NOTICE OF A REGULAR MEETING OF THE TOWN COUNCIL
OF THE TOWN OF CLARKDALE
TUESDAY, MAY 13, 2025 AT 6:00 PM

In Person: St. Thomas Episcopal Church - 889 1st South Street, Clarkdale AZ
OR
Join Zoom Meeting
https://us02web.zoom.us/j/88206419646
Meeting ID: 882 0641 9646

Unless otherwise stated, the public will have physical access to the meeting place 15 minutes prior to the meeting start time.

Town of Clarkdale Vision

The Town of Clarkdale capitalizes on our unique history, proximity to the Verde River, and small-town charm. We cultivate an environment where residents and businesses can thrive.
We sustainably enhance our infrastructure, support the arts and education, and develop recreational opportunities to create a bright future for our entire community.

PURSUANT TO A.R.S. §38-431.02, NOTICE IS HEREBY GIVEN to the members of the Common Council of the Town of Clarkdale and to the general public that the Town of Clarkdale Town Council will hold a Regular Meeting open to the public on Tuesday, May 13, 2025, at 6:00 PM in a hybrid meeting via Zoom Video Conference or in person at the St. Thomas Episcopal Church at 889 1st South Street, Clarkdale, Arizona. Members of the Clarkdale Common Council will attend either in person or by telephone, video or internet conferencing. Pursuant to A.R.S. §38-431.03, the Council may vote to recess the meeting and move into Executive Session on any item, which will be held immediately after the vote and will not be open to the public. Upon completion of Executive Session, the Council may resume the meeting, open to the public, to address the remaining items on the agenda.
Supporting documentation and staff reports furnished to the Council with this agenda are available for review on the Town website at www.clarkdale.az.gov and the Town Clerk's Office.

ALL ITEMS ON THIS AGENDA ARE SCHEDULED FOR DISCUSSION AND POSSIBLE ACTION, UNLESS OTHERWISE NOTED.

1. **CALL TO ORDER**

2. **ROLL CALL**

3. **PUBLIC COMMENT**
The Town Council invites the public to provide comments at this time. Members of the Town Council may not discuss items that are not specifically identified on the agenda. Therefore, pursuant to A.R.S. §38-431.01, action taken as a result of public comment will be limited to directing staff to study the matter, responding to any criticism, or scheduling the matter for further

consideration and decision at a later date. Persons interested in making comments on a specific agenda item are asked to complete a brief form and submit it to the Clerk or liaison during the meeting. Each speaker is asked to limit their comments to five minutes.

4. REPORTS

A. Current Events – (submitted electronically)

A brief summary of current events. The Council will not propose, discuss, deliberate, or take legal action on any matter in the summary. Reports submitted electronically:

- Mayor's Report
- Vice-Mayor's Report
- Councilmembers' Reports

B. Organizational Reports – (submitted electronically)

Reports regarding regional organizations submitted electronically:

- VVTPO – Verde Valley Transportation Planning Organization
- NACOG - Northern Arizona Council of Governments
- NAMWUA - Northern Arizona Municipal Water Users Association
- TPAC – Transportation Policy Advisory Council
- VFLC – Verde Front Leadership Council
- Sustaining Flows Committee
- Yavapai Communities for Young Children
- Cottonwood Airport Noise Working Group
- Vulnerable Road Users SHSP Emphasis Area Team
- NACOG Community Action Board (CAB)

5. CONSENT AGENDA

Items on the consent agenda are of a routine nature or have been previously studied by the Town Council at a work session or during a New Business discussion. They are intended to be acted upon in one motion. Council members may pull items from consent if they would like them considered separately.

A. Approval of Minutes

Consider and act upon the draft minutes from the regular meeting held on April 22, 2025.

B. PSPRS Funding Policy

Consider and act upon the annual Town of Clarkdale Public Safety Personnel Retirement System (PSPRS) Pension Funding Policy for Fiscal Year ending June 30, 2026.

C. Deed of Dedication for a Portion of Luke Lane from Cykel Holdings, L.L.C. (Bent River Machine)

Consider and act upon a Deed of Dedication for a portion of Luke Lane from Cykel Holdings, LLC (Bent River Machine).

D. Resolution #1735 - Grant Application to the AZ SMART Fund for Design of the Luke Lane and Broadway Street Improvement Project

Consider and act upon a request by staff to approve Resolution #1735 regarding a grant application to the Arizona SMART Grant Fund, for the design of the Luke Lane and Broadway Improvement Project, in the amount of $1,268,821.

E. **Ratification of a Grant Application and Award from the Arizona Energy Efficiency and Conservative Block Grant Program for Electric Vehicles**
Consider and act upon the ratification of a grant application and award from the Arizona Energy Efficiency and Conservative Block Grant (EECBG) Program for $241,000 for two fully outfitted Police Department Electric Vehicles (EVs) and an EV charging station.

6. NEW BUSINESS

A. **Proclamation - Bike Month**
Discuss, consider and act upon a proclamation declaring May 2025 as Bike Month.

B. **Presentation from the Bicycle Advisory Committee (BAC)**
The Council will receive a presentation from the Bicycle Advisory Committee regarding the AARP Community Challenge Bike Audit.

C. **Budget Proposal Presentation for the Fiscal Year Ending June 30, 2026**
The Council will receive a presentation from Town Manager Susan Guthrie and Finance Director Joe Duffy regarding the budget proposal for the fiscal year ending June 30, 2026.

D. **Cemetery Well Deepening Project**
Discuss, consider, and act upon a proposal from KP Ventures for the Cemetery Well Deepening Project ADWR ID#55-559554 for an amount not to exceed $66,673.91.

E. **Ratification of Emergency Expenditures Related to the Arsenic Treatment Plant and Windy Street Water Line and Reallocation of CIP W28 funds for Pavement Repairs in the Crossroads.**
Discuss, consider and act upon the ratification of emergency expenditures for the arsenic treatment plant and Windy Street water line in the amount of $51,932.52 using water contingency funds, and the use of $34,840 from CIPW28 Fisher Warehouse funding for the necessary pavement repairs made to Crossroads subdivision.

7. FUTURE AGENDA ITEMS

Town Council may propose items to be placed on a future agenda. This item is for discussion only.

8. ADJOURNMENT

Values

Values are the guiding principles that provide an organization with purpose and direction. The Town of Clarkdale's organizational values are:

COPPER
Customer focused
Open, transparent and equitable
Preserving our history, charm, and environment

Planning for a sustainable future
Economic and social resiliency
Resourceful and innovative

Mission

The Town of Clarkdale serves the community by providing amenities, infrastructure, services, and public safety to enhance quality of life. We are stewards of our history while we sustainably and resiliently plan for the future with an emphasis on community engagement and transparency.

Persons with a disability may request reasonable accommodations by contacting the Town Hall at (928) 639-2400 (TTY: 1-800-367-8939) at least 72 hours in advance of the meeting.

From the office of Mayor Prud'homme-Bauer

April 2025 Report

Regularly Held Monthly Meetings:

- Regular weekly one-on-one meetings with the Town Manager on Wednesdays.
- Agenda review meetings on Monday afternoon before the Town Council meeting.
- Host twice monthly Verde Valley Mayors/Managers Zoom meetings.
- Weekly Legislative Call with LACT.

Other Meetings, Events, Emails and Phone Calls:

- Attended and spoke at the State of the Town event.
- Attended the County Board of Supervisors for the appointment of Dee Jenkins as District 2 County Supervisor and to support Clarkdale residents speaking during public comment.
- Brief meeting with Ruth Mayday regarding resident question about Tract O in Mingus Shadows.
- Attended the Water and Wastewater Master Plan open house event.
- Attended a meeting with Supervisor Nikki Check, Cottonwood Mayor Ann Shaw, and ERAU Chancellor Ken Witcher regarding airplane noise.
- Attended the County Supervisor District 3 Town Hall at the Cottonwood Library.
- Attended the farewell open house for Erin in Finance.
- Attended Senator Gallegos' Town Hall in Camp Verde to include the meeting with Mayors and the public meeting.
- Attended the Clarkdale Volunteer Appreciation event.
- Virtual participation in the Zoning Code Update Committee meeting.

Upcoming events: ClarkdALE Beer Festival, Bike Month in Clarkdale, Concerts in the Park.

From the office of Vice Mayor Hunseder

April 2025 Report

04/01/25 – Attended State of the Town luncheon.

04/01/25 – CDBA Meeting.

04/05/25 – Volunteered for Clarkdale Criterium.

04/07/25 – Attended budget work session.

04/08/25 – Water/Wastewater Master Plan Open House.

04/08/25 – Town of Clarkdale Council Meeting.

04/17/25 – Attended Volunteer Appreciation Dinner (well done team!)

04/18/25 – Call with NACOG Executive Director.

04/21/25 – One-on-one with Town Manager Guthrie.

04/22/25 – Final budget work session.

04/22/25 – Town of Clarkdale Council meeting.

04/24/25 – NACOG Executive Committee and Regional Council Meeting (Flagstaff).

From the office of Council Member O'Neill

April Report

4-7 Participated in an all-day budget workshop.

4-8 Participated in the Water/Wastewater Master Plan open house.

4-8 Evaluated auditors.

4-8 Participated in Town Council meeting.

4-10 Waved bye-bye to Erin.

4-16 Participated in the Yavapai County Town Hall, and wrote an email to Supervisor Check in support of Clarkdale library.

4-17 Attended the Volunteer Appreciation dinner. Thank you!

4-18 Participated in the NAMWUA meeting.

4-22 One-on-one with Town Manager Guthrie, budget work session and Town Council meeting.

4-25 Participated in Senator Mark Kelly's discussion on threats to Medicaid, Mayor's lunch and wrote to Representative Eli Crane in support of Medicaid.

From the office of Council Member Babbitt-Pierce

April Report

April 1 - State of the Town luncheon.

April 7 - Budget work session.

April 8 - Water Master Plan Open House; Town Council Meeting.

April 10 - NACOG TPAC.

April 17 - Volunteer Appreciation Event.

April 21 - Meeting with Town Manager Guthrie.

April 22 - Budget Session; Town Council Meeting.

April 30 - Northern Arizona Healthcare Verde Valley Reception.

From the office of Council Member Jones

April 2025
Council Member Report

4/01	Attended State of the Town luncheon.
4/02	Attended Yavapai County Board of Supervisors Meeting regarding ERAU.
4/07	Attended budget work session.
4/08	Met with ERAU Student and Professor regarding ERAU airplane noise; attended Water Wastewater Master Plan Open House; Council Meeting.
4/09	Met one-on-one with Cottonwood Council Member Bob Marks regarding Cottonwood Airport; met with Cottonwood Council Member Bob Marks, Airport Manager Probst, acting City Manager Tom Whitmer, Ryan Bigelow and Susan Guthrie regarding Cottonwood Airport.
4/10	Met with reporter about ERAU airplane noise.
4/15	Code Update Citizens Advisory Committee Meeting - Postponed.
4/16	Participated in River Friendly Living Grant Selection with Friends of the Verde River.
4/17	Attended Ruben Gallego Town Hall regarding Health Care in Arizona; attended Volunteer Appreciation Dinner.
4/18	Met with Town Manager Guthrie.
4/22	Town Council Meeting.
4/30	Code Update Citizens Advisory Committee Meeting.

Staff Report

Item Number: 5.A.

Agenda Item: **Approval of Minutes**
Consider and act upon the draft minutes from the regular meeting held on April 22, 2025.

Staff Contact: Charity Brooks, Town Clerk

Meeting Date: May 13, 2025

Strategic Goal: Not applicable.

Background: Review of the draft minutes from the regular meeting held on April 22, 2025.

Budget Impact: No budget impact.

Recommendation: Staff recommends that the Council approve the draft minutes from the regular meeting held on April 22, 2025.

SUMMARIZED MINUTES OF A REGULAR MEETING OF THE TOWN COUNCIL
OF THE TOWN OF CLARKDALE
TUESDAY, APRIL 22, 2025 AT 3:00 PM
(To listen to the full audio of the meeting, please visit www.clarkdale.az.gov – agendas & minutes)

Members Present: Mayor Prud'homme-Bauer, Vice Mayor Debbie Hunseder, and Council Members, Lisa O'Neill, Marney Babbitt-Pierce, and Laura Jones

Other Municipal Officials Present: Susan Guthrie, Town Manager; Charity Brooks, Town Clerk; Joni Westcott, Parks and Recreation Director; D.K. Green, Grants Manager; Joe Duffy, Finance Director; Ruth Mayday, Assistant Town Manager (via Zoom); Randy Taylor, Police Chief

Zoom: One member of the public was present.

Audience: Approximately four members of the public were present.

1. **CALL TO ORDER -** *Mayor Prud'homme-Bauer called the meeting to order at 3 p.m.*

2. **ROLL CALL –** *All members present.*

3. **PUBLIC COMMENT**
   No public comment.

4. **REPORTS**

   Departmental Reports (submitted with Council packet) –
   Summary of written reports from Town Departments and other agencies:
   - Building Permit Report
   - Grants Report
   - Magistrate Court Report
   - Parks and Recreation Report
   - Police Department Report
   - Verde Valley Humane Society
   - Water and Wastewater Report
   - Finance Report

5. **CONSENT AGENDA**
   Items on the consent agenda are of a routine nature or have been previously studied by the Town Council at a work session or during a New Business discussion. They are intended to be acted

upon in one motion. Council members may pull items from consent if they would like them considered separately.

A. Approval of Minutes of the Common Council

Consider and act upon the draft minutes from the regular meeting held on April 8, 2025.

B. Animal Shelter Service Agreement with the Verde Valley Humane Society

Consider and act upon the Verde Valley Humane Society (VVHS) Animal Shelter Service Agreement.

Action: Approve consent agenda items A and B as presented:
Motion: Vice Mayor Hunseder
Second: Council Member Babbitt-Pierce
Vote: Approved 5-0

Voting Member	Aye/Nay
Mayor Robyn Prud'homme-Bauer	Aye
Vice Mayor Debbie Hunseder	Aye
Council Member Lisa O'Neill	Aye
Council Member Marney Babbitt-Pierce	Aye
Council Member Laura Jones	Aye

6. NEW BUSINESS

A. 2026 Congressionally Directed Spending

Discuss, consider, and act upon a request by staff to approve the submission of an application for Fiscal Year 2026 Congressionally Directed Spending (CDS FY26) in the amount of $3.2 - $3.5 million with a local match of $860,000 - $1.1 million, depending on the awarding agency, for the construction of the replacement of the 89-A potable water storage tank.

Action: Approve the submission of an application for Fiscal Year 2026 Congressionally Directed Spending (CDS FY26) in the amount of $3.2 - $3.5 million with a local match of $860,000 - $1.1 million, depending on the awarding agency, for the construction of the replacement of the 89-A potable water storage tank and authorize the Town Manager to execute all documents related to this award:
Motion: Council Member Babbitt-Pierce
Second: Council Member O'Neill
Vote: Approved 5-0

Voting Member	Aye/Nay
Mayor Robyn Prud'homme-Bauer	Aye
Vice Mayor Debbie Hunseder	Aye
Council Member Lisa O'Neill	Aye
Council Member Marney Babbitt-Pierce	Aye
Council Member Laura Jones	Aye

B. Financial Auditing Services

Discuss, consider and act upon the proposal for Financial Auditing Services for fiscal years ending June 30, 2025, through June 30, 2029.

Action: Accept the proposal from Hinton Burdick, PLLC to perform the required financial audit services and authorize the Town Manager to execute all documents:
Motion: Council Member O'Neill
Second: Council Member Babbitt-Pierce
Vote: Approved 5-0

Voting Member	Aye/Nay
Mayor Robyn Prud'homme-Bauer	Aye
Vice Mayor Debbie Hunseder	Aye
Council Member Lisa O'Neill	Aye
Council Member Marney Babbitt-Pierce	Aye
Council Member Laura Jones	Aye

C. Mutual Aid Agreement between the Yavapai-Apache Nation and the Town of Clarkdale for Mutual Use of Law Enforcement

Discuss, consider and act upon the Mutual Aid Agreement between the Yavapai-Apache Nation and the Town of Clarkdale for mutual aid use of law enforcement personnel and resources.

Action: Approve the Mutual Aid Agreement between the Yavapai-Apache Nation and the Town of Clarkdale for mutual aid use of law enforcement personnel and resources:
Motion: Vice Mayor Hunseder
Second: Council Member Jones
Vote: Approved 5-0

Voting Member	Aye/Nay
Mayor Robyn Prud'homme-Bauer	Aye
Vice Mayor Debbie Hunseder	Aye
Council Member Lisa O'Neill	Aye
Council Member Marney Babbitt-Pierce	Aye
Council Member Laura Jones	Aye

7. FUTURE AGENDA ITEMS

Town Council did not propose items to be placed on a future agenda.

8. ADJOURNMENT

Action: Motion to Adjourn:
Motion: Council Member Babbitt-Pierce
Second: Vice Mayor Hunseder
Vote: Approved 5-0

Voting Member	Aye/Nay
Mayor Robyn Prud'homme-Bauer	Aye
Vice Mayor Debbie Hunseder	Aye
Council Member Lisa O'Neill	Aye
Council Member Marney Babbitt-Pierce	Aye
Council Member Laura Jones	Aye

Mayor Prud'homme-Bauer adjourned the meeting without objection at 3:47 p.m.

APPROVED: ATTESTED/SUBMITTED:

______________________________ ______________________________

Robyn Prud'homme-Bauer, Mayor Charity Brooks, Town Clerk

CERTIFICATION AND ATTESTATION

I hereby certify that the foregoing minutes are a true and correct copy of the minutes of the regular meeting of the Town Council of the Town of Clarkdale, Arizona held on the 22nd day of April 2025. I further certify that the meeting was duly called and held and that a quorum was present.

Date approved by Town Council: May 13, 2025

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Charity Brooks, Town Clerk

Staff Report

Item Number: 5.B.

Agenda Item: **PSPRS Funding Policy**
Consider and act upon the annual Town of Clarkdale Public Safety Personnel Retirement System (PSPRS) Pension Funding Policy for Fiscal Year ending June 30, 2026.

Staff Contact: Joe Duffy, Finance Director

Meeting Date: May 13, 2025

Strategic Goal: This agenda item supports the following Clarkdale Strategic Goal Area:

- Goal Area 5 - Strategically invest in organizational development to enhance efficiency and service delivery and to attract and retain an exemplary workforce.

Background: Per Arizona Revised Statutes (ARS) §38.863.01, beginning on or before July 1, 2019, each governing body of an employer shall annually:

1. Adopt a Pension Funding Policy to include funding objectives that address at least the following:
    a. How to maintain the stability of the governing body's contributions to the system.
    b. How and when the governing body's funding requirements of the system will be met.
    c. Defining the governing body's funded ratio target under the system and the timeline for reaching the targeted funded ratio.
2. Formally accept the employer's share of the assets and liabilities under the system based on the system's Actuarial Valuation Report.
3. The governing body shall post the Pension Funding Policy on the governing body's public website.

The Town of Clarkdale's Public Safety Personnel Retirement System (PSPRS) Pension Funding Policy for FY 2025-2026 accepts the figures as shown in the June 30, 2024, Actuarial Valuation Report. Additionally, the policy clearly communicates the Council's pension funding objectives, its commitment to our employees and the sound financial management of the Town.

The table below shows the funding progress in the PSPRS plan for Tiers 1&2 since June 30, 2020:

Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability	Unfunded Actuarial Accrued Liability	Funded Ratio
06/30/24	3,441,893	4,804,797	1,362,904	71.60%
06/30/23	3,270,878	4,582,716	1,311,838	71.40%
06/30/22	2,982,297	4,173,858	1,191,561	71.50%
06/30/21	2,915,332	4,118,642	1,203,310	70.80%
06/30/20	2,631,236	3,981,964	1,350,728	66.10%

Tier 3 employees are pooled across a Risk Sharing Group. That pool is funded at 109.5%.

Budget Impact: Continuation of Actuarially Determined Contribution funding at 100%, or $175,466, $90,599 for Tier 1 and 2 members and $84,847 for Tier 3 members for the fiscal year ending June 30, 2026.

Recommendation: It is recommended that the Council accept and approve the Town of Clarkdale Public Safety Personnel Retirement System Pension Funding Policy for fiscal year ending June 30, 2026.

Town of Clarkdale
Public Safety Personnel Retirement System
Pension Funding Policy
2025-2026

The intent of this policy is to clearly communicate the Council's pension funding objectives and its commitment to our employees and the sound financial management of the Town and to comply with statutory requirements of Laws 2018, Chapter 112.

Several terms are used throughout this policy:

Actuarially Determined Contribution (ADC) - This is the employer's periodic contributions to a defined benefit plan, in accordance with actuarial standards of practice. It is comprised of two primary components: normal pension cost – which is the estimated cost of pension benefits earned by employees in the current year; and amortization of UAAL – which is the cost needed to cover the unfunded portion of pensions earned by employees in previous years. The UAAL is collected over a period referred to as the amortization period. The ADC is a percentage of the current payroll.

Actuarial Value of Assets (AVA) - The value of cash, investments and other property belonging to the pension plan as used by the actuary for purpose of the actuarial valuation, typically adjusted to recognize investment gains or losses over a period of years to dampen the impact of market volatility on the actuarially determined contribution.

Funded Ratio - A measure of the ratio of the actuarial value of assets to liabilities of the system. Typically, the assets used in the measure are the actuarial value of assets as determined by the asset valuation method. The funded ratio depends not only on the financial strength of the plan but also on the asset valuation method used to determine the assets and on the funding method used to determine the liabilities.

Unfunded Actuarial Accrued Liability (UAAL) - The excess of the actuarial accrued liability over the valuation assets; sometimes referred to as "unfunded past service liability". UAAL increases each time an actuarial loss occurs and when new benefits are added without being fully funded initially and decreases when actuarial gains occur.

Public Safety Personnel Retirement System (PSPRS)

PSPRS is administered as an agent multiple-employer pension plan. An agent multiple-employer plan has two main functions: 1) to comingle assets of all plans under its administration, thus achieving economy of scale for more cost efficient investments, and invest those assets for the benefit of all members under its administration and 2) serve as the statewide uniform administrator for the distribution of benefits.

Under an agent multiple-employer plan each agency participating in the plan has an individual trust fund reflecting that agencies' assets and liabilities. Under this plan all contributions are deposited to and distributions are made from that fund's assets, each fund has its own funded ratio and contribution rate, and each fund has a unique annual actuarial valuation. The Town of Clarkdale has one trust fund for police employees.

Council formally accepts the assets, liabilities, and current funding ratio of the Town's PSPRS trust funds from the June 30, 2024 actuarial valuation, which are detailed below.

Trust Fund	**Actuarial Value of Assets**	**Actuarial Accrued Liability**	**Unfunded Actuarial Accrued Liability**	**Funded Ratio**
Clarkdale Police	3,441,893	4,804,797	1,362,904	71.6%

PSPRS Funding Goal

Pensions that are less than fully funded place the cost of service provided in earlier periods (amortization of UAAL) on the current taxpayers. Fully funded pension plans are the best way to achieve taxpayer and member intergenerational equity.

The Council's PSPRS funding ratio goal is 100% by June 30, 2046. Council established this goal for the following reasons:

- The PSPRS trust funds represent only the Town of Clarkdale's liability
- The fluctuating cost of an UAAL causes strain on the Town's budget, affecting our ability to provide services
- A fully funded pension is the best way to achieve taxpayer and member intergenerational equity

Council has taken the following actions to achieve this goal:

- Maintaining the ADC payment from operating revenues – Council is committed to maintaining the full ADC payment (normal cost and UAAL amortization) from operating funds. The estimated combined ADC for fiscal year 2026 is $175,446 (Tier 1 and 2 $90,599, Tier 3 $84,847) and will be able to be paid from operating funds without diminishing Town services.
- Additional payments above the ARC – On an annual basis, the Council will evaluate the General Fund's fund balance to determine the availability of any unassigned balances to be applied to the UAAL.

Based on these actions the Council plans to achieve its goal of 100% funding by June 30, 2046, in accordance with the amortization timeline set forth by the PSPRS June 30, 2024, Actuarial Valuation.

ARIZONA PUBLIC SAFETY PERSONNEL RETIREMENT SYSTEM

CLARKDALE POLICE DEPT. (105)

ACTUARIAL VALUATION
AS OF JUNE 30, 2024

CONTRIBUTIONS APPLICABLE TO THE
PLAN/FISCAL YEAR ENDING JUNE 30, 2026

FOSTER & FOSTER
ACTUARIES AND CONSULTANTS

November 2024

Board of Trustees
Arizona Public Safety Personnel Retirement System
Phoenix, AZ

Re: Actuarial Valuation Report as of June 30, 2024 for Clarkdale Police Dept. (105)

Dear Members of the Board:

We are pleased to present to the Board this report of the annual actuarial valuation of the Arizona Public Safety Personnel Retirement System (PSPRS). The valuation was performed to determine whether the assets and contributions are sufficient to provide the prescribed benefits and to develop the appropriate funding requirements for the applicable plan year.

This report was prepared at the request of the Board and is intended for use by PSPRS and those designated or approved by the Board. It documents the valuation of the consolidated plan and provides summary information for PSPRS participating employers. This report may be provided to parties other than PSPRS only in its entirety and only with the permission of the Board. Foster & Foster is not responsible for the unauthorized use of this report.

The valuation has been conducted in accordance with generally accepted actuarial principles and practices, including the applicable Actuarial Standards of Practice as issued by the Actuarial Standards Board, and reflects laws and regulations issued to date pursuant to the provisions of Title 38, Chapter 5, Article 4 of the Arizona Revised Statutes, as well as applicable federal laws and regulations. In our opinion, the assumptions used in this valuation, as adopted by the Board of Trustees, represent reasonable expectations of anticipated plan experience. Future actuarial measurements may differ significantly from the current measurements presented in this report for a variety of reasons including changes in applicable laws, changes in plan provisions, changes in assumptions, or plan experience differing from expectations. Due to the limited scope of the valuation, we did not perform an analysis of the potential range of such future measurements.

The computed contribution rates shown in the "Contribution Results" section should be considered minimum contribution rates that comply with the Board's funding policy and Arizona Statutes. Users of this report should be aware that contributions made at that rate do not guarantee benefit security. Given the importance of benefit security to any retirement system, we suggest that contributions to the System in excess of those presented in this report be considered.

The funding percentages and unfunded accrued liability as measured based on the actuarial value of assets will differ from similar measures based on the market value of assets. These measures, as provided, are appropriate for determining the adequacy of future contributions, but may not be appropriate for the purpose of settling a portion or all of the Plan's liabilities.

In conducting the valuation, we have relied on personnel, plan design, and asset information supplied by PSPRS through June 30, 2024 and the actuarial assumptions and methods described in the Actuarial Assumptions section of this report. While we cannot verify the accuracy of all this information, the supplied information was reviewed for consistency and reasonableness. As a result of this review, we have no reason to doubt the substantial accuracy of the information and believe that it has produced appropriate results. This information, along with any adjustments or modifications, is summarized in various sections of this report.

This valuation assumes the continuing ability of the participating employers to make the contributions necessary to fund this plan. A determination regarding whether or not the participating employers are actually able to do so is outside our scope of expertise. Consequently, we did not perform such an analysis.

In performing the analysis, we used third-party software to model (calculate) the underlying liabilities and costs. These results are reviewed in the aggregate and for individual sample lives. The output from the software is either used directly or input into internally developed models to generate the costs. All internally developed models are reviewed as part of the process. As a result of this review, we believe that the models have produced reasonable results. We do not believe there are any material inconsistencies among assumptions or unreasonable output produced due to the aggregation of assumptions.

The undersigned are familiar with the immediate and long-term aspects of pension valuations and meet the Qualification Standards of the American Academy of Actuaries necessary to render the actuarial opinions contained herein. All sections of this report are considered an integral part of the actuarial opinions.

To our knowledge, no associate of Foster & Foster, Inc. working on valuations of the program has any direct financial interest or indirect material interest in the Arizona Public Safety Personnel Retirement System, nor does anyone at Foster & Foster, Inc. act as a member of the Board of Trustees of the Arizona Public Safety Personnel Retirement System. Thus, there is no relationship existing that might affect our capacity to prepare and certify this actuarial report.

If there are any questions, concerns, or comments about any of the items contained in this report, please contact us at 239-433-5500.

Respectfully Submitted,

Foster & Foster, Inc.

By: ______________________
Bradley R. Heinrichs, FSA, EA, MAAA

By: ______________________
Paul M. Baugher, FSA, EA, MAAA

TABLE OF CONTENTS

I. SUMMARY OF REPORT

The regular annual actuarial valuation of the Arizona Public Safety Personnel Retirement System for the Clarkdale Police Dept., performed as of June 30, 2024, has been completed and the results are presented in this Report. The purpose of this valuation is to:

- Compute the liabilities associated with benefits likely to be paid on behalf of current retired and active members. This information is contained in the section entitled "Liability Support."
- Compare accumulated assets with the liabilities to assess the funded condition. This information is contained in the section entitled "Liability Support."
- Compute the employers' recommended contribution rates for the Fiscal Year beginning July 1, 2025. This information is contained in the section entitled "Contribution Results."

1. Key Valuation Results

The funded status as of June 30, 2024 and the employer contribution amounts applicable to the plan/fiscal year ending June 30, 2026 are as follows:

	Tier 1 & Tier 2 Members			Tier 3 Members *		
	Pension	**Health**	**Total**	**Pension**	**Health**	**Total**
Employer Contribution Rate	21.27%	0.00%	21.27%	8.41%	0.11%	8.52%
Funded Status	71.6%	354.2%	75.0%	107.9%	216.2%	109.5%

2. Comparison of Key Results to Prior Year

The chart below compares the results from this valuation with the results of the prior year's valuation (as of June 30, 2023):

Contribution Rate

	Tier 1 & Tier 2 Members			Tier 3 Members *		
Valuation Date	**Pension**	**Health**	**Total**	**Pension**	**Health**	**Total**
June 30, 2023	24.27%	0.00%	24.27%	8.63%	0.12%	8.75%
June 30, 2024	21.27%	0.00%	21.27%	8.41%	0.11%	8.52%

Funded Status

	Tier 1 & Tier 2 Members			Tier 3 Members		
Valuation Date	**Pension**	**Health**	**Total**	**Pension**	**Health**	**Total**
June 30, 2023	71.4%	342.6%	74.7%	107.3%	212.5%	108.9%
June 30, 2024	71.6%	354.2%	75.0%	107.9%	216.2%	109.5%

** The Tier 3 rates shown are the calculated rates as of the valuation date and do not reflect any Legacy costs that the employer must also contribute.*

3. Reasons for Change

Changes in the results from the prior year's valuation can be illustrated in the following tables along with high-level explanations for the entire System below:

Contribution Rate

	Tier 1 & Tier 2		Tier 3 Members	
	Pension	**Health**	**Pension**	**Health**
Contribution Rate Last Valuation	24.27%	0.00%	8.63%	0.12%
Asset Experience	0.02%	0.00%	(0.08%)	0.00%
Payroll Base	(0.57%)	0.02%	0.00%	0.00%
Liability Experience	0.62%	0.00%	(0.03%)	0.00%
Additional Contribution	0.00%	0.00%	0.00%	0.00%
Assumption/Method Change	0.41%	0.00%	0.00%	0.00%
Other	(3.48%)	(0.02%)	(0.11%)	(0.01%)
Contribution Rate This Valuation	21.27%	0.00%	8.41%	0.11%

Funded Status

	Tier 1 & Tier 2		Tier 3 Members	
	Pension	**Health**	**Pension**	**Health**
Funded Status Last Valuation	71.4%	342.6%	107.3%	212.5%
Asset Experience	0.0%	0.0%	1.1%	2.5%
Liability Experience	(1.0%)	6.6%	0.5%	4.6%
Additional Contribution	0.0%	0.0%	0.0%	0.0%
Assumption/Method Change	0.0%	0.0%	0.0%	0.0%
Other	1.2%	5.0%	(1.0%)	(3.4%)
Funded Status This Valuation	71.6%	354.2%	107.9%	216.2%

Assets Experience – Asset gains and losses (relative to the assumed earnings rate) are smoothed over seven years for Tiers 1 and 2 and over five years for Tier 3. The return on the market value of assets for the year ending June 30, 2024 was 10.2% for Tiers 1 and 2 and 11.8% for Tier 3. On a smoothed, actuarial value of assets basis, the average return was 7.1% for Tiers 1 and 2 and 8.2% for Tier 3. The return nearly met the 2023 assumed earnings rate for Tiers 1 and 2 of 7.2% and exceeded the 2023 assumed earnings rate for Tier 3 of 7.0%.

Payroll Base – Under the current amortization policy for Tiers 1 and 2, the contribution rate is developed as a level percentage of payroll. Payroll for this purpose includes members of this plan and the defined contribution plan's members that would have been in this plan. To the extent that actual payroll is lower/greater than last year's projected payroll, the contribution rate will increase/decrease as a result.

Liability Experience – Experience overall was unfavorable, driven by salary increases that were higher than expected.

Additional Contribution – Monies contributed in excess of the required contribution rate in order to pay down the unfunded liability.

Assumption / Method Change – The Board continued the decrease in the payroll growth assumption from 2.00% to 1.50%.

Other – This is the combination of all other factors that could impact liabilities year-over-year, with the primary sources being changes in benefits for continuing inactives. Note that Tier 3 experience will stabilize as the group matures.

4. Looking Ahead

The volatility in annual returns, which have produced both gains and losses in recent years, was dampened by the asset smoothing reflected in the actuarial value of assets. The gain realized this year will, in the absence of other losses, put downward pressure on the contribution rate next year.

If the June 30, 2024 pension valuation results were based on the market value of assets instead of the actuarial value of assets, the pension funded percentage for Tiers 1 and 2 would be 72.4% (instead of 71.6%) and the pension employer contribution requirement would be 20.92% of payroll (instead of 21.27%).

5. Conclusion

The funded status for Tiers 1 and 2 will continue to improve if assumptions are met and contributions at least equal to the rates determined for each employer are made to the fund. The recent adoption of a layered amortization approach along with a plan to systematically lower the payroll growth assumption was an excellent step to improve funding and ensure the Plan is on a viable path.

The funded status for Tier 3 will stabilize as the population continues to grow, as contributions appear sufficient to keep the liabilities fully funded.

II. Contribution Results

Contribution Requirements

Development of Employer Contributions - Tiers 1 & 2 Members				
Valuation Date	June 30, 2024		June 30, 2023	
Applicable to Fiscal Year Ending	2026		2025	
	Rate	**Dollar**	**Rate**	**Dollar**
Pension				
Normal Cost				
Total Normal Cost	16.79%	$ 71,517	20.26%	$ 94,256
Employee Cost	(7.65%)	(32,585)	(7.65%)	(35,590)
Employer (Net) Normal Cost	9.14%	38,932	12.61%	58,666
Amortization of Unfunded Liability	12.13%	51,667	11.66%	54,246
Total Employer Cost (Pension)	21.27%	90,599	24.27%	112,912
Health				
Normal Cost	0.29%	1,235	0.31%	1,442
Amortization of Unfunded Liability	(0.29%)	(1,235)	(0.31%)	(1,442)
Total Employer Cost (Health)	0.00%	0	0.00%	0
Total Employer Cost (Pension + Health)	**21.27%**	**90,599**	**24.27%**	**112,912**
Alternate Contribution Rate (ACR) *	12.13%		11.66%	
Underlying Payroll (as of valuation date)		419,652		456,112

** The Alternate Contribution Rate is the sum of the positive amortization rates for Tiers 1 & 2 Pension and Health (subject to an 8% minimum) and is charged when retirees return to active status.*

The results above are based on the current amortization schedule approved by the Board of Trustees for your individual plan (see "Actuarial Assumptions and Methods").

Development of Employer Contributions – Tier 3 Members		
Valuation Date	June 30, 2024	June 30, 2023
Applicable to Fiscal Year Ending	2026	2025

Defined Benefit (DB) Retirement Plan

	Rate	**Dollar**	**Rate**	**Dollar**
Pension				
Total Normal Cost	16.82%	$ 68,546	17.25%	$ 55,108
Amortization of Unfunded Liability	0.00%	0	0.00%	0
Total Pension Cost	16.82%	68,546	17.25%	55,108
Health				
Total Normal Cost	0.22%	897	0.23%	735
Amortization of Unfunded Liability	0.00%	0	0.00%	0
Total Health Cost	0.22%	897	0.23%	735
Total				
Total Calculated Tier 3 Required EE/ER Individual Cost	8.52%	34,722	8.75%	27,922
Funding Policy Tier 3 Required EE/ER Individual Cost [1]	8.69%	35,414	8.89%	28,401
ER Legacy Cost of Tiers 1 & 2 Amort of Unfunded Liabilities [2]	12.13%	49,433	11.66%	37,250
Total Funding Policy Tier 3 Required ER Defined Benefit Cost	**20.82%**	**84,847**	**20.55%**	**65,650**
Underlying Payroll (as of valuation date)		401,503		313,202

[1] *The "Funding Policy" cost was adopted in 2023 and first reflected in the June 30, 2023 valuation. This cost is a 3-year rolling average of the actual calculated costs. The total cost is split equally between employer and employee, in compliance with state statutes. Note that pension and health monies are split differently for the two parties based on IRS requirements. More information on this breakout is included in the "Historical Summary of Rates".*

[2] *Pursuant to ARS § 38-843(B), the amortization of positive unfunded liabilities for Tiers 1 & 2 shall be applied to all Tier 3 payroll on a level percent basis. However, while it is statutorily required to present the rates in this manner, these are the minimums where alternate methods for paying down that unfunded liability is at the discretion of each employer. Further, to understand the effects of reform in relation to Tier 3, compare the total rate of Tier 3 before application of those legacy costs.*

Development of Employer Contributions – Tier 3 Members		
Valuation Date	June 30, 2024	June 30, 2023
Applicable to Fiscal Year Ending	2026	2025

Defined Contribution (DC) Retirement Plan

	Rate	Dollar	Rate	Dollar
Tier 2 & 3 DB / Non-Social Security				
Employee Cost	3.00%		3.00%	
Employer Cost [1]	3.00%		3.00%	
Tier 3 DC Only				
Employee Cost	9.00%	$ 5,897	9.00%	$ 5,266
Employee Health Subsidy Program Cost	0.20%	131	0.23%	135
Employee Disability Program Cost	1.54%	1,009	1.50%	878
Total Employee Cost	**10.74%**	**7,037**	**10.73%**	**6,279**
Employer Cost	9.00%	5,897	9.00%	5,266
Employer Health Subsidy Program Cost	0.20%	131	0.23%	135
Employer Disability Program Cost	1.54%	1,009	1.50%	878
Total Employer Cost (before Legacy)	**10.74%**	**7,037**	**10.73%**	**6,279**
ER Legacy Cost of Tiers 1 & 2 Amort of Unfunded Liabilities [2]	12.13%	7,948	11.66%	6,822
Total Employer Cost	**22.87%**	**14,985**	**22.39%**	**13,101**
Underlying Payroll (as of valuation date)		64,552		57,364

[1] *Employer rate is 4% for Tier 2 members for a period of time depending on the individual's membership date.*

[2] *Pursuant to ARS § 38-843(B), the amortization of positive unfunded liabilities for Tiers 1 & 2 shall be applied to all Tier 3 payroll on a level percent basis. However, while it is statutorily required to present the rates in this manner, these are the minimums where alternate methods for paying down that unfunded liability is at the discretion of each employer. Further, to understand the effects of reform in relation to Tier 3, compare the total rate of Tier 3 before application of those legacy costs.*

Contribution Rate Summary

	Tier 1	Tier 2		Tier 3		
Membership Date On or After	7/1/1968	1/1/2012		7/1/2017		
Participates in Social Security	N/A	Yes	No	Yes	No	N/A
Available Retirement Plan [1]	DB Only	DB Only	Hybrid	DB Only	Hybrid	DC Only
Employee Contribution Rate						
PSPRS DB Rate	7.65%	7.65%	7.65%	8.69%	8.69%	
PSPRS DC Rate			3.00%		3.00%	9.00%
Employer Health Subsidy Program Cost						0.20%
PSPDCRP Disability Program Rate						1.54%
Total EE Contribution Rate	7.65%	7.65%	10.65%	8.69%	11.69%	10.74%
Employer Contribution Rate						
PSPRS DB Normal Cost	9.43%	9.43%	9.43%	8.69%	8.69%	
PSPRS DB Tier 1 & 2 Legacy Cost [2]	11.84%	11.84%	11.84%	12.13%	12.13%	12.13%
PSPRS DC Rate			3.00%		3.00%	9.00%
Employer Health Subsidy Program Cost						0.20%
PSPDCRP Disability Program Rate						1.54%
Total ER Contribution Rate	21.27%	21.27%	24.27%	20.82%	23.82%	22.87%
Employer Alternate Contribution Rate [3]	12.13%	12.13%	12.13%	12.13%	12.13%	12.13%

[1] *Employers that pay into Social Security on behalf of their members do not participate in the Hybrid Plan.*

[2] *Per statute (ARS § 38-843(B)), any positive unfunded liability for Tiers 1 and 2 is to be applied to all Tier 3 (DB and DC) payrolls*

[3] *The Alternate Contribution Rate is the sum of the positive amortization rates for Tiers 1 & 2 Pension and Health (subject to an 8% minimum) and is charged when retirees return to active status.*

Exhibit summarizes employee and employer contributions based on Statute and the results of June 30, 2024 actuarial valuation. Pension and health components are combined, where applicable.

Impact of Additional Contributions

	Additional Contribution (000s)										
Impact On	**$0**	**$10**	**$20**	**$30**	**$40**	**$50**	**$60**	**$70**	**$80**	**$90**	**$100**
Funded Status - June 30, 2024	71.6%	71.8%	72.1%	72.3%	72.5%	72.7%	72.9%	73.1%	73.3%	73.5%	73.7%
FYE 2026 Contribution Rate	21.27%	21.17%	21.08%	20.98%	20.89%	20.79%	20.70%	20.60%	20.51%	20.41%	20.32%

Table shows the hypothetical change in the funded status and contribution rate from the June 30, 2024 actuarial valuation results for Tiers 1 & 2 if an additional contribution of the amount shown had been made to the Fund on June 30, 2024. This illustration can help estimate the impact of contributing additional monies to the fund in the future.

