CITY OF KINGMAN
MEETING OF THE CITY COUNCIL
Council Chambers
310 N. 4th Street Kingman, AZ 86401

5:00 PM **AGENDA** **Tuesday, July 7, 2026**

****A member of the City Council may be attending the meeting by telephone or video conference****

REGULAR MEETING

CALL TO ORDER AND ROLL CALL

INVOCATION

Invocation will be given by Pastor Peter Ernst of Family Bible Church

PLEDGE OF ALLEGIANCE

THE COUNCIL MAY GO INTO EXECUTIVE SESSION FOR LEGAL COUNSEL IN ACCORDANCE WITH A.R.S.38-431.03(A) 3 TO DISCUSS ANY AGENDA ITEM. THE FOLLOWING ITEMS MAY BE DISCUSSED, CONSIDERED AND DECISIONS MADE RELATING THERETO:

1. APPOINTMENTS

a. Economic Development Advisory Commission Partial Term Appointment

The Economic Development Advisory Commission currently has one vacancy due to the resignation of Commissioner Ben LaParne. This is a partial-term appointment with a term starting July 2026 and ending December 31, 2028. Staff has received eleven City resident applications from the following interested individuals: Carl Stuart, Cathy Gates, Christopher Akers, Vicki Zumwalt, Christopher Cranny, John Molitor, John Bennett, Daniel Christian, Calvin Brostrom, Douglas Baack, and Darren Rasmussen. Staff has received three County resident applications from the following interested individuals: Jeremy Brunk, Marianne Salem, and Jon Berger. The code allows for two non-residents on the Commission, and there is currently only one non-resident. Residency and voter registration have been confirmed. **Council discretion.**

Per A.R.S. 38-431.03(A)1 the City Council may enter into an Executive Session to review the Commission applications.

2. CALL TO THE PUBLIC - COMMENTS FROM THE PUBLIC

Those wishing to address the Council should fill out request forms in advance. Comments from the Public will be restricted to items not on the agenda with the exception of those on the Consent Agenda. There will be no comments allowed that advertise for a particular person or group. Comments should be limited to no longer than 3 minutes. The Council may not respond to speakers during the call to the public. The Council may direct the City Manager to study the matter or request that the matter be placed on a future agenda.

3. CONSENT AGENDA

All matters listed here are considered to be routine by the City Council and will be enacted by one motion. There will be no separate discussion of these items. If discussion is desired, that item will be removed from the CONSENT AGENDA and will be considered separately.

a. Approval of the Regular Meeting Minutes of June 16, 2026

b. Approval of the Special Meeting Minutes of June 23, 2026

c. Approval of a Series No. 12 Liquor License Application for Kingman Craft House

Applicant Courtney L. Martin has applied for a Series No. 12- Restaurant Liquor License for a business located at 2215 Hualapai Mountain Rd. **Staff recommends approval.**

d. Authorization to Execute a Five (5) Year Contract with CSG Forte Payments for Merchant Card Processing Services

The existing contract for merchant card processing services for the Interactive Voice Response (IVR) phone payment system and the Parks and Recreation CivicPlus software system is expiring and staff has completed the formal bidding processes to procure these services. Six (6) responses were received and the evaluation committee scored these responses. The top response scored was submitted by CSG Forte Payments. Staff is bringing the five (5) year agreement to Council for review and seeking approval to execute the agreement. **Staff recommends approval.**

e. Approval of Amendment to the Air'Zona Aircraft Services Inc. Lease

Air'Zona Aircraft Solutions Inc., the Fixed Base Operator (FBO) at Kingman Municipal Airport, assumed the lease in 2021. The original lease dated February 11, 1980, has a section of apron used for aircraft parking that is exclusive to the FBO. This exclusive use prevents any Federal or State funding from being applied to this location for rehabilitation, reconstruction, or preventative maintenance. By striking "exclusive" from Section 3 of the original lease, staff may pursue federal and state funding opportunities to rehab the transient apron in its entirety. **Staff recommends approval.**

f. Approval of Resolution No. 5629- Intergovernmental Agreement between Northern Arizona Fire District and the City of Kingman for the Maintenance of Fire Hydrants

This IGA is for continued maintenance and repair of existing fire hydrants within the

boundaries of the District NAFD that were installed by and are owned by the City for a total of 701 hydrants. NAFD agrees to pay the City the sum of $31,659 for the first year and an adjusted amount for the second year. **Staff recommends approval.**

g. Approval of Amendment to Extend the Program Coordination Agreement with WAVE for the Fire Explorer Program

Western Arizona Vocational Education District ("WAVE") and Kingman Fire Department entered into a Program Coordination Agreement dated July 1st, 2024 (the "Agreement"), under which the Department provides program coordination services for WAVE's fire science and/or emergency services educational programs. WAVE is requesting the extension of the term of the agreement for one year on the same terms and conditions. **Staff recommends approval.**

h. Approval of Resolution No. 5630- Accepting Public Utility Easements Associated with the Serena Grace Meadows Subdivision Tract 6006 and Adjacent Parcels

The final plat for the Serena Grace Meadows subdivision was approved in 2006. The approved plat shows 5-foot wide public utility easements across the frontage of all the lots in the subdivision. Angle Homes is granting an additional 3-foot wide public utility easement for each lot, resulting in a total easement width of 8 feet. This will provide sufficient area for utilities to be installed. Additionally, they are granting 8-foot wide utility easements for adjacent lots that are owned by Angle Homes, but not part of the original approved plat. **Staff recommends approval.**

i. Approval of Resolution No. 5623- Authorization to Submit an Application to Arizona's Department of Emergency and Military Affairs (DEMA) and Authorize the Mayor as the Applicant Authorized Representative

On June 22, 2026 the United States Department of Homeland Security issued a Notice of Funding Opportunity for their FY2026 Pre-Disaster Mitigation (PDM) Congressionally Directed Spending Grant Program which included $493,000 in grant funding for the City's *Bull Mountain Channel Improvements* project. Resolution No. 5623 is to approve the City's submission of the FY2026 Pre-Disaster Mitigation (PDM) Congressionally Directed Spending Grant Program application to complete the Bull Mountain Channel Improvements and designate the Mayor as the Applicant Authorized Representative. **Staff recommends approval.**

j. Approval of Sun Belt Sports Park, J2 Design Contract Modification 1

With the Capital Improvement Plan Budget (CIP) adjustments, the City of Kingman is requesting J2 Engineering and Environmental Design, LLC complete the design for the drainage channel, the redesign allowing for additional parking, and the fill and grading design of the south area associated with the tie-in to Fire Station 25. The park's design is approved in the FY2026-27 Adopted Budget and 5-Year CIP. There will be a fiscal impact of $230,475 to the Capital Projects Fund. **Staff recommends approval.**

4. ACTION ITEMS

a. Agreement for Professional Services for Area Traffic Study at Intersection of Hualapai Mountain Road / Stockton Hill Road / Andy Devine Avenue

The intersection of Hualapai Mountain Road, Stockton Hill Road and Andy Devine Avenue experiences significant delays during the peak hours in multiple directions. Kimley Horn submitted a proposal in the amount of $99,775.00 to identify near-term, low-cost solutions to address safety and congestion. This project was approved in the FY2026-2027 Adopted Budget and 5-Year Capital Improvement Plan. **Staff recommends approval.**

b. Kingman Police Department Recruitment/Retention Strategy and Proposed Recruitment Incentives

In order to attract qualified officers the Police Department has prepared a Recruitment-Retention Strategy and Workforce Development Plan. The purpose of the plan is to attract, recruit and retain highly qualified police officers. The plan proposes improvements across all aspects of the hiring process, including marketing, applicant engagement, community outreach, competitive wages and additional incentives. **Staff recommends approval.**

5. DEPARTMENT REPORTS

a. Report on Status of Flying Fortress Parkway Project

b. Customer Complaint Process for Water Issues

6. ANNOUNCEMENTS BY MAYOR, COUNCIL MEMBERS, CITY MANAGER

Limited to announcements, board and commission liaison reports, availability/attendance at conferences and seminars.

7. COUNCIL REQUESTS FOR FUTURE REPORTS AND UPDATES

8. EXECUTIVE SESSION

a. Discussion Regarding Kingman Crossing

City staff request Council go into executive session pursuant to ARS 38-431.03(A)(3) to discuss Kingman Crossing.

Council discussion or direction.

ADJOURNMENT

ALL PERSONS ATTENDING THE COUNCIL MEETING, WHETHER SPEAKING TO THE COUNCIL OR NOT, ARE EXPECTED TO OBSERVE THE COUNCIL RULES, AS WELL AS THE RULES OF POLITENESS, PROPRIETY, DECORUM, AND GOOD CONDUCT. ANY PERSON INTERFERING WITH THE MEETING IN ANY WAY, OR ACTING RUDELY OR LOUDLY WILL BE REMOVED FROM THE MEETING AND WILL NOT BE ALLOWED TO RETURN.

ANYONE REQUIRING ACCOMODATIONS SHOULD CONTACT THE CITY CLERK'S OFFICE AT 928-753-8113, AT LEAST 24 HOURS IN ADVANCE.

CITY OF KINGMAN
COMMUNICATION TO COUNCIL

TO:	Honorable Mayor and City Council
FROM:	Annie Meredith
MEETING DATE:	July 7, 2026
AGENDA SUBJECT:	Invocation will be given by Pastor Peter Ernst of Family Bible Church

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CITY OF KINGMAN
COMMUNICATION TO COUNCIL

TO:	Honorable Mayor and City Council
FROM:	Annie Meredith
MEETING DATE:	July 7, 2026
AGENDA SUBJECT:	Economic Development Advisory Commission Partial Term Appointment

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SUMMARY:
The Economic Development Advisory Commission currently has one vacancy due to resignation of Commissioner Ben LaParne. This is a partial-term appointment with a term starting July 2026 and ending December 31, 2028. Staff has received eleven City resident applications from the following interested individuals: Carl Stuart, Cathy Gates, Christopher Akers, Vicki Zumwalt, Christopher Cranny, John Molitor, John Bennett, Daniel Christian, Calvin Brostrom, Douglas Baack, and Darren Rasmussen. Staff has received three County resident applications from the following interested individuals: Jeremy Brunk, Marianne Salem, and Jon Berger. At this time, the code allows for two non-residents on the Commission and there is currently one non-resident. Residency and voter registration have been confirmed. Per A.R.S. 38-431.03(A)1 the City Council may enter into an Executive Session to review the Commission applications.

STAFF RECOMMENDATION:
Staff recommends Council select one of the applicants to complete the remainder of the vacated term.

SUGGESTED MOTION:
Move to appoint one of the applicants to complete the remainder of the term for Commissioner LaParne.

CITY OF KINGMAN
COMMUNICATION TO COUNCIL

TO:	Honorable Mayor and City Council
FROM:	Annie Meredith
MEETING DATE:	July 7, 2026
AGENDA SUBJECT:	Approval of the Regular Meeting Minutes of June 16, 2026

STAFF RECOMMENDATION:
Staff recommends approval.

ATTACHMENTS:
Minutes_2026_06_16.pdf

CITY OF KINGMAN
MEETING OF THE CITY COUNCIL
****AMENDED AGENDA****
Council Chambers
310 N. 4th Street Kingman, AZ 86401

5:00 PM **MINUTES** **Tuesday, June 16, 2026**

REGULAR MEETING

CALL TO ORDER AND ROLL CALL

Member Name	Status
Ken Watkins - Mayor	Present
Cherish Sammeli - Vice Mayor	Present
Jim Dykens - Councilmember	Present
Shawn Savage - Councilmember	Present
Jamie Scott Stehly - Councilmember	Present
Keith Walker - Councilmember	Present
Smiley Ward - Councilmember	Present

Vice Mayor Sammeli called the meeting to order at 5:00 P.M. and roll call was taken. All councilmembers were present with Mayor Watkins attending via Zoom.

INVOCATION

Invocation will be given by Pastor Peter Ernst of Family Bible Church

PLEDGE OF ALLEGIANCE
The Pledge of Allegiance was said in unison.

THE COUNCIL MAY GO INTO EXECUTIVE SESSION FOR LEGAL COUNSEL IN ACCORDANCE WITH A.R.S.38-431.03(A) 3 TO DISCUSS ANY AGENDA ITEM. THE FOLLOWING ITEMS MAY BE DISCUSSED, CONSIDERED AND DECISIONS MADE RELATING THERETO:

1. AWARDS/RECOGNITION

a. America's 250th Anniversary Day Proclamation

Vice Mayor Sammeli read the America 250 Proclamation and presented it to Jaclyn Schrock and members of the Lewis Kingman Chapter of the Daughters of the American Revolution (DAR). She invited the Council to take a photo with the group.

DAR Regent Jaclyn Schrock thanked the Council and shared what DAR is about and read the American Creed.

Nancy Shephard shared coins and broaches with Council and staff.

2. CALL TO THE PUBLIC - COMMENTS FROM THE PUBLIC

Those wishing to address the Council should fill out request forms in advance. Comments from the Public will be restricted to items not on the agenda with the exception of those on the Consent Agenda. There will be no comments allowed that advertise for a particular person or group. Comments should be limited to no longer than 3 minutes. The Council may not respond to speakers during the call to the public. The Council may direct the City Manager to study the matter or request that the matter be placed on a future agenda.

Vice Mayor Sammeli shared that there are several residents signed up to address the Council.

Wayne Hollins addressed the Council and shared that he works on water conservation and recently attended the groundwater roundtable. He said that they have a problem with evaporation and transpiration. He said to fix it, they need to have a way to get material on the ground to cool it, so there isn't so much evaporation. He shared that they need to capture the rain water and get it into the ground. He said that they need to use the drought contingency plan information to inform the citizens on what they can do to help save water.

Stephanie Williams addressed the Council to share that over the past several weeks she has worked with many people regarding the proposed elimination of the yellow route. She said she has ridden the route, collected signatures, and reviewed records. She said she has met with many stakeholders to talk about the impact of eliminating the route. She said that her goal is to ensure that everything is understood before a public service is removed. She said that she is committed to working with everyone to explore solutions that preserve mobility and access for those who depend on it most.

Miranda Herring addressed the Council to share that she is from Angel Manor and uses the yellow bus frequently to get to work and appointments. She said that her husband also uses the yellow bus. She feels the removal will be detrimental.

Ann Lynch addressed the Council to share that she thinks that the proper fact-finding was not done before considering the removal of the yellow route. She shared some quotes from a transit study she found on the website. She shared that Kingman/Butler has the highest density and the most needed population for the yellow route. She shared some data from the report on where the ridership was going. She said that the Council can review the report online on the KART page.

Tracy Veen addressed the Council to share that she is from Angel Manor and although she doesn't use the yellow bus, it needs to stay in place. She said that there are many who use it and need it to become productive citizens. She shared that she thinks the yellow bus needs to stay.

Veronica Renteria addressed the Council to share that she is also from Angel Manor. She said she rarely takes the yellow bus, but knows that there are many residents that rely on it. She said that many residents find hardship not having a car to take them where they need to go and it would be hard for them without the bus.

Wendy Weaver addressed the Council to share that she is the director of Angel Manor.

She said that she has three homes and a school in the area the yellow bus serves. She said that she serves a variety of individuals that ride the yellow bus. She said that after her people have 45 days of sobriety, they have to use the yellow bus to get jobs. She said it is hard for them to save if they have to call a cab or lift. She said that her understanding is that maybe there is an issue with funding from the County to support the line, but all of the grants come to the City. She said that all of the services they need are in the City and that is where they spend their money. She said that she doesn't know what will happen on August 1st if the bus doesn't come to take everyone to work. She said that if this does happen, there will be a huge uptick in crime.

3. CONSENT AGENDA

All matters listed here are considered to be routine by the City Council and will be enacted by one motion. There will be no separate discussion of these items. If discussion is desired, that item will be removed from the CONSENT AGENDA and will be considered separately.

a. Regular Meeting Minutes of June 2, 2026

b. Adoption of Ordinance No. 1999 - Amending Article V of the Municipal Utility Regulations to Require Twice a Week Solid Waste Collection

The Arizona Department of Environmental Quality (ADEQ) reduced the required solid waste collection frequency to no less than once per week effective February 4, 2025. The rule allows local jurisdictions to set higher collection frequency schedules. Amendments to the City's Municipal Utility Regulations are necessary to set the minimum collection frequency at no less than two (2) times per week, and to remove references to Mohave County Environmental Health and ADEQ as the authority requiring twice per week collection. The amended ordinance was brought before the Municipal Utility Commission at their May 28, 2026 meeting; the Commission recommended approval unanimously. **Staff recommends approval.**

c. Acceptance of Right-of-Way Triangle Dedication at the Northwest Corner of Flying Fortress Parkway and Lamar Road Intersection

To build the curb returns at Lamar Road, small right-of-way corner area was needed at the northwest corner of the intersection. The property owner donated this area to the City of Kingman so the Lamar Road curb returns could be included in the current Flying Fortress Parkway construction project. **Staff recommends approval.**

d. Approval of Award of Bid 2026-IFB-004, Main Tanks Transmission Main Phase 2B

City Engineer recommends award bid 2026-IFB-004, Main Tanks Transmission Main Phase 2B to Freiday Construction, Inc., the low bidder on Bid Alternative No. 1 (includes construction of the transmission main from approximately STA 12+33.10 to STA 36+73.40) at $2,013,570 impacting the Water Expansion Fund. Six bids were received from contractors, each bidding on two alternatives. Bid Alternative No. 1 was selected as the preferred alternate as it provided the most

cost-effective solution while remaining within the available project budget. Selection of this alternative allows for construction of the full project length. **Staff recommends approval.**

e. Approval of Resolution No. 5623-Designating Tina D. Moline as Chief Fiscal Officer for Submitting the FY2027 Annual Expenditure Limitation Report

Pursuant to A.R.S. §41-1279.07(E), each county, city, town and community college district must designate a Chief Fiscal Officer (CFO) annually who is authorized to submit the annual expenditure limitation report (AELR). Since the Deputy City Manager/Finance Director is responsible for ensuring the City of Kingman's AELR is completed timely and in compliance with state rules and regulations, the Deputy City Manager/Finance Director should be designated as the CFO for the purpose of submitting the City of Kingman's FY2027 AELR. **Staff recommends approval.**

f. Approval of Resolution No. 5624 - Adopting a Pension Funding Policy

The State of Arizona's Public Safety Personnel Retirement System is, as a whole, underfunded. Most of the trust funds within the system are significantly underfunded. To ensure cities and towns are addressing the issue, ARS 38.863-01 states that each governing body must adopt a pension funding policy annually and post the policy on the governing body's website. The City's policy outlines the actions necessary to attain a 100% funded status for the Police and Fire pension plans. **Staff recommends approval.**

g. Acceptance of Grant Award- Arizona Criminal Justice Commission (ACJC) Funding for MAGNET

Grant Award – Arizona Criminal Justice Commission (ACJC) Funding for MAGNET. The Arizona Criminal Justice Commission (ACJC) awarded the City of Kingman Police Department, on behalf of the Mohave Area General Narcotics Enforcement Team (MAGNET), a grant totaling $345,368 (Grant #DC-27-006) to support ongoing task force operations, for the grant fiscal year July 1, 2026 – June 30, 2027. The grant includes a required 25% match of $86,342, to be funded from the MAGNET RICO account. **Staff recommends approval.**

h. Approval of FY 2026 Homeland Security Task Force Overtime Cost Reimbursement Agreement

Overtime Cost Reimbursement Agreement between the Kingman Police Department and the Drug Enforcement Administration (DEA) through the Homeland Security Task Force (HSTF) to reimburse the City of Kingman for overtime for Kingman police officers/investigators assigned to support HSTF criminal cases that involve necessary expenses for detection, investigation, and prosecution of crimes against the United States. **Staff recommends approval.**

i. Authorization to Purchase a New Backhoe for Water Operations

This item is for consideration and approval for the purchase of a new backhoe for water operations. The existing unit is currently out of service due to a major engine failure, with repair costs estimated to exceed the machine's resale value. This purchase will be made utilizing the OMNIA Contract #212816 and is included in the FY27 Budget and 5-Year Capital Improvement Plan. The budgeted amount for the

backhoe is $194,000. The quoted amount is $170,896 and will impact the Water Operating Fund. **Staff recommends approval.**

j. Approval of a Memorandum of Understanding with Patriot Rail Company's Kingman Terminal Railroad for the CRISI Grant Submission

The City of Kingman, in partnership with Patriot Rail Company's Kingman Terminal Railroad (KGTR), is seeking approval to enter into a Memorandum of Understanding (MOU) to apply for FY25-26 Consolidated Rail Infrastructure and Safety Improvements (CRISI) Grant Program funding in the amount of $19,002,936 to construct a second rail interchange at the Kingman Municipal Airport & Industrial Park. If awarded, the project would be funded through a 65% federal share, a 34% KGTR contribution, and a 1% City of Kingman match. Staff recommends approval of the MOU and authorization for the Mayor to execute all related grant documents. **Staff recommends approval.**

k. Authorization to Enter into a Professional Services Contract for the Design of Fire Station 25

This agenda item is for consideration and approval of a Professional Services Agreement with Seabury Fritz Architects, Inc. for Fire Station 25 Design Concept and Cost Modeling Services. These services will support the project's development using the Construction Manager at Risk (CMAR) delivery method. A separate preconstruction services agreement for the CMAR is also included on this agenda. The agreement with Seabury Fritz Architects, Inc. is for an amount not to exceed $473,310, which will be paid from the Capital Projects Fund. **Staff recommends approval.**

l. Approval of a Pre-Construction Services Contract with Willmeng Construction for Fire Station 25

This item is for consideration and approval of a pre-construction services contract for the design of Fire Station 25. A Request for Qualifications was issued for a Construction Manager at Risk and Willmeng Construction was determined to be the most qualified bidder. Under this agreement, Willmeng Construction will provide pre-construction services including scheduling, phasing and logistics planning, cost estimating, constructability and value engineering reviews, subcontractor selection, and development of Guaranteed Maximum Price proposals. The contract amount is not to exceed $99,384, which will be paid from the Capital Projects Fund. **Staff recommends approval.**

m. Authorization to Enter Into a Contract with Dorn Policy Group for Lobbying Services

Dorn Policy Group has been providing lobbying and governmental relations services to the City of Kingman since January 2018. Staff is requesting to continue a partnership with Dorn Policy Group through June 30, 2027. The contract amount equates to $72,000 (billed $6,000 per month) plus out-of-pocket expenses such as travel, accommodations, postage, etc. and will impact the General Fund. **Staff recommends approval.**

n. Approval of America 250 Community Celebration Partnership/Fee Waiver

Request

Mohave County Historical Society Executive Director, Leah Stagg, has requested to partner with the City of Kingman for an Old-Fashioned 4th of July- America 250 Celebration at Centennial Park on July 4, 2026. The partnership request includes: assisting with planning, event promotion, recruitment of volunteers, and a fee waiver for the park rentals. **Staff recommends approval.**

o. Approval of Resolution No. 5627- ENG26-0016 Hualapai Edge Unit 1, Tract 6057 Subdivision Water Service

This water service application is for the proposed Hualapai's Edge subdivision located in the east side of the water service area south of Interstate 40 and east of the Flying Fortress Parkway. The initial phase of development proposed is 150 single-family lots on 49 acres of land. An analysis provided by the design engineer of the subdivision indicates that the distribution network for the proposed subdivision will be able to provide flows and pressures that meet the City's requirements for domestic and fire service. The Municipal Utility Commission approved the proposed water system extension by a vote of 4-0. **Staff recommends approval.**

p. Approval of Request to Waive Ballfield Rental Fees for the Arizona District 9 Little League Baseball All-Star Tournament

Arizona District #9 Little League Baseball (Lake Havasu, Bullhead, Parker, Blythe, Mohave Valley, Needles) has requested a waiver of field fees for their upcoming District and State tournaments scheduled to be held at Southside Park in June and July. The total cost of the waived fees is estimated at $2,044. **Staff recommends approval.**

Vice Mayor Sammeli asked if there were any items Council wished to pull from the Consent Agenda, and there were none.

Councilmember Walker made a MOTION to APPROVE the Consent Agenda as presented. Councilmember Stehly SECONDED and it was APPROVED by the following:

AYE: Mayor Watkins, Vice Mayor Sammeli, Councilmember Dykens, Councilmember Savage, Councilmember Stehly, Councilmember Walker, Councilmember Ward

NAY: None

4. ACTION ITEMS

a. Consideration of AB25-0005 - A Request to Abandon Right-of-Way Associated with Broadway Avenue

If approved, AB25-0005 would result in the potential sale of the right-of-way and eliminate Broadway Avenue (public road) as described from the city's maintenance system and reserve easement for the benefit of the City of Kingman for public utilities and access. **Staff recommends the item be continued off calendar.**

Planner Heather Rasmussen shared that this item will not be moving forward at the

request of the applicant. She said if they want to continue it in the future they can bring it back.

Councilmember Ward made a MOTION to APPROVE continuing this item off calendar. Councilmember Savage SECONDED and it was APPROVED by the following:

AYE: Mayor Watkins, Vice Mayor Sammeli, Councilmember Dykens, Councilmember Savage, Councilmember Stehly, Councilmember Walker, Councilmember Ward

NAY: None

b. 2026 Kingman Route 66 Street Drags Event Scheduled for October 9-11, 2026

Planning is under way for the 2026 Kingman Route 66 Street Drags. As part of the event the organizer is required to provide liability insurance. This item is seeking Council direction regarding the event and required insurance coverage. **Council discretion.**

City Manager Tim Walsh shared that the Street Drags are in preparation mode, and they have had several meetings with the organizers. He said that one consideration is the liability insurance and what the Council would like to see in that.

Vice Mayor Sammeli made a MOTION to ENTER into Executive Session. Councilmember Stehly SECONDED, and it was APPROVED by the following:

AYE: Mayor Watkins, Vice Mayor Sammeli, Councilmember Dykens, Councilmember Savage, Councilmember Stehly, Councilmember Walker, and Councilmember Ward.

NAY: None

Council entered into Executive Session at 5:29 P.M.

Council returned from Executive Session at 6:00 P.M.

Vice Mayor Sammeli shared that Council has some questions for a few individuals. She called up the Street Drags Event Organizer, Dana Marino, to answer some questions for the Council.

Councilmember Savage asked if there are bleachers at the end of the race where NAPA is.

Ms. Marino said that there are about 30 feet from there with a 50-foot setback.

Councilmember Savage said that if there is an accident, it would be towards the end and would like to keep spectators off the finish line.

Councilmember Walker asked if this is the same insurance company they have dealt with in prior years.

Ms. Marino said yes, the last two events.

Councilmember Walker asked if they had shopped for anyone else.

Ms. Marino said that the company that was used previously no longer insures small events.

Councilmember Walker asked how many participants there were.

Ms. Marino said up to a maximum of 300 and that they had 227 last year.

Councilmember Walker asked about how many spectators.

Ms. Marino said about 15k over the three-day period.

Vice Mayor Sammeli asked if their insurance liability is right now at $5 million.

Ms. Marino said yes, $1 million general liability with an excess of $5 million. She said she got another quote for an additional $1 million for a total of $6 million.

Vice Mayor Sammeli asked what the extra $1 million is going to cost them.

Ms. Marino said $2,250.

Vice Mayor Sammeli confirmed that they will have a total of $6 million.

Councilmember Walker asked Ms. Marino if she could request to get to $10 million and see what that would be.

Ms. Marino said that they were already told no. She shared that quote to Risk Management. She said that they will not increase the general liability, and $6 million is their cap for excess.

Vice Mayor Sammeli asked about their timeline.

Ms. Marino said that she has deposits to make on grandstands, timing lights, etc., for a total of $40k that she needs to secure. She said that 3 months sounds like a lot of time, but it isn't when you are building something like this. She said that if they are going to shut it down, they need to make that decision.

Vice Mayor Sammeli asked for that date.

Ms. Marino said she doesn't have a drop date; they had one and pushed it off for this Council meeting.

Councilmember Walker asked if she had asked for another insurance agent to back up this one.

Ms. Marino said that she has been working on it directly with the underwriters, and they were trying to search for one.

Councilmember Walker said that he is concerned that if this company will only do $5-6 million, can they get another company to come in with a secondary policy.

Ms. Marino shared what the insurance company's concerns are, and if they want it increased, then they may think there is too much risk. She said that the policy right now is costing them $25,000, and doubling that is not within their budget.

Vice Mayor Sammeli called up Police Chief Rusty Cooper to answer some questions about how his department mitigates this event as far as safety, risk, and liability.

Chief Cooper said that they are planning to provide a team for the peak hours over the weekend. He said that they will coordinate with the street drags security team that they have hired. He said they will not get in the way of what the street drags team is responsible for and will be there to provide a police presence and take enforcement action if needed.

Councilmember Stehly asked if we are doing everything within our control to make this a safe event. She asked if he feels comfortable with their safety plan and if it is looking at every possible option of what can go wrong.

Chief Cooper said that it is very broad. He said he can speak with confidence about what his team is doing. He said he can't speak to fire. He said that as far as public safety policing, he is ok with that.

Councilmember Stehly asked if Chief Yeager is in those meetings.

Chief Cooper said yes, he has a staff member who is there.

Vice Mayor Sammeli called up Daniel Carlson from public works to discuss the assessment of the k-rail.

Mr. Carlson said that some of the k-rail they possess is not the best suited for what they are using it for. He said that some are good, but some are outside of compliance with Arizona standards. He said that he isn't sure where Council is at since it is a special event, but if they were used outside of this special event, they would be turned away.

Mr. Walsh asked about how many were not usable for this and if they want to ask Ms. Marino what she plans.

Mr. Carlson said that if they look at what they have in inventory and compare that with their plan, they may be able to make it work. He said that there could be some resolution there.

Councilmember Stehly said that she wants to confirm they will use the ones up to standard to protect the crowd.

Mr. Carlson said if there is enough.

Councilmember Stehly said that she wants to make sure we require it.

Ms. Marino said that she isn't sure how many pieces are unsatisfactory, but they use those towards the end to guide off at DPS. She said that she puts the best ones in the racing area. She said that the ones without i-pins are used to guide the cars off the track.

Vice Mayor Sammeli called up Tourism Manager Josh Noble and asked what the revenues are for the City with this event.

Mr. Noble said that he can speak to the numbers he can see. He said that he pulled data from the hotel reports for that weekend and the surrounding weekends. He said that there is an average of 15% higher hotel occupancy that weekend. He said that there is a 9-14% increase in the average daily rate. He said that with the cellular data, they can see the economic impact from out-of-towners is 10,800 visits. He said that they can also look at the economic impact statement and find that there's a $368k impact from restaurants, retail, and gas, plus the hotel stays, so overall around a $550k impact.

Vice Mayor Sammeli asked if Council wished to call anyone else up, and there wasn't any.

Hotelier Brittany Gish shared that the business impact for them that weekend is $38k if they cancel it today. She said that she isn't the only person who has bookings for this event. She said that she wanted to share the TPT numbers from them is about $4k. She said that the average daily rate for them during street drags is $165.

Vice Mayor Sammeli asked how many hoteliers there are in the City.

Ms. Gish said there are 19 true hotels in Kingman.

Vice Mayor Sammeli asked Manager Walsh to share what he is asking from the Council.

Mr. Walsh said the question is the council's level of comfort from an insurance liability standpoint. He said that it will help him work with the event coordinators.

Councilmember Walker said that he would be comfortable with a $6 million minimum and would be more comfortable with $10 million.

Councilmember Savage said he is in the same boat with $10 million, but $6 million is fine. He said that with the revenue from tourism, he has a question for Ms. Marino. He asked if she needed help with the $2,250 for the extra million.

Ms. Marino said that she has other things that she needs to cover, so she could use help.

Councilmember Savage said that based on some of the numbers, the City can cover that extra million to help a little bit. He said if the insurance runs out, the city would be liable. He said he doesn't have an issue helping with the extra $1 million.

Councilmember Dykens said that he disagrees. He said that $6 million would be the

rock bottom, but he doesn't think the City should be responsible for a dime of it. He said that it is their event and should provide the insurance coverage. He said that if something happens, then the City may have to cover where they don't want to. He said that it doesn't support the City paying for it.

Councilmember Stehly said that this is an important event for the City and a lot of people enjoy it. She said that they survive on tourism, and she hopes they can find a compromise to protect the safety of the community, mitigate the risk, and hold the event. She said if the $6 million is all they can get, then she is ok with that to keep it moving forward.

Councilmember Ward said he would like to see $10 million but understands the problems and will go along with the $6 million.

Vice Mayor Sammeli said they would all like to see $10 million, and it isn't unrealistic, but what is realistic is what they can get.

Ms. Marino said that her board has gone back and forth about changing the price of the ticket but many Kingman people can't afford a higher ticket, so they are keeping it at $20. She said that they wanted to be able to make it an event for the whole family to enjoy.

Vice Mayor Sammeli said they want to keep things affordable for the citizens. She said that she is ok with $6 million and will try to work with them. She said that the Council has given staff direction.

c. *AMENDED* Approval of KASI Settlement Agreement

KASI leased Hangar A on June 1, 2008. The Hangar is located at 9900 Flightline Dr., Kingman, AZ. It is approximately 20,800 sq. ft. The lease terminated on August 5, 2025. During the term of the lease, KASI conducted aircraft maintenance, including but not limited to painting. Upon KASI vacating the hangar, the City conducted several inspections. One of those inspections located elevated levels of chromium, which is a common component involved in the aircraft painting process. As per the City's lease with KASI, KASI agrees to remediate the chromium inside Hangar A. The remediation should be completed within 30 days of the effective date of this agreement. **Staff recommends approval.**

City Attorney Carl Cooper shared that it is pretty cut and dry and he doesn't have much to add. He said that they reached this after negotiations with KASI.

Councilmember Ward made a MOTION to APPROVE the KASI settlement agreement. Councilmember Dykens SECONDED and it was APPROVED by the following:

AYE: Mayor Watkins, Vice Mayor Sammeli, Councilmember Dykens, Councilmember Savage, Councilmember Stehly, Councilmember Walker, Councilmember Ward

NAY: None

d. Approval of Resolution No. 5617 - Declaring "The 2026 Tax Amendments to the Tax Code of the City of Kingman" as a Public Record

To avoid significant publication costs associated with the tax code amendments proposed in Ordinance No. 2003, a resolution declaring "The 2026 Tax Amendments to the Tax Code of the City of Kingman" a public record must be approved. This is not approval of Ordinance No. 2003, it merely allows the city to save publication costs if Ordinance No. 2003 is approved. **Staff recommends approval.**

Deputy City Manager/ Finance Director Tina Moline shared that this is the process of making the tax code amendments a public record, so that they can refer to it in the Ordinance and not have to publish all of the pages. She said that this doesn't approve the public hearing item that is next on the agenda.

Councilmember Savage made a MOTION to APPROVE Resolution No. 5617- Declaring "The 2026 Tax Amendments to the Tax Code of the City of Kingman" as a public record. Councilmember Dykens SECONDED and it was APPROVED by the following:

AYE: Mayor Watkins, Vice Mayor Sammeli, Councilmember Dykens, Councilmember Savage, Councilmember Stehly, Councilmember Walker, Councilmember Ward

NAY: None

5. PUBLIC HEARINGS

a. Adoption of Ordinance No. 2003 - Amending the Tax Code to Increase the Transaction Privilege Tax Rate Imposed on Selected Tax Classifications and the Adoption of Local Option V, Two-Tier Tax Rate, Imposed in the Retail and Use Tax Classifications; with the Funds to be Used for the Sole Purpose of Funding Kingman's Street Repairs, Maintenance and Improvements Program

In FY2024, the City Council adopted a seven-year program to fund street repairs, maintenance, and improvements, utilizing General Fund reserves that are projected to be fully expended by FY2030. A recurring revenue source will be necessary to continue the existing program. On March 5th, a work session was held to review transaction privilege tax (TPT) rate options, the General Fund’s fund balance and related policies, community comparison data, and the long-term funding needs of the street maintenance program. On April 7th, the Council adopted a Notice of Intent to consider increasing TPT rates and adding a two-tiered tax rate structure for retail sales and use tax at a public hearing scheduled for tonight. **Staff recommends approval.**

Deputy City Manager/ Finance Director Tina Moline shared that this is the last step for the tax rate increase. She shared the various avenues they have utilized to inform the public, including mailers, Chamber meetings, and Coffee with the Mayor. She shared a PowerPoint presentation that reviewed the TPT basics, how our City taxes get spent, how the streets are funded, and how the Tri-City tax rates compare to Kingman. She shared how other Arizona City tax rates compare to Kingman, as well as the Arizona City TPT rates, showing that Kingman is the 8th lowest in the state. She reviewed the TPT rate increase options being considered this evening. She explained what the Big Ticket Option is and said that it only applies to retail sales purchases and use tax. She

reviewed how the Big Ticket Option is calculated and gave an example. She shared other cities that also do the Big Ticket Option and the single item thresholds they adopted. She shared what the fiscal impact is to the City and how the consumers would be impacted. She reviewed the next steps, including the public hearing tonight, consideration of adopting the ordinance, report to the Department of Revenue, and notifying everyone of the changes. She said that the last is tracking and transparency and shared their plan for that. She shared that anyone can view their transparency portal at any time.

Councilmember Savage said that there has been a lot of debate on social media about slide 6 and the Tri-City comparisons. He said that he would like everyone to take a screenshot of it so that they are aware of the actual information.

Councilmember Walker asked about the City's fiscal impact on slide 13 and what option is that with.

Ms. Moline said it is the entire single-item purchase level Council adopted.

Vice Mayor Sammeli said that this is the most diverse tax option available to them, and it catches a little bit of everyone. She said that our tourism industry is willing to pay for it and come here. She said that she likes the Big Ticket Option and that it was a request from the local dealerships. She said that they need to have a sustainable revenue stream for roads and maintenance. She said that they can't continue to use one-time monies like capital improvement projects. She said that she likes their reporting plan and hopes that the community will use it.

Vice Mayor Sammeli opened the public hearing at 6:49 P.M.

Resident Donald Lynch addressed the Council. He said that he knows they are going to approve this, but he will still state his opposition. He said that if they didn't do things like give corporations a tax break, maybe they wouldn't need this. He said that they can say it is for something important, but when they do a tax increase, it funds the least important items in the budget. He said that they had already decided that the yellow route is one of the least important things. He said that they worry too much about reserves and not enough about the citizens.

Hotelier Brittany Gish said that she gets the need for a tax increase, but wants to note that hotel/motel tax cannot be used for roads, so she doesn't think that should be included with this. She said that it should be considered a separate item.

Vice Mayor Sammeli closed the public hearing at 6:52 P.M.

Ms. Moline said that state statute allows for them to increase the tourism hotel/motel tax by 2% more than the retail tax and doesn't have to be used for tourism. She confirmed with City Attorney Carl Cooper.

Mr. Cooper said that was correct.

Councilmember Stehly made a MOTION to APPROVE Adoption of Ordinance No. 2003 - Amending the Tax Code to Increase the Transaction Privilege Tax Rate Imposed on

Selected Tax Classifications and the Adoption of Local Option V, Two-Tier Tax Rate, Imposed in the Retail and Use Tax Classifications; with the Funds to be Used for the Sole Purpose of Funding Kingman's Street Repairs, Maintenance and Improvements Program. Councilmember Ward SECONDED and it was APPROVED by the following:

AYE: Mayor Watkins, Vice Mayor Sammeli, Councilmember Dykens, Councilmember Savage, Councilmember Stehly, Councilmember Walker, Councilmember Ward

NAY: None

b. Approval of Resolution No. 5621- CUP26-0001 - A Conditional Use Permit

A proposal to construct a 115,200 square foot, three-story self-storage facility on 1.79 acres located west of East Andy Devine Avenue and north of Horizon Boulevard in the Commercial: Service Business (C-3) zoning district. County Assessor Parcel Number 320-02-050. **Commission recommended approval (4-0)**

Planner Heather Rasmussen shared a PowerPoint presentation reviewing the applicant's request for CUP26-0001. She shared an aerial map of the project site. She said that it is zoned C-3 commercial business zone and is designated regional commercial in the 2024 General Plan. She shared a site plan of the proposed project, including parking, wall, landscaping, and access requirements and plans. She reviewed the building elevations and found that it is a climate-controlled self-storage facility. She reviewed the utility, roadway, and future improvements required. She reviewed the recommended conditions of approval, agency comments, and public notices issued. She shared the review timeline and history of the project as well as the recommendation from the Planning & Zoning Commission. She shared that the applicant is present if there are questions.

Applicant Sabrina Greiten addressed the Council. She said that she is a Kingman resident and this land has been with her family for a long time. She said that she is happy to bring this project to the community. She thanked Director Jason Moquin and his team for all of their help.

Vice Mayor Sammeli said that it is the most beautiful storage unit she has seen, and she appreciates the effort that has gone into it.

Vice Mayor Sammeli opened the public hearing at 7:01 p.m.

Vice Mayor Sammeli asked if there was anyone who wanted to address the Council, and there were none.

Vice Mayor Sammeli closed the public hearing at 7:01 p.m.

Councilmember Savage made a MOTION to APPROVE Resolution No. 5621- CUP26-0001 - A Conditional Use Permit. Councilmember Ward SECONDED and it was APPROVED by the following:

AYE: Mayor Watkins, Vice Mayor Sammeli, Councilmember Dykens, Councilmember Savage, Councilmember Stehly, Councilmember Walker, Councilmember Ward

NAY: None

c. Adoption of Ordinance No. 2005 - ZO26-0002: A City-Initiated Text Amendment to the City of Kingman Zoning Code

ZO26-0002 removes the additional setback requirements imposed under the Kingman Design Review Overlay for properties in the C-2 (Commercial: Community Business) and C-3 (Commercial: Service Business) Zones along Bank Street from Kino Avenue to E. Gordon Drive. All other design requirements with respect to architecture, landscaping and signage as prescribed by the City of Kingman Zoning Code and that of the KDRO remain in force. **Staff recommends approval.**

Planner Heather Rasmussen shared a PowerPoint presentation reviewing the process for ZO26-0002, a City-initiated text amendment to the City of Kingman Zoning Code. She reviewed the background of the proposal, requested action, and staff recommendation. She reviewed the amendments proposed to section 3-70.030 Kingman Design Review Overlay Zone. She shared the existing code requirements that are already built in. She shared the agency comments and the public notice made. She shared that the Planning & Zoning Commission voted 4-0 to approve.

Vice Mayor Sammeli opened the public hearing at 7:08 p.m.

Vice Mayor Sammeli asked if there was anyone who wanted to address the Council, and there were none.

Vice Mayor Sammeli closed the public hearing at 7:08 p.m.

Councilmember Stehly made a MOTION to APPROVE Adoption of Ordinance No. 2005 - ZO26-0002: A City-Initiated Text Amendment to the City of Kingman Zoning Code. Councilmember Walker SECONDED and it was APPROVED by the following:

AYE: Mayor Watkins, Vice Mayor Sammeli, Councilmember Dykens, Councilmember Savage, Councilmember Stehly, Councilmember Walker, Councilmember Ward

NAY: None

6. DEPARTMENT REPORTS

a. Report to the City Council Regarding Weight Limits on Airway Avenue & Heavy Truck Traffic Around Town Due to Construction on I-40

City Engineer Robert Petrillo shared a report on the weight limits on Airway Avenue and truck traffic around town due to the construction on I-40. He shared a map of Flying Fortress Parkway and Airway Avenue, and that Flying Fortress Parkway was designed to support heavier truck traffic by using concrete. He said that on the Airway it is different. He shared information on the way the pavement is designed.

b. Quarterly Purchase Report

Assistant Finance Director Wendy Sherer shared the newly created quarterly purchase report. She shared that there were some procurements that were in process and went to Council during the transition and were not included in the report. She shared the purpose of the report and that they should expect it quarterly. She reviewed the purchases included on the report. She said that both purchases complied with the procurement code.

c. Legislative Update

City Manager Tim Walsh shared that the Legislature has adjourned and has adopted a budget. He said that they have two appropriations from last year that made it. He shared that one other item of note, the moratorium did die, so it is not moving forward. He shared that the legislature has approved Senator Anguis' publication bill, which is on the Governor's desk for signature.

7. ANNOUNCEMENTS BY MAYOR, COUNCIL MEMBERS, CITY MANAGER

Limited to announcements, board and commission liaison reports, availability/attendance at conferences and seminars.

None

8. COUNCIL REQUESTS FOR FUTURE REPORTS AND UPDATES

Councilmember Walker thanked the staff and P&Z that was before them tonight. He said it was a really good goal they hit.

Vice Mayor Sammeli asked for an update on the yellow bus and whether there is a report on what has been investigated.

Manager Walsh said they will address it at the budget adoption meeting.

EXECUTIVE SESSION

ADJOURNMENT

Vice Mayor Sammeli adjourned the meeting at 7:23 P.M.

ADJOURNED at 7:23 P.M.

All persons attending the Council meeting, whether speaking to the Council or not, are expected to observe the Council Rules, as well as the rules of politeness, propriety, decorum, and good conduct. Any person interfering with the meeting in any way, or acting rudely or loudly will be removed from the meeting and will not be allowed to return.

ANYONE REQUIRING ACCOMODATIONS SHOULD CONTACT THE CITY CLERK'S OFFICE AT 928-753-8113, AT LEAST 24 HOURS IN ADVANCE.

ATTEST:

Annie Meredith
City Clerk

APPROVED:

Ken Watkins
Mayor

STATE OF ARIZONA)
COUNTY OF MOHAVE)ss:
CITY OF KINGMAN

CERTIFICATE OF COUNCIL MINUTES

I, Tanya Fergueson, Deputy City Clerk and Recording Secretary of the City of Kingman, Arizona, hereby certify that the foregoing Minutes are a true and correct copy of the Minutes of the Regular Meeting of the City Council of the City of Kingman held on Tuesday, June 16, 2026.

Tanya Fergueson, Deputy City Clerk and Recording Secretary

Date

CITY OF KINGMAN
COMMUNICATION TO COUNCIL

TO:	Honorable Mayor and City Council
FROM:	Annie Meredith
MEETING DATE:	July 7, 2026
AGENDA SUBJECT:	Approval of the Special Meeting Minutes of June 23, 2026

STAFF RECOMMENDATION:
Staff recommends approval.

ATTACHMENTS:
Minutes_2026_06_23 special budget mtg.pdf

CITY OF KINGMAN
MEETING OF THE CITY COUNCIL
Council Chambers
310 N. 4th Street Kingman, AZ 86401

5:00 PM **MINUTES** **Tuesday, June 23, 2026**

SPECIAL MEETING

CALL TO ORDER AND ROLL CALL

Member Name	Status
Ken Watkins - Mayor	Present
Cherish Sammeli - Vice Mayor	Present
Jim Dykens - Councilmember	Present
Shawn Savage - Councilmember	Present
Jamie Scott Stehly - Councilmember	Present
Keith Walker - Councilmember	Present
Smiley Ward - Councilmember	Present

Vice Mayor Sammeli called the meeting to order at 5:00 P.M. and roll call was taken. All councilmembers were present. Mayor Watkins attended via zoom.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was said in unison.

1. THE COUNCIL MAY GO INTO EXECUTIVE SESSION FOR LEGAL COUNSEL IN ACCORDANCE WITH A.R.S. 38-431.03(A)3 TO DISCUSS ANY AGENDA ITEM. THE FOLLOWING ITEMS MAY BE DISCUSSED, CONSIDERED AND DECISIONS MADE RELATING THERETO:

2. AGENDA ITEM(S)

a. PUBLIC HEARING - Resolution No. 5619 and Adoption of Fiscal Year 2026-27 Budget and Capital Improvements Plan

The public hearing and adoption of the FY2026-27 final budget and capital improvements plan represents the last step in the formal budget process. The City Council may make additional modifications prior to adoption of the final budget but may not increase the budget above the appropriations set in the tentative budget ($343,488,124). **Staff recommends approval.**

Deputy City Manager/ Finance Director Tina Moline said they are in the final step of the budget adoption process and provided a short recap with some of the changes from the recommended budget. She stated they can no longer increase the budget appropriations but could decrease or make adjustments within the limit set. She said they budget for ample contingency and shared that it is what it is used for throughout the year. She stated they have had several discussions with agencies that rely on the yellow line.

City Manager Tim Walsh shared that they have reached out to the stakeholders since the last meeting about the transit system and the yellow line. He stated the County

thinks they could secure around $30k towards the yellow line. He said they are continuing to work with other stakeholders such as Mohave College and Mohave Mental Health to find different avenues to support it. He stated they have about $55k in committed contributions towards it. He shared that they found about $50k in savings after looking at the budget again with all the changes, and they think they could continue with the yellow route through this fiscal year. He stated they are continuing to look at other opportunities for funding and potentially the on-demand services. He said the County asked for service out to the Airport and Advanced Manufacturing Training Center with their contribution.

Councilmember Savage asked when they would have an answer on the $55k funding.

Mr. Walsh said the County would have to take it before the Board for approval and stated they should expect to hear around the first or second meeting in July.

Councilmember Savage said he wants to supplement that amount and stated this will give them ample time to work on a longer strategy before the budget next year. He asked if the City didn't have the funds set aside for the yellow route.

Mr. Walsh said it was a service they were looking to cut when they looked at the budget. He stated they will have to look at contingency funds in order to cover it.

Councilmember Stehly said the goals in the budget book were about putting out an RFP for an advertising firm to come in and take over advertising on the buses. She asked how long it would take to get that RFP out to start seeing the revenues.

Mr. Walsh said Public Transit Superintendent Sheri Furr worked on an RFP for the advertising of the stops a few months ago.

Ms. Furr said they put out an RFP and received zero responses, but did receive one question. She shared RFP can be harder in the smaller rural areas. She stated they can continue to do their own advertising as well as more advertising to promote their advertising program.

Mr. Walsh shared that the approach they did was for a third-party company to come in and sell the advertising. He said they will continue to seek local folks to purchase advertising.

Ms. Furr said they do not receive as much revenue as they would like, but they could try to get the word out more.

Vice Mayor Sammeli asked if they would contact her directly if they are interested in advertising.

Ms. Furr said absolutely.

Vice Mayor Sammeli asked if they have to advertise on the entire bus. She said she is mentioning this in case there are businesses out there that would like to advertise to help support the program.

Ms. Furr said they offer advertising inside the buses and outside the buses as well. She stated the best bet is with the posters on the inside of the bus because they are able to be on all the buses, while it is per bus on the outside of the bus advertising.

Councilmember Stehly asked how the RFP was posted.

Ms. Furr said it was done through OpenGov, the City procurement process, to go out to all agencies.

Councilmember Stehly said maybe they need to do it again and maybe do more of a direct approach. She stated that a professional would have an incentive to make sure that all the buses have advertising on them and that they are being maximized.

Vice Mayor Sammeli asked if they could introduce it to the social media channels for individual advertising for businesses and/or if RFPs could go on social media as well.

Ms. Furr said they could do that and shared that years ago they sent out mailers with what they could offer, but they didn't receive any responses.

Vice Mayor Sammeli opened the public hearing at 5:12 P.M.

Vice Mayor Sammeli shared that there are three residents signed up to address the Council.

Resident Dr. Rob Christensen said he provided his questions to the Council about his budget questions in writing. He asked what the City would do if they don't receive funding from the County or any other agency.

Resident Stephanie Williams said she has a petition signed by 732 people and 21 letters from riders who would be affected. She asked the Council why they ran for office if they didn't want to help the community. She said the decision tonight is about more than people riding the yellow bus route and providing service to get around Kingman.

Mohave County District 4 Supervisor Don Martin shared that he understands the importance of the yellow line and supports it. He said the County will contribute $30k to the fund to keep the yellow line running. He stated he hopes the Council will keep the yellow line going.

Vice Mayor Sammeli asked if there was anyone else who would like to address the Council, and there was none.

Vice Mayor Sammeli closed the public hearing at 5:18 P.M.

Ms. Moline said they have strong relationships with the partners and doesn't think there is any reason they wouldn't provide what they shared. She stated the City could survive one fiscal year while they evaluate other options.

Vice Mayor Sammeli asked if the funding is one-time funding from the stakeholders.

Ms. Moline said it would be recurring funding.

Mr. Walsh said the County plans for recurring, but they will continue working with the partners to nail it down.

Vice Mayor Sammeli said she could see the need for recurring.

Mr. Walsh said staff intent it to get it in place for this year and work this year to find efficiencies to save.

Vice Mayor Sammeli asked if Mayor Watkins had anything he would like to say.

Mayor Watkins said all the topics were covered.

Councilmember Dykens said after hearing about the additional funding from stakeholders and hearing from the community devastated about losing the yellow line. He stated that all the testimonies are accurate after riding the yellow route last week.

Councilmember Stehly said the Transit System costs about $1 million to the City a year to run, while the revenues from ticket sales are only about $120,000, leaving a big gap. She said she is interested in a rate increase from $1.50 to $2. She stated she would like to consider cutting the route times. She said she is fine waiting a year to make the changes.

Mr. Walsh said they are looking at a number of things, such as eliminating a route. He stated they could provide an update in 3 months.

Councilmember Stehly asked for an update on the marketing and updated numbers on the rider numbers.

Councilmember Savage asked if they are looking for an agency or advertisers.

Ms. Furr said they are primarily looking for an agency. She shared some current advertising options they are doing.

Councilmember Savage asked if they want the agency to do the online portion as well, concerning print.

Ms. Furr said they wouldn't advertise online but just strictly in the vehicles.

Councilmember Stehly made a MOTION to APPROVE Resolution No. 5619 and Adoption of Fiscal Year 2026-27 Budget and Capital Improvements Plan. Councilmember Dykens SECONDED and it was APPROVED by the following:

AYE: Mayor Watkins, Vice Mayor Sammeli, Councilmember Dykens, Councilmember Savage, Councilmember Stehly, Councilmember Walker, Councilmember Ward

NAY: None

3. EXECUTIVE SESSION

ADJOURNMENT

Vice Mayor Sammeli adjourned the meeting at 5:28 p.m.

All persons attending the Council meeting, whether speaking to the Council or not, are expected to observe the Council Rules, as well as the rules of politeness, propriety, decorum and good conduct. Any person interfering with the meeting in any way, or acting rudely or loudly will be removed from the meeting and will not be allowed to return.

ANYONE REQUIRING ACCOMMODATIONS SHOULD CONTACT THE CITY CLERK'S OFFICE AT 928-753-8113, AT LEAST 24 HOURS IN ADVANCE.

ATTEST: APPROVED:

_____ _____

Annie Meredith
City Clerk

Ken Watkins
Mayor

STATE OF ARIZONA)
COUNTY OF MOHAVE)ss:
CITY OF KINGMAN

CERTIFICATE OF COUNCIL MINUTES

I, Tanya Fergueson, Deputy City Clerk and Recording Secretary of the City of Kingman, Arizona, hereby certify that the foregoing Minutes are a true and correct copy of the Minutes of the Special Meeting of the City Council of the City of Kingman held on Tuesday, June 23, 2026.

_____ _____

Tanya Fergueson, Deputy City Clerk and Recording Secretary Date

CITY OF KINGMAN
COMMUNICATION TO COUNCIL

TO:	Honorable Mayor and City Council
FROM:	Annie Meredith
MEETING DATE:	July 7, 2026
AGENDA SUBJECT:	Approval of a Series No. 12 Liquor License Application for Kingman Craft House

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SUMMARY:
Applicant Courtney L. Martin has applied for a Series No. 12- Restaurant Liquor License for a business located at 2215 Hualapai Mountain Rd.

FISCAL IMPACT:
None.

STAFF RECOMMENDATION:
Staff recommends approval.

SUGGESTED MOTION:
Move to approve the liquor license application.

