

AGENDA

TUSAYAN TOWN COUNCIL REGULAR MEETING

PURSUANT TO A.R.S. § 38-431.02 & §38-431.03

Wednesday, September 5, 2012 at 6:00 P.M.

TUSAYAN TOWN HALL BUILDING

845 Mustang Drive, Tusayan Arizona

Pursuant to A.R.S. § 38-431.02, notice is hereby given to the members of the Tusayan Town Council and to the general public that the Tusayan Town council will hold a meeting open to the public on Wednesday, September 5, 2012 at the Tusayan Town Hall Building. If authorized by a majority vote of the Tusayan Town Council, an executive session may be held immediately after the vote and will not be open to the public. The Council may vote to go into executive session pursuant to A.R.S. § 38-431.03.A.3 for legal advice concerning any matter on the agenda, including those items set forth in the consent and regular agenda sections. The Town Council may change, in its discussion, the order in which any agenda items are discussed during the course of the meeting.

Persons with a disability may request a reasonable accommodation by contacting Town manager (928) 638-9909 as soon as possible.

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

TOWN COUNCIL REGULAR MEETING

1. CALL TO ORDER AND PLEDGE OF ALLEGIANCE

2. ROLL CALL

MAYOR BRYAN
VICE MAYOR MONTOYA

COUNCILMEMBER FITZGERALD
COUNCILMEMBER RUETER
COUNCILMEMBER SANDERSON

** One or two Council Members may attend by telephone*

3. CALL TO THE PUBLIC FOR ITEMS NOT ON THE AGENDA

Members of the public may address the Council on items not on the printed agenda. The Council may not discuss, consider or act upon any matter raised during public comment. Comments will be limited to three minutes per person.

Members of the audience who wish to speak to the Council on an item listed as Public Hearing should complete a Request to Speak Card and turn it into the Town Clerk. Speakers will be limited to three minutes each.

4. CEREMONIAL AND/OR INFORMATIONAL MATTERS

A. Flood Management Presentation – Forest Service

B. Housing Financing Presentation – Ernie Wetherbee

5. CONSENT AGENDA

ITEMS ON THE CONSENT AGENDA ARE ROUTINE IN NATURE AND WILL BE ACTED ON WITH ONE MOTION AND ONE VOTE. PUBLIC HEARING ITEMS ARE DESIGNATED WITH AN ASTERISK (*). MEMBERS OF THE COUNCIL OR STAFF MAY ASK THE MAYOR TO REMOVE ANY ITEM FROM THE CONSENT AGENDA TO BE DISCUSSED AND ACTED UPON SEPARATELY.

- A. Minutes of Town Council Workshop and Regular Meeting of July, 3, 2012; Regular Meeting of July 11, 2012; Regular Meeting of July 18, 2012; and Workshop and Regular Meeting of August 1, 2012.
- B. Accounts Payable Billings.

6. ACTION ITEMS

- A. Consideration, discussion, and possible approval of Resolution No. 2012-07; A Resolution of Intent to Join Northern Arizona Council of Governments by the Town of Tusayan.
- B. Consideration, discussion, and possible approval of two resolutions adopting participation in the Arizona State Retirement System.
- C. Consideration, discussion, and possible approval of two rental agreements with the Arizona Department of Transportation for the Tusayan Employee Housing Project.
- D. Consideration, discussion, and possible approval of engaging the League of Arizona Cities and Towns to conduct the search process for a permanent Town Manager for \$2,500, plus out-of-pocket expenses not expected to exceed \$1,000.

7. DISCUSSION ITEMS

8. TOWN MANAGER'S REPORT

9. FUTURE AGENDA ITEMS

10. COUNCIL MEMBERS' REPORTS

11. MAYOR'S REPORT

12. MOTION TO ADJOURN

CERTIFICATION OF POSTING OF NOTICE

The undersigned hereby certifies that a copy of the foregoing notice was duly posted at the General Store in Tusayan, Arizona on this 29th day of August, 2012, at 12:20 p.m. in accordance with the statement filed by the Tusayan Town Council.

DATED this 29th day of August, 2012.

Laura Matthews
Signature of person posting the agenda

ITEM NO. 5A

TUSAYAN TOWN COUNCIL WORKSHOP AND REGULAR MEETING

PURSUANT TO A.R.S. § 38-431.02 & §38-431.03

Tuesday, July 3, 2012 at 5:00 P.M.

TUSAYAN TOWN HALL

845 Mustang Drive, Tusayan, Arizona

TOWN COUNCIL SUMMARIZED MINUTES

WORKSHOP

1. CALL TO ORDER AND PLEDGE OF ALLEGIANCE

Mayor Bryan called the Workshop to order at 5:07 p.m. and the Pledge of Allegiance was recited.

2. ROLL CALL

On roll call, the following were present:

**MAYOR BRYAN
VICE MAYOR MONTOYA**

**COUNCILMEMBER FITZGERALD
COUNCILMEMBER RUETER
COUNCILMEMBER SANDERSON**

Also present were:

Tami Ryall, Interim Town Manager
Lenora Cole, Executive Assistant

3. STUDY ITEMS

League of Arizona Cities and Towns – Discussion of Forms of Municipal Governance, and Overview of League Legislative Resolutions

Tom Belshe, Deputy Director, League of Arizona Cities and Towns, opened his presentation by describing the four different types of government available to the Town of Tusayan.

Mr. Belshe stated that the town hall form of government began at the time of the original 13 Colonies. Entire communities would attend and it was a truly democratic process. Around the same time, counties were formed and referred to as a commission form of government. Within this form of governance, members are not elected at large but represent districts, and the chair acts as a mayor.

The strong mayor form of government is another option. It is similar to the commission form of government where the elected mayor acts as the chief executive officer of the community along with the council. The purely strong mayor form of government means the town may have an administrator, but the administrator takes direction from the mayor, and the mayor is ultimately responsible for all of the administrative activity of the town.

The council/manager form of government means there is a division between the political and philosophical aspect of the council, and the administrative duties of the town. The council serves as a type of board of directors, and the city manager functions as a chief executive officer. The council is responsible for the policy development for the town.

The League of Arizona Cities and Towns believes that the council/manager form of government is the healthiest structure. Across the United States there is a large movement toward this form of government. Today, the strong mayor form is seen mainly in very large cities where the elections are on a partisan and political basis. Examples are San Diego, Los Angeles, Pittsburg, etc. In the past, there has been abuse of the strong mayor structure (i.e. undue influence particularly in procurement matters, and the replacing of employees with those in the mayor's inter-circle or political party).

Mr. Belshe reviewed a sample code regarding the appointment of a city manager under the council/manager form of government. He encouraged the Town to review the sample and discuss together issues such as, 1) office creation, 2) residence, 3) eligibility, and 4) termination, etc.

Councilmember Fitzgerald expressed his support of the council/manager form of government. The Town is currently operating under the strong mayor form of government because Mayor Bryan has a job that allows him some flexibility to be out serving in the community as Mayor. But what about the next mayor, or the next? When elected officials leave office there will still be continuity with an experienced and knowable manager.

Mayor Bryan talked about his preference in having an experienced and professional manager to provide guidance to the Council.

Councilmember Sanderson stated his support of the council/manager structure. He believes it would allow for more accountability from a public perspective, more opportunity for transparency, and less opportunity for abuse of power.

Mayor Bryan directed Interim Manager Ryall on behalf of the Council to return to the Council in August with a new ordinance adopting the council/manager form of governance.

Moving on to the League of Arizona Cities and Towns Resolutions, Mr. Belshe provided a list of League Resolutions that have been reviewed by the Resolution Subcommittee. The Subcommittee is made up of representatives from all 91 of Arizona's cities and towns. They are recommending the adoption of all three of the League Staff's proposed resolutions. Some of the 19 resolutions sponsored by various cities and towns are being recommended for adoption, and some are being recommended with amendments. Others have been categorized as a significant municipal issue, but do not rise to the level of legislative activity. Other resolutions were not recommended for adoption.