Historical Summary of Rates

	Valuation Date June 30	Fiscal Year Ending June 30	Pension Normal Cost	Pension Unfunded Amortization	Pension Total	Health Normal Cost	Health Unfunded Amortization	Health Total
TIERS 1 & 2	2020	2022	13.54%	17.58%	31.12%	0.43%	(0.43%)	0.00%
(Employer)	2021	2023	13.43%	15.25%	28.68%	0.44%	(0.44%)	0.00%
	2022	2024	13.32%	12.96%	26.28%	0.38%	(0.38%)	0.00%
	2023	2025	12.61%	11.66%	24.27%	0.31%	(0.31%)	0.00%
	2024	2026	9.14%	12.13%	21.27%	0.29%	(0.29%)	0.00%
TIER 3 *	2020	2022	9.68%	0.00%	9.68%	0.26%	0.00%	0.26%
(Employer)	2021	2023	9.68%	0.00%	9.68%	0.26%	0.00%	0.26%
	2022	2024	9.30%	0.00%	9.30%	0.26%	0.00%	0.26%
	2023	2025	8.77%	0.00%	8.77%	0.12%	0.00%	0.12%
	2024	2026	8.46%	0.00%	8.46%	0.23%	0.00%	0.23%
TIER 3 *	2020	2022	9.68%	0.00%	9.68%	0.26%	0.00%	0.26%
(Employee)	2021	2023	9.68%	0.00%	9.68%	0.26%	0.00%	0.26%
	2022	2024	9.30%	0.00%	9.30%	0.26%	0.00%	0.26%
	2023	2025	8.77%	0.00%	8.77%	0.12%	0.00%	0.12%
	2024	2026	8.69%	0.00%	8.69%	0.00%	0.00%	0.00%

* *Rates shown are Board approved Funding Policy rates. Starting in 2023, these rates are a 3-year rolling average of calculated EE/ER rates. Does not reflect Legacy costs that the employer must also contribute.*

III. Liability Support

Liabilities and Funded Ratios by Benefit - Tiers 1 & 2

	June 30, 2024	June 30, 2023
Pension		
Actuarial Present Value of Benefits (PVB)		
Retirees and Beneficiaries	$ 3,445,782	$ 3,442,471
DROP Members	0	0
Vested Members	149,870	24,110
Active Members	1,732,297	1,785,244
Total Actuarial Present Value of Benefits	5,327,949	5,251,825
Actuarial Accrued Liability (AAL)		
All Inactive Members	3,595,652	3,466,581
Active Members	1,209,145	1,116,135
Total Actuarial Accrued Liability	4,804,797	4,582,716
Actuarial Value of Assets (AVA)	3,441,893	3,270,878
Unfunded Actuarial Accrued Liability	1,362,904	1,311,838
PVB Funded Ratio (AVA / PVB)	64.6%	62.3%
AAL Funded Ratio (AVA / AAL)	71.6%	71.4%
Health		
Actuarial Present Value of Benefits (PVB)		
Retirees and Beneficiaries	$ 31,756	$ 31,170
DROP Members	0	0
Active Members	33,471	35,472
Total Present Value of Benefits	65,227	66,642
Actuarial Accrued Liability (AAL)		
All Inactive Members	31,756	31,170
Active Members	25,583	25,130
Total Actuarial Accrued Liability	57,339	56,300
Actuarial Value of Assets (AVA)	203,105	192,859
Unfunded Actuarial Accrued Liability	(145,766)	(136,559)
PVB Funded Ratio (AVA / PVB)	311.4%	289.4%
AAL Funded Ratio (AVA / AAL)	354.2%	342.6%

Pension and health liabilities were not impacted under the lateral transfer methodology.

Liabilities and Funded Ratios by Benefit - Tier 3

	June 30, 2024	June 30, 2023
Pension		
Actuarial Present Value of Benefits (PVB)		
Retirees and Beneficiaries	$ 7,268,826	$ 2,783,769
Vested Members	9,523,410	6,565,608
Active Members	710,626,649	558,509,014
Total Actuarial Present Value of Benefits	727,418,885	567,858,391
Actuarial Accrued Liability (AAL)		
All Inactive Members	16,792,236	9,349,377
Active Members	148,879,454	101,611,814
Total Actuarial Accrued Liability	165,671,690	110,961,191
Actuarial Value of Assets (AVA)	178,758,433	119,101,476
Unfunded Actuarial Accrued Liability	(13,086,743)	(8,140,285)
PVB Funded Ratio (AVA / PVB)	24.6%	21.0%
AAL Funded Ratio (AVA / AAL)	107.9%	107.3%
Health		
Actuarial Present Value of Benefits (PVB)		
Retirees and Beneficiaries	$ 34,351	$ 0
Active Members	9,825,773	7,842,159
Total Present Value of Benefits	9,860,124	7,842,159
Actuarial Accrued Liability (AAL)		
All Inactive Members	34,351	0
Active Members	2,398,606	1,651,466
Total Actuarial Accrued Liability	2,432,957	1,651,466
Actuarial Value of Assets (AVA)	5,259,235	3,508,666
Unfunded Actuarial Accrued Liability	(2,826,278)	(1,857,200)
PVB Funded Ratio (AVA / PVB)	53.3%	44.7%
AAL Funded Ratio (AVA / AAL)	216.2%	212.5%

The liabilities shown on this page are the liabilities for all Tier 3 members grouped together in the Risk Sharing group. These liabilities are NOT the liabilities solely for Clarkdale Police Dept. Tier 3 members.

Derivation of Experience (Gain)/Loss

		Tiers 1 & 2		Tier 3	
		Pension	Health	Pension	Health
(1)	Unfunded Actuarial Accrued Liability as of June 30, 2023	1,311,838	(136,559)	(8,140,285)	(1,857,200)
(2)	Normal Cost Developed in Last Valuation	58,666	1,442	19,953,819	277,457
(3)	Actual Contributions	170,882	0	24,962,037	1,397,879
(4)	Expected Interest On (1), (2), and (3)	92,631	(9,728)	(32,441)	(163,191)
(5)	Expected Unfunded Actuarial Accrued Liability as of June 30, 2024 (1)+(2)-(3)+(4)	1,292,253	(144,845)	(13,180,944)	(3,140,813)
(6)	Changes to UAAL Due to Assumptions, Methods and Benefits	0	0	0	0
(7)	Change to UAAL Due to Actuarial (Gain)/Loss	70,651	(921)	94,201	314,535
(8)	Unfunded Actuarial Accrued Liability as of June 30, 2024	1,362,904	(145,766)	(13,086,743)	(2,826,278)

Amortization of Unfunded Liabilities - Tiers 1 & 2

	Date Established	Outstanding Balance	Years Remaining	Amortization Rate
Pension	6/30/2019	1,153,270	22	10.10%
	6/30/2021	(155,139)	22	(1.50%)
	6/30/2022	8,652	22	0.08%
	6/30/2023	274,508	22	2.66%
	6/30/2024	81,613	22	0.79%
	Total	1,362,904		12.13%
Health	6/30/2019	0	10	0.00%
	6/30/2021	0	10	0.00%
	6/30/2022	0	10	0.00%
	6/30/2023	0	10	0.00%
	6/30/2024	(137,878)	10	(2.09%)
	Total	(137,878)		(2.09%)

Amortization of Unfunded Liabilities - Tier 3

	Date Established	Outstanding Balance	Years Remaining	Amortization Rate *
Pension	6/30/2018	94,700	4	0.01%
	6/30/2019	(893,556)	5	(0.07%)
	6/30/2020	625,762	6	0.04%
	6/30/2021	(2,174,987)	7	(0.13%)
	6/30/2022	(3,694,845)	8	(0.20%)
	6/30/2023	(1,375,088)	9	(0.07%)
	6/30/2024	(5,668,729)	10	(0.26%)
	Total	(13,086,743)		0.00%
Health	6/30/2018	(2,008)	4	0.00%
	6/30/2019	(81,696)	5	(0.01%)
	6/30/2020	(158,912)	6	(0.01%)
	6/30/2021	(314,248)	7	(0.02%)
	6/30/2022	(439,549)	8	(0.02%)
	6/30/2023	(697,896)	9	(0.03%)
	6/30/2024	(1,131,969)	10	(0.05%)
	Total	(2,826,278)		0.00%

* *By Statute, negative total amortization rates are not subtracted in Tier 3 rate calculations.*

IV. Asset Support

Statement of Changes in Fiduciary Net Position for Year Ended June 30, 2024

Market Value Basis

	Tiers 1 & 2		Tier 3	
	Pension	**Health**	**Pension**	**Health**
Additions				
Contributions				
Member Contributions	$ 109,846,477	$ 0	$ 52,985,716	$ 0
Employer Contributions	1,182,413,215	0	51,738,352	0
Health Insurance Contributions	0	4,616,669	0	2,687,373
Total Contributions	1,292,259,692	4,616,669	104,724,068	2,687,373
Investment Income				
Net Increase in Fair Value	1,084,528,765	28,088,330	27,137,658	753,277
Interest and Dividends	270,700,975	7,010,914	6,773,624	188,020
Other Income	151,768,967	3,930,680	3,797,644	105,414
Less Investment Expenses	(25,846,576)	(516,914)	(646,747)	(13,863)
Net Investment Income	1,481,152,131	38,513,010	37,062,179	1,032,848
Non-investment Income	31	0	1	0
Transfers In	169,162	0	0	0
Total Additions	2,773,581,016	43,129,679	141,786,248	3,720,221
Deductions				
Distributions to Members				
Benefit Payments	1,128,489,555	0	632,764	0
Health Insurance Subsidy	0	18,596,076	0	4,920
Refund of Contributions	12,787,280	0	2,469,875	0
Total Distributions	1,141,276,835	18,596,076	3,102,639	4,920
Administrative Expenses	8,403,062	210,006	210,701	5,632
Transfers Out	392,168	0	0	0
Other	0	0	0	0
Total Deductions	1,150,072,065	18,806,082	3,313,340	10,552
Net Increase / (Decrease)	1,623,508,951	24,323,597	138,472,908	3,709,669
Net Position Held in Trust				
Prior Valuation	14,310,242,735	387,517,339	260,225,263	7,335,149
Beginning of the Year Adjustment	0	0	0	0
End of the Year	15,933,751,686	411,840,936	398,698,171	11,044,818

Development of Pension Actuarial Value of Assets - Tiers 1 & 2

A. Investment Income	
A1. Actual Investment Income	$ 1,472,749,069
A2. Expected Amount for Immediate Recognition	1,035,670,507
A3. Amount Subject to Amortization	437,078,562

	Year Ended June 30						
B. Amortization Schedule	**2024**	**2025**	**2026**	**2027**	**2028**	**2029**	**2030**
2024 Experience (A3 / 7)	62,439,795	62,439,795	62,439,795	62,439,795	62,439,795	62,439,795	62,439,792
2023 Experience	10,197,720	10,197,720	10,197,720	10,197,720	10,197,720	10,197,717	
2022 Experience	(204,451,249)	(204,451,249)	(204,451,249)	(204,451,249)	(204,451,249)		
2021 Experience	238,978,744	238,978,744	238,978,744	238,978,745			
2020 Experience	(68,882,158)	(68,882,158)	(68,882,160)				
2019 Experience	(22,859,275)	(22,859,275)					
2018 Experience	(6,266,351)						
Total Amortization	9,157,226	15,423,577	38,282,850	107,165,011	(131,813,734)	72,637,512	62,439,792

C. Actuarial Value of Assets	**Total**	**Employer**
C1. Actuarial Value of Assets, June 30, 2023	14,574,029,063	
C2. Non-investment Net Cash Flow	150,759,882	
C3. Preliminary Actuarial Value of Assets, June 30, 2024 (A2 + B + C1 + C2)	15,769,616,678	
C4. Market Value of Assets, June 30, 2024	15,933,751,686	3,477,717
C5. Final Actuarial Value of Assets, June 30, 2024 (C3 Within 20% Corridor of C4)	15,769,616,678	3,441,893

D. Rates of Return	
D1. Market Value Rate of Return	10.2%
D2. Actuarial Value Rate of Return	7.1%

Development of Health Actuarial Value of Assets - Tiers 1 & 2

A. Investment Income	
A1. Actual Investment Income	$ 38,303,004
A2. Expected Amount for Immediate Recognition	27,406,736
A3. Amount Subject to Amortization	10,896,268

	Year Ended June 30						
B. Amortization Schedule	**2024**	**2025**	**2026**	**2027**	**2028**	**2029**	**2030**
2024 Experience (A3 / 7)	1,556,610	1,556,610	1,556,610	1,556,610	1,556,610	1,556,610	1,556,608
2023 Experience	193,035	193,035	193,035	193,035	193,035	193,036	
2022 Experience	(6,416,469)	(6,416,469)	(6,416,469)	(6,416,469)	(6,416,471)		
2021 Experience	9,257,478	9,257,478	9,257,478	9,257,481			
2020 Experience	(2,898,713)	(2,898,713)	(2,898,716)				
2019 Experience	(1,075,569)	(1,075,572)					
2018 Experience	(304,656)						
Total Amortization	311,716	616,369	1,691,938	4,590,657	(4,666,826)	1,749,646	1,556,608

C. Actuarial Value of Assets	**Total**	**Employer**
C1. Actuarial Value of Assets, June 30, 2023	392,563,499	
C2. Non-investment Net Cash Flow	(13,979,407)	
C3. Preliminary Actuarial Value of Assets, June 30, 2024 (A2 + B + C1 + C2)	406,302,544	
C4. Market Value of Assets, June 30, 2024	411,840,936	205,874
C5. Final Actuarial Value of Assets, June 30, 2024 (C3 Within 20% Corridor of C4)	406,302,544	203,105

D. Rates of Return	
D1. Market Value Rate of Return	10.1%
D2. Actuarial Value Rate of Return	7.2%

Development of Pension Actuarial Value of Assets - Tiers 3

A. Investment Income	
A1. Actual Investment Income	$ 36,851,478
A2. Expected Amount for Immediate Recognition	21,712,363
A3. Amount Subject to Amortization	15,139,115

	Year Ended June 30				
B. Amortization Schedule	**2024**	**2025**	**2026**	**2027**	**2028**
2024 Experience (A3 / 5)	3,027,823	3,027,823	3,027,823	3,027,823	3,027,823
2023 Experience	885,521	885,521	885,521	885,520	
2022 Experience	(3,259,379)	(3,259,379)	(3,259,381)		
2021 Experience	3,551,936	3,551,938			
2020 Experience	(351,294)				
Total Amortization	3,854,607	4,205,903	653,963	3,913,343	3,027,823

C. Actuarial Value of Assets	Total	Employer
C1. Actuarial Value of Assets, June 30, 2023	259,708,739	
C2. Non-investment Net Cash Flow	101,621,430	
C3. Preliminary Actuarial Value of Assets, June 30, 2024 (A2 + B + C1 + C2)	386,897,139	
C4. Market Value of Assets, June 30, 2024	398,698,171	184,210,874
C5. Final Actuarial Value of Assets, June 30, 2024 (C3 Within 20% Corridor of C4)	386,897,139	178,758,433

D. Rates of Return	
D1. Market Value Rate of Return	11.8%
D2. Actuarial Value Rate of Return	8.2%

Development of Health Actuarial Value of Assets - Tiers 3

A. Investment Income	
A1. Actual Investment Income	$ 1,027,216
A2. Expected Amount for Immediate Recognition	605,758
A3. Amount Subject to Amortization	421,458

	Year Ended June 30				
B. Amortization Schedule	2024	2025	2026	2027	2028
2024 Experience (A3 / 5)	84,292	84,292	84,292	84,292	84,290
2023 Experience	23,872	23,872	23,872	23,870	
2022 Experience	(101,792)	(101,792)	(101,790)		
2021 Experience	128,963	128,961			
2020 Experience	(10,557)				
Total Amortization	124,778	135,333	6,374	108,162	84,290

C. Actuarial Value of Assets	Total	Employer
C1. Actuarial Value of Assets, June 30, 2023	7,297,670	
C2. Non-investment Net Cash Flow	2,682,453	
C3. Preliminary Actuarial Value of Assets, June 30, 2024 (A2 + B + C1 + C2)	10,710,659	
C4. Market Value of Assets, June 30, 2024	11,044,818	5,423,316
C5. Final Actuarial Value of Assets, June 30, 2024 (C3 Within 20% Corridor of C4)	10,710,659	5,259,235

D. Rates of Return	
D1. Market Value Rate of Return	11.8%
D2. Actuarial Value Rate of Return	8.5%

FOSTER & FOSTER
ACTUARIES AND CONSULTANTS

V. Member Statistics

Valuation Data Summary

	June 30, 2024		June 30, 2023	
	Tiers 1 & 2	Tier 3	Tiers 1 & 2	Tier 3
Actives				
Number	4	4	4	3
Average Current Age	45.1	40.0	44.1	44.2
Average Age at Employment	33.4	37.9	33.4	41.2
Average Past Service	11.7	2.1	10.7	3.0
Average Annual Salary	$100,526	$77,226	$90,922	$77,390
Actives (transferred)				
Number	0	1	1	1
Average Current Age	N/A	34.8	49.1	33.8
Average Age at Employment	N/A	30.7	33.7	30.7
Average Past Service	N/A	4.1	15.4	3.1
Average Annual Salary	N/A	$73,998	$73,530	$68,468
Retirees				
Number	7	0	7	0
Average Current Age	65.7	N/A	64.7	N/A
Average Annual Benefit	$31,796	N/A	$31,204	N/A
DROP Retirees				
Number	0	N/A	0	N/A
Average Current Age	N/A	N/A	N/A	N/A
Average Annual Benefit	N/A	N/A	N/A	N/A
Beneficiaries				
Number	1	0	1	0
Average Current Age	77.5	N/A	76.5	N/A
Average Annual Benefit	$40,672	N/A	$39,874	N/A
Disability Retirees				
Number	0	0	0	0
Average Current Age	N/A	N/A	N/A	N/A
Average Annual Benefit	N/A	N/A	N/A	N/A
Inactive / Vested				
Number	1	2	1	0
Average Current Age	34.3	34.5	33.3	N/A
Average Accumulated Contributions	$2,234	$12,189	$2,911	N/A
Total Number	13	7	14	4
Former Members (transferred)	3	2	2	2

Active Counts and Pay Summary - Tiers 1 & 2

	Past Service									
Age	0-4	5-9	10-14	15-19	20-24	25-29	30+	Total Count	Total Pay	Average Pay
<20	0	0	0	0	0	0	0	0	0	0
20 - 24	0	0	0	0	0	0	0	0	0	0
25 - 29	0	0	0	0	0	0	0	0	0	0
30 - 34	0	2	0	0	0	0	0	2	180,863	90,432
35 - 39	0	0	0	0	0	0	0	0	0	0
40 - 44	0	0	0	0	0	0	0	0	0	0
45 - 49	0	0	0	1	0	0	0	1	94,180	94,180
50 - 54	0	0	0	0	0	0	0	0	0	0
55 - 59	0	0	0	0	0	0	0	0	0	0
60 - 64	0	0	0	0	0	0	0	0	0	0
65+	0	0	1	0	0	0	0	1	127,059	127,059
Total	0	2	1	1	0	0	0	4	402,102	100,526

Active Counts and Pay Summary - Tier 3

	Past Service									
Age	0-4	5-9	10-14	15-19	20-24	25-29	30+	Total Count	Total Pay	Average Pay
<20	0	0	0	0	0	0	0	0	0	0
20 - 24	1	0	0	0	0	0	0	1	73,269	73,269
25 - 29	0	0	0	0	0	0	0	0	0	0
30 - 34	1	0	0	0	0	0	0	1	73,998	73,998
35 - 39	1	0	0	0	0	0	0	1	67,704	67,704
40 - 44	0	0	0	0	0	0	0	0	0	0
45 - 49	1	1	0	0	0	0	0	2	167,930	83,965
50 - 54	0	0	0	0	0	0	0	0	0	0
55 - 59	0	0	0	0	0	0	0	0	0	0
60 - 64	0	0	0	0	0	0	0	0	0	0
65+	0	0	0	0	0	0	0	0	0	0
Total	4	1	0	0	0	0	0	5	382,901	76,580

In-Payment Counts and Benefit Summary – All Tiers

Age	Count	Average Annual Benefit
< 40	0	0
40 - 44	0	0
45 - 49	0	0
50 - 54	0	0
55 - 59	1	30,993
60 - 64	2	41,260
65 - 69	2	36,306
70 - 74	1	25,298
75 - 79	2	25,911
80 - 84	0	0
85 - 89	0	0
90 - 94	0	0
95 - 99	0	0
100+	0	0
Total	8	32,905

"In-Payment" refers to retired, beneficiary, and disabled members.

VI. ACTUARIAL ASSUMPTIONS AND METHODS

Interest Rate	This is the assumed earnings rate on System assets, compounded annually, net of investment and administrative expenses. ***Tiers 1 & 2:*** 7.20% per year. ***Tier 3:*** 7.00% per year.
Salary Increases	See table at the end of this section. This is an annual increase for individual member's salary. These rates are based on a 2022 experience study using actual plan experience.
Inflation	2.50%.
Tier 3 Compensation Limit	$140,952 for calendar 2024. Assumed increases of 2.00% per year thereafter.
Cost-of-Living Adjustment	1.85%.
Mortality Rates	These rates are used to project future decrements from the population due to death. ***Active Lives:*** PubS-2010 Employee mortality, adjusted by a factor of 1.03 for male members and 1.08 for female members, with generational improvements using 85% of the most recent projection scale (currently Scale MP-2021). 100% of active deaths are assumed to be in the line of duty. ***Inactive Lives:*** PubS-2010 Healthy Retiree mortality, adjusted by a factor of 1.03 for male retirees and 1.11 for female retirees, with generational improvements using 85% of the most recent projection scale (currently Scale MP-2021). ***Beneficiaries:*** PubS-2010 Survivor mortality, adjusted by a factor of 0.98 for male beneficiaries and adjusted by a factor of 1.06 for female beneficiaries, with generational improvements using 85% of the most recent projection scale (currently Scale MP-2021).

Disabled Lives:
PubS-2010 Disabled mortality, adjusted by a factor of 1.08 for male disabled members and 1.01 for female disabled members, with generational improvements using 85% of the most recent projection scale (currently Scale MP-2021).

The mortality assumptions sufficiently accommodate anticipated future mortality improvements.

Retirement / DROP Rates

These rates are used to project future decrements from the active population due to retirement. The rates below are based on a 2022 experience study using actual plan experience.

Tier 1 – reaching age 62 before attaining 20 years of service:
Age-related rates based on age at retirement:

Police - 40% assumed at age 62 and 63, 35% assumed at age 64, 25% assumed at ages 65 and 66, 50% assumed at ages 67 – 69, and 100% assumed at age 70.

Fire - 25% assumed at age 62 and 63, 35% assumed at age 64, 25% assumed at ages 65 and 66, 50% assumed at ages 67 – 69, and 100% assumed at age 70.

Tier 1 – reaching age 62 after attaining 20 years of service:
Service-related rates based on service at retirement. See complete tables at the end of this section.

65% are assumed to enter the DROP program while the remaining 35% are assumed to retire and commence benefits immediately. DROP periods are assumed to be 5 years in length for future DROP elections.

Tiers 2 & 3:
Age-related rates based on age at retirement. 50% assumed at age 53, 30% assumed at ages 54 – 59, 60% assumed at ages 60 – 63, and 100% assumed at age 64.

Termination Rate

These rates are used to project future decrements from the active population due to termination. Complete table of rates based on service at termination are provided at the end of this section. The rates apply to members prior to retirement eligibility and are based on a 2022 experience study using actual plan experience.

Disability Rate	These rates are used to project future decrements from the active population due to disability. Complete table of rates based on age at disability are provided at the end of this section. These rates are based on a 2022 experience study using actual plan experience. 90% of disablements are assumed to be duty-related.
Marital Status	For active members, 85% of males and 60% of females are assumed to be married. Actual marital status is used, where applicable, for inactive members.
Spouse's Age	Male spouses are assumed to be four years older than female members and female spouses are assumed to be two years younger than males members.
Benefit Commencement	Deferred members are assumed to commence benefits as follows: • Tier 1: immediate refund of contributions • Tiers 2 & 3 (less than 15 years service): immediate refund of contributions • Tier 2 (15+ years service): life annuity payable at age 52.5 • Tier 3 (15+ years service): life annuity payable at age 55
Health Care Utilization	For active members, 70% of retirees are expected to utilize retiree health care. Actual utilization is used for inactive members.
Funding Method	Entry Age Normal Cost Method.
Lateral Transfers	When active members transfer between employers, the new employer's liability starts from their new date of hire with no past service liability (i.e., all liability is accrued through normal cost). Per PSPRS administrative decision, once the new employer's liability is fully funded, the liability will reflect all past service liability.
Actuarial Asset Method	Method described below. Note that during periods when investment performance exceeds (falls short) of the assumed rate, the actuarial value of assets will tend to be less (greater) than the market value of assets. ***Tiers 1 & 2:*** Each year the assumed investment income is recognized in full while the difference between actual and assumed investment income are smoothed over a 7-year period subject to a 20% corridor around the market value.

Tier 3:
Each year the assumed investment income is recognized in full while the difference between actual and assumed investment income are smoothed over a 5-year period subject to a 20% corridor around the market value.

Funding Policy Amortization Method

Tiers 1 & 2:
Any positive UAAL (assets less than liabilities) is amortized using a layered approach beginning with the June 30, 2020 valuation, with new amounts determined according to a Level Dollar method over a closed period of 15 years (phased into from current period of at most 30 years). Initial layer from June 30, 2019 valuation continues to be amortized according to a Level Percentage of Payroll method.

Tier 3:
Any positive UAAL (assets less than liabilities) is amortized according to a Level Dollar method over a closed period of 10 years. No amortization is made of any negative UAAL (assets greater than liabilities).

Payroll Growth

1.50% per year. This is annual increase for total employer payroll.

Changes to Actuarial Assumptions and Methods Since the Prior Valuation
The payroll growth assumption was lowered from 2.00% to 1.50%.

There were no method changes since the prior valuation.

Salary Increase Rates

Age	Maricopa Police	Pima Police	Other Police	Maricopa Fire	Pima Fire	Other Fire
20	15.00%	12.00%	14.00%	15.00%	12.00%	13.00%
21	14.00%	6.00%	12.00%	14.00%	11.00%	12.00%
22	13.00%	6.00%	10.00%	13.00%	10.00%	11.00%
23	12.00%	6.00%	9.00%	12.00%	9.50%	10.00%
24	11.00%	6.00%	8.00%	11.00%	9.00%	9.00%
25	10.00%	6.00%	7.00%	10.00%	8.50%	8.00%
26	9.00%	5.50%	6.50%	9.50%	7.50%	7.50%
27	8.00%	5.50%	6.25%	9.00%	6.50%	7.50%
28	7.50%	5.50%	6.00%	8.50%	5.75%	7.00%
29	7.00%	5.50%	5.80%	8.00%	5.75%	6.50%
30	6.50%	5.25%	5.60%	8.00%	5.50%	6.50%
31	6.00%	5.25%	5.40%	7.50%	5.50%	6.00%
32	5.50%	5.00%	5.20%	7.00%	5.00%	5.50%
33	5.10%	5.00%	5.00%	6.50%	5.00%	5.50%
34	4.90%	5.00%	4.90%	6.50%	5.00%	5.50%
35	4.70%	4.50%	4.80%	6.00%	5.00%	5.50%
36	4.50%	4.50%	4.70%	5.50%	5.00%	5.50%
37	4.30%	4.50%	4.60%	5.25%	4.50%	5.00%
38	4.10%	4.00%	4.50%	5.00%	4.50%	5.00%
39	4.00%	4.00%	4.40%	4.75%	4.50%	5.00%
40	3.90%	4.00%	4.30%	4.75%	4.50%	5.00%
41	3.80%	3.80%	4.20%	4.50%	4.50%	4.50%
42	3.70%	3.60%	4.10%	4.50%	4.00%	4.50%
43	3.60%	3.40%	4.00%	4.50%	4.00%	4.50%
44	3.50%	3.20%	3.90%	4.50%	4.00%	4.00%
45	3.50%	3.00%	3.80%	4.25%	4.00%	4.00%
46	3.50%	3.00%	3.70%	4.25%	3.75%	4.00%
47	3.50%	3.00%	3.60%	4.25%	3.75%	3.75%
48	3.50%	3.00%	3.50%	4.00%	3.75%	3.75%
49	3.50%	3.00%	3.50%	4.00%	3.50%	3.75%
50	3.25%	3.00%	3.50%	3.75%	3.50%	3.75%
51	3.25%	3.00%	3.50%	3.75%	3.50%	3.75%
52	3.25%	2.75%	3.50%	3.75%	3.50%	3.75%
53+	3.25%	2.75%	3.50%	3.75%	3.25%	3.75%

Tier 1 Retirement Rates– reaching age 62 after attaining 20 years of service

Service	Maricopa Police	Pima Police	Other Police	Maricopa Fire	Pima Fire	Other Fire
20	28%	28%	35%	14%	20%	20%
21	25%	25%	35%	17%	20%	25%
22	15%	16%	22%	7%	13%	15%
23	12%	12%	12%	7%	7%	10%
24	8%	9%	12%	7%	7%	10%
25	30%	22%	25%	17%	22%	30%
26	42%	42%	40%	30%	26%	30%
27	32%	30%	28%	23%	30%	30%
28	32%	30%	28%	30%	30%	30%
29	32%	20%	28%	30%	30%	30%
30	35%	25%	35%	30%	30%	35%
31	35%	33%	30%	40%	30%	35%
32	60%	50%	70%	55%	30%	35%
33	60%	50%	70%	55%	60%	60%
34+	100%	100%	100%	100%	100%	100%

Termination Rates

Service	Maricopa Police	Pima Police	Other Police	Maricopa Fire	Pima Fire	Other Fire
0	13.0%	14.0%	13.5%	4.5%	10.0%	10.5%
1	8.0%	9.0%	11.5%	3.5%	6.0%	8.5%
2	6.0%	7.5%	10.5%	2.5%	4.5%	8.0%
3	4.5%	7.0%	9.5%	2.0%	4.0%	8.0%
4	3.6%	6.5%	9.0%	1.5%	4.0%	7.0%
5	3.3%	5.0%	8.0%	1.5%	4.0%	5.0%
6	3.3%	5.0%	7.0%	1.5%	4.0%	5.0%
7	3.3%	4.0%	6.5%	1.5%	3.0%	4.0%
8	2.4%	4.0%	6.5%	1.5%	3.0%	4.0%
9	2.4%	4.0%	6.0%	1.5%	3.0%	3.5%
10	2.4%	4.0%	5.0%	1.0%	2.0%	3.0%
11	1.8%	3.0%	4.0%	1.0%	2.0%	2.5%
12	1.8%	3.0%	4.0%	1.0%	1.5%	2.0%
13	1.3%	2.0%	3.5%	1.0%	1.0%	1.5%
14	1.3%	2.0%	3.0%	0.5%	1.0%	1.4%
15	0.8%	1.5%	2.5%	0.5%	1.0%	1.4%
16	0.8%	1.5%	2.0%	0.5%	0.5%	1.4%
17	0.8%	1.0%	2.0%	0.5%	0.5%	1.4%
18	0.8%	1.0%	1.8%	0.5%	0.5%	1.4%
19	0.8%	1.0%	1.8%	0.5%	0.5%	0.5%
20+	0.5%	1.0%	1.8%	0.4%	0.5%	0.5%

Disability Rates

Age	Maricopa Police	Pima Police	Other Police	Maricopa Fire	Pima Fire	Other Fire
20	0.050%	0.050%	0.120%	0.020%	0.020%	0.020%
21	0.050%	0.050%	0.120%	0.020%	0.020%	0.020%
22	0.050%	0.050%	0.120%	0.020%	0.020%	0.020%
23	0.050%	0.050%	0.120%	0.020%	0.020%	0.020%
24	0.050%	0.050%	0.120%	0.020%	0.020%	0.020%
25	0.050%	0.050%	0.120%	0.020%	0.020%	0.020%
26	0.100%	0.100%	0.160%	0.035%	0.020%	0.020%
27	0.100%	0.100%	0.160%	0.035%	0.020%	0.020%
28	0.100%	0.100%	0.160%	0.035%	0.020%	0.020%
29	0.100%	0.100%	0.160%	0.035%	0.020%	0.020%
30	0.100%	0.100%	0.160%	0.035%	0.020%	0.020%
31	0.230%	0.180%	0.240%	0.090%	0.100%	0.060%
32	0.230%	0.180%	0.240%	0.090%	0.100%	0.060%
33	0.230%	0.180%	0.240%	0.090%	0.100%	0.060%
34	0.230%	0.180%	0.240%	0.090%	0.100%	0.060%
35	0.230%	0.180%	0.240%	0.090%	0.100%	0.060%
36	0.450%	0.350%	0.320%	0.150%	0.150%	0.140%
37	0.450%	0.350%	0.320%	0.150%	0.150%	0.140%
38	0.450%	0.350%	0.320%	0.150%	0.150%	0.140%
39	0.450%	0.350%	0.320%	0.150%	0.150%	0.140%
40	0.450%	0.350%	0.320%	0.150%	0.150%	0.140%
41	0.520%	0.650%	0.550%	0.170%	0.300%	0.250%
42	0.520%	0.650%	0.550%	0.170%	0.300%	0.250%
43	0.520%	0.650%	0.550%	0.170%	0.300%	0.250%
44	0.520%	0.650%	0.550%	0.170%	0.300%	0.250%
45	0.520%	0.650%	0.550%	0.170%	0.300%	0.250%
46	0.650%	0.750%	0.750%	0.300%	0.420%	0.420%
47	0.650%	0.750%	0.750%	0.300%	0.420%	0.420%
48	0.650%	0.750%	0.750%	0.300%	0.420%	0.420%
49	0.650%	0.750%	0.750%	0.300%	0.420%	0.420%
50	0.650%	0.750%	0.750%	0.300%	0.420%	0.420%
51	0.800%	0.800%	0.800%	0.700%	0.750%	0.750%
52	0.800%	0.800%	0.800%	0.700%	0.750%	0.750%
53	0.800%	0.800%	0.800%	0.700%	0.750%	0.750%
54	0.800%	0.800%	0.800%	0.700%	0.750%	0.750%
55	0.800%	0.800%	0.800%	0.700%	0.750%	0.750%
56+	1.000%	0.850%	0.900%	1.100%	0.800%	1.000%

VII. DISCUSSION OF RISK

ASOP No. 51, Assessment and Disclosure of Risk Associated with Measuring Pension Obligations and Determining Pension Plan Contributions, states that the actuary should identify risks that, in the actuary's professional judgment, may reasonably be anticipated to significantly affect the plan's future financial condition.

Throughout this report, actuarial results are determined under various assumption scenarios. These results are based on the premise that all future plan experience will align with the plan's actuarial assumptions; however, there is no guarantee that actual plan experience will align with the plan's assumptions. Whenever possible, the recommended assumptions in this report reflect conservatism to allow for some margin of unfavorable future plan experience. However, it is still possible that actual plan experience will differ from anticipated experience in an unfavorable manner that will negatively impact the plan's funded position.

Below are examples of ways in which plan experience can deviate from assumptions and the potential impact of that deviation. Typically, this results in an actuarial gain or loss representing the current-year financial impact on the plan's unfunded liability of the experience differing from assumptions; this gain or loss is amortized over a period of time determined by the plan's amortization method. When assumptions are selected that adequately reflect plan experience, gains and losses typically offset one another in the long term, resulting in a relatively low impact on the plan's contribution requirements associated with plan experience. When assumptions are too optimistic, losses can accumulate over time and the plan's amortization payment could potentially grow to an unmanageable level.

- Investment Return: When the rate of return on the Actuarial Value of Assets falls short of the assumption, this produces a loss representing assumed investment earnings that were not realized. Further, it is unlikely that the plan will experience a scenario that matches the assumed return in each year as capital markets can be volatile from year to year. Therefore, contribution amounts can vary in the future.
- Salary Increases: When a plan participant experiences a salary increase that was greater than assumed, this produces a loss representing the cost of an increase in anticipated plan benefits for the participant as compared to the previous year. The total gain or loss associated with salary increases for the plan is the sum of salary gains and losses for all active participants.
- Payroll Growth: The plan's payroll growth assumption, if one is used, causes a predictable annual increase in the plan's amortization payment in order to produce an amortization payment that remains constant as a percentage of payroll if all assumptions are realized. If payroll does not increase according to the plan's payroll growth assumption, the plan's amortization payment can increase significantly as a percentage of payroll even if all assumptions other than the payroll growth assumption are realized.
- Demographic Assumptions: Actuarial results take into account various potential events that could happen to a plan participant, such as retirement, termination, disability, and death. Each of these potential events is assigned a liability based on the likelihood of the event and the financial consequence of the event for the plan. Accordingly, actuarial liabilities reflect a blend of financial consequences associated with various possible outcomes (such as retirement at one of various possible ages). Once the outcome is known (e.g. the participant retires) the liability is adjusted to reflect the known outcome. This adjustment

produces a gain or loss depending on whether the outcome was more or less favorable than other outcomes that could have occurred.

- Contribution risk: This risk results from the potential that actual employer contributions may deviate from actuarially determined contributions, which are determined in accordance with the Board's funding policy. The funding policy is intended to result in contribution requirements that if paid when due, will result in a reasonable expectation that assets will accumulate to be sufficient to pay plan benefits when due. Contribution deficits, particularly large deficits and those that occur repeatedly, increase future contribution requirements and put the plan at risk for not being able to pay plan benefits when due.

Impact of Plan Maturity on Risk

For newer pension plans, most of the participants and associated liabilities are related to active members who have not yet reached retirement age. As pension plans continue in operation and active members reach retirement ages, liabilities begin to shift from being primarily related to active members to being shared amongst active and retired members. Plan maturity is a measure of the extent to which this shift has occurred. It is important to understand that plan maturity can have an impact on risk tolerance and the overall risk characteristics of the plan. For example, plans with a large amount of retired liability do not have as long of a time horizon to recover from losses (such as losses on investments due to lower than expected investment returns) as plans where the majority of the liability is attributable to active members. For this reason, less tolerance for investment risk may be warranted for highly mature plans with a substantial inactive liability. Similarly, mature plans paying substantial retirement benefits resulting in a small positive or net negative cash flow can be more sensitive to near term investment volatility, particularly if the size of the fund is shrinking, which can result in less assets being available for investment in the market.

To assist with determining the maturity of the plan, we have provided some relevant metrics in the table following titled "Plan Maturity Measures and Other Risk Metrics." For a better understanding of the overall Plan and the impact of these risks, please refer to the consolidated PSPRS valuation report.

Low Default-Risk Obligation Measure

ASOP No. 4, Measuring Pension Obligations and Determining Pension Plan Costs or Contributions, was revised as of December 2021 to include a "low-default-risk obligation measure" (LDROM). This liability measure is consistent with the determination of the actuarial accrued liability shown on pages 8 and 9 in terms of member data, plan provisions, and assumptions/methods, including the use of the Entry Age Normal Cost Method, except that the interest rate is tied to low-default-risk fixed income securities. The S&P Municipal Bond 20 Year High Grade Rate Index (daily rate closest to, but not later than, the measurement date) was selected to represent a current market rate of low risk but longer-term investments that could be included in a low-risk asset portfolio. The interest rate used in this valuation was 4.21%, resulting in an LDROM of $7,271,982 for Tiers 1 and 2 and $406,148,719 for Tier 3. The LDROM should not be considered the "correct" liability measurement; it simply shows a possible outcome if the Board elected to hold a very low risk asset portfolio. The Board actually invests the pension plan's contributions in a diversified portfolio of stocks and bonds and other investments with the objective of maximizing investment returns at a reasonable level of risk. Consequently, the difference between the plan's Actuarial Accrued Liability disclosed earlier in this section and the LDROM can be thought of as representing the expected taxpayer savings from investing in the plan's diversified portfolio compared to investing only in high quality bonds.

The actuarial valuation reports the funded status and develops contributions based on the expected return of the plan's investment portfolio. If instead, the plan switched to investing exclusively in high quality bonds, the LDROM illustrates that reported funded status would be lower (which also implies that the Actuarially Determined Contributions would be higher), perhaps significantly. Unnecessarily high contribution requirements in the near term may not be affordable and could imperil plan sustainability and benefit security.

Plan Maturity Measures and Other Risk Metrics - Tiers 1 & 2

	6/30/2024	6/30/2023	6/30/2022	6/30/2021	6/30/2020
Support Ratio					
Total Actives	4	5	5	5	5
Total Inactives	9	9	9	9	9
Actives / Inactives	44.4%	55.6%	55.6%	55.6%	55.6%
Asset Volatility Ratio					
Market Value of Assets (MVA)	3,477,717	3,211,676	2,903,260	3,188,883	2,443,825
Total Annual Payroll	402,102	437,217	346,201	333,285	330,064
MVA / Total Annual Payroll	864.9%	734.6%	838.6%	956.8%	740.4%
Accrued Liability (AL) Ratio					
Inactive Accrued Liability	3,595,652	3,466,581	3,410,113	3,521,413	3,465,852
Total Accrued Liability	4,804,797	4,582,716	4,173,858	4,118,642	3,981,964
Inactive AL / Total AL	74.8%	75.6%	81.7%	85.5%	87.0%
Funded Ratio					
Actuarial Value of Assets (AVA)	3,441,893	3,270,878	2,982,297	2,915,332	2,631,236
Total Accrued Liability	4,804,797	4,582,716	4,173,858	4,118,642	3,981,964
AVA / Total Accrued Liability	71.6%	71.4%	71.5%	70.8%	66.1%
Net Cash Flow Ratio					
Net Cash Flow [1]	(53,238)	91,330	(159,064)	103,010	105,806
Market Value of Assets (MVA)	3,477,717	3,211,676	2,903,260	3,188,883	2,443,825
Net Cash Flow / MVA	(1.5%)	2.8%	(5.5%)	3.2%	4.3%

[1] Determined as total contributions minus benefit payments. Administrative expenses are typically included but are considered part of the net interest rate assumption for this plan.

Plan Maturity Measures and Other Risk Metrics - Tier 3 [1]

	6/30/2024	6/30/2023	6/30/2022	6/30/2021	6/30/2020
Support Ratio					
Total Actives	3,658	3,054	2,417	2,560	1,408
Total Inactives	570	450	327	307	130
Actives / Inactives	641.8%	678.7%	739.1%	833.9%	1,083.1%
Asset Volatility Ratio					
Market Value of Assets (MVA)	184,210,874	119,338,352	74,774,123	51,992,240	22,964,925
Total Annual Payroll	295,480,312	226,680,964	165,151,543	115,883,115	84,448,996
MVA / Total Annual Payroll	62.3%	52.6%	45.3%	44.9%	27.2%
Accrued Liability (AL) Ratio					
Inactive Accrued Liability	16,792,236	9,349,377	4,598,114	2,290,610	1,173,104
Total Accrued Liability	165,671,690	110,961,191	68,939,204	42,733,537	23,239,599
Inactive AL / Total AL	10.1%	8.4%	6.7%	5.4%	5.0%
Funded Ratio					
Actuarial Value of Assets (AVA)	178,758,433	119,101,476	76,171,857	45,863,401	23,570,444
Total Accrued Liability	165,671,690	110,961,191	68,939,204	42,733,537	23,239,599
AVA / Total Accrued Liability	107.9%	107.3%	110.5%	107.3%	101.4%
Net Cash Flow Ratio					
Net Cash Flow [2]	47,922,185	36,208,171	25,802,686	18,607,209	13,192,598
Market Value of Assets (MVA)	184,210,874	119,338,352	74,774,123	51,992,240	22,964,925
Net Cash Flow / MVA	26.0%	30.3%	34.5%	35.8%	57.4%

[1] *Tier 3 results are shown for the Risk Sharing group, where applicable.*
[2] *Determined as total contributions minus benefit payments. Administrative expenses are typically included but are considered part of the net interest rate assumption for this plan.*

VIII. SUMMARY OF CURRENT PLAN

The following is a summary of the benefit provisions provided in Title 38, Chapter 5, Article 4 of the Arizona Revised Statutes.

Membership	Full-time employees of an eligible group, prior to attaining age 65, who are engaged to work for more than six months in a calendar year. Tier 3 Defined Contribution members are able to elect participation in post-retirement health insurance subsidy.
Benefit Tiers	Benefits differ for members based on their hire date:

Tier	Hire Date
1	Hired before January 1, 2012
2	Hired on or after January 1, 2012 but before July 1, 2017
3	Hired on or after July 1, 2017

Compensation	Compensation is the amount including base salary, overtime pay, shift and military differential pay, compensatory time used in lieu of overtime pay, and holiday pay, paid to an employee on a regular payroll basis and longevity pay paid at least every six months for which contributions are made to the System. For Tier 3 members, compensation is limited by statutory cap ($110,000 with adjustments by the Board).
Average Monthly Benefit Compensation	***Tier 1:*** The highest compensation paid to member during three consecutive years out of the last 20 years of Credited Service, divided by months. ***Tier 2:*** The highest compensation paid to member during five consecutive years out of the last 20 years of Credited Service, divided by months. ***Tier 3:*** The highest compensation paid to member during five consecutive years out of the last 15 years of Credited Service, divided by months.
Credited Service	Total periods of service, both before and after the member's date of participation, for which the member made contributions to the fund.
Normal Retirement Date	***Tier 1:*** First day of month following attainment of 1) 20 years of service or

2) 62nd birthday and completion of 15 years of service.