ATTACHMENTS:
Application #397810- Redacted.pdf

State of Arizona
Department of Liquor Licenses and Control

Created 06/02/2026 @ 04:38:31 PM

Local Governing Body Report

LICENSE

Number:		Type:	012 RESTAURANT
Name:	KINGMAN CRAFT HOUSE		
State:	Pending		
Issue Date:		Expiration Date:	
Original Issue Date:			
Location:	2215 HUALAPAI MTN ROAD STE A KINGMAN , AZ 86401 USA		
Mailing Address:	[redacted] KINGMAN, AZ 86401 USA		
Phone:	[redacted]		
Alt. Phone:			
Email:	[redacted]		

AGENT

Name:	COURTNEY LYNNE MARTIN
Gender:	Female
Correspondence Address:	[redacted] KINGMAN, AZ 86401 USA
Phone:	[redacted]
Alt. Phone:	
Email:	[redacted]

OWNER

Name:	DESERT THISTLE LLC		
Contact Name:	COURTNEY LYNNE MARTIN		
Type:	LIMITED LIABILITY COMPANY		
AZ CC File Number:	23880111	State of Incorporation:	AZ
Incorporation Date:	09/09/2025		
Correspondence Address:	[redacted] KINGMAN, AZ 86401 USA		
Phone:	[redacted]		
Alt. Phone:			
Email:	[redacted]		

Officers / Stockholders

60th Day
8-1-2026

Name:	Title:	% Interest:
COURTNEY LYNNE MARTIN	Manager-LLC	100.00

DESERT THISTLE LLC - Manager-LLC

Name: COURTNEY LYNNE MARTIN
Gender: Female
Correspondence Address: [redacted]
KINGMAN, AZ 86401
USA
Phone: [redacted]
Alt. Phone:
Email: [redacted]

MANAGERS

Name: COURTNEY LYNNE MARTIN
Gender: Female
Correspondence Address: [redacted]
KINGMAN, AZ 86401
USA
Phone: [redacted]
Alt. Phone:
Email: [redacted]

****

Name: COURTNEY LYNNE MARTIN
Gender: Female
Correspondence Address: [redacted]
KINGMAN, AZ 86401
USA
Phone: [redacted]
Alt. Phone:
Email: [redacted]

APPLICATION INFORMATION

Application Number: 397810
Application Type: New Application
Created Date: 04/15/2026

QUESTIONS & ANSWERS

012 Restaurant

1) Are you applying for an Interim Permit (INP)?
   Yes
   What date are you taking ownership? Please upload the Interim Permit Notary page when you reach the upload page.
   June 1, 2026
2) Are you one of the following? Please indicate below.
   Property Tenant
   Subtenant
   Property Owner
   Property Purchaser
   Property Management Company
   Property Tenant
3) Is there a penalty if lease is not fulfilled?
   Yes
   What is the penalty?
   12,163.00
4) Is the Business located within the incorporated limits of the city or town of which it is located?
   Yes
5) What is the total money borrowed for the business not including the lease?
   Please list each amount owed to lenders/individuals.
   $150,000.00 owed to Michael Thornton
6) Are there walk-up or drive-through windows on the premises?
   No
7) Does the establishment have a patio?
   Yes
   Is the patio contiguous or non-contiguous (within 30 feet)?
   Contiguous
8) Is your licensed premises now closed due to construction, renovation or redesign or rebuild?
   No
9) What type of business will this license be used for?
   Restaurant

DOCUMENTS

DOCUMENT TYPE	FILE NAME	UPLOADED DATE
DIAGRAM/FLOOR PLAN	Inside Floor Plan.pdf	05/22/2026
DIAGRAM/FLOOR PLAN	Patio Floor Plan.pdf	05/22/2026
DIAGRAM/FLOOR PLAN	Floor Plan Diagram Guide.pdf	05/22/2026
MENU	MENU PG 1.pdf	05/22/2026
MENU	MENU PG 2.pdf	05/22/2026
MENU	MENU PG 3.pdf	05/22/2026
MENU	MENU PG 4.pdf	05/22/2026
MENU	MENU PG 5.pdf	05/22/2026
MENU	MENU PG 6.pdf	05/22/2026
INTERIM PERMIT NOTARY PAGE	INTERIM PERMIT NOTARY .pdf	05/22/2026
QUESTIONNAIRE	QUESTIONNAIRE PG 1.pdf	05/22/2026
QUESTIONNAIRE	QUESTIONNAIRE PG 2.pdf	05/22/2026
RECORDS REQUIRED FOR AUDIT	RECORDS REQUIRED FOR AUDIT PG 1.pdf	05/22/2026

RECORDS REQUIRED FOR AUDIT	RECORDS REQUIRED FOR AUDIT PG 2.pdf	05/22/2026
RESTAURANT OPERATION PLAN	RESTAURANT OPERATION PLAN.pdf	05/22/2026
RESTAURANT OPERATION PLAN	RESTAURANT OPERATION PLAN PG 2.pdf	05/22/2026
MISCELLANEOUS	AZ DRIVERS LICENSE.pdf	05/22/2026
	NEW RECORDS REQUIRED FOR AUDIT.pdf	05/28/2026
	NEW RECORDS REQUIRED FOR AUDIT PG 2.pdf	05/28/2026
	ALIEN STATUS.pdf	05/28/2026
	ALIEN STATUS PG 2.pdf	05/28/2026
	TITLE 4 BASIC CERT.pdf	05/28/2026
	TITLE 4 MANAGEMENT CERT.pdf	05/28/2026
	ADDRESS CONFIRMATION.pdf	05/28/2026
	ADDRESS CONFIRMATION 2.pdf	05/28/2026

State of Arizona
Department of Liquor Licenses and Control

Created 06/02/2026 @ 04:35:34 PM

Local Governing Body Report

LICENSE

Number:	INP080038584	Type:	INP INTERIM PERMIT
Name:	KINGMAN CRAFT HOUSE		
State:	Active		
Issue Date:	06/02/2026	Expiration Date:	09/04/2026
Original Issue Date:	06/02/2026		
Location:	2215 HUALAPAI MTN ROAD STE A KINGMAN , AZ 86401 USA		
Mailing Address:	[redacted] KINGMAN, AZ 86401 USA		
Phone:	[redacted]		
Alt. Phone:			
Email:	[redacted]		

AGENT

Name:	COURTNEY LYNNE MARTIN
Gender:	Female
Correspondence Address:	[redacted] KINGMAN, AZ 86401 USA
Phone:	[redacted]
Alt. Phone:	
Email:	[redacted]

OWNER

Name:	DESERT THISTLE LLC		
Contact Name:	COURTNEY LYNNE MARTIN		
Type:	LIMITED LIABILITY COMPANY		
AZ CC File Number:	23880111	State of Incorporation:	AZ
Incorporation Date:	09/09/2025		
Correspondence Address:	[redacted] KINGMAN, AZ 86401 USA		
Phone:	[redacted]		
Alt. Phone:			
Email:	[redacted]		

Officers / Stockholders

Name:	Title:	% Interest:
COURTNEY LYNNE MARTIN	Manager-LLC	100.00

DESERT THISTLE LLC - Manager-LLC

Name: COURTNEY LYNNE MARTIN
Gender: Female
Correspondence Address: [redacted]
KINGMAN, AZ 86401
USA
Phone: [redacted]
Alt. Phone:
Email: [redacted]

MANAGERS

Name: COURTNEY LYNNE MARTIN
Gender: Female
Correspondence Address: [redacted]
KINGMAN, AZ 86401
USA
Phone: [redacted]
Alt. Phone:
Email: [redacted]

****

Name: COURTNEY LYNNE MARTIN
Gender: Female
Correspondence Address: [redacted]
KINGMAN, AZ 86401
USA
Phone: [redacted]
Alt. Phone:
Email: [redacted]

APPLICATION INFORMATION

Application Number: 400622
Application Type: New Application
Created Date: 05/22/2026

QUESTIONS & ANSWERS

INP Interim Permit

1) Enter License Number currently at location #01208002991l6

2) Is the license currently in use? yes

3) Submit the interim permit section of the license series application you are applying for when you reach the upload page. yes

'26 5 26 Liqr. Dept AM10:03

Arizona Department of Liquor Licenses and Control
https://www.azliquor.gov
(602) 542-5141

FOR DLLC USE ONLY

INP number:	INP0800385584
Date Approved:	6-2-2026
Expiration:	9-9-2026
LC:	Clayn

INTERIM PERMIT (INP)
NOTARY PAGE

$100.00 INTERIM PERMIT APPLICATION FEE

SECTION 5, PAGE 2, of the license application

For approval of an interim permit:

- There **must** be a valid license of the same series issued to the current location you are applying for, **OR**
- A Hotel/Motel license is being replaced with a restaurant license pursuant to A.R.S.§4-203.01(A)

1. Enter license number currently at the location: 01208002991 6

2. Is the license currently in use? ☒ Yes ☐ No If no, how long has it been out of use? _____

I, (Print Full Name) Michael McKean Thornton hereby declare that I am the Individual, Owner, Agent, or Controlling Person on the stated license and location.

Signature: Michael McKean Thornton

State of Arizona

County of Mohave

Signed before me on this 19 day of May, 2026

Notary Signature H Long

My commission expires on 11 day of 16, 2026

HAWANDA SUE LONG
Notary Public - State of Arizona
MOHAVE COUNTY
Commission # 637279
Expires November 16, 2026

Notary Seal

CITY OF KINGMAN
COMMUNICATION TO COUNCIL

TO: Honorable Mayor and City Council

FROM: Wendy Sherer

MEETING DATE: July 7, 2026

AGENDA SUBJECT: Authorization to Execute a Five (5) Year Contract with CSG Forte Payments for Merchant Card Processing Services

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SUMMARY:
The current merchant card processing services contract with CSG Forte Payments for the Interactive Voice Response (IVR) utility billing phone payment system and Parks & Recreation's Civic Plus software system expires on October 4, 2026. Staff completed the formal bidding process and issued an RFP to procure these services for a five (5) year contract term. Six (6) responses were received for this RFP, which were scored by a 3-person evaluation committee. The scoring resulted in CSG Forte Payments being selected as the top respondent.

The scoring point results are as follows (maximum possible points are 100):

CSG Forte Payments	92.67
Catalis Payments	86.67
MiCamp Solutions	74.67
Paygasus	70.0
ExpiTrans Inc	59.0
Point and Pay, LLC	55.0

CSG Forte Payments offers the convenience fee model where the fees are paid by the customer at the point of sale and collected by the merchant card service provider; the City absorbs no credit card fee costs under this model.

The convenience fee rates charged under this new contract will be:

System	**New Fee %**	**Current Fee %**	**New Minimum Fee $**	**Current Minimum Fee $**

Interactive Voice Response (IVR)	2.90%	2.95%	$1.75	$0.00
Parks & Rec (CivicPlus)	2.90%	2.95%	$1.75	$2.00

The per transaction %ages and minimum fees quoted by all six (6) respondents were as follows:

Respondent	**IVR %**	**Minimum Fee IVR**	**Parks %**	**Minimum Fee Parks**
CSG Forte Payments	2.9%	$1.75	2.9%	$1.75
Catalis Payments	2.19%	$1.59	2.65%	$1.89
ExpiTrans Inc - Debit Cards	2.0%	$1.95	2.0%	$1.95
ExpiTrans Inc - Credit Cards	2.72%	$2.50	2.72%	$2.50
MiCamp Solutions	2.5%	$0.00	2.75%	$0.00
Paygasus	0%	$3.95	3.0%	$1.95
Point and Pay, LLC	3.0%	$2.00	No response.	No response.

The evaluation committee selected CSG Forte Payments as the top respondent based on (1) integration capabilities with CivicPlus, (2) integration capabilities with the IVR, (3) implementation and technical approach, (4) experience, and (5) pricing and fee structure. If at any point the software systems change and the services were no longer compatible, there will be no early termination fees for this contract. Staff is seeking Council's approval for the five (5) year agreement.

FISCAL IMPACT:
CSG Forte Payments charges no additional fees and offers the customer-paid convenience fee model so the fiscal impact will be $0.

STAFF RECOMMENDATION:
Authorize the City Manager to execute the (5) Year Contract with CSG Forte Payments

SUGGESTED MOTION:
Motion to approve the five (5) year agreement with CSG Forte Payments for merchant card processing services for the IVR and Parks & Recreation's CivicPlus system.

ATTACHMENTS:
2026-RFP-005.pdf
Evaluation Tabulation.pdf
City of Kingman AZ- Payment Processing Agreement (PPA)-66861.0.pdf

REQUEST FOR PROPOSAL

CITY OF KINGMAN

Finance

2026-RFP-005

MERCHANT CARD PROCESSING SERVICES - PARKS AND INTERACTIVE VOICE RESPONSE (IVR) SERVICES

ISSUE DATE: April 30, 2026

PROPOSAL DUE DATE: May 28, 2026, 3:00 pm (Arizona Time)

CONTACT PERSON:

Wendy Sherer, Assistant Finance Director
(928) 753-8582
wsherer@cityofkingman.gov

RESPONSES MUST BE SUBMITTED ELECTRONICALLY TO:

https://secure.procurenow.com/portal/cityofkingman

PLEASE NOTE: Bidder is responsible for obtaining any addenda and acknowledging it through the procurement portal.

CITY OF KINGMAN

I. INTRODUCTION .....
II. SCOPE OF WORK .....
III. PROPOSAL INSTRUCTIONS AND REQUIREMENTS .....
IV. INSURANCE REQUIREMENTS .....
V. PRICING PROPOSAL (Proposers Can Bid on One or Both Services: Selectron IVR and/or Civic Plus) .....
VI. PROPOSAL EVALUATION PROCESS AND CONTRACT AWARD .....
VII. EVALUATION CRITERIA .....
VIII. PREFERENCE IN PURCHASING .....
IX. VENDOR QUESTIONNAIRE .....

1. INTRODUCTION

1.1. General Information

The City of Kingman, Arizona (City) is seeking to contract with a merchant card processor for it's Utility Billing **Selectron** (provider) IVR phone payment system and Park & Recreation's Civic Plus (provider) POS system. The merchant processor must offer the customer convenience fee option and must integrate seamlessly with one or both systems. Multiple contracts may be awarded if a single bidder can only integrate with one of the systems.

The City provides a full range of services including public safety, highways and streets, economic development, parks, golf, pools, recreation, water, wastewater, solid waste, airport, development services, and other administrative/support services. The City serves as the Mohave County, Arizona seat and has a population of more than 35,000. It employs 400+ full-time employees who provide services for 31 divisions. More detailed information on the City and its finances can be found in the City's Annual Comprehensive Financial Report on the City's website at www.cityofkingman.gov.

1.2. Submittal Location and Details

Proposals must be submitted electronically through the City's procurement portal at https://procurement.opengov.com/portal/cityofkingman by no later than 3:00 pm, Arizona time, on Thursday, May 28, 2026. Any proposal received after the submission deadline will not be accepted.

The City anticipates selecting and notifying the selected Proposer by June 11, 2026 and requesting the award of the contract at the City Council Meeting on July 7, 2026 . There is not an expressed or implied obligation for the City of Kingman to reimburse responding Proposers for any expenses incurred in preparing proposals in response to this request.

Mailed, faxed, hand-delivered, and e-mailed responses will not be accepted. Mailed responses will be disposed of, unopened, and will not be returned to the Proposer.

During the evaluation process, the City of Kingman reserves the right, where it may serve in the City's best interest, to request additional information or clarification from Proposers. At the discretion of the City of Kingman, a selection of firms submitting proposals may be requested to attend interviews as part of the evaluation process.

The City of Kingman reserves the right to retain all proposals submitted and to use any ideas in a proposal, regardless of whether that proposal is selected. Submission of a proposal indicates acceptance by the proposer of the conditions contained herein.

The objective of requesting proposals is for the City to contract with the firm offering the highest quality of service at the best value possible.

1.3. RFP Schedule

The City anticipates the following general timeline of key events during the proposal evaluations and contract award period:

Issue RFP:	April 30, 2026

Questions from Proposers Due:	May 14, 2026, 6:00pm
Last Day to Publish Addenda:	May 19, 2026
Proposal Due Date:	May 28, 2026, 3:00pm
Evaluate Proposals:	June 8, 2026
Notice of Intent to Award:	June 11, 2026
Contract negotiations:	06/11/2026-06/18/2026
Council Contract Award:	July 7, 2026

1.4. Terms of Engagement

The term of this contract will be one (1) year with four (4) optional annual renewals, from the contract execution date, with monthly contract terms thereafter, and no requirement to renew for additional annual terms. The maximum overall contract term, including any optional renewals, cannot exceed five (5) years.

1.5. Multiple Contracts

The City may consider awarding multiple contracts if a single bidder can only fully integrate with one of the City's systems. The systems include: Selectron (IVR phone payment system) and Civic Plus (Parks & Recreation POS software system).

1.6. Questions

Questions regarding this solicitation must be submitted online through the OpenGov portal. Questions must be received by no later than the date and time specified in the timeline included in this RFP (Questions Due From Proposers).

2. SCOPE OF WORK

2.1. Description

1. The City is seeking a qualified firm to process debit and credit card payments via point of sale (web based) through the Parks & Recreation software known as Civic Plus, as well as for the automated phone payment system known as Selectron for the Utility Billing Division.

2. Proposer must have the ability to assess and collect a customer paid convenience fee in the convenience (not absorbed) fee structure.

3. Proposers must have a minimum of five (5) years of experience in providing merchant credit card services.

4. Proposers must demonstrate technical expertise, technical capability and functional capacity to process transaction volumes, amounts and information accurately and on time without interruption.

5. Proposers must be capable of providing a web portal for transaction research, refund management, and chargeback response.

6. All transaction fees are to be collected by the provider through a convenience fee added to the transaction.

7. The successful proposer will have customer and client support available during City of Kingman business hours (Monday through Friday, 7:00 - 6:00 pm AZ time) with preference given to both internet and telephone support options.

8. Proposers must be Payment Card Industry – Data Security Standard (PCI-DSS) compliant and shall utilize secure technology to shield against fraudulent activity.

9. A description of fraud detection technology and procedures should be included with the proposal.

10. Proposers must describe and demonstrate that they have the technical expertise, technical capability and functional capacity to process the city's transaction volume, amounts and information accurately and on time without interruption.

11. The City is seeking to have the new merchant service provider fully implemented and in use by no later than September 20, 2026.

2.2. Transaction Volumes

Parks & Recreation

Software: Civic Plus

Average Annual Credit Card Volume: $325,000

Average Transaction Amount: $39.65

Average Number of Annual Transactions: 8,187

IVR Phone Payment System (Utility Billing)

Software: Selectron

Average Annual Credit Card Volume: $3M

Average Transaction Amount: $89.92

Average Number of Annual Transactions: 36,022

3. PROPOSAL INSTRUCTIONS AND REQUIREMENTS

3.1. Proposal Format

The City will follow the evaluation process and selection criteria described in this RFP. In order to provide each Proposer with an equal opportunity for consideration, adherence to a standardized proposal format is required. The format of each proposal must contain the following elements organized into separate chapters and sections, in an order determined by the Proposer:

A. Cover letter;

B. Sample contract with terms and conditions;

C. Detailed response to all requirements;

D. Description of the experience and knowledge base of the proposer;

E. Pricing Table;

F. Sample Reports: Daily Settlement and Transaction Detail;

G. Proposer Signature Page;

H. Proposer Guarantees and Warranties;

I. References (a minimum of three (3) must be provided);

J. New Vendor Application;

K. IRS W-9 Form; and

L. *Optional* - Vendor EFT Form

All requested items must be included with the proposal or it will be considered non-responsive and will be rejected. The City is not responsible for failure to locate, consider and evaluate qualification factors presented outside of this format.

Each Proposer must demonstrate a clear understanding of the work to be performed and must provide detailed specific qualifications and prior working experience.

Unsigned proposals will be considered non-responsive and will be rejected. Proposals must be signed by a duly authorized representative of the Proposer. If a Proposal is signed by an agent of the Proposer, a Power of Attorney showing the authority of the agent to sign must be submitted with the proposal or the proposal will be rejected.

The City will not be liable for any cost incurred by Proposers in preparing and submitting proposals. Proposers may not collect proposal preparation charges from the City as a result of cancellation of this RFP.

In the case of error in the extension of prices in the proposal, the unit price will govern. No proposal shall be altered, amended or withdrawn after the specified RFP closing date and time.

It is the responsibility of the Proposer to examine the entire request for proposal package and seek clarification for any item, service or requirement that may not be clear.

It is the responsibility of the Proposer to check the proposal for accuracy before submitting a proposal.

3.2. Minimum Required Response Information

Proposers must respond to the following, at a minimum:

A. Can the proposer integrate with the fully web-based Parks & Recreation software known as Civic Plus?

B. Can the proposer integrate with the automated phone payment system known as Selectron for the Utility Billing Division?

C. Does the proposer have the ability to assess and collect a customer paid convenience fee in the convenience (not absorbed) fee structure through each of the two above-mentioned systems? All fees must be collected by the merchant processor and not passed through the City. The proposers fee structure, caps, and minimums must be clearly provided.

D. Does the proposer have a minimum of five (5) years of experience in providing merchant credit and debit card services?

E. Proposers must demonstrate technical expertise, technical capability and functional capacity to process transaction volumes, amounts and information accurately and on time without interruption.

F. Proposers must identify its capabilities for providing a web portal for transaction research, refund management, and chargeback response.

G. Proposer will have customer and client support available during City of Kingman business hours (Monday through Friday, 7:00 - 6:00 pm AZ time) with preference given to both internet and telephone support options.

H. Proposers must be Payment Card Industry – Data Security Standard (PCI-DSS) compliant and shall utilize secure technology to shield against fraudulent activity. Proposer must identify whether they maintain PCI compliance or pass this off onto the client.

I. Proposer must acknowledge compliance with all convenience fee card brand rules, practices, and applicable laws.

J. A description of fraud detection technology and procedures should be included with the proposal.

K. Proposers must describe and demonstrate that they have the technical expertise, technical capability and functional capacity to process the city's transaction volume, amounts and information accurately and on time without interruption.

L. Proposer must provide settlement processing times.

M. Proposer must identify implementation timelines, required City resources, and go-live support. The City is seeking to have the new merchant service provider fully implemented and in use by no later than September 20, 2026.

N. Proposer must provide a minimum of three (3) references (preference given for governmental clients).

O. Proposer must identify whether the convenience fee is refunded to the customer when the transaction is refunded or voided.

3.3. Minimum Qualifications

Firms shall possess the qualifications and Arizona licenses as required by law, in addition to having extensive knowledge, expertise, and a minimum of 5 years of experience.

3.4. Periods of Time

Periods of time, stated as a number of days, shall be calendar days unless otherwise specified.

3.5. Proposal Withdrawal

Any proposal may be withdrawn at any time prior to the specified date and time for RFP closing. The City will not accept late proposals, late requests for modifications, or late withdrawals. All proposals shall be irrevocable for one hundred twenty (120) calendar days from the day of RFP closing.

Delays in submitting your proposal will not be considered excusable to the time requirements contained within this RFP.

3.6. Subcontractors

Proposer must include in their submittal a list of any subcontractors that will be utilized in the performance of the work awarded under this procurement. Proposer must describe the subcontractors qualifications in detail in their response.

3.7. Addenda

All addenda shall be issued no later than five (5) business days prior to the RFP closing date.

It is the responsibility of the Proposer to ensure that they have received all Addendums. Solicitation Addenda will be posted to the RFP on the City's OpenGov procurement portal where the RFP is posted. Vendors that have registered at https://procurement.opengov.com/portal/cityofkingman and who also follow the City of Kingman will receive email notifications of addenda.

3.8. Copies

Proposer may obtain copies of current or past procurement documents through the OpenGov procurement portal. If a document is not available through the procurement portal, Proposers may request copies through the City Clerk's office. The charge per copy is payable in advance. Please contact the City Clerk's Office for a current per copy cost.

3.9. Late Delivery of Proposal

Late proposals will not be considered under any circumstances. Delays in submitting your proposal will not be considered excusable to the time requirements contained within this request for proposal.

3.10. Extension of Time

Prior to proposal opening, the City shall have the authority to extend the deadline for the submittal of proposals when unforeseen circumstances arise. If this occurs, the City will post an addenda at a minimum of five (5) business days prior to the proposal's original opening date.

3.11. Collusion

Upon evidence that collusion exists among Proposers, none of the proposals of participants in such collusion will be considered. All involved proposals shall be rejected. Proposals in which prices are unbalanced may be rejected. The Proposer will be required to complete, notarize and submit a "No-Collusion Affidavit" upon request by the City. Failure of the Proposer to submit a properly executed affidavit upon request by the City shall be grounds for rejection of the proposal.

3.12. Conflicts of Interest

A. Notify. Prior to taking an action in connection with a City contract, every employee shall, in writing, notify the employee's supervisor, the City Attorney, and Purchasing Officer of any actual or potential conflict of interest of such employee. City employees shall comply with A.R.S. Title 38 regarding conflicts of interest in the purchasing of and contracting for goods, services, and construction for the City.

B. Review potential conflict of interest. Upon receiving notice of an actual or potential conflict of the interest, the City Attorney or designated representative shall review the purchasing procedures for compliance with applicable laws and regulations.

C. Determination of conflict of interest. If the City Attorney determines that an employee has an actual or potential conflict of interest in connection with a purchase, no contract shall be awarded without City Council review and approval.

3.13. Rejection of Proposals

The City reserves the right to waive technical defects, discrepancies and minor irregularities in a proposal. The City reserves the right to re-seal any proposal that was opened prematurely; the City has determined this event as a minor irregularity. The Deputy City Manager/Finance Director shall be notified and shall log the event and place it in the procurement file.

The City reserves the right to award any alternatives set forth in the RFP documents at its sole discretion. Proposals may be rejected if there are any alterations to the required forms, additions not called for, conditional proposals, incomplete proposals, or irregularities of any kind. The City reserves the right to reject any proposal not in compliance with the RFP documents, or prescribed public proposal procedures and requirements. Written notice of rejection of all proposals shall be sent to all Proposers. ALL UNSIGNED PROPOSALS SHALL BE REJECTED.

3.14. Rejection of All Proposals and Cancellation of Award

The City reserves the right to reject all proposals or to cancel award of the contract at any time prior to the execution of the contract by both parties if rejection of all proposals or cancellation of the award is deemed to be in the City's best interest. In no event shall the City have any liability for the cancellation of award.

3.15. Reissuance of RFP

The City reserves the right to re-issue a subsequent procurement for this service at any time if deemed to be in the best interest of the City.

3.16. Protest of Award

A protest of award must be physically delivered to the Purchasing Officer within seven (7) business days of the notice of award date. Our office is open Monday through Thursday from 7:00 am to 6:00pm (closed on holidays). Packages containing protests shall be marked as follows:

RFP Award Protest, RFP - 2026-RFP-005

City of Kingman

Attn: Tina Moline

310 N. 4th Street

Kingman, AZ 86401

3.17. Vendor Registration

Prior to the execution of a Contract, the successful Proposer must properly fill out and complete a City Vendor Application and IRS W-9 Form, and include the documents with the proposal.

3.18. Licenses

Proposer will maintain, in current status, all Federal, State, and local licenses and permits required for the operation of the business.

Pursuant to the Kingman Municipal Code, Chapter 8, Article 1.5, ***Business Licenses***, Vendors conducting business within the City of Kingman with a permanent or temporary physical business location within the city limits must apply for a business license and pay the applicable license fee, unless exempted under section 8-13. The full municipal code can be found on the City's website or at the following link: https://www.codepublishing.com/AZ/Kingman/.

For details regarding how to submit an application, pay the license fee, etc., please visit our website at: https://www.cityofkingman.gov/government/departments/city-clerk/business-licenses.

3.19. Disputes

In the event any doubt or differences of opinions exists as to the items or service to be furnished hereunder, or from evaluation and/or testing of substitutes, or the interpretation of the provisions of this procurement, the decision of the City of Kingman shall be final and binding upon all parties.

3.20. Confidentiality

A. All documents, reports, proposals, submittals, responses, or other materials submitted to the City by Proposers shall become the sole and exclusive property of the City and become a public record.

B. Proposals shall be opened publicly at the time and place designated in the RFP. The name of each Proposer and such other relevant information as is specified by rule shall be publicly read and recorded. The proposals shall be open for public inspection after contract award.

C. To the extent the Proposer designates, trade secrets or other proprietary data contained in the proposal documents shall remain confidential. The City of Kingman is subject to the Arizona Revised Statutes, Title 39, Chapter 1, relating to public records.

3.21. Transaction Privilege Tax (TPT)

The City is not exempt from Transaction Privilege Tax (TPT); Proposer must include tax in the pricing proposal, when applicable.

4. INSURANCE REQUIREMENTS

4.1. Required Insurance Policies

All insurance, with the exception of Workers Compensation and Professional Liability, must name the City as additional insured before a final contract can be executed. The City reserves the right to request a copy of the full policy for review. A copy of additional insured endorsement will be required prior to contract execution. Insurance must be be primary and include a waiver of subrogation. Proposer agrees to obtain and maintain the following insurance coverage from insurers licensed to do business in the state of Arizona that have an "A.M. Best" rating of not less than "A-VII" with the following minimum insurance required:

4.2. Commercial General Liability

Policy must include Bodily Injury, Property Damage, Personal Injury and Broad Form Contractual Liability with coverage limits of not less than:

A. Each Occurrence: $1,000,000

B. General Aggregate: $2,000,000

4.3. Commerical Automobile Liability

$1,000,000 Commercial Auto (can be waived, depending on circumstances)

4.4. Worker's Compensation

Per Occurrence: statutory requirement

4.5. Other and Professional Liability

$1,000,000 - Applicable to design services (architects or engineers).

Pollution, where necessary.

Builders Risk (for new construction). Bid bonds may be required and if awarded, payment and performance bonds. All bonds must be verified before work can begin.

4.6. Minimum Limits

The City in no way warrants that the minimum limits contained herein are sufficient to protect the firm from liabilities that might arise out of the performance of work under this contract/agreement. The firm is free to purchase such additional insurance as may be determined necessary.

5. PRICING PROPOSAL (Proposers Can Bid on One or Both Services: Selectron IVR and/or Civic Plus)

CREDIT CARD FEES

Line Item	Description	Quantity	Unit of Measure	Unit Cost	Total
1	Selectron IVR: Customer Paid Convenience Fee Percentage (If Applicable)	1	%		
2	Selectron IVR: Customer Paid Convenience Fee Flat Rate (If Applicable)	1	$		
3	Selectron IVR: Minimum Per Transaction Convenience Fee Amount (If Applicable)	1	$		
4	Civic Plus (Parks POS): Customer Paid Convenience Fee Percentage (If Applicable)	1	%		
5	Civic Plus (Parks POS): Customer Paid Convenience Fee Flat Rate (If Applicable)	1	$		
6	Civic Plus (Parks POS): Minimum Per Transaction Convenience Fee Amount (If Applicable)	1	$		
TOTAL					

DEBIT CARD FEES

Line Item	Description	Quantity	Unit of Measure	Unit Cost	Total
1	Selectron IVR: Customer Paid Convenience Fee Percentage (If Applicable)	1	%		
2	Selectron IVR: Customer Paid Convenience Fee Flat Rate (If Applicable)	1	$		
3	Selectron IVR: Minimum Per Transaction Convenience Fee Amount (If Applicable)	1	$		

Line Item	Description	Quantity	Unit of Measure	Unit Cost	Total
4	Civic Plus (Parks POS): Customer Paid Convenience Fee Percentage (If Applicable)	1	%		
5	Civic Plus (Parks POS): Customer Paid Convenience Fee Flat Rate (If Applicable)	1	$		
6	Civic Plus (Parks POS): Minimum Per Transaction Convenience Fee Amount (If Applicable)	1	$		
TOTAL					

SELECTRON IVR: OTHER FEES

Line Item	Description	Quantity	Unit of Measure	Unit Cost	Total
1	Implementation Fees (If Applicable)	1	$		
2	Gateway Fees (If Applicable)	1	$		
3	Settlement Fees (If Applicable)	1	$		
4	NSF Fee	1	$		
5	Chargeback/Return Payment Fee	1	$		
6	Batch Fees (If Applicable)	1	$		
7	All Other Fees Not Listed (If Applicable)	1	$		
TOTAL					

CIVIC PLUS (PARKS POS): OTHER FEES

Line Item	Description	Quantity	Unit of Measure	Unit Cost	Total
1	Implementation Fees (If Applicable)	1	$		

Line Item	Description	Quantity	Unit of Measure	Unit Cost	Total
2	Gateway Fees (If Applicable)	1	$		
3	Settlement Fees (If Applicable)	1	$		
4	NSF Fee	1	$		
5	Chargeback/Return Payment Fee	1	$		
6	Batch Fees (If Applicable)	1	$		
7	All Other Fees Not Listed (If Applicable)	1	$		
TOTAL					

6. PROPOSAL EVALUATION PROCESS AND CONTRACT AWARD

6.1. Evaluation Process

An Evaluation Committee, comprised of a minimum of three (3) City team members will be assigned to evaluate each proposal received. Proposals will be evaluated using the criteria specified in **Section 7: Evaluation Criteria** of this RFP.

For purposes of evaluation, when provided for in the solicitation, the using department may award the contract based on:

a. Solely the ranking of offers based on criteria developed by the City.

b. Selection committee discussions leading to the best and final offers, in which the using department may not disclose private discussions leading to the best and final offers or information derived from proposals submitted by competing proposers.

c. Serial negotiations, beginning with the highest ranked offeror.

d. Competitive simultaneous negotiations.

e. Multiple-tiered competition designed to identify, at each level of review, a class of offerors that fall within a competitive range or to otherwise eliminate from consideration a class of lower ranked offerors.

f. A multi-step solicitation first requesting the submission of unpriced technical submittals, which are evaluated and ranked based on criteria created by the using department, and then requesting prices from only the highest ranked and qualified offerors of the unpriced technical submittals.

g. Any combination of methods described in this subsection.

The successful Proposer shall submit all required information and documents as a condition of final award of the contract.

6.2. Interviews

The City may interview some or all of the Proposers at any point during the evaluation process. Information provided during the interview process will be taken into consideration in the evaluation process.

6.3. Other Information

Information that Evaluation Committee Members have regarding a specific proposer, aside from what is provided in the response, may be taken into consideration during the evaluation process.

6.4. Special Conditions for Submitting a Response

Submission of a proposal indicates acceptance by the Proposer of the conditions contained in this RFP.

The contents of the proposal and any clarifications distributed by the City shall become part of the contractual obligation and incorporated by reference into the ensuing contracts.

6.5. Notice of Intent to Award a Contract

The firm selected to move forward with contract negotiations will be notified in writing (either by email or other formal means), which serves as the Notice of Intent to Award, on June 11, 2026. A Notice of Intent to Award does not create a contract. Contracts are not considered executed until formal award by the City Council and signature of the selected Proposer.

RFP results will be posted on the City of Kingman's OpenGov portal.

6.6. Contract Negotiations

Negotiations may be considered in person, in writing, or by telephone.

Terms, conditions, prices, methodology, or other features of the fee proposal may be subject to negotiation and subsequent revision. As part of the negotiation, the Proposer may be required to submit supporting financial, pricing, and other data in order to allow a detailed evaluation of the feasibility, reasonableness, and acceptability of the fee proposal.

The mandatory requirements of the RFP shall not be negotiable and shall remain unchanged unless the City determines that a change in such requirements is in the best interest of the City.

In the event the City is unable to negotiate terms it deems acceptable, the City may withdraw its selection and select another firm. It is anticipated that negotiations will be concluded and a contract for Merchant Card Processing Services - Parks and Interactive Voice Response (IVR) Services will be presented for consideration and approval by the City Council on July 7, 2026.

Additionally, if the City and the Proposer are unable to agree on final contract terms by the end of the negotiation period (as set forth in the RFP Schedule) , the City may withdraw its selection and move forward with contract negotiations with another Proposer.

6.7. Multiple Awards

The City may award multiple contracts if a single proposer can only integrate with one system and scores the highest in the evaluation.

6.8. Commencement of Work

Proposer will not perform any billable work, provide any material or service under this contract until the Proposer receives a purchase order, or is otherwise directed to do so in writing by the City of Kingman.

7. EVALUATION CRITERIA

No.	Evaluation Criteria	Scoring Method	Weight (Points)
1.	**Integration with Civic Plus (Parks & Recreation) System** Proposer shall demonstrate the ability to integrate seamlessly with the City's Civic Plus Parks & Recreation system. Proposals should describe whether the integration is native, third-party, or custom, and identify any limitations or required workarounds. Preference will be given to solutions that minimize manual intervention, support automated reconciliation, and have a proven track record of successful Civic Plus integrations.	Points Based	20 *(20% of Total)*
2.	**Integration with Selectron (IVR Utility Billing Phone Payment System)** Proposer shall demonstrate compatibility and integration capabilities with the City's Selectron IVR utility phone payment system. Evaluation will consider the ability to process secure payments via phone, support real-time authorization and maintain a seamless customer experience. Proposals should detail prior experience with Selectron or similar IVR systems, required configurations, and any dependencies. Preference will be given to solutions that provide reliable, secure, and fully integrated IVR payment processing with minimal disruption to existing operations.	Points Based	20 *(20% of Total)*

3.	**Implementation & Technical Approach** Proposer shall provide a detailed implementation plan outlining project timeline, key milestones, resource requirements, system configuration, testing, training, and go-live support. Evaluation will consider the clarity, feasibility, and completeness of the approach, as well as the proposer's ability to minimize disruption to City operations	Points Based	10 *(10% of Total)*
4.	**Experience** Proposer shall demonstrate relevant experience providing merchant payment processing services, particularly in government or public sector environments. Evaluation will consider the proposer's history, years of operation, experience with similar implementations, and familiarity with municipal operations.	Points Based	10 *(10% of Total)*
5.	**References** Proposer shall provide references from at least three (3) current or recent clients. Preference will be given to government entities of similar size and complexity. Evaluation will consider client satisfaction, quality of service, system reliability, responsiveness, and overall performance. The City reserves the right to contact references and consider feedback as part of the evaluation.	Points Based	10 *(10% of Total)*
6.	**Pricing & Fee Structure** Proposer shall provide a complete and transparent pricing proposal utilizing the pricing tables provided in this solicitation, including all customer-paid convenience fees and any costs to the City. Evaluation will consider overall cost competitiveness, clarity of pricing, and the absence of hidden or pass-through fees. Proposals must clearly describe how convenience fees are assessed through the system, including the method for which the fees may be increased.	Points Based	30 *(30% of Total)*

8. PREFERENCE IN PURCHASING

Preference in Purchasing (City of Kingman, Procurement Code, 2-349):

A. Resident bidders. When evaluating a bid, except for procurement of construction services, the applicable amount of the City's transaction privilege taxes shall not be included when the City is evaluating an award to be made between a City of Kingman bidder and an Arizona based non-City of Kingman bidder. This section may be utilized for non-bid purchases as well.

B. Non-resident bidders; award of identical offers. When a department receives offers identical in price, fitness, availability, and quality, and chooses to award a contract, the department shall award the contract based on the following order of precedence:

1. The department shall award the contract to the offeror among those submitting identical offers that is offering goods and/or services that have been manufactured or produced in Arizona.

2. If 2 or more offerors submit identical offers, and they offer goods and/or services manufactured or produced in Arizona, the department shall award the contract by drawing lots among the identical offers offering goods and/or services that have been manufactured or produced in Arizona. The department may request either in the solicitation document, following closing of the solicitation or at any other time deemed appropriate, any information needed to determine if the goods and/or services in the solicitation are manufactured or produced in Arizona. The offerors that submitted the identical offers subject to the drawing of lots shall be given notice and an opportunity to be present when the lots are drawn.

3. If the department receives identical offers, and none of the identical offers offer goods and/or services manufactured or produced in Arizona, and then the department shall award the contract by drawing lots among the identical offers. The offerors that submitted the identical offers subject to the drawing of lots shall be given notice and an opportunity to be present when the lots are drawn.

C. Determining if offers are identical. A department shall consider offers identical in price, fitness, availability, and quality as follows:

1. Bids received in response to an invitation to bid (IFB) or request for quotation are identical in price, fitness, availability, and quality if the bids are responsive and offer the goods and/or services described in the IFB or request for quotation at the same price.

2. Proposals received in response to a request for proposals (RFP) are identical in price, fitness, availability, and quality if they are responsive and achieve equal scores when scored in accordance with the evaluation criteria set forth in the RFP.

3. Evaluating each offeror's performance of previous work history for the City.

D. Procedure for drawing lots. In any instance when this section calls for the drawing of lots, the department shall draw lots by a procedure that affords each offeror subject to the drawing a substantially equal probability of being selected, and that does not allow the person making the selection the opportunity to manipulate the drawing of lots to increase the probability of selecting 1 offeror over another.

If the solicitation is for the procurement of goods for less than $50,000, the offeror shall include a statement as to qualification for any preference in purchasing pursuant to CC 2-349.

9. VENDOR QUESTIONNAIRE

9.1. Proposal Package*

The proposal package shall include at a minimum, in this order:

A. A. Cover letter;B. Sample contract with terms and conditions;C. Detailed response to all requirements;D. Description of the experience and knowledge base of the proposer;E. Pricing Table;F. Sample Reports: Daily Settlement and Transaction Detail;G. Proposer Signature Page;H. Proposer Guarantees and Warranties;I. References (a minimum of three (3) must be provided);J. New Vendor Application;K. IRS W-9 Form; andL. *Optional* - Vendor EFT Form

*Response required

9.2. Proposer Signature Page*

Please download the below documents, complete, and upload.

- PROPOSER_SIGNATURE_PAGE.pdf

*Response required

9.3. Proposer Guarantees and Warranties*

Please download the below documents, complete, and upload.

- PROPOSER_GUARANTEES_AND_WAR...

*Response required

9.4. For the purpose of applying 2-349 Preference in Purchasing, is your company/agency located within the City of Kingman city limits?*

☐ Yes
☐ No

*Response required

9.5. References*

Please download the below documents, complete, and upload. Proposers shall provide a minimum of three (3) references.

- REFERENCES.pdf

*Response required

9.6. Proposer Addenda Confirmation*

Proposer hereby acknowledges it is the responsibility of the Proposer to ensure they have received all Addendums and responses to questions. Solicitation Addenda will be posted to the RFP on the City's OpenGov procurement portal where the RFP is posted. Vendors that have registered at https://procurement.opengov.com/portal/cityofkingman and who also follow the City of Kingman will receive email notifications of addenda.

All addenda shall be issued no later than five (5) business days prior to the RFP closing date.

☐ Please confirm

*Response required

9.7. New Vendor Application/Existing Vendor Verification Form*

Please download the below documents, complete, and upload. If you are a new vendor, please complete the New Vendor Application. If you are already a vendor with the City of Kingman, please complete the Vendor Verification Form.

- Vendor_Verification_Form.pdf
- New_Vendor_Application.pdf

*Response required

9.8. (Optional) Vendor EFT Form

Please download the below documents, complete, and upload.

- Vendor_EFT_form,_FAQ_and_in...

9.9. W-9*

Please download the below documents, complete, and upload.

- W-9.pdf

*Response required

9.10. Please upload a copy of your City of Kingman business license (if applicable)

9.11. No Collusion Affidavit *

Please download the No Collusion Affidavit and upload a completed version with your response.

- Non-Collusion_Affidavit_-_O...

*Response required

9.12. Please attach a purchasing contract/service agreement.*

*Response required

VENDOR SCORES BY EVALUATION CRITERIA

Vendor	Integration with Civic Plus (Parks & Recreation) System Points Based 20 Points (20%)	Integration with Selectron (IVR Utility Billing Phone Payment System) Points Based 20 Points (20%)	Implementation & Technical Approach Points Based 10 Points (10%)	Experience Points Based 10 Points (10%)	References Points Based 10 Points (10%)	Pricing & Fee Structure Points Based 30 Points (30%)	Total Score (Max Score 100)
CSG Forte Payments	19.7	19.7	10	9.3	9.3	24.7	**92.67**
Catalis Payments	16.3	16.3	9	9.7	7.7	27.7	**86.67**
MiCamp Solutions	15.3	15.3	6.3	7.3	6.7	23.7	**74.67**
Paygasus	17.7	17.7	8	8	6	12.7	**70**
ExpiTrans Inc	12	12	8.7	7	6	13.3	**59**
Point and Pay, LLC	0	15.7	8.7	8	8.7	14	**55**

PAYMENT PROCESSING AGREEMENT

This Payment Processing Agreement ("Agreement"), including all applicable appendices and addendums hereto, is made by and between **CSG Forte Payments, Inc.,** a Delaware corporation with its primary business address at 2121 Providence Drive, Suite 151, Fort Worth, TX 76106 ("FORTE" or "Party"), and **City of Kingman,** with its primary business address at 310 North 4th Street, Kingman, AZ 86401 ("AGENCY" or "Party" or "Merchant"), and is effective upon the date last signed below (the "Effective Date"). FORTE provides payment processing and related products and services including but not limited to Automated Clearing House ("ACH"), credit and debit card processing, account verification and customer identification (collectively and individually, as applicable, the "Services") to AGENCY who provides services to, or otherwise has a business relationship with, individuals and other entities ("Constituents" or "Customer").

1. GENERAL

The Agreement shall consist of these terms and conditions, each of the Appendices attached hereto if applicable, and all modifications and amendments thereto. Under the terms of the Agreement, AGENCY will be furnished with the Services described in the Agreement and attached Appendices which are selected by Agency and approved by FORTE. For any terms herein that are specifically applicable to any particular Service offered by FORTE, only the terms and conditions that apply to the specific Service(s) requested by AGENCY at any given time shall apply. Some capitalized terms which are not defined herein have specific definitions provided in Appendix A, attached hereto and incorporated by this reference.

2. USAGE

2.1 Use License. Subject to the terms and conditions of this Agreement, FORTE hereby grants to AGENCY a non- exclusive and non-transferable license to access and use the Service(s) contracted for and AGENCY hereby accepts such license and agrees to utilize and access the Services in accordance with the practices and procedures established by FORTE, which may be amended from time to time in accordance with this Agreement. AGENCY may use the Services (a) for its own internal business purposes and operations, and/or (b) as a service provided to its Constituents, unless otherwise agreed by FORTE in writing. AGENCY agrees that it will not transmit any material through FORTE's systems in violation of any applicable Law or Rule. FORTE reserves the right to use all means necessary to monitor AGENCY's actions in the event of a real or perceived security risk.

2.2 Use of Proprietary Property. No license or right to use, reproduce, translate, rearrange, modify, enhance, display, sell, lease, sublicense or otherwise distribute, transfer or dispose of any of FORTE's Proprietary Property, as defined in Section 3 below, in whole or in part, is granted except as expressly provided by this Agreement. AGENCY shall not reverse engineer, decompile or disassemble the Proprietary Property. Additionally, nothing in this Agreement shall be construed to provide AGENCY with a license of any third-party proprietary information or property.

2.3 Acceptable Use. AGENCY agrees to comply with the reasonable and acceptable use policies and Rules of any networks accessed by AGENCY through the Services. FORTE reserves the right to deny access to, or close any account AGENCY has with FORTE which, in FORTE's opinion, is causing or may cause, harm to or negatively affect a FORTE server or third-party network accessed through FORTE. In the event of such an occurrence, FORTE shall make reasonable efforts to notify AGENCY prior to taking any such action but is not required to do so.

2.4 User and System Security. AGENCY shall ensure that its Users comply with all applicable requirements of this Agreement. AGENCY is responsible for protecting the confidentiality of any and all passwords and credentials provided to AGENCY by FORTE for the purpose of utilizing the Services or other forms of access to AGENCY's accounts with FORTE. AGENCY is responsible for the security of its systems, locations and equipment used in processing Transactions under this Agreement and for developing security procedures and training its employees on the procedures. AGENCY expressly

assumes responsibility for the acts or omissions of all Users on its account(s) with FORTE and for User access to FORTE's systems either directly or through software.

2.5 Use of Information and Data. AGENCY acknowledges and agrees that all information submitted by AGENCY to FORTE in order for FORTE to provide the Services to AGENCY or otherwise contributed by AGENCY pursuant to the Services (including Transaction results), is held in FORTE's database and may be used by FORTE for the purpose of providing the Services to AGENCY's Constituents in compliance with all applicable Laws and Rules, including in accordance with the federal Fair Credit Reporting Act ("FCRA"). Further, FORTE may track, review, compile, store and use any information or data received from AGENCY as part of a Transaction or information or data received from a Payment Association or financial institution regarding a Transaction for regulatory compliance or any other legally permissible purpose. Without limiting the foregoing, AGENCY agrees and acknowledges that FORTE may use the routing numbers, account numbers and other PII submitted by AGENCY as well as Transaction results provided to or received by FORTE for the purpose of supporting FORTE's fraud detection, account validation and verification, and/or other commercially available services.

3. OWNERSHIP

All computer programs, trademarks, service marks, patents, copyrights, trade secrets, know- how, and other proprietary rights in or related to the Services (the "Proprietary Property"), are and will remain the sole and exclusive property of FORTE, whether or not specifically recognized or perfected under applicable Law. FORTE shall own all rights, title and interest, including all intellectual property rights, in and to any improvements to the existing Services and/or any new programs, upgrades, modifications or enhancements developed by FORTE in connection with rendering Services to AGENCY, even when refinements and improvements result from AGENCY's request. To the extent, if any, that ownership in such refinements and improvements does not automatically vest in FORTE by virtue of this Agreement or otherwise, AGENCY hereby expressly transfers and assigns to FORTE all rights, title, and interest which AGENCY may have in and to such refinements and improvements. All reference to any of FORTE's service marks, trademarks, patents or copyrights, or those of FORTE's partners or vendors, shall be made in compliance with the requirements, including periodic updates thereto, as provided at http://www.forte.net/trademark.

4. CONFIDENTIALITY

The Parties acknowledge that, by virtue of this Agreement, each has been and will continue to be entrusted with certain Confidential Information (as defined in Appendix A) pertaining to the other's business, including, but not limited to, proprietary information developed by, acquired by, or licensed to each Party. Each Party agrees that, except to the extent and in the manner necessary to perform its duties hereunder, it will not disclose to others or use for its own benefit any Confidential Information of the other Party and it will hold all Proprietary Property, as defined herein, confidential in perpetuity. Additionally, in the course of providing and receiving the Services, each Party acknowledges that it may receive or have access to PII. as more fully defined in Appendix A). As such, each Party shall: (i) keep all PII in strict confidence, with the degree of care necessary to avoid unauthorized access, use or disclosure; (ii) use PII solely and exclusively for the purposes provided in this Agreement; (iii) implement administrative, physical and technical safeguards to protect PII that are at least as rigorous as accepted industry practices; and (iv) have in place a program that complies with applicable legal requirements regarding PII, including, if applicable, PCI standards for data security.

Except with respect to Personal Information, this Section 4 will not apply to Confidential Information that (i) was already available to the public at the time of disclosure, (ii) becomes generally known to the public after disclosure to the other Party, through no fault of the other Party, (iii) is disclosed under force of law, applicable regulation, governmental regulation or court order, or (iv) is required to be disclosed by a banking partner, an Acquirer or an applicable Payment Network.

5. NON-EXCLUSIVITY

AGENCY, in its sole discretion, reserves the right to request the materials or services set forth herein from other sources when deemed necessary and appropriate. No exclusive rights are encompassed through this Agreement.

6. TERM AND TERMINATION

6.1 Term. This Agreement shall have an initial term of five (5) years (the "Initial Term"). Thereafter, this Agreement will automatically renew for additional one (1) year terms (each a "Renewal Term" and together with the Initial Term, the "Term of the Agreement") unless either Party provides not less than thirty (30) days' prior written notice of termination to the other Party.

6.2 Termination for Material Breach. In the event of a material breach of this Agreement by one Party and failure to cure within thirty (30) days of receipt of written notice of the breach, the other Party may terminate immediately by providing written notice of termination.

6.3 Termination with Notice. FORTE may terminate this Agreement with prior notice in the event (i) there is a material adverse change to AGENCY or its financial condition; (ii) AGENCY experiences Excessive Chargebacks pursuant to Section 7.12 herein; or (iii) AGENCY is in violation of any applicable Law, Rule or regulation. Notwithstanding the foregoing, FORTE reserves the right to suspend AGENCY's receipt of Services under section 7.17 in conjunction with sending notice of intent to terminate AGENCY's account.

6.4 Termination without Notice. FORTE may immediately terminate this Agreement without prior notice in the event (i) that it determines AGENCY has experienced an actual or suspected data security breach; (ii) FORTE is instructed to terminate the Agreement by a financial institution, Acquirer or Payment Network; or (iii) FORTE observes irregular, suspicious or fraudulent Transaction activity on AGENCY's account that is reasonably determined to expose FORTE to risk of financial, reputational, or other measurable loss. Notwithstanding the foregoing, FORTE may, in its own discretion, temporarily suspend AGENCY's receipt of Services prior to terminating AGENCY's account.

6.5 AGENCY reserves the right to terminate this Agreement, in part or in whole, for its sole convenience upon ninety (90) calendar days' written notice. FORTE acknowledges that, as with any termination permitted under this Agreement, in the event of a termination for convenience, FORTE is only entitled to payment in accordance with section 13. Pricing and Payment. FORTE will not be entitled to any anticipated lost profits had the Agreement been performed to completion.

6.6 Termination For Conflict of Interest (A.R.S. S 38-511). Pursuant to A.R.S. S 38-51 1, AGENCY may cancel this Agreement within three (3) years after its execution, without penalty or further obligation, if any person significantly involved in initiating, securing, drafting, or creating the Agreement for AGENCY becomes an employee or agent of FORTE.

6.7 Termination For Non-Appropriation and Modification for Budgetary Constraint. AGENCY is a governmental agency which relies upon the appropriation of funds by its governing body to satisfy its obligations. If AGENCY reasonably determines it does not have funds to meet its obligations under this Agreement, AGENCY will have the right to terminate the Agreement without penalty on the last day of the fiscal period for which funds were legally available. In the event of such termination, AGENCY agrees to provide written notice of its intent to terminate thirty (30) calendar days prior to the stated termination date.

7. TRANSACTION PROCESSING

7.1 Accepting Transactions. FORTE shall process credit card, debit card and ACH Transactions on AGENCY's behalf on a 24-hour basis. Transactions which are received before the daily designated cut-off time will be originated for settlement through the corresponding Payment Network. Transactions which are received after the designated cut-off time will be included in the next business day's settlement processing.

7.1.1 Sale Transactions. If a Transaction is sent to FORTE as a sale of goods or services, it will automatically be captured for settlement in time for the next designated cut-off time.

7.1.2 Authorization-Capture Transactions. If a Transaction is sent to FORTE for

Authorization (as more fully defined in Appendix A) only or for delayed processing, then it will be the responsibility of AGENCY to submit a corresponding "capture" Transaction within forty-eight (48) hours of the Authorization in order to complete the Transaction process for settlement. Transactions which are not captured within forty-eight (48) hours of Authorization are untimely and may be rejected by FORTE.

7.2 Transaction Format. FORTE is responsible for processing only Transactions which are received and approved by FORTE in the proper format, as established by FORTE.

7.2.1 Card Not Present Transactions. For card-based Transactions in which the card is not present, AGENCY must obtain and include as part of the Authorization request the three (3) or four (4) digit validation code and the cardholder's billing address information.

7.3 AGENCY Account. In order to provide Transaction processing services, FORTE may need to establish one (1) or more service accounts on AGENCY's behalf or require AGENCY to establish a service account with a third-party provider subcontracting with FORTE.

7.4 Limited-Acceptance Agency. If appropriately indicated on AGENCY's application with FORTE, AGENCY may be a Limited-Acceptance Agency, which means that AGENCY has elected to accept only certain Visa and MasterCard card types (i.e., consumer credit, consumer debit, and commercial cards) and must display appropriate signage to indicate the same. FORTE and its associated credit card Acquirer have no obligation other than those expressly provided under the Rules of a Payment Network and applicable Law as they may relate to limited acceptance. AGENCY, and not FORTE or Acquirer, will be solely responsible for the implementation of its decision for limited acceptance, including but not limited to policing the card type(s) accepted at the point of sale.

7.5 Bona Fide Sales. AGENCY shall only complete Transactions produced as the direct result of bona fide sales made by AGENCY to cardholders, and AGENCY is expressly prohibited from processing, factoring, laundering, offering, and/or presenting sales Transactions which are produced as a result of sales made by any person or entity other than AGENCY, for purposes related to financing terrorist activities or for purposes that may be used as part of a scheme which violates any law governing the use of the Services which may include but not be limited to Bank Secrecy Act or USA Patriot Act.

7.6 Setting Limits on Transaction Amount. AGENCY may set a minimum Transaction amount to accept a card that provides access to a credit account, under the following conditions: the minimum Transaction amount does not (i) differentiate between card issuers; (ii) differentiate between MasterCard, Visa, or any other accepted brand; and iii) exceed ten dollars (or any higher amount established by the Federal Reserve). AGENCY may set a maximum Transaction amount to accept a card that provides access to a credit account, under the following conditions: AGENCY is (i) a department, agency or instrumentality of the U.S. government; (ii) a corporation owned or controlled by the U.S. government; or (iii) an agency whose primary business is reflected by one of the following MCCs: 8220, 8244, 8249 – Schools, Trade or Vocational; and the maximum Transaction amount does not differentiate between MasterCard, Visa, or any other accepted brand.

7.7 Additional Agreements AGENCY understands and agrees that in order to receive the Services, Agency may be required to enter into additional agreements directly with the Payment Networks or other third parties.

7.8 Modifying Transactions. AGENCY shall regularly and promptly review all Transactions and shall immediately notify FORTE upon discovery of any and all discrepancies between the records of AGENCY compared with those provided by FORTE or AGENCY's bank, or with respect to any Transaction that AGENCY believes was made erroneously or without proper authorization from the Constituent or Customer. At AGENCY's request, FORTE will make commercially reasonable efforts to reverse, modify, void or delete a Transaction after it has been submitted for settlement. All requests must be made in writing (electronic mail will be deemed as "in writing" for these purposes), signed or sent by an individual pre-authorized by AGENCY to make such requests and delivered to FORTE. AGENCY agrees FORTE will not be held responsible for any losses, directly or indirectly, incurred by AGENCY or other third parties as a result of FORTE's failure to accomplish the request before the Transaction has been processed through the applicable Payment Network or for making any necessary changes as

requested by Agency.

7.9 Delay or Rejection of Transactions. FORTE may delay or reject any Transaction without prior notification to AGENCY which is improperly formatted, is untimely, or is missing information, which may cause it to downgrade; or if FORTE has reason to believe such Transaction is fraudulent or improperly authorized; or for any reason such delay or rejection is permitted or required under the Rules or regulations. FORTE shall have no liability to AGENCY by reason of the rejection of any such Transaction.

7.10 Returned Items. FORTE shall make available to AGENCY details related to the receipt of any Transaction that is returned unpaid or any Transaction which is charged back and shall credit or charge such returned item to AGENCY's Settlement Account.

7.11 Chargebacks. AGENCY acknowledges and agrees that it is bound by the Payment Networks Rules with respect to any Chargeback. AGENCY understands that obtaining an authorization from a Constituent or Customer for any sale shall not constitute a guarantee of payment, and such sales can be returned or charged back to AGENCY like any other item hereunder. In the event a Transaction is charged back for any reason, the amount of such Transaction will be deducted from AGENCY's designated Settlement Account or any payment due to AGENCY.

7.12 Excessive Chargebacks. Using limits established by the Payment Networks as a standard for review, FORTE reserves the right to suspend and/or terminate AGENCY's access to the Services should AGENCY's chargeback ratio exceed allowable limits in any given period. FORTE will make reasonable efforts to provide AGENCY with notice and a time to cure its excessive chargebacks prior to suspending or terminating AGENCY's access to the Services. AGENCY acknowledges and expressly authorizes FORTE, in compliance with Payment Network Rules, to provide to the Payment Networks and applicable regulatory bodies, AGENCY's name and contact information as well as Transaction details should AGENCY's chargeback ratio exceed the allowable limits in any given period.

7.13 Resubmitting Transactions. AGENCY shall not re-submit any Transaction unless it is returned as (i) insufficient funds (R01) or (ii) uncollected funds (R09) or unless a new Authorization is obtained from Constituent.