Vice Mayor Montoya moved to adjourn the Workshop at 6:17 p.m. The motion was seconded by Councilmember Sanderson and passed on unanimous vote.

REGULAR COUNCIL MEETING

1. CALL TO ORDER

Mayor Bryan called the meeting to order at 6:25 p.m.

2. ROLL CALL

All members of the Council were present for the Regular Council Meeting.

3. CALL TO THE PUBLIC FOR ITEMS NOT ON THE AGENDA

4. CEREMONIAL AND INFORMATIONAL ITEMS

5. CONSENT AGENDA

A. Accounts Payable Billings.

Vice Mayor Montoya moved to approve the Consent Agenda. The motion was seconded by Councilmember Rueter and passed on unanimous vote.

6. ACTION ITEMS

A. Consideration, Discussion, and Possible Approval of Fiscal Year 2012/13 Preliminary Budget.

Interim Manager Ryall presented the proposed Fiscal Year 2012/13 Preliminary Budget to the Council. If the Council adopts the preliminary budget tonight, she will move forward to properly advertise to meet all legal requirements prior to adoption. Adoption is tentatively set for August 15, 2012 Town Council meeting.

Vice Mayor Montoya moved to approve the Preliminary Budget in the amount of \$4,399,000.00 for Fiscal Year 2012/13 and the Five Year Financial Plan. The motion was seconded by Councilmember Sanderson and passed on unanimous vote.

B. Consideration, Discussion, and Possible Approval of Mayor and Council Compensation Schedule.

To assist the Council in their deliberations, Interim Manager Ryall provided a summary of compensation rates for elected officials in all the cities and towns in Arizona. After reviewing the compensation rates for elected officials in communities of a similar size, Manager Ryall recommended the following rates as a starting point in the Council's discussion. Councilmembers would receive \$300 per month, or \$3,600.00 annually. The Mayor would receive \$400 per month, or \$4,800.00 annually. The policy would become effective for new members of the Council as they are elected, and for sitting members of the Council as they are re-elected.

If enacted, the total amount of compensation would be \$19,200.00 annually, which falls within the \$20,000.00 the Council appropriated in the budget. Adopting the policy requires the passage of a resolution.

Vice Mayor Montoya moved to pass the resolution establishing the suggested compensation for the Mayor and Councilmembers. The motion was seconded by Councilmember Rueter.

During discussion, some Councilmembers asked Manager Ryall to verify whether or not individual Councilmembers would be allowed to donate their compensation back to the Town or to other entities.

Councilmember Fitzgerald requested that the decision be postponed until the donation question was researched.

The motion to approve the resolution passed with Mayor Bryan, Vice Mayor Montoya, and Councilmembers Rueter and Sanderson in favor, and Councilmember Fitzgerald opposed.

7. ACTION ITEMS

A. Update from Stilo Development, Overview of Project with Timelines.

Thomas De Paolo, Stilo Development, began with a review of the interim housing project. The Development Agreement requires six double-wide units to be installed as quickly as possible.

Mr. De Paolo stated the proposed utility plan is pretty much laid out, but has not yet been approved. The development will be using the existing public roadways and will improve the roads with some kind of gravel.

APS is willing to expedite their process as much as possible. Mr. De Paolo stated he hopes to have a formal submittal with everything required by the Town's building permit application process in approximately one week.

All of the units are outside of the floodway. Based on the flood report that Coconino County approved, there are no further requirements to meet in this area.

The Sanitary District is not asking for easements on the project, however, APS will require easements.

Stilo is mailing out a survey to Tusayan residents in the next few days that is different than the housing survey conducted by the Town. They want to get the pulse of the community and to; 1) gauge the level of interest in manufactured homes; 2) determine if there is a greater need to own or rent units; and, 3) ascertain size expectations, etc.

Mr. De Paolo plans to hold another community meeting in approximately two to three weeks to give the public clearer information, particularly on when the project is expected to be completed.

The next step will be a coordination meeting between the developer's consultant and the Forest Service to work together on a proposed 18-month schedule to obtain a roadway easement. The public process will begin after the formal application is submitted. They are planning to select a transportation consultant in approximately one week.

Stilo remains committed to a sustainable development and a model gateway community.

There are no final decisions regarding the various water and gas line issues around the project.

Interim Manager Ryall plans to meet with Coconino County staff to review and/or purchase maps in order to overlay all governmental jurisdiction boundaries, including the school, fire, and sanitary districts.

Clarinda Vail expressed concern regarding an access road by the gas station that the Town previously promised would be moved, but is still showing on the presentation.

Forest Service District Ranger Nicholas Larson said the application to the Forest Service will basically request a right-a-way and declare which utilities will be running through it. The National Environmental Policy Act (NEPA) process comes after the permit process. The Forest Service will be entering into agreements with the Town of Tusayan, not with the developer.

The Town will essentially own the access road; and be responsible for maintenance, snow plowing, etc.

A representative from the Grand Canyon National Park, explained they are in conversations with UniSource, and have had conversations with the Town, hoping to create a partnership with all stakeholders to bring natural gas to the area. Preliminary cost estimates are \$40 to \$50 million. Approximately \$28 million would be recouped over a period of 3 years.

Mayor Bryan asked Mr. De Paulo to continue working with Manager Ryall on the preliminary applications and contracts.

8. TOWN MANAGER'S REPORT

Manager Ryall provided the Council with a timeline for the Tusayan employee housing project, with occupancy targeted for the second week of December.

9. FUTURE AGENDA ITEMS

Ms. Ryall verified that the Housing Study Discussion and Progress Report by International Housing Solutions will be on the Council's July 11, 2012 agenda.

The Planning and Zoning Commission will be having a workshop in addition to their regular July 24, 2012 meeting on the proposed revisions to the Zoning Code. Specific areas of focus are landscaping, parking lots, lighting, and the relationship between temporary banner signs and special events banner provisions.

There was consensus to approach the adoption of a Town Code by reviewing and hammering out 3 or 4 sections at a time, beginning on August 1, 2012. Manager Ryall will work with the Town's Attorney to decide which established town code to use as a model.

10. COUNCILMEMBERS' REPORTS

Vice Mayor Montoya reported that there was some confusion in the community regarding the recent fire restrictions. Residents didn't realize it included activities such as barbecuing at home on their private property.

11. MAYOR'S REPORT

The Mayor noted that the host hotel for the League of Arizona Cities and Towns conference in August is sold out. He asked Councilmembers to inform Manager Ryall right away if they planned to attend.

Mayor Bryan also reminded staff to order new tables for the Council Chambers, so that the current tables could be returned to their owner.

12. MOTION TO ADJOURN

There being no further business to come before the Council, Councilmember Sanderson moved to adjourn the meeting at 8:23 p.m. The motion was seconded by Vice Mayor Montoya and passed on unanimous vote.

MAYOR

ATTEST:

INTERIM TOWN CLERK

CERTIFICATION

State of Arizona)
) ss.
Coconino County)

I, Laura Matthews, do hereby certify that I am the Interim Town Clerk of the Town of Tusayan, County of Coconino, State of Arizona, and that the above minutes are a true and correct summary of the meeting of the Council of the Town of Tusayan held on June 19, 2012. I further certify that the meeting was duly called and held, and that a quorum was present.

DATED this 15th day of August, 2012.

INTERIM TOWN CLERK

TUSAYAN TOWN COUNCIL WORKSHOP

PURSUANT TO A.R.S. § 38-431.02 & §38-431.03

Wednesday, July 11, 2012 at 5:00 P.M.

TUSAYAN TOWN HALL

845 Mustang Drive, Tusayan, Arizona

TOWN COUNCIL SUMMARIZED MINUTES

1. CALL TO ORDER AND PLEDGE OF ALLEGIANCE

Mayor Bryan called the meeting to order at 5:00 p.m. and the Pledge of Allegiance was recited.

