.00	360.00
10-41-704	11,006.50	.00	11,006.50
10-43-340	46.21	.00	46.21
10-43-430	13.72	.00	13.72
10-43-610	310.03	.00	310.03
10-45-330	2,415.00	.00	2,415.00
10-45-340	88.50	.00	88.50
10-45-410	1,436.94	.00	1,436.94
10-45-415	670.31	.00	670.31
10-45-430	247.31	.00	247.31
10-45-593	512.04	.00	512.04
10-45-630	330.80	.00	330.80
10-45-640	404.01	.00	404.01
10-45-670	42.03	.00	42.03
10-46-310	92.00	.00	92.00
10-46-330	270.00	.00	270.00
10-46-410	1,123.61	.00	1,123.61
10-46-415	510.30	.00	510.30
10-46-430	561.79	.00	561.79
10-46-596	223.13	.00	223.13
10-46-610	48.19	.00	48.19
10-46-640	499.24	.00	499.24
10-46-650	742.25	.00	742.25
10-46-660	295.54	.00	295.54
10-46-670	369.26	.00	369.26
10-49-330	90.00	.00	90.00
10-49-410	1,196.84	.00	1,196.84
10-49-430	74.86	.00	74.86
10-49-590	175.00	.00	175.00
10-49-610	111.59	.00	111.59
10-49-630	1,225.52	.00	1,225.52
10-49-640	257.54	.00	257.54
10-49-696	1,225.24	.00	1,225.24
10-50-305	154.50	.00	154.50
10-50-340	80.00	.00	80.00
10-50-410	850.48	.00	850.48
10-50-430	346.96	.00	346.96
10-50-640	726.04	.00	726.04
10-50-660	341.52	.00	341.52
10-50-670	474.34	.00	474.34
10-56-300	10,035.00	.00	10,035.00
10-56-330	325.00	.00	325.00
10-56-340	273.60	.00	273.60
10-56-430	94.09	.00	94.09
10-56-610	251.17	.00	251.17
10-56-630	1,204.35	.00	1,204.35
10-56-640	100.00	.00	100.00
10-57-410	562.71	.00	562.71
10-57-412	982.22	.00	982.22
10-57-417	166.39	.00	166.39
10-57-432	133.03	.00	133.03
10-57-642	390.77	.00	390.77
10-58-520	600.00	.00	600.00
10-58-546	468.58	.00	468.58

GL Account	Debit	Credit	Proof
10-60-410	336.19	.00	336.19
10-60-415	242.82	.00	242.82
10-60-430	61.03	.00	61.03
10-61-300	4,060.00	.00	4,060.00
10-61-580	28.80	.00	28.80
10-61-610	220.60	.00	220.60
10-62-540	205.00	.00	205.00
10-62-605	155.03	.00	155.03
10-62-630	2,242.13	.00	2,242.13
10-64-330	65.00	.00	65.00
10-64-590	75.00	.00	75.00
10-65-410	633.67	.00	633.67
10-65-415	221.72	.00	221.72
10-65-640	20.00	.00	20.00
14-40-300	194.99	.00	194.99
14-40-670	817.82	.00	817.82
15-40-065	90.28	.00	90.28
15-40-075	1,491.91	.00	1,491.91
20-40-305	270.50	.00	270.50
20-40-340	80.00	.00	80.00
20-40-410	5,573.44	.00	5,573.44
20-40-430	50.00	.00	50.00
20-40-435	2,997.25	.00	2,997.25
20-40-640	1,054.73	.00	1,054.73
20-40-660	702.08	.00	702.08
20-40-670	886.44	.00	886.44
50-12500	135.44	.00	135.44
50-22900	50.83	.00	50.83
50-24500	16,753.70	.00	16,753.70
50-300-35	48.10	.00	48.10
50-40-300	263.75	.00	263.75
50-40-410	219.39	.00	219.39
50-40-440	176.08	.00	176.08
50-40-620	470.77	.00	470.77
50-40-630	379.00	.00	379.00
50-40-640	555.49	.00	555.49
50-40-660	637.05	.00	637.05
50-40-670	426.46	.00	426.46
51-300-30	54.48	.00	54.48
51-40-300	175.93	.00	175.93
51-40-301	201.00	.00	201.00
51-40-410	9,329.06	.00	9,329.06
51-40-430	1,329.87	.00	1,329.87
51-40-620	470.77	.00	470.77
51-40-630	379.00	.00	379.00
51-40-640	2,743.33	.00	2,743.33
51-40-660	637.05	.00	637.05
51-40-670	848.75	.00	848.75
51-40-702	18,557.91	.00	18,557.91
52-40-300	210.94	.00	210.94
52-40-301	1,416.60	.00	1,416.60
52-40-410	6,994.67	.00	6,994.67
52-40-415	225.16	.00	225.16
52-40-430	87.63	.00	87.63
52-40-620	470.77	.00	470.77
52-40-630	379.00	.00	379.00
52-40-640	1,793.38	.00	1,793.38

GL Account	Debit	Credit	Proof
52-40-660	637.05	.00	637.05
52-40-670	397.62	.00	397.62
55-24500	6,765.05	.00	6,765.05
55-40-300	171.00	.00	171.00
55-40-310	4,146.44	.00	4,146.44
55-40-410	1,476.02	.00	1,476.02
55-40-415	493.17	.00	493.17
55-40-430	180.00	.00	180.00
55-40-540	789.80	.00	789.80
55-40-630	150.00	.00	150.00
55-40-645	7.43	.00	7.43
55-40-670	1,864.13	.00	1,864.13
55-50-300	165.00	.00	165.00
55-50-305	345.00	.00	345.00
55-50-410	1,218.99	.00	1,218.99
55-50-415	41.89	.00	41.89
55-50-600	428.59	.00	428.59
55-50-604	456.88	.00	456.88
55-50-670	2,174.17	.00	2,174.17
55-60-300	886.50	.00	886.50
55-60-310	6,201.52	.00	6,201.52
55-60-315	2,007.50	.00	2,007.50
55-60-320	43.70	.00	43.70
55-60-440	364.62	.00	364.62
55-60-603	182.66	.00	182.66
55-60-605	254.36	.00	254.36
55-60-670	52.42	.00	52.42
56-40-410	2,237.33	.00	2,237.33
56-40-415	59.61	.00	59.61
Grand Totals:	217,170.56	217,170.56-	.00

Dated: _____

Mayor: _____

City Council: _____

_____

_____

_____

_____

_____

City Recorder: _____

GL Account	Debit	Credit	Proof

Report Criteria:
Report type: Summary
Check.Type = {<>} "Adjustment"

City of Benson
City Council Communication

Regular Meeting **March 25, 2013**

To: Mayor and Council Consent Agenda Item # 1e

From: Megan Moreno, Deputy Finance Director

Subject:

Invoices processed for the period from February 28, 2013 through March 14, 2013

Discussion:

Attached is a list of large and/or unusual invoices processed by the Finance Department during the period from February 28, 2013, through March 14, 2013. The total of the invoices is $307,216.81.