7.14 Settlement. Settlement of AGENCY's funds for Transactions, less any Chargebacks or Returns, to AGENCY's designated Settlement Account will occur within seventy-two (72) hours of origination excluding weekends and US federal banking holidays. Settlement of Transactions will occur via electronic funds transfer over the ACH Network. Upon receipt of AGENCY's sales data for card Transactions through FORTE's Services, Acquirer will process AGENCY's sales data to facilitate the funds transfer between the various Payment Networks and AGENCY. After Acquirer receives credit for such sales data, Acquirer will fund AGENCY, either directly to the AGENCY-Owned Designated Account or through FORTE to an account designated by FORTE (the "FORTE Designated Account"), at Acquirer's sole option, for such card Transactions. AGENCY agrees that the deposit of funds to the FORTE Designated Account shall discharge Acquirer of its settlement obligation to AGENCY and any dispute regarding the receipt or amount of settlement shall be between FORTE and AGENCY. Acquirer will debit the FORTE Designated Account for funds owed to Acquirer as a result of the Services provided hereunder unless an AGENCY-owned account is otherwise designated by AGENCY. Further, if a cardholder disputes a Transaction, if a Transaction is charged back for any reason, or if FORTE or Acquirer reasonably believes a Transaction is unauthorized or otherwise unacceptable, the amount of such Transaction may be charged back and debited from AGENCY if settled to an AGENCY-owned account or debited from the FORTE Designated Account if settled to that account.

7.15 Provisional and Final Payment. AGENCY, AGENCY's third party senders (if applicable), and/or AGENCY's Agent(s) understand and agree that Debit or Credit Entries may be transmitted through the ACH Network, that payment of a Debit or Credit Entry by the RDFI to the Receiver is provisional until receipt by the RDFI of final settlement for such Debit or Credit Entry, and, if such settlement is not received, the RDFI will be entitled to a refund from the Receiver of the amount credited and AGENCY will not be deemed to have paid the Receiver the amount of the Debit or Credit Entry. The rights and obligations of AGENCY concerning the Debit or Credit Entry are governed by and

construed in accordance with the laws of the state in which the processing ODFI is located unless AGENCY and FORTE have agreed that the laws of another jurisdiction govern the rights and obligations.

7.16 Reporting. FORTE will make daily origination and deposit reports available to AGENCY on a 24/7 basis through the Internet-based FORTE platform.

7.17 Temporary Suspension of Services. Should any of the following occur: (i) FORTE observes irregular, suspicious or possible fraudulent Transaction activity on AGENCY's account; (ii) FORTE determines there is an irregularity in AGENCY's account, documentation, processes or financial condition that is inconsistent with FORTE's risk requirements; (iii) AGENCY is in material breach of its payment or other financial obligations to FORTE; or (iv) FORTE is required by Laws, Rules or a Payment Network, FORTE reserves the right to temporarily suspend Services to AGENCY without prior written notice. In the event FORTE suspends Services to AGENCY under the terms of this Section, FORTE will provide AGENCY with notice of the suspension and the reason for such suspension, along with remediation actions so long as communicating such would not create a security risk or violate any legal obligation of FORTE.

7.18 Authorization. AGENCY specifically authorizes FORTE to (i) to debit and credit AGENCY's designated bank account in order to carry out its duties under this Agreement and (ii) debit its designated bank account and any account owned by the same entity as AGENCY or by an entity with the same tax identification number as AGENCY to collect any payment obligation owed to FORTE by AGENCY hereunder. Further, AGENCY authorizes FORTE to act as its agent for receipt of settlement funds in connection with the Services and FORTE accepts such appointment subject to any conditions and limitations of this Agreement. AGENCY agrees that receipt by FORTE of funds from AGENCY's Constituent or Customer shall constitute receipt of payment to AGENCY, extinguishing such Constituent or Customer's payment obligation to AGENCY (to the extent such obligation has not otherwise been extinguished) as if such Constituent or Customer had paid AGENCY directly. If FORTE fails to fund AGENCY's account in an amount corresponding to such Constituent's or Customer's payment, AGENCY's sole recourse shall be to FORTE, not such Constituent or Customer.

8. TIME OF THE ESSENCE

Time is of the essence to the performance of the parties' obligations under this Agreement.

9. TRANSACTION AUTHORIZATION

9.1 Constituent Authorization. AGENCY shall obtain authorization from Constituent prior to requesting a Transaction to or from Constituent's account.

9.2 Retention. AGENCY shall retain proof of Constituent's authorization for a period of not less than two (2) years for standard Transactions and for a period of not less than five (5) years for health-related Transactions from the Authorization date or revocation of the Authorization date and shall provide such proof of Authorization to FORTE upon request within five (5) business days of the request.

9.3 Revoked Authorization. AGENCY shall cease initiating Transactions to or from a Constituent's account immediately upon receipt of any actual or constructive notice of a Constituent's termination or revocation of Authorization. AGENCY may re-initiate Transactions to or from a Constituent's account only upon receiving new Authorization from Constituent.

10. AGENCY PROHIBITIONS

AGENCY must not (i) require a cardholder to complete a postcard or similar device that includes the cardholder's account number, card expiration date, signature, or any other card account data in plain view when mailed; (ii) add any tax to Transactions unless applicable Law expressly requires that AGENCY impose a tax (any tax amount, if allowed, must be included in the Transaction amount and not collected separately); (iii) request or use an account number for any purpose other than as payment for its goods or services; (iv) disburse funds in the form of travelers checks if the sole purpose is to allow the cardholder to make a cash purchase of goods or services from AGENCY; (v) disburse funds in the

form of cash unless AGENCY is dispensing funds in the form of travelers checks, TravelMoney cards, or foreign currency (in such case, the Transaction amount is limited to the value of the travelers checks, TravelMoney cards, or foreign currency, plus any commission or fee charged by AGENCY) or unless AGENCY is participating in a cash back service; (vi) submit any Transaction receipt for a Transaction that was previously charged back to the Acquirer and subsequently returned to AGENCY, irrespective of cardholder approval; (vii) accept a Visa consumer credit card or commercial Visa product issued by a U.S. issuer to collect or refinance an existing debt that has been deemed uncollectable by AGENCY; or (viii) submit a Transaction that represents collection of a dishonored check. AGENCY further agrees that under no circumstance will AGENCY store cardholder data in violation of the Laws or the operating regulations of any Payment Network, including, but not limited to, the storage of track-2 data. Neither AGENCY nor its Agent shall retain or store magnetic-stripe data subsequent to Authorization of a sales Transaction.

11. AUTHORIZATION

11.1 ACH Authorization. AGENCY authorizes FORTE to electronically debit and credit AGENCY's designated bank account(s) for any amounts owed to or by AGENCY in accordance with the terms of this Agreement. Further, AGENCY authorizes FORTE to act as its agent for receipt of settlement funds in connection with the Services and FORTE accepts such appointment subject to any conditions and limitations of this Agreement. AGENCY agrees that receipt by FORTE of a Constituent's funds shall constitute receipt of payment to AGENCY, extinguishing Constituent's payment obligation to AGENCY as if Constituent had paid AGENCY directly. If FORTE fails to fund AGENCY's account in an amount corresponding to a Constituent's payment, AGENCY's sole recourse shall be to FORTE, not Constituent.

11.2 Third Party Service Provider. If AGENCY uses the Services through or in conjunction with a third-party service provider that is not a party to this Agreement, AGENCY authorizes FORTE to provide the authorized third party with its FORTE merchant account information and credentials. If applicable, AGENCY authorizes the third party to originate Transactions and receive the corresponding results on its behalf.

12. CONSTITUENT DISPUTES

All disputes between AGENCY and its Constituents relating to any Transaction processed under this Agreement will be settled by and between AGENCY and Constituent. AGENCY agrees FORTE bears no responsibility or involvement in any such dispute.

13. COMPLIANCE WITH LAWS, RULES AND REGULATIONS

13.1 In performing its duties under this Agreement, each Party agrees to comply with all applicable Rules, regulations and Laws, including but not limited to all confidentiality and security requirements of the USA Patriot Act (or similar law, rule or regulation), all Rules of any applicable Payment Networks, all requirements under the Payment Card Industry Data Security Standard (or similar applicable data security law, rule or regulation) including but not limited to the VISA Cardholder Information Security Program, the MasterCard Site Data Protection Program, and any other program or requirement that may be published and/or mandated by the Payment Networks. Each Party agrees to cooperate and provide information reasonably requested by the other to facilitate its compliance with any applicable Law, Rule or regulation. Additionally, should a Payment Network or regulatory body impose a fee or fine on AGENCY for any violation of the Rules or Laws or regulations by AGENCY, such fee or fine may be charged to FORTE as a pass-through to AGENCY. If any such fee or fine is charged to FORTE, AGENCY shall reimburse FORTE for any such fees or fines.

13.2 FORTE must procure all permits/licenses and pay all charges and fees necessary and incidental to the lawful conduct of business. FORTE must stay fully informed of existing and future federal, state, and local laws, ordinances, and regulations that in any manner affect the fulfillment of this Agreement and must comply with the same at its own expense. FORTE bears full responsibility for training, safety,

and providing necessary equipment for all FORTE personnel to achieve compliance throughout the term of the Agreement. Upon request, FORTE will demonstrate to AGENCY's satisfaction any programs, procedures, and other activities used to ensure compliance.

13.1 Drug-Free Workplace. FORTE is hereby advised that AGENCY has adopted a policy establishing a drug-free workplace for itself and those doing business with AGENCY to ensure the safety and health of all persons working on AGENCY contracts and projects. FORTE will require a drug-free workplace for all FORTE personnel working under this Agreement. Specifically, all FORTE personnel who are working under this Agreement must be notified in writing by FORTE that they are prohibited from the manufacture, distribution, dispensation, possession, or unlawful use of a controlled substance in the workplace. FORTE agrees to prohibit the use of intoxicating substances by all FORTE personnel and will ensure that FORTE personnel do not use or possess illegal drugs while in the course of performing their duties.

13.2 Federal and State Immigration Laws. FORTE agrees to comply with the Immigration Reform and Control Act of 1986 (IRCA) in performance under this Agreement and to permit AGENCY and its agents to inspect applicable personnel records to verify such compliance as permitted by law. FORTE will ensure and keep appropriate records to demonstrate that all FORTE personnel have a legal right to live and work in the United States.

i. As applicable to FORTE, under the provisions of A.R.S. S 41-4401, FORTE hereby warrants to AGENCY that FORTE and each of its subcontractors will comply with, and are contractually obligated to comply with, all federal immigration laws and regulations that relate to their employees and A.R.S. S 23-214(A) (hereinafter collectively the "Contractor Immigration Warranty").

ii. A breach of the Contractor Immigration Warranty will constitute a material breach of this Agreement and will subject FORTE to penalties up to and including termination of this Agreement at the sole discretion of AGENCY.

iii. To ensure FORTE and its subcontractors are complying with Contractor Immigration Warranty, AGENCY retains the legal right to conduct random verification of the employment records of any FORTE or subcontractor employee who works on this Agreement, including the inspection of the papers of such employees. FORTE agrees to assist AGENCY in regard to any random verification performed.

iv. Neither FORTE nor any subcontractor will be deemed to have materially breached FORTE Immigration Warranty if FORTE or subcontractor establishes that it has complied with the employment verification provisions prescribed by Sections 274a and 274b of the Federal Immigration and Nationality Act and the E-Verify requirements prescribed by A.R.S. S 23-214(A).

13.3 Nondiscrimination. FORTE understands and acknowledges that it is the policy of AGENCY to promote nondiscrimination. As such, FORTE represents and warrants that it does not discriminate against any person on the basis of race, color, ethnicity, national origin, age, disability, religion, sex, sexual orientation, gender identity, veteran's status, marital status, familial status, or genetic information (collectively, "protected status") in employment, housing, or facilities, establishments, accommodations, services, commodities, or use offered to or enjoyed by the general public. FORTE further represents and warrants that it does not, on the basis of protected status, refuse to hire or employ or bar or discharge from employment any person, or to discriminate against such person in compensation, conditions, or privileges of employment. In performance of this Agreement, FORTE shall comply with all applicable federal, state, and local laws and executive orders regarding non-discrimination including, but not limited to, the following (as amended): Title VII of the U.S. Civil Rights Act of 1964; Section 504 of the Federal Rehabilitation Act; Age Discrimination Act of 1967; Equal Pay Act of 1963; and Americans with Disabilities Act of 1990.

13.4 State Sponsors of Terrorism Prohibition. Per A.R.S. S 35-392, FORTE must not be in violation of section 6(j) of the Federal Export Administration Act and subsequently prohibited by the State of Arizona from selling goods or services to AGENCY.

13.5 Israel Boycott Divestments. In accordance with the requirements of A.R.S. S 35-393.01, by

entering into this Agreement, FORTE certifies that it is not currently engaged in and agrees for the duration of the Agreement to not engage in, a boycott of Israel.

13.6 Forced Ethnic Uyghur Labor Prohibition. In accordance with the requirements of A.R.S. S 35-394, FORTE certifies that it does not currently, and agrees for the duration of the contract that it will not, use (i) the forced labor of ethnic Uyghurs in the People's Republic of China; (ii) any goods or services produced by the forced labor of ethnic Uyghurs in the People's Republic of China; or (iii) any contractors, subcontractors, or Contractors that use the forced labor or any goods or services produced by the forced labor of ethnic Uyghurs in the People's Republic of China.

13.7 Termination for Violation of Forced Ethnic Uyghur Labor Prohibition. If, after providing the certification described in (g), FORTE becomes aware that it is not in compliance with the certification, it shall notify AGENCY within five (5) business days of becoming aware of the noncompliance. FORTE acknowledges that it must remedy the noncompliance and provide written certification of that within one hundred eighty (180) days after notifying AGENCY of its noncompliance. If FORTE fails to remedy the noncompliance and provide the written certification within one hundred eighty (180) days, the contract shall terminate immediately.

14. PUBLIC RECORDS. FORTE acknowledges that AGENCY is a public body, subject to Arizona's public records laws (A.R.S. S 39-121 et seq.) and any documents related to this Agreement may be subject to disclosure pursuant to state law in response to a public records request or to subpoena or other judicial process.

a. If FORTE believes documents related to the Agreement contain trade secrets or other proprietary data, FORTE must have notified AGENCY, according to Kingman City Code 2-305(d), with a notification statement specifically identifying the trade secrets or other proprietary data that FORTE believes should remain confidential.

b. In the event AGENCY determines it is legally required to disclose pursuant to law any documents or information FORTE deems confidential trade secrets or proprietary data, AGENCY, to the extent possible, will provide FORTE with prompt written notice by certified mail, fax, email or other method that tracks delivery status of the requirement to disclose the information so FORTE may seek a protective order from a court having jurisdiction over the matter or obtain other appropriate remedies. The notice will include a time period for FORTE to seek court ordered protection or other legal remedies as deemed appropriate by FORTE. If FORTE does not obtain such court ordered protection by the expiration of said time period, AGENCY may release the information without further notice to FORTE.

15. AUDITS AND RECORDS.

Pursuant to A.R.S 41-2548 and A.R.S. 32-214, FORTE must preserve the records related to this Agreement for five (5) years after completion of the Agreement. AGENCY or its authorized agent reserves the right to inspect any records related to the performance of work specified herein. In addition, AGENCY may inspect all payroll, billing or other relevant records kept by AGENCY in relation to the Agreement. FORTE will permit such inspections and audits once a year during normal business hours and upon reasonable notice by AGENCY. The audit of records may occur remotely.

16. DATA SECURITY

FORTE shall implement and maintain a commercially reasonable security program, in accordance with the Information Security Requirements attached hereto as Appendix E.

17. PRICING AND PAYMENT

17.1 FORTE will provide the Services in accordance with the fees listed on the Pricing Fee Schedule, attached hereto as Schedule 1, or any amendments thereto. Pricing based on AGENCY absorbing the fees for the Services ("Absorbed Fee Model") will result in fees being billed to AGENCY monthly in

arrears and will automatically be debited from AGENCY's designated account via ACH debit.
17.2 Pricing based on a service fee that is charged to Constituents per Transaction ("Service Fee Model") will result in a non-refundable service fee either (i) added to or (ii) charged as a separate Transaction to Constituent at the time of payment. Pricing under the Service Fee Model is calculated based on historical or estimated transactional amount activity by AGENCY. In the event that experiential transaction activity varies significantly from the historical or estimated amounts, FORTE shall have the right to adjust the service fee in accordance with the experiential transaction activity.
17.3 FORTE's pricing is subject to the underlying fees established by the Payment Networks and FORTE'S service providers. As such, in the event FORTE experiences an increase in cost for any processing services utilized by AGENCY during Term of the Agreement, FORTE will pass through the increases with no additional markup to AGENCY. FORTE will provide AGENCY a minimum of thirty (30) days' notice of any change or adjustment in fees.

18. SALES/USE TAX, OTHER TAXES.
18.1 FORTE is responsible for the payment of all taxes including federal, state, and local taxes related to or arising out of FORTE`s services under this Agreement including, by way of illustration but not limitation, federal and state income tax, Social Security tax, unemployment insurance taxes, and any other taxes or business license fees, as required. If any taxing authority should deem FORTE or FORTE employees an employee of AGENCY or should otherwise claim AGENCY is liable for the payment of taxes that are FORTE`s responsibility under this Agreement, then FORTE will indemnify AGENCY for any tax liability, interest, and penalties imposed upon AGENCY.
18.2 AGENCY is exempt from paying certain federal excise taxes and will furnish an exemption certificate upon request. AGENCY is not exempt from state and local sales/use taxes.

19. LIMITS OF LIABILITY
NEITHER PARTY SHALL BE LIABLE TO THE OTHER PARTY OR TO ANY THIRD PARTY FOR ANY SPECIAL, CONSEQUENTIAL, INCIDENTAL OR PUNITIVE DAMAGES OF ANY KIND OR NATURE INCURRED IN RELATION TO THIS AGREEMENT. THE AMOUNT OF DAMAGES RECOVERABLE BY EITHER PARTY FROM THE OTHER WILL NOT EXCEED THAT PARTY'S ACTUAL, DIRECT DAMAGES AND WILL BE LIMITED TO THE AMOUNT OF THE AVERAGE MONTHLY FEES AND CHARGES PAID BY AGENCY TO FORTE, EXCLUDING ANY PASS-THROUGH FEES, FOR THE SERVICES FOR THE IMMEDIATE THREE (3) MONTH PERIOD PRIOR TO THE EVENT GIVING RISE TO THE APPLICABLE CLAIM. NEITHER PARTY WILL BE LIABLE FOR FAILURE TO PERFORM ANY OF ITS OBLIGATIONS UNDER THIS AGREEMENT IF SUCH PERFORMANCE WOULD RESULT IN IT BEING IN BREACH OF ANY LAW, RULE, REGULATION OR REQUIREMENT OF ANY GOVERNMENTAL AUTHORITY. THE PROVISIONS OF THIS SECTION WILL SURVIVE TERMINATION OF THIS AGREEMENT.
19.1 FORTE SHALL NOT BE RESPONSIBLE FOR ERRORS, ACTS OR FAILURES TO ACT OF OTHERS, INCLUDING, AND AMONG OTHER ENTITIES, BANKS, OTHER PROCESSORS, COMMUNICATIONS CARRIERS OR CLEARING HOUSES, THROUGH WHICH TRANSACTIONS MAY BE ORIGINATED OR THROUGH WHICH FORTE MAY RECEIVE OR TRANSMIT INFORMATION, AND NO SUCH ENTITY SHALL BE DEEMED AN AGENT OF FORTE.

19. REPRESENTATIONS AND WARRANTIES.
19.1 FORTE's Representations and Warranties. FORTE makes no representations or warranties concerning the Services except as may be specifically authorized, in writing, or set out herein.

i. FORTE hereby warrants that its software solutions and the Services will perform in accordance with their published specifications in all material respects.
ii. FORTE further warrants that in performing its obligations hereunder, it shall exercise due care

and reasonable efforts to ensure that information originated by AGENCY is transmitted accurately.

19.2 AGENCY's Representations and Warranties. AGENCY represents and warrants to FORTE:

i. If applicable, with respect to all Transactions originated by FORTE on behalf of AGENCY, (i) each Transaction in all respects has been properly authorized by Receiver; (ii) each Transaction is for an amount agreed to by Receiver; and (iii) AGENCY shall provide proof of Authorization to FORTE in compliance with applicable Rules for any Transaction upon request within five (5) Business Banking Days.

ii. AGENCY agrees to adhere to the warranties within the applicable Rules for each Transaction FORTE processes on AGENCY's behalf.

b. **Mutual Representations and Warranties.** Each Party represents and warrants to the other:

i. The execution of this Agreement does not violate any applicable international, federal, state, or local law, Payment Network rule or contract to which such Party is subject.

ii. There are no actions, suits or proceedings existing or pending against or affecting it before any judicial or regulatory authority which would have a material adverse effect on its ability to perform its obligations hereunder.

iii. When executed and delivered, this Agreement will constitute a legal, valid, and binding obligation, enforceable in accordance with its terms.

20. INSURANCE

20.1 FORTE shall procure and maintain, at its own expense and for the duration of this Agreement, insurance coverage with companies authorized to do business in the State of Arizona and with an A.M. Best rating of A- or better. Coverage shall include:

a. Commercial General Liability with a minimum limit of $1,000,000 per occurrence / $2,000,000 aggregate
b. Automobile Liability (if applicable) with a minimum limit of $1,000,000 combined single limit
c. Workers' Compensation as required by Arizona law.

20.2 AGENCY, its elected officials, agents, representatives, and employees shall be named as additional insureds on the Commercial General Liability policy. Coverage shall be primary and non-contributory with respect to any insurance maintained by the AGENCY and include a waiver of subrogation in favor of the AGENCY.

20.3 FORTE shall provide a certificate of insurance evidencing the required coverage prior to the commencement of work and upon renewal during the term of this Agreement.

20.4 The insurance requirements set forth herein shall not limit FORTE's indemnification obligations under this Agreement.

21. FORTE SERVICE POLICY

FORTE makes no representations or warranties concerning the Services except as may be specifically authorized, in writing, or set out herein. AGENCY acknowledges and understands that FORTE does not warrant that the Services will be uninterrupted or error free and that FORTE may occasionally experience delays or outages due to disruptions that are not within FORTE's control. Any such interruption shall not be considered a breach of the Agreement by FORTE. FORTE shall use its best efforts to remedy any such interruption in the Services as quickly as possible.

22. FORCE MAJEURE

Neither Party will be held liable for any damages, delays or failure to perform any of its obligations under this Agreement if such damages, delays or failure are due to circumstances beyond the reasonable

control of such Party and without its fault or negligence, such as acts of God, fire, flood, earthquakes or other natural disasters, epidemics, industry-wide strikes and governmental acts or orders or restrictions. The Party affected by such circumstances will use all commercially reasonable efforts to avoid or remove such causes of non-performance. Nothing herein shall relieve a Party from its payment obligations for Services rendered.

23. ASSIGNMENT
This Agreement may not be assigned, either in whole or in part, without first receiving AGENCY's written consent. Any attempted assignment, either in whole or in part, without such consent will be null and void and, in such event, AGNCY will have the right, at its option, to terminate the Agreement. No granting of consent to any assignment will relieve FORTE from any of its obligations and liabilities under the Agreement.

24. CHOICE OF LAW
This Agreement is governed by the laws of the State of Arizona. The exclusive forum selected for any proceeding or suit, in law or equity, arising from or incident to this Agreement will be Mohave County, Arizona.

25. AMENDMENT
Except as otherwise provided for herein, the terms and conditions of this Agreement shall not be modified or amended except in writing and agreed to by the Parties. Notwithstanding the foregoing, this Agreement is subject to such modifications, changes, and additions as may be required by reason of any applicable Law, regulation or Rule.

26. PUBLICITY
Neither Party shall use the other Party's name, logo or service marks in conjunction with a press release or advertisement without first obtaining written approval.

27. NOTICE
Any notice, consent or other communication required or contemplated by this Agreement shall be in writing, and shall be delivered in person, by U.S. mail, by overnight courier, by electronic mail or by fax to the intended recipient at the address most recently provided in writing.

28. HEADINGS
The headings contained in this Agreement are for convenience of reference only and shall not affect the meaning of any provision of this Agreement.

29. SEVERABILITY
Should any term, clause or provision herein be found invalid or unenforceable by a court of competent jurisdiction, such invalidity shall not affect the validity or operation of any other term, clause or provision and such invalid term, clause or provision shall be construed to most closely reflect the original intent of the Parties.

30. ENTIRE AGREEMENT; WAIVER; COUNTERPARTS
This Agreement constitutes the entire understanding of the Parties and revokes and supersedes all prior agreements between the Parties and is intended as a final expression of their agreement. Either Party's waiver of any breach of any provision of this Agreement shall not be deemed a waiver of any subsequent breach of the same or other provision. This Agreement may be executed in two (2) or more counterparts, each of which shall be deemed an original and all of which together shall constitute one instrument.

31. ELECTRONIC SIGNATURES.

Under the Electronic Signatures in Global and National Commerce Act (E-Sign), this Payment Processing Agreement and all electronically executed documents related hereto are legally binding in the same manner as are hard copy documents executed by hand signature when (i) a person authorized to bind AGENCY indicates acceptance of the terms of this Agreement by following procedures that associate his/her electronic signature with this Agreement and related documents, (ii) such authorized person consents and intends to be bound by the Payment Processing Agreement and related documents, and (iii) the Payment Processing Agreement is delivered in an electronic record capable of retention by the recipient at the time of receipt (i.e., print or otherwise store the electronic record). This Agreement and all related electronic documents shall be governed by the provisions of E-Sign.

IN WITNESS WHEREOF, the undersigned, being duly authorized thereto by their respective organizations, have executed this Agreement.

CITY OF KINGMAN

By:_____

Name:_____

Title:_____

Date:_____

CSG FORTE PAYMENTS, INC.

By: Jeanette Mbungo
Jeanette Mbungo (Jun 26, 2026 08:24:18 CDT)

Name: Jeanette Mbungo

Title: COO

Date: 06/26/2026

CSG Legal Reviewed, GS, 6-24-26
CSG Legal Reviewed, GS, 6-24-26 (Jun 24, 2026 10:07:40 ADT)

APPENDIX A
DEFINITIONS

ACH Network. "ACH Network" or "Automated Clearing House Network" is a batch processing, store-and-forward system that accumulates and distributes ACH Transactions that are received from ODFI (defined below) and are forwarded to the specified RDFI (defined below) according to the specific schedules established by the participants.

Acquirer. "Acquirer" means a sponsoring financial institution or payment processor that enters into an agreement which enables merchants, government entities or their Agent(s) to submit Transactions to a payment network.

Affiliate. "Affiliate" means a business entity effectively controlling or controlled by another or associated with others under common ownership or control.

Agent. "Agent" means any director, officer, employee, representative, Affiliate, third-party vendor or any other person acting on behalf of AGENCY with the actual, implied or apparent authority of AGENCY.

Authorization. "Authorization" means a Transaction request on a Constituent or Consumer bank account or card account to confirm Constituents or Consumer's account is open, in good standing, and has sufficient funds to complete the submitted Transaction.

Business Banking Day. "Business Banking Day" means Monday through Friday excluding banking holidays.

Confidential Information. "Confidential Information" may include information regarding all of the computer software and technologies, systems, structures, architectures, processes, formulae, compositions, improvements, devices, know-how, inventions, discoveries, concepts, ideas, designs, methods, and information and databases developed, acquired, owned, produced or practiced at any time by a Party or any Affiliate thereof, including software programs and documentation licensed by third parties to the disclosing Party, any business or financial information directly or indirectly related to the disclosing Party's company(s) or investments or its internal administrative audit reports on internal controls, internal risk and underwriting guidelines and policies, billing and accounting systems, Customer and vendor lists and information, employee personnel information and policies and procedures, information regarding the disclosing Party's products and services that is not generally available to the public.

Consumer. "Consumer" means the individual end users, Constituents of AGENCY.

CPA. "CPA" or "Canadian Payment Association" is responsible for operating the two primary settlement systems (payment networks) in Canada, as well as establishing, revising and enforcing the operating Rules for the Canadian payment networks.

Chargeback. "Chargeback" means a Transaction that is rejected by the owner of the account debited or charged because a dispute exists between the Originator of the Transaction (typically Agency) and the account owner.

Credit Entry. "Credit Entry" means an ACH/EFT Transaction that is intended to deposit funds into a Receiver's (defined below) account which has been withdrawn from AGENCY's Settlement Account (defined below).

Debit Entry. "Debit Entry" means an ACH/EFT Transaction that is intended to withdraw funds from a Receiver's account for deposit into AGENCY's Settlement Account (defined below).

Laws. "Laws" means all international, national, regional and local regulations or laws which are applicable to the Services provided herein, including but not limited to federal Regulation E and Title 31 of the Code of Federal Regulations Part 210, Gramm-Leach-Bliley Act, US Bank Secrecy Act ("BSA"), applicable privacy and data security laws, US and local export control laws, including US Foreign Corrupt Practices Act, the Export Administration Act, US Department of Treasury Office of Foreign Assets Control ("OFAC") and similar restrictions under US law, executive order, regulation or Rule (collectively, "Export Laws"), and Fair Credit Reporting Act and USA Patriot Act.

NACHA. "NACHA" or "National Automated Clearing House Association" is responsible for establishing, revising and enforcing the Operating Rules for the US ACH Network.

ODFI. "ODFI" or "Originating Depository Financial Institution" means the financial institution that receives ACH Transactions from AGENCY through FORTE and then forwards these Transactions (defined below) to the ACH Network.

Originator. "Originator" means the AGENCY who has contracted with FORTE to initiate ACH entries, on its behalf, to the ACH Network.

Payment Network. "Payment Network" means an entity that facilitates and governs payment Transactions, including but not limited to VISA, M/C, Discover, NACHA, CPA and may also be referred to as "Payment Association".

Payment Network Resources:
VISA Regulations (from VISA website): https://usa.visa.com/dam/VCOM/download/about-visa/visa-rules-public.pdf
MasterCard Rules (from MC website):
https://www.mastercard.us/en-us/about-mastercard/what-we-do/rules.html
Discover rules (from Discover website):
http://www.discovernetwork.com/merchants/index.html
NACHA: www.nacha.org

PCI-DSS. "PCI-DSS" or "Payment Card Industry Data Security Standard" means the system security measures established by the major credit card companies. The PCI-DSS is mandated by the credit card companies but administered by the Payment Card Industry Security Standards Council.

Personally Identifiable Information or PII. "PII" means unencrypted, unredacted, or non-anonymized personally identifiable information regarding a Consumer or non-personally identifiable information regarding a Consumer that has been aggregated, disaggregated or decompiled in a manner that is sufficient to cause a Consumer to be identified, directly or indirectly, in particular by reference to an identification number or to one or more factors specific to such Consumer's physical, physiological, mental, economic, cultural or social identity, including, by way of example, financial account numbers, credit or debit card numbers (with or without access or pin numbers, if collected), personal addresses, IP addresses, identity cards, residency permits, passport numbers, driver's license numbers and/or other government issued numbers. PII includes "Personal Data" as commonly defined by privacy laws.

RDFI. "RDFI" or "Receiving Depository Financial Institution" means the financial institution that receives the ACH Transactions from the ODFI through the ACH Network and posts these Transactions to the accounts of Receivers (defined below).

Receiver. "Receiver" means an entity or individual Consumer that has an established account with a card issuer or financial institution upon which a Transaction is or may be acted upon.

Reserve. "Reserve" means a specific amount of money that is held in the AGENCY account to be used by FORTE to offset amounts owed to FORTE for Services provided, such as returned items, chargebacks, fees/fines, billing or other AGENCY obligations to FORTE that FORTE is unable to collect from AGENCY.

Rules. "Rules" means the operational rules, policies and procedures established by each applicable Payment Network to govern all transactions and parties that participate in processing Transactions through the associated Payment Network.

Settlement Account. "Settlement Account" means an account established and maintained by AGENCY with a financial institution through which the following may occur: (a) deposit of funds for Debit Entries, (b) the extractions of funds for Credit Entries, reserve funds or fee obligations unless otherwise agreed to by the Parties.

Settlement Entry. "Settlement Entry" means a Debit or Credit Entry to AGENCY's Settlement Account which corresponds to the net amount owed AGENCY by FORTE at the end of each Business Banking Day.

Transaction. "Transaction means any transfer of data or information to FORTE in a format pre-approved by FORTE, including but not limited to payment, verification and authentication items.

Users. "Users" mean all individuals who access a FORTE website or utilize any portion of the FORTE Services on behalf of AGENCY directly or through software that accesses the FORTE systems through AGENCY's systems, by using AGENCY's access credentials or any other access reasonably presumed to be on behalf of AGENCY.

APPENDIX B
ACCOUNT VERIFICATION AND AUTHENTICATION SERVICES

1. Representation by Agency. Each request for data through the verification and authentication services shall constitute a representation, warranty and certification by AGENCY that the data (i) shall be used and disclosed only in accordance with the terms of the Agreement, and in accordance with any applicable Rules, regulations or Laws; (ii) shall be used solely for the intended use as stated by AGENCY on AGENCY's application and that use is in compliance with the permissible uses under the Fair Credit Reporting Act ("FCRA") as provided in the FCRA Requirements Addendum located at http://www.forte.net/fair-credit-reporting-act; (iii) AGENCY will follow proper procedures for adverse action notification to its Constituents, as provided by the FCRA Requirements Addendum; and (iv) AGENCY acknowledges it has implemented security measures to prohibit the unauthorized access to the information provided.

2. Use of Services.

2.1 AGENCY SHALL USE THE VERIFICATION SERVICES ONLY IN CONNECTION WITH PAYMENTS PRESENTED TO AGENCY BY ITS CONSTITUENTS IN EXCHANGE FOR GOODS OR SERVICES. AGENCY SHALL NOT RESELL THE VERIFICATION DATA OR SERVICES TO ANY THIRD PARTIES.

2.2 AGENCY understands and agrees that it cannot decline services to a consumer, Constituent or Customer after receiving an approval result from FORTE on a verification inquiry unless AGENCY is declining based on other grounds and/or information. Further, if AGENCY does decline Services to a FORTE approved consumer, Constituent or Customer based on alternate information, AGENCY shall not provide FORTE's contact information as recourse for the consumer, Constituent or Customer to pursue a dispute of the result under FCRA Adverse Action requirements.

2.3 AGENCY shall provide to FORTE, as part of a verification inquiry, the accurate amount for each Transaction AGENCY wants to verify.

3. Retention of Data. AGENCY acknowledges and agrees that it shall not retain, store, compile or aggregate the results of verification or authentication inquiries received from FORTE except as required by applicable Law or to perform its obligations under this Agreement.

4. AGENCY acknowledges and agrees, on behalf of itself and its Constituents, that all information submitted by AGENCY to FORTE in order for FORTE to provide the Services to AGENCY or otherwise contributed by AGENCY pursuant to these Services (including Transaction results) is held in FORTE's database, and may be used by FORTE for the purpose of providing the Services to its customers in compliance with all applicable Laws and Rules, including in accordance with the federal Fair Credit Reporting Act ("FCRA"). Further, FORTE may track, review, compile, store and use any information or data received from AGENCY as part of a Transaction or information or data received from a Payment Association or financial institution regarding a Transaction for regulatory compliance or any other legally permissible purpose. Without limiting the foregoing, AGENCY agrees and acknowledges that FORTE (and/or certain of its Affiliates) may use the routing numbers, account numbers and other PII submitted by AGENCY as well as Transaction results provided to or received by FORTE for the purpose of supporting FORTE's (or certain of its Affiliates) fraud detection, account validation and verification, and/or other commercially available services.

APPENDIX C
ACCOUNT UPDATER SERVICES

1. **Description of Services.** Participating Visa/MasterCard issuers submit the account changes to FORTE's Account Updater database. On a monthly basis, FORTE will compare all of AGENCY's recurring tokenized Transactions against the Account Updater database. FORTE will then update the tokenized card information on file with updated account information.

2. **Agency Requirements for Account Updater Participation.**
   a. AGENCY must be properly established and registered in the United States.
   b. AGENCY must not have been disqualified from participating in the Visa, MasterCard, or Discover programs.
   c. AGENCY must be in compliance with all Card Association Operating Regulations.
   d. AGENCY must submit inquiries only for those accounts with which it has an ongoing relationship and Constituent's authority to submit such payments.
   e. AGENCY may not request Authorization on accounts that have been returned "Contact Cardholder" or "Closed."
   f. AGENCY must not submit inquiries on behalf of any other entity.
   g. AGENCY assumes all risk associated with the use of the Account Updater Service. FORTE shall have no liability whatsoever to AGENCY for any liability associated with the Account Updater Service, including but not limited to the accuracy or completeness of the information provided via the Account Updater Service.

APPENDIX D*
AMERICAN EXPRESS CARD ACCEPTANCE

1. Merchant hereby acknowledges and agrees that for purposes of acceptance of American Express, the American Express Merchant Operating Guide and any amendments thereto (the "Operating Guide") is hereby incorporated by reference into this Agreement and can be found at www.americanexpress.com/merchantopguide.

All capitalized terms found in this Appendix D shall have the attributed meaning from the Operating Guide.

2. Merchant hereby acknowledges and agrees that it is not a party to any agreement between FORTE and American Express.

3. Merchant hereby authorizes FORTE and/or Acquirer to submit American Express transactions to, and receive settlement from, American Express on behalf of Merchant. Merchant must accept the American Express card as payment for goods and services (other than those goods and services prohibited under the Operating Guide) sold, or (if applicable) for charitable contributions made, at all of its establishments, except as expressly permitted by applicable Law. Merchant is jointly and severally liable for the obligations of Merchant's establishments under the Agreement. For the avoidance of doubt, "cardholder" as used in this Agreement shall include Cardmembers as defined in the Operating Guide.

4. Merchant hereby acknowledges and agrees that (i) FORTE or Acquirer may disclose American Express Transaction Data (which for purposes of this section shall have the same definition as "Transaction Data" in the Operating Guide), Merchant Data (as defined below), and other information about Merchant to American Express, (ii) American Express may use such information to perform its responsibilities in connection with the American Express Program, promote the American Express Network, perform analytics and create reports, and for any other lawful business purpose, including marketing purposes, and (iii) American Express may use the information obtained in this application at the time of setup to screen and/or monitor Merchant in connection with American Express Card (the "Card") marketing and administrative purposes. If Merchant has provided a wireless phone number in connection with this Agreement, Merchant hereby agrees that it may be contacted at that number and the communications sent may include autodialed text messages or automated prerecorded calls. If Merchant has provided a fax number, Merchant hereby agrees that it may be sent fax communications. To opt out of American Express-related marketing communications, Merchant may contact FORTE customer service as described in this Agreement. For purposes of this section, "Merchant Data" means names, postal and email addresses, tax ID numbers, names and social security numbers of the authorized signer of Merchant and similar identifying information about Merchant. For clarification, Merchant Data does not include American Express Transaction Data.

5. Merchant will adhere to the following website information display guidelines in the event Merchant has a website and/or operates an e-commerce business. Merchant's website must display the following:

- An accurate description of the goods/services offered, including the currency type for the Transaction (e.g., U.S. Dollars). Note: Transaction currency must be in U.S. Dollars.
- Merchant's physical address in the U.S.
- An email address or telephone number for customer service disputes.
- Return/refund policy.
- A description of Merchant's delivery policy (e.g., no overnight delivery).
- A description of Merchant's security practices (e.g., information highlighting security practices Merchant uses to secure Transactions on its systems, including Transactions conducted on the Internet).
- A statement of known export restrictions, tariffs, and any other regulations.

- A privacy statement regarding the type of personal information collected and how the information is used. Additionally, Merchant must provide to customers the option to decline being included in marketing campaigns or having their personal information included on lists sold to third parties.

6. Merchant hereby agrees that, in the event that Merchant becomes a High Charge Volume Merchant (as defined below), Merchant will be converted from the American Express Program to a direct American Express Card acceptance relationship with American Express, and upon such conversion, (i) Merchant will be bound by American Express' then-current card acceptance agreement, and (ii) American Express will set pricing and other fees payable by Merchant for American Express Card acceptance. "High Charge Volume Merchant" for purposes of this section means an American Express Program Merchant with either (i) greater than $1,000,000 in American Express charge volume in a rolling twelve (12) month period or (ii) greater than $100,000 in American Express charge volume in any three (3) consecutive months. For clarification, if Merchant has multiple establishments, the American Express charge volume from all establishments shall be summed together when determining whether Merchant has exceeded the thresholds above.

7. Except as expressly permitted by applicable Law, Merchant must not: (a) indicate or imply that Merchant prefers, directly or indirectly, any Other Payment Products over the Card, (b) try to dissuade Cardmembers from using the Card, (c) criticize or mischaracterize the Card or any of American Express' services or programs, (d) try to persuade or prompt Cardmembers to use any Other Payment Products or any other method of payment (e.g., payment by check), (e) impose any restrictions, conditions, disadvantages, or fees when the Card is accepted that are not imposed equally on all other payment products, except for electronic funds transfer, cash or check, (f) suggest or require Cardmembers to waive their right to dispute any Transaction, (g) engage in activities that harm American Express' business or the American Express Brand (or both), (h) promote any Other Payment Products (except, if applicable, Merchant's own private label card that it issues for use solely at its Establishments) more actively than Merchant promotes the Card, or (i) convert the currency of the original sale Transaction to another currency when requesting Authorization or submitting Transactions (or both).

8. Merchant may offer discounts or in-kind incentives from its regular prices for payments in cash, ACH funds transfer, check, debit card, or credit/charge card, provided that (to the extent required by applicable Law): (i) Merchant clearly and conspicuously discloses the terms of the discount or in-kind incentive to its customers, (ii) the discount or in-kind incentive is offered to all of Merchant's prospective customers, and (iii) the discount or in-kind incentive does not differentiate on the basis of the Issuer or, except as expressly permitted by applicable state statute, payment card network (e.g., Visa, MasterCard, Discover, JCB, American Express). The offering of discounts or in-kind incentives in compliance with the terms of this paragraph will not constitute a violation of the provisions set forth Section 3.2 of the Operating Guide.

9. Whenever payment methods are communicated to customers, or when customers ask what payments are accepted, Merchant must indicate its acceptance of the Card and display American Express' Marks (including any Card application forms provided to Merchant) as prominently and in the same manner as any Other Payment Products. Merchant must not use American Express' Marks in any way that injures or diminishes the goodwill associated with the American Express Mark, nor in any way (without American Express' prior written consent) indicate that American Express endorses Merchant's goods or services. Merchant shall use the American Express brand and marks in accordance with the requirements set forth in the Operating Guide and shall remove the American Express brand and marks from Merchant's website and wherever else they are displayed upon termination Merchant's acceptance of American Express cards.

10. Any and all Cardmember Information is confidential and the sole property of the Issuer, American

Express or its Affiliates. Except as otherwise specified, Merchant must not disclose Cardmember Information, nor use nor store it, other than to facilitate Transactions in accordance with this Agreement. For more information, refer to the Operating Guide, Section 4.2, "Completing a Transaction at the Point of Sale" and Chapter 8, "Protecting Cardmember Information".

11. Merchant shall not assign to any third party any American Express-related payments due to it under this Agreement, and all indebtedness arising from American Express Charges (as defined below) will be for bona fide sales of goods and services (or both) at its establishments (as defined below) and free of liens, claims, and encumbrances other than ordinary sales taxes; provided, however, that Merchant may sell and assign future American Express transaction receivables to FORTE, its affiliated entities and/or any other cash advance funding source that partners with FORTE or its affiliated entities, without consent of American Express.

12. Merchant hereby agrees that American Express shall have third party beneficiary rights, but not obligations, to enforce this Agreement as against Merchant to the extent applicable to American Express processing. Merchant understands and agrees that it shall have no third party beneficiary rights under any agreement between FORTE and American Express and/or Acquirer. Merchant shall maintain refund policies for purchases on the American Express card that are at least as favorable as its refund policy for purchases on any other payment product. Merchant will disclose any such refund policy to Cardmembers at the time of purchase and in compliance with the Operating Guide and all applicable Laws. Merchant's termination of American Express Card acceptance shall have no direct or indirect effect on Merchant's rights to accept other card brands. To terminate American Express acceptance, Merchant may contact FORTE customer service as described in this Agreement.

13. Without limiting any other rights provided herein, FORTE and/or Acquirer shall have the right to immediately terminate Merchant's acceptance of American Express cards upon request of American Express. Merchant may not bill or collect from any Cardmember for any purchase or payment on the Card unless a chargeback has been exercised, Merchant has fully paid for such charge, and it otherwise has the right to do so. Merchant will comply with all procedural requirements relating to chargebacks, as provided in the Operating Guide, Chapter 11.

14. American Express Liability. SPONSORED MERCHANT ACKNOWLEDGES AND AGREES THAT IN NO EVENT SHALL AMERICAN EXPRESS, ITS AFFFILIATES, AGENTS, SUCCESSORS, OR ASSIGNS BE LIABLE TO SPONSORED MERCHANT FOR ANY DAMAGES, LOSSES, OR COSTS INCURRED, INCLUDING INCIDENTAL, INDIRECT, SPECULATIVE, CONSEQUENTIAL, SPECIAL, PUNITIVE, OR EXEMPLARY DAMAGES OF ANY KIND (WHETHER BASED ON CONTRACT, TORT, INCLUDING NEGLIGENCE, STRICT LIABILITY, FRAUD, OR OTHERWISE, OR STATUTES, REGULATIONS, OR ANY OTHER THEORY), ARISING OUT OF OR IN CONNECTION WITH THE AGREEMENT.

*For purposes of clarification, "Merchant" in this Appendix D shall be deemed to be "AGENCY."

APPENDIX E
INFORMATION SECURITY REQUIREMENTS

1. Acknowledgment of Information Security Requirements. FORTE acknowledges and agrees to have a "Security Program" that is compliant with all legal and industry mandated information security requirements applicable to its duties and obligations specified under this Agreement.

2. Compliance with Laws and Industry Standards. FORTE agrees to abide by all Laws, Rules and industry-mandated information security standards applicable to its duties and obligations related to information security for Services provided by FORTE to AGENCY under this Agreement.

3. Definitions.

   a. Consumer Information. "Consumer Information" means collectively PII and Source Data, as defined below.

   b. Source Data. "Source Data" means data provided by AGENCY relating to AGENCY's account activity or other information collected from the AGENCY in order to process a transaction on a AGENCY's behalf or otherwise necessary for a AGENCY's use of Forte's products and services, whether in individual or aggregate form. Source Data may include PII but is not limited to PII. Source Data is and shall remain the property of a AGENCY and /or its Consumer customer. To the extent that AGENCY or FORTE has access to or collects such Source Data, each agrees that it does so solely on behalf of AGENCY and AGENCY's Consumer customers/Constituents pursuant to the obligations hereunder and shall maintain the confidentiality of such Source Data and shall treat it in accordance with applicable Law.

4. Security Obligations.

   a. FORTE hereby acknowledges that AGENCY has a responsibility under the law to keep PII (as defined in Appendix A) private and confidential, and as a result of any PII received by FORTE in the performance of this Agreement, FORTE shall have the same responsibility. FORTE also acknowledges that with respect to such PII, FORTE shall gain possession of any ownership or other proprietary rights to the PII to which it will have access pursuant to this Agreement (if any). FORTE acknowledges and understands that PII may be subject to applicable local, state and federal Rules and Laws and applicable information industry standards; provided however, to the extent that AGENCY informs FORTE of a local law expanding the definition of PII in Appendix A, FORTE shall only be required to use commercially reasonable efforts to comply with such expanded local requirements.

   b. Consumer Information that is collected or obtained from AGENCY pursuant to this Agreement shall be stored and maintained by FORTE in a secure environment and transmitted by FORTE in a secure form that meets industry-mandated data security standards. Although FORTE will protect and safeguard PII in a manner that meets industry-mandated data security standards, the Parties agree that there may be some instances in which PII or certain PII data elements are protected in a more secure manner than other data (e.g., encryption).

5. Rights to Use and Access. AGENCY hereby grants to FORTE a non-exclusive right to use all of AGENCY's Source Data including PII provided by AGENCY's Constituents, necessary to perform the Services under this Agreement. FORTE shall limit the use and access to AGENCY's Source Data to uses pursuant to the terms of the Agreement and to FORTE's bona fide employees or independent consultants, contractors or auditors and required governmental agencies, who have a need to know such information

and who agree to comply with use and non-disclosure restrictions similar to those contained within this Agreement.

6. Security of Consumer Information. Each Party shall implement and maintain a Security Program that includes appropriate administrative, technical and physical safeguards reasonably designed to: (i) ensure the security and confidentiality of Consumer Information within its systems; (ii) protect against any anticipated threats or hazards to the security or integrity of Consumer Information within its systems; and (iii) protect against unauthorized access to or use of Consumer Information stored on its systems; and (iv) dispose of Consumer Information in a secure manner per applicable Rules and Laws.

   a. In order to comply with safeguard obligations generally described in the preceding paragraph, each Party shall (1) designate an employee or employees to coordinate its Security Program, (2) identify reasonably foreseeable internal and external risks to the security, confidentiality and integrity of Consumer Information located on its systems that could result in the unauthorized disclosure, misuse, alteration, destruction or other compromise of such information, and assess the sufficiency of any safeguards in place to control these risks. At a minimum, such risk assessment should include consideration of risks in each relevant area of a Party's operations, including: (i) employee training and management; (ii) information systems, including network and software design, as well as information processing, storage, transmission and disposal; and (iii) detecting, preventing and responding to attacks, intrusions, or other systems failures, which shall include the use of commercially reasonable efforts to establish procedures and logging mechanisms for FORTE systems and networks that will allow tracking and analysis in the event there is a compromise of its systems, and maintain an audit trail history for at least three (3) months for review by AGENCY upon reasonable request; (3) design and implement information safeguards to control the risks identified through risk assessment, and regularly test or otherwise monitor the effectiveness of the safeguards' key controls, systems, and procedures; and (4) use commercially reasonable efforts to assure data security when disposing of any Consumer Information.

7. Disclosures. Neither Party shall have an obligation to maintain the confidentiality of any Consumer Information which: (i) has been received by it from a third party without restriction on disclosure and without breach of agreement or other wrongful act by the receiving party; or (ii) is independently developed by it without reference to any Consumer Information. If required by any court of competent jurisdiction or other governmental authority, each Party may disclose to such authority, data, information or materials involving or pertaining to Consumer Information to the extent required by such order or authority. FORTE shall, if not otherwise prohibited, give the other Party as much advance notice of the possibility of such disclosure as is practical so that it may, at its own expense, attempt to stop such disclosure or obtain a protective order concerning such disclosure.

8. Breach Notification. In the event of an actual or validated breach of security of a Party's system, website, database, equipment or storage medium or facility that results in unauthorized access to Consumer Information on a Party's system by any third party (including any consultant or subcontractor of the Party that is not authorized to access such information), the Party that experienced the breach shall notify the other Party within a commercially reasonable time after taking any appropriate measures necessary to prevent further access, and shall take commercially reasonable efforts to resecure its systems as soon as possible. The Party that experienced the breach shall provide any information that the other Party reasonably requests pertaining to the incident, unless prohibited from doing so by applicable Rule or Law and shall provide reasonable cooperation to investigate any such incident. In addition, in the event of an actual or validated breach of security to a Party's system regarding PCI data related to AGENCY's account with FORTE, the Party that experienced the breach shall, to the extent reasonably practicable, cooperate with the investigative actions of the appropriate forensic unit and/or law enforcement agency and agrees to provide the other Party with a copy of the final Incident Report, if any, upon request.

9. FORTE's Annual Validation of Adherence to Security Standards. FORTE and AGENCY agree to utilize existing FORTE assessment reports and Certifications (SSAE report and PCI Certification), to validate FORTE's compliance with the Information Security Requirements set forth in this Appendix E.

   a. FORTE shall maintain all records pertaining to the Services as required by applicable Rule or Law

   b. FORTE shall provide at its expense, upon AGENCY's written request on no more than an annual basis, its most current independent, SSAE report (third party service organization report). An SSAE report for purposes of this Agreement is defined as a specialized report or reports of controls, generally accepted in the industry, in the areas of financial reporting and general information technology controls for the services provided by a hosted solutions provider, managed services provider, service organization, service bureau or other similarly structured provider of software and hardware solutions. FORTE shall select the type of SSAE report that will be provided based upon the relationship between the Parties and the products and services provided by FORTE. In the event AGENCY wishes to receive a type of SSAE report not currently provided by FORTE, AGENCY shall provide no less than eighteen (18) months prior written notice to FORTE and FORTE in its sole discretion shall determine whether it will provide the additional type of SSAE report to AGENCY. FORTE will provide a copy of the most current report prepared; provided that AGENCY shall accept and agree to any conditions imposed by the independent audit firm for access to such report. FORTE will use good faith efforts to assist in resolving any issues that may arise between AGENCY and any independent auditor firm regarding the viewing of the SSAE report. AGENCY may not distribute or provide FORTE's SSAE report to third parties without FORTE's prior written consent.

   c. FORTE is PCI DSS certified and undergoes an annual audit in order to maintain PCI DSS compliance against the current version of PCI DSS published on the PCI SSC (PCI Security Standards Council) website.

   d. AGENCY and its auditors will maintain the confidentiality of FORTE's procedures and processes, which FORTE describes as confidential, and which are disclosed as a result of any review or audit. FORTE agrees that any material failure, as defined by AGENCY in its reasonable discretion, to cooperate fully and promptly in the conduct of any audit requested pursuant to this paragraph will constitute grounds for AGENCY to immediately terminate the Agreement and cease receiving Services from FORTE; provided, however, AGENCY shall provide FORTE with written notice of such material failure to cooperate and FORTE shall have thirty (30) days opportunity to cure. Such termination shall be AGENCY's sole and exclusive remedy for any such failure to cooperate.

10. Network and Application Scans. FORTE shall perform network and application security scans that test the FORTE's systems for (i) security vulnerabilities, (ii) denial of service vulnerabilities and (iii) system access. FORTE will have processes that review and remediate vulnerabilities.

SCHEDULE 1
PRICING FEE SCHEDULE
(City of Kingman, AZ)

1. Service (Convenience) Fee Pricing Option:

a) **MasterCard, Visa, Discover and American Express cards**
2.90% of the payment amount with a minimum fee of $1.75 based upon volume.

b) **Debit Card**
2.90% of the payment amount with a minimum fee of $1.75 based upon volume.

CITY OF KINGMAN
COMMUNICATION TO COUNCIL

TO:	Honorable Mayor and City Council
FROM:	Doug Breckenridge
MEETING DATE:	July 7, 2026
AGENDA SUBJECT:	Approval of Amendment to the Air'Zona Aircraft Services Inc. Lease

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SUMMARY:
Air'Zona Aircraft Solutions Inc., the Fixed Base Operator (FBO) at Kingman Municipal Airport when it assumed the lease in 2021, who purchased the FBO from . The original lease dated February 11, 1980, has a section of apron used for aircraft parking that is exclusive to the FBO This exclusive use prevents any Federal or State funding to be applied to this location for rehabilitation, reconstruction, or preventative maintenance.

By striking "exclusive" from Section 3 from the original lease, staff may pursue federal and state funding opportunities to rehab the transient apron in its entirety.

FISCAL IMPACT:
There is no fiscal impact.

STAFF RECOMMENDATION:
Approve execution of Amendment to the Air'Zona Aircraft Services Inc. Lease.

SUGGESTED MOTION:
Motion to approve the execution of Amendment to the Air'Zona Aircraft Solutions Inc. Lease.

ATTACHMENTS:
Air'Zona Lease Fifth Amendment (AAS) signed .pdf
AirZona Lease with Addenda and Transfers.pdf

AMENDMENT TO LEASE AGREEMENT

This FIFTH Amendment to Lease is made and entered into as of July ____, 2026 (the "Effective Date"), by and between:
The City of Kingman ("Lessor"),
and
Air'Zona Aircraft Services ("Lessee").

RECITALS

WHEREAS, Lessor and Lessee entered into that certain Lease dated February 11, 1980 (the "Original Lease"), for certain premises located at 7100 Flightline Dr. Kingman, AZ, 86401 (the "Premises"); WHEREAS, the parties now desire to amend the Original Lease as set forth herein; NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

AMENDMENT

Section 3. LICENSE of the Original Lease is hereby amended by deleting the word "exclusive" so that the section shall read as follows:
"In addition to the above described leased property, LESSOR hereby grants to LESSEE the ~~exclusive~~ privilege of tying down of all kinds of aircraft on the property described in Exhibit "B", attached hereto and by reference made a part hereof." Except as expressly modified hereby, the Original Lease remains in full force and effect.

RATIFICATION

The parties hereby ratify and affirm all terms and conditions of the Original Lease not inconsistent with this Amendment.

IN WITNESS WHEREOF, the parties have executed this Amendment as of the Effective Date first above written.

LESSOR:

CITY OF KINGMAN

By: _____

Name: _____

Title: _____

Date: _____

LESSEE:

Air'Zona Aircraft Services Inc.

By: David Bixler

Name: DAVID BIXLER

Title: PRESIDENT

Date: 6/11/2026

L E A S E

THIS LEASE, made this 11 day of February, 1980, by and between the MOHAVE COUNTY AIRPORT AUTHORITY, INC., an Arizona corporation, hereinafter referred to as "LESSOR", and KINGMAN AVIATION, INC., an Arizona corporation, hereinafter referred to as "LESSEE",

W I T N E S S E T H:

LESSOR does hereby lease to LESSEE and LESSEE agrees to take and lee from LESSOR, the property described in Exhibit "A", attached hereto and by reference made a part hereof.

NOW, THEREFORE, and in consideration of the conditions and covenants hereafter set forth and for the rents reserved herein, it is mutually agreed as follows:

1. TERM: The term of this Lease shall commence as of the 1st day of February, 1980, and expire on the 20th day of May, 2004, subject to the right of renewal hereinafter set forth.

2. RENEWAL: LESSEE has the right to renew this Lease for one (1) additional period of twenty-five (25) years, extending from the 4th day of May, 2004. If LESSEE desires to exercise its option to renew this Lease, it shall notify LESSOR of its intention thereof in writing no later than the

4th day of November, 2003.