Tier 2:
First day of month following the attainment of age 52.5 and completion of 15 years of service.

Tier 3:
First day of month following the attainment of age 55 and completion of 15 years of service.

Benefit

Tier 1:
50% of Average Monthly Benefit Compensation, adjusted based on Credited Service as follows (maximum benefit of 80% of Average Monthly Benefit Compensation):

Credited Service	Benefit Adjustment
15 years, but less than 20	Reduced 4% per year less than 20
20 years, but less than 25	Plus 2% per year between 20 and 25
25+ years	Plus 2.5% per year above 20

Tier 2:
Benefit multiplier (below) times Average Monthly Benefit Compensation times Credited Service (maximum benefit of 80% of Average Monthly Benefit Compensation):

Credited Service	Benefit Multiplier
15 years, but less than 17	1.50%
17 years, but less than 19	1.75%
19 years, but less than 22	2.00%
22 years, but less than 25	2.25%
25+ years	2.50%

Tier 3:
Benefit multiplier (below) times Average Monthly Benefit Compensation times Credited Service (maximum benefit of 80% of Average Monthly Benefit Compensation):

Credited Service	Benefit Multiplier
15 years, but less than 17	1.50%
17 years, but less than 19	1.75%
19 years, but less than 22	2.00%
22 years, but less than 25	2.25%
25+ years	2.50%

	Form of Benefit	For married retirees, an annuity payable for the life of the member with 80% continuing to the eligible spouse upon death. For unmarried retirees, the normal form is a single life annuity.
Early Retirement		***Only applicable to Tier 3 members:***
	Date	Attainment of age 52.5 and 15 years of Credited Service.
	Benefit	Actuarial equivalent of Normal Retirement benefit.
Disability Benefit – Accidental (duty-related)		
	Eligibility	Total and permanent disability incurred in performance of duty.
	Benefit Amount	A maximum of: a.) 50% of Average Monthly Benefit Compensation, and; b.) The monthly Normal Retirement pension that the member is entitled to receive if he or she retired immediately.
Disability Benefit – Ordinary (not duty-related)		
	Eligibility	Total and permanent disability not incurred in performance of duty.
	Benefit Amount	Normal Retirement pension that the member is entitled to receive, prorated based on Credited Service earned over the required Credited Service for Normal Retirement (maximum ratio of 1).
Disability Benefit – Other		
	Temporary	Benefit equals 1/12 of 50% of compensation during year preceding date of disability. Payments terminate after 12 months.
	Catastrophic	Benefit equals 90% of Average Monthly Benefit Compensation. After 60 months member receives greater of 62.5% Average Monthly Benefit Compensation and accrued normal pension.
Pre-Retirement Death Benefit		*Payable following death of active member*
	Service Incurred	100% of Average Monthly Benefit Compensation, reduced by child's pension.
	Non-Service Incurred	80% of benefit based on calculation for accidental disability retirement.
	Child's Pension	10% of pension for each child (maximum 20% paid) based on calculation for accidental disability retirement. Payable to dependent child under age 18 (23 if full-time student).

Guardian's Pension	Same as spouse's pension. Payable (along with child's pension) when no spouse is being paid and there is at least one child under 18 (23, if full-time student).
Accumulated Contributions	Any contributions remaining upon the death of the last beneficiary shall be paid as a lump sum.

Vesting (Termination)

Vesting Service Requirement

***Tier 1*:**
10 years of Credited Service.
Tiers 2 & 3:
15 years of Credited Service.

Non-Vested Benefit

***Tier 1*:**
Lump sum payment of accumulated contributions, plus additional amount based on years of Credited Service.

Service	Additional % of Contributions
Less than 5 years	0%
5 years	25%
6 years	40%
7 years	55%
8 years	70%
9 years	85%
10+ years	100%

Tiers 2 & 3:
Lump sum payment of accumulated contributions, with interest at rate determined by the Board.

Vested Benefit

***Tier 1*:**
Deferred retirement annuity based on two times member's accumulated contributions, deferred to age 62. Member is not entitled to survivor benefits, benefit increases, or group health insurance subsidy.

Tiers 2 & 3:
Calculated same as normal retirement pension. Payable if contributions left in fund until reach age requirement. Member is entitled to survivor benefits, benefit increases, and group health insurance subsidy.

<u>Cost-of-Living Adjustment</u>

Payable to retired member or survivor of retired member
Tiers 1 & 2:
Compound cost-of-living adjustment on base benefit. First payment is made on July 1, 2018, with annual adjustments effective every July 1 thereafter. Adjustment does not apply while in DROP.

Cost-of-living adjustment will be based on the average annual percentage change in the Metropolitan Phoenix-Mesa Consumer Price Index published by the United States Department of Labor, Bureau of Statistics. Maximum increase of 2%.

Tier 3:
Compound cost-of-living adjustment on base benefit beginning earlier of first calendar year after the 7^{th} anniversary of retirement or when the retired member reaches 60 years of age.

A cost-of-living adjustment shall be paid on July 1 each year that the funded ratio for members hired on or after July 1, 2017 is 70% or more.

The cost-of-living adjustment will be based on the average annual percentage change in the Metropolitan Phoenix-Mesa Consumer Price Index published by the United States Department of Labor, Bureau of Statistics. The cost-of-living adjustment will not exceed:

- 2%, if funded ratio for members who are hired on or after July 1, 2017 is 90% or more;
- 1.5%, if funded ratio for members who are hired on or after July 1, 2017 is 80-90%;
- 1%, if funded ratio for members who are hired on or after July 1, 2017 is 70-80%.

<u>Deferred Retirement Option Plan (DROP):</u>

Eligibility: Tier 1 and 20 years of Credited Service.

DROP Period: Maximum 84 months.

Member Contributions: Cease upon DROP entry.

Benefit Amount: Calculated based on Credited Service and average monthly compensation as of the beginning of the DROP period, credited to DROP participation account for DROP period.

	Beginning Year	Interest Rate
Interest on DROP Participation Account	July 1, 2016	7.40%
	July 1, 2018	7.30%
	July 1, 2022	7.20%

Payment of DROP Participation Account: Payable as lump sum distribution to Public Safety Personnel Defined Contribution Retirement Plan at earlier of 1) end of DROP period, 2) at termination, or 3) five years.

Payment Monthly Benefit: System commences payment of benefit amount at the earlier of 1) the end of the DROP period and 2) at termination.

Post-Retirement Health Insurance Subsidy

Eligibility: Retired member or survivor who elect health coverage provided by the state or participating employer.

Maximum Subsidy Amounts (monthly)

	Member Only	With Dependents
Medicare Eligible	$100	$170
One w/ Medicare	N/A	$215
Not Medicare Eligible	$150	$260

Employee Contributions

Tiers 1 & 2:
7.65% (effective July 1, 2023).

Tier 3:
50% of total contribution, which is Normal Cost plus a level-dollar amortization of unfunded actuarial accrued liability over a closed period not to exceed 10 years.

Employer Contributions

Tiers 1 & 2:
Normal Cost plus amortization of unfunded actuarial accrued liability over a closed period not to exceed 20 years (subject to one-time election to extend to closed period not to exceed 30 years).

Tier 3:
50% of total contribution, which is Normal Cost plus a level-dollar amortization of unfunded actuarial accrued liability over a closed period not to exceed 10 years.

Changes to Benefit Provisions Since the Prior Valuation

None.

IX. ACTUARIAL FUNDING POLICY

A pension plan funding policy describes how pension funding will improve for underfunded plans or maintain funded benefits for funded plans over time for those benefits defined in Arizona Revised Statutes (ARS). Those benefits defined in ARS are to be equitably managed and administered by the Arizona Public Safety Personnel Retirement System (PSPRS agency).

This Actuarial Funding Policy identifies the funding objectives and elements of the actuarial funding policy set by the Board for the PSPRS agency. The Board adopted this Funding Policy to help ensure the systematic funding of future benefit payments for members of the retirement systems as established by the legislature.

This policy covers all retirements systems administered by the Board: The Public Safety Personnel Retirement System (PSPRS); the Correction Officers Retirement Plan (CORP); and the Elected Officials Retirement Plan (EORP).

To achieve the systematic funding of future benefits, metrics are identified to measure the progress, or the lack of progress, over time to identify trends. These trends inform the continuation of the current policies or identify areas of needed research for consideration.

This funding policy is reviewed annually and adopted by the Board in accordance with ARS 38-863.02. This policy was reviewed and adopted by the Board in September 2024.

PSPRS Statement of Purpose

The Purpose of the Public Safety Personnel Retirement System is to provide uniform, consistent, and equitable statewide retirement programs for those who have been entrusted to our care.

Funding Objectives

1. Maintain adequate assets so that current plan assets, plus future contributions and investment earnings, are sufficient to fund all benefits expected to be paid to members and their beneficiaries.
   a. Corollary 1a: Current and future contributions should be calculated based upon assumptions that reflect the Board's best estimate of future experience and methods that appropriately allocate costs to address generational equity.
   b. Corollary 1b: While the shorter-term objective is to fully fund the Actuarial Accrued Liability (AAL) that estimates benefits earned as of the valuation date, contributions should target the long-term Present Value of Benefits (PVB) to fund all benefits and help offset risks.
   c. As closed plans mature, the target funding should be 110% of AAL or 100% of PVB, whichever is greater.

2. Maintain public policy goals of accountability and transparency through stakeholder communication and education. Each policy element is clear in intent and effect, and each should be considered in a balanced approach to determine how and when the funding requirements of the plan will be met.
   a. Corollary 2a: Board shall provide stakeholders with separate reports and tools to help explain current results as well as to help model future funding requirements.

3. Promote intergenerational equity. Defined benefit pensions are designed with a long-term perspective and designed to minimize contribution volatility that cannot avoid some level of generational cost shift. However, the goal is that each generation of members and employers (taxpayers) should, to the extent possible, incur the cost of benefits for the employees who provide services to them, rather than shifting those costs to other generations of members and employers (taxpayers).
    a. Corollary 3a: A systematic reduction of the Unfunded Actuarial Accrued Liability (UAAL) over a reasonable time period is paramount to achieving this objective.

Consideration can be given to reduce volatility, to the extent possible, of employer and employee contribution rates as long as the integrity of the objectives listed above is not compromised.

Elements of Actuarial Funding Policy

1. Actuarial Cost Method
    a. The Entry Age Normal level percent of pay actuarial cost method of valuation shall be used in determining the AAL and Normal Cost. Differences in the past between assumed experience and actual experience ("actuarial gains and losses") shall become part of the AAL. The Normal Cost shall be determined on an individual basis for each active member.

2. Asset Smoothing Method
    a. The investment gains or losses of each valuation period, resulting from the difference between the actual investment return and assumed investment return, shall be recognized annually in level amounts over five years (Tier 3) or seven years (Tiers 1 and 2) in calculating the Actuarial Value of Assets (AVA).
    b. The AVA so determined shall be subject to a 20% corridor relative to the Market Value of Assets (MVA).

3. Amortization Method (Unfunded Amounts)
    a. The AVA is subtracted from the computed AAL. Any unfunded amount is amortized as a level percent of payroll over a closed period.
    b. The unfunded liabilities, for EORP and Tiers 1 & 2 for both PSPRS and CORP, determined in the 6/30/2019 actuarial valuation will become the initial layer for each employer beginning with the 6/30/2020 actuarial valuation and amortized using the current closed year period for that employer and continue to decrease each year.
        i. The payroll growth rate assumption used to amortize the PSPRS 6/30/2019 Unfunded Liability will be decreased by 0.5% beginning with the 6/30/2021 actuarial valuation and again each year with the intention of ultimately achieving 0.0%.
        ii. The payroll growth rate used to amortize the Correction Officers Retirement Plan (CORP) 6/30/2019 Unfunded Liability will be 3.0% beginning with the 6/30/2020 actuarial valuation, and future years will be reduced by 0.5% until 0.0% is reached.
        iii. The payroll growth rate used to amortize the Elected Officials Retirement Plan (EORP) 6/30/2019 Unfunded Liability will be 2.5% beginning with the 6/30/2020 actuarial valuation, and future years will be reduced by 0.5% until 0.0% is reached.
    c. Gains and losses, for EORP and Tiers 1 & 2 for both PSPRS and CORP, for each employer beginning with the 6/30/2020 actuarial valuation will be amortized as a new layer over the same amortization period as the regular unfunded liability to a minimum of 15 years. Once the

amortization period for each employer decreases to 15 years, each subsequent year's gains and losses will be amortized as a new 15-year closed layer.

i. The payroll growth rate used to amortize the unfunded liability for all Plans under this paragraph will be 0.0% (i.e. level-dollar amortization).

d. Tier 3 amortization methods are established in ARS 38-843.G and ARS 38-891.K.

4. Amortization Method (Overfunded Amounts)
   a. The AVA is subtracted from the target funding level (greater of 110% of AAL or 100% of PVB). Any overfunded amount is amortized as a level dollar amount over an open 10-year period.

5. Tier 3 Rate Calculation
   a. Tier 3 is distinct from Tiers 1 & 2 in PSPRS and CORP as the contributions are a shared percentage (50/50 split for PSPRS: for CORP, employer 1/3 and member 2/3 of the normal cost plus 50 percent each, member and employer, of the UAAL amortization) for employers and members based on the actuarially calculated rate. To reduce the impact of volatility to rates, the Tier 3 rates will be smoothed over a 3-year rolling period based on the actuarially calculated rates for each year's actuarial valuation.
      i. Beginning with the 6/30/2023 valuation, the prospective Tier 3 rates set by the Board of Trustees are planned to be a rolling average of the actuarial calculated Tier 3 rates using the 6/30/2023, 6/30/2022 and 6/30/2021 rates in the initial process.
      ii. As assumptions may be updated year-to-year, the prior calculated rates are not updated for those changes, the prior calculated rates are used to smooth in the new rates.
   b. At the May 2023 Board Meeting, the Board changed the assumed rate of return for CORP Tier 3, which was at 7.2%, to match the 7.0% assumed rate of return for PSPRS Tier 3. The Board committed to continue to monitor market conditions and directions with the intent to ultimately adopt a single assumed rate of return for all investments for retirement systems/plans administered by PSPRS agency.

6. Assumed Rate of Return (ARR)
   a. At the May 2023 Board Meeting, the Board changed the assumed rate of return for CORP Tier 3, which was at 7.2%, to match the 7.0% assumed rate of return for PSPRS Tier 3. The Board will continue to monitor market conditions and directions with the intent to ultimately adopt a single assumed rate of return for all investments for retirement systems/plans administered by PSPRS agency.

7. EORP Floor Considerations
   a. Establish a "floor" for EORP based on the immediately previous valuation by adjusting payroll growth, amortization periods of the original layer or other possible options, to improve funding in maintaining contribution levels opposed to reducing employer contributions.

Metrics to Monitor Funding Objectives

1. Appropriateness of Assumptions – Gain/Loss Experience (Corollary 1a)
   a. Metric: Do the cumulative gain/loss layers over the prior five years exceed 8% of plan assets?
   b. Measurement: History of annual gain/loss (split by asset and liability experience) and five-year cumulative results will be tracked.
   c. Action Plan: This metric assumes that a full experience study is performed at least every five years so objective of measurement is to monitor interim experience. If the metric answer is yes, a review of the sources or causes of gains and losses should be analyzed and presented to the Advisory Committee to provide a recommendation to the Board of Trustees. The analysis and presentation are intended to provide a basis for consideration if assumption changes are warranted between full experience studies.

2. Funding Targets (Corollary 1b)
   a. Metric: Has the funded status, on both an AAL and PVB basis when compared to the MVA, increased over a five-year period?
   b. Measurement: History of funded status measures will be tracked.
   c. Action Plan: If the answer is no and not readily explainable (e.g., significant assumption change), a review of the reason(s) for the decrease should be researched and presented to the Advisory Committee to provide a recommendation to the Board of Trustees. The analysis and presentation are intended to provide a basis for consideration if changes to assumptions and/or methods are warranted between full experience studies.

3. Communication with Stakeholders (Corollary 2a)
   a. Metric: Have reports and budgeting tools been provided to stakeholders in a timely fashion?
   b. Measurement: Yes/No answer based on input from PSPRS administrator. (An annual standard survey of stakeholders – 3 to 5 questions.)
   c. Action Plan: If the answer is no, and periodically regardless (e.g., every three years), PSPRS staff will revisit this metric to report to the Advisory Committee to provide a recommendation to the Board of Trustees if current reports / tools are sufficient and if the delivery timing is appropriate.

4. Timely Recognition of Costs (Corollary 3a)
   a. Metric: Has the percentage of unfunded liability subject to negative amortization decreased over a five-year lookback period?
   b. Measurement: History of unfunded liability subject to negative amortization as a percentage of total unfunded liability will be tracked.
   c. Action Plan: If the answer is no, and not readily explainable (e.g., adopted assumption changes being phased in are anticipated to address negative amortization), a review of the reason(s) for negative amortization should be researched and presented to the Advisory Committee to provide a recommendation to the Board of Trustees. The analysis and presentation are intended to provide a basis for consideration if changes to assumptions and/or methods are warranted between full experience studies.

X. GLOSSARY

Actuarial Accrued Liability – Computed differently under different funding methods, the actuarial accrued liability generally represents the portion of the actuarial present value of benefits attributable to service credit earned (or accrued) as of the valuation date.

Actuarial Present Value of Benefits – Amount which, together with future interest, is expected to be sufficient to pay all benefits to be paid in the future, regardless of when earned, as determined by the application of a particular set of actuarial assumptions; equivalent to the actuarial accrued liability plus the present value of future normal costs attributable to the members.

Actuarial Assumptions – Assumptions as to the occurrence of future events affecting pension costs. These assumptions include rates of investment earnings, changes in salary, rates of mortality, withdrawal, disablement, and retirement as well as statistics related to marriage and family composition.

Actuarial Cost Method – A method of determining the portion of the cost of a pension plan to be allocated to each year; sometimes referred to as the "actuarial funding method." Each cost method allocates a certain portion of the actuarial present value of benefits between the actuarial accrued liability and future normal costs.

Actuarial Equivalence – Series of payments with equal actuarial present values on a given date when valued using the same set of actuarial assumptions.

Actuarial Present Value - The amount of funds required as of a specified date to provide a payment or series of payments in the future. It is determined by discounting future payments at predetermined rates of interest, and by probabilities of payments between the specified date and the expected date of payment.

Actuarial Value of Assets – The value of cash, investments, and other property belonging to the pension plan as used by the actuary for the purpose of the actuarial valuation. This may correspond to market value of assets, or some modification using an asset valuation method to reduce the volatility of asset values.

Asset Gain (Loss) – That portion of the actuarial gain attributable to investment performance above (below) the expected rate of return in the actuarial assumptions.

Amortization – Paying off an interest-discounted amount with periodic payments of interest and (generally) principal, as opposed to paying off with a lump sum payment.

Amortization Payment – That portion of the pension plan contribution designated to pay interest and reduce the outstanding principal balance of unfunded actuarial accrued liability. If the amortization payment is less than the accrued interest on the unfunded actuarial accrued liability the outstanding principal balance will increase.

Assumed Earnings Rate – The interest rate used in developing present values to reflect the time value of money.

Decrements – Events which result in the termination of membership in the system such as retirement, disability, withdrawal, or death.

Entry Age Normal (EAN) Funding Method – A standard actuarial funding method whereby each member's normal costs (service costs) are generally level as a percentage of pay from entry age until retirement. The annual cost of benefits is comprised of the normal cost plus an amortization payment to reduce the UAL.

Experience Gain (Loss) – The difference between actual unfunded actuarial accrued liabilities and anticipated unfunded actuarial accrued liabilities during the period between two valuation dates. It is a measurement of the difference between actual and expected experience, and may be related to investment earnings above (or below) those expected or changes in the liability due to fewer (or greater) than expected numbers of retirements, deaths, disabilities, or withdrawals, or variances in pay increases relative to assumed pay increases. The effect of such gains (or losses) is to decrease (or increase) future costs.

Funded Ratio – A measure of the ratio of the actuarial value of assets to liabilities of the system. Typically, the assets used in the measure are the actuarial value of assets as determined by the asset valuation method. The funded ratio depends not only on the financial strength of the plan but also on the asset valuation method used to determine the assets and on the funding method used to determine the liabilities.

Market Value of Assets (MVA) – The value of assets as they would trade on an open market.

Normal Cost – Computed differently under different funding methods, generally that portion of the actuarial present value of benefits allocated to the current plan year.

Unfunded Actuarial Accrued Liability (UAAL) – The excess of the actuarial accrued liability over the valuation assets; sometimes referred to as "unfunded past service liability". UAAL increases each time an actuarial loss occurs and when new benefits are added without being fully funded initially and decreases when actuarial gains occur.

Staff Report

Item Number: 5.C.

Agenda Item: **Deed of Dedication for a Portion of Luke Lane from Cykel Holdings, L.L.C. (Bent River Machine)**
Consider and act upon a Deed of Dedication for a portion of Luke Lane from Cykel Holdings, LLC (Bent River Machine).

Staff Contact: Britania Esparza, Associate Planner

Meeting Date: May 13, 2025

Strategic Goal: This agenda item supports the following Clarkdale Strategic Goal Area:

- Goal Area 1 - Enhance the quality of life for residents, businesses and visitors to Clarkdale.
- Goal Area 3 - Strengthen and diversify our economy through cultivating a business-friendly climate for business attraction and strategically capitalizing upon tourism.
- Goal Area 4 - Plan for the maintenance and growth of quality infrastructure that is sustainable and resilient.

Background: The Community Development Department has been working diligently to acquire the necessary easement Deed of Dedication to complete improvements to Luke Lane in the Bitter Creek Industrial Area (BCIA). Over the last several months, the Town has secured deeds of dedication from Clarkdale Arizona Central Railroad, Luke Lane Properties LLC, and Freeport Minerals Corporation. These acquisitions represent significant progress toward positioning the Town to pursue grant funding for the $6,039,204 roadway improvement project. This request to accept a dedication from Cykel Holdings, L.L.C. will complete Luke Lane west of the railroad tracks.

At present, Luke Lane is an unimproved, roughly graded gravel road. This creates challenges for visitors and delivery drivers, who frequently struggle to locate businesses in the BCIA due to poor road conditions and lack of clear access.

Completing and improving this roadway is critical to supporting the Town's economic development objectives. BCIA holds a strategic advantage as the only location in the Verde Valley with direct freight rail access—an increasingly valuable asset for light manufacturing and industrial development. However, inadequate road access has prevented the Town from responding to several site inquiries from the Arizona Commerce Authority (ACA), limiting potential growth opportunities tied to rail-served sites.

Continued support for ROW acquisition and project development efforts will strengthen the Town's position for future funding and economic development prospects.

Budget Impact: Should the road be constructed, the budget impact will be a net positive as it will open up the Bitter Creek Industrial Area for light industrial manufacturing.

Recommendation: Staff recommends that the Council approve the Deed of Dedication for a portion of Luke Lane from Cykel Holdings, LLC (Bent River Machine) and authorize the Mayor, Town Attorney and Town Clerk to execute all documents.

RECORDING REQUESTED BY
And when recorded, return to FOLDER:
Stephen W. Polk, Esq.
Boyle, Pecharich, Cline,
Whittington & Stallings, P.L.L.C.
125 North Granite Street
Prescott, Arizona 86301

MAIL TAX STATEMENTS TO:
Town of Clarkdale
ATTN: Town Clerk
P. O. Box 308
Clarkdale, Arizona, 86324

AFFIDAVIT EXEMPT PURSUANT TO A.R.S. §11-1134(a)(7)
Dedication of public right of way through APN 400-02-004K

DEED OF DEDICATION
TO TOWN OF CLARKDALE, ARIZONA
FOR PUBLIC RIGHT-OF-WAY

THIS DEED OF DEDICATION is made and entered into this 15 day of April, 2025, by and between **Cykel Holdings LLC**, an (Arizona Limited Liability Company) ("Grantor") and the **Town of Clarkdale**, a political subdivision of the State of Arizona ("Grantee").

Grantor hereby conveys and dedicates to Grantee all right, title and interest in the following described real property located in Yavapai County, Arizona, legally described as follows:

See **Exhibit A and Exhibit B** attached hereto.

TOGETHER WITH all rights and privileges appurtenant or to become appurtenant to the subject real property.

SUBJECT TO: current taxes and assessments; patent reservations; all covenants, conditions, restrictions, reservations, rights, rights-of-way, easements, obligations and liabilities and other matters of record or to which reference is made in the public record; any and all conditions, shortages in area, overlaps, conflicts in boundary lines, easements, encroachments, rights-of way, rights or claims, or restrictions not shown by the public records which would be disclosed by a physical inspection, or which an accurate survey of the Property would reveal; unpatented mining claims; and the applicable zoning and use ordinances, regulations, zoning codes and the like of any municipality, county, state, or the United States affecting the Property as same now exist and as may hereafter be established or amended.

THIS DEED OF DEDICATION is made for the purpose of a public right-of-way pursuant to A.R.S. §§ 9-240 and 9-241 and may be accepted at any time by the Common Council of the TOWN OF CLARKDALE, ARIZONA.

IN WITNESS WHEREOF, Cykel Holdings LLC, an (Arizona Limited Liability Company), has executed this DEED OF DEDICATION, this 15 day of April, 2025.

GRANTOR:
Cykel Holdings LLC, an (Arizona Limited Liability Company),

By: Jessica Rae Eckman
Its: Authorized Agent

STATE OF ARIZONA)
) ss
County of Yavapai)

The foregoing instrument was acknowledged before me this 15th day of APRIL, 2025, by JESSICA R ECKMAN, on behalf of Cykel Holdings LLC, an (Arizona Limited Liability Company), whose identity was proved to me on the basis of satisfactory evidence, and acknowledged that he/she executed the same.

ANNE M BARTLEY
Notary Public, State of Arizona
Yavapai County
Commission # 622931
My Commission Expires
February 07, 2026

Notary Public

My Commission Expires:

DONATION ACCEPTED BY THE TOWN OF CLARKDALE,
An Arizona municipality, and acknowledged that the
Land division of this parcel shall not be considered a
Land division or subdivision of land under the Town Code of Clarkdale
Article 12.

TOWN OF CLARKDALE, ARIZONA

____
By: Robyn Prud'homme-Bauer
Its: Mayor

ATTEST:

____
By: Charity Brooks
Its: Clerk

APPROVED AS TO FORM:
BOYLE, PECHARICH, CLINE, WITTINGTON & STALLINGS, P.L.L.C.

____
Stephen W. Polk, Town Attorney

Exhibit A

LEGAL DESCRIPTION
ARDURRA JOB# 224012
APRIL 1, 2024
APN: 400-06-001W
RIGHT OF WAY PARCEL - LUKE LANE

The following is a description for a parcel of land being a portion of that parcel described in Instrument Number 2022-0010435 (referred to hereafter as R1) in the Yavapai County Recorder's official records; lying in Sections 16 and 20, Township 16 North, Range 3 East, Gila and Salt River Meridian; more particularly described as follows:

Commencing for reference at the northwest corner of said Section 20, monumented by a GLO brass cap dated 1940, from which, the northeast corner of said Section 20, monumented by a brass cap stamped "PE4603" dated 1967, bears North 87°46'46" East 2654.25 feet (measured and Basis of Bearings for this description);

Thence North 87°46'46" East, 319.93 feet along the north line of said Section to a rebar and cap stamped "RLS 60237" on the south line of (R1);

Thence South 62°13'35" East, 210.32 feet to a rebar and cap stamped "RLS 40829" on the south line of said (R1);

Thence South 62°14'33" East, 370.49 feet to a rebar and cap stamped "RLS 60237" on the south line of said (R1) and the True Point of Beginning;

Thence South 62°14'33" East, 43.19 feet to a rebar and cap stamped "RLS 40829" at the southeast corner of said (R1);

Thence North 32°06'29" East, 211.31 feet to a rebar and cap stamped "RLS 40829" at the northeast corner of said (R1);

Thence North 62°14'35" West, 38.96 feet to a rebar and cap stamped "RLS 40829" on the north line of said (R1);

Thence South 33°14'56" West, 211.67 feet to the True Point of Beginning;

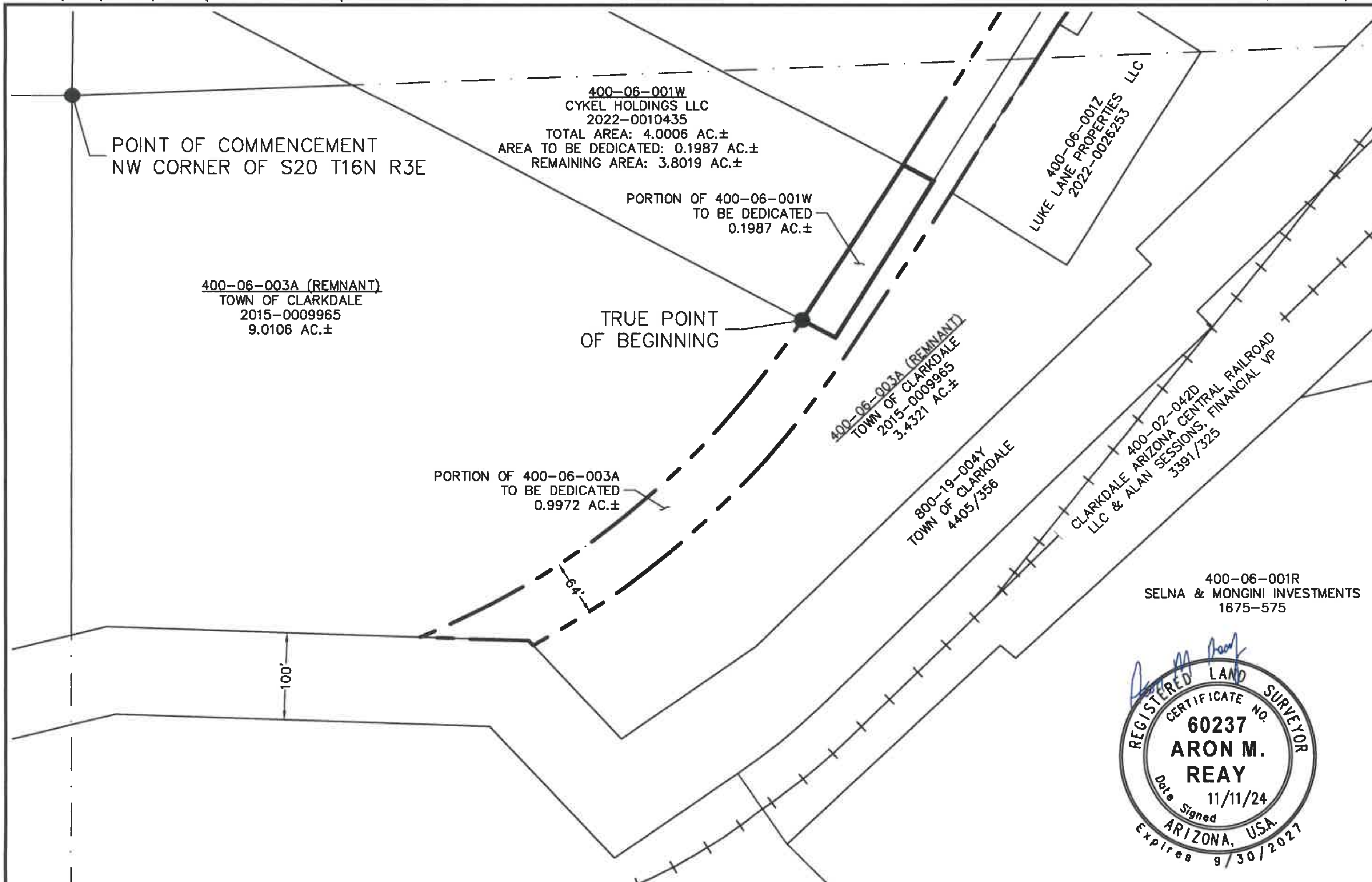
Containing 0.1987 acres, more or less.

REGISTERED LAND SURVEYOR
CERTIFICATE NO.
60237
ARON M.
REAY
Date Signed 11/11/24
ARIZONA, U.S.A.
Expires 9/30/2027

Exhibit B

FILE: P:\2024\224012\SURVEY\LEGAL DESCRIPTIONS\224012 - LUKE LN ROW LD.DWG AREAY

PLOTTED: Nov 11, 2024-4:37pm



SWI
Shephard Wesnitzer, Inc.
An ARDURRA Company

75 Kallof Place
Sedona, AZ 86336
928.282.1061
928.282.2058 fax
www.ardurra.com

JOB NO.	224012
DATE	APR. 2024
SCALE	1"=150'
DRAWN	AMR
DESIGN	
CHECKED	AMR

CLARKDALE
ARIZONA

EXHIBIT TO ACCOMPANY LEGAL DESCRIPTION
RIGHT OF WAY PARCEL – LUKE LANE
APN: 400-06-001W

SHEET
2
OF 2

Staff Report

Item Number: 5.D.

Agenda Item: **Resolution #1735 - Grant Application to the AZ SMART Fund for Design of the Luke Lane and Broadway Street Improvement Project**
Consider and act upon a request by staff to approve Resolution #1735 regarding a grant application to the Arizona SMART Grant Fund, for the design of the Luke Lane and Broadway Improvement Project, in the amount of $1,268,821.

Staff Contact: D.K. Green, Grants Manager

Meeting Date: May 13, 2025

Strategic Goal: This agenda item supports the following Clarkdale Strategic Goal Area:

- Goal Area 3 - Strengthen and diversify our economy through cultivating a business-friendly climate for business attraction and strategically capitalizing upon tourism.
- Goal Area 4 - Plan for the maintenance and growth of quality infrastructure that is sustainable and resilient.

Background: On March 25, Council approved the AZ SMART Grant Fund application for the amount of "up to $1 million." Since that Council meeting, our contracted engineer has provided an updated quote of $1,268,821 for design work for this project. Additionally, this process now requires a resolution from the Town Council, approving the grant application.

If the Town is awarded the AZ SMART grant for design, we will pursue additional funding to complete construction of the project via a federal grant at a future date.

Budget Impact: The updated grant request is for $1,268,821 with no local match required.

Recommendation: Staff recommends that the Council approve Resolution #1735 regarding a grant application to the Arizona SMART Grant Fund, for the design of the Luke Lane and Broadway Improvement Project, in the amount of $1,268,821 and authorize the Town Manager to execute all documents.

RESOLUTION #1735

A RESOLUTION OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF CLARKDALE, ARIZONA, A MUNICIPAL CORPORATION OF ARIZONA, TO AUTHORIZE THE APPLICATION FOR AN ARIZONA SMART GRANT FROM THE ARIZONA STATE MATCH ADVANTAGE FOR RURAL TRANSPORTATION (AZ SMART) FUND.

WHEREAS, the Town of Clarkdale, Arizona, has identified a need for roadway, sidewalk, and bike lane improvements for Luke Lane and Broadway Street in the Verde River Industrial Complex area; and

WHEREAS, pursuant to Sections 9-521 through 540, Arizona Revised Statutes, and specifically Section 9-571, Arizona Revised Statutes, such Town may obligate funds in its public works system(s) to pay for infrastructure improvements; and

WHEREAS, such Town certifies that the population of the community is under 150,000 in population as of the most recent U.S. Census Date; and

WHEREAS, it is in the best interest of such Town to pursue and apply for project reimbursements funds from the AZ SMART Grant Fund of an amount not to exceed $1,300,000 for such infrastructure capital improvement projects; and

WHEREAS, the population of such Town at the time of this request is less than 150,000, which meets the requirement under Section 9-571, Arizona Revised Statutes;

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COMMON COUNCIL OF THE TOWN OF CLARKDALE, ARIZONA, as follows:

Section 1. The Town Manager of such Town or their designees are hereby authorized to apply for the AZ SMART Grant.

Section 2. The Town Manager of such Town or their designees are authorized to take such actions as are necessary to apply for a grant in an amount not to exceed $1,300,000 payable from revenues of the public works system, to be reimbursed by way of the AZ SMART Grant.

Section 3. All actions of the officers and agents of such Town which conform to the purposes and intent of this resolution and which further the completion of the application as contemplated by this resolution, whether heretofore or hereafter taken are hereby ratified, confirmed and approved. The proper officers and agents of such Town are hereby authorized and directed to do all such acts and things and to execute and deliver all such application documents on behalf of such Town as may be necessary to carry out the terms and intent of this resolution.

PASSED by the Mayor and Common Council of the Town of Clarkdale, Arizona, this 13th day of May 2025.

....

Robyn Prud'homme-Bauer
Mayor, Town of Clarkdale, Arizona

ATTEST:

....

Charity Brooks
Town Clerk, Town of Clarkdale, Arizona

AZ SMART - Estimated Project Costs

INSTRUCTIONS: Enter values into GREEN CELLS. List all items necessary to develop and construct your project. The information which may be helpful in preparing this cost estimate. Itemized Cost Estimate tab facilitates detailed cost esti Expenditure calculator.

NOTE: The applicant is responsible for verifying all costs and their accuracy. Construction cost overruns will be the responsibility of the applicant.

For **Design and Other Engineering Services (DOES)** applications, enter values in the green boxes below. Do not use Federal Share and Local Match unless also applying for Match.

Total column should automatically calculate.

ITEM DESCRIPTION	UNIT	QUAN.	UNIT PRICE	TOTAL
STAGE 1 – SCOPING (15% Preliminary Design)				
SITE TOPOGRAPHIC SURVEY (2%-5% of constr. cost) ***(Enter $0 in Unit Price column if none required)***	LS	1	$115,000.00	$115,000.00
SCOPING DOCUMENT (Scoping Letter, Project Assessment or DCR)	LS	1	$34,800.00	$34,800.00
ENVIRONMENTAL DETERMINATION (Including technical supporting documents)	LS	1	$60,000.00	$60,000.00
HAZARDOUS MATERIALS ASSESSMENT Including heavy metals & asbestos (If an assessment is necessary, anticipate $1,500. ***Enter $0 in Unit Price column if none required)***	LS	1	$1,500.00	$1,500.00
SUBTOTAL – PROJECT SCOPING COSTS				$ 211,300
STAGES II, III, IV - DESIGN (30%, 60%, 95%-100% Design)				
DESIGN COSTS				
PS&E's - Plans, Special Provisions, Cost Estimates & Schedules (10%-20% of construction cost.) (Shall be refunded if project is not constructed)	LS	1	$708,908.00	$708,908.00
GEOTECHNICAL INVESTIGATION (If a report is necessary, anticipate 5% of construction cost) Includes testing, Geotech Report, Materials & Pavement Design Report) ***Enter $0 in Unit Price column if none required.***	LS	1	$120,000.00	$120,000.00
DRAINAGE REPORT (If a report is necessary, anticipate 5% of construction cost) ***Enter $0 in Unit Price column if none required)***	LS	1	$140,000.00	$140,000.00
STORM WATER POLLUTION PREVENTION PLAN (Required if there is over 1 acre of total disturbance, 1% of construction cost) ***Enter $0 in Unit Price column if none required.***	LS	1	$88,613.00	$88,613.00
SUBTOTAL – PROJECT DESIGN COSTS				$ 1,057,521
Initial ADOT REVIEW FEES (Additional fees may be required for project development or construction administration)	LS	1	$0.00	$0.00
TOTAL PROJECT DESIGN COST (All subtotals + ADOT review fee)				**$ 1,268,821**

Staff Report

Item Number: 5.E.

Agenda Item: **Ratification of a Grant Application and Award from the Arizona Energy Efficiency and Conservative Block Grant Program for Electric Vehicles**

Consider and act upon the ratification of a grant application and award from the Arizona Energy Efficiency and Conservative Block Grant (EECBG) Program for $241,000 for two fully outfitted Police Department Electric Vehicles (EVs) and an EV charging station.

Staff Contact: D.K. Green, Grants Manager

Meeting Date: May 13, 2025

Strategic Goal: This agenda item supports the following Clarkdale Strategic Goal Area:

- Goal Area 1 - Enhance the quality of life for residents, businesses and visitors to Clarkdale.
- Goal Area 4 - Plan for the maintenance and growth of quality infrastructure that is sustainable and resilient.

Background: With Council's approval in November 2024, we submitted a grant application for two fully outfitted electric police vehicles for the amount of $196,000. In December 2024, the Town was notified by the State that extra funds might be available, and to amend our application in the event we were selected for the award. After consulting with the leadership team, it was decided that a charging station dedicated solely to our new Police vehicles would be of benefit, since our current charging stations are available to the public. For public safety and vehicle reliability, we wanted to ensure our Police EVs were available to charge at any time.

The new grant application was for $241,000 for the two Police EVs and a new charging station, fully installed. We were notified on April 29, 2025, that we have been awarded the grant.

Budget Impact: The amount of this grant award is $241,000 with no match requirement.

Recommendation: Staff recommends that the Council approve the ratification of a grant application and award from the Arizona Energy Efficiency and Conservative

Block Grant (EECBG) Program for $241,000 for two fully outfitted Police Department Electric Vehicles (EVs) and an EV charging station and authorize the Town Manager to execute all documents related to this grant.

KATIE HOBBS
GOVERNOR

STATE OF ARIZONA
OFFICE OF THE GOVERNOR

EXECUTIVE
OFFICE

To: dk.green@clarkdale.az.gov
susan.guthrie@clarkdale.az.gov

April 29, 2025

Susan Guthrie
Town Manager
Town of Clarkdale
PO Box 308
Clarkdale, AZ 86324

RE: Solicitation Title: Arizona Energy Efficiency and Conservation Block Grant Program (RFGA-EECBG-OOR-082724-00)
Application Title: Clarkdale Police Electric Vehicle Fleet

Dear Susan Guthrie,

Your grant application submitted for the Arizona Energy Efficiency and Conservation Block Grant Program solicitation has been accepted. Your grant application was evaluated in accordance with A.R.S. §41-2701, et. seq. and the evaluation criteria in the R.F.G.A. Attached, please find a countersigned copy of your Offer and Acceptance Form and Summary of Award. Also attached is a copy of the State's prime award letter special terms and conditions, for awareness.

This office requires a current copy of your Certificate of Insurance, in the types and amounts stated in the RFGA. It is the awardee's responsibility to ensure that all required coverage is in full force and effect during the term of the contract and shall not serve to limit any liabilities or any other sub-grantee obligations. Copies of the applicable Certificate of Insurance shall be provided to this office to the attention of Shane Richardson, Procurement Manager, State of Arizona, Governor's Accounting Office, 1700 W. Washington, Suite 500, Phoenix, AZ 85007 or [redacted] Failure to do so may result in cancellation of the contract for breach.

Congratulations on your grant award! The Governor's Office of Resiliency looks forward to a mutually beneficial relationship during this contract period. Should you have any questions regarding this letter or the documents enclosed, please contact me at [redacted] An orientation for new grant subrecipients will be scheduled in the near future.