Unusual and large invoices consist of the following:

Arizona Public Safety Retirement	Bi-weekly Public Safety Retirement	9,005.04
Arizona State Retirement	Bi-weekly retirement contribution	24,366.04
Cochise County Treasurer	Transfer Station Expenses- Solid Waste	15,382.58
HD Supply Waterworks	Operating Supplies for Water & Waste Water Depts	3,979.88
Southwest Disposal	Monthly Solid Waste Contract	30,154.19
Range Servant	Equipment (Picker) for Golf Course Driving Range	2,875.00
Health Net	Monthly Employee Health Insurance	43,476.30
Benson Lumber & Supply	Materials for Shelving at Maintenance Yard	4,930.88
ESG	Employee Benefit Administration	2,900.00
Legend Technical Services	Annual Waste Water Treatment Plant Testing	2,481.80
Stantec Consulting	Airport Emergency Generator Project (Grant)	2,408.00
Voyager Fleet Systems	Monthly Vehicle Fuel for City Vehicles	10,563.16
Shell Energy	Purchase of Natural Gas	92,285.97
TASC	Employee Flexible Spending Acct Contributions	3,265.21
Verizon Wireless	Monthly Cell Phone Plan	2,475.65
TOTAL LARGE INVOICES		**250,549.70**
Percentage of Total Invoices Processed		**82%**

Staff Recommendation:

Approval of invoices processed for the period from February 28, 2013 through March 14, 2013

Report Criteria:
Report type: Summary
Check.Type = {<>} "Adjustment"

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Check GL Account	Amount	
02/13	02/28/2013	352	7867	YOUNG'S MARKET COMPANY	1020200	199.64	M
03/13	03/01/2013	353	6765	SOUTHERN WINE & SPIRITS OF ARIZONA	1020200	496.52	M
03/13	03/01/2013	1081	7007	TASC	1020200	3,265.21	M
03/13	03/01/2013	1082	1490	AZ STATE RETIREMENT ACC REC	1020200	24,366.04	M
03/13	03/01/2013	5019	3078	SHELL ENERGY NORTH AMERICA	1020200	92,285.97	M
03/13	03/08/2013	38176	2666	CHEF MICHAEL'S PERSONAL TOUCH	1020200	200.00-	V
03/13	03/01/2013	38444	5981	PRECISION OUTDOOR POWER INC	1020200	880.48-	V
03/13	03/01/2013	38477	8913	ALBERT ESTAVILLO	1020200	200.00	
03/13	03/01/2013	38478	1130	AMERICAN FAMILY LIFE ASSURANCE	1020200	1,858.76	
03/13	03/01/2013	38479	1216	AMERIPRIDE SERVICES INC	1020200	121.54	
03/13	03/01/2013	38480	5551	ANICLETO D MALDONADO	1020200	200.00	
03/13	03/01/2013	38481	1326	ARIZONA DEPARTMENT OF REVENUE	1020200	614.21	
03/13	03/01/2013	38482	1195	AUTO CHLOR	1020200	229.64	
03/13	03/01/2013	38483	1430	AZ PUBLIC SAFETY RETIREMENT	1020200	9,005.04	
03/13	03/01/2013	38484	1892	BARBARA HARTLEY MD	1020200	90.00	
03/13	03/01/2013	38485	2160	BENSON VOLUNTEER FIRE DEPT INC	1020200	5,000.00	
03/13	03/01/2013	38486	2562	BRIAN K ORMSBY	1020200	108.00	
03/13	03/08/2013	38487	2336	BTCO	1020200	.00	V
03/13	03/01/2013	38488	2730	CHRISTINE RHODES	1020200	16.00	
03/13	03/01/2013	38489	2750	CITY OF BENSON - UTILITIES	1020200	558.49	
03/13	03/01/2013	38490	2870	COCHISE COUNTY TREASURER	1020200	15,382.58	
03/13	03/01/2013	38491	2970	COLONIAL LIFE ASSURANCE	1020200	88.43	
03/13	03/01/2013	38492	3050	COMMUNITY FOOD PANTRY OF	1020200	130.00	
03/13	03/01/2013	38493	3119	COX COMMUNICATIONS	1020200	119.60	
03/13	03/01/2013	38494	3333	DELL MARKETING LP	1020200	1,250.45	
03/13	03/01/2013	38495	3339	DENNIS CRUMP WINDOW CLEANING	1020200	120.00	
03/13	03/01/2013	38496	3421	DIRECTV	1020200	167.99	
03/13	03/01/2013	38497	3975	GEOFFREY MCGOFFIN	1020200	200.00	
03/13	03/01/2013	38498	4130	GURSTEL CHARGO PA	1020200	186.26	
03/13	03/01/2013	38499	8909	HAMILTON, RICHARD	1020200	200.00	
03/13	03/01/2013	38500	4333	HD SUPPLY WATERWORKS	1020200	2,018.38	
03/13	03/01/2013	38501	4332	HUMANA	1020200	722.28	
03/13	03/01/2013	38502	4372	INDUSTRIAL METAL SUPPLY COMPANY	1020200	231.17	
03/13	03/01/2013	38503	7895	JAMES HANSEN JR.	1020200	200.00	
03/13	03/01/2013	38504	4508	JAY TOMERLIN	1020200	40.00	
03/13	03/01/2013	38505	4505	JERRY FINK	1020200	200.00	
03/13	03/01/2013	38506	8914	JOE ROTHERMICH	1020200	200.00	
03/13	03/01/2013	38507	4840	LARRY NAPIER	1020200	200.00	
03/13	03/01/2013	38508	4958	LORENE WHALEY	1020200	567.27	
03/13	03/01/2013	38509	4349	MARK DREHOBL	1020200	40.00	
03/13	03/01/2013	38510	5157	MARYLAND CHILD SUPPORT ACCOUNT	1020200	69.81	
03/13	03/01/2013	38511	5191	MAX JONES	1020200	200.00	
03/13	03/01/2013	38512	5224	MERIT FOODS OF ARIZONA	1020200	401.91	
03/13	03/01/2013	38513	5486	NATIONAL RECREATION & PARK ASSN	1020200	150.00	
03/13	03/01/2013	38514	5495	NATIONWIDE RETIREMENT SOLUTION	1020200	1,200.00	
03/13	03/01/2013	38515	5979	PRECISION SMALL ENGINE CO INC	1020200	1,147.66	
03/13	03/01/2013	38516	6010	PRINCIPAL LIFE	1020200	1,064.54	
03/13	03/01/2013	38517	6075	PURCHASE POWER	1020200	1,000.00	
03/13	03/01/2013	38518	6133	RANDALL GALLEANO	1020200	35.00	
03/13	03/01/2013	38519	6127	RANGE SERVANT	1020200	2,875.00	
03/13	03/01/2013	38520	6144	RAY JOHNSON II	1020200	200.00	
03/13	03/01/2013	38521	6774	SOUTHWEST DISPOSAL	1020200	30,154.19	
03/13	03/01/2013	38522	6777	SOUTHWESTERN AVIATION LLC	1020200	1,000.00	