2. ROLL CALL

On roll call, the following were present:

MAYOR BRYAN
VICE MAYOR MONTOYA

COUNCILMEMBER FITZGERALD
COUNCILMEMBER RUETER - Excused
COUNCILMEMBER SANDERSON

Also present were:

Tami Ryall, Interim Town Manager
Laura Matthews, Interim Town Clerk

3. STUDY ITEMS

A. Housing Study Discussion and Progress Report

Scott Brown and John Young, International Housing Solutions, provided the Council with the results of the recently completed Housing Survey. Mr. Brown wasn't sure exactly how many surveys were mailed out, but as of today they have received 140 returned surveys, which represents a statistically valid sample. They felt that the citizens gave serious and sincere responses to the survey.

The survey shows that 43% of the population rent, 7% own; 47% are living in employer provided housing and 3 % currently don't have housing. It was noted that those living in campers and renting those, may have responded as renting, rather than living in a camper.

Clarinda Vail, citizen, suggested that some of those who responded as renting may be living in employer provided housing. Mayor Bryan asked the consultant to investigate the rental percentage as there are not that many rentals available in Tusayan.

The first choice of those responding would be to live in a single family home. The highest valued amenity in a home is an in-unit washer and dryer. The second is that pets be allowed.

First interpretations suggest a great disparity between those who own and those who rent. Five hundred dollars per month is an average rental in Tusayan, which will be hard to duplicate with a new building. Also, current utilities are high considering the square feet of the units; probably due to poor insulation.

The survey revealed that 24% are looking for a new rental, and 42% are looking for ownership opportunities. This suggests the need for both rental properties and single family homes to purchase.

A discussion regarding income and affordability ensued. With a home-buyer assistance program, the buyer would need 10% down, and the program would put 10 % down.

The opportunities to build at the specific sites of Camper Village, Kotzin, and Ten X Ranch were reviewed by the consultants. The consultants suggested that Council capture 30 acres at the Kotzin site, and 10 acres at the Ten X Ranch location for the future.

Mr. Brown asked the Council to consider keeping manufactured components in their plans, including 8-plex condo units and modulars. It would be difficult to bring enough stick-build crews to Tusayan for that type of housing. They also suggested the Town look for opportunities to in-fill two or three units wherever space is available.

The consultants stated that the Town needs a Housing Authority as soon as possible in order to sort out the process. Once you have a Housing Authority, you can go to the State and Federal government for assistance. The need is great, and it is suggested the Town look for a demonstration site for a small project that can be built soon. The consultants said they could help develop a down payment assistance plan process and with the formation of a 501-C3.

They noted that a Housing Authority should consist of five members; a major employer, a councilmember, a planning and zoning commissioner, a human resources person, and a local employee. The Housing Authority should be established before conducting a needs assessment. Lenders will want to know if there is a demand for certain types of housing, such as manufactured homes, or townhomes, or single family homes. The needs assessment will substantiate the need.

The consultants intend to meet with representatives from Stilo to go over Stilo's plans in Tusayan.

The survey will be finalized soon and they intend to return to the Council in August with a proposal for an extended contract.

Councilmember Sanderson noted that perhaps a representative from Stilo should be on the Housing Authority. This would provide continuity and cooperation between the Town's housing plans for 40 acres, and would be separate from Stilo's private development.

5. MOTION TO ADJOURN

There being no further business to come before the Council, Vice Mayor Montoya moved to adjourn the meeting, seconded by Councilmember Sanderson. The vote was unanimous in favor.

MAYOR

ATTEST:

TOWN CLERK

CERTIFICATION

State of Arizona)
) ss.
Coconino County)

I, Laura Matthews, do hereby certify that I am the Interim Town Clerk of the Town of Tusayan, County of Coconino, State of Arizona, and that the above minutes are a true and correct summary of the meeting of the Council of the Town of Tusayan held on July 11, 2012. I further certify that the meeting was duly called and held, and that a quorum was present.

DATED this 17th day of August, 2012.

TOWN CLERK

TUSAYAN TOWN COUNCIL REGULAR MEETING

PURSUANT TO A.R.S. § 38-431.02 & §38-431.03
Wednesday, July 18, 2012 at 6:00 P.M.
TUSAYAN TOWN HALL
845 Mustang Drive, Tusayan Arizona

TOWN COUNCIL SUMMARIZED MINUTES

1. CALL TO ORDER AND PLEDGE OF ALLEGIANCE

Mayor Bryan called the meeting to order at 6:00pm and the Pledge of Allegiance was recited.

2. ROLL CALL

Upon roll call, the following were present:

**MAYOR BRYAN
VICE MAYOR MONTOYA**

**COUNCILMEMBER FITZGERALD
COUNCILMEMBER SANDERSON
COUNCILMEMBER RUETER - Excused**

Also Present:

Tami Ryall, Interim Town Manager
Judi Beckerleg Financial Consultant

3. CALL TO THE PUBLIC FOR ITEMS NOT ON THE AGENDA

No public comments were made.

4. CEREMONIAL AND INFORMATIONAL MATTERS

Mayor Bryan presented Financial Consultant Beckerleg with a Certificate of Appreciation for the work she had done the last year in getting the financial statements organized and the first Audit completed. Her role will be filled by Irina Ermakova after some training.

A. Update from Coconino County Sheriff's Department

Coconino County Sheriff Bill Pribil was present to introduce a new area Supervisor, Lt. Mark Christian out of Williams who has taken over for Lt. Brian Tozer. The Sheriff reviewed Lt. Christian's many years of service and the Council welcomed him to the Town.

Sheriff Pribil then reviewed statistics on services performed in Tusayan by The Coconino County Sheriff's Department during the period of February through June, 2012 and comparisons with the same period in 2011. Many areas showed decreases in crimes and tickets issued. The Sheriff also discussed the proposal he has made to provide a "branded" Sheriff's vehicle for use when deputies are working in Tusayan. The vehicle would be left in Town and provide some visual presence and hopefully slow speeders down. The Council briefly discussed the options on the look of the vehicle and asked the Town Manager to work with the CCSO to develop the right look and bring back to the Council for a final decision. The ordering and delivery of the vehicle would take

approximately two to three months. The Council thanked the Sheriff for working with the Town and for the work that Lt. Tozer had done during his term in the area.

5. CONSENT AGENDA

A. Consideration and Possible Approval of Minutes of June 6, 2012.

B. Consideration and Possible Approval of Accounts Payable Billings.

Vice Mayor Montoya moved to approve the Consent Agenda as presented, seconded by Councilmember Fitzgerald. Councilmember Sanderson recused himself from voting as the accounts payable item included a reimbursement for his travel. The motion passed on unanimous vote. Councilmember Sanderson returned to the meeting.

6. COMMITTEE REPORTS

Town Manager Ryall reported on the Community Park Committee meeting that had taken place on July 10, 2012. Bid packets have been distributed and bids will be opened on July 24, 2012 at 3:00 p.m. at the School District offices. The Tot Lot preparation will be included in the design work, but not the equipment itself.

The Planning & Zoning Commission will hold a workshop on July 24th to finalize the Zoning Ordinances changes and will hold a Public Hearing on the Ordinances on August 28, 2012.

7. ACTION ITEMS

A. Consideration, Discussion and Possible approval of Town Financial Policies

The Town Manager presented for discussion and possible action a draft of the first phase in adopting Town Financial Policies. The Council spent time reviewing the documents that included Fiscal Planning and Budgeting; Fund Balance Policies; Expenditure Control; and Grants. The Council was aware that these are just the first pieces of an overall Financial Policy discussion and development for the Town.

Vice Mayor Montoya moved to approve the specific amounts of \$250,000 for an Emergency Reserve; \$750,000 for Operating Reserve; and \$500,000 for the Budget Stabilization Reserve amounts, and that the trigger amount would be \$300,000 for the Operating and Budget Stabilization Reserve usage. The motion was seconded by Councilmember Fitzgerald and passed on unanimous vote.

8. DISCUSSION ITEMS

None.

9. TOWN MANAGER'S REPORT

Town Manager Ryall reported that the Grand Canyon Chamber/Visitor Bureau has once again offered to handle the Town's booth at the Annual League Conference Showcase in Scottsdale. The Town will cover all expenses.