Sincerely,

Shane Richardson

Shane Richardson
Procurement Manager

Enclosed: Offer and Acceptance Form
Summary of Award

	Solicitation number: RFGA-EECBG-OOR-082724-00 **Exhibit A – Offer and Acceptance Form** Arizona Energy Efficiency and Conservation Block Grant Program	The State of Arizona **Governor's Office of Resiliency** 1700 W. Washington St. Phoenix, AZ 85007

TO THE GOVERNOR'S OFFICE OF RESILIENCY:

The Undersigned hereby agrees, if awarded a grant, to comply with all terms, conditions, requirements, specifications, and amendments of the above noted Solicitation and any written exceptions, and as represented in the Application, as accepted by the Governor's Office of Resiliency.

Town of Clarkdale	D.K. Green
Applicant organization name	Signature of person authorized to sign the Application
PO Box 308	D.K. Green
Address	Printed name
Clarkdale, AZ 86324	Grants Manager
City, State, ZIP	Title

1. Will not discriminate against any employee or applicant for employment in violation of Federal Executive Order 11246, [Arizona] State Executive Orders 2023-09, 2023-01, 2009-09 or A.R.S. §§ 41-1461 through 41-1465;
2. Has not given, offered to give, nor intends to give at any time hereafter any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor, or service to a public servant in connection with the submitted offer. Failure to provide a valid signature affirming the stipulations required by this clause will result in rejection of the Offer. Signing the Offer with a false statement will void the Offer, any resulting contract, and may be subject to legal penalties under law;
3. Complies with A.R.S. § 18-132 when offering electronics or information technology products, services, or maintenance;
4. Did not and will not involve collusion or other anti-competitive practices; and
5. Is not debarred from, or otherwise prohibited, from participating in any contract awarded by federal, state, or local government.

ACCEPTANCE OF APPLICATION:

The Application is hereby accepted.

The Applicant is now bound to perform as stated in the Application, and to comply with all terms, conditions, requirements, specifications, and amendments of the above noted Solicitation and any written exceptions, as accepted by the Governor's Office of Resiliency.

This grant shall henceforth be referred to as Agreement No. GR-EECBG-OOR-0822724-01

The effective date of this Agreement is April 1, 2025

The Applicant is cautioned not to commence any billable work or to provide any material or service under this Agreement until the Applicant receives this countersigned form and a formal letter of award from the Governor's Office of Resiliency.

State of Arizona Awarded this 29 **Day of** April **20** 25

Shane Richardson

Shane Richardson, Procurement Manager

State of Arizona
Governor’s Office of Resiliency
Summary of Award

1. *Type of Agreement*
Grant Award

2. *Title of Grant*
Arizona Energy Efficiency and Conservation Block Grant Program (EECBG)

3. *Action Type*
Initial Agreement

4. *Amendment No.*
0

5. *Contract No.*
GR-EECBG-OOR-0822724-01

6. *Effective Date*
04/01/2025

7. *Performance Period*
04/01/2025 – 3/31/2027

8. *Sponsoring Federal Agency*
United States Department of Energy

9. *Grantee Name*
Town of Clarkdale
PO Box 308
Clarkdale, AZ 86324

10. *Grantee ID*

EIN[redacted]

UEI: DTN7MLPZDK67

11. *Grantee’s Program Name*
Clarkdale Police Electric Vehicle Fleet

12. *CFDA No.*
81.128

13. *FAIN No.*
[redacted]

14. *Award Info*

Grant Funding: $241,000.00

Grantee Match: N/A

Grantee Indirect: N/A

15. *Agreement Type*
Cost Reimbursement

16. *Method of Payment*
Electronic or Warrant

17. *Financial Reporting*
Monthly or quarterly,
20 days after
month/quarter end

18. *Program Report Contact*
Gabriel Sanchez Munoz
Energy Grants Program Manager
1700 W. Washington
Suite 500
Phoenix, AZ 85007
[redacted]

19. *Statutory Authority*
Infrastructure Investment and Jobs Act (IIJA) of 2021—also known as the Bipartisan Infrastructure Law (BIL)—section 40552

A.R.S. §41-2701, et seq.

20. *Program Reporting*

Quarterly Reports Due:
2025 Q2: July 20 2025
2025 Q3: October 20, 2025
2025 Q4: January 20, 2026
2026 Q1: April 20, 2026
2026 Q2: July 20 2026
2026 Q3: October 20, 2026
2026 Q4: January 20, 2027
2027 Q1: April 20, 2027

The Governor's Office of Resiliency shall provide the forms for program and financial reporting.

21. *Remittance Address*
State of Arizona
Governor’s Accounting Office
1700 W. Washington
Suite 500
Phoenix, AZ 85007
[redacted]

22. *Grantee Program Contact*
D.K. Green
Grants Manager
Town of Clarkdale
PO Box 308
Clarkdale, AZ 86324
dk.green@clarkdale.az.gov
928-639-2400

23. *Grantee Financial Contact*
Susan Guthrie
Town Manager
Town of Clarkdale
PO Box 308
Clarkdale, AZ 86324
susan.guthrie@clarkdale.az.gov
928-639-2400 x2415

24. *Special Conditions*

The above grant program is approved subject to such conditions of limitations as are incorporated by reference to the grantee’s contract materials. Contract materials incorporated by reference include: The Request for Grant Solicitation No. RFGA-EECBG-OOR-082724-00 and all Attachments; solicitation amendment(s); grantee’s response application (including narrative responses and all Exhibits); clarification requests and responses; and countersigned Offer and Acceptance Form, all of which are in the possession of the grantee.

The State of Arizona’s Uniform Terms and Conditions (Revision No. 10.5) are incorporated into this contract as if fully set forth herein. Copies of this document may be accessed at:
[redacted]

In the event of any divergence between these contract materials and the Uniform Terms and Conditions, the contract shall control. Grantee warrants that it has read and understands the State of Arizona’s Uniform Terms and Conditions (Revision No. 10.5), and agrees to be bound by them in their entirety.

In the event that the Federal agreement which provides funding for this award is paused and/or cancelled by a Federal agency, the Office of the Governor reserves the right to pause and/or cancel this award according to the same terms and timelines set by that Federal agency.

Please use this sheet to create a detailed, line item budget for the project. Example text is provided in red italics.
Please add rows as needed. Please check formulas and totals prior to submission.

Budget Template

Category	Title	Description	Number of Units	Per Unit Cost	Total Cost
Equipment	***Electric Police Vehicles***	***Project will replace 2 gasoline powered police vehicles with 2 electric vehicles.***	***2***	***$62,000.00***	***$124,000.00***
Equipment	***Emergency Package Outfitting***	***Outfit electric police vehicles with emergency accessories.***	***2***	***$36,000.00***	***$72,000.00***
		Equipment Total			**$196,000.00**
Category	**Title**	**Description**	**Rate***	**Hours**	**Total Cost**
Contractual	***Electric Vehicle Charging Station***	***ChargePoint CP6000 Dual-Port Charging Station, hardware, software, mounting plate, station activation and configuration***	***1***	***$18,300.00***	***$18,300.00***
		ChargePoint Assure for CP6000 stations. Includes Parts and Labor Warranty	***1***	***$1,700.00***	***$1,700.00***
Contractual	***Charging Station Inastallation***	***Installation of a Dual-Port Charging Station: Installation of conduit, power run to charging pedastal, mounting of unit on pedastal, parts and labor***	***1***	***$25,000.00***	***$25,000.00***
		Contractual Total			**$45,000.00**
Category	**Title**	**Description**	**Number of Units**	**Per Unit Cost**	**Total Cost**
Other					
Other					
Other					
		Other Total			**$0.00**
Category	**Title**	**Description**	**Rate**	**Direct Costs**	**Total Cost**
Indirect Cost	Indirect Cost	Indirect Cost Rate (NICRA), DeMinimis	0.00	$0.00	$0.00
		Indirect Costs Total	**0**	**$0.00**	**$0.00**

Total Requested	$241,000.00

****Note that the Davis Bacon and Related Acts local prevailing wage determinations apply to all laborers and mechanics working on job sites***

Clarkdale Police Electric Vehicle Fleet

Executive Summary:

Clarkdale's fleet of police vehicles is outdated and inefficient. We plan to integrate two electric vehicles (EVs) into our police fleet, promoting sustainable emergency mobility and enhancing the overall quality of life for all Clarkdale residents. Our Police Department serves not only Clarkdale, but also provides immediate support to the neighboring Yavapai-Apache Nation, Yavapai College and the Town of Jerome. Clarkdale has already received letters of support from these partnering agencies, and as we transition our fleet to EVs, we will provide insight and best practices if they choose to follow our example.

The purchase of these EVs aligns with the Town's vision and mission statement by sustainably enhancing our infrastructures to enhance quality of life. By reducing greenhouse gas emissions and improving air quality, we resiliently plan for a bright future for our entire community. Clarkdale lies within the Sycamore Canyon Wilderness Airshed and the Verde River Watershed; two areas of great environmental and economic importance. Many residents and visitors enjoy these areas for recreation year-round. EVs will help to protect these valuable natural resources.

Additionally, the EVs performance will meet the demands of patrol duties while offering lower maintenance costs and fuel savings. By converting the equivalent of 1,500 gallons of gasoline into electric energy, the Town anticipates substantial energy and fuel savings. With the average cost of gasoline fluctuating, this initiative will save the Town an estimated $4,000 annually, redirecting those funds into other community-focused projects.

Project Description and Impact:

As a leader in sustainability region-wide, the Town of Clarkdale has implemented multiple initiatives to promote environmental resiliency throughout the Verde Valley, including solar energy projects, community-wide recycling programs, and water conservation efforts. Clarkdale also has a network of EV charging stations, located adjacent to our Police Department and Town Hall, which we provide as a complimentary service to the community to promote a more sustainable Clarkdale.

However, Clarkdale's Police Department still uses traditional gasoline-powered vehicles, contradicting the Town's sustainability efforts and undermining the Town's broader environmental goals. Recognizing this gap in sustainability, the Town aims to transition to EVs, reducing both emissions and operating costs. Utilizing EVs not only shifts our law enforcement towards environmental sustainability, but also creates a replicable framework for our law enforcement partners across the Verde Valley. The strategy begins with the purchase of two patrol EVs, and continues with an increase to existing charging infrastructure, and the eventual integration of an all-EV patrol fleet.

Clarkdale has limited financial resources and the Governor's Office funding is crucial to help bridge the financial gap, enabling the purchase of the two EVs. Without this funding, the Police

Department's transition to EVs will be delayed, undermining the potential impact on community well-being and public health.

We plan to build community partnerships in sustainability by engaging local businesses in the EV transition through charging station installations and maintenance, strengthening community ties and boosting the local economy.

Transitioning the Clarkdale Police Department to EVs represents a critical step towards achieving the Town's sustainability goals. With the support of the Governor's Office of Resiliency, this project can lead to meaningful environmental benefits, cost savings, and serve as a replicable model for other communities statewide.

Sincerely,

D.K. Green
Grants Manager
Town of Clarkdale

Special Terms and Conditions

Executive Office of State of Arizona ("Recipient"), which is identified in Block 5 of the Assistance Agreement, and the Office of State and Community Energy Programs ("SCEP"), and Energy Efficiency and Conservation Block Grant Program ("EECBG"), an office within the United States Department of Energy ("DOE"), enter into this Award, referenced above, to achieve the project objectives and the technical milestones and deliverables stated in Attachment 1 to this Award.

This Award consists of the following documents, including all terms and conditions therein:

	Assistance Agreement
	Special Terms and Conditions
Attachment 1	Activity File
Attachment 2	Federal Assistance Reporting Checklist and Instructions
Attachment 3	Budget Information SF-424A
Attachment 4	Intellectual Property Provisions
Attachment 5	Energy Efficiency and Conservation Strategy

The following are incorporated into this Award by reference:

- DOE Assistance Regulations, 2 CFR part 200 as amended by 2 CFR part 910 at http://www.eCFR.gov.
- National Policy Requirements (November 12, 2020) at http://www.nsf.gov/awards/managing/rtc.jsp.
- The Recipient's application/proposal as approved by SCEP.
- Public Law 117-58, also known as the Bipartisan Infrastructure Law (BIL).

Table of Contents

Subpart A. General Provisions

Term 1. Legal Authority and Effect
A DOE financial assistance award is valid only if it is in writing and is signed, either in writing or electronically, by a DOE Contracting Officer.

The Recipient may accept or reject the Award. A request to draw down DOE funds or acknowledgement of award documents by the Recipient's authorized representative through electronic systems used by DOE, specifically FedConnect, constitutes the Recipient's acceptance of the terms and conditions of this Award. Acknowledgement via FedConnect by the Recipient's authorized representative constitutes the Recipient's electronic signature.

Term 2. Flow Down Requirement
The Recipient agrees to apply the terms and conditions of this Award, as applicable, including the Intellectual Property Provisions, to all subrecipients (and subcontractors, as appropriate), as required by 2 CFR 200.101, and to require their strict compliance therewith. Further, the Recipient must apply the Award terms as required by 2 CFR 200.327 to all subrecipients (and subcontractors, as appropriate), and to require their strict compliance therewith.

Term 3. Compliance with Federal, State, and Municipal Law
The Recipient is required to comply with applicable Federal, state, and local laws and regulations for all work performed under this Award. The Recipient is required to obtain all necessary Federal, state, and local permits, authorizations, and approvals for all work performed under this Award.

Term 4. Inconsistency with Federal Law
Any apparent inconsistency between Federal statutes and regulations and the terms and conditions contained in this Award must be referred to the DOE Award Administrator for guidance.

Term 5. Federal Stewardship
SCEP will exercise normal Federal stewardship in overseeing the project activities performed under this Award. Stewardship activities include, but are not limited to, conducting site visits; reviewing performance and financial reports; providing technical assistance and/or temporary intervention in unusual circumstances to address deficiencies that develop during the project; assuring compliance with terms and conditions; and reviewing technical performance after project completion to ensure that the project objectives have been accomplished.

Term 6. NEPA Requirements
DOE must comply with the National Environmental Policy Act (NEPA) prior to authorizing the use of Federal funds. Based on all information provided by the Recipient, SCEP has made a NEPA determination by issuing a categorical exclusion (CX) for all activities listed in the Activity

File approved by the Contracting Officer and the DOE NEPA Determination. The Recipient is thereby authorized to use Federal funds for the defined project activities, subject the Recipient's compliance with the conditions stated below and except where such activity is subject to a restriction set forth elsewhere in this Award.

Condition(s):

1. This NEPA Determination only applies to activities funded by the Administrative and Legal Requirements Document (ALRD) for the EECBG Program Formula Infrastructure Investment and Jobs Act (EECBG Formula - IIJA) awarded to non-tribal recipients proposing non-ground disturbing activities within states that have a DOE executed Historic Preservation Programmatic Agreement.
2. Activities not listed under "Blueprints and additional activities" within this NEPA determination are subject to additional NEPA review and approval by DOE. For activities requiring additional NEPA review, Recipients must complete the environmental questionnaire (EQ-1) found at https: //www.eere-pmc.energy.gov/NEPA.aspx and receive notification from DOE that the NEPA review has been completed and approved by the Contracting Officer prior to initiating the project or activities.
3. Activities proposed on tribal lands or tribal properties would be restricted to homes/buildings less than forty-five (45) years old and without ground disturbance. Recipients must contact the DOE Project Officer for a Historic Preservation Worksheet to request a review of activities that are listed below on tribal homes/buildings forty-five (45) years and older and/or ground disturbing activities. The DOE NEPA team must review the Historic Preservation Worksheet and notify the Recipient's DOE Project Officer before activities listed on the Historic Preservation Worksheet may begin.
4. This authorization does not include activities where the following elements exist: extraordinary circumstances; cumulative impacts or connected actions that may lead to significant effects on the human environment; or any inconsistency with the "integral elements" (as contained in 10 CFR Part 1021, Appendix B) as they relate to a particular project.
5. The Recipient must identify and promptly notify DOE of extraordinary circumstances, cumulative impacts or connected actions that may lead to significant effects on the human environment, or any inconsistency with the "integral elements" (as contained in 10 CFR Part 1021, Appendix B) as they relate to project activities.
6. Recipients must have a DOE executed Historic Preservation Programmatic Agreement and adhere to the terms and restrictions of its DOE executed Historic Preservation Programmatic Agreement. DOE executed Historic Preservation Programmatic Agreements are available at https://www.energy.gov/node/812599.
7. Recipients are responsible for reviewing the online NEPA and Historic preservation training atwww.energy.gov/node/4816816 and contacting EECBG.NEPA@ee.doe.gov with any EECBG NEPA or historic preservation questions.
8. Recipients are required to submit an annual Historic Preservation Report in the Performance and Accountability for Grants in Energy system (PAGE) at https://www.page.energy.gov/default.aspx.

9. Most activities listed under “Blueprints and additional activities” within this NEPA determination are more restrictive than the Categorical Exclusion. The restrictions included in the “Blueprints and additional activities” must be followed.
10. This authorization excludes any activities that are otherwise subject to a restriction set forth elsewhere in the award.

This authorization is specific to the project activities and locations as described in the Activity File approved by the Contracting Officer and the DOE NEPA Determination.

If the Recipient later intends to add to or modify the activities or locations as described in the approved Activity File and the DOE NEPA Determination, those new activities/locations or modified activities/locations are subject to additional NEPA review and are not authorized for Federal funding until the Contracting Officer provides written authorization on those additions or modifications. Should the Recipient elect to undertake activities or change locations prior to written authorization from the Contracting Officer, the Recipient does so at risk of not receiving Federal funding for those activities, and such costs may not be recognized as allowable cost share.

Term 7. Notice Regarding the Purchase of American-Made Equipment and Products – Sense of Congress

It is the sense of the Congress that, to the greatest extent practicable, all equipment and products purchased with funds made available under this Award should be American-made.

Term 8. Reporting Requirements

The reporting requirements for this Award are identified on the Federal Assistance Reporting Checklist, attached to this Award. Failure to comply with these reporting requirements is considered a material noncompliance with the terms of the Award. Noncompliance may result in withholding of future payments, suspension, or termination of the current award, and withholding of future awards. A willful failure to perform, a history of failure to perform, or unsatisfactory performance of this and/or other financial assistance awards, may also result in a debarment action to preclude future awards by Federal agencies.

Term 9. Lobbying

By accepting funds under this Award, the Recipient agrees that none of the funds obligated on the Award shall be expended, directly or indirectly, to influence congressional action on any legislation or appropriation matters pending before Congress, other than to communicate to Members of Congress as described in 18 U.S.C. § 1913. This restriction is in addition to those prescribed elsewhere in statute and regulation.

Term 10. Publications

The Recipient is required to include the following acknowledgement in publications arising out of, or relating to, work performed under this Award, whether copyrighted or not:

- *Acknowledgment:* "This material is based upon work supported by the U.S. Department of Energy's Office of State and Community Energy Programs (SCEP) under the Energy Efficiency and Conservation Block Grant Program (EECBG) Award Number DE-SE0000345."

- *Full Legal Disclaimer:* "This report was prepared as an account of work sponsored by an agency of the United States Government. Neither the United States Government nor any agency thereof, nor any of their employees, makes any warranty, express or implied, or assumes any legal liability or responsibility for the accuracy, completeness, or usefulness of any information, apparatus, product, or process disclosed, or represents that its use would not infringe privately owned rights. Reference herein to any specific commercial product, process, or service by trade name, trademark, manufacturer, or otherwise does not necessarily constitute or imply its endorsement, recommendation, or favoring by the United States Government or any agency thereof. The views and opinions of authors expressed herein do not necessarily state or reflect those of the United States Government or any agency thereof."

  Abridged Legal Disclaimer: "The views expressed herein do not necessarily represent the views of the U.S. Department of Energy or the United States Government."

  Recipients should make every effort to include the full Legal Disclaimer. However, in the event that recipients are constrained by formatting and/or page limitations set by the publisher, the abridged Legal Disclaimer is an acceptable alternative.

Term 11. No-Cost Extension

As provided in 2 CFR 200.308, the Recipient must provide the Contracting Officer with notice in advance if it intends to utilize a one-time, no-cost extension of this Award. The notification must include the supporting reasons and the revised period of performance. The Recipient must submit this notification in writing to the Contracting Officer and DOE Technology Manager/ Project Officer at least 30 days before the end of the current budget period.

Any no-cost extension will not alter the project scope, milestones, deliverables, or budget of this Award.

Term 12. Property Standards

The complete text of the Property Standards can be found at 2 CFR 200.310 through 200.316. Also see 2 CFR 910.360 for additional requirements for real property and equipment for For-Profit recipients.

Term 13. Insurance Coverage

See 2 CFR 200.310 for insurance requirements for real property and equipment acquired or improved with Federal funds. Also see 2 CFR 910.360(d) for additional requirements for real property and equipment for For-Profit recipients.

Term 14. Real Property

Subject to the conditions set forth in 2 CFR 200.311, title to real property acquired or improved under a Federal award will conditionally vest upon acquisition in the non-Federal entity. The non-Federal entity cannot encumber this property and must follow the requirements of 2 CFR 200.311 before disposing of the property.

Except as otherwise provided by Federal statutes or by the Federal awarding agency, real property will be used for the originally authorized purpose as long as needed for that purpose. When real property is no longer needed for the originally authorized purpose, the non-Federal entity must obtain disposition instructions from DOE or pass-through entity. The instructions must provide for one of the following alternatives: (1) retain title after compensating DOE as described in 2 CFR 200.311(c)(1); (2) Sell the property and compensate DOE as specified in 2 CFR 200.311(c)(2); or (3) transfer title to DOE or to a third party designated/approved by DOE as specified in 2 CFR 200.311(c)(3).

See 2 CFR 200.311 for additional requirements pertaining to real property acquired or improved under a Federal award. Also see 2 CFR 910.360 for additional requirements for real property for For-Profit recipients.

Term 15. Equipment

Subject to the conditions provided in 2 CFR 200.313, title to equipment (property) acquired under a Federal award will conditionally vest upon acquisition with the non-Federal entity. The non-Federal entity cannot encumber this property and must follow the requirements of 2 CFR 200.313 before disposing of the property.

A state must use equipment acquired under a Federal award by the state in accordance with state laws and procedures.

Equipment must be used by the non-Federal entity in the program or project for which it was acquired as long as it is needed, whether or not the project or program continues to be supported by the Federal award. When no longer needed for the originally authorized purpose, the equipment may be used by programs supported by DOE in the priority order specified in 2 CFR 200.313(c)(1)(i) and (ii).

Management requirements, including inventory and control systems, for equipment are provided in 2 CFR 200.313(d).

When equipment acquired under a Federal award is no longer needed, the non-Federal entity must obtain disposition instructions from DOE or pass-through entity.

Disposition will be made as follows: (1) items of equipment with a current fair market value of $5,000 or less may be retained, sold, or otherwise disposed of with no further obligation to DOE; (2) Non-Federal entity may retain title or sell the equipment after compensating DOE as described in 2 CFR 200.313(e)(2); or (3) transfer title to DOE or to an eligible third party as specified in 2 CFR 200.313(e)(3).

See 2 CFR 200.313 for additional requirements pertaining to equipment acquired under a Federal award. Also see 2 CFR 910.360 for additional requirements for equipment for For-Profit recipients. See also 2 CFR 200.439 Equipment and other capital expenditures.

Term 16. Supplies

See 2 CFR 200.314 for requirements pertaining to supplies acquired under a Federal award. See also 2 CFR 200.453 Materials and supplies costs, including costs of computing devices.

Term 17. Property Trust Relationship

Real property, equipment, and intangible property, that are acquired or improved with a Federal award must be held in trust by the non-Federal entity as trustee for the beneficiaries of the project or program under which the property was acquired or improved. See 2 CFR 200.316 for additional requirements pertaining to real property, equipment, and intangible property acquired or improved under a Federal award.

Term 18. Record Retention

Consistent with 2 CFR 200.334 through 200.338, the Recipient is required to retain records relating to this Award.

Term 19. Audits

A. Government-Initiated Audits

The Recipient must provide any information, documents, site access, or other assistance requested by SCEP, DOE or Federal auditing agencies (e.g., DOE Inspector General, Government Accountability Office) for the purpose of audits and investigations. Such assistance may include, but is not limited to, reasonable access to the Recipient's records relating to this Award.

Consistent with 2 CFR part 200 as amended by 2 CFR part 910, DOE may audit the Recipient's financial records or administrative records relating to this Award at any time. Government-initiated audits are generally paid for by DOE.

DOE may conduct a final audit at the end of the project period (or the termination of the Award, if applicable). Upon completion of the audit, the Recipient is required to refund to DOE any payments for costs that were determined to be unallowable. If the audit has not been performed or completed prior to the closeout of the award, DOE retains the right to recover an appropriate amount after fully considering the recommendations on disallowed costs resulting from the final audit.

DOE will provide reasonable advance notice of audits and will minimize interference with ongoing work, to the maximum extent practicable.

B. Annual Independent Audits (Single Audit or Compliance Audit)
The Recipient must comply with the annual independent audit requirements in 2 CFR 200.500 through .521 for institutions of higher education, nonprofit organizations, and state and local governments (Single audit), and 2 CFR 910.500 through .521 for for-profit entities (Compliance audit).

The annual independent audits are separate from Government-initiated audits discussed in part A. of this Term and must be paid for by the Recipient. To minimize expense, the Recipient may have a Compliance audit in conjunction with its annual audit of financial statements. The financial statement audit is **not** a substitute for the Compliance audit. If the audit (Single audit or Compliance audit, depending on Recipient entity type) has not been performed or completed prior to the closeout of the award, DOE may impose one or more of the actions outlined in 2 CFR 200.339, Remedies for Noncompliance.

Term 20. Indemnity

The Recipient shall indemnify DOE and its officers, agents, or employees for any and all liability, including litigation expenses and attorneys' fees, arising from suits, actions, or claims of any character for death, bodily injury, or loss of or damage to property or to the environment, resulting from the project, except to the extent that such liability results from the direct fault or negligence of DOE officers, agents or employees, or to the extent such liability may be covered by applicable allowable costs provisions.

Term 21. Foreign National Participation

If the Recipient (including any of its subrecipients and contractors) anticipates involving foreign nationals in the performance of the Award, the Recipient must, upon DOE’s request, provide DOE with specific information about each foreign national to ensure compliance with the requirements for participation and access approval. The volume and type of information required may depend on various factors associated with the Award. The DOE Contracting Officer will notify the Recipient if this information is required.

DOE may elect to deny a foreign national’s participation in the Award. Likewise, DOE may elect to deny a foreign national’s access to a DOE sites, information, technologies, equipment, programs or personnel.

Term 22. Post-Award Due Diligence Reviews

During the life of the Award, DOE may conduct ongoing due diligence reviews, through Government resources, to identify potential risks of undue foreign influence. In the event, a risk is identified, DOE may require risk mitigation measures, including but not limited to, requiring an individual or entity not participate in the Award.

Subpart B. Financial Provisions

Term 23. Maximum Obligation

The maximum obligation of DOE for this Award is the total "Funds Obligated" stated in Block 13 of the Assistance Agreement to this Award.

Term 24. Refund Obligation

The Recipient must refund any excess payments received from SCEP, including any costs determined unallowable by the Contracting Officer. Upon the end of the project period (or the termination of the Award, if applicable), the Recipient must refund to SCEP the difference between (1) the total payments received from SCEP, and (2) the Federal share of the costs incurred. Refund obligations under this Term do not supersede the annual reconciliation or true up process if specified under the Indirect Cost Term.

Term 25. Allowable Costs

SCEP determines the allowability of costs through reference to 2 CFR part 200 as amended by 2 CFR part 910. All project costs must be allowable, allocable, and reasonable. The Recipient must document and maintain records of all project costs, including, but not limited to, the costs paid by Federal funds, costs claimed by its subrecipients and project costs that the Recipient claims as cost sharing, including in-kind contributions. The Recipient is responsible for maintaining records adequate to demonstrate that costs claimed have been incurred, are reasonable, allowable and allocable, and comply with the cost principles. Upon request, the Recipient is required to provide such records to SCEP. Such records are subject to audit. Failure to provide SCEP adequate supporting documentation may result in a determination by the Contracting Officer that those costs are unallowable.

The Recipient is required to obtain the prior written approval of the Contracting Officer for any foreign travel costs.

Term 26. Indirect Costs

A. Indirect Cost Allocation:
The Recipient has a current and approved Predetermined or Fixed Negotiated Indirect Cost Rate Agreement (NICRA) and it applies uniformly across all Federal

awards through the Recipients fiscal year end 2024. An updated rate proposal or NICRA is required within 180 days prior to the identified expiration if the Recipient is to continue to bill predetermined indirect cost billing rates on the DOE award.

B. Fringe Cost Allocation:
Fringe benefit costs have been allocated to this award under a segregated fringe billing rate. The fringe costs were found to be reasonable, allocable, and allowable as reflected in the budget. Fringe elements apply to both direct and indirect labor. Under a segregated cost pool, the fringe billing rate shall be treated as an indirect cost expenditure and must be reconciled annually.

C. Subrecipient Indirect Costs (If Applicable):
The Recipient must ensure its subrecipient's indirect costs are appropriately managed, have been found to be allowable, and comply with the requirements of this Award and 2 CFR Part 200 as amended by 2 CFR Part 910.

D. Indirect Cost Stipulations:

i. Modification to Indirect Cost Billing Rates
SCEP will not modify this Award solely to provide additional funds to cover increases in the Recipient's indirect cost billing rate(s). Adjustments to the indirect cost billing rates must be approved by the Recipient's Cognizant Agency or Cognizant Federal Agency Official.

The Recipient must provide a copy of an updated NICRA or indirect rate proposal to the DOE Award Administrator in order to increase indirect cost billing rates. If the Contracting Officer provides prior written approval, the Recipient may incur an increase in the indirect cost billing rates. Reimbursement will be limited by the budgeted dollar amount for indirect costs for each budget period as shown in Attachment 3 to this Award.

ii. Award Closeout
The closeout of the DOE award does not affect (1) the right of the DOE to disallow costs and recover funds on the basis of a later audit or other review; (2) the requirement for the Recipient to return any funds due as a result of later refunds, corrections or other transactions including final indirect cost billing rate adjustments; and (3) the ability of the DOE to make financial adjustments to a previously closed award resolving indirect cost payments and making final payments.

Term 27. Decontamination and/or Decommissioning (D&D) Costs

Notwithstanding any other provisions of this Award, the Government shall not be responsible for or have any obligation to the Recipient for (1) Decontamination and/or Decommissioning

(D&D) of any of the Recipient's facilities, or (2) any costs which may be incurred by the Recipient in connection with the D&D of any of its facilities due to the performance of the work under this Award, whether said work was performed prior to or subsequent to the effective date of the Award.

Term 28. Use of Program Income

If the Recipient earns program income during the project period as a result of this Award, the Recipient must add the program income to the funds committed to the Award and used to further eligible project objectives.

Term 29. Payment Procedures

A. **Method of Payment**
Payment will be made by reimbursement through the Department of Treasury's ASAP system.

B. **Requesting Reimbursement**
Requests for reimbursements must be made through the ASAP system.

C. **Adjusting Payment Requests for Available Cash**
The Recipient must disburse any funds that are available from repayments to and interest earned on a revolving fund, program income, rebates, refunds, contract settlements, audit recoveries, credits, discounts, and interest earned on any of those funds before requesting additional cash payments from SCEP.

D. **Payments**
All payments are made by electronic funds transfer to the bank account identified on the Bank Information Form that the Recipient filed with the U.S. Department of Treasury.

E. **Unauthorized Drawdown of Federal Funds**
For each budget period, the Recipient may not spend more than the Federal share authorized to that particular budget period, without specific written approval from the Contracting Officer. The Recipient must immediately refund SCEP any amounts spent or drawn down in excess of the authorized amount for a budget period. The Recipient and subrecipients shall promptly, but at least quarterly, remit to DOE interest earned on advances drawn in excess of disbursement needs, and shall comply with the procedure for remitting interest earned to the Federal government per 2 CFR 200.305, as applicable.

Term 30. Budget Changes

A. Budget Changes Generally

The Contracting Officer has reviewed and approved the SF-424A in Attachment 3 to this Award.

Any increase in the total project cost, whether DOE share or Cost Share, which is stated as “Total” in Block 12 to the Assistance Agreement of this Award, must be approved in advance and in writing by the Contracting Officer.

Any change that alters the project scope, milestones or deliverables requires prior written approval of the Contracting Officer. SCEP may deny reimbursement for any failure to comply with the requirements in this term.

B. Transfers of Funds Among Direct Cost Categories

The Recipient is required to obtain the prior written approval of the Contracting Officer for any transfer of funds among direct cost categories where the cumulative amount of such transfers exceeds or is expected to exceed 10 percent of the total project cost, which is stated as “Total” in Block 12 to the Assistance Agreement of this Award.

The Recipient is required to notify the DOE Technology Manager/Project Officer of any transfer of funds among direct cost categories where the cumulative amount of such transfers is equal to or below 10 percent of the total project cost, which is stated as “Total” in Block 12 to the Assistance Agreement of this Award.

C. Transfer of Funds Between Direct and Indirect Cost Categories

The Recipient is required to obtain the prior written approval of the Contracting Officer for any transfer of funds between direct and indirect cost categories. If the Recipient’s actual allowable indirect costs are less than those budgeted in Attachment 3 to this Award, the Recipient may use the difference to pay additional allowable direct costs during the project period so long as the total difference is less than 10% of total project costs and the difference is reflected in actual requests for reimbursement to DOE.

Subpart C. Miscellaneous Provisions

Term 31. Environmental, Safety and Health Performance of Work at DOE Facilities

With respect to the performance of any portion of the work under this Award which is performed at a DOE -owned or controlled site, the Recipient agrees to comply with all State and

Federal Environmental, Safety and Health (ES&H) regulations and with all other ES&H requirements of the operator of such site.

Prior to the performance on any work at a DOE-owned or controlled site, the Recipient shall contact the site facility manager for information on DOE and site-specific ES&H requirements.

The Recipient is required apply this provision to its subrecipients and contractors.

Term 32. System for Award Management and Universal Identifier Requirements

A. Requirement for Registration in the System for Award Management (SAM)
Unless the Recipient is exempted from this requirement under 2 CFR 25.110, the Recipient must maintain the currency of its information in SAM until the Recipient submits the final financial report required under this Award or receive the final payment, whichever is later. This requires that the Recipient reviews and updates the information at least annually after the initial registration, and more frequently if required by changes in its information or another award term.

B. Unique Entity Identifier (UEI)
SAM automatically assigns a UEI to all active SAM.gov registered entities. Entities no longer have to go to a third-party website to obtain their identifier. This information is displayed on SAM.gov.

If the Recipient is authorized to make subawards under this Award, the Recipient:

i. Must notify potential subrecipients that no entity (see definition in paragraph C of this award term) may receive a subaward from the Recipient unless the entity has provided its UEI number to the Recipient.

ii. May not make a subaward to an entity unless the entity has provided its UEI number to the Recipient.

C. Definitions
For purposes of this award term:

i. System for Award Management (SAM) means the Federal repository into which an entity must provide information required for the conduct of business as a recipient. Additional information about registration procedures may be found at the SAM Internet site (currently at https://www.sam.gov).

ii. Unique Entity Identifier (UEI) is the 12-character, alpha-numeric identifier that will be assigned by SAM.gov upon registration.

iii. Entity, as it is used in this award term, means all of the following, as defined at 2 CFR Part 25, subpart C:

1. A Governmental organization, which is a State, local government, or Indian Tribe.
2. A foreign public entity.
3. A domestic or foreign nonprofit organization.
4. A domestic or foreign for-profit organization.
5. A Federal agency, but only as a subrecipient under an award or subaward to a non-Federal entity.

iv. Subaward:

1. This term means a legal instrument to provide support for the performance of any portion of the substantive project or program for which the Recipient received this Award and that the Recipient awards to an eligible subrecipient.

2. The term does not include the Recipient's procurement of property and services needed to carry out the project or program (for further explanation, see 2 CFR 200.501 Audit requirements, (f) *Subrecipients and Contractors* and/or 2 CFR 910.501 Audit requirements, (f) *Subrecipients and Contractors*).

3. A subaward may be provided through any legal agreement, including an agreement that the Recipient considers a contract.

v. Subrecipient means an entity that:

1. Receives a subaward from the Recipient under this Award; and
2. Is accountable to the Recipient for the use of the Federal funds provided by the subaward.

Term 33. Nondisclosure and Confidentiality Agreements Assurances

A. By entering into this agreement, the Recipient attests that it **does not and will not** require its employees or contractors to sign internal nondisclosure or confidentiality agreements or statements prohibiting or otherwise restricting its employees or contactors from lawfully reporting waste, fraud, or abuse to a designated investigative or law enforcement representative of a Federal department or agency authorized to receive such information.

B. The Recipient further attests that it **does not and will not** use any Federal funds to implement or enforce any nondisclosure and/or confidentiality policy, form, or agreement it uses unless it contains the following provisions:

i. *''These provisions are consistent with and do not supersede, conflict with, or otherwise alter the employee obligations, rights, or liabilities created by existing statute or Executive order relating to (1) classified information, (2) communications to Congress, (3) the reporting to an Inspector General of a violation of any law, rule, or regulation, or mismanagement, a gross waste of funds, an abuse of authority, or a substantial and specific danger to public health or safety, or (4) any other whistleblower protection. The definitions, requirements, obligations, rights, sanctions, and liabilities created by controlling Executive orders and statutory provisions are incorporated into this agreement and are controlling.''*

ii. The limitation above shall not contravene requirements applicable to Standard Form 312, Form 4414, or any other form issued by a Federal department or agency governing the nondisclosure of classified information.

iii. Notwithstanding provision listed in paragraph (a), a nondisclosure or confidentiality policy form or agreement that is to be executed by a person connected with the conduct of an intelligence or intelligence-related activity, other than an employee or officer of the United States Government, may contain provisions appropriate to the particular activity for which such document is to be used. Such form or agreement shall, at a minimum, require that the person will not disclose any classified information received in the course of such activity unless specifically authorized to do so by the United States Government. Such nondisclosure or confidentiality forms shall also make it clear that they do not bar disclosures to Congress, or to an authorized official of an executive agency or the Department of Justice, that are essential to reporting a substantial violation of law.

Term 34. Subrecipient Change Notification

Except for subrecipients specifically proposed as part of the Recipient's Application for award, the Recipient must notify the Contracting Officer and Project Manager in writing 30 days prior to the execution of new or modified subrecipient agreements, including naming any To Be Determined subrecipients. This notification does not constitute a waiver of the prior approval requirements outlined in 2 CFR part 200 as amended by 2 CFR part 910, nor does it relieve the Recipient from its obligation to comply with applicable Federal statutes, regulations, and executive orders.

In order to satisfy this notification requirement, the Recipient documentation must, as a minimum, include the following:

- A description of the research to be performed, the service to be provided, or the equipment to be purchased.
- Cost share commitment letter if the subrecipient is providing cost share to the Award.
- An assurance that the process undertaken by the Recipient to solicit the subrecipient complies with their written procurement procedures as outlined in 2 CFR 200.317 through 200.327.
- An assurance that no planned, actual or apparent conflict of interest exists between the Recipient and the selected subrecipient and that the Recipient's written standards of conduct were followed.[1]
- A completed Environmental Questionnaire, if applicable.
- An assurance that the subrecipient is not a debarred or suspended entity.
- An assurance that all required award provisions will be flowed down in the resulting subrecipient agreement.

The Recipient is responsible for making a final determination to award or modify subrecipient agreements under this agreement, but the Recipient may not proceed with the subrecipient agreement until the Contracting Officer determines, and provides the Recipient written notification, that the information provided is adequate.

Should the Recipient not receive a written notification of adequacy from the Contracting Officer within 30 days of the submission of the subrecipient documentation stipulated above, the Recipient may proceed to award or modify the proposed subrecipient agreement.

Term 35. Conference Spending

The Recipient shall not expend any funds on a conference not directly and programmatically related to the purpose for which the grant was awarded that would defray the cost to the United States Government of a conference held by any Executive branch department, agency, board, commission, or office for which the cost to the United States Government would otherwise exceed $20,000, thereby circumventing the required notification by the head of any such Executive Branch department, agency, board, commission, or office to the Inspector General (or senior ethics official for any entity without an Inspector General), of the date, location, and number of employees attending such conference.

[1] It is DOE's position that the existence of a "covered relationship" as defined in 5 CFR 2635.502(a)&(b) between a member of the Recipient's owners or senior management and a member of a subrecipient's owners or senior management creates at a minimum an apparent conflict of interest that would require the Recipient to notify the Contracting Officer and provide detailed information and justification (including, for example, mitigation measures) as to why the subrecipient agreement does not create an actual conflict of interest. The Recipient must also notify the Contracting Officer of any new subrecipient agreement with: (1) an entity that is owned or otherwise controlled by the Recipient; or (2) an entity that is owned or otherwise controlled by another entity that also owns or otherwise controls the Recipient, as it is DOE's position that these situations also create at a minimum an apparent conflict of interest.

Term 36. Recipient Integrity and Performance Matters

A. General Reporting Requirement

If the total value of your currently active Financial Assistance awards, grants, and procurement contracts from all Federal awarding agencies exceeds $10,000,000 for any period of time during the period of performance of this Federal award, then you as the recipient during that period of time must maintain the currency of information reported to the System for Award Management (SAM) that is made available in the designated integrity and performance system (currently the Federal Awardee Performance and Integrity Information System (FAPIIS)) about civil, criminal, or administrative proceedings described in paragraph 2 of this term. This is a statutory requirement under section 872 of Public Law 110-417, as amended (41 U.S.C. 2313). As required by section 3010 of Public Law 111-212, all information posted in the designated integrity and performance system on or after April 15, 2011, except past performance reviews required for Federal procurement contracts, will be publicly available.

B. Proceedings About Which You Must Report

Submit the information required about each proceeding that:

i. Is in connection with the award or performance of a Financial Assistance, cooperative agreement, or procurement contract from the Federal Government;

ii. Reached its final disposition during the most recent five-year period; and

iii. Is one of the following:

   1. A criminal proceeding that resulted in a conviction, as defined in paragraph E of this award term and condition;
   2. A civil proceeding that resulted in a finding of fault and liability and payment of a monetary fine, penalty, reimbursement, restitution, or damages of $5,000 or more;
   3. An administrative proceeding, as defined in paragraph E of this term, that resulted in a finding of fault and liability and your payment of either a monetary fine or penalty of $5,000 or more or reimbursement, restitution, or damages in excess of $100,000; or
   4. Any other criminal, civil, or administrative proceeding if:
      a. It could have led to an outcome described in paragraph B.iii.1, 2, or 3 of this term;
      b. It had a different disposition arrived at by consent or compromise with an acknowledgment of fault on your part; and
      c. The requirement in this term to disclose information about the proceeding does not conflict with applicable laws and regulations.

C. Reporting Procedures
Enter in the SAM Entity Management area the information that SAM requires about each proceeding described in paragraph B of this term. You do not need to submit the information a second time under assistance awards that you received if you already provided the information through SAM because you were required to do so under Federal procurement contracts that you were awarded.

D. Reporting Frequency
During any period of time when you are subject to the requirement in paragraph A of this term, you must report proceedings information through SAM for the most recent five-year period, either to report new information about any proceeding(s) that you have not reported previously or affirm that there is no new information to report. Recipients that have Federal contract, Financial Assistance awards, (including cooperative agreement awards) with a cumulative total value greater than $10,000,000, must disclose semiannually any information about the criminal, civil, and administrative proceedings.