3. LICENSE: In addition to the above described leased property, LESSOR hereby grants to LESSEE the exclusive privilege of tying down of all kinds of aircraft on the property described in Exhibit "B", attached hereto and by reference made a part hereof.

4. RENT: LESSEE agrees to pay to LESSOR as rent for the leased premises, and as for consideration for the license granted by Paragraph 3 hereinabove, the following amounts:

a. An amount equal to one percent (1%) of the fair market value of the property described in Exhibit "A", attached hereto, as determined by a mutually agreed upon appraiser, who shall be a member of the American Institute. This amount shall be payable on a monthly basis beginning on the 1st day of February, 1980, and on the 1st of each and every month thereafter, including any renewal thereof, subject to future modifications every twelve (12) months. Every twelve (12) months from the beginning of this Lease, including any renewal thereof, this rental amount shall be adjusted to reflect any changes in the National Consumer Price Index as published by the Bureau of Labor Statistics, Consumer Price Index, Washington, D.C., according to the formula described in Paragraph 5 hereinbelow.

b. An amount equal to three percent (3%) of all gross revenues of LESSEE arising from LESSEE'S use of the leased premises and licensed premises, excepting aircraft sales, and including, but not limited to, all sales of oil, and lubricants, and all tie down rentals, payable on a monthly basis, beginning on the 1st day of March, 1980, and on the 1st day of each and every month thereafter, including any renewal thereof.

c. An amount equal to one percent (1%) of all aircraft sales, arising out of LESSEE'S use of the leased property and licensed property, including, but not limited to, the sale of new

ATTORNEYS AT LAW
720 EAST BEALE STREET
KINGMAN, ARIZONA 86401

and/or used aircraft, whether LESSEE acts as a dealer or whether such aircraft are sold on consignment, excluding sales of LESSEE'S operating equipment. Said rent shall be payable on a monthly basis beginning on the 1st day of March, 1980 and on the 1st day of each and every month thereafter, including any renewal thereof.

d. From February 1, 1980 through January 31, 1985, an amount equal to $.02 per gallon of all fuels sold by LESSEE. From February 1, 1985 through January 31, 1995, an amount equal to $.03 per gallon of all fuels sold by LESSEE. From February 1, 1995 through May 20, 2004, an amount equal to $.04 per gallon of all fuels sold by LESSEE. In the event that LESSEE exercises its right of renewal under Paragraph 2 hereinabove, this portion of rent, based upon sales of fuel by LESSEE, shall be renegotiated by the parties hereto upon reasonable terms. Said rent shall be payable on a monthly basis beginning on the 1st day of March, 1980 and on the 1st day of each and every month thereafter, including any renewal thereof.

5. CONSUMER PRICE INDEX RENTAL ADJUSTMENT: The Consumer Price Index rental adjustment will be computed as follows:

On the twelve((12) month anniversary of the first day of this Lease, and any renewal thereof, the fixed monthly rental described in sub-paragraph 4 a, shall be adjusted upward in accordance with the formula set forth below. In applying the formula the following definitions shall prevail:

a. "Bureau" means the Federal Bureau of Labor Statistics or any successor agency that shall issue the indeces or data referred to in sub-part b below.

b. "Price Index" means the consumer price index issued from time to time by the Bureau with

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reference to the geographical area including Mohave County, Arizona, or any other measure hereafter employed by the Bureau in lieu of such price index that measures the cost of living in the designated area.

c. "Average Price Index" for any quarterly period issued for the three (3) months immediately prior to the first day of any subsequent period to which reference is made.

d. "Base Index" is the average of the price indicies issued by the Bureau for the three (3) month quarter of each year. Said quarter being undefined in this Lease for reason that said Lease term is not commenced, however, said quarter shall be the quarter immediately preceding that quarter in which this Lease commences.

SAMPLE FORMULA

For the purpose of this sample formula only, the base rent, as described by sub-paragraph 4 a, hereinabove, shall be assumed to be the sum of ONE HUNDRED FIFTY DOLLARS ($150.00) per month. The base index shall be determined for the quarter immediately preceding the quarter of the year in which this Lease commences. If the average price index for this quarter of the year 1981 is greater than the said quarter of 1980, then the monthly rental for the ensuing year shall be the sum of ONE HUNDRED FIFTY DOLLARS ($150.00) per month multiplied by a fraction of which the numerator shall be on the average of the base index ~~of the base index~~ for the period of each succeeding lease year and the denominator shall be the base index for the period of 1980. If, at any time during the term of this Lease or any extension hereof the said index shall no longer be compiled, then another index generally recognized as authoritative shall be substituted by agreement, but if the parties do

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not agree, the substitute index shall be selected by the majority determination of three (3) arbitrators appointed for the purpose one being appointed by LESSOR, one by LESSEE and a third by the two arbitrators appointed by LESSOR and LESSEE.

EXAMPLE: (Figures are arbitrary)

For:	October, 1980	179.6	For:	April, 1981	189.6
	November, 1980	180.6		May, 1981	190.6
	December, 1980	181.8		June, 1981	191.8
		542.0			572.0

Average: $3\overline{)542.0}$ - 180.66 Average: $3\overline{)572.0}$ - 190.66

Numerator 190.66
Denominator 180.66 Clear Fractions $180.66\overline{)190.66}$ = 1.0553

Fixed Monthly Rental - $150.00 x 1.0553 = $158.29(5) New Monthly Rental

The sales or franchise privilege tax provision set forth above shall then apply to the new monthly rental.

The parties understand that at the present time the consumer price index as published by the Bureau of Labor Statistics for the area which encompasses Mohave County may be obtained from the Federal Information Center, Phoenix, Arizona, telephone 261-3313.

6. IMPROVEMENTS: As additional consideration, LESSEE agrees to improve the leased property, as described in Exhibit "A", by constructing a metal building, on a concrete slab, thereon, the minimum size of which shall be 6,000 square feet. LESSEE also agrees to construct tie down facilities on the licensed property, as described by Exhibit "B". These improvements to the leased property and the licensed property

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shall be made at the sole expense of LESSEE. Construction of said improvements must begin within 30 days of notice from LESSOR to LESSEE of the demolition of the hangar currently existing on the leased property. The metal building, referred to hereinabove, must be completed within five (5) months of the date of such notice. At the expiration of the Lease period, or any renewal or extension thereof, or to the expiration of the Lease for any reason, all improvements to the real property described in Exhibits "A" and "B" attached hereto, shall become the property of LESSOR.

7. USE OF PREMISES: Said premises are leased and/or licensed to LESSEE for the following uses:

a. Gasoline, oil, and lubricant sales for aircraft purposes. (Subject to the reasonable availability of such products to LESSEE.)

b. Hangar and tie down storage facilities and rental thereof.

c. Restaurant operation in the terminal building of the Mohave County Airport. (This shall be required for a period of eight months from the commencement of this Lease only. LESSOR has the right to terminate this use by LESSEE upon thirty days notice at any time.)

d. Unicom operations as a service to the general public. (The hours of operation shall be on a daily basis, excluding legal holidays, from 8:00 A.M. to 5:00 P.M. This use shall be required for a period of one year from the date of the commencement of this Lease.)

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It is understood and agreed by the parties hereto that the performance of the above mentioned uses, including other activities necessarily incidental thereto, and mandatory requirements upon LESSEE and that failure to properly perform or supply any of those items shall constitute grounds for the cancellation of this Lease by LESSOR, and such failure shall further constitute a material breach of this Lease.

8. PERMITTED USES: LESSEE shall have the further right to use the leased premises, as described by Exhibit "A", for the purposes of providing to the members of the general public the following services:

a. Maintenance and repair of aircraft and aircraft engines for the benefit of based and transient aircraft.

b. Leasing, chartering, buying and selling of aircraft.

c. Operation of a flight school and other services reasonably related to and incidental to the conduct of a fixed base operation.

d. Parts sales. (Aircraft related.)

e. Air ambulance services.

f. Gasoline, fuel and lubricant sales for vehicles other than aircraft.

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g. Renting and leasing of automobiles and related activities.

h. Sales of insurance covering persons and property using, leasing, or purchasing either aircraft or automobiles from LESSEE and other services reasonably related to the conduct of the renting and leasing of automobiles or the sales of insurance.

i. The sale of gasoline, fuel and lubricants for vehicles other than aircraft may be provided by LESSEE at the existing facility, in use under the terms of that Lease between LESSEE and MOHAVE COUNTY, beginning May 20, 1974, or at a new location on the leased premises. LESSEE shall reasonably have rights of access to the existing facility. Subject to reasonable availability of gasoline, fuel and lubricants to LESSEE, LESSEE shall offer said products to the general public on a daily basis, excepting legal holidays, from 8:00 A.M. to 5:00 P.M.

9. SITE PREPARATION: Both parties hereto acknowledge that there is an existing hangar located on the leased property, described by Exhibit "A". LESSOR hereby agrees to cause the existing hangar to be removed within five (5) months of the commencement of this Lease. Because of the delay necessitated by the removal of the existing hangar, LESSOR hereby grants to LESSEE the right to use the hangar known as "South Hangar" located at the Mohave County Airport for a period of eight (8) months, from the date of the commencement of this Lease. However, it is hereby agreed that LESSEE shall vacate the South Hangar as soon as LESSEE vacates the airport terminal building and relocates to the leased premises.

10. TERMINAL FACILITIES: LESSEE is permitted to

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remain in the existing facilities, as described by that Lease between LESSEE and MOHAVE COUNTY, dated May 20, 1974, until thirty (30) days after the completion of the metal building to be erected upon the leased premises, all as described in Paragraph 6 hereinabove. At that time, the existing terminal facilities must be vacated by LESSEE.

11. INSURANCE: LESSEE shall acquire and keep in effect adequate bodily injury liability and property damage insurance and all other insurance needed or required for the operations of LESSEE as contemplated by this Lease, covering all of LESSEE'S employees and equipment and shall indemnify and hold LESSOR harmless from any causes of action arising from LESSEE'S operations hereunder. In all the above policies, LESSOR shall be named as an additional insured with the LESSEE. For a period of ten (10) years from the date of the commencement of this Lease, such policies shall not be for less than the amount of ONE MILLION DOLLARS ($1,000,000.00) combined single limit for bodily injury and property damage. During the second ten (10) years of this Lease, such policies shall not be for less than the amount of TWO MILLION FIVE HUNDRED THOUSAND DOLLARS ($2,500,000.00) combined single limit for bodily injury and property damage. For the balance of the Prime Lease, and any renewal thereof, such policies shall not be for less than the amount of FIVE MILLION DOLLARS ($5,000,000.00) combined single limit for bodily injury and property damage. All such policies shall be placed with a reputable company approved by the LESSOR. Copies of all such policies shall be delivered to the LESSOR upon execution of this Lease agreement and shall be held for

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the benefit of the parties as their respective interests may appear. The amount of said insurance shall not be deemed as a limitation of LESSEE'S agreement to save and hold the LESSOR harmless, and if LESSOR or LESSEE becomes liable for an amount in excess of the insurance, LESSEE will save and hold LESSOR harmless for the whole thereof. Copies of all such policies entered into after the commencement of this Lease shall be delivered to the LESSOR within ten (10) days of the commencement of each such policy. In addition to the above named policies, and under the same obligations to deliver copies of said policies to LESSOR, LESSEE shall obtain fire insurance and other property loss insurance on all improvements placed upon the leased and/or licensed properties, in an amount equal to the value of said improvements.

12. UTILITIES: LESSEE shall pay prompt and prior to any delinquency any and all charges which may be incurred for water, gas, electrical power, telephone and any other utilities delivered to or used upon the premises during the term or terms of this Lease and shall hold LESSOR harmless therefrom.

13. ASSIGNMENT AND SUBLEASE: The LESSEE shall not transfer, assign or sublet this Lease agreement or any privileges granted hereunder without prior written approval of LESSOR. Upon any assignment or sublease, this agreement is voidable at the option of the LESSOR, which option may be exercised within a reasonable period subsequent to the LESSOR obtaining actual knowledge of any assignment or sublease.

14. WASTE AND NUISANCE PROHIBITED: During the term of this Lease, LESSEE shall comply with all applicable laws

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affecting the premises. LESSEE shall not commit, or permit, any waste or nuisance on the premises.

15. CARE OF PREMISES: LESSEE shall, at its own expense, keep said premises and the immediate surrounding areas clean, neat, safe and orderly at all times. At the termination of this Lease or any extension or renewal thereof, or expiration of the Lease for any reason, LESSEE shall re-deliver the premises in good order and condition, reasonable wear and tear excepted.

16. INSPECTION OF PREMISES: To the extent necessary to protect the rights and interests of LESSOR, LESSOR and its agents shall at any reasonable time, by appointment, have the right to inspect the leased premises during the life of this Lease.

17. WAIVER OF PERFORMANCE: The waiver by LESSOR of, or the failure of LESSOR to take action with repsect to any breach of any term, covenant or condition herein contained shall not be deemed a waiver of such term, covenant or condition or subsequent breach of same, nor shall the acceptance of rent by LESSOR be deemed a waiver of any preceding breach under the Lease agreement except with regard to payment of the particular rental accepted.

18. DISPUTES - ATTORNEY FEES: In the event that either party hereto shall institute and prevail in any action or suit for the enforcement of any of its rights hereunder, the prevailing party in said action or suit shall be

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awarded its reasonable attorney's fees and costs arising therefrom.

19. NOTICES: Any notices desired or required to be served by either party upon the other may be served in writing such notice in registered United States mail in a sealed envelope, postage prepaid, addressed as follows:

LESSOR: MOHAVE COUNTY AIRPORT AUTHORITY, INC.
% Bruno & Weisberg, P.C.
730 East Beale Street
Kingman, Arizona 86401

LESSEE: KINGMAN AVIATION, INC.
% H. Louis Hiser
301 East Oak Street
Kingman, Arizona 86401

20. TERMINATION: This Lease shall terminate and all rights of the LESSEE shall cease and the LESSEE shall quietly and peaceably deliver to the LESSOR possession of the leased premises in substantially the same condition as when taken, reasonable wear and damage by the elements and circumstances over which the LESSEE has no control excepted:

a. At the expiration of the term as provided in Paragraph 1 herein; or

b. By the filing of a petition, voluntarily or involuntarily, for the adjudication of LESSEE as a bankrupt; or

c. The making by LESSEE of any general assignment for the benefit of creditors; or

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d. The abandonment and discontinuance of operation at the premises by the LESSEE; or

e. Upon breach by the LESSEE of any of the provisions or conditions of this Lease, provided that the LESSOR shall give notice thereof to the LESSEE and shall give the LESSEE sixty (60) days in which to correct the breach. In the event that such breach shall not have been cured within sixty (60) days after such notice, this Lease shall terminate on the sixty-first (61st) day following the service of said notice on the LESSEE.

21. CORRECTION OF BREACH: LESSOR may correct any breach or default by the LESSEE of which the LESSEE has received written notice by certified mail and failed or neglected to remedy within sixty (60) days, and the LESSEE agrees upon demand to reimburse the LESSOR for all expenses incurred by the LESSOR in correcting said breach or default.

22. USE OF AIRFIELD FACILITIES: LESSEE shall have the nonexclusive right to use of the runways and taxiways of the airfield, and in common with others, the roadways and landing aids and other common-use facilities provided by LESSOR for the convenience of airfield customers.

23. HOLDOVER: In the event LESSEE holds over beyond the expiration of the term herein or beyond the date of any soon termination, such holding over shall be from month-to-month only, subject to all of the terms and conditions of this agreement, but shall not be a renewal hereof nor a waiver of any breach of conditions or covenant, and the rent to be paid therefore shall be at the rate then prevailing under the terms of this agreement.

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24. INSPECTION OF BOOKS: LESSEE agrees that LESSOR may, during reasonable times, and hours, inspect LESSEE'S books. LESSEE further agrees to furnish LESSOR in such form and detail as LESSOR may require, financial statements and reports such as a monthly sales report, a monthly statement of fuels and lubricants purchased, used and sold, a monthly and an annual operating statement of all business transacted pursuant to this Lease, an annual detailed balance sheet prepared as of the end of LESSEE'S calendar or fiscal year, and such other financial and statistical reports as the LESSOR may reasonably require. The annual operating statement and the detailed balance sheet must be certified by a certified public accountant of the State of Arizona. LESSEE hereby authorizes its suppliers, dealers, agents, and customers to disclose to LESSOR any and all information pertaining to supplies delivered, sales and services made, done or performed by LESSEE, its sublessees, licenses and concessionaires, or arising from their use of the premises during the term of this Lease.

25. FIRE PREVENTION REGULATIONS: LESSEE shall at all times comply with all applicable laws and ordinances pertaining to fire regulations, and shall furnish and keep, at its sole expense, adequate fire extinguishers in sufficient numbers and in convenient and accessible places upon said premises, charged and ready for immediate use, as required by said fire regulations and applicable laws or ordinances.

26. DAMAGE AND DESTRUCTION OF PREMISES: If the premises shall be damaged through no fault of LESSEE by fire, earthquake, elements, casualty, war, insurrection, riot, public disorder, or any authorized act upon the part of any governmental authority, or any cause of happening so as to be substantially

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destroyed to such an extent that the same cannot be used by LESSEE, then this agreement, at the option of either party shall cease and come to an end as of the date of such destruction. Under no circumstances shall LESSOR indemnify LESSEE for any loss of use of the area or be under any obligation to reimburse the LESSEE for any improvements, alterations, or additions made to the leased premises. In the event, however, that this Lease is terminated under the provisions of this paragraph, LESSOR shall refund any prepaid rents deposited by LESSEE with LESSOR.

27. CONDUCT OF BUSINESS: LESSEE agrees to conduct its operations using the most modern and practical techniques and equipment available in order to reduce to a minimum the emanation of fumes, odors, and noises.

28. SIGNS: LESSEE agrees not to erect or display, or permit to be erected or displayed, any exterior sign or advertising matter of any kind of the demised premises without first obtaining the written consent of the LESSOR.

29. SMOKING: LESSEE shall use its best efforts to prevent smoking in the hangars and shall post and keep posted in conspicuous places therein, signs of adequate size reading "NO SMOKING".

30. PERMITS, RULES AND REGULATIONS: LESSEE agrees to obtain, at LESSEE'S expense all necessary licenses and permits for the construction and operation of the demised premises and further agrees to observe, obey, and abide by all

applicable laws, field rules and other regulations which are now or may hereafter be imposed or promulgated by LESSOR, the Federal Aviation Agency, or any other governmental agency having jurisdiction over the subject matter, and which relate to the common and joint use of airport facilities and the maintenance and conduct of all its operations.

31. ACCESS OF LESSOR: LESSEE agrees that LESSOR or any of its proper representatives shall at all times have reasonable access in and to the demised premises.

32. CONTINUITY: This Agreement and each and all of the covenants, obligations, and conditions hereof shall inure to the benefit of and bind the LESSOR and LESSEE respectively, their heirs, personal representatives, executors, administrators, successors and assigns.

33. PARAGRAPH HEADINGS: The paragraph headings contained herein are for convenience and reference and are not intended to define or limit the scope of any provision of this Lease.

34. F.A.A. PROVISIONS:

a. The LESSEE, for itself, its personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree that (1) no person on the grounds of race, color, or national origin shall be excluded from participation, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities, (2) that in the construction of any improvements on, over, or under such land and the furnishings of services

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thereon, no person on the grounds of race, color, or origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination, (3) that the LESSEE shall use the premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-assisted programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations may be amended.

b. That in the event of breach of any of the above nondiscrimination covenants, LESSOR shall have the right to terminate the Lease and to re-enter and re-possess said land and the facilities thereon, and hold the same as if said Lease had never been made or issued.

c. LESSEE shall furnish its accomodations and/or services on a fair, equal and non unjustly discriminatory basis to all users thereof and it shall charge fair, reasonable and not unjustly discriminatory prices for each unit or service; PROVIDED, THAT the LESSEE may be allowed to make reasonable and nondiscriminatory discounts, rebates or other similar type of price reductions to volume purchases.

d. Non-compliance with Provision c above shall constitute a material breach thereof and in the event of such non-compliance the LESSOR shall have the right to terminate this Lease and the estate hereby created without liability therefore or at the election of the LESSOR or the United States either or both said Governments shall have the right to judicially enforce Provisions a, b and c.

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c. LESSEE agrees that it shall insert the above four (4) provisions in any Lease by which said LESSEE grants a right or privilege to any person, firm or corporation to render accomodations and/or services to the public on the premises herein leased.

f. The LESSOR reserves the right to further develop or improve the landing area of the airport as it sees fit, regardless of the desires or view of the LESSEE, and without interference or hindrance.

g. The LESSOR reserves the right, but shall not be obligated to the LESSEE, to maintain and keep in repair the landing area of the airport and all publicly-owned facilities of the airport, together with the right to direct and control all activities of the LESSEE in this regard.

h. This Lease shall be subordinate to the provisions and requirements of any existing or future agreement between the LESSOR and the United States, relative to the development, operation or maintenance of the airport.

i. LESSEE agrees to comply with the notification and review requirements covered in Part 77 of the Federal Aviation Regulations in the event any future structure or building is planned for the leased premises, or in the event of any planned modification or alteration of any present or future building or structure situated on the leased premises.

j. It is understood and agreed that nothing herein contained shall be construed to grant or authorize the granting of an exclusive right within the meaning of Section

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308 (a) of the Federal Aviation Act of 1958 (49 U. S. C. 1349).

k. There is hereby reserved to the LESSOR, its successors and assigns, for the use and benefit of the public, a right of flight for the passage of aircraft in the airspace above the surface of the premises herein leased. This public right of flight shall include the right to cause in said airspace any noise inherent in the operation of any aircraft used for navigation or flight through the said airspace or landing at, taking off from or operation on the Mohave County Airport.

l. The LESSEE by accepting this expressly agrees for itself, its successors and assigns, that it will not erect nor permit the erection of any structure or object nor permit the growth of any tree on the land leased hereunder above a mean sea level elevation of 3,520 feet. In the event the aforesaid covenants are breached, the LESSOR reserves the right to enter upon the land leased hereunder and to remove the offending structure or object and cut the offending tree, all of which shall be at the expense of the LESSEE.

m. The LESSEE by accepting this Lease agrees for itself, its successors and assigns, that it will not make use of the leased premises in any manner which might interfere with the landing and taking off of aircraft from Mohave County Airport or otherwise constitute a hazard. In the event the aforesaid covenant is breached, the LESSOR reserves the right to enter upon the premises hereby leased and cause the abatement of such interference at the expense of the LESSEE.

n. This Lease and all the provisions hereof shall be subject to whatever right the United States Government now

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has or in the future may have or acquire, affecting the control, operation, regulation and taking over of said airport of the exclusive or non-exclusive use of the airport by the United States during the time of war or national emergency.

35. EXISTING LEASE: The parties hereto acknowledge that LESSEE is currently operating at the Mohave County Airport pursuant to the terms of existing Lease between LESSEE and Mohave County, said Lease being dated May 20, 1974. It is specifically agreed by LESSOR and LESSEE that upon execution of this Lease, LESSEE'S Lease with Mohave County will be terminated.

36. SURVEY AND APPRAISAL COSTS: It is hereby agreed by the parties hereto that LESSOR and LESSEE shall each pay one-half (1/2) of the costs of the completed survey of the leased and licensed properties, and one-half (1/2) of the appraisal costs required by paragraph 4 a hereinabove.

IN WITNESS WHEREOF, the respective parties hereto have caused this Lease agreement to be executed by setting their hands and seals hereto the day and year first above written.

LESSOR:

MOHAVE COUNTY AIRPORT AUTHORITY, INC., an Arizona Corporation

By _____
BARBARA RICCA, Chairperson

LESSEE:

KINGMAN AVIATION, INC., an Arizona Corporation

By _____
E. J. HOWARD, President

. . . .

STATE OF ARIZONA)
) ss
County of Mohave)

This instrument was acknowledged before me this 11 day of February, 1980, by E. F. HOWARD, as President of KINGMAN AVIATION, INC.

Notary Public

My Commission Expires:

April 21, 1982

STATE OF ARIZONA)
) ss
County of Mohave)

This instrument was acknowledged before me this 8 day of February, 1980, by BARBARA RICCA as Chairperson of MOHAVE COUNTY AIRPORT AUTHORITY, INC.

Notary Public

My Commission Expires:

April 21, 1982

EXHIBIT A

Parcel A:

A portion of the E 1/2 of Section 26, T.22N., R.16W., G.& S.R.B.& M., Mohave County, Arizona being more particularly described as follows:

Commencing at the E 1/4 corner of said Section 26, a 2 1/2" O.D. Brass Tablet set in concrete having Arizona State Plane Coordinate System, West Zone values of X = 443290.19; Y = 1550396.62; thence S.57°22'30"W. (Basis of Bearings: Grid North said West Zone, distances are ground to obtain grid distances multiply ground values by 0.999775), 343.16 feet to a 5/8" rebar W/cap being a Point in the Building Restriction Line as delineated on the Airport Layout Plan, Mohave County Airport as on file in the office of the Mohave County Board of Supervisors and the True Point of Beginning; thence N.44°51'32"W., 365.00 feet to a 5/8" rebar W/cap being a point in the Southeasterly Right of Way line of the Airport Service Road; thence along said Right of Way line S.45°08'28"W., 477.37 feet to a 5/8" rebar W/cap; thence S.44°51'32"E., 365.00 feet to a 5/8" rebar W/cap being a point in the Building Restriction Line aforementioned; thence along said Building Restriction Line N.45°08'28"E., 477.37 feet to the Point of Beginning. This parcel contains 4.000 Acres, More or Less.

EXHIBIT "B"

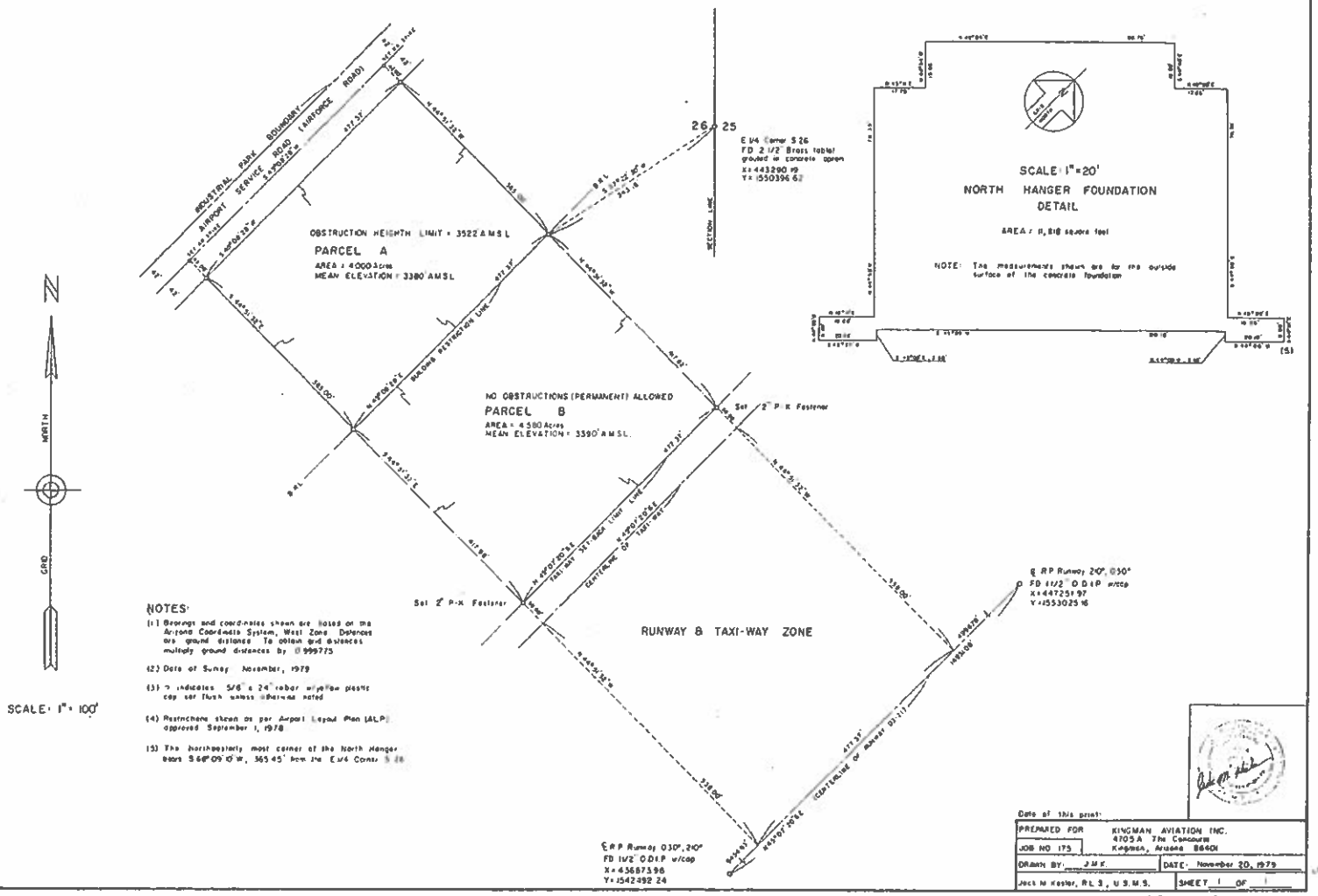
rcel B:

A portion of the E 1/2 of Section 26 and the W 1/2 of Section 25, T.22N., R.16W., & S.R.B.& M., Mohave County, Arizona being more particularly described as follows:

Commencing at the E 1/4 corner of said Section 26, a 2 1/2" O.D. Brass Tablet t in concrete having Arizona State Plane Coordinate System, West Zone values of = 443290.19; Y = 1550396.62; thence S.57°22'30"W. (Basis of Bearings: Grid orth said West Zone, distances are ground to obtain grid distances multiply ground alues by 0.999775), 343.16 feet to a 5/8" rebar W/cap being a point in the Building estriction Line as delineated on the Airport Layout Plan, Mohave County Airport as a file in the office of the Mohave County Board of Supervisors and the True Point f Beginning; thence along said Building Restriction Line S.45°08'28"W., 477.37 eet to a 5/8" rebar W/cap; thence S.44°51'32"E., 417.98 feet to a 2" P-K fastener; hence N.45°07'20"E. and parallel to the centerline of Runway 03-21, 477.37 feet o a 2" P-K fastener; thence N.44°51'32"W., 417.82 feet to the Point of Beginning. his parcel encumbers 4.580 Acres, More or Less.



ORIGINAL SEGREGATION SURVEY OF A PORTION OF THE MOHAVE COUNTY AIRPORT SITUATE IN SECTIONS 25 & 26, T22N, R18W, G & SRM, MOHAVE COUNTY, ARIZONA.



NOTES:

(1) Bearings and coordinates shown are based on the Arizona Coordinate System, West Zone. Distances are ground distance. To obtain grid distances multiply ground distances by 0.999775.

(2) Date of Survey: November, 1979

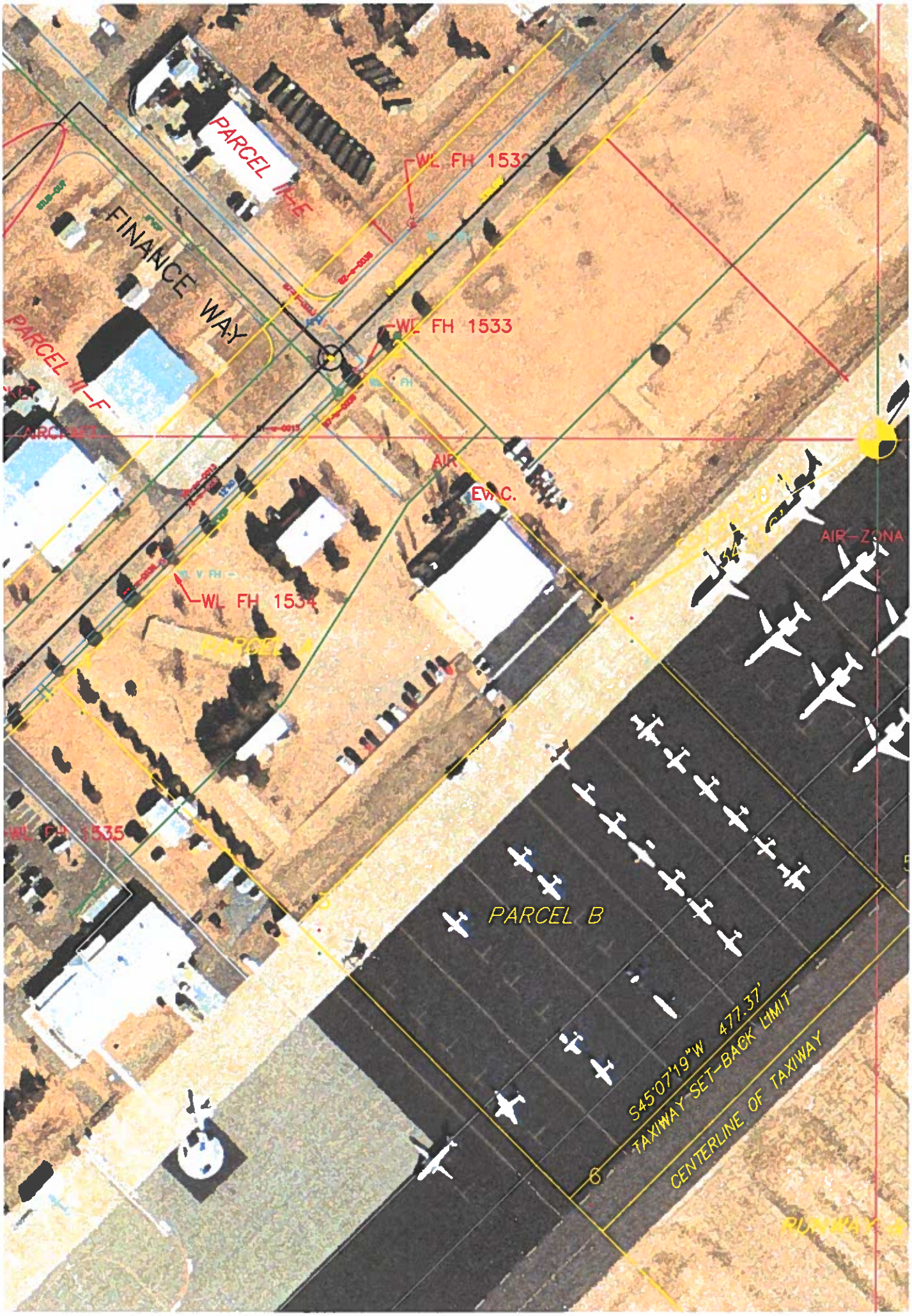
(3) ○ indicates 5/8" x 24" rebar w/yellow plastic cap set flush unless otherwise noted.

(4) Restrictions shown as per Airport Layout Plan (ALP) approved September 1, 1978.

(5) The northeasterly most corner of the North Hanger bears S 66°09'10" W, 365.45' from the E 1/4 Corner S 25.

Date of this print:

PREPARED FOR	KINGMAN AVIATION INC. 4705 A The Concourse Kingman, Arizona 86401
JOB NO 175	
DRAWN BY: J.M.K.	DATE: November 20, 1979
Jack M. Kesler, R.L.S., U.S.M.S.	SHEET 1 OF 1


PARCEL II-E
FINANCE WAY
PARCEL II-F
WL FH 1533
WL FH 1534
WL FH 1535
PARCEL A
PARCEL B
AIR
AIR-ZONA
S45°07'19"W 477.37'
TAXIWAY SET-BACK LIMIT
CENTERLINE OF TAXIWAY

ADDENDUM TO LEASE

THIS ADDENDUM made this 22nd day of July, 1980, between the MOHAVE COUNTY AIRPORT AUTHORITY, INC., an Arizona corporation, hereinafter referred to as "LESSOR", and KINGMAN AVIATION, INC., an Arizona corporation, hereinafter referred to as "LESSEE",

W I T N E S S E T H :

LESSOR and LESSEE, by this Addendum, agree that that certain Lease entered into Feburary 11, 1980, between the MOHAVE COUNTY AIRPORT AUTHORITY, INC., an Arizona corporation, as Lessor, and KINGMAN AVIATION, INC., an Arizona corporation, as Lessee, shall be and hereby is amended, modified, altered and changed in the following respects only:

1. By eliminating and striking out from said Lease of February 11, 1980, all of subparagraph b. of paragraph four (4) thereof, commencing with line 24 on page two (2) thereof and substituting in place of said subparagraph the following language:

> "An amount equal to one percent (1%) of all gross revenues of Lessee arising from Lessee's use of the leased premises and licensed premises, excepting aircraft sales,

BROWN & BROWN, P.C.
ATTORNEYS AT LAW
730 EAST BEALE STREET
KINGMAN, ARIZONA 86401
753-6115

and including, but not limited to, all sales of oil, and lubricants, and all tie down rentals, payable on a monthly basis, beginning on the 1st day of March, 1980, and on the 1st day of each and every month thereafter, for a period of sixty (60) months. Beginning on the 1st day of March, 1985, andon the 1st day of each and every month thereafter, including any renewal thereof, Lessee shall pay to Lessor an amount equal to three percent (3%) of all gross revenues of Lessee arising from Lessee's use of the leased premises and licensed premises, excepting aircraft sales, and including, but not limited to, all sales of oil, and lubricants, and all tie down rentals. Said increased rental shall be effective for the remaining portion of this Lease beginning the first day of February, 1985.

IN WITNESS WHEREOF, the parties hereto have executed this Addendum to Lease the day and year first above written.

LESSOR:

MOHAVE COUNTY AIRPORT AUTHORITY, INC., an Arizona corporation

By _____
BARBARA RICCA, Chairperson

LESSEE:

KINGMAN AVIATION, INC., an Arizona corporation

By _____
E. F. HOWARD, President

BRUNO & WEISBERG, P.C.
ATTORNEYS AT LAW
730 EAST BEALE STREET
KINGMAN, ARIZONA 86401
753-6115

STATE OF ARIZONA)
) ss.
County of Mohave)

This instrument was acknowledged before me this 22 day of July, 1980, by BARBARA RICCA, as Chairperson of MOHAVE COUNTY AIRPORT AUTHORITY, INC..

Mary L. Wright
Notary Public

My Commission Expires:
My Commission Expires July 11, 1983

STATE OF ARIZONA)
) ss.
County of Mohave)

This instrument was acknowledged before me this 17th day of July, 1980, by E. F. HOWARD, as President of KINGMAN AVIATION, INC..

Candy Blake
Notary Public

My Commission Expires:
My Commission Expires Aug. 11, 1983

BROWN & WEISBERG, P.C.
ATTORNEYS AT LAW
730 EAST BEALE STREET
KINGMAN, ARIZONA 86401
753-6118

ADDENDUM TO LEASE

THIS ADDENDUM made this 15th day of October, 1981, between MOHAVE COUNTY AIRPORT AUTHORITY, INC., an Arizona corporation, hereinafter referred to as "LESSOR", and KINGMAN AVIATION, INC., an Arizona corporation, hereinafter referred to as "LESSEE",

W I T N E S S E T H:

LESSOR and LESSEE, by this Addendum, agree that that certain Lease entered into February 11, 1980, between the MOHAVE COUNTY AIRPORT AUTHORITY, INC., an Arizona corporation, as LESSOR, and KINGMAN AVIATION, INC., an Arizona corporation, as LESSEE, and that Addendum to Lease, entered into July 22, 1980, shall be and hereby is amended, modified, altered and changed in the following respects only:

1. By eliminating and striking out the entire Addendum to Lease, dated July 22, 1980. Said Addendum to Lease shall be of no further force and effect.

2. By eliminating and striking out from said Lease of February 11, 1980, all of Sub-paragraph b. of Paragraph 4. thereof, commencing with line 24 on page 2 thereof and substituting in place of said Sub-paragraph the following language:

b. An amount equal to three percent (3%) of all gross revenues of LESSEE arising from LESSEE'S use of the leased premises

. . . .

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1684 HIGHWAY 95
P. O. BOX 5
BULLHEAD CITY, ARIZONA 86430

and licensed premises, excepting aircraft sales, payable on a monthly basis, on the 1st day of each and every month during the term of this Lease, and during any renewal thereof.

i) The "gross revenues" which are subject to this Sub-paragraph shall be defined as all revenues received by LESSEE, excepting those revenues arising from the following:

A. All revenues for which LESSEE is required to make payment to LESSOR under the terms of Sub-paragraph 4d. of the Lease between the parties dated February 11, 1980;

B. All sales taxes received by LESSEE;

C. All income arising out of aircraft operations, including, but not limited to, the rental of aircraft, the sale of tickets to commuter passengers and landing fees paid by the customers of LESSEE and expensed to said customers.

ii) Notwithstanding any other provisions contained herein, it is mutually agreed by the parties that LESSEE contemplates providing a commuter airline service under the name of GOLDEN PACIFIC AIRLINES. The income generated from the sale of the tickets to passengers on GOLDEN PACIFIC AIRLINES shall not be included under "gross revenues" as defined by this Sub-paragraph. All parts used by GOLDEN PACIFIC AIRLINES will be provided to it at cost by LESSEE and will not be included under "gross revenues" as defined by this Sub-paragraph. However, all labor provided by LESSEE to or on behalf of GOLDEN PACIFIC AIRLINES, and all fuel provided by LESSEE to or for the use of GOLDEN PACIFIC AIRLINES, shall be included under "gross revenues" and subject to the provisions of this Sub-paragraph or Sub-paragraph 4d. of the Lease dated February 11, 1980, as applicable.

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1684 HIGHWAY 95
P. O. BOX 9
BULLHEAD CITY, ARIZONA 86430

3. By eliminating and striking out from said Lease of February 11, 1980, all of Paragraph 26. thereof, entitled DAMAGE AND DESTRUCTION OF PREMISES, and substituting in place of said Paragraph the following language:

26. DAMAGE AND DESTRUCTION OF PREMISES: If the premises shall be damaged through no fault of LESSEE by fire, earthquake, elements, casualty, war, insurrection, riot, public disorder, or any authorized act upon the party of any governmental authority, or any cause of happening so as to be substantially destroyed to such an extent that the same cannot be used by LESSEE, then this agreement, at the option of LESSEE, shall cease and come to an end as of the date of such destruction. Under no circumstances shall LESSOR indemnify LESSEE for any loss of use of the area or be under any obligation to reimburse the LESSEE for any improvements, alterations, or additions made to the Leased premises. In the event, however, that this Lease is terminated under the provisions of this paragraph, LESSOR shall refund any prepaid rents deposited by LESSEE with LESSOR.

4. By eliminating and striking out from said Lease of February 11, 1980, all of Paragraph 19., entitled NOTICES, and substituting in place of said Paragraph the following language:

19. NOTICES: Any notices desired or required to be served by either party upon the other may be served in writing such notice in Certified United States mail in a sealed envelope, postage prepaid, addressed as follows:

. . . .

ATTORNEYS AT LAW
1684 HIGHWAY 95
P.O. BOX 9
BULLHEAD CITY, ARIZONA 86430

LESSOR: MOHAVE COUNTY AIRPORT AUTHORITY, INC.
%Bruno & Weisberg, P.C.
730 East Beale Street
Kingman, Arizona 86401

LESSEE: KINGMAN AVIATION, INC.
% Steven Lee
Leek & Lee
809 East Beale Street
Kingman, Arizona 86401

-and-

KINGMAN AVIATION, INC.
Attn: Maurice Liebman
4705 A., The Concourse
Kingman, Arizona 86401

5. The effective date of this Addendum shall be the 15th day of October, 1981.

IN WITNESS WHEREOF, the parties hereto have executed this Addendum to Lease the day and year first above written.

LESSOR:

MOHAVE COUNTY AIRPORT AUTHORITY, INC., an Arizona corporation

By Barbara A. Rice

LESSEE:

KINGMAN AVIATION, INC., an Arizona corporation

By Maurice Liebman, president

STATE OF ARIZONA)
)ss
COUNTY OF MOHAVE)

This instrument was acknowledged before me this 19 day of October, 1981, by Barbara A. Rice, as President of MOHAVE COUNTY AIRPORT AUTHORITY, INC.

Notary Public

My Commission Expires:

9-17-82

. . . .

ATTORNEYS AT LAW
1664 HIGHWAY 95
P. O. BOX 3
BULLHEAD CITY, ARIZONA 86430

STATE OF ARIZONA)
) ss
COUNTY OF MOHAVE)

This instrument was acknowledged before me this 19 day of October, 1981, by Maurice LieBrum, as PRESIDENT of KINGMAN AVIATION, INC.

Notary Public

My Commission Expires:
9-17-82

ATTORNEYS AT LAW
1694 HIGHWAY 95
P.O. BOX 8
BULLHEAD CITY, ARIZONA 86430

L E A S E

THIS LEASE, made this 1st day of February, 1989, by and between WILLIAM W. BECKER, hereinafter referred to as "LESSOR", and AIR'ZONA AIRCRAFT SERVICES, INC., an Arizona corporation, hereinafter referred to as "LESSEE",

W I T N E S S E T H:

LESSOR does hereby lease to LESSEE and LESSEE agrees to take and let from LESSOR, the property at 7100 Flightline Drive comprised of hangar facility, tiedowns and fueling facility.

LESSEE agrees to pay LESSOR on a monthly basis for the rights of lease of the premises.

LESSEE also agrees to abide by all ordinances expressed by Mohave County Airport Authority and to abide by the lease made with Kingman Aviation, Inc., dated February 11, 1980.

It is the intent of LESSEE to purchase the above described lease premises at some future date.

William W. Becker

Air'Zona Aircraft Services, Inc.
Leonard D. Helco, President

Air'Zona Aircraft Services, Inc.
Steve Edlefsen, Secretary/Treasurer

QUIT CLAIM BILL OF SALE

KNOW ALL MEN BY THESE PRESENTS:

This Quit Claim Bill of Sale is made and entered into this 22 day of October, 1990. WILLIAM W. BECKER, a married man dealing with his sole and separate property, "Seller" herein, for and in consideration of the sum of TEN DOLLARS ($10.00) and other good and valuable consideration, in hand paid by ARIZONA AIRCRAFT SERVICES, INC., an Arizona Corporation, "Buyer" herein, the receipt whereof is hereby acknowledged, does by these presents quit claim to Buyer, their heirs, executors, administrators and assigns, that personal property consisting of a building and other improvements located at the Kingman Airport and more specifically located on the real property legally described in Exhibit "A" attached hereto and by reference incorporated herein.

DATED this 22 day of October, 1990.

BUYER:

William W Becker

WILLIAM W. BECKER

STATE OF ARIZONA)
)ss
COUNTY OF Mohave)

SUBSCRIBED AND SWORN TO before me this 22 day of October 1990 by WILLIAM W. BECKER.

My Commission Expires:

10-17-93

Notary Public

STEPHEN M. LEE, ATTORNEY AT LAW, 2001 STOCKTON HILL ROAD, SUITE B, KINGMAN, ARIZONA 86401

ASSIGNMENT AGREEMENT EXHIBIT A

THIS ASSIGNMENT AGREEMENT is made this _____ day of June, 1992, by and between MOHAVE COUNTY AIRPORT AUTHORITY, INC., an Arizona nonprofit corporation, (hereinafter referred to as "ASSIGNOR") and KINGMAN AIRPORT AUTHORITY, INC., an Arizona nonprofit corporation, (hereinafter referred to as "ASSIGNEE").

WHEREAS, the COUNTY OF MOHAVE and ASSIGNOR entered into a Lease Agreement dated May 21, 1979, whereby the COUNTY OF MOHAVE leased to ASSIGNOR the Kingman Airport; and

WHEREAS, the COUNTY OF MOHAVE and ASSIGNOR entered into Addenda of the above-referenced Lease Agreement on July 2, 1979, and November 3, 1986; and

WHEREAS, the COUNTY OF MOHAVE transferred and conveyed its ownership interest in that certain real property known as the Kingman Airport to the CITY OF KINGMAN on or about December 19, 1988; and

WHEREAS, the CITY OF KINGMAN and ASSIGNOR entered into a Third Amendment and Restatement of Lease Agreement for the real property known as the Kingman Airport on or about January 20, 1992; and

WHEREAS, the lease of the Kingman Airport from the CITY OF KINGMAN to ASSIGNOR has been entered into pursuant to the provisions of Arizona Revised Statutes §2-301, et seq.; and

WHEREAS, ASSIGNOR has leased the Kingman Airport in order to foster its improvement, development, operation and maintenance; and

WHEREAS, under the provisions of A.R.S. §2-301, et seq., the CITY OF KINGMAN is authorized to enter into agreements with a

5a

nonprofit corporation for airport or air terminal purposes and for the operation and maintenance of airports, air terminals and uses incidental thereto; and

WHEREAS, ASSIGNOR was formed as a nonprofit corporation under A.R.S. §10-451, et seq., and A.R.S. §2-311, et seq., for the purpose of engaging in the promotion, establishment, development and maintenance of airports and adjacent property for the benefit of air transportation and commercial and industrial activities, for the general public benefit; and

WHEREAS, ASSIGNEE was formed as a nonprofit corporation under A.R.S. §10-451, et seq., and A.R.S. §2-311, et seq., for the purpose of engaging in the promotion, establishment, development and maintenance of airports and adjacent property for the benefit of air transportation and commercial and industrial activities, for the general public benefit; and

WHEREAS, ASSIGNOR and ASSIGNEE believe that it would be in the best public interest for ASSIGNOR to assign all of its right, title and interest, subject to all related obligations, in and to the Kingman Airport, to ASSIGNEE;

NOW, THEREFORE, in consideration of the mutual promises contained herein, the parties agree as follows:

1. ASSIGNMENT AND ACCEPTANCE. ASSIGNOR hereby assigns, transfers and delivers to ASSIGNEE, and ASSIGNEE hereby accepts such assignment, all of ASSIGNOR's right, title and interest, subject to all related liabilities, in and to the Kingman Airport. The assets and liabilities assigned hereunder are more fully described by Paragraphs 2 and 3 hereinbelow.

2. ASSETS BEING TRANSFERRED. The assets being transferred from ASSIGNOR to ASSIGNEE are all of the assets related to the Kingman Airport, including, but not limited to, the following:

A. Lease. ASSIGNOR's right, title and interest as Lessee of that Third Amendment and Restatement of Lease Agreement dated January 20, 1992, by and between the CITY OF KINGMAN, as Lessor, and ASSIGNOR, as Lessee.

B. Capital Improvement Assets. All of ASSIGNOR's capital improvement assets located at the Kingman Airport. Such capital improvement assets are more fully described by Exhibit A, attached hereto and by reference made a part hereof.

C. Equipment, Personal Property and Vehicles. All of ASSIGNOR's equipment, personal property and motor vehicles located at the Kingman Airport. Such equipment, personal property and motor vehicles are more fully described by Exhibit B, attached hereto and by reference made a part hereof.

D. Bank Accounts. All of ASSIGNOR's checking and savings accounts, including all funds deposited therein, related to the Kingman Airport. Such checking and savings accounts are more fully described by Exhibit C, attached hereto and by reference made a part hereof.

E. Accounts Receivables. All of ASSIGNOR's accounts receivables relating to the Kingman Airport. Such accounts receivables are more fully described by Exhibit D, attached hereto and by reference made a part hereof.

F. Subleases. All of ASSIGNOR's subleases related to the Kingman Airport. Such subleases are more fully described by Exhibit E, attached hereto and by reference made a part hereof.

G. Books and Records. All of ASSIGNOR's books, documents and records related to the Kingman Airport. Such books, documents and records are more fully described by Exhibit F, attached hereto and by reference made a part hereof.

5a

H. Grants. All of ASSIGNOR's government grants and endowments related to the Kingman Airport. Such government grants and endowments are more fully described by Exhibit G, attached hereto and by reference made a part hereof.

I. Insurance. All of ASSIGNOR's rights and benefits as a loss payee or named insured under any and all insurance policies on any of the assets and/or operations which are the subject of this Assignment Agreement. Such insurance policies are more fully described by Exhibit H, attached hereto and by reference made a part hereof.

J. Contracts. All of ASSIGNOR's rights and benefits as a party to the contracts for services and supplies related to the Kingman Airport. Such contracts are more fully described by Exhibit I, attached hereto and by reference made a part hereof.

K. Employment Contracts. All of ASSIGNOR's rights and benefits as a party to all employment contracts, whether written or oral, for employees of the corporation employed at the Kingman Airport. Such employment contracts are more fully described by Exhibit J, attached hereto and by reference made a part hereof.

3. LIABILITIES BEING TRANSFERRED. The liabilities being transferred from ASSIGNOR to ASSIGNEE are all liabilities related to the Kingman Airport, including, but not limited to, the following:

A. Lease. ASSIGNOR's obligations as Lessee of that Third Amendment and Restatement of Lease Agreement dated January 20, 1992, by and between the CITY OF KINGMAN, as Lessor, and ASSIGNOR, as Lessee.

B. Accounts Payables. All of ASSIGNOR's accounts payables relating to the Kingman Airport, including, but not limited to, all utilities, taxes, wages and payments due to vendors for services and equipment. Such accounts payables are more fully described by Exhibit K, attached hereto and by reference made a part

hereof.

C. F.A.A. Release Obligation. ASSIGNOR's obligations to follow the terms of the release obligations whereby the United States Government released certain parcels of real property located at the Kingman Airport. Such release obligations are more fully described by Exhibit L, attached hereto and by reference made a part hereof.

D. Grants. All of ASSIGNOR's obligations to uphold the terms of certain grants related to the Kingman Airport. Such grants are more fully described by Exhibit M, attached hereto and by reference made a part hereof.

E. Claims. All claims, whether known or unknown, which may be made against ASSIGNOR related to the Kingman Airport. Such claims, if known, are more fully described by Exhibit N, attached hereto and by reference made a part hereof.

4. ASSIGNEE'S WARRANTY. ASSIGNEE hereby expressly warrants and covenants that it shall adhere to all terms and conditions of the Third Amendment and Restatement of Lease Agreement entered into between the City of Kingman, as Lessor, and ASSIGNOR, as Lessee. ASSIGNEE further warrants and covenants that it shall comply with all terms and conditions arising out of the Releases by the United States Government, and contracts related thereto, as more fully described by Exhibit L, attached hereto and by reference made a part hereof.

5. ADDITIONAL DOCUMENTS. ASSIGNOR and ASSIGNEE hereby specifically agree to execute any additional documents which may be necessary from time to time to carry out the purposes of this Assignment Agreement. Such documents shall include, but not be limited to, all documents necessary to convey from ASSIGNOR to ASSIGNEE any assets and/or liabilities related to the Kingman Airport that have not been assigned by this Assignment Agreement.

6. CONDITIONS PRECEDENT. This Assignment Agreement shall be effective only upon the approvals from the Federal Aviation Administration, Arizona Department of Transportation and the City of Kingman.

7. EFFECTIVE DATE. This Assignment Agreement shall be effective on July 1, 1992, or upon the receipt of the approvals set forth in Paragraph 6, whichever date is later.

8. APPLICABLE LAW. This Lease is being executed and is intended to be performed in the State of Arizona, and shall be enforced and construed according to the laws of that state.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

ASSIGNOR:

MOHAVE COUNTY AIRPORT AUTHORITY, INC.,
an Arizona nonprofit corporation

By_____

Name_____

Title_____

ASSIGNEE:

KINGMAN AIRPORT AUTHORITY, INC.,
an Arizona nonprofit corporation

By_____

Name_____

Title_____

When recorded return to:

BRUNO, BROOKS & GOLDBERG, P.C.
730 East Beale St.
Kingman, AZ 86401

CONSENT AGREEMENT

This Consent Agreement (this "Agreement") is executed this _____ day of _____, 1998, by and between KINGMAN AIRPORT AUTHORITY, INC., an Arizona corporation ("Landlord"); AIR'ZONA AIRCRAFT SERVICES, INC., an Arizona corporation ("Borrower") and THE STOCKMEN'S BANK, an Arizona corporation ("Lender").

RECITALS

A. Landlord is the owner of certain commercial real property described on the attached Exhibit "A", incorporated by this reference (the "Property").

B. Landlord's predecessor in interest, MOHAVE COUNTY AIRPORT AUTHORITY, INC., an Arizona corporation ("MCAA") and KINGMAN AVIATION, INC., an Arizona corporation ("Kingman Aviation") executed a certain Lease dated February 11, 1980 (the "Ground Lease"), pursuant to which Landlord leased the Property and granted such other rights to Kingman Aviation under the terms and conditions set forth therein. A Memorandum of the Ground Lease was recorded on _____, 1998, in Book _____, Page _____, Official Records of Mohave County, Arizona. The Ground Lease was modified pursuant to an unrecorded Addendum dated October 15, 1981.

C. MCAA assigned its interests under the Ground Lease to Landlord pursuant to a certain Assignment Agreement dated June 18, 1992.

D. William W. Becker, as successor in interest to Kingman Aviation, and with the written consent of Landlord, assigned his interests as Tenant under the Ground Lease to

Borrower pursuant to a certain unrecorded Assignment of Lease dated November 1, 1990.

E. Borrower is indebted to Lender pursuant to a certain Promissory Note dated _____, 1998, in the original principal amount of $130,000.00 (the "Note"), executed by Borrower as Maker in favor of Lender as Payee.

F. To secure payment and performance of the Note, Borrower has executed and delivered to Lender a certain Leasehold Deed of Trust, Assignment of Rents and Security Agreement (the "Deed of Trust"), to be recorded in the Official Records of Mohave County, Arizona, granting a first priority, properly perfected lien to Lender in all of Borrower's right, title and leasehold interest in and to the Property as successor Tenant under the Ground Lease.

G. As a condition to the loan evidenced by the Note, Lender has required that the Landlord consent to the pledge of Borrower's leasehold interest in Property under the Ground Lease to Lender pursuant to the Deed of Trust and the terms set forth herein.

Agreements

NOW, THEREFORE, in consideration of the mutual benefits accruing to the parties hereto and other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Landlord, Lender and Borrower agree as follows:

1. Landlord hereby consents to the Deed of Trust creating a lien in and against Borrower's leasehold interest in the Property.

2. Landlord agrees to provide written notice to Lender of any default or breach in the terms, conditions or covenants of the Ground Lease no later than thirty (30) days after Landlord has given written notice of such default to the Tenant.