M = Manual Check, V = Void Check

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Check GL Account	Amount
03/13	03/01/2013	38523	6881	STATE OF ARIZONA	1020200	450.00
03/13	03/01/2013	38524	2791	SUPPORT PAYMENT CLEARINGHOUSE	1020200	828.17
03/13	03/01/2013	38525	8907	THELANDER, JAMES	1020200	200.00
03/13	03/01/2013	38526	7276	TOUR EDGE GOLF MFG INC	1020200	156.00
03/13	03/01/2013	38527	7402	US FOODSERVICE INC	1020200	1,162.22
03/13	03/01/2013	38528	7667	VERIZON WIRELESS	1020200	2,475.65
03/13	03/01/2013	38529	7652	VISION SERVICE PLAN	1020200	170.14
03/13	03/01/2013	38530	7675	WAL-MART BUSINESS	1020200	1,008.09
03/13	03/01/2013	38531	7685	WASHINGTON STATE SUPPORT REGISTRY	1020200	115.38
03/13	03/01/2013	38532	7712	WEST PAYMENT CENTER	1020200	272.33
03/13	03/04/2013	38533	3211	DANA KING	1020200	28.80
03/13	03/04/2013	38534	4239	HEALTH NET LIFE INS CO	1020200	43,476.30
03/13	03/04/2013	38535	5222	MEGAN MORENO	1020200	96.60
03/13	03/04/2013	38536	5905	PHOENIX PUBLIC LIBRARY	1020200	7.50
03/13	03/08/2013	38537	1023	A-1 PORT-A-POTS	1020200	285.00
03/13	03/08/2013	38538	1117	ALL CREATURES VETERINARY SVC	1020200	635.00
03/13	03/08/2013	38539	1127	ALLEN INSTRUMENTS & SUPPLIES	1020200	305.79
03/13	03/08/2013	38540	1216	AMERIPRIDE SERVICES INC	1020200	243.08
03/13	03/08/2013	38541	1063	ANIMAL RURAL KLINIC	1020200	442.00
03/13	03/08/2013	38542	1320	ARIZONA DAILY STAR	1020200	229.74
03/13	03/08/2013	38543	1334	ARIZONA DEPARTMENT OF CORRECTIONS	1020200	580.50
03/13	03/08/2013	38544	1350	AZ FIRE CHIEFS ASSOCIATION	1020200	75.00
03/13	03/08/2013	38545	1365	AZ GLOVE & SAFETY	1020200	363.86
03/13	03/08/2013	38546	1410	AZ MAGISTRATE ASSN.	1020200	150.00
03/13	03/08/2013	38547	1838	BAKER & TAYLOR, INC.	1020200	46.88
03/13	03/08/2013	38548	1924	BEAVEX, INC	1020200	92.40
03/13	03/08/2013	38549	1950	BENSON ACE HARDWARE	1020200	1,491.35
03/13	03/08/2013	38550	1966	BENSON ANIMAL HOSPITAL	1020200	33.66
03/13	03/08/2013	38551	2071	BENSON LUMBER & SUPPLY LLC	1020200	4,930.88
03/13	03/08/2013	38552	2334	BRAULIO HAMMONS	1020200	211.20
03/13	03/08/2013	38553	2562	BRIAN K ORMSBY	1020200	126.00
03/13	03/08/2013	38554	2350	BUG-WISER EXTERMINATING CO	1020200	1,181.00
03/13	03/08/2013	38555	3051	CAPITAL ONE COMMERCIAL	1020200	51.49
03/13	03/08/2013	38556	2520	CARROT-TOP INDUSTRIES, INC	1020200	160.94
03/13	03/08/2013	38557	2599	CENTURYLINK	1020200	99.17
03/13	03/08/2013	38558	2632	CES	1020200	1,177.22
03/13	03/08/2013	38559	2730	CHRISTINE RHODES	1020200	12.00
03/13	03/08/2013	38560	2750	CITY OF BENSON - UTILITIES	1020200	3,000.23
03/13	03/08/2013	38561	2784	CNG	1020200	1,060.00
03/13	03/08/2013	38562	2863	COCHISE COLLEGE	1020200	69.00
03/13	03/08/2013	38563	3119	COX COMMUNICATIONS	1020200	314.83
03/13	03/08/2013	38564	11365	DARYL OR TINA WAVELY	1020200	214.49
03/13	03/08/2013	38565	3410	DIGGINS & SONS POWER SWEEPING	1020200	1,900.00
03/13	03/08/2013	38566	3490	EAGLE PLUMBING	1020200	260.00
03/13	03/08/2013	38567	3610	EMPIRE SOUTHWEST, LLC	1020200	1,841.04
03/13	03/08/2013	38568	3648	ESG CORP	1020200	2,900.00
03/13	03/08/2013	38569	3704	FARMER BROTHERS COFFEE	1020200	321.94
03/13	03/08/2013	38570	3710	FEDEX	1020200	34.00
03/13	03/08/2013	38571	3712	FERGUSON WATERWORKS INC #3083	1020200	1,500.13
03/13	03/08/2013	38572	3829	FOOTJOY	1020200	1,255.87
03/13	03/08/2013	38573	3850	FREIGHTLINER OF ARIZONA	1020200	1,045.62
03/13	03/08/2013	38574	3983	GEORGE'S AUTOMOTIVE	1020200	692.24
03/13	03/08/2013	38575	4333	HD SUPPLY WATERWORKS	1020200	1,961.50
03/13	03/08/2013	38576	4378	INLAND KENWORTH (US) INC	1020200	1,662.85
03/13	03/08/2013	38577	4907	LEGEND TECHNICAL SERVICES	1020200	2,481.80
03/13	03/08/2013	38578	5067	MARCOS A GATTON	1020200	238.50
03/13	03/08/2013	38579	11363	MELISSA GAUDET	1020200	88.40