E. Definitions
For purposes of this term:

i. Administrative proceeding means a non-judicial process that is adjudicatory in nature in order to make a determination of fault or liability (e.g., Securities and Exchange Commission Administrative proceedings, Civilian Board of Contract Appeals proceedings, and Armed Services Board of Contract Appeals proceedings). This includes proceedings at the Federal and State level but only in connection with performance of a Federal contract or Financial Assistance awards. It does not include audits, site visits, corrective plans, or inspection of deliverables.
ii. Conviction means a judgment or conviction of a criminal offense by any court of competent jurisdiction, whether entered upon a verdict or a plea, and includes a conviction entered upon a plea of *nolo contendere*.
iii. Total value of currently active Financial Assistance awards, cooperative agreements and procurement contracts includes—
    1. Only the Federal share of the funding under any Federal award with a recipient cost share or match; and
    2. The value of all expected funding increments under a Federal award and options, even if not yet exercised.

Term 37. Export Control

The United States government regulates the transfer of information, commodities, technology, and software considered to be strategically important to the U.S. to protect national security, foreign policy, and economic interests without imposing undue regulatory burdens on legitimate international trade. There is a network of Federal agencies and regulations that govern exports that are collectively referred to as "Export Controls." The Recipient is

responsible for ensuring compliance with all applicable United States Export Control laws and regulations relating to any work performed under a resulting award.
The Recipient must immediately report to DOE any export control violations related to the project funded under this award, at the recipient or subrecipient level, and provide the corrective action(s) to prevent future violations.

Term 38. Interim Conflict of Interest Policy for Financial Assistance

The DOE interim Conflict of Interest Policy for Financial Assistance (COI Policy) can be found at https://www.energy.gov/management/department-energy-interim-conflict-interest-policy-requirements-financial-assistance. This policy is applicable to all non-Federal entities applying for, or that receive, DOE funding by means of a financial assistance award (e.g., a grant, cooperative agreement, or technology investment agreement) and, through the implementation of this policy by the entity, to each Investigator who is planning to participate in, or is participating in, the project funded wholly or in part under this Award. The term "Investigator" means the PI and any other person, regardless of title or position, who is responsible for the purpose, design, conduct, or reporting of a project funded by DOE or proposed for funding by DOE. The Recipient must flow down the requirements of the interim COI Policy to any subrecipient non-Federal entities, with the exception of DOE National Laboratories. Further, the Recipient must identify all financial conflicts of interests (FCOI), i.e., managed and unmanaged/ unmanageable, in its initial and ongoing FCOI reports.

Prior to award, the Recipient was required to: 1) ensure all Investigators on this Award completed their significant financial disclosures; 2) review the disclosures; 3) determine whether a FCOI exists; 4) develop and implement a management plan for FCOIs; and 5) provide DOE with an initial FCOI report that includes all FCOIs (i.e., managed and unmanaged/unmanageable). Within 180 days of the date of the Award, the Recipient must be in full compliance with the other requirements set forth in DOE's interim COI Policy.

Term 39. Organizational Conflict of Interest

Organizational conflicts of interest are those where, because of relationships with a parent company, affiliate, or subsidiary organization, the Recipient is unable or appears to be unable to be impartial in conducting procurement action involving a related organization (2 CFR 200.318(c)(2)).

The Recipient must disclose in writing any potential or actual organizational conflict of interest to the DOE Contracting Officer. The Recipient must provide the disclosure prior to engaging in a procurement or transaction using project funds with a parent, affiliate, or subsidiary organization that is not a state, local government, or Indian tribe. For a list of the information that must be included the disclosure, see Section VI. of the DOE interim Conflict of Interest Policy for Financial Assistance at https://www.energy.gov/management/department-energy-interim-conflict-interest-policy-requirements-financial-assistance.

If the effects of the potential or actual organizational conflict of interest cannot be avoided, neutralized, or mitigated, the Recipient must procure goods and services from other sources when using project funds. Otherwise, DOE may terminate the Award in accordance with 2 CFR 200.340 unless continued performance is determined to be in the best interest of the Federal government.

The Recipient must flow down the requirements of the interim COI Policy to any subrecipient non-Federal entities, with the exception of DOE National Laboratories. The Recipient is responsible for ensuring subrecipient compliance with this term.

If the Recipient has a parent, affiliate, or subsidiary organization that is not a state, local government, or Indian tribe, the Recipient must maintain written standards of conduct covering organizational conflicts of interest.

Term 40. Prohibition on Certain Telecommunications and Video Surveillance Services or Equipment

As set forth in 2 CFR 200.216, recipients and subrecipients are prohibited from obligating or expending project funds (Federal and non-Federal funds) to:

(1) Procure or obtain;

(2) Extend or renew a contract to procure or obtain; or

(3) Enter into a contract (or extend or renew a contract) to procure or obtain equipment, services, or systems that uses covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system. As described in Public Law 115-232, section 889, covered telecommunications equipment is telecommunications equipment produced by Huawei Technologies Company or ZTE Corporation (or any subsidiary or affiliate of such entities).

(i) For the purpose of public safety, security of government facilities, physical security surveillance of critical infrastructure, and other national security purposes, video surveillance and telecommunications equipment produced by Hytera Communications Corporation, Hangzhou Hikvision Digital Technology Company, or Dahua Technology Company (or any subsidiary or affiliate of such entities).

(ii) Telecommunications or video surveillance services provided by such entities or using such equipment.

(iii) Telecommunications or video surveillance equipment or services produced or provided by an entity that the Secretary of Defense, in consultation with the Director of the National Intelligence or the Director of the Federal Bureau of Investigation, reasonably believes to be an entity owned or controlled by, or otherwise connected to, the government of a covered foreign country.

See Public Law 115-232, section 889 for additional information.

Term 41. Human Subjects Research

Research involving human subjects, biospecimens, or identifiable private information conducted with Department of Energy (DOE) funding is subject to the requirements of DOE Order 443.1C, *Protection of Human Research Subjects*, 45 CFR Part 46, *Protection of Human Subjects* (*subpart A which is referred to as the "Common Rule"),* and 10 CFR Part 745, *Protection of Human Subjects*.

Federal regulation and the DOE Order require review by an Institutional Review Board (IRB) of all proposed human subjects research projects. The IRB is an interdisciplinary ethics board responsible for ensuring that the proposed research is sound and justifies the use of human subjects or their data; the potential risks to human subjects have been minimized; participation is voluntary; and clear and accurate information about the study, the benefits and risks of participating, and how individuals' data/specimens will be protected/used, is provided to potential participants for their use in determining whether or not to participate.

The Recipient shall provide the Federal Wide Assurance number identified in item 1 below and the certification identified in item 2 below to DOE prior to initiation of any project that will involve interactions with humans in some way (e.g., through surveys); analysis of their identifiable data (e.g., demographic data and energy use over time); asking individuals to test devices, products, or materials developed through research; and/or testing of commercially available devices in buildings/homes in which humans will be present. *Note:* This list of examples is illustrative and not all inclusive.

No DOE funded research activity involving human subjects, biospecimens, or identifiable private information shall be conducted without:

1) A registration and a Federal Wide Assurance of compliance accepted by the Office of Human Research Protection (OHRP) in the Department of Health and Human Services; and
2) Certification that the research has been reviewed and approved by an Institutional Review Board (IRB) provided for in the assurance. IRB review may be accomplished by the awardee's institutional IRB; by the Central DOE IRB; or if collaborating with one of the DOE national laboratories, by the DOE national laboratory IRB.

The Recipient is responsible for ensuring all subrecipients comply and for reporting information on the project annually to the DOE Human Subjects Research Database (HSRD) at https://science.osti.gov/HumanSubjects/Human-Subjects-Database/home. *Note:* If a DOE IRB is used, no end of year reporting will be needed. 23

Additional information on the DOE Human Subjects Research Program can be found at: https://science.osti.gov/ber/human-subjects

Term 42. Fraud, Waste and Abuse

The mission of the DOE Office of Inspector General (OIG) is to strengthen the integrity, economy and efficiency of DOE's programs and operations including deterring and detecting fraud, waste, abuse and mismanagement. The OIG accomplishes this mission primarily through investigations, audits, and inspections of Department of Energy activities to include grants, cooperative agreements, loans, and contracts. The OIG maintains a Hotline for reporting allegations of fraud, waste, abuse, or mismanagement. To report such allegations, please visit https://www.energy.gov/ig/ig-hotline.

Additionally, the Recipient must be cognizant of the requirements of 2 CFR § 200.113 Mandatory disclosures, which states:

> The non-Federal entity or applicant for a Federal award must disclose, in a timely manner, in writing to the Federal awarding agency or pass-through entity all violations of Federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the Federal award. Non-Federal entities that have received a Federal award including the term and condition outlined in appendix XII of 2 CFR Part 200 are required to report certain civil, criminal, or administrative proceedings to SAM (currently FAPIIS). Failure to make required disclosures can result in any of the remedies described in § 200.339. (See also 2 CFR part 180, 31 U.S.C. 3321, and 41 U.S.C. 2313.)

Subpart D. Bipartisan Infrastructure Law (BIL)-specific requirements

Term 43. Reporting, Tracking and Segregation of Incurred Costs

BIL funds can be used in conjunction with other funding, as necessary to complete projects, but tracking and reporting must be separate to meet the reporting requirements of the BIL and related Office of Management and Budget (OMB) Guidance. The Recipient must keep separate records for BIL funds and must ensure those records comply with the requirements of the BIL. Funding provided through the BIL that is supplemental to an existing grant or cooperative agreement is one-time funding.

Term 44. Davis-Bacon Requirements

This award is funded under Division D of the Bipartisan Infrastructure Law (BIL). All laborers and mechanics employed by the recipient, subrecipients, contractors or subcontractors in the performance of construction, alteration, or repair work in excess of $2000 on an award funded directly by or assisted in whole or in part by funds made available under this award shall be paid wages at rates not less than those prevailing on similar projects in the locality, as determined by the Secretary of Labor in accordance with subchapter IV of chapter 31 of title 40, United States Code commonly referred to as the “Davis-Bacon Act” (DBA).

Recipients shall provide written assurance acknowledging the DBA requirements for the award or project and confirming that all of the laborers and mechanics performing construction, alteration, or repair, through funding under the award are paid or will be paid wages at rates not less than those prevailing on projects of a character similar in the locality as determined by Subchapter IV of Chapter 31 of Title 40, United States Code (Davis-Bacon Act).

The Recipient must comply with all of the Davis-Bacon Act requirements, including but not limited to:

(1) ensuring that the wage determination(s) and appropriate Davis-Bacon clauses and requirements are flowed down to and incorporated into any applicable subcontracts or subrecipient awards.

(2) being responsible for compliance by any subcontractor or subrecipient with the Davis-Bacon labor standards.

(3) receiving and reviewing certified weekly payrolls submitted by all subcontractors and subrecipients for accuracy and to identify potential compliance issues.

(4) maintaining original certified weekly payrolls for 3 years after the completion of the project and must make those payrolls available to the DOE or the Department of Labor upon request, as required by 29 CFR 5.6(a)(2).

(5) conducting payroll and job-site reviews for construction work, including interviews with employees, with such frequency as may be necessary to assure compliance by its subcontractors and subrecipients and as requested or directed by the DOE.

(6) cooperating with any authorized representative of the Department of Labor in their inspection of records, interviews with employees, and other actions undertaken as part of a Department of Labor investigation.

(7) posting in a prominent and accessible place the wage determination(s) and Department of Labor Publication: WH-1321, Notice to Employees Working on Federal or Federally Assisted Construction Projects.

(8) notifying the Contracting Officer of all labor standards issues, including all complaints regarding incorrect payment of prevailing wages and/or fringe benefits, received from the recipient, subrecipient, contractor, or subcontractor employees; significant labor standards violations, as defined in 29 CFR 5.7; disputes concerning labor standards pursuant to 29 CFR parts 4, 6, and 8 and as defined in FAR 52.222-14; disputed labor standards determinations; Department

of Labor investigations; or legal or judicial proceedings related to the labor standards under this Contract, a subcontract, or subrecipient award.

(9) preparing and submitting to the Contracting Officer, the Office of Management and Budget Control Number 1910-5165, Davis Bacon Semi-Annual Labor Compliance Report, by April 21 and October 21 of each year. Form submittal will be administered through the iBenefits system (https://doeibenefits2.energy.gov) or its successor system.

The Recipient must undergo Davis-Bacon Act compliance training and must maintain competency in Davis-Bacon Act compliance. The Contracting Officer will notify the Recipient of any DOE sponsored Davis-Bacon Act compliance trainings. The Department of Labor offers free Prevailing Wage Seminars several times a year that meet this requirement, at https://www.dol.gov/agencies/whd/government-contracts/construction/seminars/events.

The Department of Energy has contracted with, a third-party DBA electronic payroll compliance software application. The Recipient must ensure the timely electronic submission of weekly certified payrolls as part of its compliance with the Davis-Bacon Act unless a waiver is granted to a particular contractor or subcontractor because they are unable or limited in their ability to use or access the software.

Davis Bacon Act Electronic Certified Payroll Submission Waiver
A waiver must be granted before the award starts. The applicant does not have the right to appeal SCEP's decision concerning a waiver request.

For additional guidance on how to comply with the Davis-Bacon provisions and clauses, see https://www.dol.gov/agencies/whd/government-contracts/construction and https://www.dol.gov/agencies/whd/government-contracts/protections-for-workers-in-construction.

Term 45. Buy American Requirement for Infrastructure Projects

A. Definitions

Components are defined as the articles, materials, or supplies incorporated directly into the end manufactured product(s).

Construction Materials are an article, material, or supply—other than an item primarily of iron or steel; a manufactured product; cement and cementitious materials; aggregates such as stone, sand, or gravel; or aggregate binding agents or additives—that is used in an infrastructure project and is or consists primarily of non-ferrous metals, plastic and polymer-based products (including polyvinylchloride, composite building materials, and polymers used in fiber optic cables), glass (including optic glass), lumber, drywall, coatings (paints and stains), optical fiber, clay brick; composite building materials; or engineered wood products.

Domestic Content Procurement Preference Requirement- means a requirement that no amounts made available through a program for federal financial assistance may be obligated for an infrastructure project unless—
(A) all iron and steel used in the project are produced in the United States;
(B) the manufactured products used in the project are produced in the United States; or
(C) the construction materials used in the project are produced in the United States.
Also referred to as the **Buy America Requirement**.

Infrastructure includes, at a minimum, the structures, facilities, and equipment located in the United States, for: roads, highways, and bridges; public transportation; dams, ports, harbors, and other maritime facilities; intercity passenger and freight railroads; freight and intermodal facilities; airports; water systems, including drinking water and wastewater systems; electrical transmission facilities and systems; utilities; broadband infrastructure; and buildings and real property; and generation, transportation, and distribution of energy - including electric vehicle (EV) charging.
The term “infrastructure” should be interpreted broadly, and the definition provided above should be considered as illustrative and not exhaustive.

Manufactured Products are items used for an infrastructure project made up of components that are not primarily of iron or steel; construction materials; cement and cementitious materials’ aggregates such as stone, sand, or gravel; or aggregate binding agents or additives.

Primarily of iron or steel means greater than 50% iron or steel, measured by cost.

Project- means the construction, alteration, maintenance, or repair of infrastructure in the United States.

Public- The Buy America Requirement does not apply to non-public infrastructure. For purposes of this guidance, infrastructure should be considered “public” if it is: (1) publicly owned or (2) privately owned but utilized primarily for a public purpose. Infrastructure should be considered to be “utilized primarily for a public purpose” if it is privately operated on behalf of the public or is a place of public accommodation.

B. Buy America Requirement

None of the funds provided under this award (federal share or recipient cost-share) may be used for a project for infrastructure unless:

1. All iron and steel used in the project is produced in the United States—this means all manufacturing processes, from the initial melting stage through the application of coatings, occurred in the United States;

2. All manufactured products used in the project are produced in the United States—this means the manufactured product was manufactured in the United States; and the cost of the components of the manufactured product that are mined, produced, or manufactured in the United States is greater than 55 percent of the total cost of all components of the manufactured product, unless another standard for determining the minimum amount of domestic content of the manufactured product has been established under applicable law or regulation; and

3. All construction materials are manufactured in the United States—this means that all manufacturing processes for the construction material occurred in the United States.

The Buy America Requirement only applies to articles, materials, and supplies that are consumed in, incorporated into, or permanently affixed to an infrastructure project. As such, it does not apply to tools, equipment, and supplies, such as temporary scaffolding, brought into the construction site and removed at or before the completion of the infrastructure project. Nor does a Buy America Requirement apply to equipment and furnishings, such as movable chairs, desks, and portable computer equipment, that are used at or within the finished infrastructure project but are not an integral part of the structure or permanently affixed to the infrastructure project.

Recipients are responsible for administering their award in accordance with the terms and conditions, including the Buy America Requirement. The recipient must ensure that the Buy America Requirement flows down to all subawards and that the subawardees and subrecipients comply with the Buy America Requirement. The Buy America Requirement term and condition must be included all sub-awards, contracts, subcontracts, and purchase orders for work performed under the infrastructure project.

C. Certification of Compliance

The Recipient must certify or provide equivalent documentation for proof of compliance that a good faith effort was made to solicit bids for domestic products used in the infrastructure project under this Award.

The Recipient must also maintain certifications or equivalent documentation for proof of compliance that those articles, materials, and supplies that are consumed in, incorporated into, affixed to, or otherwise used in the infrastructure project, not covered by a waiver or exemption, are produced in the United States. The certification or proof of compliance must be provided by the suppliers or manufacturers of the iron, steel, manufactured products and construction materials and flow up from all subawardees, contractors and vendors to the Recipient. The Recipient must keep these certifications with the award/project files and be able to produce them upon request from DOE, auditors or Office of Inspector General.

D. Waivers

When necessary, the Recipient may apply for, and DOE may grant, a waiver from the Buy America Requirement. Requests to waive the application of the Buy America Requirement must be in writing to the Contracting Officer. Waiver requests are subject to review by DOE and the Office of Management and Budget, as well as a public comment period of no less than 15 calendar days.

Waivers must be based on one of the following justifications:

1. Public Interest- Applying the Buy America Requirement would be inconsistent with the public interest;

2. Non-Availability- The types of iron, steel, manufactured products, or construction materials are not produced in the United States in sufficient and reasonably available quantities or of a satisfactory quality; or

3. Unreasonable Cost- The inclusion of iron, steel, manufactured products, or construction materials produced in the United States will increase the cost of the overall project by more than 25 percent.

Requests to waive the Buy America Requirement must include the following:

- Waiver type (Public Interest, Non-Availability, or Unreasonable Cost);
- Recipient name and Unique Entity Identifier (UEI);
- Award information (Federal Award Identification Number, Assistance Listing number);
- A brief description of the project, its location, and the specific infrastructure involved;
- Total estimated project cost, with estimated federal share and recipient cost share breakdowns;
- Total estimated infrastructure costs, with estimated federal share and recipient cost share breakdowns;
- List and description of iron or steel item(s), manufactured goods, and/or construction material(s) the recipient seeks to waive from the Buy America Preference, including name, cost, quantity(ies), country(ies) of origin, and relevant Product Service Codes (PSC) and North American Industry Classification System (NAICS) codes for each;
- A detailed justification as to how the non-domestic item(s) is/are essential the project;
- A certification that the recipient made a good faith effort to solicit bids for domestic products supported by terms included in requests for proposals, contracts, and non-proprietary communications with potential suppliers;
- A justification statement—based on one of the applicable justifications outlined above—as to why the listed items cannot be procured domestically, including the due diligence performed (e.g., market research, industry outreach, cost analysis, cost-benefit analysis) by the recipient to attempt to avoid the need for a waiver. This justification may cite, if

applicable, the absence of any Buy America-compliant bids received for domestic products in response to a solicitation; and

- Anticipated impact to the project if no waiver is issued.

The Recipient should consider using the following principles as minimum requirements contained in their waiver request:

- Time-limited: Consider a waiver constrained principally by a length of time, rather than by the specific project/award to which it applies. Waivers of this type may be appropriate, for example, when an item that is “non-available” is widely used in the project. When requesting such a waiver, the Recipient should identify a reasonable, definite time frame (e.g., no more than one to two years) designed so that the waiver is reviewed to ensure the condition for the waiver (“non-availability”) has not changed (e.g., domestic supplies have become more available).

- Targeted: Waiver requests should apply only to the item(s), product(s), or material(s) or category(ies) of item(s), product(s), or material(s) as necessary and justified. Waivers should not be overly broad as this will undermine domestic preference policies.

- Conditional: The Recipient may request a waiver with specific conditions that support the policies of IIJA/BABA and Executive Order 14017.

DOE may request, and the Recipient must provide, additional information for consideration of this wavier. DOE may reject or grant waivers in whole or in part depending on its review, analysis, and/or feedback from OMB or the public. DOEs final determination regarding approval or rejection of the waiver request may not be appealed. Waiver requests may take up to 90 calendar days to process.

Term 46. Affirmative Action and Pay Transparency Requirements

All federally assisted construction contracts exceeding $10,000 annually will be subject to the requirements of Executive Order 11246:

(1) Recipients, subrecipients, and contractors are prohibited from discriminating in employment decisions on the basis of race, color, religion, sex, sexual orientation, gender identity or national origin.

(2) Recipients and Contractors are required to take affirmative action to ensure that equal opportunity is provided in all aspects of their employment. This includes flowing down the appropriate language to all subrecipients, contractors and subcontractors.

(3) Recipients, subrecipients, contractors and subcontractors are prohibited from taking adverse employment actions against applicants and employees for asking about, discussing, or sharing information about their pay or, under certain circumstances, the pay of their co-workers.

The Department of Labor's (DOL) Office of Federal Contractor Compliance Programs (OFCCP) uses a neutral process to schedule contractors for compliance evaluations. OFCCP's Technical Assistance Guide[2] should be consulted to gain an understanding of the requirements and possible actions the recipients, subrecipients, contractors and subcontractors must take.

Term 47. Potentially Duplicative Funding Notice

If the Recipient or subrecipients have or receive any other award of federal funds for activities that potentially overlap with the activities funded under this Award, the Recipient must promptly notify DOE in writing of the potential overlap and state whether project funds (i.e., recipient cost share and federal funds) from any of those other federal awards have been, are being, or are to be used (in whole or in part) for one or more of the identical cost items under this Award. If there are identical cost items, the Recipient must promptly notify the DOE Contracting Officer in writing of the potential duplication and eliminate any inappropriate duplication of funding.

Term 48. Transparency of Foreign Connections

During the term of the Award, the Recipient must notify the DOE Contracting Officer within fifteen (15) business days of learning of the following circumstances in relation to the Recipient or subrecipients:

1. The existence of any joint venture or subsidiary that is based in, funded by, or has a foreign affiliation with any foreign country of risk;
2. Any current or pending contractual or financial obligation or other agreement specific to a business arrangement, or joint venture-like arrangement with an enterprise owned by a country of risk or foreign entity based in a country of risk;
3. Any current or pending change in ownership structure of the Recipient or subrecipients that increases foreign ownership related to a country of risk;

[2] See OFCCP's Technical Assistance Guide at: https://www.dol.gov/sites/dolgov/files/ofccp/Construction/files/ConstructionTAG.pdf?msclkid=9e397d68c4b111ec9d8e6fecb6c710ec Also see the National Policy Assurances http://www.nsf.gov/awards/managing/rtc.jsp

4. Any current or pending venture capital or institutional investment by an entity that has a general partner or individual holding a leadership role in such entity who has a foreign affiliation with any foreign country of risk;
5. Any current or pending technology licensing or intellectual property sales to a foreign country of risk; and
6. Any current or pending foreign business entity, offshore entity, or entity outside the United States related to the Recipient or subrecipient.

Term 49. Foreign Collaboration Considerations

a. Consideration of new collaborations with foreign organizations and governments. The Recipient must provide DOE with advanced written notification of any potential collaboration with foreign entities, organizations or governments in connection with its DOE-funded award scope. The Recipient must await further guidance from DOE prior to contacting the proposed foreign entity, organization or government regarding the potential collaboration or negotiating the terms of any potential agreement.

b. Existing collaborations with foreign entities, organizations and governments. The Recipient must provide DOE with a written list of all existing foreign collaborations in which has entered in connection with its DOE-funded award scope.

c. Description of collaborations that should be reported: In general, a collaboration will involve some provision of a thing of value to, or from, the Recipient. A thing of value includes but may not be limited to all resources made available to, or from, the recipient in support of and/or related to the Award, regardless of whether or not they have monetary value. Things of value also may include in-kind contributions (such as office/laboratory space, data, equipment, supplies, employees, students). In-kind contributions not intended for direct use on the Award but resulting in provision of a thing of value from or to the Award must also be reported. Collaborations do not include routine workshops, conferences, use of the Recipient’s services and facilities by foreign investigators resulting from its standard published process for evaluating requests for access, or the routine use of foreign facilities by awardee staff in accordance with the Recipient’s standard policies and procedures.

Staff Report

Item Number: 6.A.

Agenda Item: **Proclamation - Bike Month**
Discuss, consider and act upon a proclamation declaring May 2025 as Bike Month.

Staff Contact: Joni Westcott, Parks and Recreation Director

Meeting Date: May 13, 2025

Strategic Goal: This agenda item supports the following Clarkdale Strategic Goal Area:

- Goal Area 1 - Enhance the quality of life for residents, businesses and visitors to Clarkdale.

Background: The bicycle is an economical, healthy, convenient, and environmentally sound form of transportation and an excellent tool for recreation and enjoyment of Clarkdale's scenic beauty.

Throughout the month of May, the residents of Clarkdale and its visitors will experience the joys of bicycling through educational programs, races, commuting events, charity events, or by simply getting out and going for a ride. Clarkdale's road and trail systems attract bicyclists each year, providing economic, health, transportation, tourism, and scenic benefits.

Creating a bicycling-friendly community has been shown to: improve citizens' health, well-being, and quality of life, grow the economy of Clarkdale, attract tourism dollars, improve traffic safety, support student learning outcomes, and reduce pollution, congestion, and wear and tear on our streets and roads.

Yavapai County Community Health Services and the Bycycle Advisory Committee, the League of American Bicyclists, schools, parks and recreation departments, police departments, public health districts, hospitals, companies, and civic groups will be promoting bicycling during the month of May 2025, and these groups are also promoting bicycle tourism year-round to attract more visitors to enjoy our local restaurants, hotels, retail establishments, and cultural and scenic attractions.

The Town of Clarkdale, upon adopting the Connect Clarkdale Trails and Active

Transportation Plan, has made a commitment to prioritizing a safe, bikeable community.

Budget Impact: No budget impact.

Recommendation: Staff recommends that the Council approve the proclamation declaring May 2025 Bike Month.

PROCLAMATION

Bike Month

WHEREAS, the bicycle is an economical, healthy, convenient, and environmentally sound form of transportation and an excellent tool for recreation and enjoyment of Clarkdale's scenic beauty; and

WHEREAS, throughout the month of May, the residents of Clarkdale and its visitors will experience the joys of bicycling through educational programs, races, commuting events, charity events, or by simply getting out and going for a ride; and

WHEREAS, Clarkdale's road and trail system attracts bicyclists each year, providing economic, health, transportation, tourism, and scenic benefits; and

WHEREAS, creating a bicycling-friendly community has been shown to: improve citizens' health, well-being, and quality of life, grow the economy of Clarkdale, attract tourism dollars, improve traffic safety, support student learning outcomes, and reduce pollution, congestion, and wear and tear on our streets and roads; and

WHEREAS, Yavapai County Community Health Services and the Bicycle Advisory Committee, the League of American Bicyclists, schools, parks and recreation departments, police departments, public health districts, hospitals, companies, and civic groups will be promoting bicycling during the month of May 2025, and

WHEREAS, these groups are also promoting bicycle tourism year-round to attract more visitors to enjoy our local restaurants, hotels, retail establishments, and cultural and scenic attractions; and

WHEREAS, these groups are also promoting greater public awareness of bicycle operation and safety education in an effort to reduce collisions, injuries, and fatalities and improve health and safety for everyone on the road; and

WHEREAS, the Town of Clarkdale, upon adopting the Connect Clarkdale Trails and Active Transportation Plan, has made a commitment to prioritizing a safe, bikeable community.

NOW, THEREFORE , the Mayor and the Town Council of the Town of Clarkdale do hereby proclaim May 2025 as Bike Month.

Passed and approved by the Town Council at their regular meeting on May 13, 2025.

ATTEST:

Robyn Prud'homme-Bauer – Mayor

Charity Brooks, Town Clerk

Staff Report

Item Number: 6.B.

Agenda Item: **Presentation from the Bicycle Advisory Committee (BAC)**
The Council will receive a presentation from the Bicycle Advisory Committee regarding the AARP Community Challenge Bike Audit.

Staff Contact: Joni Westcott, Parks and Recreation Director

Meeting Date: May 13, 2025

Strategic Goal: This agenda item supports the following Clarkdale Strategic Goal Area:

- Goal Area 1 - Enhance the quality of life for residents, businesses and visitors to Clarkdale.
- Goal Area 2 - Enhance the quality and availability of parks, recreation and cultural opportunities.

Background: The Bicycle Advisory Committee and Yavapai County Community Health Services, with the support of the City of Cottonwood and Town of Clarkdale, received an AARP Community Challenge micro-grant that funded the Verde Connect Bike Route and 13 bike audits with locations in Cottonwood and Clarkdale.

Jen Mabery will present what was measured, what the findings were, and recommendations, specifically on the Clarkdale locations.

Budget Impact: No budget impact.

Recommendation: Presentation only. No recommendation.

PEDAL POWER

bac

BICYCLE ADVISORY COMMITTEE

~Yavapai County Community Health~

The Heart of Arizona Wine Country
Cottonwood

Community Health Services
Yavapai County Connections Center

Connecting the Community
Cottonwood Public Library

Greater Verde Valley Chamber of Commerce
Commerce | Culture | Recreation | Community

VVCC

Pedal Power
bac
Bicycle Advisory Committee
-Yavapai County Community Health-

Clarkdale, Arizona
Founded 1912
Incorporated 1957
A 2012 Centennial Town

CAZB
Coalition of Arizona Bicyclists

Chain Reaction

AZ Health Zone

Verde Valley
Bicycle Company
Cottonwood.AZ

The League of American Bicyclists
since 1880

Wheel Fun

Yavapai County Community Health Services

Jen Mabery

BIKE AUDIT 2024

BAC - Bike Safe Bike Strong Bike Yavapai County

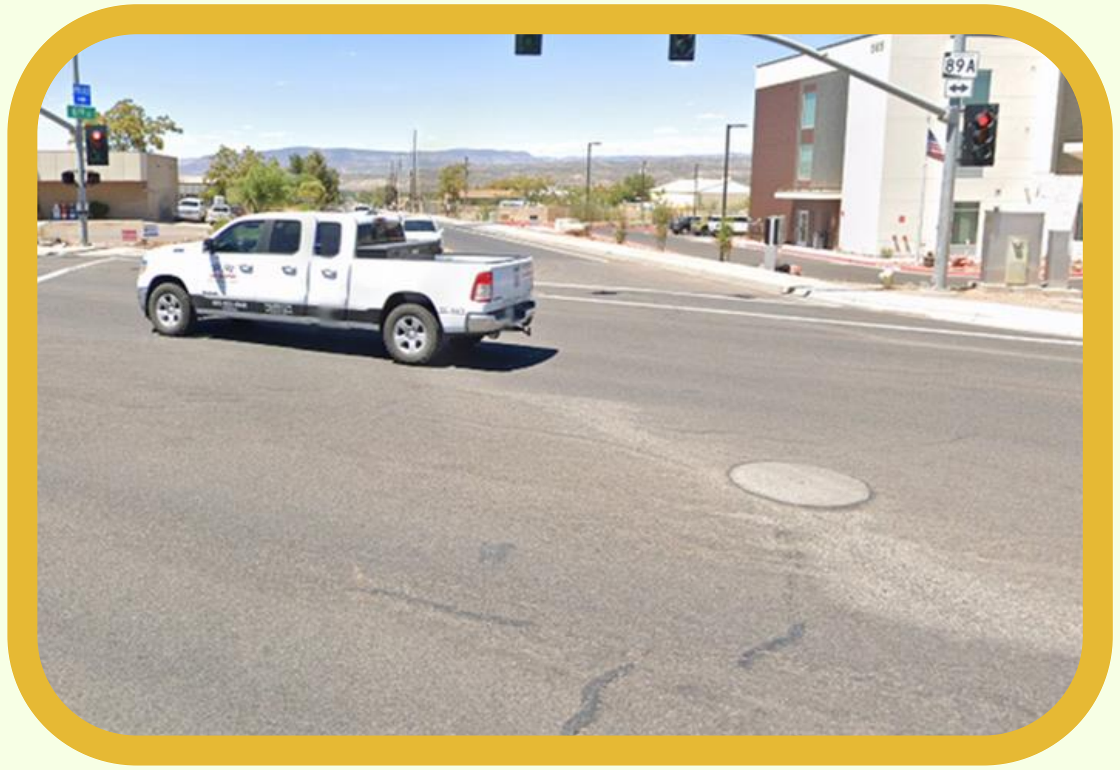
13 AUDIT LOCATIONS

COTTONWOOD

- 12TH & 89A
- 6TH & 89A
- MAIN & 89A
- HWY & 89A
- MINGUS AVE &89A
- WILLARD & 89A
- MINGUS & MAIN
- GROSETTA RD & OLD TOWN
- RIVERFRONT & 10TH/MAIN

CLARKDALE

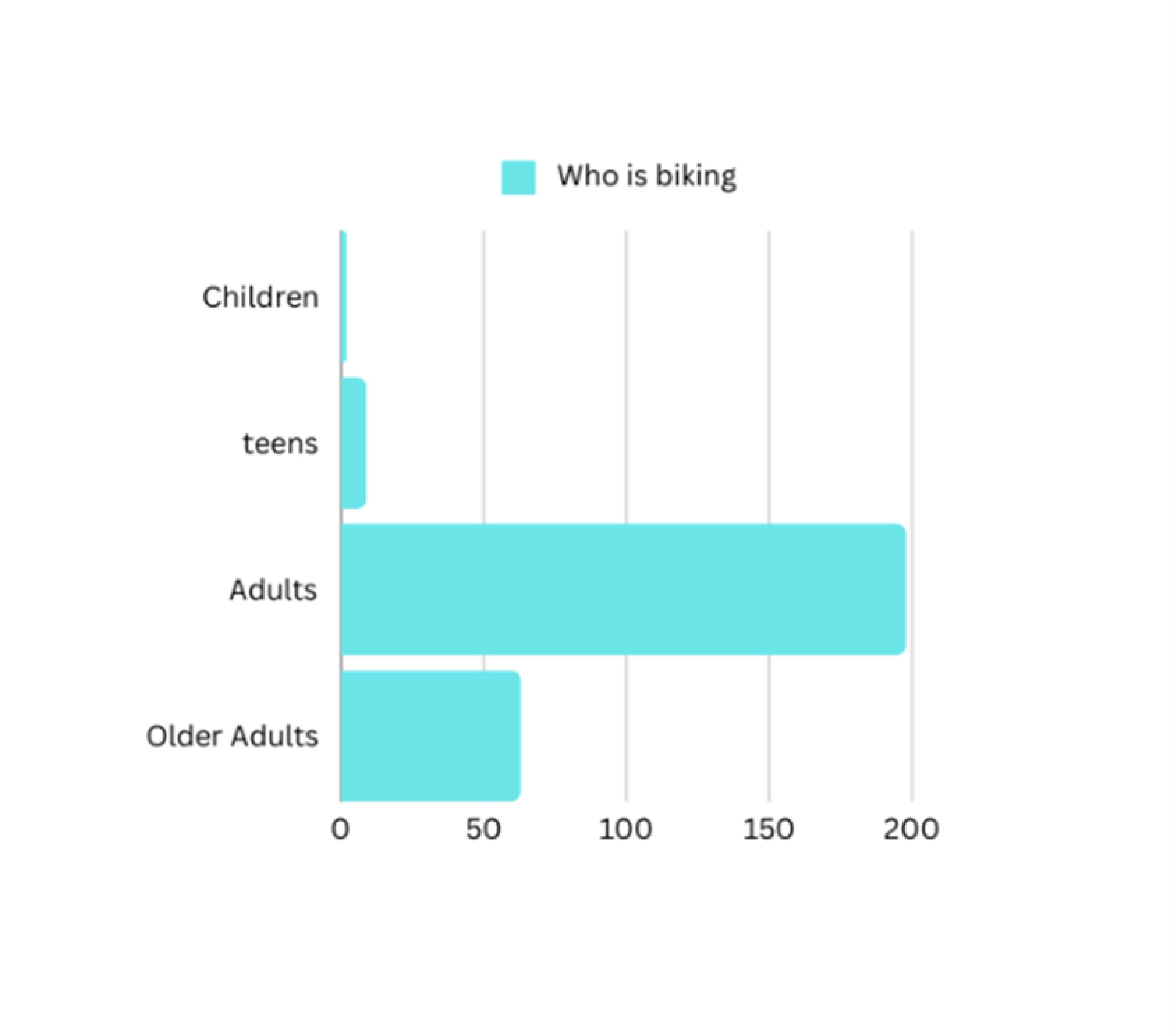
- CLARKDALE ROUND & 89A
- LANNY LN & OLD JEROME HWY
- BLACKHILLS DR & OLD JEROME HWY
- TUZIGOOT & BROADWAY



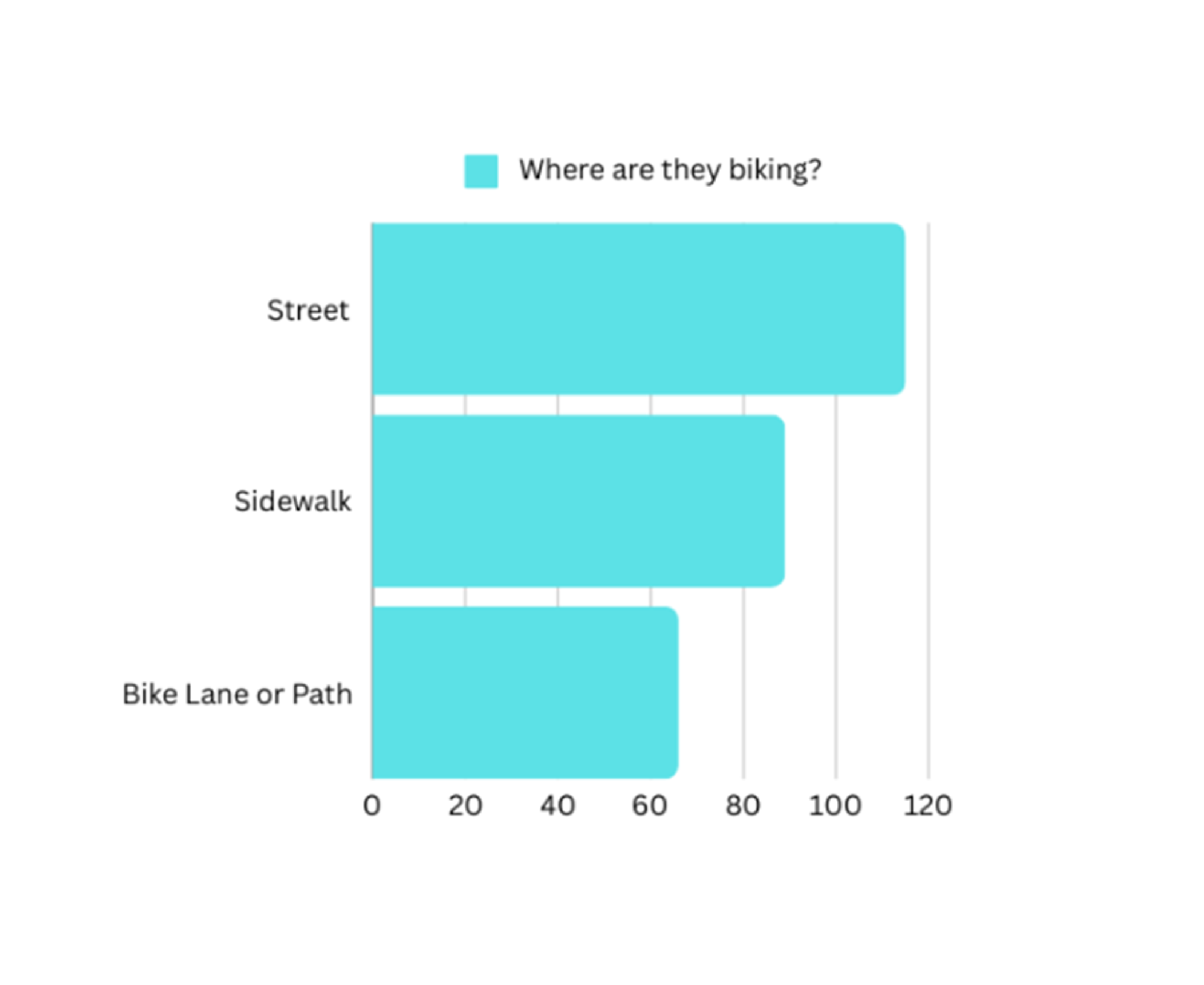
PARTNERS & SELECTION

- Stakeholders
- Collaboration
- Implementation

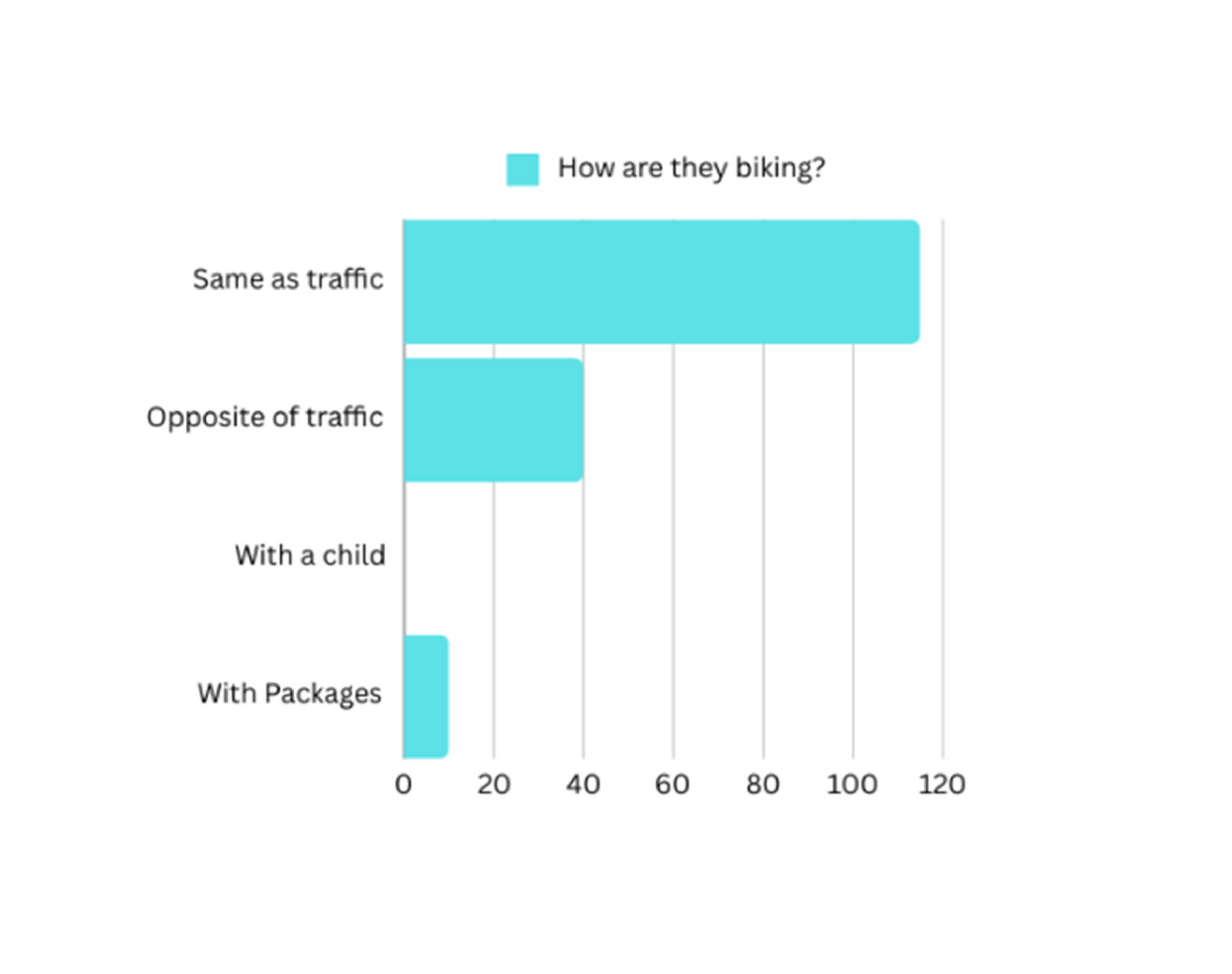
WHAT WAS MEASURED - WHO IS BIKING?