The Town Manager shared with the Council her plans to create candidate assessment guidance tools for the Council to use in its future selection process for hiring a new Town Manager and Town Clerk. She also reviewed current projects that are being worked on by the Clerk in organizing all the Council's official documents and decisions, as well as business licenses and Public Information Requests and fulfillments.

10. Future Agenda Items

Council reviewed the scheduled list of Agenda items for the August 1, 2012 Council Meeting and added two items; 1) an update on the community park bids; and 2) an update on graphics for the Sheriff's vehicle assigned to Tusayan.

11. COUNCIL MEMBERS' REPORTS

Vice Mayor Montoya expressed his concern about the shortage of public restrooms in Town and whether the Town might consider renting porta-potties during the peak visitor season.

12. MAYOR'S REPORT

The Mayor reported on a meeting that he and the Town Manager had with John Nichols, Arizona Department of Transportation (ADOT), regarding actions and comments from the Flagstaff Convention and Visitors Bureau (CVB) and Coconino County Board of Supervisor Chairman, Matt Ryan, about the Grand Canyon Airport plans for improvements. Some comments were in protest of the improvements and asked Senator John McCain to oppose the use of "earmarked" funds for the expansion. Mayor Bryan will be talking with the Flagstaff Mayor and BOS about their positions.

The Mayor also reminded the Council that they need to begin the process of looking for a permanent Town Manager and Town Clerk. Council needs to think about whether they want a full-time or part-time Town Clerk.

13. MOTION TO ADJOURN

Councilmember Sanderson moved to adjourn the meeting at 7:52 p.m., seconded by Vice Mayor Montoya. The motion passed on unanimous vote.

MAYOR

ATTEST:

INTERIM TOWN CLERK

CERTIFICATION

State of Arizona)
) ss.
Coconino County)

I, Laura Matthews, do hereby certify that I am the Interim Town Clerk of the Town of Tusayan, County of Coconino, State of Arizona, and that the above minutes are a true and correct summary of the meeting of the Council of the Town of Tusayan held on July 18, 2012. I further certify that the meeting was duly called and held, and that a quorum was present.

DATED this 16th day of August, 2012.

INTERIM TOWN CLERK

TUSAYAN TOWN COUNCIL WORKSHOP AND REGULAR MEETING

PURSUANT TO A.R.S. § 38-431.02 & §38-431.03

Wednesday, August 1, 2012 at 5:00 P.M.

TUSAYAN TOWN HALL

845 Mustang Drive, Tusayan, Arizona

TOWN COUNCIL SUMMARIZED MINUTES

WORKSHOP

1. CALL TO ORDER AND PLEDGE OF ALLEGIANCE

Mayor Bryan called the Workshop to order at 5:03 p.m. and the Pledge of Allegiance was recited.

2. ROLL CALL

On roll call, the following were present:

**MAYOR BRYAN
VICE MAYOR MONTOYA**

**COUNCILMEMBER FITZGERALD
COUNCILMEMBER RUETER
COUNCILMEMBER SANDERSON**

Also present were:

Tami Ryall, Interim Town Manager
Laura Matthews, Interim Town Clerk

3. WORKSHOP ON DEVELOPMENT OF TOWN CODE

Interim Manager Ryall recommended that the Council use Camp Verde's Municipal Code as a template. She proposed tackling and adopting a small portion of the code at a time, perhaps two to four chapters at each workshop. Manager Ryall would also like the Council to consider setting aside or reserving chapters in their appropriate place for future needs. It was suggested that the Council repeal or incorporate any ordinances previously adopted as they come to them.

The Interim Manager proposed grouping sections to review together. Not necessarily in order, but to focus the discussions with like topics, or perhaps to review one small topic along with a more cumbersome subject to balance time.

To keep the momentum going, Ms. Ryall proposed having a workshop each month to discuss certain chapters, and to adopt the chapters that were agreed upon at the previous workshop. This would allow the Town's Attorney approximately three weeks to review.

Council was in consensus to take public input at the time of each workshop on the Town Code. The Town's community e-mail group will also receive the selected chapters two weeks prior to the workshop and will be asked to e-mail their comments to the Town Manager for compilation.

Council elected to hold special workshop sessions on the Tuesday before each first Wednesday Council Meeting. The workshops will begin at 5:00 p.m.

The following timeline was suggested:

Tuesday, September 4, 2012
Chapters 1, 3, and 14

Tuesday, October 2, 2012
Chapters 2, 4, and 15

Tuesday, November 6, 2012
Chapters 7 and 8

Tuesday, December 4, 2012
Chapters 13, 6, and 11

Tuesday, January 8, 2013
Chapter 9

Ms. Ryall will provide the Council with strike-out and underlined drafts of what is proposed to be changed from the Camp Verde Code. Sections for Town Marshall, Finance Director, etc. will have titles with the word "reserve" next to it.

The Council was in favor of Manager Ryall's proposed process, and instructed the Manager to move forward.

Councilmember Rueter moved to adjourn the workshop at 6:00 p.m. The motion was seconded by Vice Mayor Montoya and passed on unanimous vote.

REGULAR COUNCIL MEETING

1. CALL TO ORDER AND PLEDGE OF ALLEGIANCE

Mayor Bryan called the Meeting to order at 6:05 p.m. and the Pledge of Allegiance was recited.

2. ROLL CALL

On roll call, the following were present:

**MAYOR BRYAN
VICE MAYOR MONTOYA**

**COUNCILMEMBER FITZGERALD
COUNCILMEMBER RUETER
COUNCILMEMBER SANDERSON**

Also present were:

Tami Ryall, Interim Town Manager
Laura Matthews, Interim Town Clerk

3. CALL TO THE PUBLIC FOR ITEMS NOT ON THE AGENDA

None.

4. CEREMONIAL AND INFORMATIONAL ITEMS

A. Presentation by Tusayan Fire District

Fire Chief Robert "Robbie" Evans provided an in-depth power-point presentation on the activities and accomplishments of the Tusayan Fire District. Some of the highlights included:

- The Fire District is dispatched to all 911 calls in Tusayan by the National Park Service Dispatch.
- Medical calls are by far the largest volume of their calls, with approximately 255 calls annually.
- Standard Operating Guidelines are in place.
- A 5-year Strategic Plan has been adopted.
- Inspections of all commercial structures in Tusayan are completed with annual re-inspections scheduled.
- Since 1999, the Fire District has been awarded approximately \$400,000 in Federal and State grant monies.
- The District sponsored a free smoke detector and installation program, with annual fire awareness training at Grand Canyon Elementary School.
- The Fire District supports the U.S. Forest Service with personnel and apparatus in both their fuel reduction program and smoke management meetings.

The Council gave their thanks and appreciation to Fire Chief Evans, his staff and volunteers, for providing selfless service to the Tusayan community.

5. CONSENT AGENDA

A. Approval of the June 19, 2012 Budget Workshop Minutes, and the June 20, 2012 Regular Council Meeting Minutes.

B. Accounts Payable Billing.

Councilmember Rueter moved to approve the Consent Agenda. The motion was seconded by Vice Mayor Montoya and passed on unanimous vote.

6. ACTION ITEMS

A. Consideration, Discussion, and Possible Approval of IGA with Coconino County for Election Services.

Interim Manager Ryall presented the Council with an IGA between the Town and Coconino County for election services for the August 28, Primary Election.

Vice Mayor Montoya moved to approve the IGA, seconded by Councilmember Rueter. The motion passed on unanimous vote.

7. DISCUSSION ITEMS

A. Update on Participation in Arizona State Retirement System.

Because it is unknown what steps the former Town Manager took to enroll the Town of Tusayan in the Arizona State Retirement System (ASRS), it is unclear whether the Council will be able to vote on the issue as planned at their August 15, 2012 meeting. Staff will continue to research the matter and will report to the Council at their next meeting.