3. Landlord agrees that if Borrower, or any successor to Borrower's rights and obligations as Tenant under the Ground Lease, defaults under the terms thereof, Lender shall have thirty

(30) days after Landlord has given written notice of said default to Lender, to cure any such default and perform the Tenant's obligations under the Ground Lease. Landlord agrees to accept said cure by Lender and to permit Lender to perform the obligations of the Tenant under the Ground Lease at any time after a default thereunder. As long as Lender performs such obligations, the Ground Lease shall remain in full force and effect.

4. Upon completion of any judicial or non-judicial foreclosure of the Deed of Trust or acquisition of Borrower's interest under the Ground Lease through Deed in Lieu of Foreclosure or in any other manner, Lender shall succeed to all rights and obligations of Borrower under the Ground Lease, including, without limitation, all rights to assign the Tenant's interest thereunder (subject to Landlord's prior written approval) and all rights of renewal. Landlord agrees that Lender may sell and assign or transfer all rights of the Tenant under the Ground Lease, subject to the Landlord's consent, which shall not be unreasonably withheld. Lender's cure of Borrower's defaults or succession to Borrower's interest under the Ground Lease shall not waive, release or otherwise modify Borrower's obligations thereunder.

5. Landlord shall not modify the terms of the Ground Lease or consent to any assignment of said Lease without the express written consent of Lender, except that Lender and Borrower acknowledge that the cents per gallon component of Rent during the Renewal Term shall be subject to renegotiation between Borrower and Lessor as provided in Paragraph 4.a. of the Ground Lease.

6. Landlord shall not be entitled to terminate the Ground Lease unless and only if a material breach thereof remains uncured after Landlord has given the notice of default to Lender and opportunity to cure as required under Paragraphs 2. and 3. of this Agreement.

7. Landlord hereby acknowledges that Lender would not agree to enter the loan transaction evidenced by the Note without this Consent Agreement.

8. Landlord warrants and represents that:

(a) it has not assigned, conveyed, encumbered or otherwise transferred any interest in the Ground Lease or the Property and that the same is free and clear of all liens, except those taxes, assessments, easements, covenants, restrictions and other matters of record;

(b) the Ground Lease is in full force and effect and has not been revoked; and,

(d) as of the date hereof, there is no uncured event of default on the part of Borrower under the Ground Lease

9. The parties acknowledge and agree this Agreement shall be the whole and only agreement between the parties hereto with regard to Landlord's consent to the lien or charge of the Deed and shall supersede and cancel any prior agreements as to such, or any, consent.

10. This Consent Agreement shall be binding upon the executors, administrators, successors, assigns and transferees of Landlord and shall inure to the benefit of and be binding upon the successors and assigns of Lender. In this Agreement, whenever the context so requires, the masculine gender includes the feminine and neuter, and the singular number includes the plural.

11. This Consent Agreement shall be interpreted and enforced according to the laws of the State of Arizona.

12. Any notice, request, instruction or other documents provided hereunder by either party to the other shall be in writing and shall be deemed given upon personal delivery or three (3) business days after being deposited in the United States certified mail, postage prepaid, return receipt requested, to the following addresses or to such other place and with such other copies, as either party may designate by written notice to the other party:

LANDLORD: Kingman Airport Authority, Inc.
7000 Flightline Drive
Kingman, AZ 86401

BORROWER: Air'zona Aircraft Services, Inc.
P.O. Box 3491
Kingman, AZ 86402

LENDER: The Stockmen's Bank
3825 Stockton Hill Road
Kingman, AZ 86401

With a copy to:

Jeffrey A. Goldberg
Bruno, Brooks & Goldberg, P.C.
730 East Beale Street
Kingman, AZ 86401

13. This Agreement may be executed in any number of counterparts. Any set of identical counterparts containing the signatures of all parties shall be deemed to constitute one instrument, and each such set of counterparts shall be deemed an original.

14. If any provision of this Agreement is declared void and unenforceable, such provision shall be deemed severed from this Agreement, which shall otherwise remain in full force and effect. Further, if any such provisions may be reduced and/or narrowed in scope or the like, such provisions shall be reduced, narrowed and/or the like and so enforced.

IN WITNESS WHEREOF, the Parties have executed this Consent Agreement this 26th day of June, 1998.

LENDER:

The Stockmen's Bank,
an Arizona corporation

By: _____
R.A. Pavlicek, Vice President

LANDLORD:

Kingman Airport Authority, Inc.,
an Arizona corporation

By: _____
Arlan Berg

Its: President

BORROWER:

Air'zona Aircraft Services, INC.

By _____
Leonard D. Helco, President

STATE OF ARIZONA)
) ss.
COUNTY OF MOHAVE)

The foregoing Consent Agreement was acknowledged before the undersigned notary public this 12th day of June, 1998, by R.A. Pavlicek, Vice President of The Stockmen's Bank, an Arizona corporation, on behalf thereof.

_____
Notary Public

My Commission Expires: 10/24/99

NOTARY PUBLIC
STATE OF ARIZONA
County of Mohave
ELIZABETH A. FRANCO
My Commission Expires October 24, 1999

STATE OF ARIZONA)
) ss.
COUNTY OF MOHAVE)

The foregoing Consent Agreement was acknowledged before the undersigned notary public this 25th day of June, 1998, by Arlan Berg as President of KINGMAN AIRPORT AUTHORITY, INC., an Arizona corporation, on behalf thereof.

My Commission Expires Sept. 13, 1998

Notary Public

My Commission Expires:

STATE OF ARIZONA)
) ss.
COUNTY OF MOHAVE)

The foregoing Consent Agreement was acknowledged before the undersigned notary public this 30th day of June, 1998, by Leonard D. Helco, as President of Air'zona Aircraft Services, Inc., an Arizona corporation, on behalf thereof.

Notary Public

My Commission Expires: 6/24/99

NOTARY PUBLIC
STATE OF ARIZONA
County of Mohave
ELIZABETH A. FRANCO
My Commission Expires October 24, 1999

EXHIBIT "A"

NO. 291-000-130554

PARCEL NO. 1:

That portion of the East half (E1/2) of Section 26, Township 22 North, Range 16 West of the Gila and Salt River Base and Meridian, Mohave County, Arizona, described as follows:

COMMENCING at the East quarter corner of said Section 26, a 2 1/2 inch O.D. Brass Tablet set in concrete having Arizona State Plane Coordinate System, West Zone values of X,=443290.19; Y=1550396.62;

thence South 57 degrees 22 minutes 30 seconds West. (Basis of bearings: Grid North said West Zone, distances are ground to obtain grid distances multiply ground values by 0.999775), 343.16 feet to a 5/8 inch rebar W/cap being a Point in the Building Restriction Line as delineated on the Airport Layout Plan, Mohave County Airport on file in the office of the Mohave County Board of Supervisors and the True Point of Beginning, thence North 44 degrees 51 minutes 32 seconds West, 365.00 feet to a 5/8 inch rebar W/cap being a point in the Southeasterly Right of Way line of the Airport Service Road;

thence along said Right of Way Line South 45 degrees 08 minutes 28 seconds West, 477.37 feet to a 5/8 inch rebar W/cap;

thence South 44 degrees 51 minutes 32 seconds East, 365.00 feet to a 5/8 inch rebar W/cap being a point in the Building Restriction Line aforementioned;

thence along said Building Restriction Line North 45 degrees 08 minutes 28 seconds East, 477.37 feet to the Point of Beginning.

EXCEPT all coal and other minerals, as reserved in instrument recorded in Book 34 of Deeds, Page 308.

PARCEL NO. 2:

That portion of the East half (E1/2) of Section 26 and the West half (W1/2) of Section 25, Township 22 North, Range 16 West of the Gila and Salt River Base and Meridian, Mohave County, Arizona, described as follows:

COMMENCING at the East quarter corner of said Section 26, a 2 1/2 inch O.D. Brass Tablet set in concrete having Arizona State Plane Coordinate System, West Zone values of X,=443290.19; Y=1550396.62;

thence South 57 degrees 22 minutes 30 seconds West. (Basis of bearings: Grid North said West Zone, distances are ground to obtain grid distances multiply ground values by 0.999775), 343.16 feet to a 5/8 inch rebar W/cap being a Point in the Building Restriction Line as delineated on the Airport Layout Plan, Mohave County Airport on file in the office of the Mohave County Board of Supervisors and the True Point of Beginning;

Continued . . . .

EXHIBIT "A":

No. 291-000-130554

thence along said Building Restriction Line South 45 degrees 08 minutes 28 seconds West, 477.37 feet to a 5/8 inch rebar W/cap;

thence South 44 degrees 51 minutes 32 seconds East, 417.98 feet to a 2 inch P-K fastener;

thence North 45 degrees 07 minutes 20 seconds East and parallel to the centerline of runway 03-21, 477.37 feet to a 2 inch P-K fastener;

thence North 44 degrees 51 minutes 32 seconds West, 417.82 feet to the Point of Beginning.

EXCEPT all coal and other minerals, as reserved in instrument recorded in Book 34 of Deeds, Page 308.

THIRD AMENDMENT AND RESTATEMENT OF LEASE AGREEMENT

THIS THIRD AMENDMENT AND RESTATEMENT OF LEASE AGREEMENT is made this _____ day of _____, 1992, by and between the **CITY OF KINGMAN**, a municipal corporation functioning under the laws of the State of Arizona, (hereinafter referred to as "LESSOR") and the **MOHAVE COUNTY AIRPORT AUTHORITY, INC.**, a non-profit corporation organized under the laws of the State of Arizona (hereinafter referred to as "LESSEE").

WHEREAS, MOHAVE COUNTY and LESSEE entered into a Lease Agreement dated May 21, 1979, whereby MOHAVE COUNTY leased to LESSEE the Kingman Airport; and

WHEREAS, MOHAVE COUNTY and LESSEE entered into addenda to the above-referenced Lease Agreement on July 2, 1979, and November 3, 1986; and

WHEREAS, MOHAVE COUNTY transferred and conveyed its ownership interest to that certain real property known as the Kingman Airport to the CITY OF KINGMAN on or about December 19, 1988; and

WHEREAS, LESSEE continues to lease the Kingman Airport from the CITY OF KINGMAN pursuant to the terms of the Lease Agreement dated May 21, 1979, as amended; and

WHEREAS, LESSOR has acquired title to several former Kingman Airport parcels to be added to that certain real property known as the Kingman Airport, all as described by Exhibit "A" hereto; and

WHEREAS, LESSOR and LESSEE are agreed that the improvement, development, operation and maintenance of the Kingman Airport and its expense will be in the public interest; and

WHEREAS, under the provisions of A.R.S. §2-301, et seq., LESSOR is authorized, among other things, to acquire, establish, construct, own, control, lease, equip, improve, maintain, operate and regulate airports; and

WHEREAS, under the provisions of A.R.S. §2-301, et seq., LESSOR is authorized to enter into agreements with a non-profit corporation for airport or air terminal purposes and for the operation and maintenance of airports, air terminals and uses incidental thereto; and

WHEREAS, LESSEE was formed as a non-profit corporation under A.R.S. §10-451, et seq., and A.R.S. §2-311, et seq., for the purpose of engaging in the promotion, establishment, development and maintenance of airports and adjacent property for the benefit of air transportation and commercial or industrial activities, for the general public benefit of the residents of Mohave County; and

WHEREAS, LESSOR and LESSEE desire to enter into a Third Amendment and Restatement of Lease Agreement for the Kingman Airport;

NOW THEREFORE, in consideration of the mutual covenants herein, the parties agree as follows:

1. LEASED PREMISES. LESSOR hereby leases to LESSEE and LESSEE does hereby lease from LESSOR for airport and air terminal purposes, and for all purposes related thereto, and for all purposes incidental thereto, and for the purpose of carrying on any other revenue-producing business in connection therewith, the property described by Exhibit A attached hereto and by reference made a part hereof.

2. TERM. The term for which the leased premises are leased shall commence on the 20th day of January, 1992, and shall expire on the 19th day of January, 2017, subject to the right of

renewal hereinafter set forth, unless said term is sooner terminated as hereinafter provided.

3. OPTION TO RENEW. LESSEE may, at its sole option, extend the term of this Third Amendment and Restatement of Lease Agreement for an additional period of twenty-five (25) years at the same rental and under the same terms and conditions as contained in this Third Amendment and Restatement of Lease Agreement, said option to be exercised prior to the expiration of the prime term by LESSEE giving notice in writing to LESSOR of its intention to renew, together with the payment of the rent required by Subparagraph 5.B. hereinbelow.

4. SURRENDER OF PREMISES. Upon expiration or sooner termination of the prime term of this Third Amendment and Restatement of Lease Agreement, or any renewal thereof, LESSEE covenants and agrees that it will give up, surrender and deliver to LESSOR the leased premises together with title to all buildings, structures and improvements added to the leased premises during the term of this Third Amendment and Restatement of Lease, as well as all personal property, furniture, fixtures and other equipment contained thereon and used in connection with the operation of said airport and airport terminal and purchased or acquired for said purposes.

5. RENT. As rent for the leased premises, LESSEE shall pay to LESSOR the following:

A. The sum of ONE DOLLAR ($1.00) for the prime term of this Lease, payable on or before January 31, 1992.

B. The sum of ONE DOLLAR ($1.00) for the successive twenty-five (25) year term, if renewed, subsequent to the expiration of the prime Lease, payable on or before January 1, 2017.

6. REPAIRS. LESSEE shall take care of the leased premises, together with all improvements, fixtures and personal

property thereon, whether now on the premises or hereafter added, and shall make all necessary repairs, inside and outside, structural or otherwise, so as to maintain and preserve them in good order and condition and keep the leased premises as an operating airport and air terminal in good condition, ordinary wear and tear excepted.

7. EXPENDITURES IN EXCESS OF TEN THOUSAND DOLLARS. In the erection, improvement and repair of all buildings, structures, works, runways, improvements, fixtures and personal property, and in furnishing supplies and materials for same or for any other use by LESSEE, when the expenditure required exceeds the sum of TEN THOUSAND DOLLARS ($10,000.00), LESSEE shall advertise for bids for the work contemplated and for furnishing such supplies and materials, and ask for sealed proposals. Any such contract shall be let to the lowest responsible bidder. LESSEE may, however, reject any and all bids submitted and may readvertise for bids. The TEN THOUSAND DOLLAR ($10,000.00) minimum established by this paragraph has been based on the requirements set forth in A.R.S. §41-2535. In the event A.R.S. §41-2535 is modified during the term of this Lease, or any renewal or extension thereof, the modified amount set forth therein shall be automatically substituted for the amount set forth herein.

8. ASSIGNMENT AND MORTGAGE. LESSEE shall not assign, mortgage, pledge, hypothecate or encumber this Third Amendment and Restatement of Lease Agreement, or any part thereof, or sublet the leased premises in its entirety. LESSEE may sublet portions of the leased premises and may enter into other agreements with third persons for the use thereof and for such purpose. Nothing contained in this paragraph shall prevent LESSEE from pledging in whole or in part the revenues of the airport and air terminal and adjacent lands after providing for operation and maintenance costs as security for the payment of bonds or other obligations issued, incurred or assumed for airport and air terminal purposes to or for the benefit of the holders of such bonds or other obligations, or from making such bonds or other obligations a lien upon such revenues.

9. ACCOUNTS. LESSEE agrees that LESSOR may, during reasonable times and hours, inspect LESSEE's books and records. LESSEE further agrees to furnish LESSOR, upon LESSOR's request, within a reasonable period of time, annual operating statements and detailed balance sheets, certified by a certified public accountant of the State of Arizona, at LESSOR's expense.

10. FINANCING AND DEVELOPMENT OF AIRPORT AND AIR TERMINAL. LESSEE shall be obligated to the extent it deems necessary to rehabilitate, expand, improve and develop the airport and air terminal, and shall have the right, in its discretion, to issue bonds and incur obligations and make expenditures for such purposes. None of the bonds issued by LESSEE shall be a lien or charge upon the leased premises. Title to the buildings, structures and additions made or added to the leased premises by LESSEE or any of its subtenants shall vest in LESSOR immediately upon annexation, except where leases, permits, licenses or other agreements provide the title thereto shall remain in the lessees, permittees or third persons. Bonds issued or other obligations incurred or assumed by LESSEE for airport and air terminal purposes shall not be obligations of LESSOR, and LESSEE shall have no power to pledge the credit of LESSOR in any way whatsoever.

11. OPERATING CONTRACTS AND SUBLEASES. LESSOR and LESSEE acknowledge that LESSEE has permitted subleases, permits, licenses, contracts and agreements related to the leased premises. LESSEE hereby acknowledges that it shall be responsible for and hold LESSOR harmless from all claims arising out of or in respect to all such subleases, permits, licenses, contracts and agreements, whether existing as of the date of this Third Amendment and Restatement of Lease Agreement or entered into hereafter. All rentals, fees and other payments due under said subleases, permits, licenses, contracts and agreements shall be payable to LESSEE.

12. OTHER CONTRACTS AND AGREEMENTS. This Third Amendment and Restatement of Lease Agreement and all subleases,

permits, licenses, contracts and agreements entered into by LESSEE shall be subject to the following requirements:

A. Public Use of Airport. LESSEE agrees to operate the airport for the use and benefit of the public, to make available all airport facilities and services to the public without unjust discrimination, and to refrain from imposing or levying excessive, discriminatory or otherwise unreasonable charges or fees for any use of the airport or its facilities or for any airport services.

B. Exclusive Use. It is understood and agreed that nothing herein contained shall be construed to grant or authorize the granting of any exclusive right within the meaning of Section 303 of the Civil Aeronautics Act of 1938, as amended.

C. Maintenance of Landing Area. LESSOR reserves the right, but shall not be obligated to LESSEE, to develop or improve the landing area of the airport and all publicly-owned facilities of the airport.

D. Development of Landing Area. LESSOR reserves the right, but shall not be obligated to LESSEE, to develop or improve the landing area and all publicly-owned air navigation facilities.

E. Approach Protection. LESSOR reserves the right to take any action it considers necessary to protect the aerial approaches of the airport against obstruction, which in the opinion of LESSOR would limit the usefulness of the airport or constitute a hazard to aircraft.

F. National Emergency. During the time of war or national emergency, LESSEE shall have the right to enter into an agreement with the United States government for military or naval use of part or all of the landing area, the publicly-owned air navigation facilities and/or other area facilities of the airport. If any such agreement is executed, the provisions of this instrument, insofar as they are inconsistent with the provisions of the agreement with the government, shall be suspended.

G. Subordination to Federal Agreements Generally. This Agreement shall be subordinate to the provision of any existing agreement between LESSOR and the United States, relative to the operation or maintenance of the airport, the execution of which has been or may be required as a condition precedent to the expenditure of federal funds for the development of the airport.

H. Additional Federal Aviation Administration Regulations. LESSEE agrees to manage and operate the leased premises in accordance with Federal Aviation Administration

Regulations, attached hereto as Exhibit B and by reference made a part hereof.

13. PROCEEDS FROM SALES OF REAL PROPERTY. LESSOR hereby agrees to pay to LESSEE all proceeds which it receives arising out of each and every sale of real property which or at any time may be leased premises under the terms of this Third Amendment and Restatement of Lease Agreement or any renewal, extension or modification thereof. LESSEE agrees to use said funds in a manner consistent with those agreements entered into between MOHAVE COUNTY and the UNITED STATES GOVERNMENT dated June 1, 1962, and December 19, 1988, copies of which are attached hereto as Exhibits C and D and by reference made a part hereof.

14. INSURANCE. LESSEE hereby undertakes and agrees to indemnify and save LESSOR harmless from any claims, causes of action or judgments by reason of personal injuries sustained by any person or persons, including death, in the leased premises, and for any claims for damage to property, and agrees to procure, from companies permitted to do business in the state of Arizona, such insurance as will protect LESSOR from any such claims, suits, demands or judgments which may arise from the operation, control or occupancy of the leased premises. Such insurance shall provide a single limit of at least TEN MILLION DOLLARS ($10,000,000.00), or such amount as LESSOR may require, in any one occurrence. LESSEE further agrees to procure insurance with extended coverage endorsement on all buildings, structures, equipment and fixtures in or upon the leased premises and used in connection with the operation and maintenance of the airport and air terminal. Such policies shall cover the property to the extent of a minimum of the amount necessary to cover the interests of both LESSOR and LESSEE. All policies shall provide that loss, if any, shall be payable to LESSEE, which shall hold the proceeds of all such insurance in a trust fund for the purpose of repairing or reconstructing any of the buildings, structures, equipment or fixtures damaged or destroyed by reason of any of the risks insured against by such policies or for the purpose of making other capital improvements to the airport or air terminal. In the

event the proceeds of such insurance exceed the cost of any such repairs or reconstruction, or of the making of such capital improvements, such excess shall be paid to LESSOR. If LESSEE shall not commence such repairs or reconstruction, or other capital improvements, with one (1) year from the date of receipt of the proceeds of such insurance, the same shall be paid over to LESSOR. In the event such proceeds shall be insufficient, then LESSEE shall make repairs, reconstruction or replacements at its own expense. Copies of all policies of insurance or certificates thereof shall be delivered to LESSOR and the premiums thereof shall be paid by LESSEE. All insurance shall jointly cover both LESSOR and LESSEE. Any additional insurance shall be at the sole cost of LESSEE.

15. GOVERNMENT AID. LESSOR agrees to cooperate with LESSEE, if so requested by LESSEE, in making any necessary applications for and in securing any and all governmental or other aid which may be obtainable for the airport and air terminal under any applicable laws, but LESSOR shall not be obligated to LESSEE to assume any financial liability or obligation in connection therewith.

16. ADDITIONAL LANDS AND INTEREST THEREIN. LESSOR shall immediately upon acquisition of any lands and improvements thereon or rights, easements or interest therein for use in extension of the airport or air terminal, or for use in expansion of the airport or air terminal, or for use in maintaining airplane beacons, guides or other aids to aviation, convey the same to LESSOR without consideration, and such property shall become part of the leased premises.

17. CONDEMNATION OR ACQUISITION BY OTHERS. In the event the leased premises or any part thereof, or the right and interest of LESSEE hereunder in or to the leased premises or any part thereof, shall be condemned, taken or acquired by a body having superior power of eminent domain, the compensation or award therefor shall be payable in accordance with the following provisions:

A. Out of said compensation or award there shall be paid to LESSEE an amount equal to the sum of the following:

(1) The amount required to redeem any of LESSEE's Bonds or to pay any of LESSEE's obligations issued or incurred for airport and air terminal purposes and outstanding at the time title vests in the condemning power at the earliest dates after such decree or judgment when any such bonds may be called for redemption or such obligations may be paid, or, if any such bonds or obligations are not subject to call or immediate payment, then the amount required to redeem or pay them at their maturity, less the following three (3) items:

(a) The assets of any sinking fund established for redemption of any bonds or other obligations issued, incurred or assumed for airport and air terminal purposes, or any other public purposes, including interest thereon.

(b) The proceeds remaining unexpended from the sale of any and all bonds or other obligations issued, incurred or assumed for airport and air terminal purposes.

(c) Any cash set aside for redemption of bonds issued or the payment of any obligations incurred or assumed for airport and air terminal purposes.

(2) The interest on any such bonds or obligations from the last interest payment date prior to the vesting of title in the condemning power up to the date of such call or maturity;

(3) The call premium, if any;

(4) Any unamortized funds of LESSEE, other than bonds or other obligation proceeds, or federal, state or city grants, expended for capital improvements at the airport or air terminal.

B. The balance, if any, of such compensation or award shall be paid to LESSOR.

The amount paid to LESSEE as provided by this paragraph shall, together with any funds remaining unexpended for airport and air terminal purposes from the proceeds of any such bonds or obligations, be set aside in a special fund. If, after the payment or redemption of all said bonds and obligations with

interest and after the deduction of unamortized funds of LESSEE as aforesaid, there shall remain any balance in said special fund including income and appreciation thereon, LESSEE shall pay such balance to LESSOR. If the whole of said leased premises or the right and interest of LESSEE in or to the same shall be payable thereunder. If only part of the said leased premises or if the right and interest of LESSEE in or to the same shall be condemned, taken or acquired is so substantial as to make it impractical to proceed with the operation of the leased premises for airport or air terminal purposes, or other public purposes, then and in such event, no further rental shall be payable hereunder, provided, however, that possession of the leased premises remaining shall be promptly surrendered to LESSOR as if the term hereof shall have come to an end. If, however, only a part of said leased premises or of the right and interest of LESSEE in or to the same shall be condemned, taken or acquired, and the remaining is sufficient to conduct the operation thereof for airport and air terminal purposes, or other established public purposes, then, and in such event, the obligations of LESSEE under the provisions of this Agreement relating to rent as well as under other provisions of this Agreement shall continue and remain unaffected by such condemnation, taking or acquisition.

18. INSPECTION. LESSOR reserves the right of free access to all portions of the leased premises for the purpose of inspection, during reasonable times, upon reasonable notice.

19. PROMOTION OF AIRPORT ACTIVITIES AND SUPERVISION. LESSEE agrees to use diligent efforts to promote aeronautical activities at the airport and to secure persons who wish to base their aeronautical activities at the airport, either as fixed-base users or non-scheduled air carriers, or as lessees, and to promote other types of revenue-producing businesses and recreational activities at the airport. LESSEE shall supervise the airport and all activities thereon in a businesslike and prudent manner, and shall cooperate with LESSOR in securing compliance by other airport

users of pertinent laws and regulations and of the terms of any agreement or lease relative to the use of the airport. LESSOR and LESSEE specifically acknowledge that the efforts of LESSEE and the expenditures of authorized funds by LESSEE to enhance the Industrial Park area of the leased premises is beneficial to the long-term growth of aviation activities on the leased premises.

20. TERMINATION BY LESSOR. LESSOR shall have the right to terminate this Third Amendment and Restatement of Lease Agreement in its entirety or to enforce this Agreement by any appropriate remedy immediately upon the happening of any of the following events:

A. Filing of a petition, voluntarily or involuntarily for the adjudication of LESSEE as bankrupt;

B. The making by LESSEE of any general assignment for the benefit of creditors;

C. The occurrence of any act which operates to permanently deprive LESSEE of the ability to perform its duties under this Agreement (except suspension of operations resulting from war or national emergency);

D. The abandonment of operations at the Airport by LESSEE;

E. The failure by LESSEE to perform, keep and observe any and all of the terms, covenants and conditions herein contained on the part of LESSEE to be performed, kept or observed after the expiration of ninety (90) days from the date written notice has been given to LESSEE by LESSOR to correct such default or breach, provided that LESSOR shall extend said period in the event LESSEE shall furnish satisfactory evidence that it is continuously and diligently attempting to correct such default or breach.

21. TERMINATION BY LESSEE. Should LESSOR fail to observe any provisions of this Agreement, written notice of such delinquency shall be given by LESSEE. If such delinquency continues uncured for ninety (90) days after receipt of such notice, LESSEE may elect to terminate this Agreement in its entirety or enforce this Agreement by any appropriate legal remedy.

22. EFFECT OF THIRD AMENDMENT AND RESTATEMENT OF LEASE AGREEMENT. LESSOR and LESSEE hereby acknowledge that this Third Amendment and Restatement of Lease Agreement supersedes in its entirety all of the Lease Agreement entered into between MOHAVE COUNTY and LESSEE dated May 21, 1979, as amended.

23. NOTICE. Any notice desired or required to be served by either party upon the other or whenever notice is provided for in this Agreement, it shall be given in writing and hand-delivered or mailed by certified mail, return receipt requested, to the party to whom addressed, as set forth hereinbelow:

LESSOR: CITY OF KINGMAN
310 North Fourth Street
Kingman, AZ 86401

With a copy to:

KINGMAN CITY ATTORNEY
310 North Fourth Street
Kingman, AZ 86401

LESSEE: MOHAVE COUNTY AIRPORT AUTHORITY, INC.
7000 Flightline Drive
Kingman, AZ 86401

With a copy to:

BRUNO, WEISBERG & BROOKS, P.C.
730 East Beale Street
Kingman, AZ 86401

Any party may change the address to which notice shall be delivered or mailed by notice duly given.

24. NON-DISCRIMINATION. LESSEE shall make no distinction among persons entitled to the benefit of use of the premises, nor shall it discriminate against any employee or applicant for employment on the premises, on the basis of race, color, creed, sex or national origin in accordance with state or federal laws. Any violation of this paragraph by LESSEE shall constitute a material

breach of this Agreement.

25. SEVERABILITY. If it is determined that any specific clause or provision is prohibited by law, then that provision shall be null and void but shall not affect the other provisions of this Agreement, which nevertheless remain in full force and effect.

26. CONTINUITY. This Agreement and each and all of the covenants, obligations and conditions hereof shall inure to the benefit of and bind the LESSOR and LESSEE respectively, their successors in office, successors in interest and assigns.

27. APPLICABLE LAW. This Third Amendment and Restatement of Lease Agreement is being executed and is intended to be performed in the State of Arizona, and shall be enforced and construed according to the laws of that state.

IN WITNESS WHEREOF, the parties have executed this Third Amendment and Restatement of Lease Agreement as of the date first above written.

LESSOR:

CITY OF KINGMAN, a municipal corporation

By Carol S. Anderson
CAROL ANDERSON, Mayor

Attest:

Charlene Ware
CHARLENE WARE, Clerk

LESSEE:

MOHAVE COUNTY AIRPORT AUTHORITY, INC., an Arizona non-profit corporation

By Hal Johnson
HAL JOHNSON, President

STATE OF ARIZONA)
) ss.
COUNTY OF MOHAVE)

The foregoing Third Amendment and Restatement of Lease Agreement was acknowledged before me, the undersigned notary public, this 22ND day of January, 1992, by CAROL ANDERSON, Mayor of the CITY OF KINGMAN.

Charlene M. Ware
Notary Public

My Commission Expires:

4-4-95

STATE OF ARIZONA)
) ss.
COUNTY OF MOHAVE)

The foregoing Third Amendment and Restatement of Lease Agreement was acknowledged before me, the undersigned notary public, this 22ND day of January, 1992, by HAL JOHNSON, President of MOHAVE COUNTY AIRPORT AUTHORITY, INC.

Charlene M. Ware
Notary Public

My Commission Expires:

4-4-95

FOURTH AMENDMENT TO LEASE

THIS FOURTH AMENDMENT TO LEASE (this "Amendment") is entered into this 7th day of July, 2003, by and among THE CITY OF KINGMAN, ARIZONA, a municipal corporation and political subdivision of the State of Arizona ("Lessor"); and, KINGMAN AIRPORT AUTHORITY, INC., an Arizona non-profit corporation ("Lessee").

Recitals

A. Lessee leases the Kingman Airport (the "Leased Premises") from Lessor pursuant to a certain Third Amendment and Restatement of Lease Agreement dated January 20, 1992 (the "Restated Lease") between Lessor and Lessee's predecessor in interest, Mohave County Airport Authority, Inc. ("MCAA").

B. On or about June 18, 1992, MCAA and Lessee entered into a certain Assignment Agreement, pursuant to which MCAA assigned to Lessee all of MCAA's interests in the Leased Premises as lessee under the Restated Lease, along with assets related thereto.

C. The Restated Lease expires by its terms on January 19, 2017 and Lessor and Lessee desire to modify and extend term of the Restated Lease pursuant to the terms set forth herein.

Agreements

For and in consideration of the conditions and covenants hereinafter set forth, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Lessor and Lessee agree as follows:

1. Recitals. The foregoing Recitals are hereby incorporated as Agreements herein.

2. Modification of Restated Lease. Effective upon execution of this Amendment by the parties, the Restated Lease is modified as follows:

a. Extension of Term. The initial term of the Restated Lease as provided in Paragraph 2 thereof is hereby extended from January 19, 2017 to and including July 7, 2028 (the "Extended Term"), subject to the right of renewal as hereinafter set forth. All terms and conditions of the Restated Lease shall remain in full force and effect during the Extended Term.

b. Renewal Term. Paragraph 3. of the Restated Lease is hereby amended to read as follows:

At the expiration of the Extended Term, this Restated Lease shall automatically be renewed for one (1) additional twenty five (25) year term (the "Renewal Term"), which shall begin on July 8, 2028 and expire on July 7, 2053, unless Lessee, at its sole option and election, submits written notice to Lessor of Lessee's intent not to renew the Restated Lease no later than thirty (30) days prior to the expiration of the Extended Term. In the event Lessee submits written notice to Lessor of Lessee's intent not to renew this Restated Lease in said time and manner, then this Restated Lease shall terminate at the expiration of the Extended Term. All terms and conditions of this Restated Lease shall remain in full force and effect during the Renewal Term.

3. Continued Effect of Restated Lease. Except as specifically modified by this Amendment, all of the terms and conditions of the Restated Lease shall remain in full force and effect.

4. Miscellaneous. The Restated Lease, as modified hereby, contains the entire agreement between Lessor and Lessee and supersedes any prior negotiations, discussions or understandings.

DATED this 8th day of July, 2003.

Lessor:

The City of Kingman, Arizona
an Arizona municipal corporation

By: _____
Lester Byram, Mayor

Attest: Charlene Ware, City Clerk

Lessee:

Kingman Airport Authority, Inc.,
an Arizona non-profit corporation

By: _____
Robert L. Feagins, President

CITY OF KINGMAN, ARIZONA
RESOLUTION NO. 1601

A RESOLUTION BY THE MAYOR AND COMMON COUNCIL OF THE CITY OF KINGMAN; AUTHORIZING THE MAYOR TO EXECUTE A "THIRD AMENDMENT AND RESTATEMENT" OF THE LEASE AGREEMENT BETWEEN THE CITY AND THE MOHAVE COUNTY AIRPORT AUTHORITY, INC., CONCERNING THE KINGMAN AIRPORT AND INDUSTRIAL PARK.

WHEREAS, the City currently leases the Kingman Airport and Industrial Park to the Mohave County Airport Authority, Inc., pursuant to a Lease Agreement dated as of May 21, 1979 (as previously amended on July 2, 1979 and November 3, 1986); and

WHEREAS, the Airport Authority has requested that the Lease Agreement be further amended to provide for a new term to run from January 20, 1992 until January 19, 2017; to add to the leased premises certain parcels in the industrial park which have been reacquired by the City; and to make other minor changes which are of a "housekeeping" nature; and

WHEREAS, the Airport Authority has proposed a Third Amendment and Restatement of Lease Agreement in the form attached hereto as Exhibit A; and

WHEREAS, the Mayor and Council have been advised by the City Attorney that the Third Amendment and Restatement is in proper form and find that the execution of same would be in the best interests of the City,

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Common Council that the Mayor is hereby authorized to execute on behalf of the City a Third Amendment and Restatement of Lease Agreement in the form attached hereto as Exhibit A.

PASSED AND ADOPTED by the Mayor and Common Council of Kingman, Arizona, on January 20, 1992.

Carol S. Anderson
CAROL S. ANDERSON, MAYOR

ATTEST:
Charlene Ware
CHARLENE WARE, CITY CLERK

APPROVED AS TO FORM:
Lance Payette
LANCE B. PAYETTE, CITY ATTORNEY

LEASE AGREEMENT AND CONSENT

THIS LEASE AGREEMENT AND CONSENT (this "Agreement") is dated effective as of March 10, 2021 (the "Effective Date"), and is by and between Air Zona Aircraft Services, Inc., an Arizona corporation ("Lessee"), and City of Kingman, Arizona ("Lessor").

BACKGROUND

A. Lessee leases the Premises (as defined herein) pursuant to that certain Lease dated February 1, 1989 (the "Sublease").

B. Under the Sublease, Lessee agrees to abide by the following lease documents to which Lessor, and/or its predecessor(s) in interest, are party in one or more capacities:

1. Lease dated February 11, 1980 ("Original Lease"); which was amended by

2. Addendum dated July 22, 1980 ("First Addendum"); and

3. Addendum dated October 15, 1981 ("Second Addendum" and, together with the Original Lease and First Addendum, the "Premises Lease").

C. The Premises Lease was effectively a sublease of the Premises (which constitutes a portion of the overall premises of the Kingman Airport), with the "master" lease for the entirety of Kingman Airport being governed by that certain Third Amendment and Restatement of Lease Agreement dated January 20, 1992, as amended by that certain Fourth Amendment dated July 7, 2003 (together, the "Master Lease").

D. Leonard Helco, the sole stockholder of Lessee ("Helco"), and AirZona Acquisition LLC, a Delaware limited liability company ("Buyer"), are parties to a Stock Purchase Agreement, dated March 10, 2021 ("Stock Purchase Agreement") pursuant to which Buyer has agreed to acquire from Helco 100% of the outstanding capital stock of Lessee (the "Sale Transaction").

E. Certain parties to the Sublease, Premises Lease and Master Lease, and their related, precedent or component agreements (collectively, the "Lease Agreements") have been dissolved or are now deceased and certain of the Lease Agreements are, as of the Effective Date, missing or unavailable.

F. In connection with the Sale Transaction, the parties wish to confirm and agree to certain matters relating to the Lease Agreements.

NOW, THEREFORE, in consideration of mutual promises and of other good and valuable consideration each party hereto acknowledges, the parties hereby agree as follows:

AGREEMENT

1. Lessor Agreements and Consents. Lessor hereby acknowledges and consents to the Sale Transaction and the resulting change of ownership of Lessee effective as of the Effective Date. Lessor further acknowledges and agrees as follows:

(a) Lessor represents and warrants that, in its capacity as lessor and/or lessee under the Master Lease and the Premises Lease, Lessor has the authority, approval and capacity to convey a valid leasehold interest in the Premises, and, notwithstanding anything in the Lease Agreements

to the contrary and the absence or deficiency of certain agreements previously executed by the Lessor and/or its predecessors in interest, the Sublease, Premises Lease and Mater Lease, collectively, convey to Lessee a valid and enforceable leasehold interest in the Premises or, if the conveyance of such leasehold interest should be deemed to be invalid or unenforceable for any reason, Lessor hereby leases to Lessee, and Lessee hereby leases from Lessor, the Premises.

(b) No breach of, acceleration of rent under or default under any of the Lease Agreements will arise or result from, or be caused by the Sale Transaction. Any notice requirements under the Lease Agreements with respect to the Sale Transaction (in regards to form of delivery and notice, time requirements or otherwise) are waived.

(c) The Lease Agreements will continue in full force and effect after the Effective Date and Lessor hereby waives any rights to terminate the Lease Agreements or recapture the Premises in connection with the Sale Transaction.

(d) The Lease Agreements: (a) have not been modified, supplemented or amended since its original execution, except as described above; (b) constitute the entire understanding between Lessor and Lessee with respect to the Premises; and (c) are binding and enforceable against Lessor in accordance with their respective terms.

(e) There are no existing defaults on the part of Lessor or Lessee under any of the Lease Agreements and, to the best of Lessor's knowledge, no event has occurred that, with the giving of notice or the passage of time or both, would constitute a breach or default by Lessor or Lessee under any of the Lease Agreements.

(f) Any improvements to the Premises required to be made by Lessee under the Lease Agreements have been made.

(g) To the best of Lessor's knowledge, there has been no casualty with respect to the Premises that has not been repaired as of the date hereof.

(h) Lessor acknowledges and understands that a 2100 square foot portion of the office space located on the Premises is currently subleased to Flagstaff Medical Center, d/b/a Guardian Air Transport, and consents to this sublease, which shall be allowed to continue from the Effective Date until the Expiration Date (as defined herein) or an earlier date at Lessee's discretion.

2. Indemnity. Lessee hereby agrees to indemnify, defend and hold harmless Lessor from and against any and all loss, cost or expense resulting by reason of Lessee's failure to perform any of Lessee's obligations under the Lease Agreements or under this Agreement. Lessor hereby agrees to indemnify, defend and hold harmless Lessee from and against any and all loss, cost or expense resulting by reason of any misrepresentation of Lessor hereunder or any failure of Lessor to perform any of the obligations of the Lessor under the Lease Agreements or under this Agreement.

3. Confirmation of Certain Terms. Notwithstanding anything in the Premises Lease or the Sublease to the contrary, the parties hereby as follows, effective as of the Effective Date:

(a) Term. The term of each of the Premises Lease and the Sublease is hereby confirmed to expire on May 4, 2029 (the "Expiration Date").

(b) Rent. From the Effective Date through the Expiration Date (unless the Premises Lease and/or the Sublease is earlier terminated in accordance with the terms thereof), and

notwithstanding any provisions of the Lease Agreements to the contrary, Lessee shall pay to Lessor monthly rent in a dollar amount equal to the sum of (ii) three percent (3%) of all gross, non-fuel revenues of Lessee arising from Lessee's use of the Premises during the applicable month *plus* (iii) a dollar amount equal to four cents ($0.04) per gallon of all fuels sold by Lessee during the applicable month. Rent is payable on the first day of each month during which the Premises Lease and the Sublease remain in effect.

(c) Premises. For purposes of this Agreement, "Premises" shall mean the property described on Exhibit A.

4. Further Assurances. Each party, at the request of any other party, shall each execute, deliver and acknowledge all such further instruments and documents and do and perform all such other acts and deeds as may be reasonably required to consummate the transactions contemplated by this Agreement and to carry out the purpose and intent of this Agreement.

5. Binding Effect and No Assignment. This Agreement shall be binding upon and inure to the benefit of each party hereto and its respective successors and assigns, and nothing herein, expressed or implied, is intended to confer upon any third party any rights or remedies. This Agreement may not be assigned or otherwise transferred by any party without the prior written consent of the other party.

6. Counterparts; Governing Law. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall be deemed to be one and the same instrument. Signed counterparts of this Agreement may be delivered by scanned .pdf image and shall be deemed valid as an original. This Agreement shall be governed by and construed in accordance with the laws of the State of Arizona.

IN WITNESS WHEREOF, the undersigned parties have caused this Agreement to be signed effective as of the Effective Date.

LESSEE:

Air'Zona Aircraft Services, Inc.

By: _____
Name: David Bixler
Title: President

LESSOR:

City of Kingman, Arizona

By: _____
Name: _____
Title: _____

[Signature Page to Lease Agreement and Consent]

EXHIBIT A

THE PREMISES

Parcel A:

A portion of the E 1/2 of Section 26, T.22N., R.16W., G.& S.R.B.& M., Mohave County, Arizona being more particularly described as follows:

Commencing at the E 1/4 corner of said Section 26, a 2 1/2" O.D. Brass Tablet set in concrete having Arizona State Plane Coordinate System, West Zone values of X = 443290.19; Y = 1550396.62; thence S.67°22'30"W. (Basis of Bearings: Grid North Said West Zone, distances are ground to obtain grid distances multiply ground values by 0.999775), 343.16 feet to a 5/8" rebar W/cap being a Point in the Building Restriction Line as delineated on the Airport Layout Plan, Mohave County Airport as on file in the office of the Mohave County Board of Supervisors and the True Point of Beginning; thence N.44°51'32"W., 365.00 feet to a 5/8" rebar W/cap being a point in the Southeasterly Right of Way line of the Airport Service Road; thence along said Right of Way line S.45°08'28"W., 477.37 feet to a 5/8" rebar W/cap; thence S. 44°51'32"E., 365.00 feet to a 5/8" rebar W/cap being a point in the Building Restriction Line aforementioned; thence along said Building Restriction Line N.45°08'28"E., 477.37 feet to the Point of Beginning. This parcel contains 4.000 Acres, More or Less.

Parcel B:

A portion of the E 1/2 of Section 26 and the W 1/2 of Section 25, T.22N., R.16W., G.& S.R.B.& M., Mohave County, Arizona being more particularly described as follows:

Commencing at the E 1/4 corner of said Section 26, a 2 1/2" O.D. Brass Tablet set in concrete having Arizona State Plane Coordinate System, West Zone values of X = 443290.19; Y = 1550396.62; thence S.57°22'30"W. (Basis of Bearings: Grid North Said West Zone, distances are ground to obtain grid distances multiply ground values by 0.999775), 343.16 feet to a 5/8" rebar W/cap being a point in the Building Restriction Line as delineated on the Airport Layout Plan, Mohave County Airport as on file in the office of the Mohave County Board of Supervisors and the True Point of Beginning; thence along said Building Restriction Line S. 45°08'28"W., 477.37 feet to a 5/8" rebar W/cap; thence S.44°51"32"E., 417.98 feet to a 2" P-K fastener; thence N.45°07'20"6 E. and parallel to the centerline of Runway 03-21, 477.37 feet to a 2" P-K fastener; thence N.44°51'32"W., 417.82 feet to the Point of Beginning. This parcel encumbers 4.580 Acres, More or Less.

CITY OF KINGMAN
COMMUNICATION TO COUNCIL

TO:	Honorable Mayor and City Council
FROM:	Jack Yeager
MEETING DATE:	July 7, 2026
AGENDA SUBJECT:	Approval of Resolution No. 5629- Intergovernmental Agreement between Northern Arizona Fire District and the City of Kingman for the Maintenance of Fire Hydrants

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SUMMARY:
This IGA is for continued maintenance and repair for existing fire hydrants within the boundaries of the District NAFD that were installed by and are owned by the City for a total of 701 hydrants. NAFD agrees to pay the City the sum of $31,659 for the first year and an adjusted amount for the second year.

FISCAL IMPACT:
There is a positive fiscal impact of approx. $32,000 annually for two years to the General Fund.

STAFF RECOMMENDATION:
KFD recommends approval of this IGA for Hydrant Maintenance

ATTACHMENTS:
Res 5629 IGA_NACFD_Fire_Hydrant_Maint__2026__1_.docx

CITY OF KINGMAN RESOLUTION NO. 5629

A RESOLUTION BY THE MAYOR AND COMMON COUNCIL OF THE CITY OF KINGMAN, ARIZONA, APPROVING AN INTERGOVERNMENTAL AGREEMENT WITH THE NORTHERN ARIZONA FIRE DISTRICT FOR HYDRANT MAINTENANCE

WHEREAS, City of Kingman, Arizona is a political subdivision of the State of Arizona, (hereinafter the "City") as prescribed within the Arizona Constitution, and

WHEREAS, A.R.S. 11-951, et seq, authorizes the City to enter into an agreement authorizing the joint exercise of powers between the City and another political subdivision; and

WHEREAS the City desires to enter into the attached Intergovernmental Agreement between the Northern Arizona Fire District for the maintenance of fire hydrants; and

NOW THEREFORE, BE IT RESOLVED the City Council hereby approves the attached Intergovernmental Agreement.

PASSED, AND ADOPTED, by the Mayor and Common Council, of the City of Kingman, Arizona this _____ day of _____, _____.

ATTEST:

_____
Annie Meredith, City Clerk

APPROVED:

_____
Ken Watkins, Mayor City of Kingman

APPROVED AS TO FORM

_____
Carl Cooper, City Attorney

INTERGOVERNMENTAL AGREEMENT BETWEEN THE NORTHERN ARIZONA FIRE DISTRICT AND THE CITY OF KINGMAN, ARIZONA, FOR THE MAINTENANCE OF FIRE HYDRANTS

THIS INTERGOVERNMENTAL AGREEMENT BETWEEN THE NORTHERN ARIZONA FIRE DISTRICT AND THE CITY OF KINGMAN, ARIZONA, FOR THE MAINTENANCE OF FIRE HYDRANTS (the "Agreement") is entered into, effective this 1st day of July, 2026, between the Northern Arizona Fire District, a political subdivision of the State of Arizona, (the "District") and the City of Kingman, a municipal corporation of the State of Arizona, (the "City"). The District and the City are sometimes collectively referred to as the "Parties" or individually as the "Party".

RECITALS

WHEREAS:

A. The City is authorized under the Constitution of Arizona, Article XIII, Section I, and other applicable laws including Arizona Revised Statutes, Title 9, Chapter 1.

B. The District is authorized under Arizona Revised Statutes, Title 48, Chapter 5.

C. The District and City are within the geographical boundaries of Mohave County, a body politic and corporate of the State of Arizona, ("Mohave County" or the "County").

D. The District and City are separate and distinct political subdivisions, but each can provide for the benefit of the other(s), for the benefit of public health, safety and welfare, and other public purpose.

E. Existing fire hydrants within the boundaries of the DISTRICT were installed by and are owned by the CITY; however, it is the DISTRICT'S responsibility to maintain and repair said fire hydrants.

F. The DISTRICT desires to contract for routine maintenance and repairs of fire hydrants within its jurisdiction.

G. The CITY is willing to provide maintenance and repair services for fire hydrants within the DISTRICT'S jurisdiction under the following terms and conditions listed in this Agreement.

H. Pursuant to the requirements of and powers granted by Arizona Revised Statutes ("A.R.S.") Title 11, Chapter 7, Article 3, Section 1 l-952; Title 48, Chapter 5, Article I, Section 48-805; and, Title 9, Chapter 1, Article 2, Section 9-276, the Parties desire to enter into this Agreement.

I. Acting through its duly elected governing body, by Resolution, the District's Board

has approved the District entering into this Agreement and authorized the Board's Chairman as its representative to execute the same on behalf of the District.

J. Acting through its duly elected governing body, by Resolution, the City's Council has approved the City to enter into this Agreement and authorized the City's Mayor as its representative to execute the same on behalf of the City.

AGREEMENTS

NOW THEREFORE, for good and valuable consideration, including consideration of the mutual promises, terms and conditions herein after set forth, including the mutual promises and obligations to be performed by the Parties hereto, the Parties agree as follows:

1. **INCORPORATION BY REFERENCE.** The above Recitals shall be incorporated by reference as part of the Parties· agreements and/or as the basis of consideration for this Agreement.

2. **COMMENCEMENT, DURATION, AND TERMINATION.** Performance under this Agreement shall commence following the effective date and it shall continue in full force and effect unless earlier terminated as provided herein. This agreement shall be in effect from July 1st, 2026 through June 30, 2028 unless terminated pursuant to the provisions contained herein.

This Agreement may be terminated or canceled by any party as long as the terminating party gives the other parties ninety (90) days' notice in writing.

This Agreement may be canceled in accordance with A.R.S. Title 38. Chapter 3. Article 8. Section 38-511.

3. **PURPOSES.** The basic purpose of this Agreement is to set forth the terms and conditions of this agreement to allow for the maintenance of fire hydrants.

4. **RESPONSIBILITIES.** The Parties shall be responsible as follows:

4.1 **District.** The District shall:

4.1.1 The number of fire hydrants maintained by the City are 2630 of which 701 or 26.7% are located in the DISTRICT. Based on the hydrant maintenance allocation calculations, the DISTRICT agrees to pay CITY half of the total allocation in the sum of THIRTY ONE THOUSAND SIX HUNDRED FIFTY NINE DOLLARS ($31,659) for the first year of the agreement and an amount adjusted by the January – December "Consumer Price Index-All Urban Consumers Not Seasonally Adjusted" for the second year, Said payments shall be made in semi-annual installments, the first due and payable on July 15th and the second on January 15th.

4.1.2 Whenever the DISTRICT becomes aware of any hydrants that need maintenance and/or repair, it shall inform the CITY'S Fire Chief or

his designated representative immediately.

4.2 City. The City shall:

4.2.1 The CITY. shall perform all regular maintenance and repair of existing and new fire hydrants at its cost. Including flow testing. periodic inspections, painting and weeding.

4.3 Jointly. The District and City mutually agree:

4.3.1 When hydrants become irreparably damaged, are no longer functional or otherwise require replacement, the CITY will replace the hydrants with new ones. Whenever the DISTR ICT requests replacement and, in the sole judgment of the CITY Public Works Director, replacement would not otherwise be necessary, the DISTRICT will be responsible for the CITY'S actual costs for time and materials.

4.3.2 Installation of hydrants for new subdivisions or water line extensions will be in accordance with the City's Municipal Utility Regulations established through Ordinance No. 682, dated October 19, 1987, as may be amended from time to time. All installations of new hydrants on existing water lines. where requested by the DISTRICT. will be subject to an additional charge.

4.3.3 To not incur legal liability for the actions of one another, other than under the terms and conditions of this Agreement. Each Party will be solely and entirely **responsible for its own acts and acts of its own Board or Council members, officials, agents, and employees during the performance of this Agreement.**

4.3.4 Each party indemnifies the other from and against all claims, suits, damages, costs, losses and expenses in any manner resulting from or in respect of its own acts, or the acts of its employees, agents and representatives.

4.3.5 Exhibits "A" and "B" attached hereto are authenticated copies of the Resolutions of the District and City, authorizing said Parties to enter into this Agreement.

4.3.6 It is noted that as a part of this Agreement are the written determinations of the attorneys for the Parties that this Agreement is in proper form and within the **powers and authority granted to said Parties under the laws of the State of Arizona.**

4.3.7 To act for the good faith implementation of this Agreement and its covenants, including full and complete timely performance.

5. **LAWS.** The Parties shall each be fully responsible for compliance with all statutes, ordinances, **codes, regulations, rules, court decrees or other laws (hereinafter collectively 'Laws") applicable to it** as part of fully performing the Project with regards to their respective roles. This Agreement shall not relieve either Party of any obligation or responsibility imposed upon it by Laws.

6. **NOTICE.** Any notice that is necessary shall be in writing and given by telefax, personal delivery, by **deposit with an overnight express delivery service such as Federal Express, or by deposit in the United States Mail, certified mail-return receipt requested, postage prepaid, addressed to a Party at the address set forth below, or such other address as a Party may designate in writing by prior notice. The date notice is given shall be the date on which the notice is delivered if notice is given by personal** delivery or overnight express delivery service, or three (3) days from the date of deposit in the Mail, if the notice is sent through the United States Mail. Notice shall be deemed to have been received on the **date on which the notice is delivered, if notice is given by personal delivery or overnight express delivery service, or three (3) days following the date of deposit in the mail, if notice is sent through the** United States Mail.

DISTRICT
Mail or Deliver To:
John Bryant
Chairman of the Board
2600 Northern Ave
Kingman, AZ 86409

CITY:
Mail or Deliver To:
Jack Yeager, Fire
Chief Kingman Fire
Department 310 N 4th St
Kingman, Arizona 86401

7. OTHER CONDITIONS OR PROVISIONS

7.1 Severability. The terms of this Agreement are severable. Any waiver by the Parties of any provision herein shall not impair the right of any Party to enforce any other provision of the Agreement. Such

provision of this Agreement shall be interpreted in a manner as to be effective and valid under applicable Laws. Such provision shall be ineffective solely to the extent of such prohibition or invalidity. Such **prohibition or invalidity shall not invalidate the remainder of the provisions or any other provision.**

7.2 Voluntary Execution. The Parties acknowledge having read the Agreement in its entirety and voluntarily
sign the Agreement with the intended purpose that it be fully binding as set forth.

7.3 Arbitration. In the event of a dispute, the Parties agree to use arbitration only to the extent it is required by A.R.S. § 12-1518 or otherwise required by Arizona Rules of Civil Procedure. The Parties shall agree to **fully exhaust administrative remedies before filing litigation**

7.4 No Implied Authority.

7.5 This Agreement shall not be considered to imply authority to perform any tasks, **accept any responsibility or to do any other thing in relation hereto, not expressly set forth herein**

7.6 Construction of Contract. This Contract shall be construed and interpreted according to its plain meaning, and no presumption shall be deemed to apply in favor of or against the party drafting this Contract. The parties acknowledge and agree that each has had the opportunity to seek and utilize legal **counsel in the drafting of, review of, and entry into this Contract.**

7.7 Legal Arizona Workers Act. In compliance with A.R.S. § 41-4401, the Parties hereby warrants that they will, at all times during the term of this Agreement, comply with all federal immigration laws applicable to the Parties' employment of their employees, and with the E-Verify requirements of A.R.S. § 23-214 (A) (together the "State and Federal Immigration Laws"). The Parties shall further ensure that each **subcontractor who performs any work for the Parties under this Agreement likewise complies with the** State and Federal Immigration Laws.

7.7.1 The Parties agree and warrant that the Parties shall each have the right at any time to inspect **the books and records of the other Parties and any subcontractor in order to verify such party's compliance with the State and Federal Immigration Laws. The Parties agree that any act by another Party or subcontractor that results in the impediment or denial of access of the books and records of the Parties or subcontractor shall be a material breach of this** Agreement on the part of the that Party.

7.7.2 Nothing herein shall make the Parties or subcontractor an agent or employee of any of the other Parties. Nothing herein shall act to establish privity of contract between any of the **Parties and any subcontractor.**

7.7.3 Any breach of the Parties' or any subcontractor's warranty of compliance with the State and **Federal Immigration Laws, or of any other provision of this section, shall be deemed to be a** material breach of this Agreement subjecting the offending Party to penalties up to and **including suspension or termination of this Agreement. If the breach is by a subcontractor, and the subcontract is suspended or terminated as a result, the Party shall be required to take such steps as may be necessary to either self-perform the services that would have been provided under the subcontract or retain replacement subcontractor, subject to each Parties' approval as soon as possible so as not to delay project completion and at no additional** expense to the other Parties. Any additional costs attributable directly or indirectly to remedial action under this Article shall be the responsibility of the offending Party.

7.7.4 **The Parties shall advise each subcontractor of the Parties' rights and the subcontractor's obligations under this Article by including a provision in its contract with each subcontractor** in the following form:

7.7.5 "SUBCONTRACTOR hereby warrants that it will at all times during the term of this contract comply with all federal immigration laws applicable to SUBCONTRACTOR's employees, and with the requirements of A.R.S. § 23-214 (A). SUBCONTRACTOR further agrees that the Parties may inspect the SUBCONTRACTOR'S books and records to ensure that SUBCONTRACTOR are in compliance with these requirements. Any breach of this paragraph by SUBCONTRACTOR will be deemed to be a material breach of this contract subjecting SUBCONTRACTOR to penalties up to and including suspension or termination **of this contract."**

7.8 **Non-Discrimination. The Parties will not discriminate on the grounds of age, race, color, national origin, religion, sex, disability, familial status or any other protected basis in the selection, treatment and retention of employees, subcontractors or in the procurement of materials and leases of equipment. The Parties also will not participate, either directly or indirectly, in any type of discrimination prohibited by any federal, state, or local law, including but not limited to Title VII of** the Civil Rights Act of l964, Section 504 of the Rehabilitation Act of 1973, the Age Discrimination Act of 1975 and Executive Orders 99-4 and 2000-4 (including any amendments thereto).