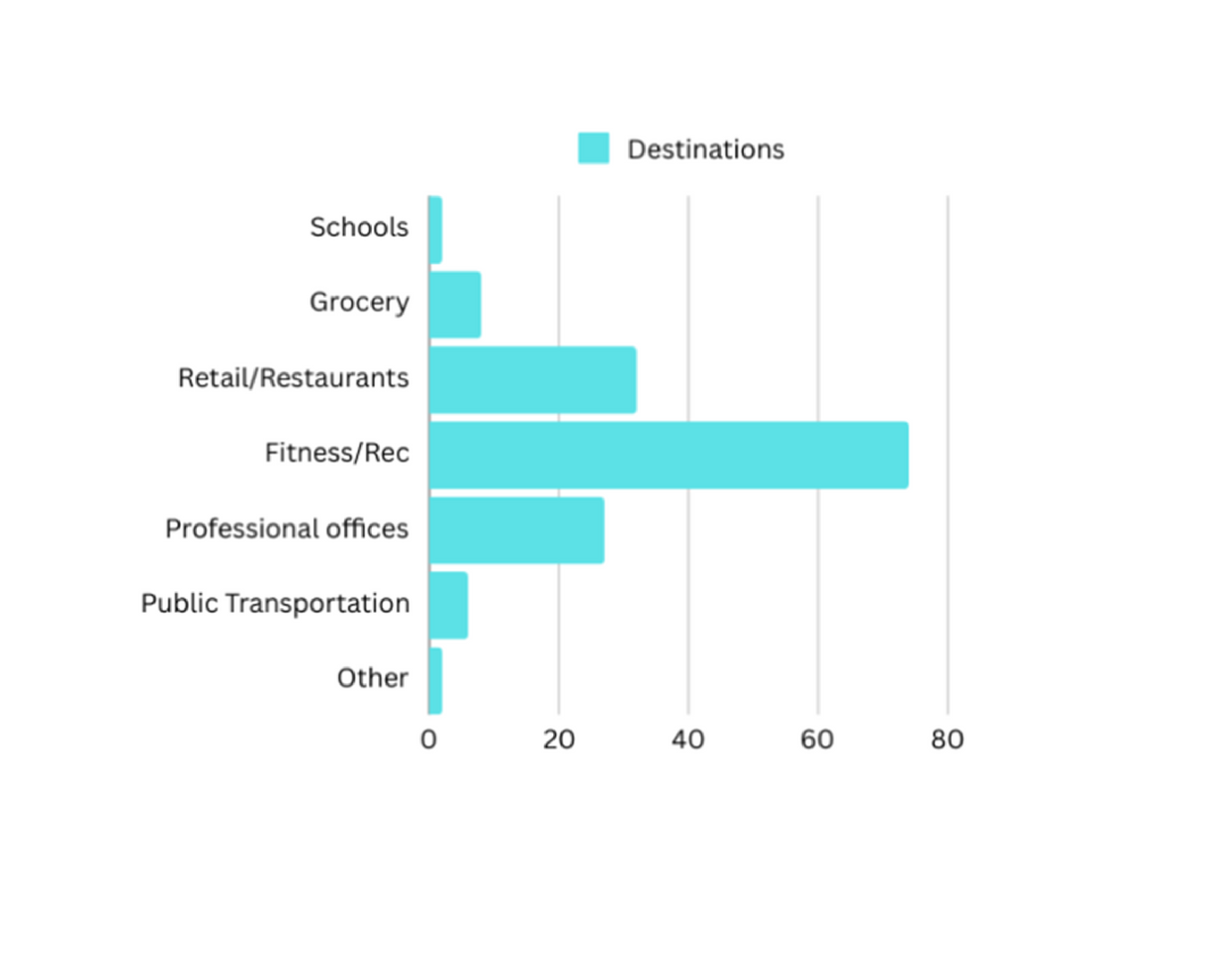
WHERE ARE THEY BIKING?

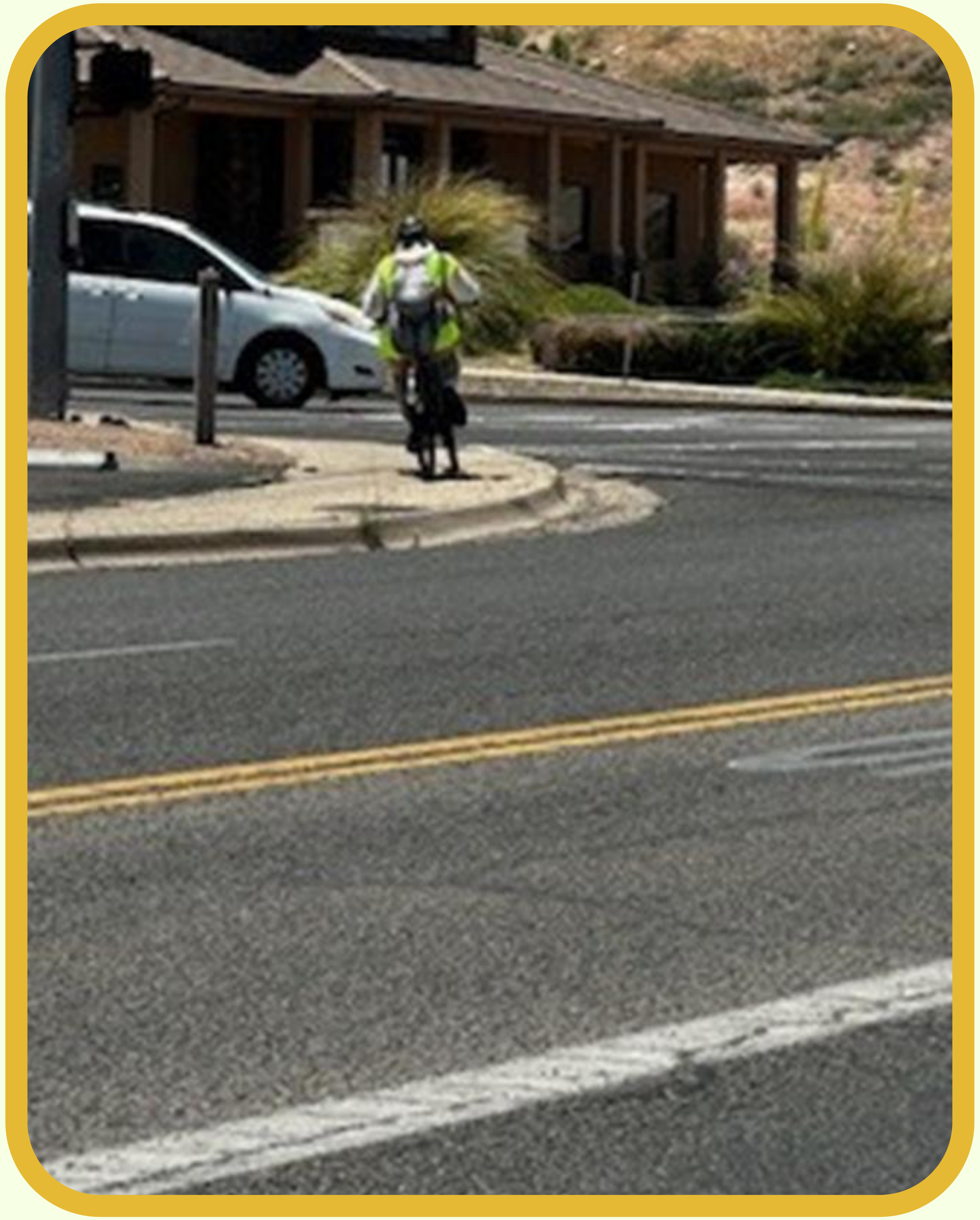


HOW ARE THEY BIKING?

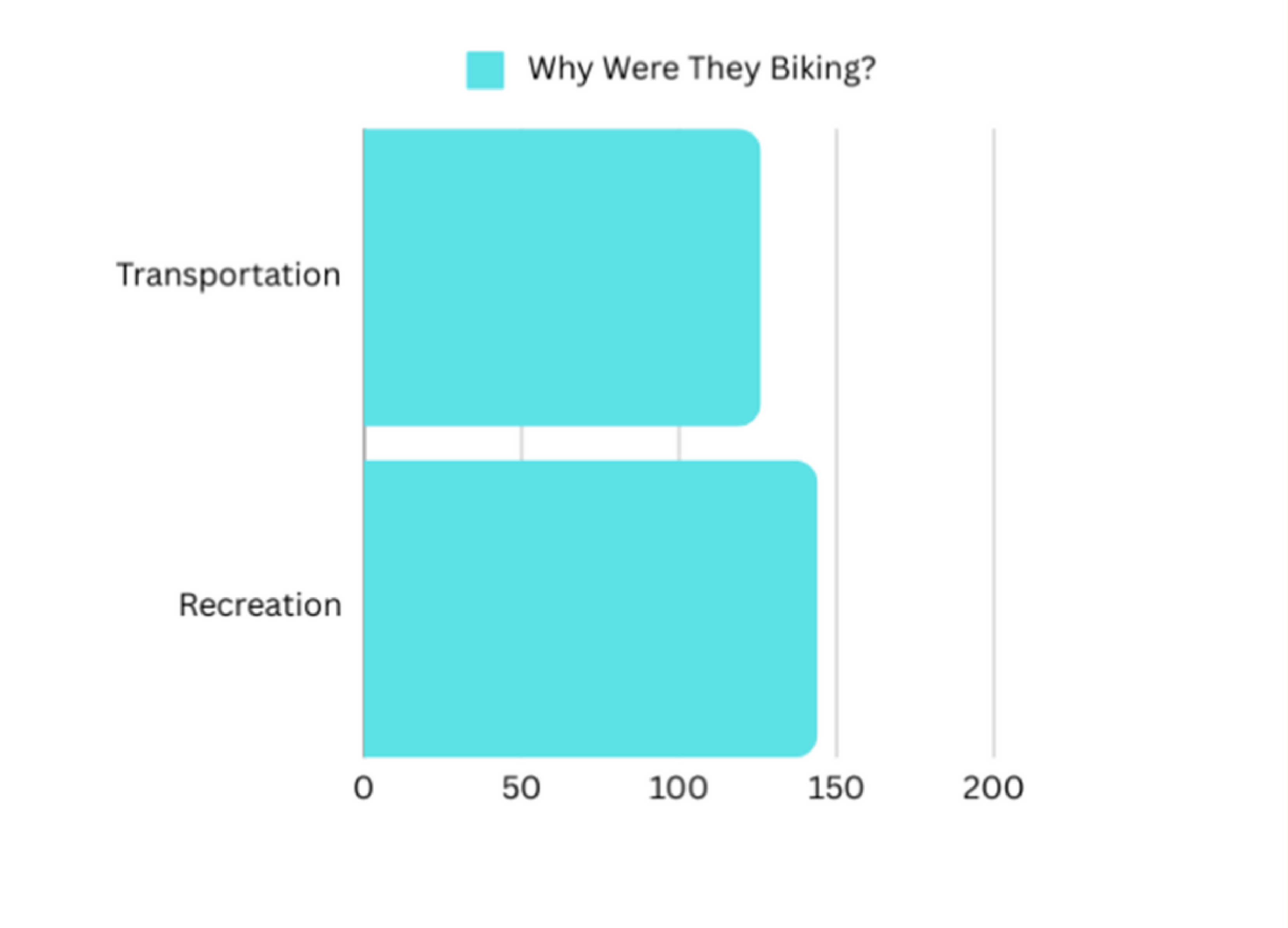


DESTINATIONS?

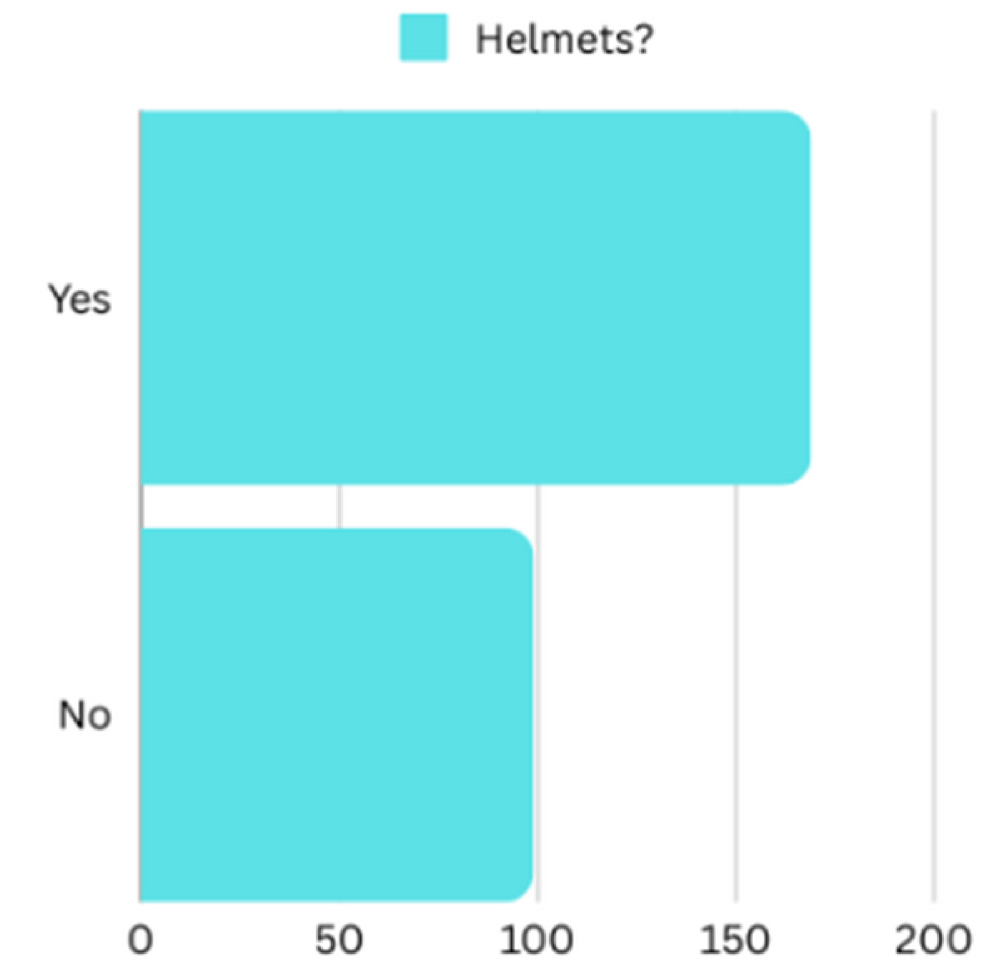




WHY WERE THEY BIKING?



HELMETS?



Helmets?
Yes
No
0
50
100
150
200

24-Fir street and hwy 2
dent hit on bike by oth
students in car!

PRIORITY LOCATIONS FOR CLARKDALE

LANNY LN & OLD JEROME HWY

- PROVIDES A SAFE ALTERNATIVE ROUTE OPTION FOR RECREATION. CYCLISTS & PEDESTRIANS USE. PHASE 2 OF VC BIKE ROUTE

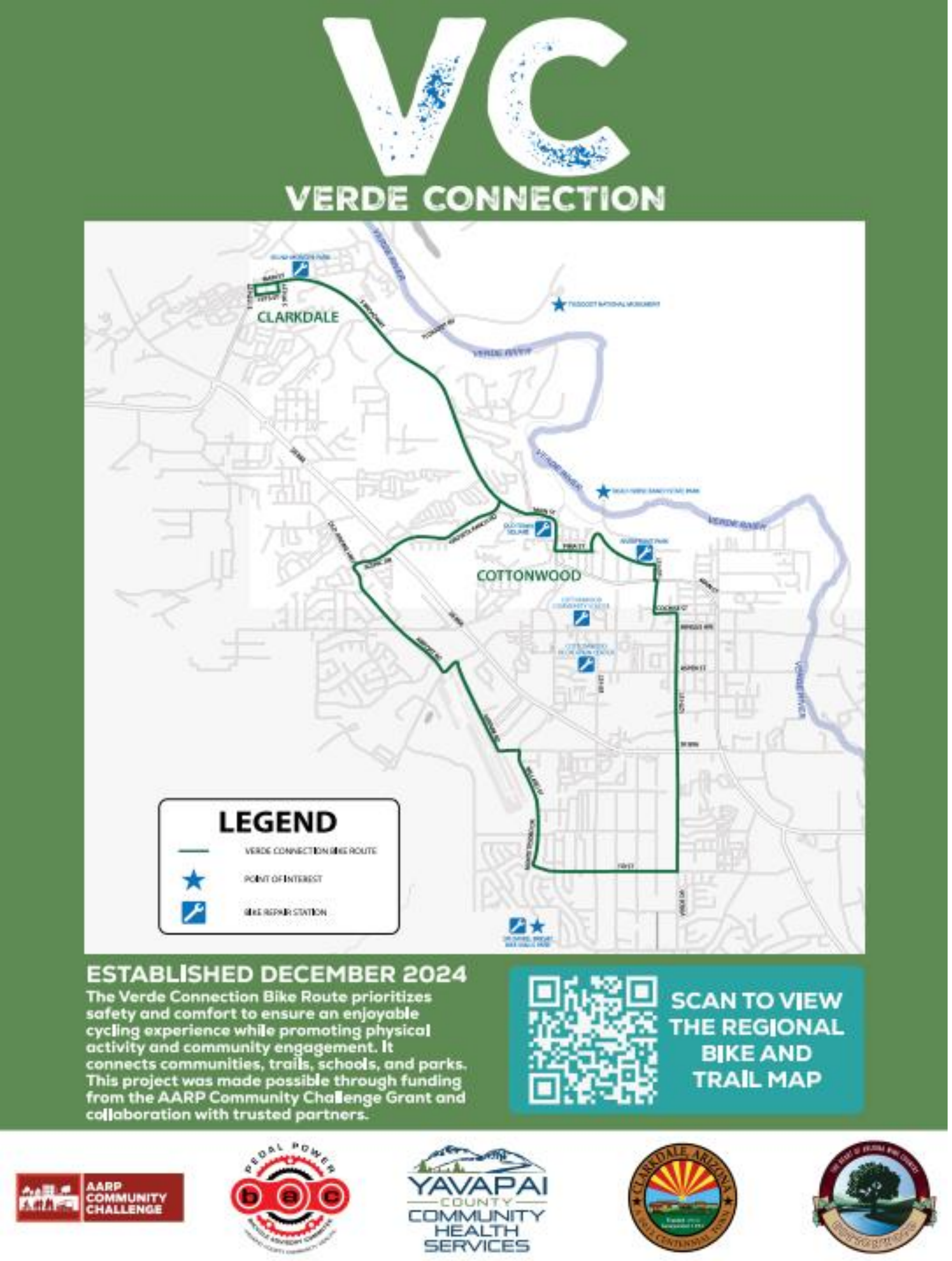
- WORK WITH PARTNERS TO CREATE LANES OR MULTI-USE PATHS. PHASE 2 OF VC BIKE ROUTE.

PRIORITY LOCATIONS FOR CLARKDALE

CLARKDALE ROUND & 89A

- HEAVILY USED CONNECTION. ADDITIONAL SIGNAGE AND MARKINGS. ENHANCED VISIBILITY.

- WORK WITH PARTNERS TO HELP DESIGN AND IMPLEMENT. ADD THIS TO PHASE 2 OF THE VC BIKE ROUTE TO LANNY LANE. CONSIDER T.A.P. FUNDS.



The Verde Connection (VC) Bike Route

Connecting Communities

Connecting to trails

Connecting to Schools

Connecting to parks

Connecting people safely

WOULDN'T THIS BE AMAZING!

MARKING EXAMPLES

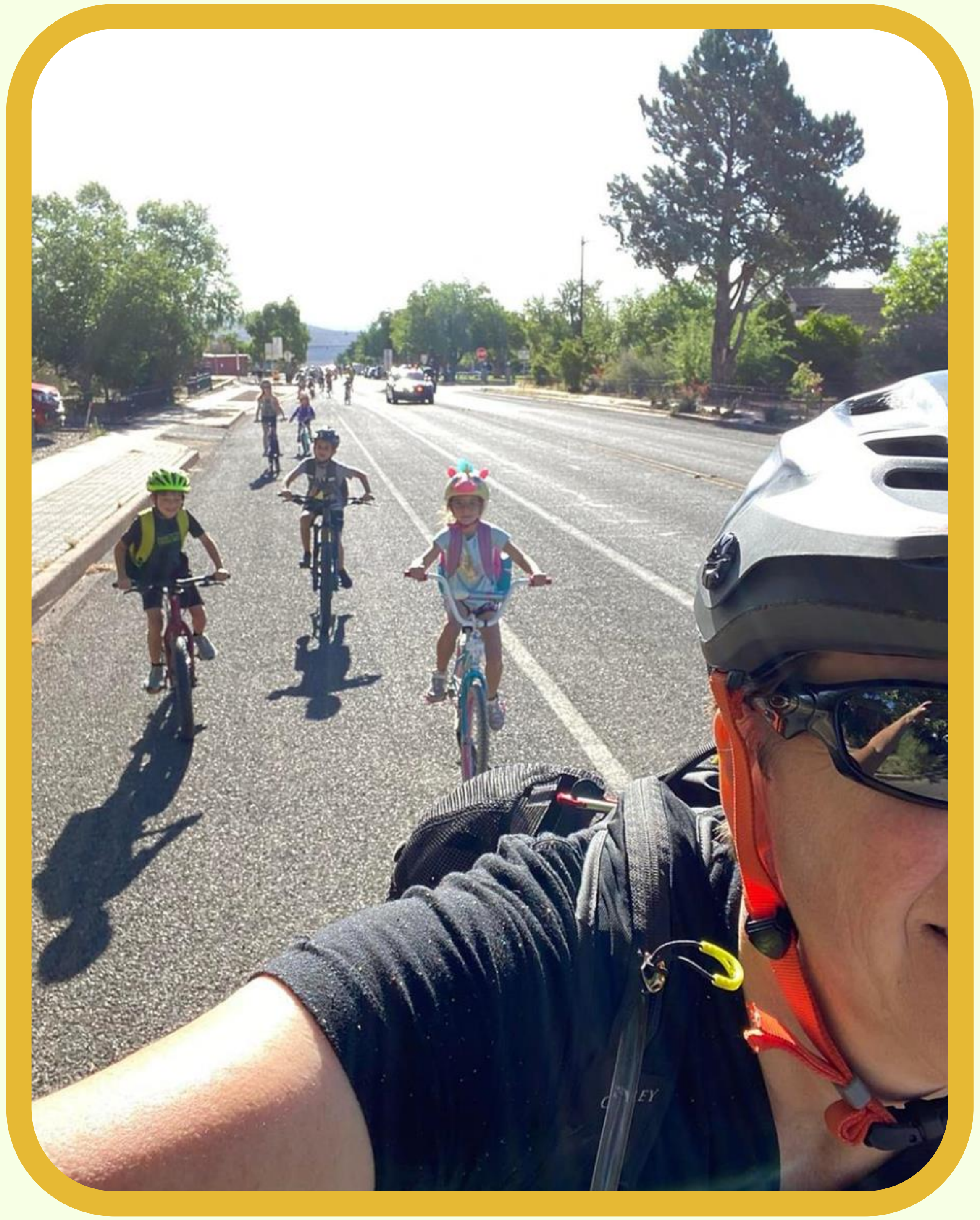
MARKING EXAMPLES

Gilbert, AZ

Tempe, AZ

EDUCATION AND CAMPAIGNS

- HELMET SAFETY PROGRAMS
- AWARENESS CAMPAIGNS
- WORK WITH SCHOOLS
- COMMUNITY BUILDING



- BIKE SAFETY FOR MOTORISTS
- BIKE SAFETY FOR CYCLISTS
- USE BAC IN PRE-DESIGN
- THINK: COMMUNITY DESIGN

FUTURE OUTLOOK:

COMMUNITY DESIGN, BUILT ENVIRONMENTS, AND SAFE ROUTES PROMOTE:

- A HEALTHIER LIFESTYLE
- ENHANCES SAFETY
- SUPORTS SUSTAINABILITY
- ECONOMIC BENIFITS
- IMPROVES ACCESSIBILITY & MOBILITY
- BUILS STRONGER COMMUNITIES
  REDUCES TRAFFIC CONGESTION
- ATTACTS NEW RESIDENTS AND INVESTMENTS

THE BAC AND YOU

PEDAL POWER

bac

BICYCLE ADVISORY COMMITTEE

~Yavapai County Community Health~

www.healthyyavapai.com

Staff Report

Item Number: 6.C.

Agenda Item: **Budget Proposal Presentation for the Fiscal Year Ending June 30, 2026**
The Council will receive a presentation from Town Manager Susan Guthrie and Finance Director Joe Duffy regarding the budget proposal for the fiscal year ending June 30, 2026.

Staff Contact: Susan Guthrie, Town Manager
Joe Duffy, Finance Director

Meeting Date: May 13, 2025

Strategic Goal: This agenda item supports the following Clarkdale Strategic Goal Area:

- Goal Area 1 - Enhance the quality of life for residents, businesses and visitors to Clarkdale.
- Goal Area 2 - Enhance the quality and availability of parks, recreation and cultural opportunities.
- Goal Area 3 - Strengthen and diversify our economy through cultivating a business-friendly climate for business attraction and strategically capitalizing upon tourism.
- Goal Area 4 - Plan for the maintenance and growth of quality infrastructure that is sustainable and resilient.
- Goal Area 5 - Strategically invest in organizational development to enhance efficiency and service delivery and to attract and retain an exemplary workforce.
- Goal Area 6 - Adopt water conservation strategies that prevent negative aquifer impacts and no degradation of Verde River Flows.

Background: Since January, Town Staff have been in the process of preparing the proposed budget for the fiscal year ending June 30, 2026. As part of that process, the Council has held the following work sessions, open to the public, to provide input to staff on key considerations:

- April 7 – Council work session to discuss draft budget and provide recommendations.
- April 22 – Council work session to review revised budget.

Additional discussion on the proposed budget will be held at the following meetings:

- May 13 – Final update to Council before Tentative Budget adoption.
- May 27 – Tentative Budget adoption, setting upper limit.
- June 24 – Public Hearing on Budget, Truth in Taxation and Property Tax Levy.
- June 24 – Final Budget adoption.
- July 8 – Adoption of Property Tax Levy.

Budget Impact: No budget impact.

Recommendation: Presentation only. No recommendation.

Town of Clarkdale Annual Budget

Fiscal Year ending June 30, 2026

Budgeting to deliver results in uncertain times

Town Council

Mayor Robyn Prud’homme-Bauer

Vice Mayor Debbie Hunseder

Council Member Marney Babbitt-Pierce

Council Member Laura Jones

Council Member Lisa O’Neill

Town Manager

Susan Guthrie

Clarkdale Total Budget At A Glance (State Budget Forms)

Fund	FY 2024/2025	FY 2025/2026	$ Change	% Change
General Fund	$ 6,875,441	$ 7,512,700	$ 637,259	9%
HURF Fund Streets	$ 1,830,156	$ 995,000	$ (835,156)	-46%
Developer Contingency	$ 1,000,000		$ (1,000,000)	-100%
Donations Fund	$ 349,800	$ 553,700	$ 203,900	58%
Grants	$ 21,130,947	$ 24,916,000	$ 3,785,053	18%
Court Enhancement	$ 5,700	$ 5,700	$ -	0%
GIITEM	$ 99,844		$ (99,844)	-100%
Opioid Fund	$ 50,000	$ 50,000	$ -	0%
CIP Fund 24	$ 2,612,858	$ 3,218,643	$ 605,785	23%
Streets Unrestricted	$ 463,602	$ 452,100	$ (11,502)	-2%
Water	$ 5,624,833	$ 5,545,969	$ (78,864)	-1%
Wastewater	$ 3,000,362	$ 3,500,624	$ 500,262	17%
Sanitation	$ 426,778	$ 437,200	$ 10,422	2%
Cemetary	$ 224,698	$ 196,900	$ (27,798)	-12%
Total	**$ 43,695,019**	**$ 47,384,536**	**$ 3,689,517**	**8%**

Budget Timeline

December 2024 January 2025

- Operating budgets, supplemental request forms, and capital request forms distributed to Departments for consideration and update.
- Development of CIP projects in progress.

February & March 2025

- Property values received from County and revenue estimates received from State.
- Town Manager meets with Departments and Finance to review budget submissions.
- Strategic planning session with Council and public to review and refresh goals.

April 2025

- Council work sessions with Town Manager and Leadership Team (public invited to participate).
- Notice of intent posted for fee increases, if applicable.

May 2025

- Public hearing and Council adoption of tentative budget.
- Tentative budget published online and in newspaper.

June – July 2025

- Truth in taxation notices published for rate increases, if proposed.
- Public hearing for final budget and adoption of resolution for property tax rate.
- Tax levy/rate ordinance.

Vision, Mission & Values

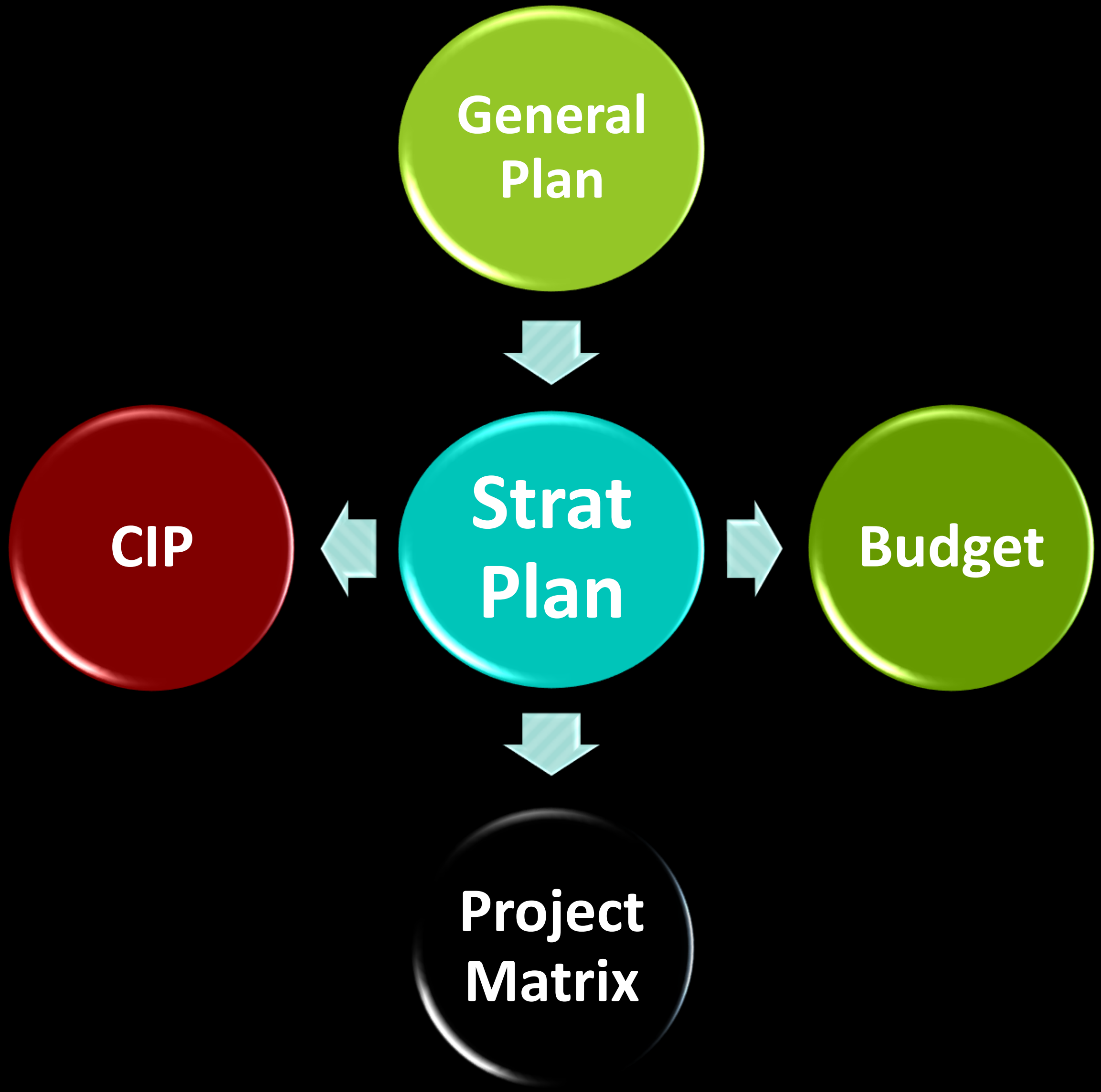
Vision:

The Town of Clarkdale capitalizes on our unique history, proximity to the Verde River, and small-town charm. We cultivate a safe environment where residents and businesses can thrive. We sustainably enhance our infrastructure, support the arts and education, and develop recreational opportunities to create a bright future for our entire community.

Mission:

The Town of Clarkdale serves the community by providing amenities, infrastructure, services and public safety to enhance quality of life. We are stewards of our history while we sustainably and resiliently plan for the future with an emphasis on community engagement and transparency.

Budget Alignment with Strategic Planning



Strategic Goals 1-3

Goal Area 1

Enhance the quality of life for residents, businesses and visitors to Clarkdale.

Goal Area 2

Enhance the quality and availability of parks, recreation and cultural opportunities.

Goal Area 3

Strengthen and diversify our economy through cultivating a business-friendly climate for business attraction and strategically capitalizing upon tourism.

Strategic Goals 4-6

Goal Area 4

Plan for the maintenance and growth of quality infrastructure that is sustainable and resilient.

Goal Area 5

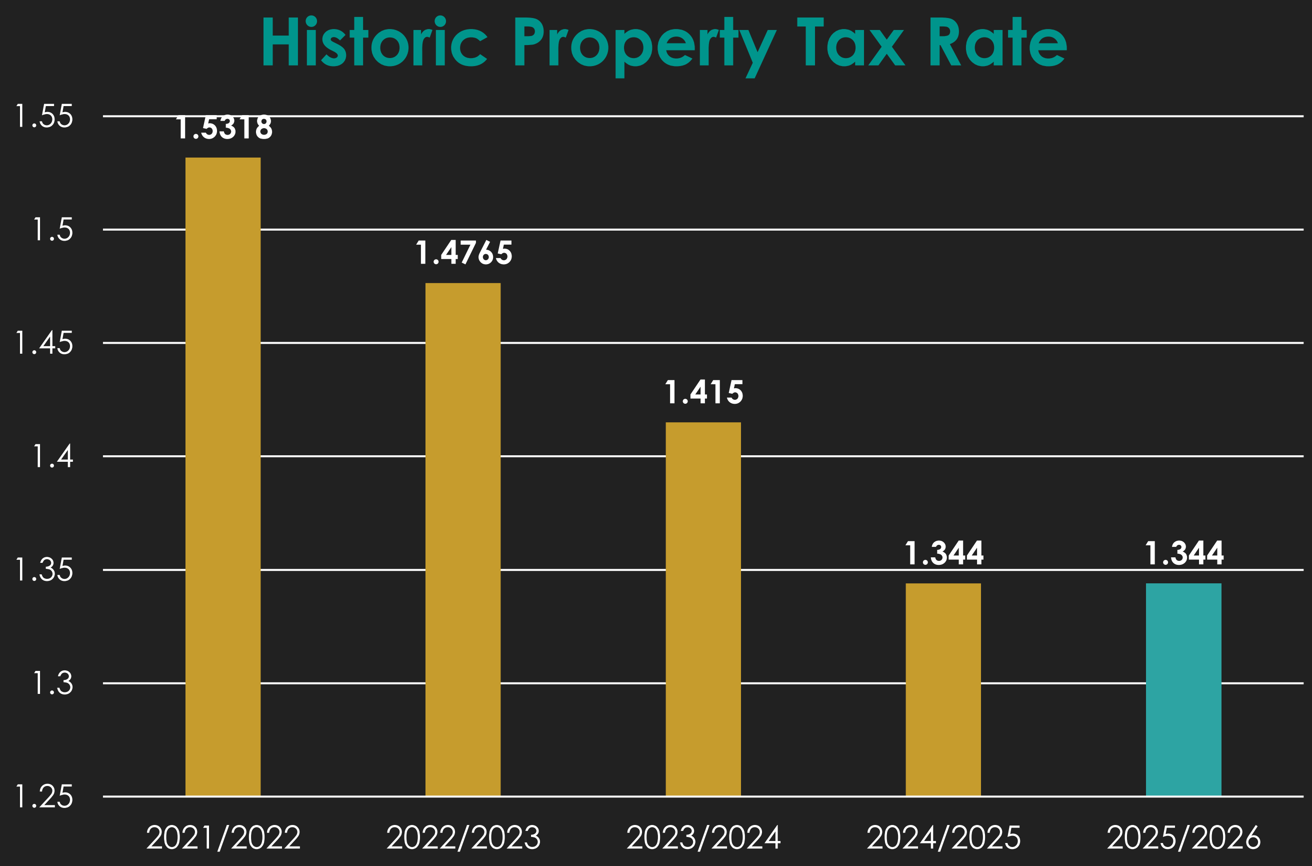
Strategically invest in organizational development to enhance efficiency and service delivery and to attract and retain an exemplary workforce.

Goal Area 6

Adopt water conservation strategies that result in no drawdown in the aquifer and no degradation of Verde River flows.

Budget Assumptions & Highlights: Revenue

- Keep Property Tax Rate the same at $1.344. Increase in levy of $61,655 will require Truth in Taxation.
- State Shared Income Tax decrease of approximately $67,000 due to implementation of State Flat Tax.
- Total City Sales Tax budget decreased by $250,000 due to cessation of Rental Tax and decrease in consumer confidence.

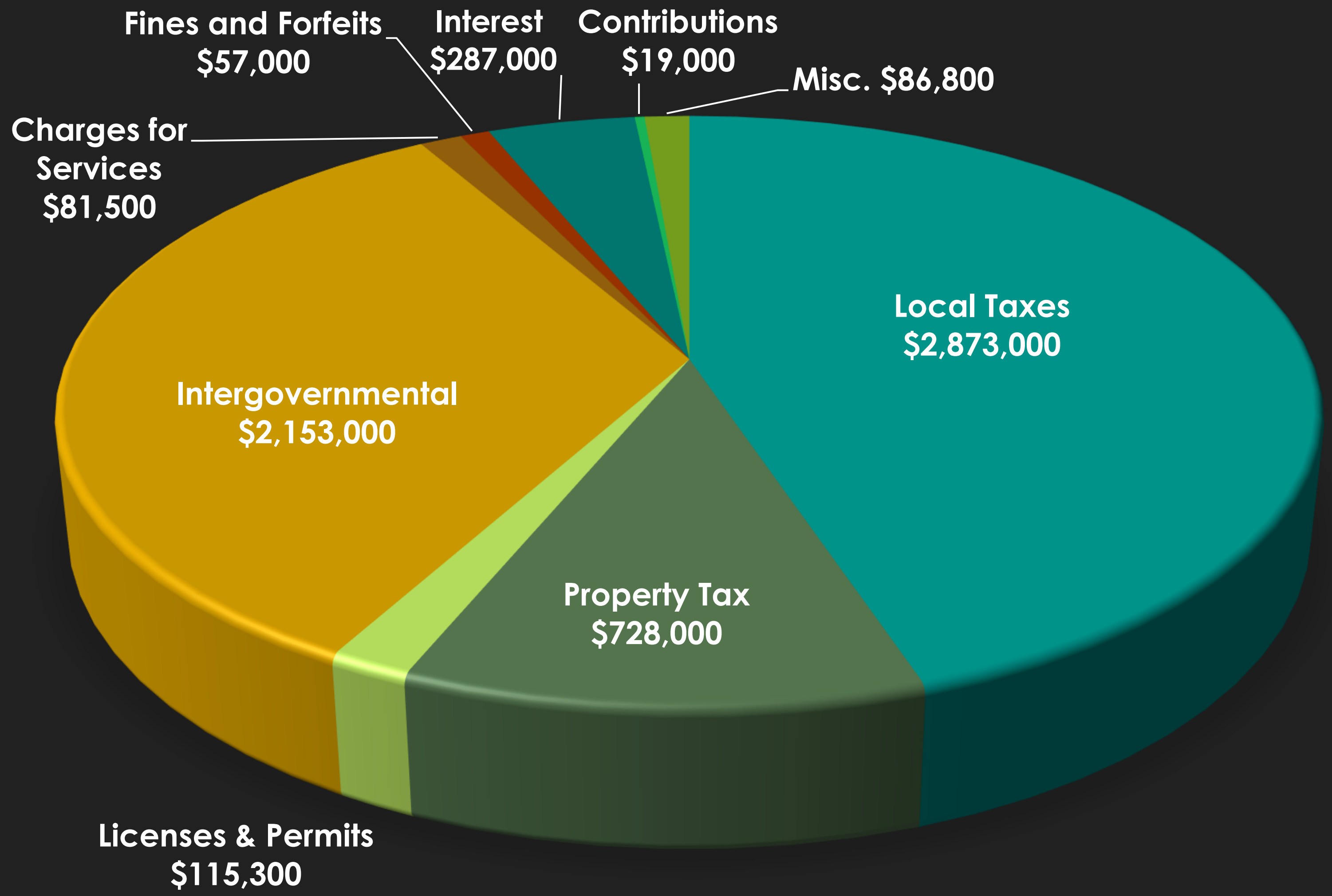


Budget Assumptions & Highlights: Expenditures

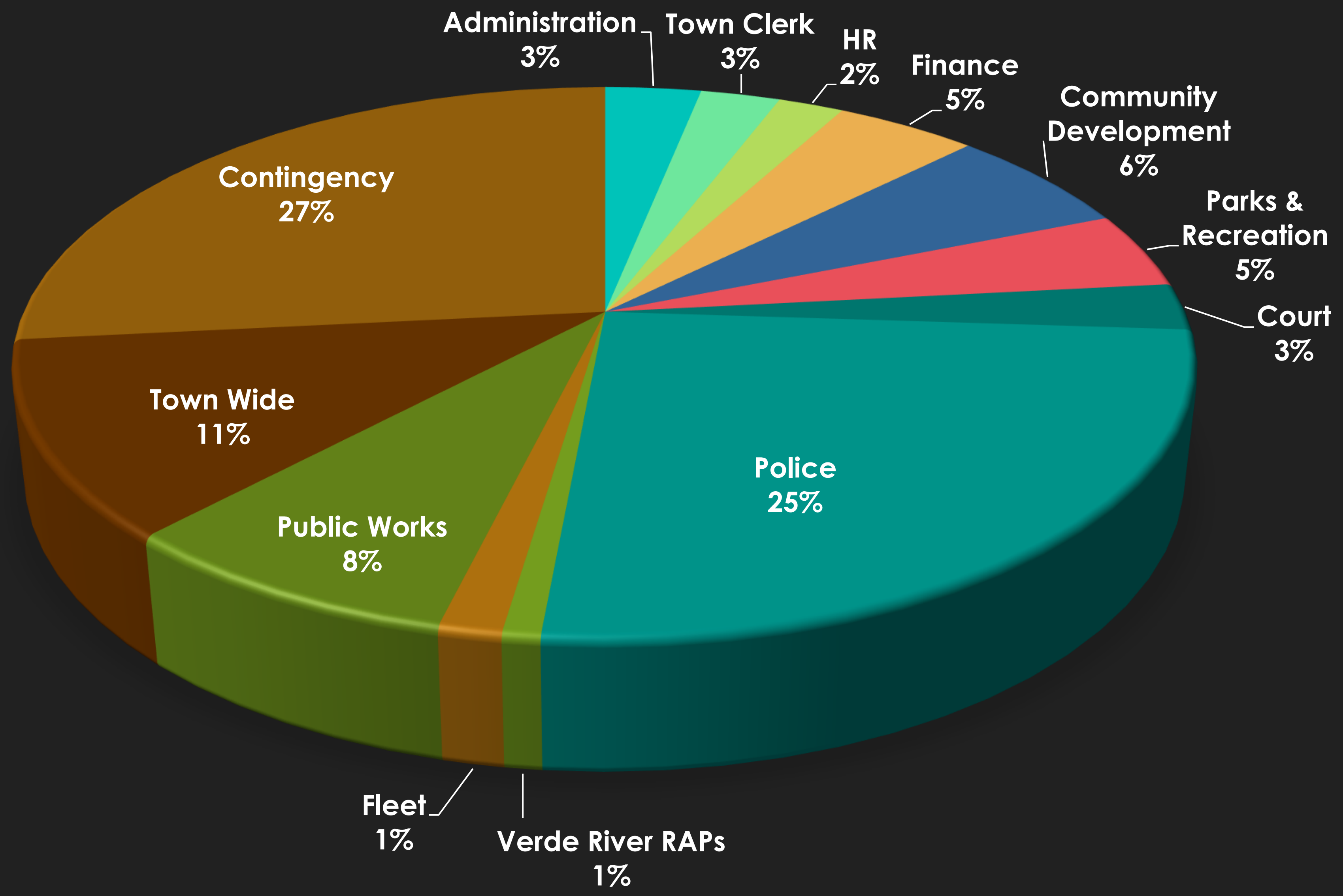
- Health and Dental Insurance increase of 10%.
- Property & Liability Insurance increase budgeted at 12% due to planned vehicle additions.
- Pension Contributions:
  - ASRS: 12.00% (decrease from 12.27% in FY2025).
  - PSPRS: Tiers 1-2 rate 21.27% down from 24.27% in FY2025.
- $27.3 million budgeted in Town Wide Capital Improvements ($5.1 million from existing fund balance, $22.2 million from grants, plus additional sources).