8. TOWN MANAGER'S REPORT

A. Audit Update.

Staff is preparing a letter agreement with Hinton Burdick, PLLC, who conducted the Town's audit last year. Their pricing is competitive, particularly because the Town is a returning client. The Manager's intention is to begin the audit process earlier than last year. The newly-hired bookkeeper will be able to watch the audit process and gain valuable training in maintaining proper financial statements.

B. Employee Housing Project.

Regarding the on-site employee housing project, all items are on track or ahead of schedule for occupancy by mid-December. The IGA with the Arizona Department of Transportation (ADOT) has been cleared by Town Attorney Sims with comments and is back with ADOT for their attorney's review. Manager Ryall will be bringing forth a lease agreement in the next few weeks. Permit fees are in the process of being paid in order to start the Sanitary District process. The electrical design is well underway, advanced by the Manager's meetings with ADOT.

C. Update on Graphics for Sheriff's Vehicle.

Interim Manager Ryall presented the Council with four mock-up graphic designs for the Tusayan Marshal's vehicle. Councilmembers gave varying opinions regarding the background views of the Grand Canyon, the size of the background, the color of the lettering, the contrast between the lettering and the background, the placement of the 911 symbol, and the placement of the Sheriff's star. Ms. Ryall noted the comments and will work with the County Sheriff's Department to incorporate them into a few more designs for the Council's consideration.

D. Report on Community Park Project Bids.

Interim Manager Ryall reported that the School District conducted a bid opening last week. With all alternates included, the bids came in at \$554,800. Regarding the Sports Court, the sidewalks, parking lot, power, lighting, fencing, and the ramada slab came to \$313,000. Add to that architect fees and project management fees, it came to \$347,000. The account for this item is \$340,000. However, Andrew Aldaz, Project Manager, believes another \$5,000 contribution from Coconino County will be forthcoming. What is not included in the bid is the site prep and grading for the Tot Lot.

Mr. Aldaz noted he has been tasked to call a meeting of the Community Park Committee to study the bid results. He will then come back to the Council with an update. He will provide a list of the items with the line-item costs.

9. FUTURE AGENDA ITEMS

Ms. Ryall requested to move the contract extension discussion with International Housing Solutions to the September 5, 2012 Council Agenda. There was no objection.

The Interim Manager was directed to add a discussion item to the August 15th agenda regarding the recruitment of a permanent Town Clerk and Town Manager.

10. COUNCILMEMBERS' REPORTS

Councilmember Fitzgerald announced he will not be in attendance at the August 15, 2012 Council Meeting; likewise, Mayor Bryan will not be in attendance on September 19th.

11. MAYOR'S REPORT

The Mayor noted that Com-Net is bringing an additional amount of broadband to the area in the next 8 to 12 weeks. The company is hoping to bring in much more broadband in 2013. Council will need to begin thinking about systems for distribution.

Mayor Bryan shared that he spoke with Gov-Net regarding possible assistance to the Tusayan Fire District regarding the enhancement of their radio and communication systems.

An Innovation Summit will be hosted by the Sustainable Economic Development Initiative (SEDI) in Flagstaff on October 9, 2012. There is a web site available for further information.

12. MOTION TO AJOURN

There being no further business to come before the Council, Councilmember Rueter moved to adjourn the meeting at 7:48 p.m. The motion was seconded by Vice Mayor Montoya and passed on unanimous vote.

MAYOR

ATTEST:

INTERIM TOWN CLERK

CERTIFICATION

State of Arizona)
) ss.
Coconino County)

I, Laura Matthews, do hereby certify that I am the Interim Town Clerk of the Town of Tusayan, County of Coconino, State of Arizona, and that the above minutes are a true and correct summary of the meeting of the Council of the Town of Tusayan held on August 1, 2012. I further certify that the meeting was duly called and held, and that a quorum was present.

DATED this 23rd day of August, 2012.

INTERIM TOWN CLERK

ITEM NO. 6A

RESOLUTION NO. 2012-07

**A RESOLUTION OF INTENT TO JOIN NORTHERN ARIZONA COUNCIL
OF GOVERNMENTS BY THE TOWN OF TUSAYAN**

WHEREAS, the Town of TUSAYAN became an incorporated town in 2010, and;

WHEREAS, the Town of TUSAYAN is now eligible to join and become a full member in the Northern Arizona Council of Governments, and;

WHEREAS, the Town of TUSAYAN wishes to join the Northern Arizona Council of Governments,

NOW THEREFORE BE IT RESOLVED, that the Town of TUSAYAN has passed this Resolution of Intent to Join Northern Arizona Council of Governments on this ____ day of _____, 2012.

Greg Bryan, Mayor

ATTEST:

APPROVED AS TO FORM:

Laura Matthews, Interim Town Clerk

William J. Sims, Town Attorney

ITEM NO. 6B

ARIZONA STATE RETIREMENT SYSTEM

POLITICAL SUBDIVISION SUPPLEMENTAL RETIREMENT PLAN

RESOLUTION 2012-08

(For Agreement with the Arizona State Retirement System)

WHEREAS, the Town of Tusayan,
(Name of Political Subdivision)

hereinafter designated the Political Subdivision, through its governing body, desires to establish a retirement plan for all of its eligible officers and employees to be administered by the Arizona State Retirement System (hereinafter designated ASRS) under Article 2, Chapter 5, Title 38 of the Arizona Revised Statutes.

NOW, THEREFORE, BE IT RESOLVED, that the Political Subdivision hereby adopts a Supplemental Retirement Plan pursuant to Section § 38-729, Arizona Revised Statutes, for the officers and employees of the Political Subdivision who are included within the Plan of the Political Subdivision providing for the extension of Federal Old Age and Survivors insurance benefits to the officers and employees of the Political Subdivision.

BE IT FURTHER RESOLVED, that the Supplemental Retirement Plan adopted by the Political Subdivision shall provide the same retirement benefits and require the same obligations for entitlements as are provided for all other members of the retirement plan established in Article 2, Chapter 5, Title 38, Arizona Revised Statutes.

BE IT FURTHER RESOLVED, the Applicant/employer agrees that it will pay contributions toward the ASRS retirement plan, the health insurance premium benefit plan and the long term disability plan which are determined by the ASRS to be required to fund the benefits available to the participating members.

BE IT FURTHER RESOLVED, that the Political Subdivision hereby approves an agreement, in the form of the agreement attached hereto, providing that the ASRS shall administer the Supplemental Retirement Plan of the Political Subdivision pursuant to Article 2, Chapter 5, Title 38, Arizona Revised Statutes.

BE IT FURTHER RESOLVED, that the Interim Town Manager
(Position Title) is designated as the Authorized Agent of the Political Subdivision and is authorized and directed to execute the Agreement, as submitted, on behalf of the Political Subdivision.

BE IT FURTHER RESOLVED, that said Authorized Agent is further authorized and directed as the representative of the Political Subdivision to conduct all negotiations, conclude all arrangements and sign all agreements and modifications of agreements which may be necessary to carry out the intent of the Agreement in conformity with all applicable Federal and State Laws, rules and regulations.

I, Laura Matthews Clerk/Secretary of the Town of Tusayan
(Name of Political Subdivision)

State of Arizona, do hereby certify the foregoing to be a full, true and correct copy of the resolution adopted by the Town Council
(Governing Body) of the Town of Tusayan
(Name of Political Subdivision), at a regular/special meeting held on the

5 day of September, 2012, as the same appears on record in my office.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of said

Town of Tusayan
(Name of Political Subdivision), at my office this _____ day of _____, 2012.