GL Period	Check Issue Date	Check Number	Vendor Number	Payee	Check GL Account	Amount
03/13	03/08/2013	38580	5454	NATIONAL BANK OF ARIZONA	1020200	2,437.84
03/13	03/08/2013	38581	5460	NATIONAL FIRE PROTECTION ASSN	1020200	165.00
03/13	03/08/2013	38582	5645	OFFICE DEPOT, INC	1020200	137.27
03/13	03/08/2013	38583	5978	POSTAL PROS INC	1020200	1,113.13
03/13	03/08/2013	38584	6120	RADIO SHACK	1020200	47.12
03/13	03/08/2013	38585	6180	RECORDED BOOKS, LLC	1020200	191.64
03/13	03/08/2013	38586	6252	RIKERTEK	1020200	1,350.00
03/13	03/08/2013	38587	11364	ROBERT J MURRY JR	1020200	49.68
03/13	03/08/2013	38588	6659	SIMPSON NORTON CORP	1020200	645.84
03/13	03/08/2013	38589	6841	STANTEC CONSULTING SVCS, INC.	1020200	2,408.00
03/13	03/08/2013	38590	7493	UNIFIRST CORPORATION	1020200	1,224.52
03/13	03/08/2013	38591	7510	UNITED FIRE EQUIPMENT COMPANY	1020200	711.15
03/13	03/08/2013	38592	5211	VERIZON BUSINESS	1020200	270.65
03/13	03/08/2013	38593	7667	VERIZON WIRELESS	1020200	360.09
03/13	03/08/2013	38594	7671	VOYAGER FLEET SYSTEMS INC	1020200	10,563.16
03/13	03/08/2013	38595	7697	WAXIE SANITARY SUPPLY	1020200	30.84
Grand Totals:						307,216.81

Summary by General Ledger Account Number

GL Account	Debit	Credit	Proof
1020200	1,754.27	308,971.08-	307,216.81-
10-22250	25,566.04	.00	25,566.04
10-22255	9,005.04	.00	9,005.04
10-22265	1,813.83	.00	1,813.83
10-22280	44,982.80	.00	44,982.80
10-22281	1,858.76	.00	1,858.76
10-22282	88.43	.00	88.43
10-22285	722.28	.00	722.28
10-22287	170.14	.00	170.14
10-22290	1,064.54	.00	1,064.54
10-22292	3,265.21	.00	3,265.21
10-41-230	127.50	.00	127.50
10-41-330	945.00	.00	945.00
10-41-335	39.91	200.00-	160.09-
10-41-410	21.92	.00	21.92
10-41-415	291.43	.00	291.43
10-41-430	62.00	.00	62.00
10-41-470	27.60	.00	27.60
10-41-542	229.74	.00	229.74
10-41-620	1,000.00	.00	1,000.00
10-41-640	113.26	.00	113.26
10-41-660	375.14	.00	375.14
10-41-670	360.00	.00	360.00
10-41-705	567.27	.00	567.27
10-42-580	22.54	.00	22.54
10-43-415	83.82	.00	83.82
10-43-470	27.60	.00	27.60
10-43-630	1,250.45	.00	1,250.45
10-43-660	52.80	.00	52.80
10-45-320	20.51	.00	20.51
10-45-340	211.20	.00	211.20
10-45-410	389.23	.00	389.23

GL Account	Debit	Credit	Proof
10-45-415	1,201.84	.00	1,201.84
10-45-430	1,209.75	.00	1,209.75
10-45-590	125.00	.00	125.00
10-45-593	15.00	.00	15.00
10-45-595	1,110.66	.00	1,110.66
10-45-610	63.73	.00	63.73
10-45-640	85.88	.00	85.88
10-45-660	3,029.50	.00	3,029.50
10-45-670	746.83	.00	746.83
10-46-300	5,000.00	.00	5,000.00
10-46-330	315.00	.00	315.00
10-46-340	56.06	.00	56.06
10-46-415	260.82	.00	260.82
10-46-432	748.15	.00	748.15
10-46-590	240.00	.00	240.00
10-46-610	67.54	.00	67.54
10-46-640	90.64	.00	90.64
10-46-660	961.35	.00	961.35
10-46-670	1,045.62	.00	1,045.62
10-47-340	150.00	.00	150.00
10-49-415	273.82	.00	273.82
10-49-430	338.28	.00	338.28
10-49-630	35.51	.00	35.51
10-49-640	68.49	235.00-	166.51-
10-49-696	246.02	.00	246.02
10-50-305	112.50	.00	112.50
10-50-410	126.85	.00	126.85
10-50-415	178.60	.00	178.60
10-50-430	503.99	.00	503.99
10-50-470	80.72	.00	80.72
10-50-640	609.87	.00	609.87
10-50-660	624.90	.00	624.90
10-54-430	7.66	.00	7.66
10-56-300	1,266.00	.00	1,266.00
10-56-340	96.60	.00	96.60
10-56-415	180.70	.00	180.70
10-56-610	29.07	.00	29.07
10-56-640	174.53	.00	174.53
10-57-340	69.00	.00	69.00
10-57-412	375.27	.00	375.27
10-57-415	41.01	.00	41.01
10-57-417	29.50	.00	29.50
10-57-430	244.06	.00	244.06
10-57-432	133.45	.00	133.45
10-57-590	150.00	.00	150.00
10-57-610	22.88	.00	22.88
10-57-640	10.54	.00	10.54
10-57-642	32.64	.00	32.64
10-58-545	130.00	.00	130.00
10-58-546	6.57	.00	6.57
10-60-430	37.00	.00	37.00
10-60-540	400.00	400.00-	.00
10-60-580	13.56	.00	13.56
10-60-610	38.79	38.79-	.00
10-60-640	46.96	.00	46.96
10-61-300	272.33	.00	272.33
10-61-580	43.62	.00	43.62