General Fund

General Fund Revenues



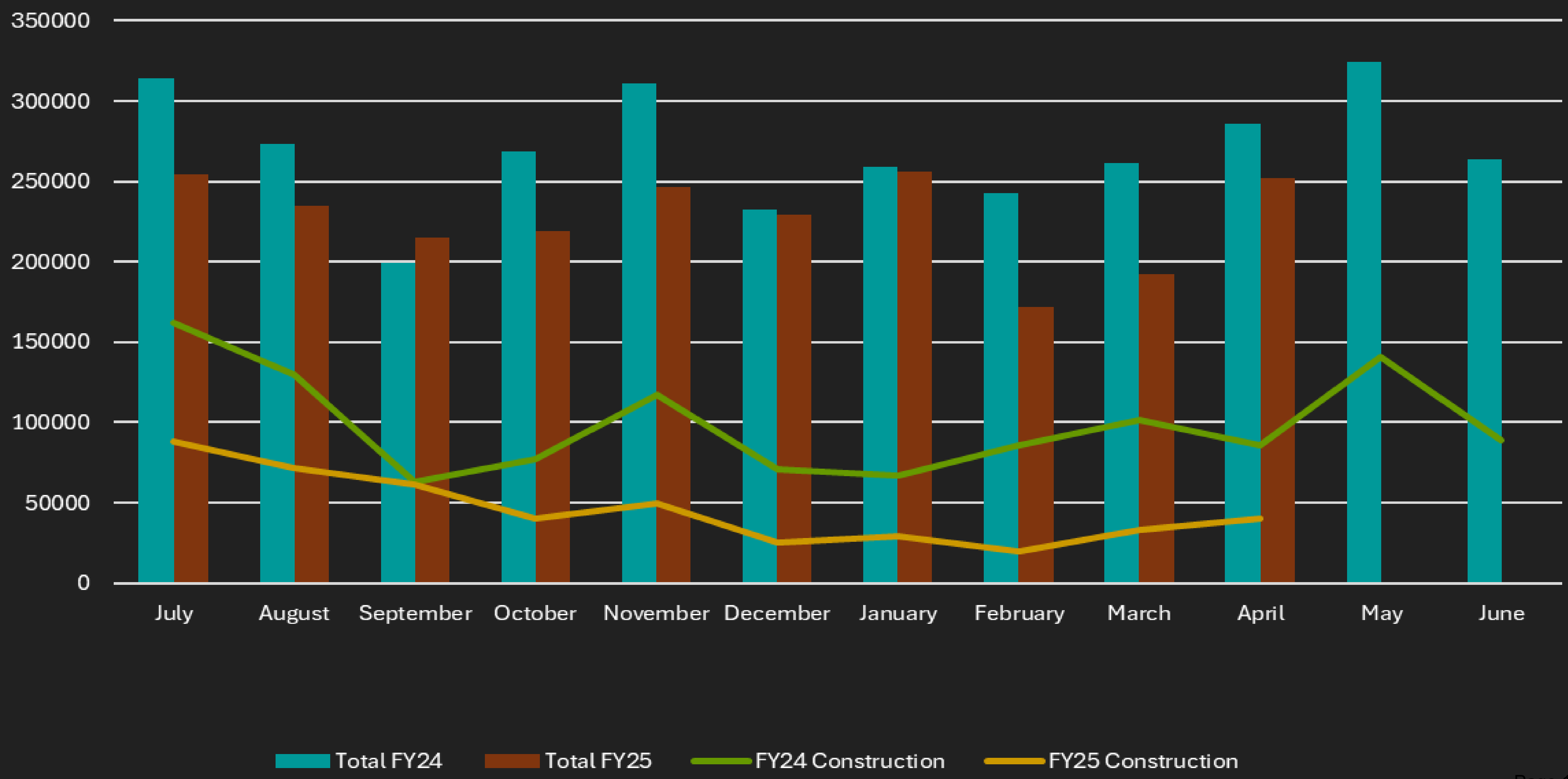
General Fund Expenditures



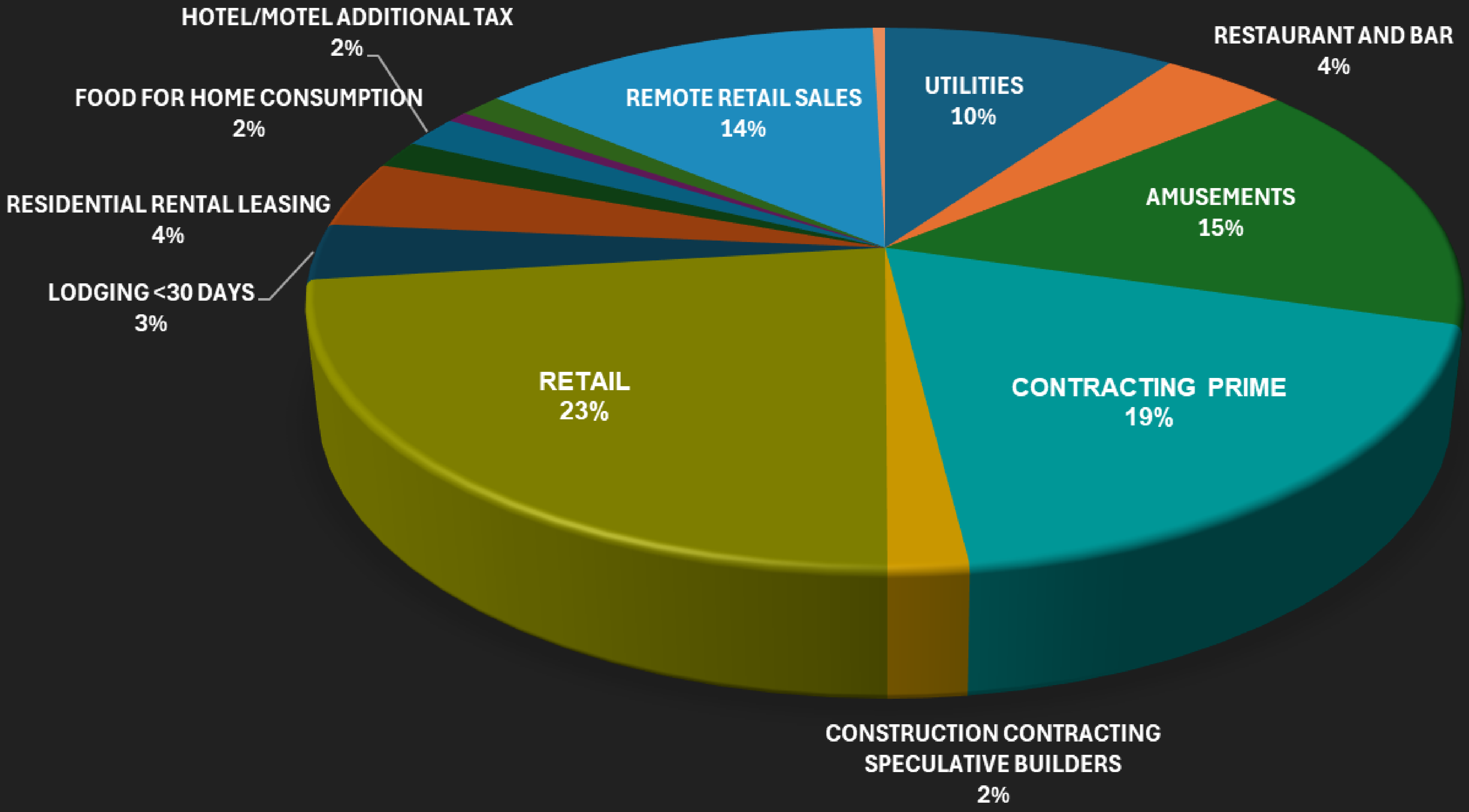
Major General Fund Revenue Recap

Description	2021-2022 ACTUAL	2022-2023 ACTUAL	2023-2024 ACTUAL	2024-2025 BUDGET	PROJECTED FYE TOTAL	2025-2026 BUDGET
PROPERTY TAX	591,344	617,022	656,173	667,000	667,000	728,000
		4.34%	6.35%		1.65%	9.15%
LOCAL SALES TAX	2,799,460	2,973,701	3,178,620	3,000,000	2,816,000	2,750,000
		6.22%	6.89%		-11.41%	-8.33%
STATE SALES TAX	626,124	685,150	733,049	737,853	750,000	756,000
STATE REV SHARE (INCOME TAX)	581,697	879,267	1,281,499	1,038,584	1,043,000	976,000
STATE VEHICLE LIC TAX	360,713	377,495	375,381	398,477	399,000	421,000
	1,568,534	1,941,911	2,389,929	2,174,914	2,192,000	2,153,000
		23.80%	23.07%		-8.28%	-1.01%
TOTAL MAJOR REVENUES	4,959,338	5,532,634	6,224,722	5,841,914	5,675,000	5,631,000
Net Change From Prior Year		**573,296**	**692,088**		**(549,722)**	**(44,000)**

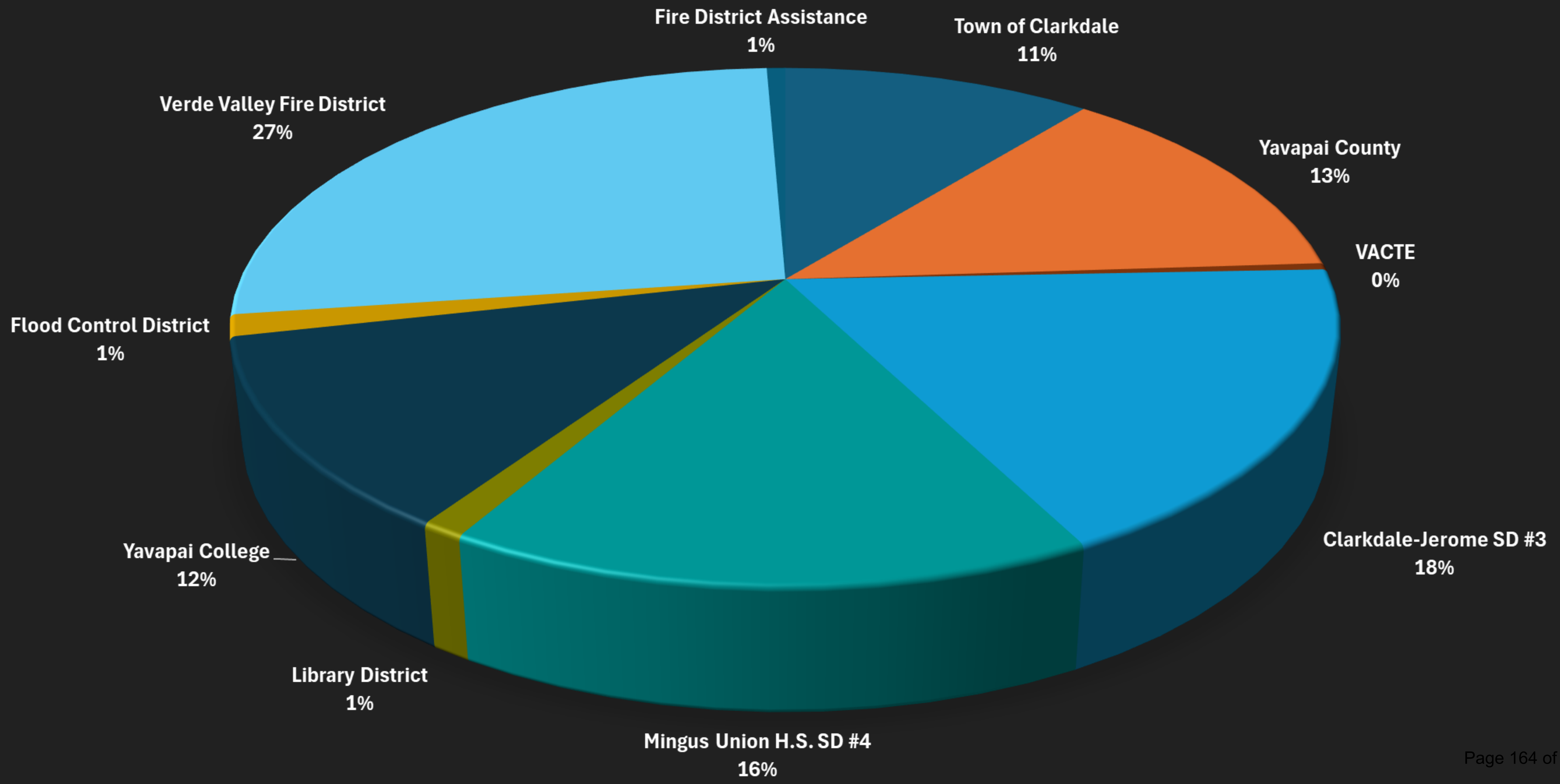
Total Sales Tax Revenue



Total Sales Tax by Activity



Where does your property tax go? Only 11% goes to the Town.



Property Tax Analysis

	FY 2024/2025	FY 2025/2026 Maximum without Truth in Taxation	FY 2025/2026 Keep Rate the Same	FY 2025/2026 Increase in Rate Below Max	FY 2025/2026 Maximum Allowable Tax Levy
Truth in Taxation		No	Yes	Yes	Yes
Net Assessed Value	$ 49,616,566	$ 54,203,268	$ 54,203,268	$ 54,203,268	$ 54,203,268
Value of New Construction	$ 2,126,721	$ 2,069,202	$ 2,069,202	$ 2,069,202	$ 2,069,202
Net Assessed Value minus New Const	$ 47,489,845	$ 52,134,066	$ 52,134,066	$ 52,134,066	$ 52,134,066
Primary Tax Levy	$ 667,000	$ 693,477	$ 728,655	$ 758,846	$ 783,129
Increase in Tax Levy		$ 26,477	$ 61,655	$ 91,846	$ 116,129
Tax Rate	1.3443	1.2794	1.3443	1.4000	1.4448
% Increase in Tax Rate		-4.83%	0.00%	4.14%	7.48%
% Increase in Tax Levy		3.97%	9.24%	13.77%	17.41%

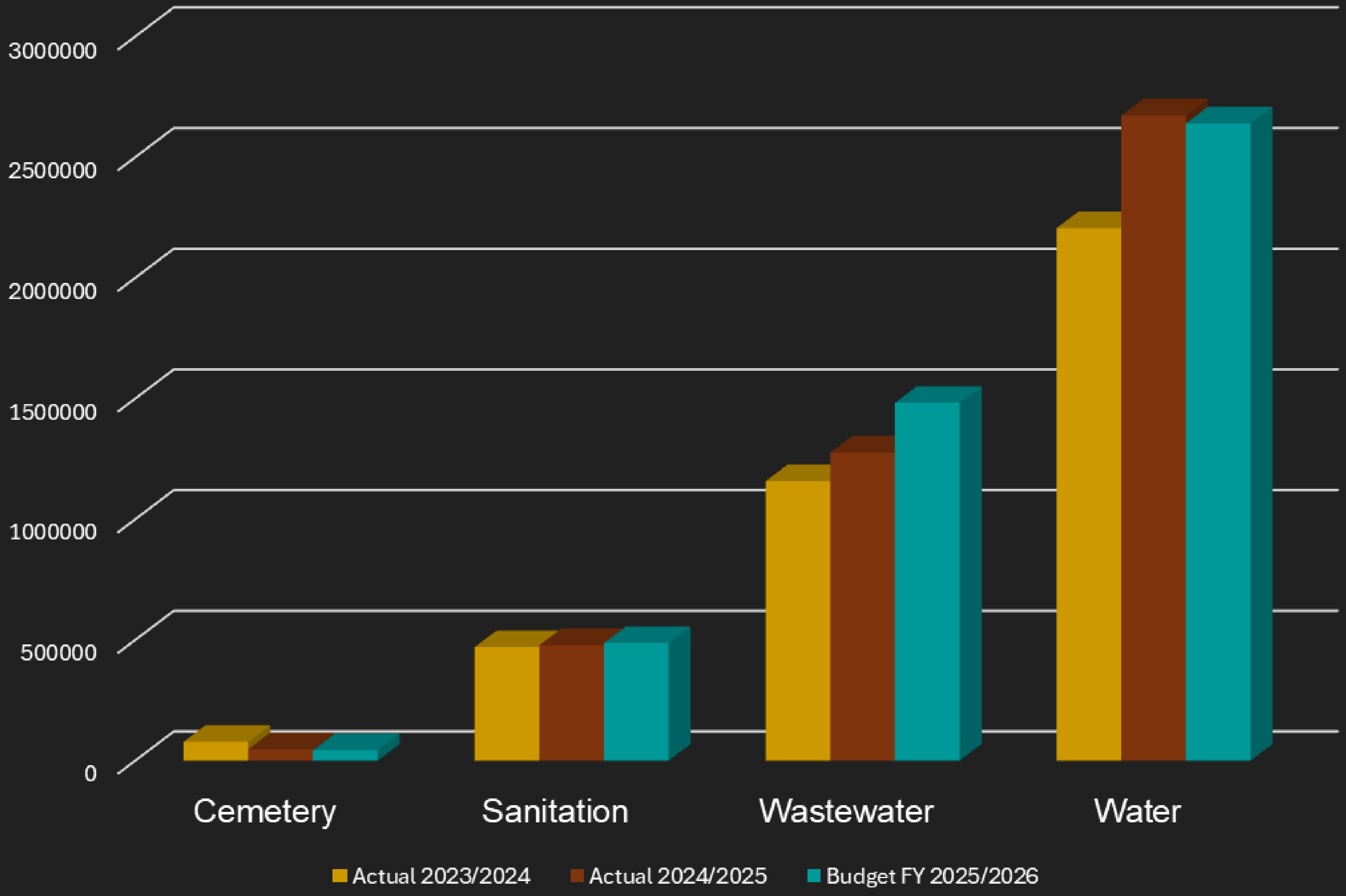
General Fund Budget

- Decrease in local revenue primarily due to local Sales Tax.
- Decrease in State revenue due to implementation of Flat Income Tax.
- 4% COLA/market adjustment included.
- Decrease in Community Development due to reduced personnel; moving some expenses to Town Wide.
- Increase in Town Wide budget due to Community Development items.
- New Fleet Department created.
- Increase Contingency to $2,000,000.

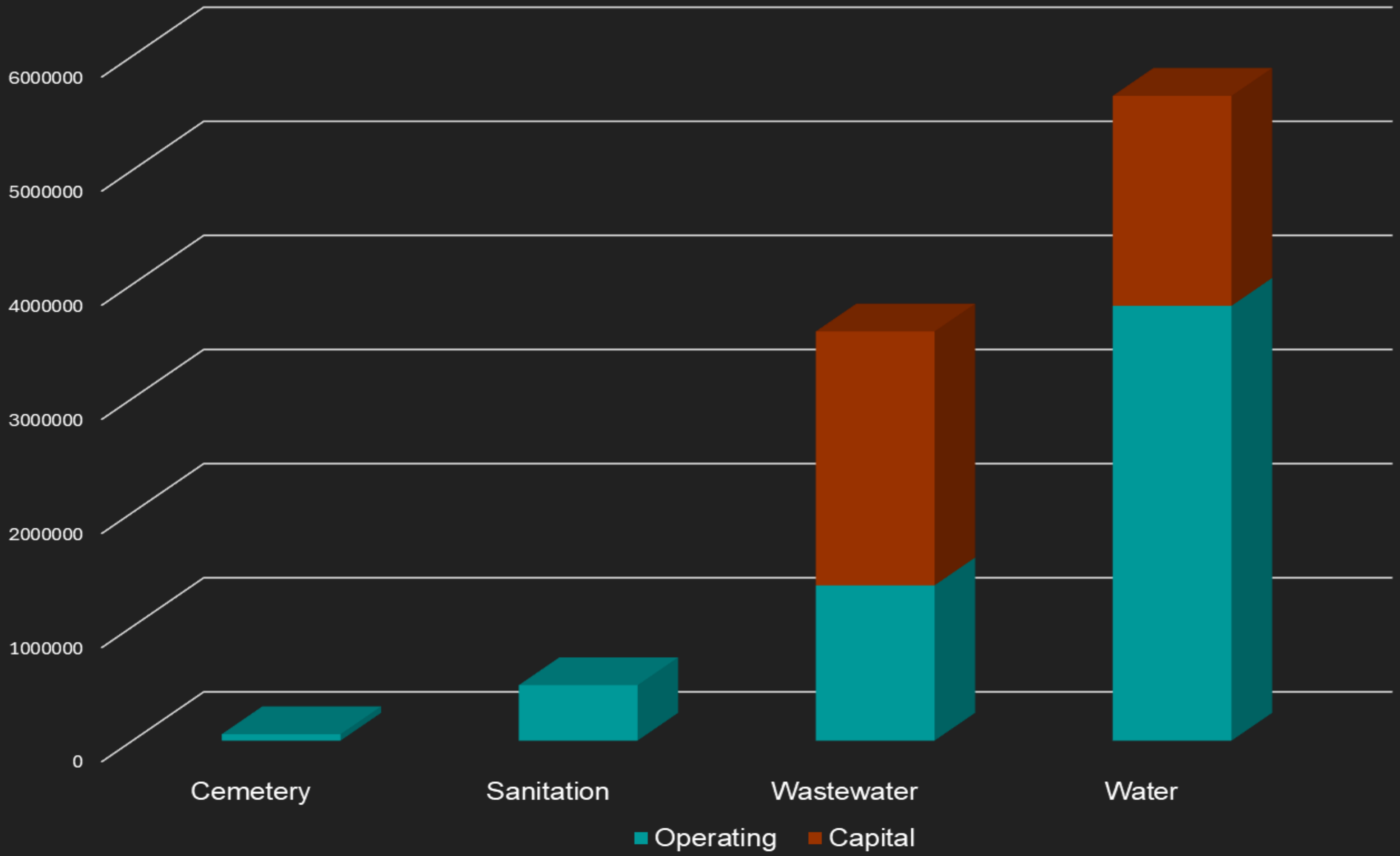
	FY 2025 Budget	FY 2025 Projected Actual	FY 2026 Proposed Budget	$ Change	% Change
Revenue					
Local Revenue + Property Tax	$ 4,707,077	$ 4,629,277	$ 4,525,200	$ (181,877)	-4%
State Revenue	$ 2,174,914	$ 2,192,000	$ 2,153,000	$ (21,914)	-1%
Fund Balance Appropriation	$ 2,350,000	$ 1,282,759	$ 1,506,500	$ (843,500)	-36%
Total Revenue	**$ 9,231,991**	**$ 8,104,036**	**$ 8,184,700**	**$ (1,047,291)**	**-41%**
Expenditures					
Administration	$ 226,297	$ 225,600	$ 235,300	$ 9,003	4%
Town Clerk	$ 182,952	$ 181,855	$ 195,400	$ 12,448	7%
Human Resources	$ 170,457	$ 154,274	$ 160,900	$ (9,557)	-6%
Finance	$ 341,743	$ 379,615	$ 348,800	$ 7,057	2%
Community Development	$ 701,336	$ 567,537	$ 475,200	$ (226,136)	-32%
Parks & Recreation	$ 309,110	$ 309,110	$ 335,800	$ 26,690	9%
Court	$ 194,079	$ 191,578	$ 205,500	$ 11,421	6%
Police	$ 1,902,395	$ 1,808,265	$ 1,908,200	$ 5,805	0%
Verde River RAPs	$ 63,957	$ 63,957	$ 66,500	$ 2,543	4%
Fleet			$ 110,200	$ 110,200	
Public Works	$ 658,204	$ 684,026	$ 613,000	$ (45,204)	-7%
Town Wide	$ 726,745	$ 691,169	$ 857,900	$ 131,155	18%
Contingency	$ 3,754,716	$ 2,847,050	$ 2,672,000	$ (1,082,716)	-29%
Total Expenditures	**$ 9,231,991**	**$ 8,104,036**	**$ 8,184,700**	**$ (1,047,291)**	**-11%**

Enterprise Funds (non tax supported)

Enterprise Fund Revenues



Enterprise Fund Expenditures



Capital Projects

Capital Projects: Goal Area 1

Enhance the quality of life for residents, businesses and visitors to Clarkdale.

- Infrastructure Improvement Plan - $50,000
- Updated Tasers and Body Cams - $26,500
- Clubhouse Roof - $40,000
- Admin Building Rehab (Town Hall Exterior) - $250,000
- PW and Community Development Window and Roof Replacement - $190,000
- Flooring Replacement – 37,000

Capital Projects: Goal Area 2

Enhance the quality and availability of parks, recreation and cultural opportunities.

- Copper Penny Monument Sign - $10,000
- Selna Mongini Park Completion - $1,600,000
- Park Playground Replacement Program - $25,000
- Trails Planning and Development - $130,000 (partially grant funded)

Capital Projects: Goal Area 3

Strengthen and diversify our economy through cultivating a business-friendly climate for business attraction and strategically capitalizing upon tourism.

- Continued funding of tourism marketing program using hotel tax revenue; also continued funding community events through operating budget.
- Complete Code Revision and Housing Study.
- Continued funding of Retail Strategies contract in General Fund Townwide operations.
- Continued funding of online permit software in Community Development budget.
- Bitter Creek Bridge - $6,200,000 (grant awarded - funds received).
- Luke Lane Road Improvement Design - $1,000,000 (grant applied for).

Capital Projects: Goal Area 4

Plan for the maintenance and growth of quality infrastructure that is sustainable and resilient.

- Pavement Management Program - $690,000
- Clarkdale Parkway Improvements Construction - $900,000 (will be grant or developer funded)
- Cement Plant Road Improvements Construction- $4,000,000 (grant applied for)
- Lower Centerville Road Improvements Design - $350,000 (applying for grant)
- 3rd North Sewer - $2,000,000 ($600,000 forgivable awarded)
- Sludge Drying Beds - $75,000
- Alamos Lift Station Wet Well - $50,000
- VRIC Improvements - $50,000
- WWTP Power Improvements - $50,000

Capital Projects: Goal Area 5

Strategically invest in organizational development to enhance efficiency and service delivery and to attract and retain an exemplary workforce.

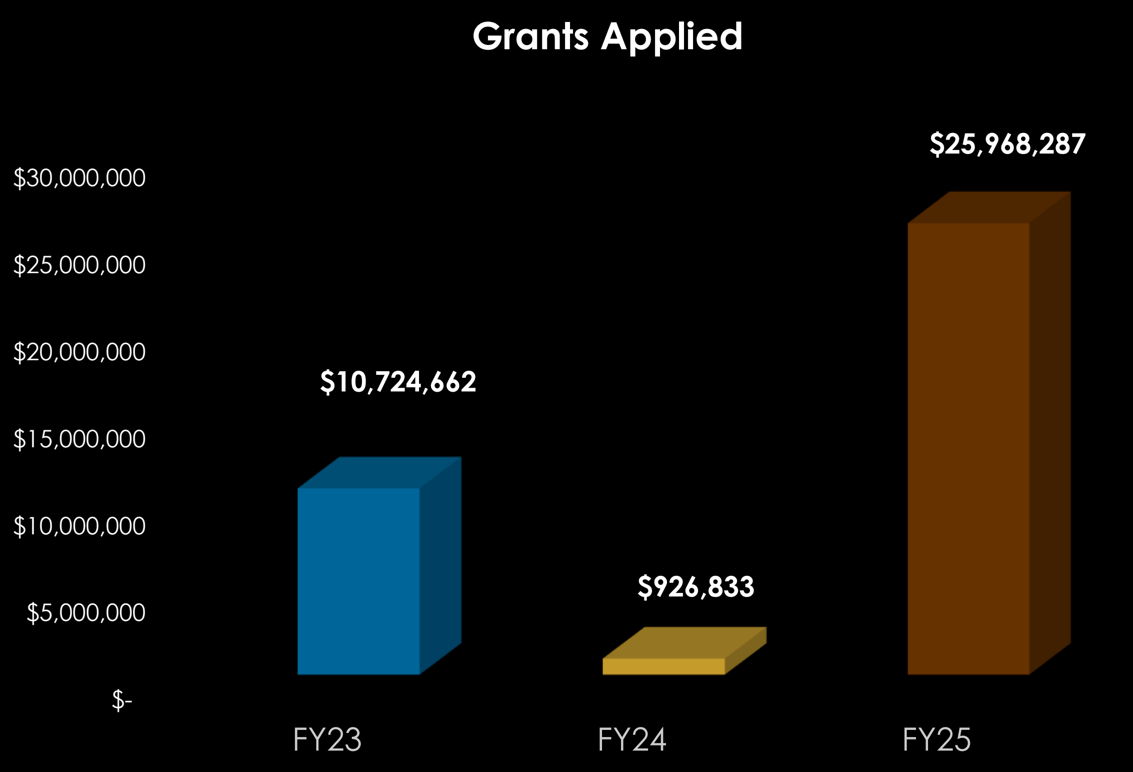
- Continued funding of COLAs, succession planning, career ladders and employee retention in operating funds.
- Continue outsourcing of Wastewater Treatment, Town Engineering and Solid Waste.
- Fleet Replacement - $204,000 ($89,000 covered by awarded grant of $241,000 for two electric vehicles and a charging station).

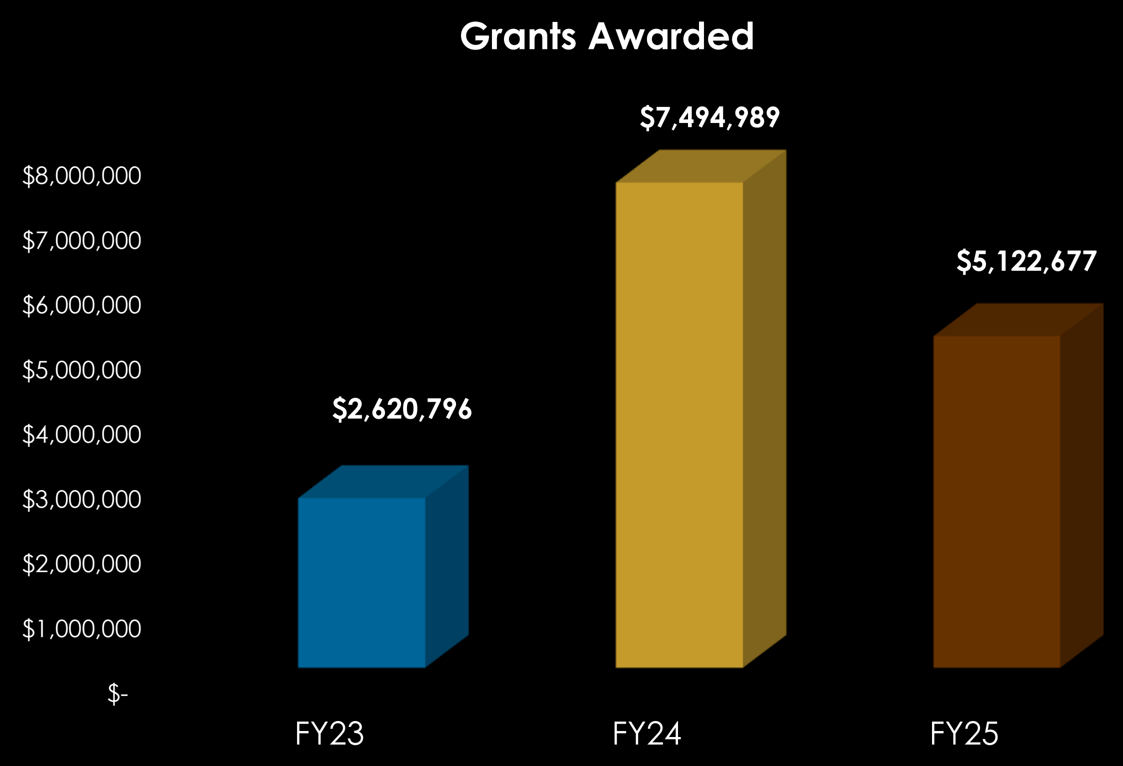
Capital Projects: Goal Area 6

Adopt water conservation strategies that result in no drawdown in the aquifer and no degradation of Verde River flows.

- Cemetery Recharge Project - $900,000 (grant awarded)
- Distribution Midzone PRV - $500,000
- Design of Groundwater Well and Treatment – $1,000,000 (grant awarded)
- Design of Purple Pipe to Selna Mongini and Town Parks - $220,000 (grant awarded)
- EPA Lead and Copper Rule - $250,000
- 89A Reservoir Replacement - $829,000 (have applied for grant)
- 89A Well Replacement - $829,000
- Haskell Springs North Tank Rehab - $375,000
- Cellular Meter Program - $250,000 (grant awarded)
- Cemetery Well Improvements - $100,000
- 2.5” Fire Hydrant Replacements - $70,000
- Arsenic Treatment Plant Improvements - $80,000
- Crossroads Water Line Replacement - $50,000
- Main/North 7th Street PRV - $5,000

Grants





Total Grants Applied	$37,619,782	Total Grants Awarded	$15,238,462

Key Dates

7 April
Preliminary Council Work Session.

22 April
Second Council Work Session.

13 May
Draft Budget Presentation at Town Council Meeting.

27 May
Notice of Public Hearing and Council Adoption of Tentative Budget (Setting Upper Limit).

24 June
Public Hearing and Adoption of Resolution for Final Budget, Truth in Taxation Hearing and Property Tax Levy.

8 July
Ordinance to Set Property Valuations and Adopt Property Tax Levy.

Questions?

Susan Guthrie,
Town Manager

susan.guthrie@clarkdale.az.gov

Joe Duffy,
Finance Director

joe.duffy@clarkdale.az.gov

Staff Report

Item Number: 6.D.

Agenda Item: **Cemetery Well Deepening Project**
Discuss, consider, and act upon a proposal from KP Ventures for the Cemetery Well Deepening Project ADWR ID#55-559554 for an amount not to exceed $66,673.91.

Staff Contact: Joshua Tomerlin, Utilities Director

Meeting Date: May 13, 2025

Strategic Goal: This agenda item supports the following Clarkdale Strategic Goal Area:

- Goal Area 6 - Adopt water conservation strategies that prevent negative aquifer impacts and no degradation of Verde River Flows.

Background: The Cemetery Well was initially drilled in 1996 to 500 feet. Due to the water levels declining, the current well is unable to meet demands at the Cemetery and was taken over by the Water Department to explore utilizing this well as an additional drinking water source. The Cemetery well will be deepened to around 760 feet and the existing pump will be lowered to 605 feet. The 8-inch PVC-lined well should yield between 125 to 200 GPM. The current pump configuration will produce only 20 GPM while the well is being tested, developed, and providing irrigation water to the cemetery.

The Cemetery Well site was identified as a favorable location for a well based upon its lower cost to develop and test, with existing infrastructure nearby and presumed water quality. Redrilling this well could improve the Town's water supply without the additional cost of arsenic removal, but further analysis will be required once yield and quality are determined.

KP Ventures' quote is only for the deepening, re-casing of the well, removal, and reinstallation of the existing irrigation pump and does not include any additional development or testing. The well's current system controls, electrical equipment, pump, motor, valves, piping, and tank are only a few years old and will be reused. In the future, higher-producing pumps and equipment can be planned and specified after determining the well's production yield and water quality.

Budget Impact: Water Resource Development 13-5-0703-8570, $66,673.91.

Utilizing the City of Mesa's Cooperative SAVE contract 2020112.

Recommendation: Staff recommends that the Council approve the proposal from KP Ventures for the Cemetery Well Deepening Project ADWR ID#55-559554 for an amount not to exceed $66,673.91 and authorize the Town Manager to execute all documents.

Proposal

Phone #
928-639-1709

Date	Proposal #
5/5/2025	13658

Mailing - PO Box 2411
Cottonwood, AZ 86326

Corporate
4715 Old Highway 279
Camp Verde, AZ 86322

Satellite
5120 W. Bethany Home Rd.
Glendale, AZ 85301

Name / Address
Town Of Clarkdale P.O. Box 308 Clarkdale, AZ 86324

Description	Qty	Cost	Total
Cemetery Well Deepen Well 260' to 760' Lower Pump System by 105' to 605'			
Pump Rig Labor To Pull Existing Pump / Hourly Price	6	150.00	900.00T
Drill Rig Hourly To: Mobilize, Set Up, Pull PVC Casing/Drill Out PVC & Drill 260' Deeper, Tear Down, Demobilize (ESTIMATED HOURS, ACTUAL HOURS WILL BE INVOICED)	75	500.00	37,500.00T
6" PVC SDR-17 Blank Well Casing (IF ANY CAN BE RE-USED IT WILL BE)	320	22.70	7,264.00T
6" PVC SDR-17 Well Screen (IF ANY CAN BE RE-USED IT WILL BE)	440	29.50	12,980.00T
Permits	1	562.50	562.50T
Subtotal			59,206.50
Pump Rig Labor To Re-Install Existing Pump Deeper / Hourly Price	10	150.00	1,500.00T
#4 AWG Sub-Cable	110	6.00	660.00T
1-1/2" Galv. Drop Pipe	105	3.84	403.20T
1.5" Ductile Iron Check Valve	3	97.50	292.50T
Additional PVC Sounder Tube and Couplings	1	157.50	157.50T
Misc. Materials & Supplies	1	250.00	250.00T

Subtotal	
Sales Tax (6.73%)	
Total	
Down payment	

http://kpventureswelldrilling.com/

ACCEPTANCE OF PROPOSAL----The above prices, specifications and conditions are satisfactory.

Signature

Date

Proposal

Phone #
928-639-1709

Date	Proposal #
5/5/2025	13658

Mailing - PO Box 2411
Cottonwood, AZ 86326

Corporate
4715 Old Highway 279
Camp Verde, AZ 86322

Satellite
5120 W. Bethany Home Rd.
Glendale, AZ 85301

Name / Address
Town Of Clarkdale P.O. Box 308 Clarkdale, AZ 86324

Description	Qty	Cost	Total
CLIENT TO PROVIDE SAFE AND ADEQUATE ACCESS TO WELL HEAD FOR THE REQUIRED EQUIPMENT. THIS PRICE IS ASSUMING THE WELL CUTTINGS AND DISCHARGE ARE ONSITE. KPV NOT RESPONSIBLE FOR DAMAGE TO DRIVEWAY, LANDSCAPING, ETC. KPV DOES NOT GUARANTEE WATER QUALITY OR QUANTITY.			

Well prices are per foot.Total depths are estimated and may vary.Construction of the well may require installation of additional casing or liner. Owner shall be advised of any additional costs, if any , before installation. At KP Ventures discretion we reserve the right to nullify contract if we see reasonable and fit. We cannot guarantee water quality or quantity. Minimum drilling fee is for 100 feet. All material is guaranteed to be as specified. All work to be completed in a workmanlike manner according to standard practices. Any alteration or deviation from above specifications involving extra costs will become an extra charge over and above the estimate. All agreements contingent upon strikes, accidents or delays beyond our control. Owner to carry fire, tornado and other necessary insurance. Our workers are fully covered by Workmen's Compensation Insurance. Balance due upon completion. 1 1/2% (18% per annum) 10 days from due date. DEPOSIT IS NON-REFUNDABLE. Valid for 30 Days.

Subtotal	$62,469.70
Sales Tax (6.73%)	$4,204.21
Total	$66,673.91
Down payment	

http://kpventureswelldrilling.com/

ACCEPTANCE OF PROPOSAL----The above prices, specifications and conditions are satisfactory.

Signature ______________________________

Date ______________________________

Staff Report

Item Number: 6.E.

Agenda Item: **Ratification of Emergency Expenditures Related to the Arsenic Treatment Plant and Windy Street Water Line and Reallocation of CIP W28 funds for Pavement Repairs in the Crossroads.**
Discuss, consider and act upon the ratification of emergency expenditures for the arsenic treatment plant and Windy Street water line in the amount of $51,932.52 using water contingency funds, and the use of $34,840 from CIPW28 Fisher Warehouse funding for the necessary pavement repairs made to Crossroads subdivision.

Staff Contact: Lou Andersen, Public Works Director

Meeting Date: May 13, 2025

Strategic Goal: This agenda item supports the following Clarkdale Strategic Goal Area:

- Goal Area 1 - Enhance the quality of life for residents, businesses and visitors to Clarkdale.
- Goal Area 4 - Plan for the maintenance and growth of quality infrastructure that is sustainable and resilient.

Background: The Arsenic Treatment Plant required several emergency repairs at the beginning of FY 24-25 at a total cost of $23,969.81. These repairs contribute to the Arsenic Treatment Operations and Maintenance line being over budget by $25,941.32 as of April 30, 2024.

- September 2024: Booster pump failure, $16,703.24
- October 2024: Control panel and laptop control failure, $3,506.89
- November 2024: Compressor failure, $3,759.68

In September 2024, a water line break occurred on Windy Street. Due to the numerous leaks and prior repairs to this section of water line, it was determined that replacing 200 feet of the water line was the best course of action, at a cost of $27,962.71.