7.9 **Boycott.** The Parties certify that they are not currently engaged in, and agree for the durations of this Contract that they will not engage in, a boycott of Israel, as that term is defined in A.R.S. § 35-393.01.

7.10 No Third-Party Interest. This agreement shall be binding upon the Parties and any successor-in-- **interest. No provision herein is intended to create a third beneficiary interest in any person or entity, including but not limited to the respective employees or agents of any Party.**

IN WITNESS WHEREOF, the Parties have signed this Agreement on the dates set forth below. This Agreement shall be effective as of the date first above written, and upon being fully executed:

CITY OF KINGMAN, a municipal corporation of the State of Arizona

_____By
Date signed

_____
Ken Watkins, Mayor, Kingman Common Council

APPROVED AS TO FORM AND IN COMPLIANCE WITH A.R.S. § 11-952:

_____By
Date signed

_____
Carl W. Cooper, City Attorney

ATTESTATION OF CITY APPROVAL

I, Annie Meredith, Clerk of Kingman, Arizona, hereby certify that the City Council of Kingman, Arizona on the _____Day of_____,2026, approved on behalf of City of Kingman, an Arizona municipal Corporation, for the purposes stated, the foregoing Agreement.

_____
Annie Meredith, City of Kingman, Arizona

NORTHERN ARIZONA FIRE DISTRICT,
a political subdivision of the State of Arizona

_____By _____
Date Signed Chairman of the Board

APPROVED AS TO FORM AND IN COMPLIANCE WITH A.R.S. § 11-952:

ATTORNEY FOR NORTHERN ARIZONA FIRE DISTRICT

_____By _____
Date Signed Donna Aversa, Attorney for Northern Arizona Fire District

ATTESTATION OF DISTRICT APPROVAL

I, Jim Bell, Clerk of the Northern Arizona Fire District, a body politic and corporate of the State of Arizona, a political subdivision of the State of Arizona, hereby certify that said District on the _____day of _____2026, approved on for the purposes stated, the foregoing Agreement.

_____
Jim Bell Norther Arizona Fire District

CITY OF KINGMAN
COMMUNICATION TO COUNCIL

TO:	Honorable Mayor and City Council
FROM:	Jack Yeager
MEETING DATE:	July 7, 2026
AGENDA SUBJECT:	Approval of Amendment to Extend the Program Coordination Agreement with WAVE for the Fire Explorer Program

---

SUMMARY:
Western Arizona Vocational Education District ("WAVE") and Kingman Fire Department entered into a Program Coordination Agreement dated July 1st, 2024 (the "Agreement"), under which the Department provides program coordination services for WAVE's fire science and/or emergency services educational programs. WAVE is extending the term of the agreement for one year on the same terms and conditions.

FISCAL IMPACT:
There will be no fiscal impact.

STAFF RECOMMENDATION:
KFD

SUGGESTED MOTION:
KFD supports this extension

ATTACHMENTS:
WAVE - KFD Program Agreement First Amendment 26-27.docx
WAVE - KFD Program Agreement Final Signed.pdf

FIRST AMENDMENT TO PROGRAM COORDINATION AGREEMENT

This First Amendment to the Program Coordination Agreement ("Amendment") is entered into effective as of this 1st day of July, 2026, by and between Western Ariona Vocational Education District, an Arizona political subdivision (“WAVE”), and the City of Kingman Fire Department, as part of the City of Kingman, an Arizona municipal corporation (“Department”).

RECITALS

A. WAVE and the Department entered into a Program Coordination Agreement dated July 1st, 2024 (the "Agreement"), under which the Department provides program coordination services for WAVE’s fire science and/or emergency services educational programs.

B. The parties desire to extend the term of the Agreement and continue their collaborative relationship on the same terms and conditions, except as expressly modified herein.

NOW, THEREFORE, in consideration of the mutual covenants and promises contained herein, the parties agree as follows:

1. Extension of Term

The parties hereby exercise the renewal option provided in Section 2 of the Agreement and agree that the Agreement shall remain in effect through June 30, 2027.

2. Continued Effect of Agreement

Except as expressly modified by this Amendment, all terms, conditions, obligations, and provisions of the Agreement shall remain unchanged and in full force and effect.

3. Authority

Each party represents and warrants that it has obtained all approvals and authorizations necessary to enter into this Amendment and that the individual signing below is authorized to bind the respective party.

4. Counterparts and Electronic Signatures

This Amendment may be executed in counterparts, each of which shall be deemed an original, and all of which together shall constitute one instrument. Electronic signatures shall be deemed effective for all purposes.

IN WITNESS WHEREOF, the parties have caused this Amendment to be executed by their duly authorized representatives.

WAVE

By: _____

Name: _____

Title: _____

Date: _____

CITY OF KINGMAN FIRE DEPARTMENT

By: _____

Name: _____

Title: _____

Date: _____

RECEIVED
JUL 2 2 2024
BY: ....

Program Coordination Agreement
by and between Western Arizona Vocational Education CTED
and the Kingman Fire Department for
Provision of Career Technological Education Course

This Program Coordination Agreement (the "Agreement") is entered into effective as of this 1st day of July, 2024, by and between the Western Arizona Vocational Education Career Technical Education District ("WAVE") and the City of Kingman Fire Department, as a part of the City of Kingman, an Arizona municipal corporation ("Department"). WAVE and the Department are described collectively as the "Parties" and individually as a "Party."

WHEREAS, WAVE is authorized to enter into this Agreement under Arizona Revised Statutes ("A.R.S.") §15-342 and A.R.S §15-393;

WHEREAS, the Parties desire to establish a training program for the Fire Explorer Academy (the "Program") in Kingman, Arizona. The Parties will use, but are not limited to, various fire stations owned by the City of Kingman, other City of Kingman-owned property, and any WAVE/City of Kingman determined location. Any City of Kingman-owned property or WAVE/City of Kingman determined location used for the Program will be collectively defined as the "Facility."

NOW THEREFORE, in consideration of the mutual agreements set forth, the Parties agree as follows:

1. **Purpose**

This Agreement establishes the terms and conditions under which the Parties will conduct the Program, which meets the criteria provided in A.R.S. §15-391(3).

2. **Term**

Subject to Section 3, the term of this Agreement will commence on July 1, 2024, and terminate on June 30, 2026. By mutual agreement, the parties may extend it for an additional one (1) year terms.

3. **Termination**

This Agreement may be terminated as follows:

A. Either Party may terminate this Agreement, with or without cause, by providing ninety (90) day's written notice to the other Party, provided that such termination will only be effective as of the end of the then-current Fiscal Year. If either Party elects to terminate the Agreement, WAVE will not enroll any new WAVE students in the Program during the following fiscal year. For greater certainty, the Parties agree that any students

enrolled in the Program at the time that a Party elects to terminate the Agreement may continue in the Program until the end of the then-current Fiscal Year.

4. Program Curriculum

WAVE and the Department will design, and Parties will jointly implement, the Program curriculum, which will meet the requirements identified in A.R.S. § 15-391(3) necessary for the Program to qualify as a career technological education course and/or program.

5. Program Operation

A. The Parties will operate the Program for a period each year between July 1 and June 30 ("Fiscal Year"). The Program will include instruction for four (4) days a week and some Fridays/Saturdays. The Program will be provided at the Facility described in the recitals. The Parties have jointly determined that the Facility will provide adequate classroom space and teaching environments for the Program.

B. The Parties will conduct the Program at the Facility. The Parties agree that if the Facility becomes unusable for purposes of conducting the Program, whether because of damage to the Facility or otherwise, the Department will designate and dedicate a replacement area comparable to the Facility for the conduct of the Program, which replacement area must be acceptable to both Parties.

C. The Parties will coordinate the use of the Department's Facility for Program instruction. The Parties agree that at times during the Fiscal Year when the Facility is not being used for Program instruction, the Department may use it for non-program-related meetings and activities.

D. Department will provide adequate storage space within the Instructional Area and in a designated location outside of the Facility, which will be agreeable to both Parties.

E. WAVE will make the training aids, equipment, technology, work tables, and tools necessary for the Program available for use within the program. The Parties will maintain an inventory of all WAVE Property used at the Facility.

F. WAVE will provide all books and workbooks necessary for the Program and retain title to all WAVE Property. The Parties agree that WAVE may store all WAVE Property at the Facility at a location agreeable to both Parties between fiscal years. The Department will not use the WAVE Property for non-Program purposes without WAVE's consent.

G. The Parties agree that during instructional hours, the Program Instructor responsible for instruction shall ensure the security of the Instructional Area and the WAVE Property being used for Program instruction.

H. Unless otherwise agreed to in writing by WAVE and the Department, WAVE will work with the Department to return all WAVE Property upon termination of this Agreement.

6. **Program Instructor**

A. The Department will provide an instructor (the "Instructor") who will be responsible for providing Program instruction, grading, and attendance and will be CTE certified. The Instructor will dedicate sufficient time to the conduct of the Program, including instruction and preparation time, to ensure the provision of a quality education for all Program participants.

B. Department will make available one or more substitute teachers, identified and approved by WAVE in advance and certified as substitute teachers, to provide Program instruction if the primary Instructor is temporarily unable to perform their duties.

C. WAVE will conduct background checks on the Instructor as part of the hiring process. Each instructor, employee or agent who will come into contact with WAVE students, will comply with Arizona law. Department will provide a letter stating City of Kingman employees have met the background review for employment by the City of Kingman.

D. WAVE may provide/require professional development and will assess each Instructor's performance. The Parties may mutually agree to remove or replace an instructor.

7. **Program Participation**

A. The Instructor will be responsible for supervising and disciplining students who participate in a course taught by the Instructor pursuant to the WAVE disciplinary rules, which shall be done in cooperation with WAVE.

B. Department will inform WAVE of, and the Parties will jointly resolve, any concerns relating to WAVE students, which arise while WAVE students are in the care of an Instructor. Department may cause a WAVE student to leave the Facility if such a student poses a risk to the health and safety of other WAVE students or employees, provided that the Department promptly notifies WAVE and the proper authorities.

C. WAVE will coordinate enrollment and registration with the staff of Department.

D. WAVE must approve all student enrollments, verifying student eligibility to participate in the Program.

E. WAVE will provide registration and attendance information for WAVE students in the Program consistent with State guidelines and subject to the requirements of the Family Education Rights and Privacy ACT ("FERPA"), 20 U.S.C §1232g, et seq. In addition, Department acknowledges that, as a part of this Agreement, Department will have access to student education records as defined by FERPA. Department acknowledges that disclosing such records to an unauthorized person is a violation of law and could subject WAVE to penalties under FERPA. Department also acknowledges that disclosure of a student's records to persons other than the student or authorized representatives of WAVE requires WAVE to obtain prior and specific student authorization.

F. For purposes of this Agreement, a "student" is defined as any person enrolled in WAVE without regard to the person's age or high school graduation status as directed by WAVE.

8. Payments/Performance of Program

A. WAVE will pay for all necessary supplies, equipment, and student certification costs as determined in collaboration with the Department. Any damages as a direct result of WAVE students to Department equipment and/or the Facility will be covered by WAVE up to $5,000 maximum, all as consideration towards the use of Faculty to the Department for the use of the Facility during the Fiscal Year.

B. WAVE shall also pay for any necessary certifications, including but not limited to CTE and substitute teacher certifications, as compensation for the Instructor's and any substitute Instructor's services in partial performance as fair market value to the Department for the use of the Facility.

C. WAVE shall pay for the cost of instruction at a rate of $30 per hour for Department employees assigned to provide instruction. Total hours of instruction are estimated to be 600 hours which may include direct instruction, additional Department employees to provide for the personal safety of students/staff and required WAVE professional development. Department will assign, schedule, track and report all instructional hours to WAVE in the form of a time card.

D. The Parties' performance under this Agreement depends upon the appropriation of funds by the Arizona Legislature, and if the Legislature fails to appropriate the funds necessary for performance, then either Party may provide written notice of this to the other Party and cancel this Agreement without further obligation of either Party. Appropriation is a legislative act and is beyond the control of the Parties.

9. Accountability Provisions.

The Parties agree to cooperate as appropriate to ensure compliance of WAVE with required student testing schedules and procedures, reporting, and other requirements of applicable state and federal law concerning accountability in educational programs. WAVE may request that an audit or accounting be conducted, at the expense of WAVE, of Department expenditures related to the Program.

10. Miscellaneous

A. Safety Procedures. Both Parties will comply with safety procedures as required by applicable State and Federal regulations.

B. Non-Joint Venture. Except as otherwise provided by law, in the performance of duties and activities under this Agreement, the Parties will be acting in their individual governmental and corporate capacities and not as agents, employees, partners, joint ventures, or associates of each other. The officers, employees, agents, or subcontractors

of one Party shall not be deemed or construed to be the employees or agents of the other Party. Accordingly, employees of one Party shall not be entitled to employee benefits normally provided to bona fide employees of the other Party. Each Party shall retain complete jurisdiction over such programs of its own that are outside of this Agreement. Nothing in this Agreement shall be construed to establish a joint venture.

C. Cancellation for Conflict of Interest. Pursuant to A.R.S. § 38-511, WAVE may cancel this Agreement without further penalty or obligation within three (3) years of its execution.

D. Nondiscrimination. The parties agree to comply with Executive Order 99-4 and all applicable State and Federal laws, rules, regulations, and executive orders governing equal employment opportunity, immigration, nondiscrimination, including the Americans with Disabilities Act, and affirmative action.

E. Insurance. Department and WAVE each represents and warrants to the other that it will at all times retain insurance coverage in compliance with State laws.

F. Mutual Indemnification. To the extent permitted by Arizona law, each Party (as "Indemnitor") agrees to indemnify, defend, and hold harmless the other Party (as "Indemnitee") from and against any and all claims, losses, liability, costs or expenses (including reasonable attorney fees), hereinafter collectively referred to as "claims," arising out of bodily injury of any person (including death) or property damage, but only to the extent that such claims which result in vicarious/derivative liability to the Indemnitee, are caused by the act, omission, negligence, misconduct, or other fault of the Indemnitor, its officers, officials, agents, employees, or volunteers.

G. Applicable Law. This Agreement will be governed and interpreted by the laws of the State of Arizona. WAVE will operate under the provisions of A.R.S. Title 15, Ch. 3, Art. 6 (§§15-391 through 15-396), as amended. In the event a conflict exists between this Agreement and the laws of the State of Arizona, the laws of the State of Arizona will control.

H. Notice. Any notice required or permitted under the terms of this Agreement will be deemed given or served if sent by certified mail, return receipt requested, postage prepaid, to:

WAVE: Amy West, Superintendent
WAVE CTED
700 W Beale Street
Kingman, AZ 86401

DEPARTMENT: Jack Yeager, Fire Chief
Kingman Fire Department
412 East Oak Street
Kingman, AZ 86401

I. E-Verify Requirements. The Parties mutually acknowledge and agree as follows:

To the extent applicable under A.R.S. § 41-4401, both Parties warrant compliance with all federal immigration laws and regulations that relate to its employees and its compliance with the E-Verify requirements under A.R.S. § 23-214(A).

K. Assignment. Neither Party shall have the right to assign this Agreement without the prior written consent of the other Party.

L. Entire Agreement. This Agreement constitutes the entire agreement and understanding of the Parties with respect to its subject matter. No prior or contemporaneous agreement or understanding will be effective.

M. Authorized Signature. WAVE and Department each represent that the signatory below is fully authorized by its governing body to execute this Agreement.

N. Counterparts. This Agreement may be executed in counterparts, both of which will be originals but together will constitute one and the same Agreement. This Agreement is effective as of the date first written above.

O. Boycott of Israel. Legislation has been enacted to prohibit public entities from contracting with companies currently engaged in a boycott of Israel. To ensure compliance with A.R.S. §35-393.01, each Party warrants that it is not engaged in a boycott of Israel as defined in A.R.S. §35-393 et seq.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS HEREOF, the Parties sign this Agreement as follows:

WESTERN ARIZONA VOCATIONAL EDUCATION CTED:

Dated this 5th day of June, 2024, upon resolution of the WAVE Governing Board approving this Agreement and authorizing its Superintendent to sign below:

Amy West

Amy West, Superintendent

Approval as to Form Only:

Mangum, Wall, Stoops & Warden, PLLC
Counsel for WAVE

CITY OF KINGMAN:

Dated this 4th day of June, 2024, upon resolution of the Kingman City Council approving this Agreement and authorizing its Mayor to sign below:

Ken Watkins, Mayor

Approval as to Form Only:

Carl Cooper, Kingman City Attorney

ATTESTATION OF CITY APPROVAL

I, Annie Meredith, Clerk of Kingman, Arizona, hereby certify that the City Council of Kingman, Arizona, on the 4th day of June, 2024, approved on behalf of City of Kingman, an Arizona municipal corporation, for the purposes stated, the foregoing Agreement.

6/4/2024
Date Signed

By Annie Meredith
, City Clerk

Seal

CITY OF KINGMAN INCORPORATED 1952 ARIZONA


CITY OF KINGMAN
INCORPORATED
1952
ARIZONA

CITY OF KINGMAN
COMMUNICATION TO COUNCIL

TO:	Honorable Mayor and City Council
FROM:	Mike Garmon
MEETING DATE:	July 7, 2026
AGENDA SUBJECT:	Approval of Resolution No. 5630- Accepting Public Utility Easements Associated with the Serena Grace Meadows Subdivision Tract 6006 and Adjacent Parcels

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SUMMARY:
The final plat for the Serena Grace Meadows subdivision was approved in 2006. The approved plat shows 5-foot wide public utility easements across the frontage of all the lots in the subdivision. Angle Homes is granting an additional 3-foot wide public utility easement for each lot, so that there will be a total easement width of 8 feet. This will address issues with crowding of utilities when they are installed. Additionally, they are granting 8-foot wide utility easements for adjacent lots that are owned by Angle Homes, but are not part of the original approved plat.

FISCAL IMPACT:
None

STAFF RECOMMENDATION:
Approve Resolution No. 5630

SUGGESTED MOTION:
Move to approve Resolution No. 5630.

ATTACHMENTS:
PUE 1 Serena Grace Meadows.pdf
PUE 2 Serena Grace Meadows.pdf
ENG240071SGM_AcceptanceR5630.pdf

When recorded return to:
Kingman City Clerk
310 N. 4th Street
Kingman, AZ 86401

GRANT OF PUBLIC UTILITY EASEMENT
(EXEMPT FROM AFFIDAVIT OF VALUE PURSUANT TO A.R.S. §11-1134(A)(2))

For the consideration of Ten and 00/100 Dollars, and other valuable consideration, **High Desert Land Development, LLC, an Arizona limited liability company**, ("Grantor"), does hereby convey to the **CITY OF KINGMAN**, an Arizona Municipal Corporation ("Grantee"), an easement for public utility purposes and all purposes incident thereto; together with the right of ingress and egress for the purpose of installation, maintenance and replacement, including, without limitation, electric power, gas, water, sewer, telephone and cable television lines, and other apparatus and equipment related thereto under, over, on and across the real property (the "Property") situate in Mohave County, Arizona, described as:

SEE EXHIBIT A

Together also with the right, from time to time, to inspect, redesign, rebuild, repair or alter said lines, apparatus and equipment and to install additional apparatus and equipment, as well as the right to remove any of such lines or apparatus and equipment.

This Easement shall be binding upon and inure to the benefit of the parties hereto and their respective successors in interest and assigns.

Grantee may prosecute any proceeding, at law or in equity, against any person violating, or attempting to violate, any provisions of this Easement to prevent such person from doing so and to recover damages for any such violation. Except as otherwise provided in this easement, all costs and expenses incurred in pursuing a remedy at law or in equity, including, without limitation, reasonable attorneys' fees, shall be paid by those persons violating, or attempting to violate, any provisions of this Easement.

IN WITNESS WHEREOF, Grantor has executed this Easement this 29 day of June, 2026.

GRANTOR:

BY: Tyler P. Angle, member

STATE OF ARIZONA)
) ss.
County of Mohave)

Acknowledged before me this 29 day of June, 2026 by Tyler P. Angle .

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Shawn Marie Hoffman
Notary Public

My Commission expires: February 10, 2028

SHAWN MARIE HOFFMAN
Notary Public - Arizona
Mohave County
Commission # 661717
My Commission Expires
February 10, 2028

ACCEPTANCE

The City of Kingman, a municipal corporation, does hereby accept the foregoing grant and easement and the terms and conditions thereof.

IN WITNESS WHEREOF, the City of Kingman has caused this Acceptance to be executed by its Mayor pursuant to authority granted by its City Council, this _____ day of _____, 2026.

CITY OF KINGMAN,
a municipal corporation

BY: _____
Ken Watkins, City Mayor

ATTEST:

_____
Annie Meredith, Deputy City Clerk

EXHIBIT A

A 3 foot Public Utility Easement located in Serena Grace Meadows, Tract 6006, according to the plat of record in the office of the County Recorder of Mohave County, Arizona,
recorded February 21, 2006 as Document No. 2006017795 described as:

An additional three-foot (3') Public Utility Easement ("PUE") is hereby dedicated contiguous to and adjoining the existing five-foot (5') Public Utility Easements located along the street frontage lines as shown on the plat of Serena Grace Meadows, Tract 6006, according to the plat recorded February 21, 2006, as Document No. 2006017795, records of the Mohave County Recorder, Arizona.

Said additional 3' PUE, together with the existing 5' PUE, shall constitute an eight-foot (8') Public Utility Easement along the street frontage lines of the following described lots:

Lots 1 through 16, inclusive, Block 1;

Lots 2 through 6, inclusive; Lots 8 and 9; and 11 through 13, inclusive Block 2; and

Lots 2 through 10, inclusive, Block 3

AND

An additional three-foot (3') Public Utility Easement ("PUE") is hereby dedicated contiguous to and adjoining the existing five-foot (5') Public Utility Easements along the
North Westerly 89.82 feet of Lot 1, Block 2, Serena Grace Meadows, Tract 6006, according to the plat recorded February 21, 2006, as Document No. 2006017795, records of the Mohave County Recorder, Arizona.

An additional three-foot (3') Public Utility Easement ("PUE") is hereby dedicated contiguous to and adjoining the existing five-foot (5') Public Utility Easements along the
Easterly 53.01 feet of Lot 7, Block 2, Serena Grace Meadows, Tract 6006, according to the plat recorded February 21, 2006, as Document No. 2006017795, records of the Mohave County Recorder, Arizona.

An additional three-foot (3') Public Utility Easement ("PUE") is hereby dedicated contiguous to and adjoining the existing five-foot (5') Public Utility Easements along the
Easterly 51.81 feet of Lot 10, Block 2, Serena Grace Meadows, Tract 6006, according to the plat recorded February 21, 2006, as Document No. 2006017795, records of the Mohave County Recorder, Arizona.

An additional three-foot (3') Public Utility Easement ("PUE") is hereby dedicated contiguous to and adjoining the existing five-foot (5') Public Utility Easements along the Southerly 55.03 feet of Lot 1, Block 3, Serena Grace Meadows, Tract 6006, according to the plat recorded February 21, 2006, as Document No. 2006017795, records of the Mohave County Recorder, Arizona.

An additional three-foot (3') Public Utility Easement ("PUE") is hereby dedicated contiguous to and adjoining the existing five-foot (5') Public Utility Easements along the
South Easterly 40.62 feet of Lot 11, Block 3, Serena Grace Meadows, Tract 6006, according to the plat recorded February 21, 2006, as Document No. 2006017795, records of the Mohave County Recorder, Arizona.

When recorded return to:
Kingman City Clerk
310 N. 4th Street
Kingman, AZ 86401

GRANT OF PUBLIC UTILITY EASEMENT
(EXEMPT FROM AFFIDAVIT OF VALUE PURSUANT TO A.R.S. §11-1134(A)(2))

For the consideration of Ten and 00/100 Dollars, and other valuable consideration, **Angle Homes Inc., an Arizona corporation**, ("Grantor"), does hereby convey to the **CITY OF KINGMAN**, an Arizona Municipal Corporation ("Grantee"), an easement for public utility purposes and all purposes incident thereto; together with the right of ingress and egress for the purpose of installation, maintenance and replacement, including, without limitation, electric power, gas, water, sewer, telephone and cable television lines, and other apparatus and equipment related thereto under, over, on and across the real property (the "Property") situate in Mohave County, Arizona, described as:

SEE EXHIBIT A

Together also with the right, from time to time, to inspect, redesign, rebuild, repair or alter said lines, apparatus and equipment and to install additional apparatus and equipment, as well as the right to remove any of such lines or apparatus and equipment.

This Easement shall be binding upon and inure to the benefit of the parties hereto and their respective successors in interest and assigns.

Grantee may prosecute any proceeding, at law or in equity, against any person violating, or attempting to violate, any provisions of this Easement to prevent such person from doing so and to recover damages for any such violation. Except as otherwise provided in this easement, all costs and expenses incurred in pursuing a remedy at law or in equity, including, without limitation, reasonable attorneys' fees, shall be paid by those persons violating, or attempting to violate, any provisions of this Easement.

IN WITNESS WHEREOF, Grantor has executed this Easement this 29 day of June, 2026.

GRANTOR:

BY: Tyler P. Angle, President

STATE OF ARIZONA)
) ss.
County of Mohave)

Acknowledged before me this 29 day of June, 2026 by Tyler P. Angle .

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Shawn Marie Hoffman
Notary Public

My Commission expires: February 10, 2028

SHAWN MARIE HOFFMAN
Notary Public - Arizona
Mohave County
Commission # 661717
My Commission Expires
February 10, 2028



ACCEPTANCE

The City of Kingman, a municipal corporation, does hereby accept the foregoing grant and easement and the terms and conditions thereof.

IN WITNESS WHEREOF, the City of Kingman has caused this Acceptance to be executed by its Mayor pursuant to authority granted by its City Council, this _____ day of _____, 2026.

CITY OF KINGMAN,
a municipal corporation

BY: _____
Ken Watkins, City Mayor

ATTEST:

_____
Annie Meredith, Deputy City Clerk

EXHIBIT A

PARCEL NO.: 1
The West 8 feet of Lots 19 and 20, Block 45, KINGMAN AIR-RAIL MANOR, according to the plat of record in the office of the County Recorder of Mohave County, Arizona, recorded February 23, 1929.

PARCEL NO.: 2
The West 8 feet of Lots 21 and 22, Block 45, KINGMAN AIR-RAIL MANOR, according to the plat of record in the office of the County Recorder of Mohave County, Arizona, recorded February 23, 1929.

WHEN RECORDED HOLD FOR
KINGMAN CITY CLERK
310 N. 4th Street
Kingman, Arizona 86401

CITY OF KINGMAN
RESOLUTION NO. 5630

A RESOLUTION BY THE MAYOR AND COMMON COUNCIL OF THE CITY OF KINGMAN, ARIZONA; ACCEPTING PUBLIC UTILITY EASEMENTS ASSOCIATED WITH THE SERENA GRACE MEADOWS SUBDIVISION TRACT 6006 AND ADJACENT PARCELS

WHEREAS, the final subdivision plat for Serena Grace Meadows Tract 6006, was recorded on February 21, 2006, and

WHEREAS, the final subdivision plat indicates 5-foot wide public utility easements along the frontage of each lot for the purposes of locating public utilities, and

WHEREAS, High Desert Land Development LLC is the owner of Serena Grace Meadows Tract 6006 and is granting an additional 3-foot wide public utility easement along the frontage of each lot as described in Exhibit A, and

WHEREAS, Angle Homes Inc. is the owner of Lots 19 through 22, Block 45, Kingman Air-Rail Manor, the final plat being recorded on February 23,1929, and

WHEREAS, Angle Homes Inc. is granting an 8-foot wide public utility easement on Lots 19 through 22, Block 45, Kingman Air-Rail Manor as described in Exhibit B , and

WHEREAS, the City Engineer has inspected the improvements at Serena Grace Meadows subdivision and found them ready for acceptance into the City's maintenance schedule.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Common Council of the City of Kingman, Arizona:

1. That the public utility easements granted and described in Exhibits A and B herein are accepted by the City.

PASSED AND ADOPTED by the Mayor and Common Council of the City of Kingman, Arizona this 7th day of July, 2026.

ATTEST:

Annie Meredith, City Clerk

APPROVED:

Ken Watkins, Mayor

APPROVED AS TO FORM:

Carl Cooper, City Attorney

CITY OF KINGMAN
COMMUNICATION TO COUNCIL

TO:	Honorable Mayor and City Council
FROM:	Wendy Sherer
MEETING DATE:	July 7, 2026
AGENDA SUBJECT:	Approval of Resolution No. 5623- Authorization to Submit an Application to Arizona's Department of Emergency and Military Affairs (DEMA) and Authorize the Mayor as the Applicant Authorized Representative

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SUMMARY:
On June 22, 2026 the United States Department of Homeland Security issued a Notice of Funding Opportunity for their FY2026 Pre-Disaster Mitigation (PDM) Congressionally Directed Spending Grant Program. The purpose of this grant is to implement cost effective measures that reduce natural hazard risk to people and property, and decrease reliance on federal funding for future natural disasters

This grant program includes $493,000 in grant funding for the City's *Bull Mountain Channel Improvements* project. To receive this funding, the City must apply to the grant program and designate an Applicant Authorized Representative who will execute all grant related documents.

Staff is asking Council to authorize the City's submission of the FY2026 Pre-Disaster Mitigation (PDM) Congressionally Directed Spending Grant Program application to complete the Bull Mountain Channel Improvements, designate the Mayor as the Applicant Authorized Representative, and authorize the Mayor to sign all related grant documents.

FISCAL IMPACT:
None at this time.

STAFF RECOMMENDATION:
Staff recommends City Council approve Resolution #5623 authorizing the submission of FY2026 Pre-Disaster Mitigation (PDM) Congressionally Directed Spending Grant Program application to complete the Bull Mountain Channel Improvements, designate the Mayor as the Applicant Authorized Representative, and authorize the Mayor to sign all related grant documents.

SUGGESTED MOTION:
Staff recommends City Council approve Resolution #5623 authorizing the submission of FY2026 Pre-Disaster Mitigation (PDM) Congressionally Directed Spending Grant Program application to complete the Bull Mountain Channel Improvements, designate the Mayor as the Applicant Authorized Representative, and authorize the Mayor to sign all related grant documents.

ATTACHMENTS:
Resolution No. 5623.pdf

CITY OF KINGMAN, ARIZONA
RESOLUTION NO. 5623

A RESOLUTION BY THE MAYOR AND CITY COUNCIL OF THE CITY OF KINGMAN, ARIZONA; AUTHORIZING AN APPLICATION SUBMITTAL FOR THE FY2026 U.S. DEPARTMENT OF HOMELAND SECURITY PRE-DISASTER MITIGATION (PDM) CONGRESSIONALLY DIRECTED SPENDING (CDS) GRANT PROGRAM, AND DESIGNATING THE MAYOR AS THE APPLICANT AUTHORIZED REPRESENTATIVE, AND AUTHORIZING ALL ACTIONS NECESSARY TO IMPLEMENT AND COMPLETE THE ACTIVITES OUTLINED IN SAID APPLICATION.

WHEREAS, the U.S. Department of Homeland Security is offering Pre-Disaster Mitigation congressionally Directed Spending Grant funding; and

WHEREAS, the Federal Emergency Management Agency is administering the program; and

WHEREAS, the City of Kingman desires to submit an application for the funding of the Bull Mountain Channel Improvements Project; and

WHEREAS, an applicant of Pre-Disaster Mitigation Congressionally Directed Spending Funds are required to designate an Applicant Authorized Representative; and

NOW THEREFORE, BE IT RESOLVED the Mayor and City Council of the City of Kingman authorize application to be made to the FY2026 U.S. Department of Homeland Security Pre-Disaster Mitigation Congressionally Directed Spending Grant Program, and designate the Mayor as the Applicant Authorized Representative;

AND FURTHERMORE, AUTHORIZES the Mayor to sign any and all documents and certifications necessary to submit this application and designate the Mayor as the Applicant Authorized Representative.

PASSED AND ADOPTED by the Mayor and City Council of the City of Kingman, Arizona, on this 7th day of July, 2026.

ATTEST: **APPROVED:**

Annie Meredith, City Clerk Ken Watkins, Mayor

APPROVED AS TO FORM:

_____
Carl Cooper, City Attorney

CITY OF KINGMAN
COMMUNICATION TO COUNCIL

TO:	Honorable Mayor and City Council
FROM:	Mike Meersman
MEETING DATE:	July 7, 2026
AGENDA SUBJECT:	Approval of Sun Belt Sports Park, J2 Design Contract Modification 1

SUMMARY:
With the Capital Improvement Plan Budget (CIP) adjustments the City of Kingman is requesting from J 2 Design, the completion of the Drainage Chanel design, the redesign for additional Parking, the fill and grading of the south area of the park associated with the site tie in to Fire Station 25 to allow for gravity sewer service. This has been included in the contract modification.

The park's design is approved in the FY2026-27 Adopted Budget and 5-Year CIP. It is funded in the Capital Projects Fund.

FISCAL IMPACT:
There will be a fiscal impact of $230,475 to the Capital Projects Fund.

STAFF RECOMMENDATION:
Staff recommends approval.

SUGGESTED MOTION:
Staff recommends approval.

ATTACHMENTS:
sunbelt park service final design.pdf
Sun Belt Park Contract Modification #1 - 06-17-26.pdf

J2 Engineering and Environmental Design, LLC
4649 East Cotton Gin Loop, Suite B-2
Phoenix, Arizona 85040
602-438-2221

October 31, 2023

Mr. Mike Meersman
Director of Parks and Recreation
City of Kingman
3333 Harrison Road
Kingman, Arizona 86409

Re: Sun Belt Sports Park; Kingman, Arizona

Mr. Meersman,

J2 is pleased to provide continued professional design services for the final design of Sun Belt Sports Park for the City of Kingman. The scope of services and fees are based upon our understanding of the project from development of the overall concept plan and discussions with City staff. J2 will serve as a Prime Consultant for the project providing landscape architecture and project management services.

Project Understanding: The City of Kingman is requesting design for the entire project area as defined in the conceptual master plan developed on July 9, 2019 (see attached park concept C-5 exhibit). Project improvements will include on site entry drive, parking lot, sports fields, space for a future restroom/concession building (area only unless the allowance is utilized), splash pad, ramadas, basketball court, volleyball court, and nine (9) lighted multi-use fields of varying sizes. We expect that full design will be developed for the entire park with a breakout of a defined Phase 1 as directed by the owner at 60%. The scope also includes a six acre parcel that will be developed as unlighted turf multiuse fields. Our Lump Sum fee for this project is as follows (see attached fee sheet for break down):

Design and Post Design:	
J2 Design:	$385,665
CR Engineers (Electrical):	$31,954
Ninyo & Moore (Geotechnical):	$15,900
Subtotal Design:	**$433,519**
Allowances (as needed)	
Architecture Concept Design Allowance:	$10,000
Bid Development Allowance:	$5,000
Kingman Controlled Allowance:	$30,000
Subtotal Allowances:	**$45,000**
Total Fees:	**$478,519**

J2 Engineering and Environmental Design, LLC
4649 East Cotton Gin Loop, Suite B-2
Phoenix, Arizona 85040
602-438-2221

Our estimated completion date for this work is 270 calendar days (9 months) from Notice to Proceed.

We thank you again for the opportunity to be of service to the City of Kingman for this project. We are prepared to begin work immediately upon notice to proceed. Please do not hesitate to call with any questions you have regarding this scope of services.

Sincerely,

Jeffrey Velasquez, PLA, ASLA
Principal Landscape Architect
jvelasquez@j2design.us
o: 602.438.2221 ext 102

Shane Hanneman, PLA, CPESC
Project Manager, Landscape Architect
shanneman@j2design.us
o: 602.438.2221 ext 115

J2 Engineering and Environmental Design, LLC
4649 East Cotton Gin Loop, Suite B-2
Phoenix, Arizona 85040
602-438-2221

City of Kingman

Sun Belt Sports Park

Task 100 – Project Definition, Site and Area Analysis, Data Collection

J2 will attend a kick off meeting with design team and City of Kingman (COK) staff to establish design and review schedule, goals and objectives. J2 will conduct a site visit with sub-consultants to review the existing conditions and limits of work. J2 will also initiate our team's geotechnical investigation.

Task 100 Deliverables:

- Geotechnical report (PDF File) (by J2 subconsultant)

Task 100 Meetings:

- Kick Off Meeting/Site Visit: One (1) Meeting: This meeting is anticipated to be eight (8) hours in duration (Inclusive of travel time) and J2 will have two (2) representatives at the meeting

Task 200 – Concept Refinement

J2 will refine the design for the splash zone of the park and restroom/concession building area (architecture for the building is not included). An allowance is available to provide schematic design for the restroom/concession building. Refinements will include hardscape and softscape layout, theming and aesthetic development, and equipment selection. Concepts will be presented to the City, feedback gained, and refined into a preferred alternative on which the construction documents will be based. Refinements may be presented as design intent imagery, sketches, plan views, 3D models and/or renderings. J2 will attend virtual design meetings as defined below to present the concept refinements.

Task 200 Deliverables:

- Refined Concepts for Destination Splash Pad (PDF)

Task 200 Meetings:

- J2 will attend two (2) virtual meetings with City Staff. Each meeting is anticipated to be one (1) hour in duration. J2 will have two (2) representatives at each meeting. City will be responsible to invite the appropriate staff to the meeting.

Task 300 –Design Documents (30%, 60%, 90%, Final)

J2 will develop plans and details and provide staged submittals at the 60%, 95%, and Final levels of completion. J2 will provide an Opinion of Probable Construction Cost (OPC) at each

J2 Engineering and Environmental Design, LLC
4649 East Cotton Gin Loop, Suite B-2
Phoenix, Arizona 85040
602-438-2221

staged submittal. J2 will develop Special Provisions for project improvements starting at the 95% staged submittal and each subsequent submittal. J2 will submit one (1) full-size PDF set of plans at each stage to the COK for review. OPCs and Special Provisions will be provided in PDF format. J2 will address comments received by the City after each staged submittal. Final Plans will be submitted to the City for electronic submission. Once plans are approved and permitted J2 will provide PDF Files of all Deliverables. These plans will be used by the COK to advertise the project for bid.

The Design plans produced by J2 are anticipated to include the following:

1. Overall Project Cover Sheet (1 sheet)
2. General Notes (1 sheet)
3. Site Plan (1 sheet)
4. Storm Water Management Plans and Details (5 sheets)
5. Paving Plans (2 Sheets)
6. Site Grading and Drainage Plans and Details (14 sheets)
7. Coordinate Geometry Plans (10 sheets)
8. Utility Plans and Details (2 sheets)
9. Hardscape Plans and Details and Enlargements (16 sheets)
10. Landscape Plans and Details (12 sheets)
11. Surface Material Plans (3 sheets)
12. Irrigation Plans and Details (13 sheets)

Construction document sheets will utilize the City of Kingman standard border and at full-size will be 22"x34". Plan view sheets will be at 1"=20' scale or 1"=40' scale. It is assumed that the park site will be covered by six (6) plan view sheets at 20 scale and two (2) plan view sheets at 40 scale. It is assumed that the six acre parcel will be covered by three (3) plan sheets at 1"=20'-0" and one sheet at 1"=40' scale. It is assumed that J2 will produce sixty-three (80) sheets.

J2 will have subconsultants for the following (see attached subconsultant proposals for their specific scopes of work):

- Electrical Engineering for site power and lighting
- Building Architect (includes structural and MP&E) for restroom/concession building
- Geotechnical Engineering for additional site soil investigation

Task 300 Deliverables:

- Design Plans, one (1) Full-size PDF set (60%, 95%, Final)
- Opinion of Probable Construction Cost, one (1) PDF set (60%, 95%, Final)
- Special Provisions, one (1) PDF set (95%, Final)

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Phoenix, Arizona 85040
602-438-2221

Task 300 Meetings:

- Comment Resolution Meetings (60%, 95%): Two (2) Meetings: Each meeting is anticipated to be virtual. Each meeting is anticipated to be one (1) hour in duration and J2 will have five (5) representatives at each meeting. J2 will provide a comment response form, sign-in sheet, and provide minutes for the meeting. The City will be responsible to invite the appropriate staff to the meeting.
- Phase 1 Definition Meeting: One (1) meeting: The meeting is anticipated to be virtual. It is anticipated that three (3) representatives will attend the meeting.
- Design Progress Meetings: Eight (8) Meetings: Each meeting is anticipated to be virtual. Each meeting is anticipated to be one (1) hour in duration and J2 will have four (4) representatives at each meeting. J2 will provide an agenda, sign-in sheet, and provide minutes for the meeting. The City will be responsible to invite the appropriate staff to the meeting.
- In Person Design Progress Meetings: Two (2) Meetings: Each meeting is anticipated to be in person. Each meeting is anticipated to be eight (8) hours in duration (inclusive of travel time) and J2 will have three (3) representatives at each meeting. J2 will provide an agenda, sign-in sheet, and provide minutes for the meeting. The City will be responsible to invite the appropriate staff to the meeting.

Design Allowances

The following allowances may only be utilized if authorized in advance by the City. These allowances will not be authorized until a full modified scope is known and may need to be increased if the required scope exceeds the established allowance amount. The following allowances have been established for this project:

Architecture Concept Design: Development of conceptual floor plans and elevations for the restroom/concession building.

Bid Development: Development of bid tabs and bidding assistance as needed.

City of Kingman Controlled Design: An allowance has been established to provide additional design services should unforeseen conditions be discovered or City added scope items.

Design General Understanding:

The COK shall designate a person for the project to act as the Client's representative with respect to the services to be performed or furnished by the Design Team under this agreement. Such person, department, or committee shall have complete authority to transmit instructions, receive information, interpret, and define the Client's policies and decisions with respect to the Design Team's services for the Project. The COK shall also

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provide Key Team personnel to be available in coordination meetings including operations and plan review representatives.

The COK shall make available to the Design Team existing available data and records relevant to the site that the City has available.

The COK shall approve in a timely manner all criteria and information as to Client's requirements for the Project including planning objectives and constraints, performance requirements, any budgetary limitations, and the submittal by the Design Team at the various phases of the projects.

The COK shall furnish to the Design Team, upon the request of Design Team for performing the services, any existing pertinent data prepared by others, including electronic base maps, drawings of physical conditions in or relating to existing surface or subsurface utilities or structures within the planning area, hydrographic surveys, environmental or cultural assessments, impact statements, and other relevant environmental or cultural studies pertaining to the project as the City has available.

The COK shall give prompt notice to Design Team whenever Client observes or otherwise becomes aware of any development that affects the scope of services, project budget, or project schedule.

The COK warrants and represents that members of the Design Team have the right to enter upon the real property involved herein, and extends this right to J2. The Design Team agrees to exercise due care in the performance of all services pursuant hereto and acknowledges that it is at our own risk.

The Design Team has provided no environmental, biological, or cultural investigations on this site/project, has no knowledge of any adverse environmental or cultural conditions on the site/project, and is not responsible for and has no liability for any such environmental or cultural condition should one be found. It is the responsibility of the COK to investigate and make these environmental or cultural determinations based on the best knowledge and information available at the time of this project. Clearance to begin work shall be given prior to directing or ordering the preparation of any engineering documents.

The Design Team provides construction documents in full or in part freehand drafting and electronic CAD format. Any electronic files provided are for information and convenience purposes only and the final approved/sealed hard copy plans shall prevail. Construction documents will be developed to the COK and MAG design and construction standards and specifications.

Design Assumptions and Exclusions:

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1. No topo, Boundary Survey or ALTA survey is included with this scope and fee proposal. It is assumed that the City of Kingman will provide survey information.

2. Off-Site design including but not limited to roadway plans are not included in this scope of work.

3. The Design Team has not included any re-platting or rezoning efforts in this scope of services.

4. The Design Team is not providing or producing any environmental, cultural, or biological investigations or clearances. It is assumed that the City is procuring this effort separately, if needed. It is assumed that the City will be responsible for any mitigation measures or permitting associated with any findings from these investigations and that this effort has not been included in this scope or fee proposal.

5. The Design Team is not providing any permitting fees for this project. All permitting fees shall be paid for by the COK.

6. It is assumed that COK will provide all as-builts of existing facilities to J2 that are available including City owned utilities.

7. It is assumed that COK will provide utility maps of all private utilities to J2.

8. It is assumed that COK will provide a fire flow test to confirm that pressures to the site are adequate.

9. This scope of services does not include the design of any traffic signal design or traffic control plans nor does it include a traffic impact analysis.

10. This scope of services does not include construction sequencing.

11. Utility potholing and/or designating utilities has not been included in this scope of services. Dahl Robbins has included an allowance within their scope and fee for utility potholing.

12. This Design does not include the design of any below grade or submerged irrigation storage system.

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13. It is assumed that the irrigation system is reclaimed or potable and that adequate pressure and volume of water is available. This scope of work does not include pump system or fertilizer injector system design.

14. COK shall supply standard COK details, and associated specifications, in an electronic format for all standard equipment as the City has available. The Design Team will include the COK standard details into the design plans and specifications as a separate appendix.

15. No public involvement has been included with this scope of services.

16. It is assumed that all reviews, prior to permit review, by the City will be done electronically and no hardcopies will be provided. Permit Review set submittals may be electronic or hard copy.

17. Construction value is approximately $13 Million.

18. Post Design services are not included in this scope of work.

19. Bidding assistance and bid tabs will be developed via an established allowance on an hourly not to exceed basis.

20. This scope of services includes a splash pad with a pass through non-recirculating system. Development of a recirculating system is outside this scope of work.

21. Fire Station design is not included in this scope of work.

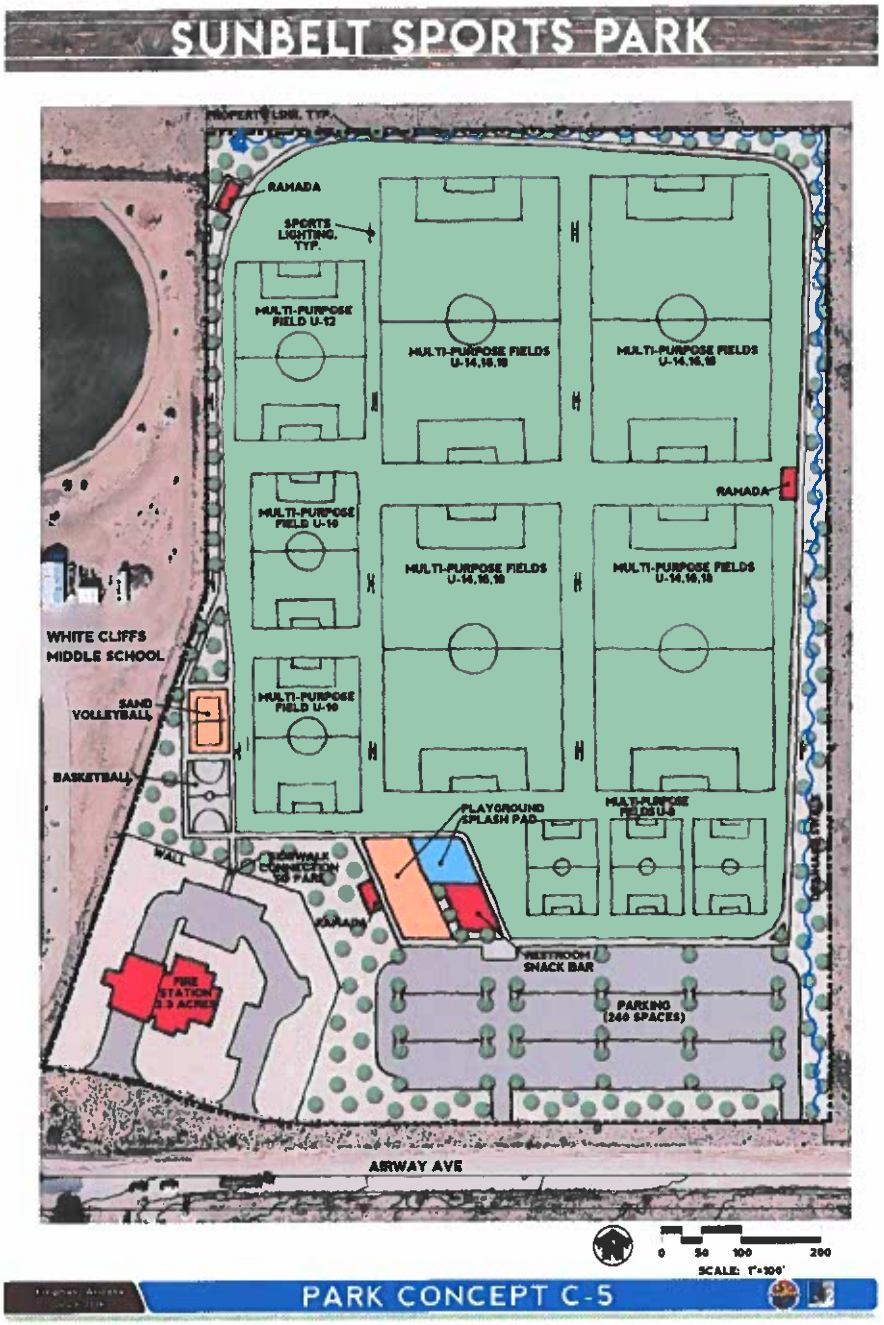
22. Restroom/Concession final design in not included in this scope of work.

23. Electrical engineering, including lighting design, and geotechnical investigations are not included in the 6 acre parcel scope of work.

24. The outlying 6 acre parcel is assumed to primarily be turf multi-use fields and will not be lighted. Hardscape amenities, parking lots and parking lot lighting are not included in this scope of work.

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Concept Plan:



We would expect to start our services after receipt of the Notice to Proceed. This exhibit represents the entire understanding of the Scope of Services as set out herein and may only be modified in writing signed by both parties.

Sun Belt Sports Park

City of Kingman

J2 Engineering and Environmental Design, LLC

10-31-23

	Labor Category:	Design Manager	Project Engineer Sr.	Project Engineer	Engineer	Landscape Architect Sr.	Project Landscape Architect	Designer Sr.	Designer	
	Rate:	$ 207.31	$ 178.86	$ 133.47	$ 98.91	$ 184.28	$ 126.53	$ 119.73	$ 76.88	
Task #	Task Description:									Hours Total
100	**Project Definition, Site and Area Analysis, Data Collection**									
101	Kick Off Meeting (1)	0	8	0	0	8	8	0	8	32
102	Prepare Sign-in, Agenda, and Meeting Minutes	0	0	0	0	2	0	0	2	4
103	Coordinate subconsultant site investigation	0	0	0	0	4	0	0	4	8
200	**Concept Refinement**									
201	Refined concepts	0	0	0	0	8	16	24	40	88
202	Design Progress Meeting (2)(Virtual)	0	0	0	0	2	0	0	2	4
300	**Design Documents (60%, 95%, Final)**									
301	Plan and Detail Preparation (68 Sheets - J2)	2	140	300	740	180	280	380	780	2782
302	Special Provisions	0	0	0	0	8	16	8	0	32
303	QA/QC	8	24	0	0	24	0	0	0	56
304	Opinion of Probable Cost	0	4	0	24	4	4	16	24	76
305	Comment Resolution Meeting (2)(Virtual)	0	0	2	0	2	2	2	2	10
306	Phase I Definition Meeting and delineation (1)(Virtual)	0	0	20	0	20	0	0	20	60
307	Design Progress Meeting (9)(Virtual)	0	9	0	0	9	9	9	9	45
308	Design Progress Meeting (2)(In person)	0	16	0	0	16	16	0	0	48
309	Prepare Sign-in, Agenda, and Meeting Minutes	0	0	0	0	0	14	0	0	14
310	Subconsultant Coordination	0	0	0	0	40	32	0	16	88
	J2 Hours per Labor Category:	10	201	322	764	307	387	439	807	3347
	J2 Fee per Labor Category Design (Rounded to nearest whole dollar):	$ 2,073	$ 35,951	$ 42,977	$ 75,567	$ 56,574	$ 50,232	$ 52,561	$ 69,730	$ 385,865

	Subconsultants:	Fee Amount
	CRE Engineers	$ 31,954.00
	Ninyo and Moore	$ 15,900.00
		$ -
		$ -
	Total Subconsultants:	$ 47,854.00

Total Fee J2, Subconsultants, and Allowances: $ 478,819

	Allowances:	Fee Amount
	Architecture Concept Design	$ 10,000.00
	Bid Development	$ 5,000.00
	City of Kingman Controlled Design Allowance	$ 30,000.00
	Total Allowances:	$ 45,000.00

J2 Engineering and Environmental Design, LLC

Jeff Velasquez, PLA, ASLA
Principal

October 31, 2023

CR engineers

August 4, 2023

Attn.: Mr. Shane Hanneman, PLA, CPESC
J2 Engineering & Environmental Design

Re: Sun Belt Sports Park in Kingman, Arizona
Proposal for Electrical Design
CRE Project No.: 23023

Mr. Hanneman,

We thank you for the opportunity to provide electrical engineering design services to J2 Engineering & Environmental Design and the City of Kingman for the new Sun Belt Sports Park. We are pleased to present our proposal in the attachments listed below.

Scope of Work
Fee Proposal Summary and Worksheet.

Total fee will be $31,953.93.

This proposal will be valid for the next ninety (90) days, and we reserve the right to renegotiate it if it has not been accepted within that period. Should conditions of the work change so as to materially affect the level of effort or the time required, then equitable adjustments to fee and schedule will be made. Consultant will notify Client when a changed condition becomes apparent. Failure of Client to provide a timely and equitable adjustment is cause for termination by Consultant.

Please do not hesitate to call if you have any questions.

Sincerely yours,
CR ENGINEERS, INC.

Catherine Alcorn, P.E.
President

16719 E. Palisades Boulevard
Suite 202
Fountain Hills, AZ 85268

Telephone: 480-816-5541
Fax: 480-816-5540
Web: www.creng.com

SCOPE OF WORK
CITY OF KINGMAN
SUN BELT SPORTS PARK
Electrical Engineering Design Services

Prepared by CR Engineers, Inc.
AUGUST 4, 2023

CR Engineers (CRE) shall provide electrical engineering design services for the proposed Sun Belt Sports Park located in Kingman, Arizona. The park areas that are included in the electrical and lighting design are as follows: parking lot (240 spaces), 10 multi-purpose fields of various sizes, basketball court, volleyball court, 3 ramadas, playground, splash pad and a restroom/snack bar building (design scope limited to electrical power service to building). Estimated construction cost is 15 million. Electrical design will consist of the following:

- Electrical Site Plans
- Electrical Single Line Diagram with New Service Entrance and Power Distribution Equipment. Coordination with the electrical utility company will be provided.
- Electrical Installation Details including grounding details for the splash pad and power distribution design for the necessary pumping systems.
- Photometric Calculations of sports fields, courts, playground, splash pad, parking lot and pathway lighting. Light levels will meet or exceed IES recommended illuminance.

Representative of CR Engineer will attend one meeting on site. All other meetings will be attended virtually.

CR Engineers will provide the following submittals: 60%, 95% and 100% (Bid Set) plans, specifications, quantities, and estimate. This 100% final set will be stamped and sealed by a Registered Professional Engineer in the State of Arizona.

Exclusions

1. Bid Assistance and Construction Administration Services are not included.

Fees

See attached fee schedule and detailed task descriptions.

CR Engineers, Inc.

1.0 Design Fee Proposal Worksheet

Project Name: Kingman Sun Belt Sports Park
Date: 08/04/23
CRE Proposal No.: 23023

	Task Description	Quantity	Project Manager /Engineer	Senior Designer	CADD Designer / Manager	Senior Field Inspector	Project Assistant	Total Hours
1.1	**Meetings & Site Visits**							
1.1.1	Site Visit(s) and Meeting	1	10.0					10.0
1.2	**Utility/Demand**							
1.2.1	Load Calculations		2.0	6.0				8.0
1.2.2	Utility Coordination		2.0	4.0				
1.3	**Contract Documents**							
1.3.1	Electrical Design Plans and Photometric Calculations	12	20.0	56.0	60.0			136.0
1.3.2	Specifications		4.0	8.0			4.0	16.0
1.3.3	Cost Estimate		2.0	4.0		10.0		16.0
1.3.4	60% QA/QC Submittal		6.0	6.0	6.0		2.0	20.0
1.3.5	95% QA/QC Submittal		4.0	4.0	4.0		2.0	14.0
1.3.6	100% QA/QC Submittal		2.0	2.0	4.0		2.0	10.0
1.3.7	Client Coordination		4.0	2.0	4.0		1.0	11.0
1.0	**Totals**		**56.0**	**92.0**	**78.0**	**10.0**	**11.0**	**241.0**

Overhead Rate 150 %
Profit Margin 10 %

	Labor Rates Per Hour:		$74.50	$43.75	$34.50	$46.20	$24.51	
	Direct Labor:		$4,172.00	$4,025.00	$2,691.00	$462.00	$269.61	
	Overhead:		$6,258.00	$6,037.50	$4,036.50	$693.00	$404.42	
	Overhead + Direct Lab:		$10,430.00	$10,062.50	$6,727.50	$1,155.00	$674.03	
	(OH + Direct) x Profit:		$1,043.00	$1,006.25	$672.75	$115.50	$67.40	
1.0	**Total Fees**		**$11,473.00**	**$11,068.75**	**$7,400.25**	**$1,270.50**	**$741.43**	**$31,953.93**

Ninyo & Moore
Geotechnical & Environmental Sciences Consultants

35+ YEARS

August 4, 2023
Proposal No. 12PCT02-00538

Mr. Shane Hanneman, PLA, CPESC
J2 Engineering & Environmental Design
4649 East Cotton Gin Loop, Suite B2
Phoenix, Arizona 85040

Subject: Proposal to Provide Geotechnical Engineering Services
Sunbelt Sports Park
Near Airway Avenue and Prospector Street
Kingman, Arizona

Dear Mr. Hanneman:

Ninyo & Moore is pleased to submit this proposal to provide geotechnical engineering services for the above-mentioned project. This proposal is based on the information that we received from your office and it outlines our scope of services, project assumptions, anticipated scheduled, and fee for this phase of work.