GL Account	Debit	Credit	Proof
10-62-330	90.00	.00	90.00
10-62-540	16.00	.00	16.00
10-62-605	20.25	.00	20.25
10-62-610	69.73	.00	69.73
10-62-640	22.34	.00	22.34
10-64-701	305.79	.00	305.79
10-65-300	12.00	.00	12.00
10-65-410	815.51	.00	815.51
10-65-415	112.06	.00	112.06
10-65-430	34.47	.00	34.47
10-65-620	5.83	.00	5.83
10-65-640	108.49	.00	108.49
10-65-660	60.27	.00	60.27
14-40-300	90.00	.00	90.00
14-40-415	217.98	.00	217.98
14-40-640	12.82	.00	12.82
14-40-660	2,382.71	.00	2,382.71
14-40-670	175.00	.00	175.00
15-40-057	804.74	.00	804.74
15-40-065	730.71	.00	730.71
15-40-075	2,187.85	.00	2,187.85
20-40-300	2,707.00	.00	2,707.00
20-40-305	207.00	.00	207.00
20-40-415	88.50	.00	88.50
20-40-470	113.50	.00	113.50
20-40-640	270.74	.00	270.74
20-40-660	392.75	.00	392.75
46-41-718	2,460.02	.00	2,460.02
46-46-100	360.09	.00	360.09
50-12500	214.49	.00	214.49
50-22900	38.40	.00	38.40
50-40-340	1,500.13	.00	1,500.13
50-40-415	172.32	.00	172.32
50-40-470	149.70	.00	149.70
50-40-602	92,285.97	.00	92,285.97
50-40-610	42.55	.00	42.55
50-40-620	371.04	.00	371.04
50-40-640	3,173.81	.00	3,173.81
50-40-660	1,011.19	.00	1,011.19
51-22900	99.68	.00	99.68
51-40-415	88.50	.00	88.50
51-40-430	565.49	.00	565.49
51-40-470	96.60	.00	96.60
51-40-620	371.04	.00	371.04
51-40-640	2,640.91	.00	2,640.91
51-40-660	989.58	.00	989.58
52-40-301	2,574.20	.00	2,574.20
52-40-410	64.46	.00	64.46
52-40-415	59.00	.00	59.00
52-40-430	3,364.51	.00	3,364.51
52-40-470	133.36	.00	133.36
52-40-620	376.88	.00	376.88
52-40-630	54.67	.00	54.67
52-40-640	2,219.05	.00	2,219.05
52-40-660	632.05	.00	632.05
53-40-665	15,360.58	.00	15,360.58
53-40-667	13,398.84	.00	13,398.84

GL Account	Debit	Credit	Proof
53-40-668	16,755.35	.00	16,755.35
55-40-300	180.00	.00	180.00
55-40-310	234.78	.00	234.78
55-40-410	1,207.60	.00	1,207.60
55-40-415	40.00	.00	40.00
55-40-430	54.54	.00	54.54
55-40-590	450.00	.00	450.00
55-40-600	19.80	.00	19.80
55-40-610	94.06	.00	94.06
55-40-630	61.21	.00	61.21
55-40-645	2,875.00	.00	2,875.00
55-40-670	1,400.64	880.48-	520.16
55-50-300	35.00	.00	35.00
55-50-305	261.00	.00	261.00
55-50-410	410.05	.00	410.05
55-50-415	40.00	.00	40.00
55-50-470	130.88	.00	130.88
55-50-600	298.44	.00	298.44
55-50-670	392.86	.00	392.86
55-60-300	472.50	.00	472.50
55-60-310	1,973.03	.00	1,973.03
55-60-316	108.84	.00	108.84
55-60-320	587.32	.00	587.32
55-60-415	35.00	.00	35.00
55-60-420	167.99	.00	167.99
55-60-440	626.14	.00	626.14
55-60-470	1,263.61	.00	1,263.61
55-60-603	158.81	.00	158.81
56-40-300	1,000.00	.00	1,000.00
56-40-410	147.83	.00	147.83
56-40-430	35.00	.00	35.00
70-40-660	2,200.00	.00	2,200.00
Grand Totals:	310,725.35	310,725.35-	.00

Dated: _____

Mayor: _____

City Council: _____

_____

_____

_____

_____

_____

City Recorder: _____

GL Account	Debit	Credit	Proof

Report Criteria:
Report type: Summary
Check.Type = {<>} "Adjustment"

City of Benson
City Council Communication

Regular Meeting **March 25, 2013**

To: Mayor and Council Consent Agenda Item # 1f

From: Bradley J. Hamilton, P.E. Director of Public Works/City Engineer

Subject:

Teaming Agreement between the Arizona Commerce Authority and the City of Benson for the Benson Municipal Airport for the development of a UAS test site at the Benson Municipal Airport

Discussion:

The FAA has requested, as part of the test site screening process, that each applicant furnish them with copies of all "Teaming Agreements" which ostensibly provide the FAA with assurance that the applicant has assembled a capable "team" which is "ready to go" if a test site is awarded.

This is another required document for the FAA Screening Information Request.

Staff Recommendation:

Approval of Teaming Agreement between the Arizona Commerce Authority and the City of Benson for the Benson Municipal Airport for the development of a UAS test site at the Benson Municipal Airport

TEAMING AGREEMENT
between
THE ARIZONA COMMERCE AUTHORITY
and
THE BENSON MUNICIPAL AIRPORT

FAA UASTSS PROJECT PROPOSAL

This Teaming Agreement, together with any and all attachments hereto (this "Agreement"), dated effective as of March ___, 2013, is entered into by and between the Arizona Commerce Authority, an agency of the State of Arizona (the "ACA"), with a principal place of business located in Phoenix, Arizona, and the City of Benson, an Arizona municipal corporation with a principal place of business located in Benson, Arizona on behalf of the Benson Municipal Airport (the "Team Member"). The ACA and the Team Member may hereinafter be referred to individually as a "Party" and hereinafter be referred to collectively to as the "Parties."