Clerk/Secretary

APPROVE TO FORM

William J. Sims, III

Greg Bryan, Mayor

ARIZONA STATE RETIREMENT SYSTEM

SOCIAL SECURITY COVERAGE

RESOLUTION 2012-09

(For Agreement with the Arizona State Retirement System)

WHEREAS, the Town of Tusayan

(Name of Political Subdivision)

hereinafter designated the Political Subdivision, through its governing body, desires to extend the benefits of Title II of the Federal Social Security Act, as amended, and Title 38, Chapter 5, Article 1, Arizona Revised Statutes, to eligible employees of the Political Subdivision, and

WHEREAS, in order to extend to such eligible employees coverage under the said insurance system, the Political Subdivision must submit for approval by the Arizona State Retirement System Director a plan for such coverage

NOW, THEREFORE, BE IT RESOLVED, that the Political Subdivision shall extend to the employees of the Political Subdivision the benefits of Title II of the Federal Social Security Act, as amended, for all services that constitute employment performed in the employ of the Political Subdivision in conformity with the requirements of the Federal Social Security Act and with the Agreement dated June 29, 1951 between the State of Arizona and the Secretary of Health and Human Services.

BE IT FURTHER RESOLVED that the Political Subdivision hereby adopts a Plan, in the form of the plan attached hereto, providing for the extension of the benefits of Title II of the Federal Social Security Act, as amended, to the employees of the Political Subdivision upon the terms and conditions provided in the Plan.

Social Security Coverage

BE IT FURTHER RESOLVED, that the Interim Town Manager
(Position Title)

hereby is designated as the Authorized Agent of the Political Subdivision and hereby is authorized and directed to execute the Plan, in the form submitted, on behalf of the Political Subdivision and to forward the same to the State Agency for approval and further action; and.

BE IT FURTHER RESOLVED, that said Authorized Agent is further authorized and directed as the representative of the Political Subdivision to conduct all negotiations, conclude all arrangements and sign all instruments which may be necessary to carry out the letter and intent of the aforesaid Plan in conformity with all applicable Federal and State Laws, rules and regulations.

I, Laura Matthews Clerk/Secretary of the Town of Tusayan
(Name of Political Subdivision)

State of Arizona, do hereby certify the foregoing to be a full, true and correct copy of the resolution adopted by the Town Council of the
(Governing Body)

Town of Tusayan, at a regular/special meeting held on the
(Name of Political Subdivision)
5th day of September, 2012, as the same appears on record in my office.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of said
Town of Tusayan at my office this _____ day of
(Name of Political Subdivision)
_____, 201_____.

Clerk/Secretary

APPROVE TO FORM

William J. Sims, III

Greg Bryan, Mayor

ITEM NO. 6C

**Grand Canyon National Park Airport
Aeronautics Division
Arizona Department of Transportation**

**NON-EMPLOYEE RENTAL AGREEMENT For RESIDENTIAL
PROPERTY TO PLACE PRIVATELY OWNED HOUSE**

The State of Arizona by and thru the Arizona Department of Transportation, herein referred to as LESSOR, does hereby authorize the Town of Tusayan hereinafter referred to as LESSEE, to occupy 5417 square feet of airport property located in STAFF HOUSING, GRAND CANYON NATIONAL PARK AIRPORT in the city of **Grand Canyon**. Said property is more particularly described as GRAND CANYON NATIONAL PARK AIRPORT TOWN OF TUSAYAN HOUSING UNIT #01, as shown on attached Exhibit A.

THIS AGREEMENT IS SUBJECT TO THE FOLLOWING TERMS AND CONDITIONS:

1) Term of the Agreement

That the term of this agreement will be for a period of **Ten (10) years**, commencing _____ . Either party may terminate this lease by sending written notice of such action at least six (6) months prior to the intended effective date of cancellation.

2) Rental Rate

That the rental rate is established by the Arizona Department of Transportation at fifteen cents (\$0.15) per square foot or **\$810.00** per month, payable by check or money order made payable to **Grand Canyon National Park Airport**. The rent will be adjusted annually at a rate equal to the CPI increases for the previous 12 months to a maximum of 3%. Additional increases may be imposed due to overall improvements to the housing area. The rent will become due and payable commencing _____ and be due on the **Fifth** day of each month thereafter.

3) Cancellation Clause

That this agreement is subject to cancellation by the Governor pursuant to A.R.S. §38.511.

4) Use of Subject Property

That the property is for the sole use of Lessee, and shall only be used for the purpose of placing a single-family residence for the Tusayan Town Manager. Lessee shall make no alterations, addition or improvement or demolition without first obtaining written permission from the Lessor. Lessee also agrees to use said property without creating or causing to be created, nuisances or hazards to the public health or safety and also not to use or permit any use of property for any illegal or immoral purposes and to comply with all State laws or local ordinances concerning said property and the use thereof. Lessee agrees that use of subject property shall be conducted in such manner so as to insure the quiet enjoyment of the neighboring properties. Lessee understands and agrees that the parking or storage of any type of vehicle or trailer on

any unpaved area shall be permitted only with the written consent of Lessor, and that no vehicle or trailer shall be driven on or over any landscaped or grass area without permission of Lessor.

5) Improvements to Subject Property

That is Lessee desires to construct improvements on the subject property. Lessee shall first submit a request in writing to Lessor. Lessee shall have written permission from Lessor prior to the start of any said construction. On or before termination of this Rental Agreement, if directed by the Lessor, Lessee at Lessee's expense shall remove any and all improvements placed on said parcel by Lessee. If removal of said improvements defaces the subject property, Lessee at Lessee's expense, shall be responsible for replacing or repairing any damage caused by such removal prior to termination of this agreement. Should it be the Lessee's desire to allow said improvements to remain on the lease property and the Lessor does not object to said improvements remaining on the leased property, the improvements shall become the sole and separate property of the Lessor at no cost to Lessor.

6) Repairs to Subject Property

That Lessor will perform repairs and maintenance necessary to keep the subject property in a fit and habitable conditions. Lessee is expected to perform all repairs and maintenance as may from time to time be required, except those required as a result of airport action.

7) Zoning and Permits Required

That Lessee shall obtain zoning clearance and/or building permits from all governmental agencies having jurisdiction over subject property prior to the start of activities as detailed in the paragraph entitled IMPROVEMENT TO SUBJECT PROPERTY. Copies of the documents shall be provided to Lessor by Lessee. Lessee further agrees that said zoning clearance an/or building permits shall be obtained at no cost to Lessor.

8) Maintenance of Subject Property

That Lessee will keep property in a neat, clean and orderly condition at all times during occupancy, including the watering, weeding and trimming of shrubs, trees, lawns, planters, and other landscaped areas and not permit debris to accumulate at any time, not to commit, suffer or permit any waste of said property or any acts to be committed in violation of any laws or ordinances.

9) Mechanics Liens

That Lessee shall keep the property free from any liens arising from work performed, materials furnished or obligations incurred by Lessee and shall indemnify, hold harmless and defend Lessor from any liens and encumbrances arising from any work performed or materials furnished by or at the direction of Lessee. Upon completion of any approved construction activity, copies of signed lien waivers shall be supplied to Lessor by Lessee.

10) Untenantable Property Due to Damage

That in the event the property is partially damaged or totally destroyed by flood, accident or acts of God, the Lessor shall have the option to terminate this agreement by delivering written Notice of Immediate Termination to Lessee.

11) Right of Entry by Lessor

The Lessee acknowledges that Lessor's needs and requirements may necessitate survey or preliminary engineering studies to be made from time to time, thereby Lessor specifically reserves a right of entry to occupied lands at any and all reasonable times for such purposes as shall be required by Lessor.

12) Inspections by Lessor

That Lessor reserves the right to inspect the premises periodically to determine the general condition and upkeep of the property. Lessor will give Lessee not less than two-days notice of such inspection. Lessee will not unreasonably withhold permission for such inspection

13) Liability of Lessor

This agreement is made upon the express condition that Lessor does not protect or insure against loss of personal property or improvements owned by Lessee. Lessee waives the right to claim damages from Lessor for any damage resulting to said property in the event that property is damaged or destroyed by fire or any other perils that is not the direct result of negligence by the Lessor. The Lessee assumes full responsibility for any damage to, or loss of, any ADOT property leased hereunder, due to personal negligence or that of individuals whom they are legally responsible.