SITE/PROJECT DESCRIPTION

We understand that Sunbelt Sports Park will be designed and constructed near the intersection of Airway Avenue and Prospector Street in Kingman, Arizona. The new park will include playing fields, walking paths, light poles; ramadas; playground areas; shade structures a rest room facility and paved parking lot. We have been asked to prepare this proposal to conduct the geotechnical engineering work associated with these improvements.

SCOPE OF SERVICES

We will conduct the follow scope of services for this project:

- Review pertinent background data including in-house geotechnical and soils data, available geotechnical and as-built data from adjacent projects, available aerial photographs, and published geologic data.
- Conduct a field trip to the site for geologic reconnaissance.
- Mark-out the boring locations in the field and arrange for the locating of underground utilities through Arizona 811.

- Drill 10 exploratory test borings as generally depicted below. These borings will extend up to 15 feet deep and will be advanced with a truck-mounted drill rig. A Ninyo & Moore employee will collect relatively undisturbed samples and bulk samples within these borings for laboratory testing, and will be responsible for preparation of field boring logs.



- Conduct five field percolation tests, in order to assist in evaluating the infiltration rate at specific locations. The procedure will consist of the insertion of a +/-12-inch diameter impermeable casing into undisturbed soil (at about 3 feet deep), followed by prewetting. The testing will continue after the prewetting period by refilling the casing and monitoring the drop-in water level as a function of time until steady-state conditions are achieved.

- Perform laboratory tests to evaluate index, strength and chemical properties of the subsurface soils.
- Compile and analyze the accumulated data.
- Prepare a geotechnical report to include logs of the exploratory borings and results of the laboratory testing. The report will be reviewed and sealed by a Professional Engineer, registered in the State of Arizona. The report will include the following:
    - Description of work scope, laboratory, and field procedures;
    - Subsurface soil, rock (if encountered) and groundwater conditions;
    - General seismic characteristics;
    - Maps and boring plans;
    - Boring logs including laboratory test results;
    - Excavation characteristics of on-site soils;
    - Excavation side slope stability;
    - Earthwork factors;
    - Potential for re-use of on-site soils;
    - Subgrade preparation measures;
    - Recommendations for special soil conditions such as expansive, collapsible, or highly compressible soils;
    - Allowable net soil bearing pressures for shallow spread foundations and recommended dimensions and depths;
    - Estimated settlements (total and differential settlements) for the recommended foundation types and sizes;
    - New pavement sections for various traffic volumes and recommendations for pavement construction for parking lots, light truck traffic and heavy truck traffic;
    - Recommendations relative to site drainage; and
    - Discussion of soil corrosivity to steel and concrete.

ASSUMPTIONS

We have made the following assumptions in the preparation of this proposal:

- Access permits / permissions will be obtained by others.
- The site is accessible to normal, two-wheel drive, truck-mounted drilling equipment, and site access will be granted.

- The work can be accomplished using hollow-stem auger drilling methods operating at a normal rate of penetration.
- Ninyo & Moore will not need to obtain any environmental clearance as a part of this project.

SCHEDULE

We are prepared to commence this work immediately. The field work could be scheduled within about four weeks of receiving right-of-entry and should take about two days to finish. After the field work is done, the laboratory testing should be finished in about three weeks, with the report submitted about three weeks after finishing the laboratory testing. Preliminary recommendations can be provided about one week after the field work is done.

FEE

We propose to perform the work scope described above for a lump sum fee of $15,900 (Fifteen Thousand Nine Hundred Dollars). Any additional services, not included in the aforementioned scope, will be charged on a time-and-materials basis in accordance with our current Schedule of Fees. To authorize our services, please sign and return the attached Work Authorization and Agreement.

We look forward to working with you.

Respectfully submitted,
NINYO & MOORE

Steven D. Nowaczyk, PE
Managing Principal Engineer

SDN/tlp

Attachment: Work Authorization and Agreement

Ninyo & Moore
Geotechnical & Environmental Sciences Consultants

WORK AUTHORIZATION AND AGREEMENT

Please Sign and Return One Copy to:

NINYO & MOORE
143 North McCormick Street, Suite 203
Prescott, Arizona 86301

PROPOSAL NO. **12PCT02-00538**

1. PROJECT ADDRESS: **Near Airway Avenue and Prospector Street, Kingman, Arizona**
2. PROJECT DESCRIPTION: **Geotechnical Engineering Services**
3. SCOPE OF STUDY: **Please refer to proposal dated August 4, 2023.**
4. FEE: **$15,900 (Fifteen Thousand Nine Hundred Dollars – Lump Sum)**
5. PORTION OF FEE IN ADVANCE OF WORK: **None**
6. CLIENT: **J2 Engineering & Environmental Design**
   4649 East Cotton Gin Loop, Suite B2
   Phoenix, Arizona 85040
   PHONE: **(602) 438-2221**

   CONTACT: **Shane Hanneman**
   PHONE: **(602) 438-2221**
7. STATEMENT TO BE SENT TO: **Client**

CONDITIONS OF AGREEMENT BETWEEN CLIENT AND NINYO & MOORE

This AGREEMENT is made by and between: NINYO & MOORE GEOTECHNICAL AND ENVIRONMENTAL SCIENCES CONSULTANTS, hereinafter referred to as CONSULTANT, and **J2 Engineering & Environmental Design**, hereinafter referred to as CLIENT. This AGREEMENT between the parties consists of these TERMS, the attached Proposal identified as No. **12PCT02-00538** dated **August 4, 2023**, and any exhibits or attachments noted in the Proposal. Together, these elements will constitute the entire AGREEMENT superseding any and all prior negotiations, correspondence, or agreements either written or oral. Any changes to this AGREEMENT must be mutually agreed to in writing.

STANDARD OF CARE

CLIENT recognizes that subsurface conditions may vary from those observed at locations where borings, surveys, or explorations are made, and that site conditions may change with time. Data, interpretations, and recommendations by CONSULTANT will be based solely on information available to CONSULTANT. CONSULTANT is responsible for those data, interpretations, and recommendations, but will not be responsible for other parties' interpretations or use of the information developed.

Services performed by CONSULTANT under this AGREEMENT are expected by CLIENT to be conducted in a manner consistent with the level of care and skill ordinarily exercised by members of the geotechnical engineering profession practicing contemporaneously under similar conditions in the locality of the project. Under no circumstance is any warranty, expressed or implied, made in connection with the providing of geotechnical consulting services.

SITE ACCESS AND SITE CONDITIONS

CLIENT will grant or obtain free access to the site for all equipment and personnel necessary for CONSULTANT to perform the work set forth in this agreement. CLIENT will notify any and all possessors of the project site that CLIENT has granted CONSULTANT free access to the site. Client will protect all property, inside and out, including all plants and landscaping. CONSULTANT will take reasonable precautions to reduce the potential for damage to the site, but it is understood by CLIENT that, in the normal course of work, some damage may occur and the correction of such damage or alteration is not part of this AGREEMENT unless so specified in the Proposal.

CLIENT is responsible for accurately delineating the locations of all subterranean structures and utilities. CONSULTANT will take reasonable precautions to avoid known subterranean structures, and CLIENT waives any claim against CONSULTANT, and agrees to defend, indemnify and hold CONSULTANT harmless from any claim or liability for injury or loss, including costs of defense, arising from damage done to subterranean structures and utilities not identified or accurately located. In addition,

CLIENT agrees to compensate CONSULTANT for any time spent or expenses incurred by CONSULTANT in defense of any such claim, with compensation to be based upon CONSULTANT's prevailing fee schedule and expense reimbursement policy.

SAMPLE DISPOSAL

CONSULTANT will dispose of remaining soil, rock, and water samples approximately thirty (30) days after submission of the report covering those samples. Further storage or transfer of samples can be made at CLIENT's expense upon CLIENT's prior written request.

MONITORING

If CONSULTANT is retained by CLIENT to provide a site representative for the purpose of monitoring specific portions of construction work or other field activities as set forth in the Proposal, then this phrase applies. For the specified assignment, CONSULTANT will report observations and professional opinions to CLIENT or CLIENT's agent. No action of CONSULTANT or CONSULTANT's site representative can be construed as altering any AGREEMENT between the CLIENT and others. CONSULTANT will report to CLIENT or CLIENT's agent any observed geotechnically related work which, in CONSULTANT's professional opinion, does not conform with plans and specifications. The CONSULTANT has no right to reject or stop work of any agent or subcontractor of CLIENT; such rights are reserved solely for CLIENT. Furthermore, CONSULTANT's presence on the site does not in any way guarantee the completion or quality of the performance of the work of any party retained by CLIENT to provide field or construction-related services.

If CONSULTANT is not retained by Client for the purpose of monitoring construction work or field activities, CONSULTANT will expressly not be held liable or responsible for such activities or for the geotechnical performance of the completed project. Monitoring of construction work or field activities and the geotechnical performance of the completed project is and will remain the sole and express responsibility of the CLIENT or other party designated by the CLIENT. CLIENT hereby agrees to indemnify and hold harmless CONSULTANT from and against any loss or judgment, suffered by the CONSULTANT as a result of a claim or lawsuit resulting from CLIENT's failure to monitor construction work or field activities for which CONSULTANT has not been retained.

CONSULTANT will not be responsible for and will not have control or charge of specific means, methods, techniques, sequences or procedures of construction or other field activities selected by any agent or agreement of CLIENT. It is mutually understood and agreed by CLIENT and CONSULTANT that CONSULTANT has no control or enforcement ability over any persons or parties who are not employees of CONSULTANT. CONSULTANT does not purport to be, nor is CONSULTANT responsible for, any safety precautions nor programs incident thereto for such non-employees of CONSULTANT.

OWNERSHIP AND MAINTENANCE OF DOCUMENTS

Unless otherwise specified in this Agreement or in an Addendum, and provided that CONSULTANT has been fully paid for the Services, CLIENT shall have the right to use the documents, maps, photographs, drawings and specifications resulting from CONSULTANT's efforts on the project, for purposes reasonably contemplated by the parties. CONSULTANT shall have the right, but shall not be obligated, to retain copies of all such materials and shall have the right to use the same for any purpose, unless such use would be expected to cause harm to CLIENT. CLIENT shall specify in advance, in writing, and be charged for all arrangements for special or extended-period maintenance of such materials by CONSULTANT. CONSULTANT retains the right of ownership with respect to any patentable concepts or copyrightable materials arising from its Services.

Reuse of any material described by CLIENT, including publication to third parties, on extension of this project or on any other project without CONSULTANT's written authorization, shall be at CLIENT's risk, and CLIENT agrees to indemnify, defend, and hold harmless CONSULTANT from all claims, damages, and expenses, including attorney's fees, arising out of such unauthorized reuse.

BILLING AND PAYMENT

CLIENT will pay CONSULTANT in accordance with the procedures indicated in the Proposal and its attachments. Invoices will be submitted to CLIENT by CONSULTANT, and will be due and payable upon presentation. If CLIENT objects to all or any portion of any invoice, CLIENT will so notify CONSULTANT in writing within fourteen (14) calendar days of the invoice date, identify the cause of disagreement, and pay when due that portion of the invoice not in dispute. The parties will immediately make every effort to settle the disputed portion of the invoice. In the absence of written notification described above, the balance as stated on the invoice will be paid.

Invoices are delinquent if payment has not been received within thirty (30) days from date of invoice. CLIENT will pay an additional charge of three quarters of a percent (.75) per month (or the maximum percentage allowed by law, whichever is lower) on any delinquent amount, excepting any portion of the invoiced amount in dispute and resolved in favor of CLIENT. Payment thereafter will first be applied to accrued interest and then to the principal unpaid amount. All time spent and expenses incurred (including any attorney's fees) in connection with collection of any delinquent amount will be paid by CLIENT to CONSULTANT per CONSULTANT's current fee schedules. In the event CLIENT fails to pay CONSULTANT within sixty (60) days after invoices are rendered, CLIENT agrees that CONSULTANT will have the right to consider the failure to pay the CONSULTANT's invoice as a breach of this AGREEMENT and CONSULTANT may cease work on the project. At CONSULTANT's option, CONSULTANT may waive said major breach upon payment by CLIENT of all arrearages and outstanding invoices.

TERMINATION

This AGREEMENT may be terminated by either party seven (7) days after written notice in the event of any breach of any provision of this AGREEMENT or in the event of substantial failure of performance by either party, or if CLIENT suspends the work for more than three (3) months. In the event of termination, CONSULTANT will be paid for services performed prior to the date of termination plus reasonable termination expenses, including, but not limited to, the cost of completing analyses, records, and reports necessary to document job status at the time of termination.

RISK ALLOCATION

Many risks potentially affect CONSULTANT by virtue of entering into this AGREEMENT to perform professional consulting services on behalf of CLIENT. The principal risk is the potential for human error by CONSULTANT. For CLIENT to obtain the benefit of a fee which includes a nominal allowance for dealing with CONSULTANT's liability, CLIENT agrees to limit CONSULTANT's liability to CLIENT and to all other parties for claims arising out of CONSULTANT's performance of the services described in this AGREEMENT. The aggregate liability of CONSULTANT will not exceed $50,000 for negligent professional acts, errors, or omissions, including attorney's fees and costs which may be awarded to the prevailing party, and CLIENT agrees to indemnify and hold harmless CONSULTANT from and against all liabilities in excess of the monetary limit established above.

Limitations on liability and indemnities in this AGREEMENT are business understandings between the parties voluntarily and knowingly entered into, and shall apply to all theories of recovery including, but not limited to, breach of contract, warranty, tort (including negligence), strict or statutory liability, or any other cause of action, except for willful misconduct or gross negligence. The parties also agree that CLIENT will not seek damages in excess of the limitations indirectly through suits with other parties who may join CONSULTANT as a third-party nor by an award of attorney's fees and costs to the prevailing party in excess of the aggregate liability agreed upon herein by the parties. Parties means CLIENT and CONSULTANT and their officers, employees, agents, affiliates, and subcontractors.

Both CLIENT and CONSULTANT agree that they will not be liable to each other, under any circumstances, for special, indirect, consequential, or punitive damages arising out of or related to this AGREEMENT.

INDEMNIFICATION

If any claim is brought against CONSULTANT, its employees, agents and subcontractors and/or CLIENT by a third party, relating in any way to the Services, the contribution and indemnification rights and obligations of CONSULTANT and Client, subject to the paragraph titled "Risk Allocation" above, such claim shall be determined as follows:

1. If any negligence, breach of contract, or willful misconduct of CONSULTANT caused any damage, injury, or loss claimed by the third party, then CONSULTANT and CLIENT shall each indemnify the other against any loss or judgement on a comparative negligence basis (CLIENT responsibility to include that of its agents, employees, and other contractors); and

2. Unless CONSULTANT was liable for negligence, breach of contract, or willful misconduct which in whole or in part, caused the damage, injury, or loss asserted in the third party claim, CLIENT shall indemnify CONSULTANT against the claim, liability, loss, legal fees, consulting fees, and other costs of defense reasonably incurred.

DISCOVERY OF UNANTICIPATED HAZARDOUS MATERIALS

CLIENT represents that CLIENT has made a reasonable effort to evaluate if hazardous materials are on or near the project site, and that CLIENT has informed CONSULTANT of CLIENT's findings relative to the possible presence of such materials.

Ninyo & Moore
Geotechnical & Environmental Sciences Consultants

Hazardous materials may exist at a site where there is no reason to believe they could or should be present. CONSULTANT and CLIENT agree that the discovery of unanticipated hazardous materials constitutes a changed condition mandating a renegotiation of the scope of work or termination of services. CONSULTANT and CLIENT also agree that the discovery of unanticipated hazardous materials may make it necessary for CONSULTANT to take immediate measures to protect health and safety. CLIENT agrees to compensate CONSULTANT for any equipment decontamination or other costs incident to the discovery of unanticipated hazardous materials.

CONSULTANT agrees to notify CLIENT when unanticipated hazardous materials or suspected hazardous materials are encountered. CLIENT agrees to make any disclosures required by law to the appropriate governing agencies. CLIENT also agrees to hold CONSULTANT harmless for any and all consequences of disclosures made by CONSULTANT which are required by governing law. In the event the project site is not owned by CLIENT, CLIENT recognizes that it is CLIENT's responsibility to inform the property owner of the discovery of unanticipated hazardous materials or suspected hazardous materials.

Notwithstanding any other provision of the AGREEMENT, CLIENT waives any claim against CONSULTANT and, to the maximum extent permitted by law, agrees to defend, indemnify, and save CONSULTANT harmless from any claim, liability, and/or defense costs for injury or loss arising from CONSULTANT's discovery of unanticipated hazardous materials or suspected hazardous materials, including, but not limited to, any costs created by delay of the project and any cost associated with possible reduction of the property's value.

CLIENT will be responsible for ultimate disposal of any samples secured by CONSULTANT which are found to be contaminated.

DISPUTE RESOLUTION

If a dispute at law arises from matters related to the services provided under this AGREEMENT and that dispute requires litigation, then:

1. The claim will be brought and tried in judicial jurisdiction of the court of the county where CONSULTANT's principal place of business is located and CLIENT waives the right to remove the action to any other county or judicial jurisdiction, and;

2. The prevailing party will be entitled to recovery of all reasonable costs incurred, including staff time, court costs, attorneys' and expert witness fees, and other claim-related expenses.

GOVERNING LAW AND SURVIVAL

If any of the provisions contained in this AGREEMENT are held illegal, invalid, or unenforceable, the enforceability of the remaining provisions will not be impaired. Risk allocation and indemnities will survive termination or failure of this AGREEMENT for any cause.

The parties have read, or had the opportunity to read, the foregoing, including all attachments, addendums, and exhibits hereto, have had an opportunity to discuss the same, understand completely the terms, and willingly enter into this AGREEMENT which will become effective on the date signed below by CLIENT.

KEN WATKINS, MAYOR
Printed Name of Client or Authorized Agent

Signature of Client or Authorized Agent

11-21-23
Date

Steven D. Nowaczyk, PE, Managing Principal Engineer

Date

PM: SDN

CITY OF KINGMAN INCORPORATED 1952 ARIZONA

J2 Engineering and Environmental Design, LLC
4649 East Cotton Gin Loop, Suite B-2
Phoenix, Arizona 85040
602-438-2221

June 17, 2026

Mr. Mike Meersman
Director of Parks and Recreation
City of Kingman
3333 Harrison Road
Kingman, Arizona 86409

Re: Sun Belt Sports Park, Kingman, Arizona - Contract Modification 1

Mr. Meersman,

J2 is pleased to provide continued professional design services for the Contract Modification 1 of Sun Belt Sports Park for the City of Kingman (COK). The scope of services and fees are based upon stated requests by the COK. J2 will serve as Prime Consultant for the project providing landscape architecture and project management services.

Project Understanding: The City of Kingman is requesting redesign of the grading of the south area of the park and associated impacts to the site to allow for gravity sewer service. Further, as a result of City input, J2 has been directed to redesign portions of the site to provide more parking. This has also been included in this contract modification. Tasks 800-900 are lump sum and the Allowances are time and materials as follows (see attached fee sheet for breakdown):

Design and Post Design:	
J2 Design:	$104,650.00
TyLin (Civil):	$38,912.00
CRE Engineers (Electrical/ Lighting):	$9,771.00
Subtotal Design:	$153,333.00
Allowances (as needed)	
CMAR Coordination Allowance:	$5,000
Fire Station Site Specific Coordination Allowance:	$2,000
Structural Engineering	$5,000
Water and Sewer Design and PS&E Allowance (TYLin)	$3,162.00

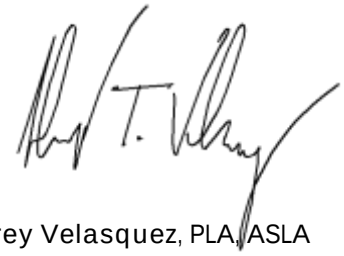
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602-438-2221

Fire Station Grading Allowance (TYLin)	$9,810.00
Water Loop Allowance (TYLin)	$24,810.00
Water Modeling Calibration Allowance (TYLin)	$27,360.00
Subtotal Allowances:	$92,142.00
Total Fees (If all Allowances are used)	$230,475.00

J2 will work with City of Kingman to establish the submittal dates. The J2 team understands that the drainage channel design is a high priority and needs to be completed in a timely manner to facilitate that construction project.

We thank you again for the opportunity to be of service to the City of Kingman for this project. We are prepared to begin work immediately upon notice to proceed. Please do not hesitate to call with any questions you have regarding this scope of services.

Sincerely,



Jeffrey Velasquez, PLA, ASLA
Principal Landscape Architect
jvelasquez@j2design.us
o: 602.438.2221 ext 102

J2 Engineering and Environmental Design, LLC
4649 East Cotton Gin Loop, Suite B-2
Phoenix, Arizona 85040
602-438-2221

Task 800 – Revisions to plans and additional irrigation requirements

J2 will develop an exhibit and report change to the hardscape, landscape and irrigation plans required to account for the change in grading to go to a gravity sewer solution. J2 will identify where ADA compliance requires additional retaining walls, railings, stairs, and ramps. Based on the approved adjustments, J2 will revise plans and add required details for hardscape, landscape and irrigation.

J2 will recalculate drainage calculations to determine revised storm drain and swale design. The J2 team understands that the drainage channel design is a high priority and needs to be completed in a timely manner to facilitate that construction project.

J2 has determined that two separate irrigation pump systems are required. Pump systems were excluded from the original scope of work. Pump design will be provided for the two points of connection for the irrigation system. The current design shows two separate systems, and this will reflect this design intent.

J2 will provide a revised site master plan that will eliminate two fields & the sand volleyball court and add additional parking with accompanying first flush retention, extended drive isle, and potential additional plaza area. Based on parking requirements for 10 fields, basketball, and a playground, we estimate the parking need to be around 800 stalls. With shared parking with the school, the additional parking above the original design will meet the parking need estimate within 10% margin. See the attached exhibit for the additional parking suggestions, options 1-5. This exhibit was utilized to understand the level of effort required for redesign. This effort will happen in a parallel track to the development of the GMP 1 (channel) and GMP 2 (Phase 1) set. The development of the redesigned site plan will not impact the schedule for GMP 1 and 2. A rendered concept will be developed for review by the City. Upon review and approval of the revised site plan, Phase 2 (GMP 3 and other subsequent GMP's) design will move forward on a separate track. The drainage calculations and design will be updated to include the site plan adjustment and provided to TYLin to include in their revised grading plans. Plan changes include revised grading, hardscape, landscape, irrigation, and electrical design. Some portions of the grading, drainage, irrigation and electrical infrastructure will need to advance to assure that GMP 1 and 2 will have updated infrastructure to accommodate the redesign.

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J2 will work with TYLin to determine minimum FFE elevation for the Fire station and provide assurances that the water and sewer for the park will accommodate the fire station requirements. The City will provide the water and sewer use calculations to J2 to develop the design.

A Rendering will need to be developed to delineate Phase 1 construction to manage public and City expectations. Based upon the City, the CMAR and J2 Design input, a Phase 1 line will be developed. J2 will develop a 40x42 rendering showing what will be built on Phase 1.

Additional coordination required for the addition of water capture and distribution system for the splash pad water into drip irrigation is included. It is anticipated that the water collection and distribution system itself will be fully designed by others. J2 will coordinate with the water capture and distribution system designer on locations, pressure requirements, and flow needs. J2 will assist the water capture and distribution system on design parameters including how much water to anticipate capturing. J2 will aid in locating the system and coordinate water, sewer and electrical connection requirements with the J2 team subconsultants. J2 will not be providing efforts related to environmental or water quality certifications or permits. The water capture and distribution system design is responsible for all clearances, certifications and permits required in the delivery of effluent splash pad water to a non-potable irrigation distribution system and the required pressure. This includes but is not limited to City, State or federal agencies.

J2 will provide design parameters for the playground subsurface drainage system. General drainage and drainage subgrade system will be provided to TYLin to finalize their construction documents. General inverts, pipe types and sizes and schematic details will be provided to include in their plans. J2 will coordinate with TYLin on revising the grading at the south side of the site to provide a grading balance and gravity sewer solution.

Task 800 Deliverables:

- (801) Exhibit and report identifying impacts to grading required to provide gravity sewer solution
- (802) Storm water recalculation and sizing of channels and storm drains (revised Drainage Memo)
- (803) Phase 1 delineation Rendering (30x42 PDF color rendered exhibit)

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- (804) Revised Hardscape Plans (Revised Hardscape enlargement sheets HS-207, HS-208, HS-301, HS-302)
- (805) New Hardscape Details (3 new detail sheets)
- (806) Revised Irrigation Plans (IR-207, IR-208)
- (807) Irrigation pump details for 2 pump systems (2 new irrigation detail sheets)
- (808) Revised Landscape Plans (LS-207, LS-208)
- (809) Revised Site Master plan with new parking
- (810) Revised Hardscape Plans with new parking (HS-203, HS-204, HS-205, HS-206)
- (811) Revised Landscape Plans with new parking (LS-203, LS-204, LS-205, LS-206)
- (812) Revised Irrigation Plans with new parking (IR-203, IR-204, IR-205, IR-206)
- (813) Coordination with the Splash pad collection and distribution system designer
- (814) Coordinate with TYLIn on grading adjustments and playground subsurface drainage

Task 815 Meetings:

- Design impact and irrigation coordination meetings: Five (5) Meetings: These meetings are anticipated to be virtual. The meetings are anticipated to be one (1) hour in duration and J2 will have three (3) representatives at the meeting.

Task 900 –Revised Playground/ Ninja Course area design
J2 will adjust the plans and create additional enlargements and details required to expand the playground area to accommodate relocating the Ninja Course equipment. J2 anticipates (2) two revised hardscape sheets and (1) one additional hardscape enlargement sheet. Revisions to the irrigation and landscape plans will be provided.

Task 900 Deliverables:

- Revised (2) Hardscape Plans (HS-205, HS-207), (1) one additional Hardscape enlargement sheets showing layout and surface materials)
- Revised Irrigation Plans (IR-205, IR-207)
- Revised Landscape Plans (LS-205, LS-207

Allowances

The following allowances may only be utilized if authorized in advance, in writing, by the Client. These allowances will not be authorized until a full modified scope is known and may

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need to be increased if the required scope exceeds the established allowance amount. The following allowances have been established for this project:

CMAR Coordination Allowance: An allowance has been established for J2 to provide CMAR specific coordination. This may include scheduling, meetings, budget coordination and review, constructability reviews and other items related to integration of the construction documents with the contractor.

Fire Station Site Specific Coordination Allowance: An allowance has been established for J2 to coordinate needs at the fire station parcel.

Structural Allowance: J2's Structural subconsultant may be required to provide structural designs for retaining walls depending on height. Retaining walls exceeding 30" in height from finish grade to finish grade will require a structural design. If needed, J2's subconsultant will, upon approval from the COK, utilize this allowance to provide design.

Water and Sewer Design and PS&E Allowance (TYLin): TYLin included this item to clarify the scope remains unchanged but is shown in the fee proposal for a clear understanding of remaining tasks and budget.

Fire station Grading Allowance (TYLin):: TYLin will provide mass grading of the fire station parcel to provide a gravity sewer connection.

Water Loop Allowance (TYLin):: TYLin will provide a water loop system to provide fire flow to the project site and proposed fire station parcel.

Water Modeling Calibration Allowance (TYLin):: TYLin will provide a model calibrated for the existing conditions.

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Design Assumptions and Exclusions:

1. No topo, Boundary Survey or ALTA survey is included with this scope and fee proposal. It is assumed that the City of Kingman will provide survey information.
2. Off-Site design including, but not limited to, roadway plans are not included in this scope of work. Fire Station site design will occur via the established allowance.
3. The Design Team has not included any re-platting or rezoning efforts in this scope of services.
4. The Design Team is not providing or producing any environmental, cultural, or biological investigations or clearances. It is assumed that the COK is procuring this effort separately, if needed. It is assumed that the COK will be responsible for any mitigation measures or permitting associated with any findings from these investigations and that this effort has not been included in this scope or fee proposal.
5. The Design Team is not providing any permitting fees for this project. All permitting fees shall be paid for by COK.
6. It is assumed that COK will provide all as-builts of existing facilities to J2 that are available including City owned utilities.
7. It is assumed that COK will provide utility maps of all private utilities to J2.
8. It is assumed that COK will provide a fire flow test to confirm that pressures to the site are adequate.
9. This scope of services does not include the design of any traffic signal design or traffic control plans nor does it include a traffic impact analysis.
10. This scope of services does not include construction sequencing.
11. Utility potholing and/or designating utilities has not been included in this scope of services.
12. COK shall supply standard COK details, and associated specifications, in an electronic format for all standard equipment as the City has available. The Design Team will include the COK standard details into the design plans and specifications as a separate appendix.
13. No public involvement has been included with this scope of services.
14. It is assumed that all reviews, prior to permit review, by the COK will be done electronically and no hard copies will be provided. Permit Review set submittals may be electronic or hard copy.
15. Restroom/Concession final design is not included in this scope of work.
16. Maintenance/restroom building final design is not included in this scope of work.

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17. The splash pad water collection, storage, water treatment, and pressurizing for delivery to the irrigation system is not part of J2's scope of work. J2 assumes no responsibility or liability for assuring water quality and availability of water for irrigation purposes. J2 will design a system meant to accept water from the splash pad water capture system that is acceptable to be used for non-potable irrigation. J2 will not provide any assistance with permitting or clearances required for the water to qualify to be used for non-potable irrigation.
18. Coordination directly with BNSF is not considered part of this scope of work.

We would expect to start our services after receipt of the Notice to Proceed. This exhibit represents the entire understanding of the Scope of Services as set out herein and may only be modified in writing signed by both parties.

Sun Belt Sports Park - Contract Modification 1

City of Kingman

J2 Design

6/11/2026

	Labor Category:	Principal Review	Project Engineer Sr.	Landscape Architect Sr.	Project Landscape Architect	Designer Sr.	Designer	
	Rate:	$ 227.70	$ 202.40	$ 207.88	$ 141.17	$ 122.89	$ 90.84	
Task #	Task Description:							Hours Total
800	Revisions to plans and additional irrigation requirements							
801	Grading impact report and exhibit			8	4		4	16
802	Revised Drainage Memo	1	8	1				10
803	Phase 1 Rendering			2		8	16	26
804	Revised Hardscape Plans at the plaza area	1		2	16	20	72	111
805	New Hardscape Details	2		2	16	20	80	120
806	Revised Irrigation Plans	2			1		12	15
807	Irrigation Pump Details			1	8	24		33
808	Revised Landscape Plans				1		6	7
809	Site Plan Revisions for additional Parking	1	8	8	16	10		43
810	Revised Hardscape, Landscape and Irrigation for new parking			8	20	72	180	280
811	Splash Pad collection and distribution system design coordination			4	8	40		52
812	Mass Grade, Min FFE definition, general playground drainage layout	1	6	8			16	31
813	Meetings			5		5	5	15
900	Revised Playground/ Ninja Course area design							
901	Revised Hadscape Plan sheets & Additional Hardscape Enlargement Plans	1		8	16	16	40	81
902	New Hardscape Details			2	4	10	24	40
903	Revised Irrigation Plans				1		6	7
904	Revised Landscape Plans				1		6	7
	J2 Hours per Labor Category:	9	22	59	112	225	467	894
	J2 Fee per Labor Category Design (Rounded to nearest whole dollar):	$ 2,049	$ 4,453	$ 12,265	$ 15,811	$ 27,650	$ 42,422	$ 104,650

	Subconsultants:	Fee Amount
	TyLin	$ 38,912.00
	CR Engineers	$ 9,771.00
	Total Subconsultants:	$ 48,683.00

Total Fee J2, Subconsultants, and Allowances: $ 230,475.00

J2 Engineering and Environmental Design, LLC

	Allowances:	Fee Amount
	CMAR Coordination	$ 5,000.00
	Fire Station Site Specific Coordination	$ 2,000.00
	Structural Engineering	$ 5,000.00
	Water and Sewer Design and PS&E Allowance	$ 3,162.00
	Fire Station Grading Allowance	$ 9,810.00
	Water Loop Allowance	$ 24,810.00
	Water Modeling Calibration Allowance	$ 27,360.00
	Total Allowances:	$ 77,142.00

June 11, 2026

Jeffrey Velasquez, PLA, ASLA

Principal

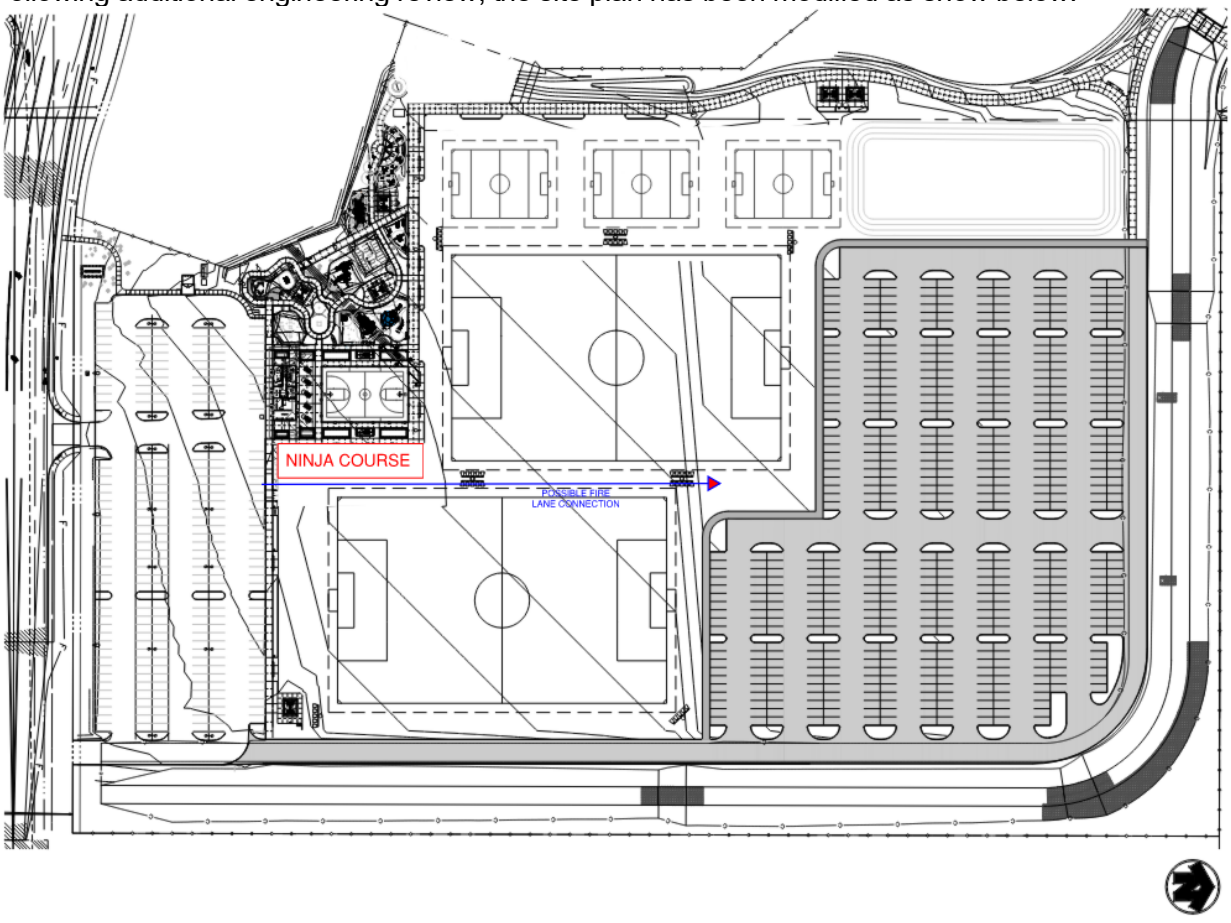
April 7, 2026

Mr. Jeff Velasquez, PLA, ASLA
Project Manager
J2 Engineering & Environmental Design, LLC
4649 E Cotton Gin Loop, Suite B2
Phoenix, AZ 85040

Subject: Addendum #3 - Sun Belt Sports Park (Grading Changes)
Project Location: Airway Ave east of White Cliffs Middle School
City of Kingman Project No. 231691

Dear Mr. Velasquez:

TY Lin International (TYLIN) is pleased to present this addendum to provide major modification of final design services (site civil) for the Sun Belt Sports Park in Kingman, Arizona. In general, services of the original project included grading design support of J2 Engineering & Environmental Design (J2) for a proposed parking lot (approximately 240 new parking spaces) and proposed sports facilities (1 basketball court, 1 sand volleyball plaza, and 6 acres of open turf), as well as 3 large ramada pads, a playground area, a splash pad area, a concrete sidewalk loop around the fields, and a 6-acre parcel of open turf. Following additional engineering review, the site plan has been modified as show below:



Modifications include the removal of 2 large soccer fields, 3 small soccer fields, and a sand volleyball court, and the inclusion of a new parking lot with approximately 570 spaces with associated retention basins. Additionally, the site will need regrading from previous submittals to accommodate a gravity flow sewer system.

Included as part of these services is project management and coordination and final construction document preparation (plans, specifications and estimates) at each of the required design submittals. All tasks are anticipated to affect the 90% and Sealed Design documents. Detailed description for all tasks and schedule implications anticipated to be completed by Consultant is contained in the following.

Tasks

Task 1 - Project Meetings, Site Visit & Coordination

Project meetings and coordination are anticipated to include project progress meetings and general coordination activities with J2 and City of Kingman (City) staff. In total, six (6) virtual project meetings are anticipated to be attended by TYLIN during the design phase of this project.

Anticipated Schedule: 6 months
Staff: Senior Project Manager: 6 hours
Senior Project Engineer: 12 hours
Design Engineer: 6 hours

Task 4 – 90% Plans, Specifications, & Cost Estimate

Using the site plan provided by J2 and approved by the client, TYLin shall update the model to reflect all changes:

- Addition of a new parking lot with approximately 570 spaces
- Addition of a drivable surface for fire access to the new parking lot
- Modification in the number and location of soccer fields
- Grading which allows sewer to gravity flow to Airway Avenue
- Retention and drainage outlet placement as directed by J2

Upon completion of grading modification modeling, modification to the plan sheets will be completed and included in the 90% and Sealed plan submittal documents. TYLin shall prepare 90% for drainage system modifications.

The plans will be prepared in accordance with the City's plan standards, checklists and details along with MAG standards, specifications and details. TYLIN will deliver an electronic submittal of the plans to J2 (PDF and AutoCAD). It is assumed that J2 will handle submittal of any submittal package to the City.

The following four (4) new plan sheets are anticipated to be developed as part of this task:

- Drainage Plan and Profile Sheets (3) – 1" = 20'
- Drainage Detail Sheets (1)

The following plan sheets will be updated as part of this task:

- Grading Site Plan Sheet (1)
- Grading Profiles Sheets (3)
- Horizontal Control Sheets (2)
- Grading Plan Sheets (2)
- Grading Detail Sheets (2)

A total of ten (10) sheets will be updated as part of this task.

Revisions to sewer sheets will be completed as a part of the Water and Sewer Allowance included as part of the original contract.

Each submittal for items in this task will be in accordance with previously listed task items for those submittals.

Anticipated Schedule: 10 weeks
Staff: Senior Project Manager: 4 hours (Quality Control of 90% and Sealed Submittals)
Senior Project Engineer: 48 hours (Coordination)
Project Engineer: 240 hours (Site Design/Civil 3D Modeling)
Design Engineer: 80 hours (Sheet Creation and Updates)

Task 5 – Final Plans, Specifications, & Cost Estimate, Signed and Sealed

This scope item remains unchanged but is shown in the fee proposal for a clear understanding of remaining tasks and budget.

Task 7 – Water and Sewer Design and PS&E Allowance

This scope item remains unchanged but is shown in the fee proposal for a clear understanding of remaining tasks and budget.

Task 9 – Fire Station Grading Allowance

TYLIN shall design mass grading on the fire station site (approximately 2 acres) based topographic survey base map (which includes existing topography, underground utilities and existing right-of-way) provided by J2 which allows for a gravity sewer connection to Sun Belt Park to be achieved. Invert of the connection is currently unknown and extent of modification to site grading will depend on achieving at least 5’ of cover on the connecting pipe.

Modifications to the plan CAD files will be completed and included in the 90% plan submittal documents. No additional sheets are anticipated to be required.

Anticipated Schedule: 2 weeks
Staff: Senior Project Manager: 2 hours (Quality Control of 90% and Sealed Submittals)
Senior Project Engineer: 8 hours (Coordination)
Project Engineer: 24 hours (Site Design/Civil 3D Modeling)
Design Engineer: 32 hours (Sheet Updates)

Task 10 –Water Loop Design Allowance

TYLIN shall design a water loop system to provide fire flow to the project site and proposed fire station in coordination with the Fire Department, City of Kingman, and MAG Standards.

TYLin will provide a basis of design report detailing the existing system and proposed improvements, including pipe sizing, material selection, appurtenances, and fire flow. Hydraulic modeling will be based on the fire flow and the proposed improvements including one building with fixtures, splashpad, and irrigation connections. This task includes two (2) meetings with the fire department.

TYLin will use the existing, available calibrated model and recent fire flow test data to evaluate the proposed water loop system and determine if the loop has sufficient pressure for the demand. The model will be evaluated using a 750 gpm fire flow. The calibrated model and fire flow data will be provided by the City. The model must include existing demand, junctions, and existing fire hydrants. Fire flow test shall include static pressure, residual pressure, and flow through the hydrant.

The following plan sheets will be updated as part of this task:

- Water Plan & Profile (3)

The following plan sheets will be added as part of this task:

- Water Plan & Profile (1)

A total of four (4) sheets will be updated as part of this task.

Anticipated Schedule: 6 weeks

Staff: Senior Project Manager: 2 hours (Quality Control of 90% and Sealed Submittals)
Senior Project Engineer: 28 hours (Coordination, Report Writing, Meetings, Modeling)
Project Engineer: 32 hours (Site Design/Civil 3D Modeling/Hydraulic Modeling)
Design Engineer: 100 hours (Sheet Updates, Modeling)

Task 11 – Water Modeling Calibration Allowance

If requested by the City, TYLin shall prepare and provide a model calibrated for the existing conditions. The City must provide existing as-builts in the area and flow data as needed to create the model. The City must provide the required fire flow in gallons per minute. Integration with the proposed design is covered under the scope and fee of Task 10.

Anticipated Schedule: 3 weeks

Staff: Senior Project Engineer: 12 hours (Modeling)
Design Engineer: 60 hours (Modeling)

The total professional fee requested for the completion of these tasks is **$104,053.96** (See attached Exhibit 'A' - Compensation). Should you have any questions and/or require additional information, please contact me.

We thank you again for this opportunity and look forward to working with J2 on this exciting project with the City of Kingman.

Sincerely,

Carlos Sanchez Soria, P.E.
Scottsdale Location Manager
Associate Vice President | Principal Project Manager

Cc: Allison Sadow, P.E.
James Barr, P.E.

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TYLin

EXHIBIT "A"

CITY OF KINGMAN PROJECT NO. 231691
SUN BELT SPORTS PARK ADDENDUM #3

TASK	DESCRIPTION	SENIOR PROJECT MANAGER $265.00		SENIOR PROJECT ENGINEER $170.00		PROJECT ENGINEER $150.00		DESIGN ENGINEER $135.00		TOTAL TYLI HOURS	TOTAL FEE
		Hours	$	Hours	$	Hours	$	Hours	$	Hours	$
1	Project Meetings, Site Visit, & Coordination	6	$1,590.00	12	$2,040.00	6	$900.00			24	$4,530.00
4	90% Plans, Specifications, & Cost Estimate	4	$1,060.00	48	$8,160.00	240	$36,000.00	80	$10,800.00	372	$56,020.00
5	Final Plans, Specifications, & Cost Estimate, Signed and Sealed	1	$265.00	2	$340.00	40	$6,000.00	40	$5,400.00	83	$12,005.00
7	Water and Sewer Design and PS&E Allowance	5	$1,325.00	8	$1,360.00	40	$6,000.00	48	$6,480.00	101	$15,165.00
9	Fire Station Grading Allowance	2	$530.00	8	$1,360.00	24	$3,600.00	32	$4,320.00	66	$9,810.00
10	Water Loop Allowance	2	$530.00	32	$5,440.00	32	$4,800.00	104	$14,040.00	170	$24,810.00
16	Water Modeling Callibration Allowance			16	$18,720.00			64	$8,640.00	80	$27,360.00
	SUB TOTAL PROFESSIONAL FEES ALLOWANCES	**20**	**$5,300.00**	**126**	**$37,420.00**	**382**	**$57,300.00**	**368**	**$49,680.00**	**896**	**$149,700.00**
	REMAINING CONTRACT BALANCE										
1	Project Meetings, Site Visit, & Coordination										$3,396.98
2	30% Plans, Specifications, & Cost Estimate										$2,124.06
3	60% Plans, Specifications, & Cost Estimate										$0.00
4	90% Plans, Specifications, & Cost Estimate										$17,026.00
5	Final Plans, Specifications, & Cost Estimate, Signed and Sealed										$11,096.00
7	Water and Sewer Design and PS&E Allowance										$12,003.00
	SUB TOTAL REMAINING BALANCE										**$45,646.04**
	GRAND TOTAL PROFESSIONAL FEES	**20**	**$5,300.00**	**126**	**$37,420.00**	**382**	**$57,300.00**	**368**	**$49,680.00**	**896**	**$104,053.96**

April 27, 2026

Attn.: Mr. Jeff Velasquez
J2 Engineering & Environmental Design
Re: Sun Belt Sports Park in Kingman, Arizona
Proposal for Electrical Design – Change Order 1
CRE Project No.: 23023

Mr. Velasquez,

We thank you for the opportunity to provide additional electrical engineering design services to J2 Engineering & Environmental Design and the City of Kingman for the new Sun Belt Sports Park. The additional design services is based on City requested scope changes. We are pleased to present our proposal for change order 1 in the attachments listed below.

Fee Proposal Summary and Worksheet.

This proposal will be valid for the next ninety (90) days, and we reserve the right to renegotiate it if it has not been accepted within that period. Should conditions of the work change so as to materially affect the level of effort or the time required, then equitable adjustments to fee and schedule will be made. Consultant will notify Client when a changed condition becomes apparent. Failure of Client to provide a timely and equitable adjustment is cause for termination by Consultant.

Please do not hesitate to call if you have any questions.

Sincerely yours,
CR ENGINEERS, INC.

Catherine Alcorn, P.E.
President

16719 E. Palisades Boulevard
Suite 202
Fountain Hills, AZ 85268

Telephone: 480-816-5541
Fax: 480-816-5540
Web: www.crengr.com

CR Engineers, Inc.
1.0 Design Fee Proposal Worksheet

Project Name: Kingman Sun Belt Sports Park: Change Order
Date: 04/27/26
CRE Proposal No.: 23023

	Task Description	Quantity	Project Manager /Engineer	Senior Designer	CADD Designer / Manager	Senior Field Inspector	Project Assistant	Total Hours
1.1	**Meetings & Site Visits**							
1.1.1	Site Visit(s) and Meeting							
1.2	**Utility/Demand**							
1.2.1	Load Calculations		1.0	3.0				4.0
1.2.2	Utility Coordination							
1.3	**Contract Documents**							
1.3.1	Electrical Design Plans and Photometric Calculations		6.0	24.0	26.0			56.0
1.3.2	Quantities		1.0			4.0		5.0
1.3.3	Phase 1 QA/QC Submittal		3.0		1.0			4.0
1.3.4	Phase 2 QA/QC Submittal		2.0		2.0			4.0
1.3.5	Client Coordination		2.0		2.0			4.0
1.0	**Totals**		**15.0**	**27.0**	**31.0**	**4.0**	**0.0**	**77.0**
	Overhead Rate	150 %						
	Profit Margin	10 %						
	Labor Rates Per Hour:		$74.50	$43.75	$34.50	$46.20	$24.51	
	Direct Labor:		$1,117.50	$1,181.25	$1,069.50	$184.80	$0.00	
	Overhead:		$1,676.25	$1,771.88	$1,604.25	$277.20	$0.00	
	Overhead + Direct Lab:		$2,793.75	$2,953.13	$2,673.75	$462.00	$0.00	
	(OH + Direct) x Profit:		$279.38	$295.31	$267.38	$46.20	$0.00	
1.0	**Total Fees**		**$3,073.13**	**$3,248.44**	**$2,941.13**	**$508.20**	**$0.00**	**$9,770.89**

CITY OF KINGMAN
COMMUNICATION TO COUNCIL

TO:	Honorable Mayor and City Council
FROM:	Robert Petrillo
MEETING DATE:	July 7, 2026
AGENDA SUBJECT:	Agreement for Professional Services for Area Traffic Study at Intersection of Hualapai Mountain Road / Stockton Hill Road / Andy Devine Avenue

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SUMMARY:
The intersection of Hualapai Mountain Road/Stockton Hill Road/Andy Devine Avenue experiences significant delays during the peak hours in multiple directions. The southeast leg of the intersection (Hualapai Mountain Road) is the only crossing of the BNSF railroad tracks for the southeast part of Kingman bounded by Interstate 40 (I-40) on the north and the BNSF railroad tracks on the west. The intersection is signalized and currently operates with split phasing on Andy Devine Avenue due to the opposing approaches both having a shared through/left-turn lane. This project will be looking for near-term, low-cost solutions to address congestion.

This project was approved in the FY2026-2027 Adopted Budget and 5-Year Capital Improvement Plan.

FISCAL IMPACT:
The proposed agreement total of $99,775.00 will be funded using the Capital Projects Fund.

STAFF RECOMMENDATION:
Staff recommends approval of this agreement to Kimley-Horn Associates for the sum of $99,775.00 for the Area Traffic Study at Intersection of Hualapai Mountain Road / Stockton Hill Road / Andy Devine Avenue.

SUGGESTED MOTION:
Move to approve the Engineering Services contract agreement with Kimley-Horn Associates for the Area Traffic Study at Intersection of Hualapai Mountain Road / Stockton Hill Road / Andy Devine Avenue.

ATTACHMENTS:
Signed Design Agreement

AGREEMENT FOR
PROFESSIONAL SERVICES FOR
AREA TRAFFIC STUDY
HUALAPAI MOUNTAIN ROAD / STOCKTON HILL ROAD / ANDY DEVINE AVENUE
INTERSECTION AREA
ENG26-0007

THIS AGREEMENT is made and entered into this 3rd day of March, 2026, by and between the City of Kingman, an Arizona municipal corporation, hereinafter called "CITY" and Kimley-Horn and Associates, Inc. hereinafter called "ENGINEER".

WITNESSETH

WHEREAS, the CITY wishes to obtain engineering services for a traffic study to identify potential improvements to traffic operations at the intersection of Hualapai Mountain Road, Stockton Hill Road, and Andy Devine Avenue; and

WHEREAS, ENGINEER submitted a Detailed Scope of Services dated December 22, 2025, attached hereto and made a part hereof as Exhibit A, offering to perform engineering services for an area traffic improvement study at the Hualapai Mountain Road / Stockton Hill Road / Andy Devine Avenue intersection area; and

WHEREAS, ENGINEER has agreed to complete the work for a fee not to exceed $99,755.00 as detailed in Exhibit A; and

WHEREAS, it has been determined that ENGINEER is qualified and ready to perform the services as required by this Agreement;

NOW THEREFORE, it is mutually agreed as follows:

I. ENGINEER'S DUTIES

A. ENGINEER shall provide all labor, materials, equipment and complete all tasks necessary for as outlined in Exhibit A.

B. ENGINEER shall provide electronic and, as applicable, hard copies of all reports, models, plans, drawings and other materials prepared under this Agreement.

II. CITY DUTIES

The CITY agrees to provide information and make payment for the work covered under this Agreement in accordance with the following:

A. The CITY shall provide ENGINEER with copies of project contract construction documents, including plans, reports, drawings or other information of record applicable to this project.

B. The CITY shall pay ENGINEER for the work performed on a monthly basis, upon receipt of a progress report that coincides with the hours completed for a given phase of work during the preceding month. The final payment will be paid after the project is complete and the work is accepted by the City.

III. GENERAL COVENANTS

It is further agreed by the CITY and ENGINEER as follows:

A. **TERMINATION OF CONTRACT FOR CAUSE**. If through any cause, and after reasonable opportunity to commence a remedy, ENGINEER shall fail to fulfill in a timely and proper manner the obligations under the Agreement, or if ENGINEER shall violate any of the covenants, agreements, or stipulations of this Agreement, the CITY shall thereupon have the right to terminate this Agreement by giving written notice to ENGINEER of such termination and specifying the effective date thereof, at least five days before the effective date of such termination. In such event, all finished or unfinished documents, data, studies, surveys, drawings, maps, models, photographs and reports prepared by ENGINEER under this Agreement shall at the option of the CITY, become its property and ENGINEER shall be entitled to receive compensation for any work satisfactorily completed on the date of termination.

Notwithstanding the above, ENGINEER shall not be relieved of liability to the CITY for damages sustained by the CITY by virtue of any breach of the Agreement by ENGINEER.

B. **CHANGES**. The CITY may, from time to time, request changes in the scope of the services of ENGINEER to be performed hereunder. Such changes, including any increase or decrease in the amount of ENGINEER compensation, which are mutually agreed upon by and between the CITY and ENGINEER, shall be incorporated in written amendments to this Agreement.

C. **PERSONNEL**. ENGINEER represents that he has or will secure at his expense, all personnel required in performing the services under this Agreement. Such personnel shall not be employees of or have contractual relationship with the CITY. All personnel engaged in the work shall be fully qualified and shall be authorized or permitted under State and Local law to perform such services.

D. **ASSIGNABILITY**. Neither party shall assign, subcontract or transfer their interests, rights or obligations in this Agreement without prior written consent of the other party.

E. **RECORDS AND AUDITS (Maintenance and Retention)**. ENGINEER shall maintain accounts and records, including personnel, property and financial records, adequate to identify and account for all costs pertaining to the Agreement to assure proper accounting for all project funds. A monthly summary of these records will be maintained by ENGINEER at the completion of the Agreement for retention for five years. Said records shall be made available for Inspection at ENGINEER's offices during normal business hours, upon request, to the CITY and any other body authorized in writing by the CITY.

F. **FINDINGS CONFIDENTIAL**. All of the reports, data, information, etc., prepared or assembled by ENGINEER under this Agreement are confidential and shall not be made available to any individual or organization without the prior written approval of the CITY, with the exception of any recording of survey information required by law and with respect to information that:

1) becomes generally available to the public other than as a result of disclosure by ENGINEER or its agents or employees;
2) was available to ENGINEER on a non-confidential basis prior to its disclosure by City;
3) becomes available to ENGINEER from a third party who is not, to the knowledge of ENGINEER, bound to retain such information in confidence.

In the event ENGINEER is compelled by subpoena, court order, or administrative order to disclose any confidential information, ENGINEER shall promptly notify CITY and shall cooperate with CITY prior to disclosure so that CITY may take necessary actions to protect such confidential information from disclosure.

G. **COPYRIGHT**. No report, maps, or other documents produced in whole or in part under this Agreement shall be the subject of an application for copyright by or on behalf of ENGINEER.

H. **DELAYS**. ENGINEER shall not be responsible for damages or be deemed to be in default by reason of delays in performance by reason of strikes, lockouts, accidents, acts of God, shortages of materials, delays caused by failure of CITY or CITY's agents to furnish information or to approve or disapprove work promptly or any other event beyond the control of ENGINEER. In the case of the happening of any such cause of delay, the time of completion shall be extended accordingly.

I. **CONFLICT OR DISPUTE**. In the event of a conflict or dispute as to the interpretation, application or implementation of this Agreement, either party shall have the right to submit the conflict or dispute to mediation in accordance with the rules of the American Arbitration Association then in effect. Any disputes arising from this Agreement in any way and involving an amount of less than $50,000 shall be settled by arbitration.

J. **STANDARD OF CARE – PROFESSIONAL SERVICES**. Subject to limitations inherent in the agreed scope of work as to the degree of care, amount of time and expenses to be incurred, and subject to any other limitations contained in this Agreement, ENGINEER shall perform its services in accordance with generally accepted standards and practices customarily utilized by competent engineering firms in effect at the time ENGINEER's services are rendered. ENGINEER does not expressly or impliedly warrant or guarantee its services.

K. **RELIANCE UPON INFORMATION PROVIDED BY OTHERS**. If ENGINEER's performance of services hereunder requires ENGINEER to rely on information provided by other parties (excepting ENGINEER's subcontractors) ENGINEER shall not independently verify the validity, completeness, or accuracy of such information unless expressly engaged

to do so by CITY.

L. **SEPARABILITY**. In the event any term or provision of this Agreement is held to be invalid and unenforceable, the validity of the other provisions shall not be affected, and this Agreement shall be construed and enforced as if it did not contain the particular term or provision that is invalid or unenforceable.

M. **COMPLETION TIME**. The ENGINEER shall complete the work per the schedule outlined in Exhibit A.

N. **INDEMNIFICATION**. To the fullest extent permitted by law, the ENGINEER shall indemnify and hold harmless the City, its agents, representatives, officers, directors, officials and employees from and against all claims, damages, losses and expenses (including but not limited to reasonable attorney fees, court costs, and the cost of appellate proceedings) to the extent arising out of the ENGINEER's negligent acts, errors, mistakes or omissions relating to professional work or services in the performance of this Contract. ENGINEER's duty to hold harmless and indemnify the City, its agents, representatives, officers, directors, officials and employees shall arise in connection with any claim, damages, loss or expense that is attributable to bodily injury, sickness, disease or death, or injury to, impairment, or destruction of property caused by any negligent acts, errors, mistakes or omissions related to professional services in the performance of this Contract, including any person for whose acts, errors, mistakes or omissions the ENGINEER may be held legally responsible and liable for under the law.

O. **INSURANCE REQUIREMENTS**. The ENGINEER retained by the City to provide the work or service required by this contract will maintain Professional Liability insurance covering ENGINEER's negligent acts, errors, mistakes and omissions arising out of the work or services performed by the ENGINEER, or any person employed by the ENGINEER, with a limit of not less than $1,000,000 each claim. Proof of such insurance shall be provided to the CITY.