1. DEFINITIONS

1.1 "FAA" means the U.S. Federal Aviation Administration.

1.2 "Program" means the operation and management of an Arizona UAS test range, assuming that one or more of the test ranges identified by the ACA in its Proposal is (or are) selected by the FAA as an approved UAS test range.

1.3 "Program Contract" means the final contractual agreement between the FAA and the ACA (or other operator or manager of an approved Arizona UAS test range) relating to the terms governing the Program.

1.4 "Proposal" means that certain submission to the FAA contemplated to be made by the ACA in accordance with the UASTSS SIR for the purpose of seeking the State of Arizona to be selected by the FAA as one of six (6) approved UAS test ranges.

1.5 "UAS" shall mean unmanned aircraft systems and related technologies.

1.6 "UASTSS SIR" means that certain Screening Information Request No. DTFACT-13-R-0002 pertaining to the FAA's Unmanned Aircraft System Test Site Selection Project that was issued by the FAA on February 14, 2013, as amended.

2. BACKGROUND

2.1 The FAA Modernization and Reform Act of 2012 directed the FAA to develop a program to integrate unmanned aircraft systems into the national airspace system at six (6) test ranges throughout the United States. In pursuance of the selection of the six (6) test ranges, the FAA issued the UASTSS SIR.

2.2 In recognition of the potential benefits to the State of Arizona associated with selection by the FAA of Arizona as the location of one of the six (6) UAS test ranges, including in respect to the State's economy generally and the State's research and aerospace and technology business communities specifically, the Arizona House of Representatives in March 2012 directed that Arizona compete for selection by the FAA as one of the six (6) UAS test ranges. An Arizona Senate resolution in 2013 similarly directed that Arizona compete for selection as one of the six (6) UAS test ranges and specifically directed the ACA to lead that effort.

2.3 In response to such direction by the Arizona Legislature, the ACA has established an inter-agency division the exclusive purpose of which is to facilitate Arizona's selection as one of the six (6) FAA-approved UAS test ranges. The ACA has extensive experience, skills and capabilities in the area of business attraction and development generally. In order to enhance its business attraction and development capabilities in the specific area of UAS and related technologies, the ACA has, for the approximately one-year period preceding the Effective Date, sought input from the research, technology, and aerospace communities in the State of Arizona, including the Team Member, as well as other experts throughout the United States, and has also actively encouraged the development of research and business consortiums devoted exclusively to UAS and related issues, including the Arizona UAS Research Consortium and the AzTRC UAS Industry Consortium.

2.4 The Team Member has extensive experience, expertise and capabilities in the field of aviation that would be important in the context of the Program assuming that one or more of the test ranges identified by the ACA in its Proposal is (or are) selected by the FAA as an approved UAS test range. More particularly, the Team Member has extensive experience, expertise and capabilities in aviation operations, including especially air safety protocols, procedures, and training, as well as experience in community outreach endeavors to the extent that aviation operations of the Team Member affect areas outside of the Team Member's location.

2.5 The Parties believe that by combining as a team the complementary skills and capabilities set forth in Sections 2.3 and 2.4, the Parties will help to demonstrate Arizona's suitability as one of the six (6) FAA-authorized UAS test ranges.

NOW, with the foregoing Background intended to form an integral part of this Agreement, and in consideration of the mutual promises contained herein, the Parties hereby agree as follows:

3. RESPONSIBILITIES

3.1 The ACA intends to prepare and submit the Proposal to the FAA and shall act as the "Applicant" or "proponent" in respect to the Proposal (as such terms are defined in the UASTSS SIR). In connection with submission of the Proposal to the FAA, the ACA shall be authorized to disclose the relationship with the Team Member and to include appropriate recognition of the Team Member's participation in and contributions to the Proposal, as well as a recommendation that the Team Member serve as an advisor to the Program, and, further, engage in such aviation advisory and related services to or on

behalf of the Program (if any) as may be agreed by the Parties in that certain Memorandum of Understanding described in Section 3.4.

3.2 The ACA shall conduct any and all discussions and negotiations with the FAA that may arise in connection with submission and review of the Proposal. However, if the FAA seeks to conduct a "pre-award survey" of the Team Member in accordance with Section 17 of the UASTSS SIR (presumably to examine the capabilities of the Team Member's operations in connection with the FAA's review of the Proposal), the Team Member agrees to participate therein and to fully apprise the ACA of all matters arising in connection therewith.

3.3 The ACA and the Team Member acknowledge and agree that the UASTSS SIR requires the ACA to provide the FAA, on or before the by the deadline specified therefor, with copies of all executed agreements relating to the use of airport facilities entered into between the ACA and any and all local airports that form a part of the Proposal. To that end, the ACA and the Team Member agree to use all reasonable efforts to, on or before April 9, 2013, negotiate and execute an agreement relating to future use by the Program of the Team Member's facilities in the event that one or more of the test ranges identified by the ACA in its Proposal is (or are) selected by the FAA as an approved UAS test range.

3.4 Assuming that one or more of the test ranges identified by the ACA in its Proposal is (or are) selected by the FAA as an approved UAS test range, then, following negotiation of the Program Contract, and assuming that the Parties determine it to be mutually beneficial, the Parties shall be authorized to also negotiate a Memorandum of Understanding relating to specific areas of advisory and/or other services that the Team Member may undertake in respect to the Program.

4. RELATIONSHIP OF THE PARTIES

4.1 Notwithstanding any provision hereof, this Agreement does not create, and is not intended to create a joint venture, partnership, or agency relationship between the Parties. For all purposes of this Agreement, each Party shall be and act as an independent contractor and not as a partner, joint venturer or agent of the other. Unless agreed to in writing (whether in this Agreement or otherwise), neither Party shall make any commitments, representations, warranties, or agreements binding on the other Party, nor will either Party represent itself as having authority to do so. There shall be no joint control, joint property, joint liability for losses and expenses or joint participation in profit or losses. No relationship, other than that created by and set forth in this Agreement, shall be established by any reference to the Parties operating as a "team" or as "team members" whether in the Proposal or otherwise.

4.2 Except as otherwise agreed by the Parties, each Party shall bear all expenses, costs, risks, and liabilities it may incur in connection with its obligations and efforts hereunder.