Lessee shall hold and save harmless Lessor, or any of its departments, agencies, board commissions, agents, or employees from all cost and damages to any person arising out of any injuries or losses caused by Lessee, its agents or employees, licensees, invitees, trespassers or any third parties willful or negligent act during occupancy of the subject property.

The Lessee shall provide evidence of liability insurance by submitting a certificate of insurance that shall name the State of Arizona and the Arizona Department of Transportation as additional insured and shall be provided to the Airport Manager along with this signed agreement prior to occupying the assigned housing unit.

Liability - \$300,000.00

Medical Payments to Others - \$10,000.00

The insurance requirements herein are minimum requirements for this lease and in no way limit the indemnity covenants contained in this lease. The State of Arizona in no way warrants that the minimum limits contained herein are sufficient to protect the Lessee entirely from any injuries or losses caused by Lessee, its agents or employees, licensees, invitees, trespassers or any third parties willful or negligent act during occupancy of the subject property.

14) Utilities

That the Lessee is responsible for connecting all utilities to the site and that the following utilities are to be in the name of and paid by Lessor: WATER AT \$10.00 Per Month, that all other utilities required by Lessee shall be in the name of and paid by Lessee.

15) Prior Lease and Agreements

That in the event there is any prior or existing lease or rental agreement covering the subject property and dwelling, this Rental Agreement shall cancel and terminate said prior lease or rental agreement as of the effective date of this Rental Agreement.

16) Relocation Provisions

That notwithstanding anything to the contrary, this Rental Agreement is not subject to the provisions of A.R.S. §28*-1841, et seq. and rules promulgated there under and 42 U.S.C. 4601-4639 and regulations promulgated there under both as now existing or as may hereafter be amended during the term of this Rental Agreement. This clause shall not extend any right to Lessee or impose any liability or duty upon Lessor provided for the herein referenced statutes and regulations.

17) Sale of Subject Property by Lessor

That Lessee agrees in the event Lessor desires to sell said property, Lessee will make no claim to prevent such sale.

18) Transfer of Ownership by Lessor

That any transfer of ownership of, or rights in, the subject property by the Lessor to any other governmental agency shall be conditional to this lease.

19) Assignment of Agreement of Lessee

That Lessee shall not assign his interest herein, and shall not sublease the aforesaid premises or permit same to be used by unauthorized person or firm.

20) Nondiscrimination Regulations

That Lessee for him/herself, his/her personal representatives, successors in interest and assigns as a part of the consideration hereof, do hereby covenant and agree as a covenant running with the land that (1) no person on the grounds of race, color, creed, sex, age, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities, (2) in the construction of any improvements on, over or under such land and the furnishings of services thereon, no person on the grounds of race, color, creed, sex, age or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination. (3) Lessee shall use the premises in compliance with all requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation. Subtitle A, Office of the Secretary, Part 21, Nondiscrimination conveyances, Lessor shall have the right to terminate this Rental Agreement and to re-enter and repossess said land and dwelling thereon, and hold the same as if said Rental Agreement had never been made or issued.

21) Default by Lessee

That should Lessee default on any term or condition of this agreement, specifically failure to submit the monthly rental payment as specified, the agreement shall terminate in thirty (30) days. In the event of default by Lessee due to excessive damage to the house or illegal activity being conducted, the agreement shall terminate in three (3) days. In the event of default by Lessee, Lessor shall have all remedies as provided by law. Unless otherwise provided by

statute, Lessor lessee will pay the prevailing party, courts costs and attorney's fees in a reasonable sum in any legal action relating to the lease.

22) Return of Subject Property to Lessor

That upon vacating, Lessee agrees to leave the premises in as good a condition or better than existed on the 1st day of occupancy, allowing for ordinary and normal usage during occupancy, and to reimburse Lessor for any damage done to said property caused by Lessee's occupation or tenancy, other than due to normal use. Nothing herein shall be deemed a waiver of any rights to Lessor to demand and obtain possession of said premises in accordance with the law in the event of a violation on part of Lessee of any of the terms and conditions hereof.

23) Addenda

That any addenda to this Rental Agreement are by this reference made a part hereof as though fully set forth herein.

24) Addresses of Lessor and Lessee

That any notices to or demand upon either party hereto by the other pursuant to this Rental Agreement shall be in writing and shall be delivered to the other party or forwarded by registered mail, postage paid, addressed as follows:

To Lessor at:

**Grand Canyon National Park Airport
Airport Manager's Office
Grand Canyon, AZ 86023**

(928) 638-2446

To Lessee at:

Town of Tusayan
Town Manager
P.O. Box 709
Grand Canyon, AZ 86023
(928) 638-9909

Signature (Lessee) *Mayor Bryan*

Signature (Lessor-Airport Manager)

Date _____

Date _____

**Grand Canyon National Park Airport
Aeronautics Division
Arizona Department of Transportation**

**NON-EMPLOYEE RENTAL AGREEMENT For RESIDENTIAL
PROPERTY TO PLACE PRIVATELY OWNED HOUSE**

The State of Arizona by and thru the Arizona Department of Transportation, herein referred to as LESSOR, does hereby authorize the Town of Tusayan hereinafter referred to as LESSEE, to occupy 4465 square feet of airport property located in STAFF HOUSING, GRAND CANYON NATIONAL PARK AIRPORT in the city of **Grand Canyon**. Said property is more particularly described as GRAND CANYON NATIONAL PARK AIRPORT TOWN OF TUSAYAN HOUSING UNIT #02, as shown on attached Exhibit A.

THIS AGREEMENT IS SUBJECT TO THE FOLLOWING TERMS AND CONDITIONS:

1) Term of the Agreement

That the term of this agreement will be for a period of **Ten (10) years**, commencing _____, Either party may terminate this lease by sending written notice of such action at least six (6) months prior to the intended effective date of cancellation.

2) Rental Rate

That the rental rate is established by the Arizona Department of Transportation at fifteen cents (\$0.15) per square foot or **\$670.00** per month, payable by check or money order made payable to **Grand Canyon National Park Airport**. The rent will be adjusted annually at a rate equal to the CPI increases for the previous 12 months to a maximum of 3%. Additional increases may be imposed due to overall improvements to the housing area. The rent will become due and payable commencing _____ and be due on the **Fifth** day of each month thereafter.

3) Cancellation Clause

That this agreement is subject to cancellation by the Governor pursuant to A.R.S. §38.511.

4) Use of Subject Property

That the property is for the sole use of Lessee, and shall only be used for the purpose of placing a single-family residence for a full-time Town of Tusayan employee. Lessee shall make no alterations, addition or improvement or demolition without first obtaining written permission from the Lessor. Lessee also agrees to use said property without creating or causing to be created, nuisances or hazards to the public health or safety and also not to use or permit any use of property for any illegal or immoral purposes and to comply with all State laws or local ordinances concerning said property and the use thereof. Lessee agrees that use of subject property shall be conducted in such manner so as to insure the quiet enjoyment of the neighboring properties. Lessee understands and agrees that the parking or storage of any type

of vehicle or trailer on any unpaved area shall be permitted only with the written consent of Lessor, and that no vehicle or trailer shall be driven on or over any landscaped or grass area without permission of Lessor.

5) Improvements to Subject Property

That is Lessee desires to construct improvements on the subject property. Lessee shall first submit a request in writing to Lessor. Lessee shall have written permission from Lessor prior to the start of any said construction. On or before termination of this Rental Agreement, if directed by the Lessor, Lessee at Lessee's expense shall remove any and all improvements placed on said parcel by Lessee. If removal of said improvements defaces the subject property, Lessee at Lessee's expense, shall be responsible for replacing or repairing any damage caused by such removal prior to termination of this agreement. Should it be the Lessee's desire to allow said improvements to remain on the lease property and the Lessor does not object to said improvements remaining on the leased property, the improvements shall become the sole and separate property of the Lessor at no cost to Lessor.

6) Repairs to Subject Property

That Lessor will perform repairs and maintenance necessary to keep the subject property in a fit and habitable conditions. Lessee is expected to perform all repairs and maintenance as may from time to time be required, except those required as a result of airport action.