The amount and type of insurance coverage as required herein will in no way be construed as limiting the scope of the indemnity in this paragraph.

P. **COMPLIANCE WITH FEDERAL AND STATE LAWS.** The ENGINEER understands and acknowledges the applicability to it of the American with Disabilities Act, the Immigration Reform and Control Act of 1986 and the Drug Free Workplace Act of 1989. The Consultant must also comply with A.R.S. § 34-301, "Employment of Aliens on Public Works Prohibited", and A.R.S. § 34-302, as amended, "Residence Requirements for Employees".

Under the provisions of A.R.S. §41-4401, ENGINEER hereby warrants to the City that the ENGINEER and each of its subconsultants ("Subconsultants") will comply with, and are contractually obligated to comply with, all Federal Immigration laws and regulations that relate to their employees and A.R.S. §23-214(A) (hereinafter "Consultant Immigration Warranty").

A breach of the Consultant Immigration Warranty shall constitute a material breach of this Contract and shall subject the ENGINEER to penalties up to and including termination of this Contract at the sole discretion of the City.

The City retains the legal right to inspect the papers of any Consultant or Subconsultant's employee who works on this Contract to ensure that the Consultant or Subconsultant is complying with the Consultant Immigration Warranty. The City may, at its sole discretion, conduct random verification of the employment records of the ENGINEER and any Subconsultants to ensure compliance with the Consultant's Immigration Warrant ENGINEER agrees to assist the City in regard to any such inspections. The ENGINEER and its Subconsultants warrant to keep the papers and records open for random inspection during normal business hours by the City. The ENGINEER and its Subconsultants shall cooperate with the City's random inspections including granting the City entry rights onto its property to perform the random inspections and waiving their respective rights to keep such papers and records confidential.

Neither the ENGINEER nor any Subconsultants shall be deemed to have materially breached the Consultant Immigration Warranty if the ENGINEER or Subconsultant establishes that it has complied with the employment verification provisions prescribed by sections 274A and 274B of the Federal Immigration and Nationality Act and the E-Verify requirements prescribed by A.R.S. §23-214, Subsection A.

ENGINEER hereby certifies that is it not currently engaged in, and agrees for the duration of this Contract that it will not engage in, a boycott of Israel, as that term is defined in A.R.S. §35-393.

IN WITNESS WHEREOF, we have set our hands and seal the day, month and year first above written.

KIMLEY-HORN AND ASSOCIATES

Michael Grandy

MICHAEL GRANDY
VICE PRESIDENT

» SW 33

State of Arizona)
)ss.
County of Maricopa)

TAMIE SCHOFIELD
NOTARY PUBLIC - ARIZONA
Maricopa County
Commission #557643
My Comm. Expires October 7, 2027

Subscribed and Sworn to
Before Me This 9th day of
February, 2026.

Notary Public

My Commission Expires: October 7, 2027

.....

CITY OF KINGMAN, ARIZONA

KEN WATKINS, MAYOR

Attest:

ANNIE MEREDITH, CITY CLERK

Kimley»Horn

December 22, 2025

Bob Petrillo
City of Kingman
310 N. 4th Street
Kingman Arizona 86401

Re: Letter Agreement for Professional Services for Hualapai Mountain Road/Stockton Hill Road/ Andy Devine Avenue Area Traffic Study

Dear Bob:

Kimley-Horn and Associates, Inc. ("Kimley-Horn" or "Consultant") is pleased to submit this Letter Agreement (the "Agreement") to the City of Kingman ("Client" or "City") for providing professional services for an area traffic study for Hualapai Mountain Road/Stockton Hill Road/Andy Devine Avenue.

Project Understanding

The intersection of Hualapai Mountain Road/Stockton Hill Road/Andy Devine Avenue in the City of Kingman experiences significant delays during the peak hours in multiple directions. The southeast leg of the intersection (Hualapai Mountain Road) is the only crossing of the BNSF railroad tracks for the southeast part of Kingman bounded by Interstate 40 (I-40) on the north and the BNSF railroad tracks on the west.

The intersection is signalized and currently operates with split phasing on Andy Devine Avenue due to the opposing approaches both having a shared through/left-turn lane. The City is looking for near-term, low-cost solutions to address congestion.

It is recognized that the opening of the I-40/Flying Fortress Parkway (formerly Rancho Santa Fe Boulevard) traffic interchange (TI), which is under construction and slated for completion in summer 2026, is expected to shift traffic patterns in southeast Kingman as drivers will have a more direct route to I-40, thereby potentially reducing the congestion at the Hualapai Mountain Road/Stockton Hill Road/Andy Devine Avenue intersection for certain movements. It is also recognized that there is a second TI planned on I-40 in east Kingman, known as the I-40/Kingman Crossing Boulevard TI, that could further affect traffic patterns, but its construction timeframe is uncertain at this time.

Scope of Services

Kimley-Horn will provide the services specifically set forth below.

Task 1: Data Collection
Kimley-Horn will collect turning movement traffic counts at the following study area intersections:

- Hualapai Mountain Road/Stockton Hill Road/ Andy Devine Avenue (24-hour)
- Andy Devine Avenue/Hall Street (6:30am-8:30am, 11am-1pm, 3:30pm-5:30pm)
- Andy Devine Avenue/Johnson Avenue (6:30am-8:30am, 11am-1pm, 3:30pm-5:30pm)
- Stockton Hill Road/Broadway Avenue (6:30am-8:30am, 11am-1pm, 3:30pm-5:30pm)
- Stockton Hill Road/Johnson Avenue (6:30am-8:30am, 11am-1pm, 3:30pm-5:30pm)

The collected traffic will be reviewed, and morning, midday, and afternoon peak hours will be identified and documented. This task also includes a virtual kick-off meeting with the City to confirm the scope and schedule for the study.

Task 2: Existing Conditions Traffic Analysis
Kimley-Horn will evaluate the traffic operations in existing conditions. We will create an existing conditions Synchro model for the study area intersections and, using the collected traffic volumes, determine baseline level of service and 95th percentile queues for the study area intersections during morning, midday, and afternoon peak hours.

Task 3: Near-Term Improvement Alternatives Traffic Analysis
Kimley-Horn will evaluate the traffic operations for low-cost near-term improvement alternatives, based on existing traffic volumes, that can potentially be implemented before one or both of the planned I-40 interchanges in east Kingman are constructed and open to traffic. The following improvement alternatives will be analyzed (see graphic below for referenced alternative letters/numbers):

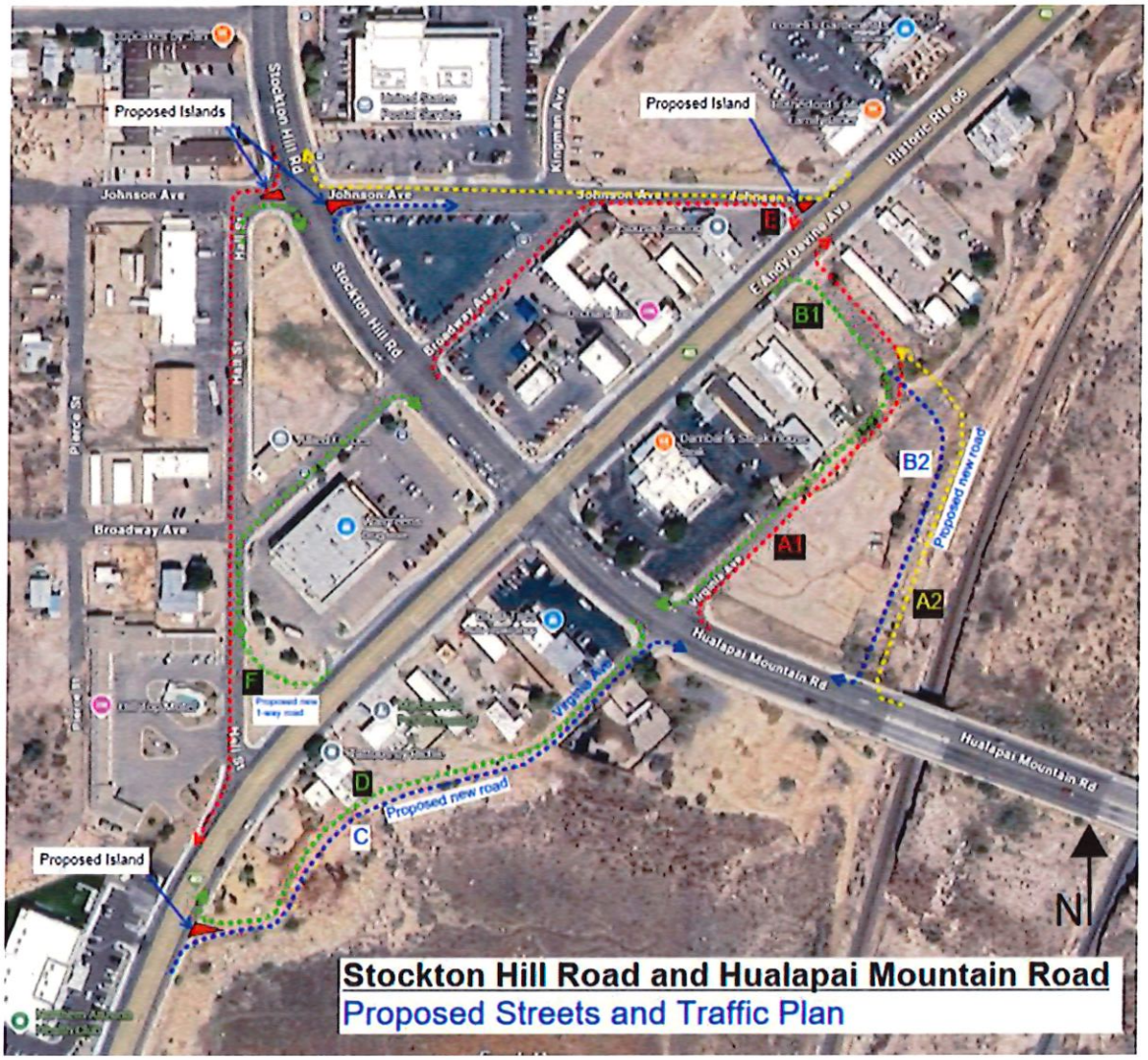
- Optimizing the existing traffic signal timing at the Hualapai Mountain Road/Stockton Hill Road/Andy Devine Avenue intersection, keeping the split phasing but adjusting the amount of green time for each phase
- Reconfiguring the intersection geometry via pavement markings and striping only at the Hualapai Mountain Road/Stockton Hill Road/Andy Devine Avenue intersection such that the split phasing can be replaced by more efficient traffic signal phasing
- Widening the Hualapai Mountain Road/Stockton Hill Road/Andy Devine Avenue intersection to include additional lanes
- Adding right-turn slip ramps for the following movements:
    - Northwestbound (NWB) Hualapai Mountain Road to northeastbound (NEB) Andy Devine Avenue [Alternative A1/A2]
    - NEB Andy Devine Avenue to southeastbound (SEB) Hualapai Mountain Road [Alternative C]
- Creating "jug-handles" in place of the following left-turn movements:
    - NEB Andy Devine Avenue to NWB Stockton Hill Road [Alternative B1/B2]
    - SEB Stockton Hill Road to NEB Andy Devine Avenue [Alternative D]
    - Southwestbound (SWB) Andy Devine Avenue to SEB Hualapai Mountain Road [Alternative F]
    - NWB Hualapai Mountain Road to SWB Andy Devine Avenue
- Preventing left-turn movements from Johnson Avenue to Stockton Hill Road and Andy Devine Avenue (likely through use of "pork chop" islands) [Alternative E]

The existing traffic volumes will be redistributed to the study area network for the identified alternatives, where applicable.

We will update the Synchro model for each of the alternatives and determine the level of service and 95th percentile queues for each alternative for the morning, midday, and afternoon peak hours.

The alternatives will be evaluated in a matrix that compares the operations, relative cost ($-$$$$), constructability, right-of-way impacts, and compatibility with future circulation needs. Using the evaluation matrix, the alternatives will be ranked and a preliminary preferred alternative identified. The preliminary preferred alternative may be a combination of several of the alternatives analyzed.

This task also includes a virtual meeting with the City to review the analysis findings/recommendations.



Task 4: Near-Term Improvements Traffic Memorandum

Kimley-Horn will document the items in Task 1-3 in a traffic memorandum with appropriate figures and tables to display all relevant information. The draft traffic memorandum will be submitted to the City for one round of comments. We will address those comments and update the traffic memorandum for submittal to the City.

Task 5: Near-Term Improvements Traffic Analysis Update

Kimley-Horn will collect an additional 24-hour count at the Hualapai Mountain Road/Stockton Hill Road/Andy Devine Avenue intersection after the opening of the I-40/Flying Fortress Parkway TI and determine if any refinements are needed to the preliminary preferred alternative due to new traffic patterns. A final preferred alternative will be identified.

Task 6: Final Area Traffic Study Memorandum
Kimley-Horn will update the traffic memorandum prepared in Task 4 to include the updated analysis findings and recommendations from Task 5 with appropriate figures and tables to display relevant information. The draft final area traffic study memorandum will be submitted to the City for one round of comments. We will address those comments and submit the final area traffic study memorandum to the City.

Deliverables:

- Traffic count data
- Synchro model results of existing conditions and alternatives analyzed
- Preliminary preferred alternative
- Draft/final Near-Term Improvements Traffic Memorandum
- Final preferred alternative
- Draft/final Area Traffic Study Memorandum
- Meeting notes
- Project invoices

Additional Services

Any services not specifically provided for in the above scope will be billed as additional services and performed at our then current hourly rates, including the following:

- Additional alternatives
- Assessment of future conditions beyond those described in the tasks above
- Preliminary or final design plans for any of the alternatives, including the preferred alternative
- Cost estimates for any of the alternatives, including the preferred alternative

Information Provided By Client

We shall be entitled to rely on the completeness and accuracy of all information provided by the Client or the Client's consultants or representatives. The Client shall provide all information requested by Kimley-Horn during the project.

Schedule

We will provide our services as expeditiously as practicable with the goal of meeting schedule deadlines agreed upon by the City and Kimley-Horn.

Fee and Expenses

Kimley-Horn will perform the services described previously for the total lump sum fee shown below. Individual task amounts are informational only. For more information, see the attached fee proposal.

Lump sum fees will be invoiced monthly based upon the overall percentage of services performed. Payment will be due within 25 days of your receipt of the invoice and should include the invoice number and Kimley-Horn project number.

Kimley»Horn

Task 1: Data Collection	$ 3,980.00
Task 2: Existing Conditions Traffic Analysis	$ 7,340.00
Task 3: Near-Term Improvement Alternatives Traffic Analysis	$ 51,140.00
Task 4: Near-Term Improvements Traffic Memorandum	$ 16,320.00
Task 5: Near-Term Improvements Traffic Analysis Update	$ 9,060.00
Task 6: Final Area Traffic Study Memorandum	$ 7,935.00
Direct Expenses (Traffic Counts)	$ 4,000.00
Lump Sum Fee Total	$ 99,775.00

Closure

We will commence services only after we have received a fully-executed agreement. Fees and times stated in this Agreement are valid for sixty (60) days after the date of this letter.

We appreciate the opportunity to provide these services. Please contact me if you have any questions.

Sincerely,

KIMLEY-HORN AND ASSOCIATES, INC.

Signed: Michael Grandy

Printed Name: Michael Grandy

Title: Vice President

CITY OF KINGMAN
Hualapai Mountain Rd / Stockton Hill Rd / Andy Devine Avenue
Fee Proposal
(Prepared 12/22/2025)

		Sr. Prof. II	Sr. Prof I	Prof II / Sr. Designer	Prof I / Designer	Sr. Analyst / Tech	Analyst / Tech	Admin Support	
TASK DESCRIPTION	**SUBTOTAL**	**$ 290.00**	**$ 255.00**	**$ 235.00**	**$ 200.00**	**$ 180.00**	**$ 150.00**	**$ 110.00**	**Total Hours**
Task 1: Data Collection	3,980.00	3			6		12	1	22
Task 2: Existing Conditions Traffic Analysis	7,340.00	3			12	2	24	1	42
Task 3: Near-Term Improvement Alternatives Traffic Analysis	51,140.00	32	6	10	64	32	128	2	274
Task 4: Near-Term Improvements Traffic Memorandum	16,320.00	10	3	5	20	7	40	2	87
Task 5: Near-Term Improvements Traffic Analysis Update	9,060.00	5			15		30	1	51
Task 6: Final Area Traffic Study Memorandum	7,935.00	5	1	2	10	3	20	2	43
SUBTOTAL DIRECT LABOR	**95,775.00**	**58**	**10**	**17**	**127**	**44**	**254**	**9**	**519**
DIRECT EXPENSES	**4,000.00**								
Traffic Counts	4,000.00								
LUMP SUM FEE CONTRACT TOTAL	**99,775.00**								

ACORD®

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY): 2/6/2026

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER
Edgewood Partners Ins Center
3780 Mansell Rd. Suite 370
Alpharetta GA 30022

CONTACT NAME: Jerry Noyola
PHONE (A/C, No, Ext): 770.552.4225 **FAX (A/C, No):**
E-MAIL ADDRESS: greylingcerts@greyling.com

INSURER(S) AFFORDING COVERAGE	NAIC #
INSURER A : National Union Fire Ins Co of Pittsburg	19445
INSURER B : Allied World Assurance Co (U.S.) Inc.	19489
INSURER C : New Hampshire Insurance Company	23841
INSURER D : Lloyd's of London	85202
INSURER E :	
INSURER F :	

INSURED KIMLASS
Kimley-Horn and Associates, Inc.
421 Fayetteville Street, Suite 600
Raleigh, NC 27601

COVERAGES **CERTIFICATE NUMBER:** 1329122558 **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	X COMMERCIAL GENERAL LIABILITY			GL5268169	4/1/2025	4/1/2026	EACH OCCURRENCE	$ 2,000,000
	CLAIMS-MADE X OCCUR						DAMAGE TO RENTED PREMISES (Ea occurrence)	$ 1,000,000
	X Contractual Liab						MED EXP (Any one person)	$ 25,000
	GEN'L AGGREGATE LIMIT APPLIES PER:						PERSONAL & ADV INJURY	$ 2,000,000
	POLICY X PRO-JECT X LOC						GENERAL AGGREGATE	$ 4,000,000
	OTHER:						PRODUCTS - COMP/OP AGG	$ 4,000,000
								$
A A	AUTOMOBILE LIABILITY X ANY AUTO			CA4489663 (AOS) CA2970071 (MA)	4/1/2025 4/1/2025	4/1/2026 4/1/2026	COMBINED SINGLE LIMIT (Ea accident)	$ 2,000,000
	OWNED AUTOS ONLY / SCHEDULED AUTOS						BODILY INJURY (Per person)	$
	X HIRED AUTOS ONLY / X NON-OWNED AUTOS ONLY						BODILY INJURY (Per accident)	$
							PROPERTY DAMAGE (Per accident)	$
								$
B	X UMBRELLA LIAB X OCCUR			03127930	4/1/2025	4/1/2026	EACH OCCURRENCE	$ 5,000,000
	X EXCESS LIAB CLAIMS-MADE						AGGREGATE	$ 5,000,000
	DED X RETENTION $ 10,000							$
C C	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY Y/N ANYPROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? N (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	N/A		WC067961230 (AOS) WC013711885 (CA)	4/1/2025 4/1/2025	4/1/2026 4/1/2026	X PER STATUTE / OTH-ER	
							E.L. EACH ACCIDENT	$ 2,000,000
							E.L. DISEASE - EA EMPLOYEE	$ 2,000,000
							E.L. DISEASE - POLICY LIMIT	$ 2,000,000
D	Professional Liability			B0146LDUSA2504949	4/1/2025	4/1/2026	Per Claim Aggregate	$2,000,000 $2,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
Re: ENG26-0007 - Area Traffic Study at HMR/SHR/AD Ave Intersection Area. The City of Kingman is named as an Additional Insured with respects to General Liability where required by written contract.

CERTIFICATE HOLDER

City of Kingman
310 N. 4th Street
Kingman AZ 86401

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE
Gregg Bachtel

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CITY OF KINGMAN
COMMUNICATION TO COUNCIL

TO:	Honorable Mayor and City Council
FROM:	Rusty Cooper
MEETING DATE:	July 7, 2026
AGENDA SUBJECT:	Kingman Police Department Recruitment/Retention Strategy and Proposed Recruitment Incentives

---

SUMMARY:
As part of the Kingman Police Department's Recruitment-Retention Strategy and Workforce Development Plan it is proposed to offer the following recruitment incentives: A $5,000 hiring incentive for lateral officers with less than five year experience; $7,500 hiring incentive for lateral officers with more than five years experience; 40 hours front loaded vacation; and up to $2,000 relocation assistance to new recruit and lateral officers.

FISCAL IMPACT:
The estimated maximum fiscal impact to the General Fund is approximately $10,250 for each police officer hired.

STAFF RECOMMENDATION:
Approval

SUGGESTED MOTION:
Staff recommends approval of the proposed recruitment incentives.

ATTACHMENTS:
KPD Recruitment Strategy Presentation 2026.pptx
KPD Recruitment Strategy 2026.pdf

KINGMAN POLICE DEPARTMENT

Recruitment, Retention & Workforce Development strategy

June 2026



CURRENT RECRUITMENT ENVIRONMENT

- Limited pool of qualified applicants
- Strong competition among law enforcement agencies
- Vacancies impact staffing, scheduling and service delivery



PURPOSE OF THE RECRUITMENT STRATEGY

Position KPD as an employer of choice by offering:

- Competitive compensation
- Professional development opportunities
- Positive organizational culture
- Efficient hiring and applicant support
- Strong community and brand visibility



RECRUITMENT OBJECTIVES

- Increase qualified recruit and lateral applicants
- Reduce vacancies and maintain authorized staffing
- Improve applicant engagement throughout hiring
- Strengthen awareness of KPD culture and career opportunities
- Reduce applicant attrition through a more efficient process



CURRENT RECRUITMENT ACTIONS

- Recruitment graphics and QR codes on patrol vehicles
- Updated recruitment materials, videos, and digital advertising
- Recruitment-focused social media content
- Increased presence at career fairs, community events, and outreach activities



APPLICANT ENGAGEMENT & HIRING PROCESS IMPROVEMENTS

- Designated Department representative for applicants
- Timely applicant follow-up and communication standards
- Review of hiring and testing procedures for efficiency
- Expanded recruitment team support throughout the process



EXPANDING RECRUITMENT CAPACITY

- Recruitment staff focused on applicant outreach
- Social media support for recruitment messaging
- Community outreach representatives at public events
- Consistent messaging across platforms and events



COMPETITIVE COMPENSATION

KPD Officer Pay Structure

- **Recruit pay:** $64,938 annually / $31.22 per hour
- **Police Officer Pay Plan:** 10-step structure
- **Step 1:** $67,081 annually / $32.25 per hour
- **Step 10:** $89,847 annually / $43.20 per hour
- Approximately **3.3% progression** between steps



LATERAL STEP PLACEMENT

Recognizing Prior Law Enforcement Experience

- Lateral officers eligible for step placement based on verified sworn service
- Immediate recognition of prior experience
- Clear and transparent compensation model
- Improves competitiveness with surrounding agencies



RECOMMENDED RECRUITMENT INCENTIVES

Proposed Lateral Hiring Incentives

Lateral Officers – Less Than 5 Years

- $5,000 hiring incentive

Lateral Officers – 5+ Years

- $7,500 hiring incentive

Lateral Officers – 40hrs Vacation

Recruit & Lateral Officers

- Up to $2,000 relocation assistance



HOW THE INCENTIVES WOULD WORK

Experienced-Based Incentive Structure

$5,000 w/ Less Than 5 Years of Experience

- $1,000 upon hire
- $2,000 after Field Training
- $2,000 after 1-year probation

$7,500 w/ 5+ Years of Experience

- $2,000 upon hire
- $2,500 after Field Training
- $3,000 after 1-year probation



WHY THIS INVESTMENT MATTERS

- Improves ability to compete for qualified officers
- Supports faster staffing stabilization
- Reduces barriers for experienced candidates to relocate
- Strengthens long-term service capacity and public safety readiness
- Supports retention through milestone-based incentives



CONTINUED AREAS OF FOCUS

- Family friendly shift schedule
- Take home car program
- Specialty assignment opportunities
- Training, leadership and career development opportunities
- On site fitness center
- Comprehensive Wellness Program





CONCLUSION

- KPD has earned a strong reputation for professionalism, leadership, and community trust.

- Recruitment success depends on visibility, efficiency, competitive compensation, and organizational support.

- Hiring incentives and relocation assistance will strengthen KPD's ability to compete for highly qualified candidates.

- Investing in our workforce is an investment in long-term public safety and service to the Kingman community





PROPOSED RECRUITMENT & HIRING INCENTIVES

Lateral Officers – Less Than 5 Years

- $5,000 hiring incentive

Lateral Officers – 5+ Years

- $7,500 hiring incentive

Lateral Officers – 40hrs Vacation

Recruit & Lateral Officers

- Up to $2,000 relocation assistance



Office: (928) 753-2191 Fax: (928) 753-2542
2730 E. Andy Devine Avenue *Kingman, Arizona 86401*

Kingman Police Department Recruitment, Retention and Workforce Development Strategy

June, 2026

Purpose

The Kingman Police Department continues to face significant competition in recruiting and retaining qualified police officers. Law enforcement agencies throughout Arizona and the nation are competing for a limited pool of candidates, requiring agencies to be proactive, innovative, and responsive in their recruitment efforts.

The purpose of this strategy is to attract, recruit, and retain highly qualified police officer recruits and lateral police officers by promoting the Kingman Police Department as an employer of choice through competitive compensation, professional development opportunities, a positive organizational culture, and an efficient hiring process.

Recruitment Objectives

The Department's recruitment efforts are focused on the following objectives:

- Fill all vacant positions
- Maintain Authorized staffing levels
- Streamline hiring processes to reduce applicant attrition
- Improve applicant engagement throughout the hiring process.
- Strengthen the Department's brand and reputation as a professional law enforcement agency.
- Enhance awareness of the Kingman Police Department's culture.

Recruitment Strategy and Current Implementation Efforts

1. Enhanced Marketing and Brand Awareness

The Department has begun implementing several initiatives to increase visibility and promote employment opportunities:

- Installation of recruitment graphics and QR codes on marked patrol vehicles directing prospective applicants to the Department's employment website.
- Addition of rear-window recruitment graphics highlighting the Department's mission, values, and career opportunities.
- Updated recruitment materials, displays, billboards, videos, and digital advertisements to reflect current compensation and benefits packages.

- Expansion of recruitment-focused social media content showcasing employee experiences, specialized assignments, training opportunities, and organizational culture.
- Increased participation at community events, career fairs, and public outreach activities to engage potential candidates and strengthen public awareness.

2. Applicant Engagement and Hiring Process Improvements

Recognizing that successful recruitment extends beyond attracting applicants, the Department has implemented measures to improve the applicant experience:

- Assignment of a designated Department representative to provide individualized guidance and communication throughout the testing and hiring process.
- Establishment of applicant contact standards to ensure timely follow-up and consistent communication.
- Ongoing evaluation of hiring and testing procedures to identify opportunities for increased efficiency and reduced processing times.
- Expansion of recruitment team responsibilities to improve applicant outreach and support.

3. Recruitment Team Expansion and Community Outreach

The Department has increased personnel assigned to recruitment efforts and broadened the role of recruitment staff to support both hiring and public engagement efforts. These assignments include:

- Recruitment team members dedicated to applicant outreach and engagement.
- Social media personnel focused on creating and sharing recruitment-related content.
- Community outreach representatives attending recruitment events, career fairs, and public events to promote the Department's brand, values, and career opportunities.

The recruitment team currently consists of 17 officers, sergeants, command and professional staff from the different bureaus of the department, meeting monthly or as needed.

This approach allows the Department to maintain consistent messaging across multiple platforms while increasing direct engagement with prospective applicants.

4. Competitive Wages and Step Placement for Lateral Officers

A competitive compensation structure is one of the Department's most important recruitment tools. The Kingman Police Department police officer pay plan consists of ten steps ranging from **$67,081 annually ($32.25/hour)** to **$89,847 annually ($43.20/hour)**, with approximately **3.3% progression between each step**. Police recruits attending the academy are compensated at **$64,938 annually ($31.22/hour)** during academy training.

To remain competitive in attracting experienced officers, lateral hires are eligible for step placement on the police officer pay plan based on verified years of prior service as a sworn peace officer. This

structure recognizes prior law enforcement experience and provides an immediate compensation benefit to qualified lateral candidates.

For example, a lateral officer hired with **five years of prior sworn law enforcement experience** would be placed at **Step 5** of the Kingman Police Department police officer pay plan.

This approach strengthens the Department's ability to recruit experienced officers by:

- Providing a clear and transparent compensation model.
- Recognizing prior training, experience, and service.
- Improving KPD's competitiveness with surrounding law enforcement agencies.
- Reducing financial barriers for experienced officers considering relocation or agency transition.

Lateral recruitment remains a critical component of the Department's staffing strategy because experienced officers can be integrated into operations more quickly, require less foundational training than entry-level recruits, bring valuable knowledge and experience to the organization, and reduce the overall cost of hiring and training new officers.

Currently, it takes approximately 18 months to recruit, hire, train, and complete the introductory period for a new police recruit, at an estimated cost of $90,000 per officer.

5. Recruitment Incentives

In addition to competitive wages and lateral step placement, the Department recommends consideration of the following officer hiring incentives designed to improve its ability to attract qualified lateral candidates, recruit candidates and support relocation to Kingman.

Proposed Officer Hiring Incentive

Lateral Officers with Less Than Five Years of Experience

- **$5,000 hiring incentive & front loaded 40hrs vacation**
    - $1,000 upon hire
    - $2,000 upon successful completion of Field Training
    - $2,000 upon successful completion of 1-year introductory probation
    - 40hrs vacation front loaded

Lateral Officers with Five or More Years of Experience

- **$7,500 hiring incentive & front loaded 40hrs vacation**
    - $2,000 upon hire
    - $2,500 upon successful completion of Field Training
    - $3,000 upon successful completion of 1-year introductory probation
    - 40hrs vacation front loaded

Recruit & Lateral Officer Relocation Assistance

To improve the Department's ability to attract entry-level and lateral candidates from outside the immediate region, recruit and lateral officers may also be eligible for up to **$2,000 in relocation assistance** based on mileage increments.

Continued Areas of Focus

The Department will continue to highlight on going wellness and quality of life initiatives, including:

- Family friendly shift schedule.
- Take home car program.
- Specialty assignment opportunities.
- Training, leadership and career development opportunities.
- On site fitness center.
- Comprehensive Wellness Program.

Conclusion

The Kingman Police Department's recruitment strategy is designed to address current staffing challenges through a comprehensive approach that combines marketing, community engagement, applicant support, process improvement, competitive compensation, and targeted incentives. By investing in these recruitment initiatives, the Department is better positioned to attract and retain qualified personnel, reduce vacancies, and ensure the continued delivery of professional public safety services to the Kingman community.

Sincerely,

Rusty Cooper
Chief of Police

CITY OF KINGMAN
COMMUNICATION TO COUNCIL

TO:	Honorable Mayor and City Council
FROM:	Robert Petrillo
MEETING DATE:	July 7, 2026
AGENDA SUBJECT:	Report on Status of Flying Fortress Parkway Project

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SUMMARY:
The Flying Fortress Parkway Project, which will connect Interstate 40 to the Industrial Park is underway. The project is being completed in three phases.
Phase I is currently under construction through an Intergovernmental Agreement (IGA) with ADOT. This phase includes construction of the traffic interchange and Flying Fortress Parkway from Louise Avenue to north of Lamar Road.
Phase II is also currently under construction by the City's contracted contractor. This phase includes improvements to Flying Fortress Parkway from north of Lamar Road to Airway Avenue, as well as improvements to Airway Avenue from Prospector Street to Flying Fortress Parkway.
Phase III is currently in the design phase and will include improvements to Flying Fortress Parkway from Airway Avenue to the Industrial Park.
This report focuses on the progress of the Flying Fortress Parkway Phase II Project (ENG25-0079). Construction of the project was awarded to the low bidder, Perco Rock Company. The Notice to Proceed (NTP) was issued on April 27, 2026, establishing the official start of construction. The project is currently anticipated to be completed by September 28, 2026.
As of June 29, 2026, significant progress has been made on the drainage improvements. Of the six precast box culverts planned along Flying Fortress Parkway and Airway Avenue, two culverts along Flying Fortress Parkway and two culverts along Airway Avenue have been installed. The contractor is currently working on the installation of the remaining two box culverts along Airway Avenue.

In addition to the box culverts, three multi-barrel corrugated metal pipe (CMP) crossings were designed along Flying Fortress Parkway to improve drainage efficiency. Installation of all three CMP crossings has been completed.

The planned pavement for Flying Fortress Parkway consists of Portland Cement Concrete (PCC). To minimize future impacts to the roadway and avoid cutting into the pavement for

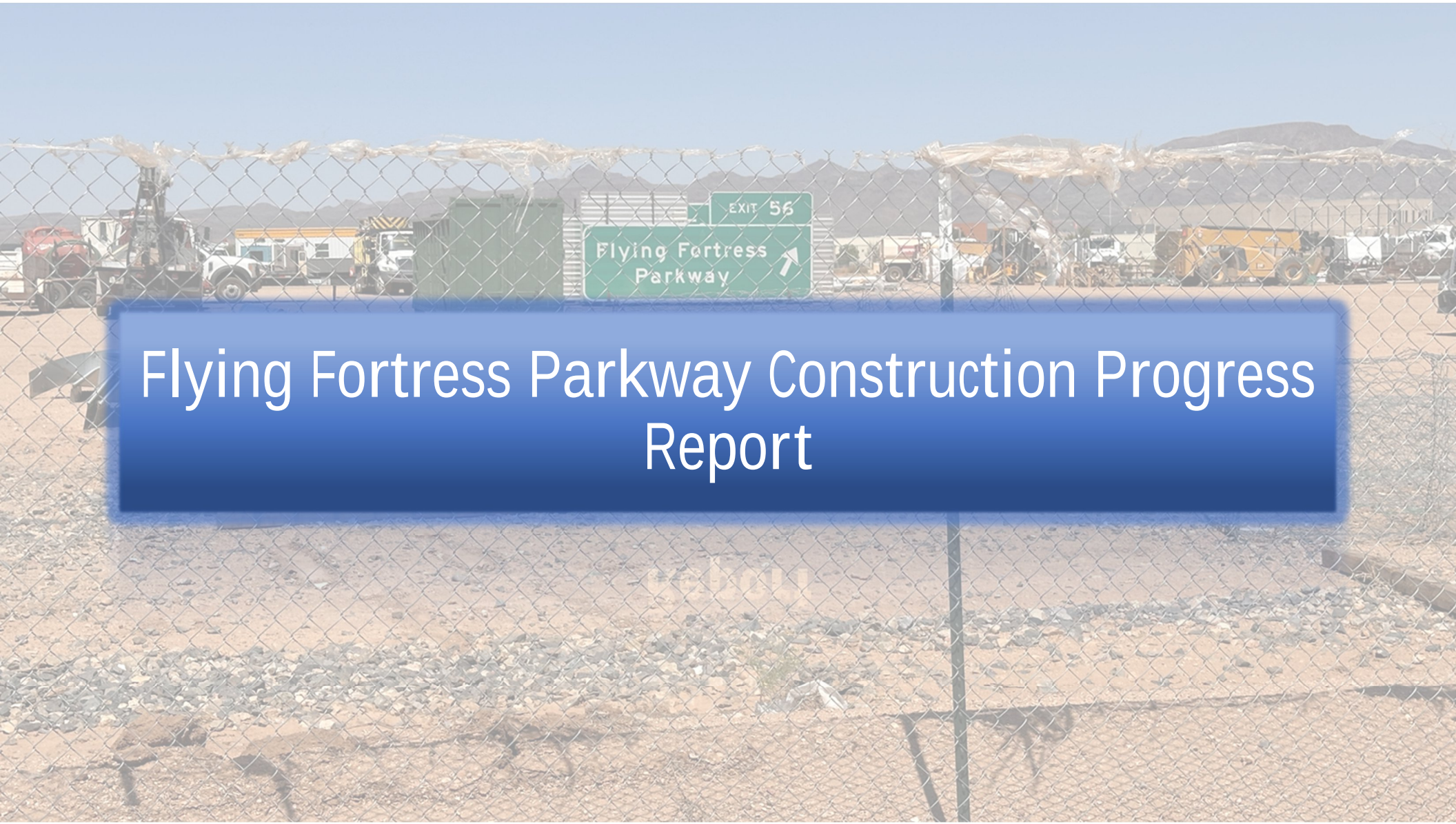
utility installations, the City included several utility crossings as part of the project. These conduits will allow utility providers to install future services as needed without disturbing the roadway. Installation of these utility conduits has been completed.

With the White Cliffs Middle School academic year scheduled to begin on July 15, 2026, the City has prioritized paving Airway Avenue from Prospector Street to at least 500 feet west of the school property line. To meet this goal, the contractor has scheduled paving operations for the first section of Airway Avenue on July 14, 2026. Within this section, curb and gutter construction has been completed, and both the roadway subgrade and Aggregate Base Course (ABC) have been prepared and are ready for paving.

For the remainder of the project, roadway subgrade preparation has been completed and the areas are ready for placement of ABC.

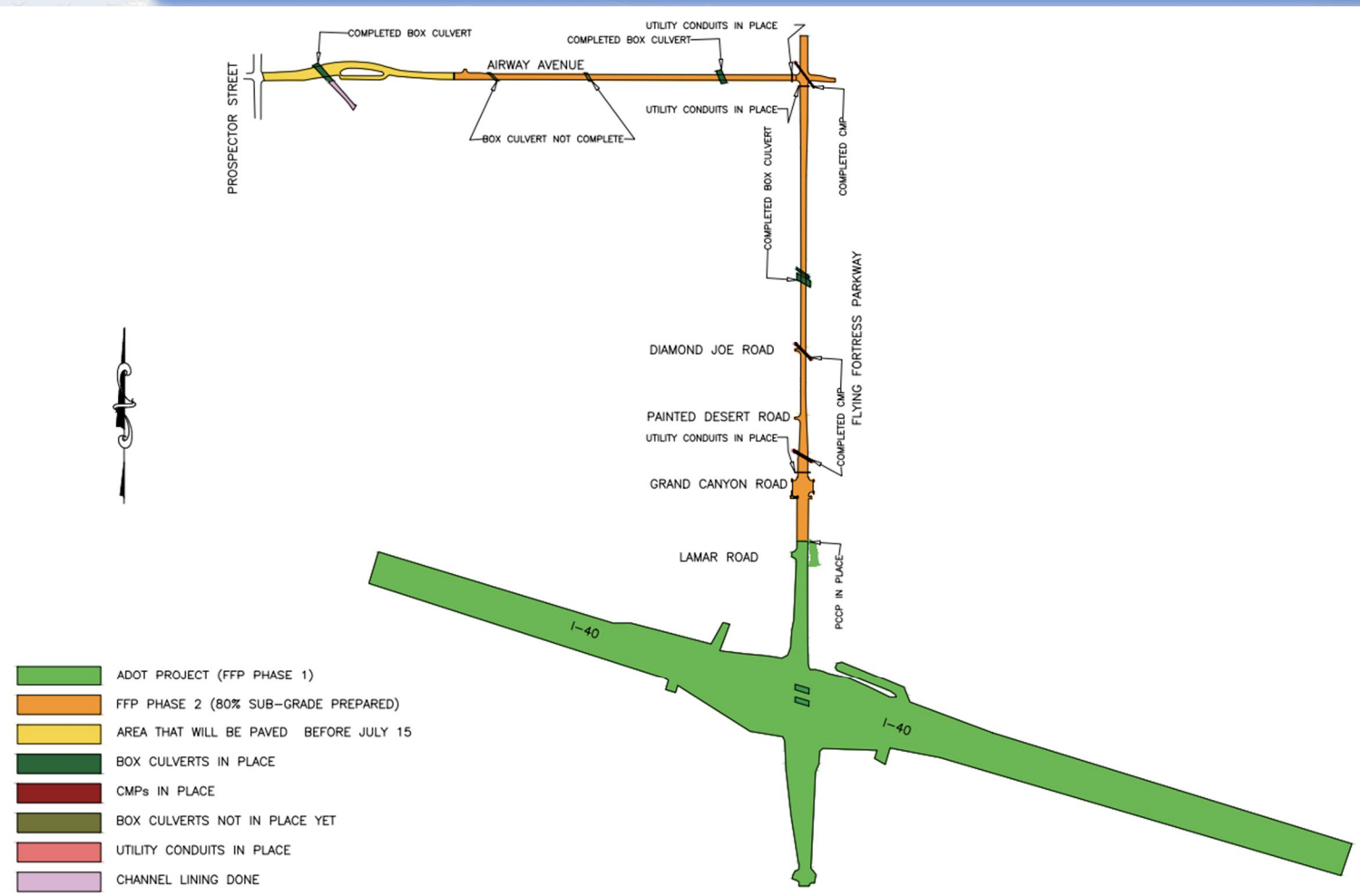
Overall, the project has progressed smoothly, with strong coordination among City staff, the contractor, utility companies, and other project stakeholders. Construction activities remain on schedule, and based on the current progress, the anticipated completion date remains September 28, 2026.

ATTACHMENTS:
ENG Department Report - Flying Fortress Project.pptx
Progress Report - FFP II.pdf



Flying Fortress Parkway Construction Progress Report

Flying Fortress Parkway Construction Progress Map

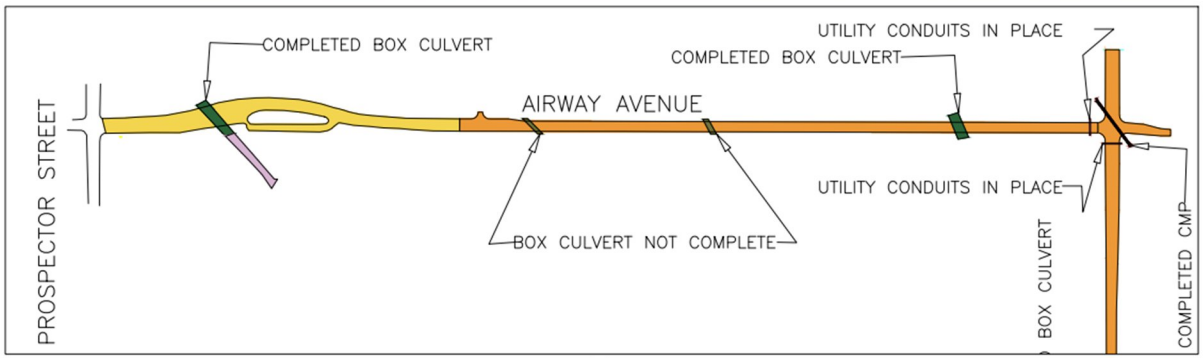


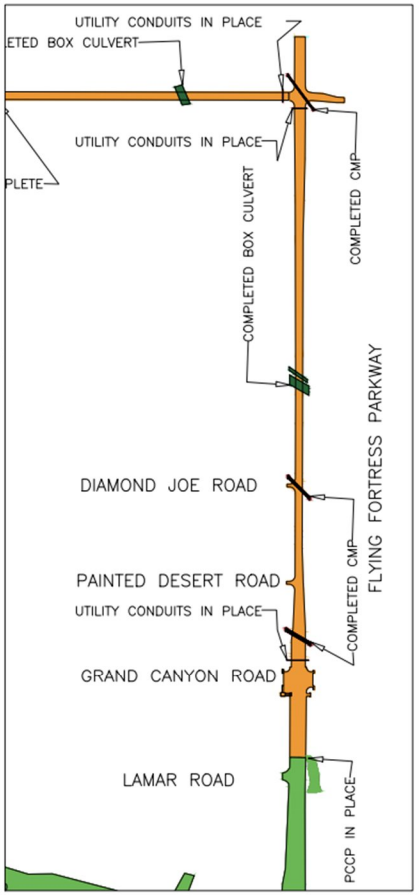


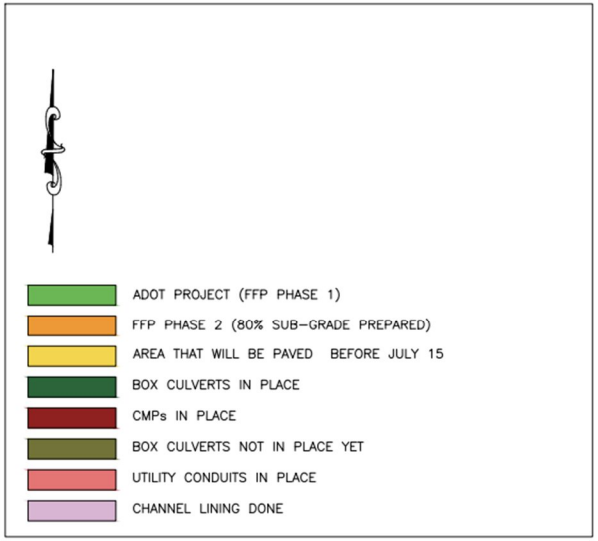


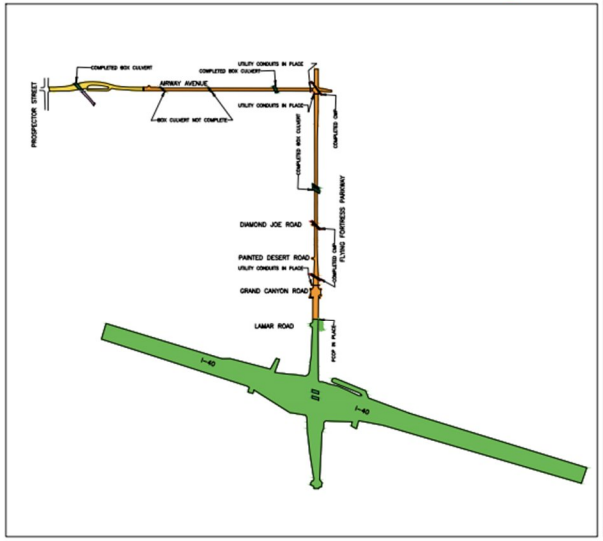


Flying Fortress Parkway Construction Progress Map



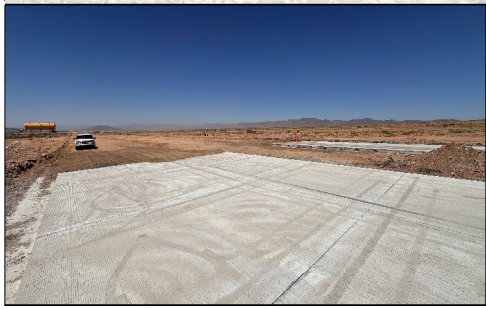












Flying Fortress Parkway Project Major Milestone Dates

Airway Avenue AC Paving by school: July 17-18

Flying Fortress Concrete Pavment (PCCP): July 13 – August 14

AC Paving on Airway Avenue E of School to FFP: September 16 to September 17



Ribbon Cutting: October 5, 2026

City of Kingman – Engineering Department

Progress Report for Flying Fortress Phase II

The Flying Fortress Parkway Project, which will connect Interstate 40 to the Industrial Park, is one of the most significant transportation improvement projects in the history of the City of Kingman. The project is being completed in three phases.

Phase I is currently under construction through an Intergovernmental Agreement (IGA) with ADOT. This phase includes construction of the traffic interchange and Flying Fortress Parkway from Louise Avenue to north of Lamar Road.

Phase II is also currently under construction by the City's contracted contractor. This phase includes improvements to Flying Fortress Parkway from north of Lamar Road to Airway Avenue, as well as improvements to Airway Avenue from Prospector Street to Flying Fortress Parkway.

Phase III is currently in the design phase and will include improvements to Flying Fortress Parkway from Airway Avenue to the Industrial Park.

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As of June 29, 2026, significant progress has been made on the drainage improvements. Of the six precast box culverts planned along Flying Fortress Parkway and Airway Avenue, two culverts along Flying Fortress Parkway and two culverts along Airway Avenue have been installed. The contractor is currently working on the installation of the remaining two box culverts along Airway Avenue.



Figure 1: Completed Channel Lining and Box Culvert



Figure 2: Precast Box Culvert In Place

In addition to the box culverts, three multi-barrel corrugated metal pipe (CMP) crossings were designed along Flying Fortress Parkway to improve drainage efficiency. Installation of all three CMP crossings has been completed.



Figure 3: CMP In Place



Figure 4: CMP In Place

The planned pavement for Flying Fortress Parkway consists of Portland Cement Concrete (PCC). To minimize future impacts to the roadway and avoid cutting into the pavement for utility installations, the City included several utility crossings as part of the project. These conduits will allow utility providers to install future services as needed without disturbing the roadway. Installation of these utility conduits has been completed.



Figure 5:Utility Conduits In Place

With the White Cliffs Middle School academic year scheduled to begin on July 15, 2026, the City has prioritized paving Airway Avenue from Prospector Street to at least 500 feet East of the school property line. To meet this goal, the contractor had scheduled paving operations for the first section of Airway Avenue on July 14, 2026 (before start of school), but due to AC producer not changing production of needed mix design until July 15th 2026, paving was moved to Friday (July 17) and Saturday (July 18) when school is not in session. Within this segment of Airway Avenue, curb and gutter construction and subgrade preparation has been completed, and the contractor is working on preparing Aggregate Base Course (ABC) layer of the street.



Figure 6: Curb and Gutter and Subgrade Ready

For the remainder of the project, roadway subgrade preparation has been 80% completed and the contractor is working to prepare the roadway for placement of AB.



Figure 7: Roadway Subgrade Along FFP

Overall, the project has progressed smoothly, with strong coordination among City staff, the contractor, utility companies, and other project stakeholders. Construction activities remain on schedule, and based on the current progress, the anticipated completion date remains September 28, 2026.

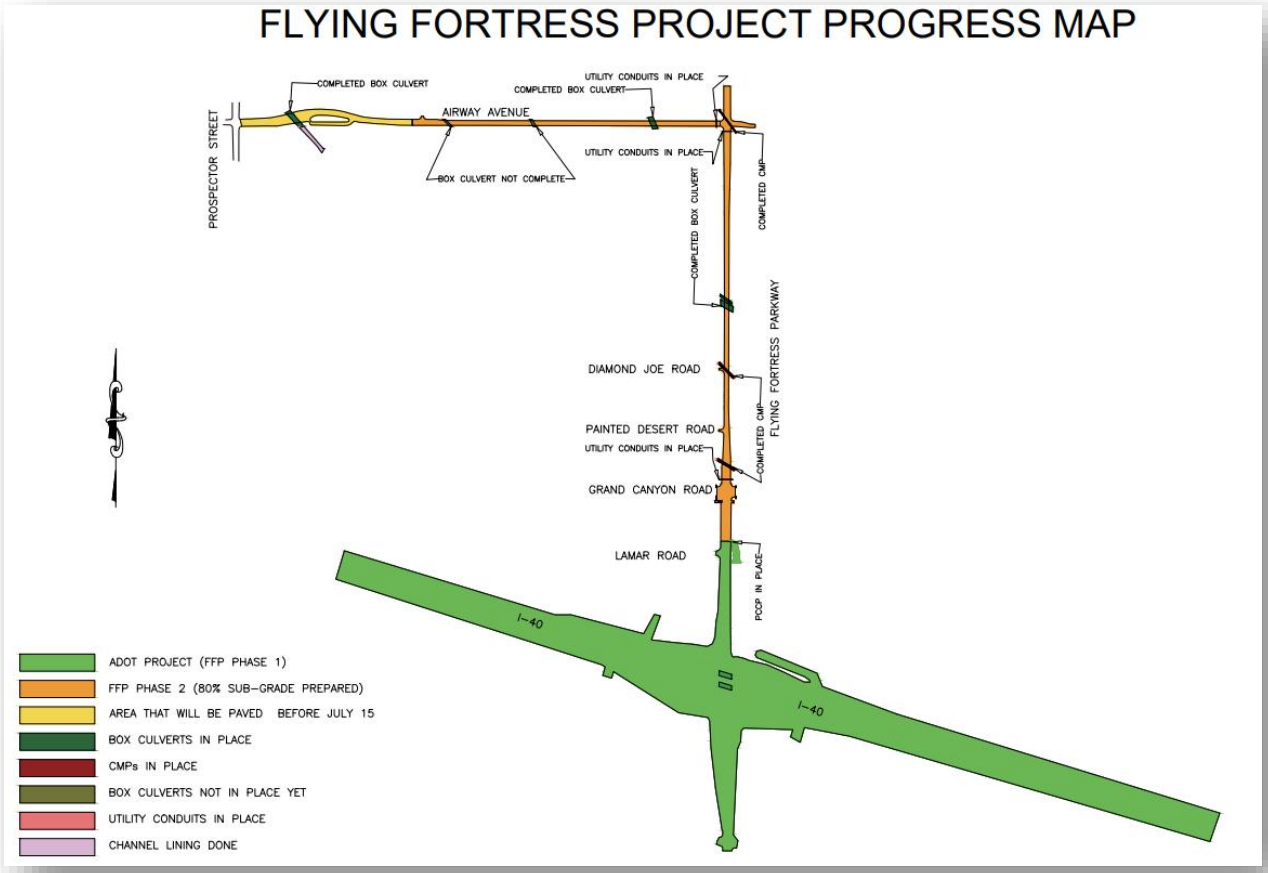


Figure 8: Overall Progress Map

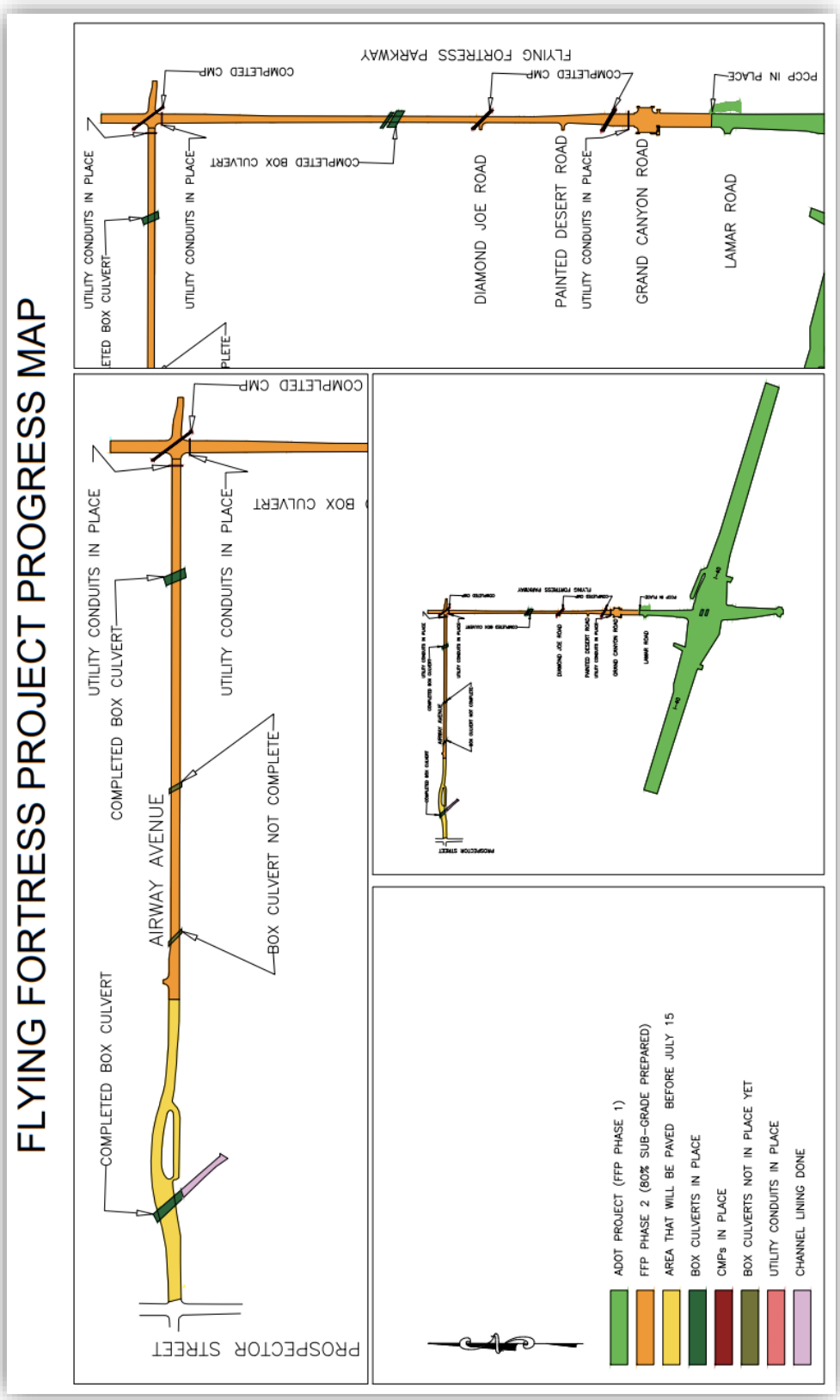


Figure 9: Overall Progress Map

CITY OF KINGMAN
COMMUNICATION TO COUNCIL

TO:	Honorable Mayor and City Council
FROM:	Jack Plaunty
MEETING DATE:	July 7, 2026
AGENDA SUBJECT:	Customer Complaint Process for Water Issues

SUMMARY:
Staff will present to Council and the community the process of reporting and completing water complaints.

CITY OF KINGMAN
COMMUNICATION TO COUNCIL

TO: Honorable Mayor and City Council

FROM: Carl Cooper

MEETING DATE: July 7, 2026

AGENDA SUBJECT: Discussion Regarding Kingman Crossing

SUMMARY:
City staff request Council go into executive session pursuant to ARS 38-431.03(A)(3) to discuss Kingman Crossing.

Council discussion or direction.

SUGGESTED MOTION:
Go into executive session.