5. NON-DISCLOSURE OF POTENTIAL CONFIDENTIAL AND PROPRIETARY INFORMATION

5.1 If requested by the Team Member, then, contemporaneous with the execution of this Agreement, the Parties shall also execute that certain "Non-Disclosure Agreement" in the form attached as "Attachment 1" hereto. If so requested, such agreement shall be incorporated into this Agreement and made a material part hereof. The expiration date set forth in such agreement shall be controlling.

6. REPRESENTATIONS /COVENANTS/LIMITATION OF LIABILITY

6.1 General Representations. Each Party to this Agreement represents and warrants to the other Party that: (a) such Party has the full corporate right, power and authority to enter into this Agreement and to perform all acts required of it hereunder; (b) the execution of this Agreement by such Party, and the performance by such Party of its obligations and duties hereunder, do not and will not violate any agreement to which such Party is a party or by which it is otherwise bound; and (c) when executed and delivered by such Party, this Agreement will constitute the legal, valid and binding obligation of such Party.

6.2 Compliance With Laws. Each Party agrees to comply with all applicable laws and regulations relating to performance under his Agreement.

6.3 LIMITATION ON LIABILITY. EXCEPT AS OTHERWISE PROVIDED HEREIN, NEITHER PARTY, NOR THEIR RESPECTIVE, EMPLOYEES, AGENTS, MEMBERS, OFFCICERS, AND DIRECTORS, SHALL HAVE LIABILITY TO THE OTHER PARTY FOR ANY SPECIAL, INCIDENTAL, PUNITIVE, EXEMPLARY, INDIRECT OR CONSEQUENTIAL DAMAGES, COSTS, LOSSES OR EXPENSES (INCLUDING WITHOUT LIMITATION LOST PROFITS AND OPPORTUNITY COSTS) ARISING FROM ANY CLAIM OR ACTION HEREUNDER, WHETHER BASED ON CONTRACT, TORT OR OTHER LEGAL THEORY.

7. TERMINATION

7.1 Either Party may terminate this Agreement, except for rights and obligations under Section 4.2 (expenses), Section 5.1 (nondisclosure if applicable), and Section 6.3 (limitation on liability), upon the happening of any of the following events:

7.1.1 The expiration of one (1) year from the Effective Date during which no decision is made by the FAA with respect to the location of UAS test ranges; provided, however, that in no event shall any Party terminate this Agreement pursuant to this Section 7.1.2 earlier than the expiration of the "period of offer" described in Section 11 of the UASTSS SIR.

7.1.2 The failure of the Parties to enter into a Memorandum of Understanding relating to the matters described in Section 3.3 within 180 days from the date of the commencement of negotiations between the ACA and the Team Member relating thereto.

7.2 This Agreement shall terminate, except for rights and obligations under Section 4.3 (expenses), Section 5.1 (nondisclosure if applicable), and Section 6.3 (limitation on liability) upon the happening of any of the following events:

7.2.1. The FAA cancels the UASTSS SIR on the basis of an insufficient number of proposal submittals in accordance with Section 9.2.1.4 of the UASTSS SIR.

7.2.2. The FAA announces that test ranges other than those identified in the Proposal and in proximity to the Team Member's location have been selected as UAS test ranges.

7.3 Notwithstanding anything that may be to the contrary in this Agreement, it is hereby expressly acknowledged and agreed that the ACA may, in its sole discretion and without liability of any kind, elect to not submit the Proposal in which case, this Agreement shall terminate upon notification of such decision to the Team Member.

8. MISCELLANEOUS

8.1 Notices. Any notices required under this Agreement shall be in writing and shall be sent to the Parties at their respective addresses as set forth in Tab 3 of Attachment 1 to the Proposal. Any such notice may be delivered by hand, by overnight courier, by first class pre-paid letter or by facsimile transmission, and shall be deemed to have been received: (a) by hand delivery, at the time of delivery; (b) by overnight courier, on the succeeding business day; (c) by first class mail, two business days after the date of mailing; and (d) by facsimile, immediately upon confirmation of transmission provided a confirmatory copy is sent by first class pre-paid, by overnight courier or by hand by the end of the next business day. A copy of all notices shall be sent to:

For the ACA:	For the Team Member:
Arizona Commerce Authority	City of Benson
Attn: Mr. Greg Linaman	Attn: Brad Hamilton, P.E.
333 North Central Ave., Suite 1900	120 W. Sixth Street
Phoenix, Arizona 85004	Benson, AZ 85602
Facsimile: 602-542-5684	Facsimile: 520-720-6339

8.2 Publicity. The Team Member shall obtain prior written approval from the ACA before issuing any news release, public announcement, advertisement, publicity or otherwise communicating to the news media concerning any matters related to the Team Member's activities regarding the Program or this Agreement.

8.3. Severability. The invalidity or illegality of one or more provisions of this Agreement shall not affect the enforceability of the remaining provisions.

8.4. Assignment. This Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and assigns. Neither Party may assign or transfer its rights or obligations as provided in this Agreement without the prior written consent of the other; provided, however, that either Party may, without consent, assign this Agreement as a result of a merger or a sale of all or substantially all of the assets or stock of that Party or to a parent, subsidiary or affiliate as part of any internal reorganization. Anything in this Section 8.4 to the contrary notwithstanding, the inter-agency division of

the ACA referred to in Section 2.3 shall be expressly authorized to enter into contracts on behalf of the ACA.

8.5. Headings**.** The headings and sub-headings included in this Agreement are for convenience only and shall not in any way alter or affect the terms of this Agreement.

8.6 Section References. Except as otherwise provided herein, any reference to the term "Section" shall refer to the corresponding section of this Agreement.

8.7 Survivability. This Article and the following sections: 4.3 (expenses), 5.1 (non-disclosure) and 6.3 (limitation on liability) shall survive any termination of this Agreement

8.8 Entire Agreement. This Agreement sets forth the entire understanding between the Parties in connection with the Proposal and related matters and supersedes any previous or contemporaneous understandings, commitments, or agreements, written or oral, regarding the subject matter hereof; Any amendment, supplement, modification or change to this Agreement shall be in writing and signed by each Party. No other act, document, usage or custom shall be deemed to amend or modify this Agreement.

[*Signatures are set forth on the following page*.]

IN WITNESS OF THIS AGREEMENT, the Parties, through their respective authorized representatives, have executed this Agreement.