7) Zoning and Permits Required

That Lessee shall obtain zoning clearance and/or building permits from all governmental agencies having jurisdiction over subject property prior to the start of activities as detailed in the paragraph entitled IMPROVEMENT TO SUBJECT PROPERTY. Copies of the documents shall be provided to Lessor by Lessee. Lessee further agrees that said zoning clearance an/or building permits shall be obtained at no cost to Lessor.

8) Maintenance of Subject Property

That Lessee will keep property in a neat, clean and orderly condition at all times during occupancy, including the watering, weeding and trimming of shrubs, trees, lawns, planters, and other landscaped areas and not permit debris to accumulate at any time, not to commit, suffer or permit any waste of said property or any acts to be committed in violation of any laws or ordinances.

9) Mechanics Liens

That Lessee shall keep the property free from any liens arising from work performed, materials furnished or obligations incurred by Lessee and shall indemnify, hold harmless and defend Lessor from any liens and encumbrances arising from any work performed or materials furnished by or at the direction of Lessee. Upon completion of any approved construction activity, copies of signed lien waivers shall be supplied to Lessor by Lessee.

10) Untenantable Property Due to Damage

That in the event the property is partially damaged or totally destroyed by flood, accident or acts of God, the Lessor shall have the option to terminate this agreement by delivering written Notice of Immediate Termination to Lessee.

11) Right of Entry by Lessor

The Lessee acknowledges that Lessor's needs and requirements may necessitate survey or preliminary engineering studies to be made from time to time, thereby Lessor specifically reserves a right of entry to occupied lands at any and all reasonable times for such purposes as shall be required by Lessor.

12) Inspections by Lessor

That Lessor reserves the right to inspect the premises periodically to determine the general condition and upkeep of the property. Lessor will give Lessee not less than two-days notice of such inspection. Lessee will not unreasonably withhold permission for such inspection

13) Liability of Lessor

This agreement is made upon the express condition that Lessor does not protect or insure against loss of personal property or improvements owned by Lessee. Lessee waives the right to claim damages from Lessor for any damage resulting to said property in the event that property is damaged or destroyed by fire or any other perils that is not the direct result of negligence by the Lessor. The Lessee assumes full responsibility for any damage to, or loss of, any ADOT property leased hereunder, due to personal negligence or that of individuals whom they are legally responsible.

Lessee shall hold and save harmless Lessor, or any of its departments, agencies, board commissions, agents, or employees from all cost and damages to any person arising out of any injuries or losses caused by Lessee, its agents or employees, licensees, invitees, trespassers or any third parties willful or negligent act during occupancy of the subject property.

The Lessee shall provide evidence of liability insurance by submitting a certificate of insurance that shall name the State of Arizona and the Arizona Department of Transportation as additional insured and shall be provided to the Airport Manager along with this signed agreement prior to occupying the assigned housing unit.

Liability - \$300,000.00
Medical Payments to Others - \$10,000.00

The insurance requirements herein are minimum requirements for this lease and in no way limit the indemnity covenants contained in this lease. The State of Arizona in no way warrants that the minimum limits contained herein are sufficient to protect the Lessee entirely from any injuries or losses caused by Lessee, its agents or employees, licensees, invitees, trespassers or any third parties willful or negligent act during occupancy of the subject property.

14) Utilities

That the Lessee is responsible for connecting all utilities to the site and that the following utilities are to be in the name of and paid by Lessor: WATER AT \$10.00 Per Month, that all other utilities required by Lessee shall be in the name of and paid by Lessee.

15) Prior Lease and Agreements

That in the event there is any prior or existing lease or rental agreement covering the subject property and dwelling, this Rental Agreement shall cancel and terminate said prior lease or rental agreement as of the effective date of this Rental Agreement.

16) Relocation Provisions

That notwithstanding anything to the contrary, this Rental Agreement is not subject to the provisions of A.R.S. §28*-1841, et seq. and rules promulgated there under and 42 U.S.C. 4601-4639 and regulations promulgated there under both as now existing or as may hereafter be amended during the term of this Rental Agreement. This clause shall not extend any right to Lessee or impose any liability or duty upon Lessor provided for the herein referenced statutes and regulations.

17) Sale of Subject Property by Lessor

That Lessee agrees in the event Lessor desires to sell said property, Lessee will make no claim to prevent such sale.

18) Transfer of Ownership by Lessor

That any transfer of ownership of, or rights in, the subject property by the Lessor to any other governmental agency shall be conditional to this lease.

19) Assignment of Agreement of Lessee

That Lessee shall not assign his interest herein, and shall not sublease the aforesaid premises or permit same to be used by unauthorized person or firm.

20) Nondiscrimination Regulations

That Lessee for him/herself, his/her personal representatives, successors in interest and assigns as a part of the consideration hereof, do hereby covenant and agree as a covenant running with the land that (1) no person on the grounds of race, color, creed, sex, age, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities, (2) in the construction of any improvements on, over or under such land and the furnishings of services thereon, no person on the grounds of race, color, creed, sex, age or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination. (3) Lessee shall use the premises in compliance with all requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation. Subtitle A, Office of the Secretary, Part 21, Nondiscrimination conveyances, Lessor shall have the right to terminate this Rental Agreement and to re-enter and repossess said land and dwelling thereon, and hold the same as if said Rental Agreement had never been made or issued.

21) Default by Lessee

That should Lessee default on any term or condition of this agreement, specifically failure to submit the monthly rental payment as specified, the agreement shall terminate in thirty (30) days. In the event of default by Lessee due to excessive damage to the house or illegal activity being conducted, the agreement shall terminate in three (3) days. In the event of default by Lessee, Lessor shall have all remedies as provided by law. Unless otherwise provided by

statute, Lessor lessee will pay the prevailing party, courts costs and attorney's fees in a reasonable sum in any legal action relating to the lease.

22) Return of Subject Property to Lessor

That upon vacating, Lessee agrees to leave the premises in as good a condition or better than existed on the 1st day of occupancy, allowing for ordinary and normal usage during occupancy, and to reimburse Lessor for any damage done to said property caused by Lessee's occupation or tenancy, other than due to normal use. Nothing herein shall be deemed a waiver of any rights to Lessor to demand and obtain possession of said premises in accordance with the law in the event of a violation on part of Lessee of any of the terms and conditions hereof.

23) Addenda

That any addenda to this Rental Agreement are by this reference made a part hereof as though fully set forth herein.

24) Addresses of Lessor and Lessee

That any notices to or demand upon either party hereto by the other pursuant to this Rental Agreement shall be in writing and shall be delivered to the other party or forwarded by registered mail, postage paid, addressed as follows:

To Lessor at:

Grand Canyon National Park Airport
Airport Manager's Office
Grand Canyon, AZ 86023

(928) 638-2446

To Lessee at:

Town Manager
Town of Tlesayan
P.O. Box 709
Grand Canyon, AZ 86023
(928) 438-9909

Signature (Lessee) Mayor Bryan

Signature (Lessor-Airport Manager)

Date _____

Date _____

ITEM NO. 9A

TENTATIVE FUTURE AGENDA AND EVENT CALENDAR

September 19, 2012 – Regular Council Meeting

1. Consideration and possible approval of contract extension with International Housing Solutions
2. Discussion and possible approval of Contract for Prosecutor Services

September 25, 2012 – Planning and Zoning Public Hearing

1. Proposed revisions to the Zoning Code – possible adoption
2. CUP application for patio at Grand Canyon Dinner Theater

October 2, 2012 – Special Council Meeting – Workshop

1. Municipal Code Workshop, Chapters 2 (Mayor/Council), Chapter 4 (Boards/Commissions), and Chapter 15 (Manner of Elections)

October 3, 2012 – Regular Council Meeting

1. Capital Improvement Plan discussion

October 17, 2012 – Regular Council Meeting

1. Discussion and tentative outline for development of Tusayan Public Housing Authority

October 23, 2012 – Planning and Zoning Commission Meeting

1. _____