ARIZONA COMMERCE AUTHORITY, an agency of the State of Arizona

By: _____
Name: Greg Linaman
Title: Chief Operating Officer

Date: _____

CITY OF BENSON, an Arizona municipal corporation on behalf of the Benson Municipal Airport

By: _____
Name: _____
Title: _____

Date: _____

Attachment 1

NON-DISCLOSURE AGREEMENT

THIS NON-DISCLOSURE AGREEMENT (this "Agreement"), dated to be effective as of March 15, 2013 is made and entered into by and between the following parties (each, a "**Party**" or together, the "**Parties**"): (i) the ACA and (ii) the Team Member.

1. This Agreement governs the management by the Parties of certain confidential and proprietary information relating to the business of each Party that may be exchanged in connection with collaborative efforts by the Parties to obtain FAA approval of the State of Arizona as the location of one of six (6) test ranges examining the integration of unmanned aircraft systems into the national airspace and the resulting integration program if successful in obtaining FAA approval (the "Purpose"). In connection with this Agreement, the term "**Confidential and Proprietary Information**" is defined as (i) all confidential or secret processes, plans, formulae, data (including cost, real estate, and performance data), inventions, machinery, drawings, papers, writings, specifications, manufacturing or design procedures and techniques, methods, technology, know-how, programs, databases, source codes, devices and materials related to the business, products (either existing or under development), services or activities of the parties or any affiliate, customer or client of the parties regardless of whether or not any or all of the foregoing are, may or can be patented or copyrighted, (ii) any other information or aspect of or related to any of the trade, business, finances, products or activities of the Parties or any affiliate, customer or client of the Parties, which are confidential, secret or of a proprietary nature, or (iii) any customer or supplier usages or requirements and any of the lists of clients, prospects, customers, suppliers or business contacts of the Parties, .

2. Except when authorized in writing by the other Party or as otherwise expressly provided herein, each Party hereby agrees as follows: (i) it will not disclose, publish or disseminate the Confidential and Proprietary Information of the other Party to anyone other than those of its employees with a need to know, (ii) it will take reasonable precautions to prevent any unauthorized use, disclosure, publication, or dissemination of Confidential and Proprietary Information, (iii) it will not use Confidential and Proprietary Information otherwise for its own or any third party's benefit without the prior written approval of the other Party, and (iv) it will not directly or indirectly use any Confidential and Proprietary Information for any purpose, except for the Purpose set forth above.

3. The obligations of Paragraph 2 shall not apply to:

(a) Confidential and Proprietary Information which a Party can demonstrate by competent proof, such as properly executed written records, that was in its possession at the time of the other Party's disclosure to it, and which was obtained free from obligation to any third party;

(b) Confidential and Proprietary Information which is now, or becomes in the future, public knowledge other than through acts or omissions of the other Party;

(c) Confidential and Proprietary Information which a Party can demonstrate by competent proof that was lawfully obtained from sources free from obligation to any third party;

(d) Confidential and Proprietary Information which must be disclosed by law; and

(e) Confidential and Proprietary Information that is developed independently, without access to the Confidential and Proprietary Information.

4. No combination of individual items of Confidential and Proprietary Information shall be deemed not to be confidential and not subject to the obligations of Paragraph 2 merely because the individual items are subject to one or more of the above listed exceptions; a combination shall be deemed not to be confidential only if the entire combination itself is subject to one of the above listed exceptions.

5. Upon a Party's written request, the other Party shall return to the requesting Party all Confidential and Proprietary Information in tangible form in its possession, and shall destroy all Confidential and Proprietary Information in electronic form in its possession. The non-requesting Party shall certify in a written document signed by it that all tangible Confidential and Proprietary Information has been returned, and that all electronic Confidential and Proprietary Information has been destroyed.

6. Each Party shall perform under this Agreement without charge to the other. Nothing in this Agreement shall be construed by implication, estoppel or otherwise as establishing any type of commitment or right for either Party to make any commitment with, for or on behalf of the other Party.

7. Nothing in this Agreement shall create, imply or evidence any partnership or joint venture between the Parties, or the relationship between them of principal and agent. Each Party has and retains sole and exclusive ownership of all right, title and interest in and to its respective Confidential and Proprietary Information, including, ownership of all patents, copyrights and trade secrets pertaining thereto, and nothing herein shall be interpreted as granting a license or other rights in such Confidential and Proprietary Information.

8. THE PARTIES EXPRESSLY RECOGNIZE THAT ANY BREACH OF THIS AGREEMENT MAY RESULT IN IRREPARABLE INJURY TO THE NON-BREACHING PARTY AND THAT MONETARY DAMAGES ALONE MAY BE AN INADEQUATE REMEDY IN SUCH CASE, AND THE PARTIES THEREFORE AGREE THAT THE NON-BREACHING PARTY MAY, IF IT SO ELECTS, INSTITUTE AND PROSECUTE PROCEEDINGS IN ANY COURT OF COMPETENT JURISDICTION, EITHER IN LAW OR EQUITY, TO OBTAIN DAMAGES FOR ANY BREACH OF THIS AGREEMENT, OR TO ENFORCE THE SPECIFIC PERFORMANCE OF THIS AGREEMENT BY THE BREACHING PARTY, OR TO RESTRAIN OR ENJOIN THE BREACHING PARTY FROM ALL ACTIVITIES IN VIOLATION OF THIS AGREEMENT. THE PREVAILING PARTY SHALL BE ENTITLED TO RECOVER ANY AND ALL COURT-AWARDED COSTS AND EXPENSES INCLUDING, WITHOUT LIMITATION, REASONABLE ATTORNEY'S FEES,

IN ENFORCING THIS AGREEMENT AND THE PROVISIONS OF THIS SECTION AGAINST THE OTHER PARTY.

9. No change in this Agreement shall be effective unless such change is mutually agreed upon, in writing, by both parties.

10. This Agreement expresses the sole and entire agreement between the Parties as it pertains to Confidential and Proprietary Information and supersedes all prior discussions, representations and understanding with regard thereto.

11. This Agreement may not be assigned by either Party. This Agreement shall continue for the benefit of, and shall be binding upon, the parties hereto and their respective successors, heirs, assigns and legal representatives.

12. This Agreement shall be deemed executed within, and interpreted in accordance with, the laws of the State of Arizona.

13. This Agreement shall remain in force until five (5) years after the effective date above.

14. This Agreement is subject to A.R.S. § 38-511.