In addition, several streets in the Crossroads subdivision have experienced multiple water leaks over the past few years. Recent leaks and the resulting deteriorating pavement conditions increased the priority for pavement patching in this area at a cost of $34,840. CIP W28 Fisher House Warehouse was identified at this time as a lower priority project that could be placed on hold in order to ensure funds were available for the necessary pavement repairs.

The Windy Street water line replacement and Crossroads pavement patching have caused the Water Line Repairs Operations and Maintenance line to be over budget by $51,832.32 as of April 30, 2024.

Budget Impact:

- Arsenic O&M 13-5-0700-9015 budgeted at $4,000.
  - $25,941.32 over budget as of April 30, 2025.
- Water Line Repairs 13-5-0700-7005 budgeted at $21,000.
  - $51,832.32 over budget as of April 30, 2025.
- CIP W28 Fisher House Warehouse 13-5-0800-8011, budgeted at $300,000.
  - $225,000 has been designated to be used for W19 Haskell Springs Tank Repairs.
  - Remaining amount is $75,000.
- Water Contingency 13-5-0700-9760 budgeted at $617,430.
  - $161,608.98 previously approved by Council to be used for the flat bed truck purchase for chemical transport and Mountain Gate well repairs.
  - Remaining amount is $455,821.02.
- Water revenues are expected to exceed forecasted amounts for FY24-25.
  - User fees are slightly higher than forecasted as of April 30, 2025.
  - Remaining revenue lines are $82,634.60 higher than forecast as of April 30, 2025.

Recommendation: Staff recommends that the Council approve the ratification of emergency expenditures for the arsenic treatment plant and Windy Street water line in the amount $51,932.52 using water contingency funds, and the use of $34,840 from CIPW28 Fisher Warehouse funding for the necessary pavement repairs made to Crossroads subdivision.

Project & Invoice # 0822-010

TOWN OF CLARKDALE, AZ

PROCUREMENT FORM – ITEMS OVER $10,000

DEPT & PROJECT/PURCHASE: Arsenic System Booster Pumps ESTIMATED COST: $ 15,650.00

Actual: $16,703.24

1. Has purchase/project been included in the current budget? YES / NO

   a. If yes, please provide budget line item #: 13-5-0700-9015

   b. If no, provide written explanation: *Contingency will need to cover

2. Is the purchase/project available through the State Procurement Office list of approved contracts? Mesa, AZ / KP Ventures SAVE CO-OP 7/2020-7/2025 YES / NO

3. Has purchase/project been approved by the Town Manager? YES / NO

4. Is the purchase/project expected to range between $10,000 and $74,999? YES / NO

   a. If YES, attach three written quotes to the first invoice paid under the new project
   b. If three written quotes can't be obtained, attach memo of explanation N/A per SAVE CO-OP
   c. If NO, proceed to question #5

5. Is the purchase/project expected to exceed $75,000? ~~YES / NO~~

   a. Attach Town Council approval and refer to Procurement rules under Section Six of the Town of Clarkdale Financial Operations Guide.

Submitted By: PW

Date: 9/5/24

Town Manager Acknowledgement:

Date: 9/6/24

KP Ventures Drilling & Pump

KP Ventures Invoice

Corporate Office
4715 Old Highway 279
Camp Verde, AZ 86322
Phone: (928) 639-1709

Glendale Office
5120 W. Bethany Home Road
Glendale, AZ 85301
Phone: (623) 230-4060

Project Information	
Project #	Town of Clarkdale
Title	Multiple Projects - Maintenance
Address	P.O. Box 308
City, State, Zip	Clarkdale, AZ 86324q

Prime Contract Invoice	
Contract #	00001
Invoice #	0822-010
Invoice Date	22-Aug-2024
Payment Due	06-Sep-2024

From	
Contact	Tyler Johnson
Company	KP Ventures Inc
Address	P.O. Box 2411
City, State, Zip	Cottonwood, AZ 86326
Phone	928-639-1709

To	
Contact	Ethan Pebworth
Company	Town of Clarkdale
Address	P.O. Box 308
City, State, Zip	Clarkdale, AZ 86324q
Phone	928-639-2520 Lisa

Original Contract Items

Item #	Description	Qty	Unit	Unit Price	Total Price	Total
1	15 HP, Goulds, 3 PH, 460 V Booster Pump 220 GPM @ 50 PSI	2	EA	$5,425.00	$10,850.00	$10,850.00
2	Misc. Plumbing & Fittings (Estimated)	1	LS	$3,300.00	$3,300.00	$3,300.00
3	Labor to replace booster pumps (Estimated)	10	HR	$150.00	$1,500.00	$1,500.00
				Subtotal =	$15,650.00	$15,650.00

Comments:

Sales Tax = $1,053.24

Total = $16,703.24

APPROVAL FOR PAYMENT

Dept. Head: SEE P.F.

Date: 9/5/24

RE: 0822-010 for $16,703.24

ACCT#: 13-5-0700-9015 (+ contingency)

Remit check payments to P.O. Box 2411, Cottonwood, AZ 86326
Payments by Credit Card - 3.5% Fee
Bank Draft (ACH) – No Fee

KP Ventures Drilling & Pump

Estimate Proposal

P.O. Box 2411, Cottonwood, AZ 86326
Cottonwood Phone: (928) 639-1709
Glendale Phone: (623) 230-4060

Project Information	
Project #	Town of Clarkdale
Title	Multiple Projects - Maintenance
Address	
City, State, Zip	Clarkdale, AZ 86324q

Estimate Information	
Estimate #	07-12-24TOC
Description	Arsenic System Boosters
Proposal Date	12-Jul-2024
Valid Thru Date	12-Aug-2024

From	
Contact	Tyler Johnson
Company	KP Ventures Inc
Address	P.O. Box 2411
City, State, Zip	Cottonwood, AZ 86326
Phone	928-639-1709

To	
Contact	Ethan Pebworth
Company	Town of Clarkdale
Address	P.O. Box 308
City, State, Zip	Clarkdale, AZ 86324q
Phone	928-639-2520 Lisa

We are pleased to quote the following labor, equipment, and materials in accordance with the plans and specifications listed above. This proposal is subject to exclusions that may be listed below.

Scope of work for the project to be constructed as depicted in the plans and details as described herein:

Inclusions, Exclusions & Clarifications

Clarifications:
This is the updated pricing based on what needs to be replaced on the plumbing for the new booster pumps. Once we take the plumbing apart there may be more needed.

Items

#	Description	Quantity	Unit	Unit Price	Subtotal: Total
1	15 HP, Goulds, 3 PH, 460 V Booster Pump 220 GPM @ 50 PSI	2	EA	5,425.00	10,850.00
2	Misc. Plumbing & Fittings (Estimated)	1	LS	3,300.00	3,300.00
3	Labor to replace booster pumps (Estimated)	10	HR	150.00	1,500.00

Estimate Total: $15,650.00

All material is guaranteed to be as specified. All work to be completed in a workman like manner according to standard practices. Any alteration or deviation from the above specifications involving extra costs will be executed only upon written orders and will become an extra charge over and above the estimate. All agreements are contingent upon strikes, accidents, or delays beyond our control. Owner to carry fire, flood, earthquake, and other necessary insurance. We are fully covered by A rated Workmen's Compensation Insurance.

Acceptance of Proposal:

The above prices, specifications and conditions are satisfactory and hereby accepted. You are authorized to do the work as specified.

Signature: ____________________

Date of Acceptance: ____________________

Print Name: ____________________

To: Ethan Pebworth <Ethan.Pebworth@clarkdale.az.gov>
Subject: REVISED - Arsenic System Boosters - Communication from KP Ventures Inc

KP Ventures Inc

Estimate Proposal

Attention	Ethan Pebworth
Client	Town of Clarkdale
Contractor	KP Ventures Inc
Contact	Tyler Johnson

Project	Town of Clarkdale - Multiple Projects - Maintenance
Project Address	P.O. Box 308 Clarkdale AZ, 86324q

Estimate	07-12-24TOC - Arsenic System Boosters
Size & Units	1 LS
Proposal Amount	$15,650.00

Fever Enterprises LLC
3301 Leisure Ln
Phoenix, AZ 85086 US
feverenterprises@gmail.com

FEVERcontrols

INVOICE

BILL TO	**SHIP TO**	
Virginia Smith Town of Clarkdale AZ PO BOX 308 39 North Ninth Street Clarkdale, Arizona 86324 United States of America	Virginia Smith Town of Clarkdale AZ PO BOX 308 39 North Ninth Street Clarkdale, Arizona 86324 United States of America	**INVOICE #** 1450 **DATE** 09/07/2024 **DUE DATE** 10/07/2024 **TERMS** Net 30

DATE	ACTIVITY	DESCRIPTION	QTY	RATE	AMOUNT
09/06/2024	**Technical Services**	Town of Clarkdale Arsenic Removal: The technician found that the registry editor had been opened and tampered with. The software for the ME Satation must be reloaded.	4	125.00	500.00
09/06/2024	**Travel**		165.50	1.51	249.91
09/20/2024	**Technical Services**	Town of Clarkdale Asenic Removal: Laptop software reload.	1	2,250.00	2,250.00
09/24/2024	**Travel**		165.50	1.51	249.91

Thank you for your business. We accept all major credit cards or checks can be sent to 3301 W Leisure Lane Phoenix, AZ 85086.

SUBTOTAL	3,249.82
TAX	0.00
TOTAL	3,249.82
BALANCE DUE	**$3,249.82**

APPROVAL FOR PAYMENT

Dept. Head: Lou Cook

Date: 10/23/24

RE: ATP O+M

ACCT#: 13-5-0700-9015

lcdparts.net

MoniServ

Company: MoniServ
Phone: 4156828685
Email: benson@moniserv.com
Address: 1600 Noriega Street, San Francisco, California, United States
Postal code: 94122

Arsenic Plant Control Panel Screen Replacement

INVOICE

Invoice MSS5713 2024-10-15 17:22:09

$257.07

SHIPPING ADDRESS

Name: Joshua Tomerlin
Company: Town of Clarkdale
Phone: +19283001910
Email: joshua.tomerlin@clarkdale.az.gov
Address: 890 Main St, Clarkdale, Arizona, 86324, United States

PAYMENT INFORMATION

Name: Joshua Tomerlin
Company: Town of Clarkdale
Address: PO BOX 308, Clarkdale, Arizona, 86324, United States
Shopify Payment
Visa: •••• •••• •••• 0323

Items	Qty	Price	Discount	Tax	Tax Amount	Subtotal
TPI#1290-002 for Allen Bradley PanelView Plus 700 2711P-RDT7C SKU: TPI1290-002-MS084UTOUCH	1	$239.99	$0.00	Arizona State Tax: 0%	$0.00	$239.99

Subtotal	$239.99
Shipping	$17.08
Tax	$0.00
Grand total	**$257.07**
Paid by customer	$257.07

Thank you for your purchase!

www.lcdpart.com

APPROVAL FOR PAYMENT

Dept. Head: JT

Date 10/28/24

RE:

ACCT#: 13-5-0700-9015

AGM Sales & Service LLC
and Environmental Biomass Services, Inc.
PO Box 2949
Cottonwood, AZ 86326
Office 928-634-2223

INVOICE

Date	Invoice #
11/4/2024	32218

Bill To
TOWN OF CLARKDALE
PO Box 308
Clarkdale, AZ 86324

Job Info:
R&R Compressor
Motor

PO#	Date of Service	Rep	Hours
ATP Per JT 11/4 2:54pm	10/24/2024	BJB	

Qua...	Description	Rate	Amount
1	Baldor Motor to Match Existing	2,444.00	2,444.00
	Available June 24, 2024		
	Sales Tax they are exempt		0.00
	Shipping/Handling estimated $125.00	0.00	
	Shipping/Handling Actual	343.08	343.08
	Compressor Drive belts (will need to be matched up) est	75.00	75.00
	Onsite Supplies	25.00	25.00
4	Labor to travel to site, R&R Compressor motor test and verify proper operation of system	165.00	660.00
	Original motor will be brought back to the shop torn down and a quote will be prepared for replacing bearings so customer will have a spare motor		

APPROVAL FOR PAYMENT

Dept. Head: [signature]

Date: 11/20/24

RE:

ACCT#: ~~11-5-0700-7010~~
13-5-0700-9015

I hereby accept the above described work. I further agree that AGM/EBS will only be responsible for the parts and labor that AGM/EBS installed for 90 days from the date of installation. However, if the parts come with a manufacturer's warranty greater than 90 days, AGM/EBS will assist the owner in filing a claim under the manufacturer's warranty. The warranty will not apply in the event of improper use or maintenance of the parts or system. AGM/EBS is not responsible for damage to or loss of products, delay in production, or marketing thereof, nor any loss resulting from the intended use of the equipment or any other consequential or incidental damage. All tangible items remain property of AGM/EBS until the invoice and any applicable finance charges are paid in full. By paying this invoice you agree to the terms outlined above. If payment is made by a credit card a 3.7% charge will be added to the total. Sales tax is included in prices.

Total	$3,547.08
Sales Tax (9.35%)	$0.00
Credits	$0.00
Balance	$3,547.08

AZ Dept of Agriculture // Public Surplus Auction

ARIZONA

RECEIPT

Date: 11/06/2024
Order ID: 9027
Authorization #: 5985693
Please reference these numbers in any correspondence regarding your transaction

Billing Information

Joshua Tomerlin
PO BOX 308
Clarkdale AZ 86324
Phone #: 928-300-1910
Email: joshua.tomerlin@clarkdale.az.gov

Account Information

Payment Method: VISA
XXXXXXXXXXXX0323 12/2027

Spare Air Compressor for Arsenic Treatment Plant

Product ID	Item Description	Amount	Quantity	Gross
SPMO001	Public Surplus Online	$212.60	1	$212.60
SPMO001	Public Surplus Online Shipment	$0.00	1	$0.00
			TOTAL	$212.60

Notes:

ADOA Surplus Property:

APPROVAL FOR PAYMENT
Dept. Head: CE
Date: 11/20/24
RE:
ACCT#: 13-5-0700-9015

Project & Invoice # T241001
for $27,962.71

TOWN OF CLARKDALE, AZ

PROCUREMENT FORM – ITEMS OVER $10,000

DEPT & PROJECT/PURCHASE: PW / Emergent Repair @ 2061 Windy ESTIMATED COST: $ ~~32,511.84~~ $27,962.71

1. Has purchase/project been included in the current budget? YES / NO
   a. If yes, please provide budget line item #: 13-5-0700-7005
   b. If no, provide written explanation:
      * Water Contingency *

2. Is the purchase/project available through the State Procurement Office list of approved contracts? Tiffany / Coconino County CO-OP YES / NO
3. Has purchase/project been approved by the Town Manager? YES / NO
4. Is the purchase/project expected to range between $10,000 and $74,999? YES / NO
   a. If YES, attach three written quotes to the first invoice paid under the new project
   b. If three written quotes can't be obtained, attach memo of explanation
   c. If NO, proceed to question #5
5. Is the purchase/project expected to exceed $75,000? YES / NO
   a. Attach Town Council approval and refer to Procurement rules under Section Six of the Town of Clarkdale Financial Operations Guide.

Submitted By: PW

Date: 10/8/24

Town Manager Acknowledgement: [signature]

Date: 10/14/24

TIFFANY SINCE 1925
CONSTRUCTION
PHOENIX / SEDONA

INVOICE

SOLD TO
Town Of Clarkdale Public Works
P.O. Box 308
Clarksdale, AZ 86324

JOB
Clarkdale Water Repair T&M

ACCOUNT NO	PO NUMBER	JOB NO.	INVOICE NO.	INVOICE DATE	TERMS	PAGE
CLA55		765	T241001	10/4/2024	Net 30	1

QUANTITY	DESCRIPTION	UNIT PRICE	EXTENDED
1	EWO - 765000 09/11/2024	4,956.00	4,956.00
1	EWO - 765001 09/12/2024	10,621.71	10,621.71
1	EWO - 765002 09/13/2024	6,747.77	6,747.77
1	EWO - 765003 09/17/2024	3,795.08	3,795.08

Thank you for your business!!!

ITEM TOTAL	26,120.56
TAX	1,842.15
TOTAL AMOUNT	**27,962.71**

APPROVAL FOR PAYMENT

Dept. Head: SEE P.F.

Date: 10/8/24

RE:

ACCT#: 13-5-0700-7005

Main Office:
7122 N. 27th Ave.
Phoenix, Arizona 85051
(602) 276-2414

www.tiffanyconstructionco.com
ROC. #071494
CLASS-A

Sedona Office:
75 Kallof Place, Ste. 101
Sedona, Arizona 86336
(928) 204-9817

TIFFANY CONSTRUCTION SINCE 1925 PHOENIX / SEDONA

Phoenix Office
7122 N. 27th Ave.
Phoenix, Arizona 85051
Phone: 602.276.2414

Sedona Office
75 Kallof Place - Suite 101
Sedona, Arizona 86336
Phone: 928.204.9817

EXTRA WORK ORDER # 765000

CUSTOMER NAME:	Town of Clarkdale Public Works			**DATE:**	9/11/2024
ADDRESS:	P.O Box 308			**CUTOMER PO#:**	
CITY:	Clarkdale	**STATE:**	AZ	**ORDERED BY:**	Lisa Waldschmidt
PHONE:	928-202-2152	**ZIP:**	86324	**TCC JOB #:**	765

EQUIP #	EQUIPMENT	ST HOURS	OT HRS	ST RATE	OT RATE	ST TOTAL	OT TOTAL	TOTAL
TE7715	JD 310 Backhoe	10		114.00		1140.00		1140.00
TV2636	10 Wheel Dump Truck	11.5		114.00		1311.00		1311.00
	MOBILIZATION IN/MOBILIZATION OUT							

LABOR

GROUP	DESCRIPTION	ST HOURS	OT HRS	ST RATE	OT RATE	ST TOTAL	OT TOTAL	TOTAL
	Foreman & Pickup	10.5		95.00		997.50		997.50
	Foreman & Pickup	10.5		95.00		997.50		997.50
	Laborer	10		51.00		510.00		510.00

MATERIALS	QUANTITY	RATE	TOTAL

SUBTOTAL	$4,956.00
BOND	
SALES TAX (7.0525%)	$349.52
TOTAL AMOUNT DUE	**$5,305.52**

JOB LOCATION: 2601 Windy Street

DESCRIPTION OF WORK: Mobilize backhoe - Strip existing 6" CA pipe. Locate and repair leak at water service. Strip pipe and remove roots to prep for mainline replacement

Remarks:

Approved By:

Prepared By:

TIFFANY CONSTRUCTION
SINCE 1925
PHOENIX / SEDONA

Phoenix Office
7122 N. 27th Ave.
Phoenix, Arizona 85051
Phone: 602.276.2414

Sedona Office
75 Kallof Place - Suite 101
Sedona, Arizona 86336
Phone: 928.204.9817

EXTRA WORK ORDER # 765001

CUSTOMER NAME:	Town of Clarkdale Public Works			**DATE:**	9/12/2024
ADDRESS:	P.O Box 308			**CUTOMER PO#:**	
CITY:	Clarkdale	**STATE:**	AZ	**ORDERED BY:**	Lisa Waldschmidt
PHONE:	928-202-2152	**ZIP:**	86324	**TCC JOB #:**	765

EQUIP #	EQUIPMENT	ST HOURS	OT HRS	ST RATE	OT RATE	ST TOTAL	OT TOTAL	TOTAL
TE7715	JD 310 Backhoe	10.5		114.00		1197.00		1197.00
TV2636	10 Wheel Dump Truck	10		114.00		1140.00		1140.00
MOBILIZATION IN/MOBILIZATION OUT								

LABOR

GROUP	DESCRIPTION	ST HOURS	OT HRS	ST RATE	OT RATE	ST TOTAL	OT TOTAL	TOTAL
	Foreman & Pickup	11		95.00		1045.00		1045.00
	Foreman & Pickup	10.5		95.00		997.50		997.50
	Laborer	10		51.00		510.00		510.00
	Laborer	10.5		51.00		535.50		535.50
	Pipe Layer	10.5		67.00		703.50		703.50

MATERIALS	QUANTITY	RATE	TOTAL
Martin Marietta 9/12 - MAG ABC	27.87	16.68	464.73
6" DIP	77.00	36.57	2815.89
6" Smith/Blair Transition Couplings	2.00	380.32	760.63
6 x 1 1/4" Tapping Saddle	1.00	228.97	228.97
1 1/4" Corp Stop	1.00	222.99	$222.99
SUBTOTAL			$10,621.71
BOND			
SALES TAX (7.0525%)			$749.10
TOTAL AMOUNT DUE			**$11,370.80**

JOB LOCATION: 2601 Windy Street

DESCRIPTION OF WORK: Drained and removed existing 6" CA waterline and replaced with 6" DIP with (2) transition couplings and did partial backfill. Hot tapped new 1 1/4" service with saddle and corp.

Remarks:

Approved By:

Prepared By:

TIFFANY CONSTRUCTION SINCE 1925 PHOENIX / SEDONA

Phoenix Office
7122 N. 27th Ave.
Phoenix, Arizona 85051
Phone: 602.276.2414

Sedona Office
75 Kallof Place - Suite 101
Sedona, Arizona 86336
Phone: 928.204.9817

EXTRA WORK ORDER # 765002

CUSTOMER NAME:	Town of Clarkdale Public Works			**DATE:**	9/13/2024
ADDRESS:	P.O Box 308			**CUTOMER PO#:**	
CITY:	Clarkdale	**STATE:**	AZ	**ORDERED BY:**	Lisa Waldschmidt
PHONE:	928-202-2152	**ZIP:**	86324	**TCC JOB #:**	765

EQUIP #	EQUIPMENT	ST HOURS	OT HRS	ST RATE	OT RATE	ST TOTAL	OT TOTAL	TOTAL
TE7715	JD 310 Backhoe	8		114.00		912.00		912.00
TV2636	10 Wheel Dump Truck	10		114.00		1140.00		1140.00
MOBILIZATION IN/MOBILIZATION OUT								

LABOR

GROUP	DESCRIPTION	ST HOURS	OT HRS	ST RATE	OT RATE	ST TOTAL	OT TOTAL	TOTAL
	Foreman & Pickup	9.5		95.00		902.50		902.50
	Foreman & Pickup	10		95.00		950.00		950.00
	Laborer	8		51.00		408.00		408.00
	Laborer	8		51.00		408.00		408.00
	Pipe Layer	8		67.00		536.00		536.00

MATERIALS	QUANTITY	RATE	TOTAL
1 1/4" Pex Water Service Line	40 LF	4.34	173.60
1 1/4" Compression Coupling	1.00	59.09	59.09
12" ADS Storm Drain	13 LF	12.51	162.63
Martin Marietta 9/13 - Slurry	5 CY	164.45	822.25
Martin Marietta 9/13 - Non-spec ABC	17.63	15.53	$273.71
SUBTOTAL			$6,747.77
BOND			
SALES TAX (7.0525%)			$475.89
TOTAL AMOUNT DUE			**$7,223.66**

JOB LOCATION: 2601 Windy Street

DESCRIPTION OF WORK: Excavated and installed 1 1/4" service line across road and slurry backfill complete. Install 12" storm drain at driveway. Placed (1) load of AB at both driveways. Completed backfill over replaced 6" DIP waterline and spread landscape gravel complete.

Remarks:

Approved By:

Prepared By:

TIFFANY CONSTRUCTION
SINCE 1975
PHOENIX / SEDONA

Phoenix Office
7122 N. 27th Ave.
Phoenix, Arizona 85051
Phone: 602.276.2414

Sedona Office
75 Kallof Place - Suite 101
Sedona, Arizona 86336
Phone: 928.204.9817

EXTRA WORK ORDER # 765003

CUSTOMER NAME:	Town of Clarkdale Public Works		**DATE:**	9/17/2024
ADDRESS:	P.O Box 308		**CUTOMER PO#:**	
CITY:	Clarkdale	**STATE:** AZ	**ORDERED BY:**	Lisa Waldschmidt
PHONE:	928-202-2152	**ZIP:** 86324	**TCC JOB #:**	765

EQUIP #	EQUIPMENT	ST HOURS	OT HRS	ST RATE	OT RATE	ST TOTAL	OT TOTAL	TOTAL
TE7356	CAT 301.7 Mini Excavator	3		113.00		339.00		339.00
TE3807	CAT 4-6 Ton Roller	3		112.00		336.00		336.00
TV2552	Big Tex Trailer	8		21.00		168.00		168.00
MOBILIZATION IN/MOBILIZATION OUT								

LABOR

GROUP	DESCRIPTION	ST HOURS	OT HRS	ST RATE	OT RATE	ST TOTAL	OT TOTAL	TOTAL
	Foreman & Pickup	8.5		95.00		807.50		807.50
	Foreman & Pickup	4		95.00		380.00		380.00
	Laborer	8		51.00		408.00		408.00
	Laborer	6		51.00		306.00		306.00
	Laborer	6		51.00		306.00		306.00

MATERIALS	QUANTITY	RATE	TOTAL
Martin Marietta 9/17 - MAG Asphalt	6.54 Tons	113.85	744.58
SUBTOTAL			$3,795.08
BOND			
SALES TAX (7.0525%)			$267.65
TOTAL AMOUNT DUE			**$4,062.73**

JOB LOCATION: 2601 Windy Street

DESCRIPTION OF WORK: Prepped slurry for asphalt patch. Placed 3" asphalt complete across road patch and cleaned up site. Hauled away traffic control barriers.

Remarks:

Approved By: **Prepared By:**

TIFFANY CONSTRUCTION
SINCE 1925
PHOENIX / SEDONA

PHOENIX OFFICE
7122 N. 27TH AVENUE
PHOENIX, ARIZONA 85051
PHONE: (602) 276-2414

SEDONA OFFICE
75 KALLOFF PL.
SEDONA, ARIZONA 86336
PHONE (928) 204-9875

ROC#071494 CLASS A

To:	Town Of Clarkdale	**Contact:**	Lisa Waldschmidt
Address:	890 Main Street, P.O. Box 308 Clarkdale, AZ 86324 USA	**Phone:**	(928) 202-2152
		Fax:	
Project Name:	2061 Windy St. Water Line Repair - T&M NOT TO EXCEED	**Bid Number:**	6294
Project Location:	2061 Windy St, Clarkdale, AZ	**Bid Date:**	9/9/2024

Item #	Item Description	Estimated Quantity	Unit	Unit Price	Total Price
1	Mobilization	1.00	LS	$810.00	$810.00
2	Remove And Replace 6" ACP With 6" DIP	88.00	LF	$185.00	$16,280.00
3	Tie-Over Existing Services Inc. Tapping	2.00	EACH	$1,160.00	$2,320.00
4	Remove And Replace Water Services (If Necessary)	2.00	EACH	$3,630.00	$7,260.00
5	Asphalt Patch	100.00	SF	$37.00	$3,700.00

Bid Price Subtotal:	**$30,370.00**
Clarkdale/Yavapai 7.05%:	**$2,141.84**
Total Bid Price:	**$32,511.84**

Notes:

- The unforeseen and historically unique global supply chain issues are significantly impacting our ability to obtain materials and to hold prices as quoted at the time of bid proposal. Current communications from our suppliers are indicating material delays, shortages, and price increases on a regular basis. Some suppliers have sent letters declaring a Force Majeure event. Bid prices and our ability to meet construction schedules may be affected.
- Tiffany Construction will not engage in or execute any contract with Liquidated Damages.
- Bid excludes: Hard Rock Excavation, Removal or Remediation of Unsuitable Soils, Bonds, All Permits and Permit fees, Payments for all governmental Street Pavement Cut Policies, Invoice Processing Fees such as Textura or similar, Engineering, Testing, Special Inspections (Including Concrete & Masonry construction), Survey, As-Builts, Footing Excavation & Footing Backfill, Over Excavation, Demolition Other than Specified, Concrete Sub Grade, Finish Grade for Landscape, Soil Sterilization, Structural Excavation and Backfill, Handling or Disposing of Existing Spills or Hazardous Waste, Removal of Utilities or Buried Sanitation Devices, Removal or Remediation Costs of Existing Wells, Striping, Signage, Final Adjustments of Water Valves, Cleanouts, and Manholes. Utility Installation and or Relocation, Building backfill, Chip Seal, Prime coat, Fog seal, SWPPP Prevention Plan Permit Cost and Obtaining Permit, SWPPP/N.P.D.E.S., Planter Backfill, Parkway grading, Moving or Removing Other Trades spoils and material. Parking Meter Hooding Permit and Cost. Bid explicitly excludes all items not specifically identified as a bid item.
- Bid is based on 1 mobilization additional mobilization will be at cost plus 15%.
- Material prices are good for 30 days from date of proposal any additional cost will be passed to owner or General Contractor.
- This price is subject to fuel escalations.
- Dust Control by Tiffany Construction is only for Tiffany work items and only applies when Tiffany is actively working on the project. All Dust Control mitigation is the responsibility of the General Contractor or Owner after substantial completion of the work is completed by Tiffany Construction Company.
- All materials, subs and rental equipment will be invoiced plus 15% for T & M.
- If the requirements of the contract were unavailable during the preparation of the bid, and any of these requirements contribute to unexpected additional costs this may cause the overall bid price to increase. Bid is based upon both parties reaching a mutually agreeable contract.
- This proposal and the complete terms and conditions of this proposal shall be included in any contract or subcontract prepared by owner or General Contractor.
- Bid is based solely upon the work defined in the Civil Plans. Scope of work defined in the Architectural, Structural, Landscape, Mechanical, Electrical, and Plumbing Plans is specifically excluded.
- Payments to comply with the Arizona Prompt Pay Act. If retainage is to be withheld, it will be 10% of the first 50% of the contract and then the retainage will be reduced to 5% for all work completed and 5% for all remaining work to be completed as part of the contract. Final Payment with zero retention is due to Tiffany within thirty days after completion of Tiffany Construction's scope of work.
- This bid is based on the following drawings and specifications (dated):
- Owner shall furnish to the Contractor reasonable evidence that the Owner has made financial arrangements to fulfill the Owner's obligations under the Contract. The Contractor shall have no obligation to commence the Work until the Owner provides such evidence. If commencement of the Work is delayed because of this, the contract time shall be extended appropriately.
- If during the performance of this project the cost of materials significantly increases through no fault of Tiffany Construction Company, we reserve the right to equitably adjust the price of the items affected.
- Water Meters to be provided by governing agency. Tiffany Construction excludes furnishing water meters.

- Our bid is predicated upon the acceptance of the complete presented bid package. Over time, our expertise has demonstrated that fragmenting project components across various contractors often leads to oversights and misconceptions regarding who is responsible for specific aspects. This fragmented approach can result in essential items being inadvertently omitted, with assumptions made about their coverage within the scope of others' work. Additionally, this approach frequently introduces inefficiencies characterized by frequent stops and starts due to delays resulting from coordination with other contractors. In the event that any items are removed or their scope is reduced after the bid has been presented, it may become necessary to reassess the pricing of the remaining items. This evaluation accounts for indirect costs that were initially encompassed within the removed or reduced scope items. This precaution ensures the maintenance of a balanced cost structure and safeguards against potential discrepancies arising from alterations to the project scope.
- Our proposal is contingent on the successful completion of all Civil work, as outlined in our bid schedule, prior to the commencement of any vertical construction tasks. Our experience has shown that simultaneous horizontal and vertical construction activities often lead to interferences that significantly impede the efficient execution of horizontal civil work.
- Bid is based upon the Plans and Specifications. Any design errors or omissions in the Plans and Specifications observed by Tiffany Construction will be reported to the Owner, but it is recognized that Tiffany's review is made in Contractor's capacity as a contractor and not as a licensed design professional. In no event shall Tiffany Construction be liable to the Owner or Engineer for damages resulting from errors, inconsistencies or omissions in the Contract Documents or for differences between field measurements or conditions and the Contract Documents.

Payment Terms:

Net 30. Final billing will be based upon measurement of actual work performed at unit prices herein stated.

ACCEPTED:	**CONFIRMED:**
The above prices, specifications and conditions are satisfactory and hereby accepted.	**Tiffany Construction Company, Inc.** **ROC 071494**
Buyer: ______________________	
Signature: ______________________	**Authorized Signature:** ______________________
Date of Acceptance: ______________________	**Estimator:** Herb Tiffany III

Project & Invoice # 10669

TOWN OF CLARKDALE, AZ

PROCUREMENT FORM – ITEMS OVER $10,000

DEPT & PROJECT/PURCHASE: PW/Util. Crossroads Asphalt Patching ESTIMATED COST: $ 34,840 –

1. Has purchase/project been included in the current budget? YES / NO
   a. If yes, please provide budget line item #: ______
   b. If no, provide written explanation:
      Pavement repairs due to water line repairs –
      Post to 13-5-0700-7005 w/
      offset fr/ CIP W28 (13-5-0800-8011)

2. Is the purchase/project available through the State Procurement Office list of approved contracts? CO:OP – PINAL SAVE JOC ~~YES / NO~~

3. Has purchase/project been approved by the Town Manager? YES / NO

4. Is the purchase/project expected to range between $10,000 and $74,999? YES / NO
   a. If YES, attach three written quotes to the first invoice paid under the new project ✓
   b. If three written quotes can't be obtained, attach memo of explanation
   c. If NO, proceed to question #5

5. Is the purchase/project expected to exceed $75,000? YES / NO
   a. Attach Town Council approval and refer to Procurement rules under Section Six of the Town of Clarkdale Financial Operations Guide.

Submitted By: PW

Date: 2/6/25

Town Manager Acknowledgement: LA

Date: ______

W- Line Repairs
offset w/ Water Contingency

Cactus Asphalt
A Division of Cactus Transport
8211 W Sherman Street
Tolleson, AZ 85353
Phone No. (623) 907-2800 Fax No. (623) 907-2900

Cactus SINCE 1979

Invoice No: 10669
Invoice Date: 2/5/2025
Draw No: 1
Customer ID: 366

Cactus Job Number: C2501-366

Start Date: 1/27/2025
Completion Date: 2/3/2025

BILL TO: Town of Clarkdale
P.O. Box 308
Clarkdale, AZ

Email: lou.andersen@clarkdale.az.gov
virginia.smith@clarkdale.az.gov
terry.norman@clarkdale.az.gov

PROJECT: Town Of Clarkdale, Asphalt Patching

ITEM NO.	DESCRIPTION	CONTRACT VALUE				PREVIOUSLY COMPLETED		THIS PERIOD		TOTAL TO DATE		
		Est. Quantity	Unit	Unit Price	Contract Amount	Previous Qty	Previous Amount	Currenty Qty	Current Amount	Total Qty	Total Amount	% Complete
106	R&R Asphalt Patching	3,152.00	SF	$ 10.40	$ 32,780.80		$ -	3,152.00	$ 32,780.80	3,152.00	$ 32,780.80	100%
106	CO #1 - R&R Asphalt Patching	198.00	SF	$ 10.40	$ 2,059.20		$ -	198.00	$ 2,059.20	198.00	$ 2,059.20	100%
TOTALS:					**$ 34,840.00**		**$ -**		**$ 34,840.00**		**$ 34,840.00**	

TERMS: NET 30

Total Billed: $ 34,840.00
Tax: $ -
Total Due This Application $ 34,840.00

$34,840.00

APPROVAL FOR PAYMENT

Dept. Head: SEE P.F.

Date: 2/6/25

RE: Asphalt patching in Crossroads + CO#1

ACCT#: 13-5-0700-7005

* offset w/ Contingency *

BID-AWARD

Cactus ASPHALT

To:	TOWN OF CLARKDALE	**Contact:**	Lou Andersen
Address:	Clarkdale, AZ	**Phone:**	
		Fax:	
Project Name:	Town Of Clarkdale - Asphalt	**Bid Number:**	
Project Location:	Clarkdale, AZ	**Bid Date:**	1/14/2025

Item #	Item Description	Estimated Quantity	Unit	Unit Price	Total Price
106	**R & R ASPHALT PATCHING:** Areas To Be Patched Will Be Saw-Cut And Removed. The Base Will Be Compacted, Then ~ 3-Inches Of New MAG Spec Hot Asphalt Mix Will Be Installed. INCLUDES TRAFFIC CONTROL	3,152.00	SF	$10.40	$32,780.80

Total Bid Price: **$32,780.80**

Notes:

- Standard Terms and Conditions to follow.
- All work quoted above is scheduled on an "as available" basis unless otherwise stated. Cactus encourages customers to verify start dates as soon as possible and realize that schedule issues and or changes on your project may mean you will be moved back to our next available date behind other customers who have met their intended schedule. **Your project will not be formally scheduled without a binding letter of intent or a formal contract.** We apologize for any inconvenience, but we value our relationships with all customers.
- All scheduling contingent upon mutual agreement of Owner and Cactus Asphalt.
- Prices above based on completing each task in one mobilization. If an additional mobilization is required, charges may apply.
- Quoted prices are valid for 14 days unless otherwise noted, PO or letter of intent to award required to lock pricing past 14 days. Final material pricing expires 3 months from quote date with PO or LOI.
- Cactus is not responsible for notification, nor removal of vehicles and property from work areas.
- Cactus will require this proposal with exclusions be included in any contractual agreement.
- Unit prices above include all applicable State, County & City taxes for contracting.
- In the event that quantities differ from above, billing will reflect agreed upon measured quantities.
- EXCLUSIONS (Unless Otherwise Specified): Bonds, Permits, Plans, Engineering, Survey, Staking, Traffic Control, Construction Water, As-Builts, Testing, Inspection, Clear & Grubb, Grading, Landscape Repairs, Weed Killer, Crack Routing, Crack-Sealing, Curb Line/Joint Sealing, Asphalt Patching, ABC, Landscape Materials, Vegetation Replacement, Preservative Seals, Prime Coats, Concrete Structures, Irrigation/Pipe Work, All Underground Items, Utility Removal or Relocation, Drywells, Rip/Rap, Structural Backfill, Striping, Curb Painting, New Signage, Parking Bumpers Removal or Replacement, Import, Export, Excavation, Subgrade Stabilization, Removal of Debris Generated by Other Trades, Erosion Control, SWPPP, Thickened Pavement Edge, Project Information Sign And Any Special Insurance Requirements.
- Asphalt materials pricing is based on the current months ADOT index for Bituminous materials. There are strong indicators that there will be significant increases in asphalt prices going forward. Adjustments to the quoted prices for paving items will be made and finalized 14 days prior to the time of scheduled paving operations with appropriate notification, documentation and communication.
- AZROC 194430-A General Engineering
- As of February 2023 Cactus Asphalt, Southwest Slurry Seal and American Pavement Preservation of Nevada have merged under one banner to form one of the largest and premier pavement preservation groups in the Southwest. If you have received a bid or proposal from Cactus Asphalt, Southwest Slurry Seal and/or American Pavement Preservation of Nevada for the same project, please contact us immediately and deem the second and third proposal "non-responsive".
- The elimination of any existing drainage problem or reflective cracking is neither intended nor guaranteed when providing slurry and micro sealing services.
- Power steering marks are normal and should not be cause for undue concern on slurry and micro surfacing pavement treatments.

CO #1

To:	TOWN OF CLARKDALE	Contact:	Lou Andersen
Address:	Clarkdale, AZ	Phone:	
		Fax:	
Project Name:	Town Of Clarkdale - Asphalt	Bid Number:	
Project Location:	Clarkdale, AZ	Bid Date:	1/14/2025

Item #	Item Description	Estimated Quantity	Unit	Unit Price	Total Price
106	**R & R ASPHALT PATCHING:** Areas To Be Patched Will Be Saw-Cut And Removed. The Base Will Be Compacted, Then ~ 3-Inches Of New MAG Spec Hot Asphalt Mix Will Be Installed. INCLUDES TRAFFIC CONTROL	198.00	SF	$10.40	$2,059.20

Total Bid Price: **$2,059.20**

Notes:

- **CO PROPOSAL FOR ADDITIONAL PATCHING**
- Standard Terms and Conditions to follow.
- All work quoted above is scheduled on an "as available" basis unless otherwise stated. Cactus encourages customers to verify start dates as soon as possible and realize that schedule issues and or changes on your project may mean you will be moved back to our next available date behind other customers who have met their intended schedule. **Your project will not be formally scheduled without a binding letter of intent or a formal contract.** We apologize for any inconvenience, but we value our relationships with all customers.
- All scheduling contingent upon mutual agreement of Owner and Cactus Asphalt.
- Prices above based on completing each task in one mobilization. If an additional mobilization is required, charges may apply.
- Quoted prices are valid for 14 days unless otherwise noted, PO or letter of intent to award required to lock pricing past 14 days. Final material pricing expires 3 months from quote date with PO or LOI.
- Cactus is not responsible for notification, nor removal of vehicles and property from work areas.
- Cactus will require this proposal with exclusions be included in any contractual agreement.
- Unit prices above include all applicable State, County & City taxes for contracting.
- In the event that quantities differ from above, billing will reflect agreed upon measured quantities.
- EXCLUSIONS (Unless Otherwise Specified): Bonds, Permits, Plans, Engineering, Survey, Staking, Traffic Control, Construction Water, As-Builts, Testing, Inspection, Clear & Grubb, Grading, Landscape Repairs, Weed Killer, Crack Routing, Crack-Sealing, Curb Line/Joint Sealing, Asphalt Patching, ABC, Landscape Materials, Vegetation Replacement, Preservative Seals, Prime Coats, Concrete Structures, Irrigation/Pipe Work, All Underground Items, Utility Removal or Relocation, Drywells, Rip/Rap, Structural Backfill, Striping, Curb Painting, New Signage, Parking Bumpers Removal or Replacement, Import, Export, Excavation, Subgrade Stabilization, Removal of Debris Generated by Other Trades, Erosion Control, SWPPP, Thickened Pavement Edge, Project Information Sign And Any Special Insurance Requirements.
- Asphalt materials pricing is based on the current months ADOT index for Bituminous materials. There are strong indicators that there will be significant increases in asphalt prices going forward. Adjustments to the quoted prices for paving items will be made and finalized 14 days prior to the time of scheduled paving operations with appropriate notification, documentation and communication.
- AZROC 194430-A General Engineering
- As of February 2023 Cactus Asphalt, Southwest Slurry Seal and American Pavement Preservation of Nevada have merged under one banner to form one of the largest and premier pavement preservation groups in the Southwest. If you have received a bid or proposal from Cactus Asphalt, Southwest Slurry Seal and/or American Pavement Preservation of Nevada for the same project, please contact us immediately and deem the second and third proposal "non-responsive".
- The elimination of any existing drainage problem or reflective cracking is neither intended nor guaranteed when providing slurry and micro sealing services.
- Power steering marks are normal and should not be cause for undue concern on slurry and micro surfacing pavement treatments.

Request For Proposal

BID 2

EARTH RESOURCES CORPORATION
928-775-2795

300 S Latilla Lane
Dewey, AZ 86327
(928) 775-2795 - FAX (928) 268-3487
info@ercarizona.com
www.ercarizona.com

Contact: Wyatt Orr
Phone: (928) 713-0215
Email: wwo5th@yahoo.com

Earth Resources Corporation. "Building Our Future" R.O.C License 259019

Proposed To:	Job Name & Location	Owners Plans And Specifications Dated	
Town of Clarkdale 890 Main Street Clarkdale, AZ 86324	Asphalt Patches Crossroads Subdivision Various Locations	Plans Date: Spec Date	Site Walk
Terry Norman (938) 639-2560	Terry.Norman@clarkdale.az.gov		

The following scope of work shall include material and labor to provide and install the following items per Earth Resources Corporations interpretations of the Owner's Plans and Specifications.

DESCRIPTION	Quantity	Units	Unit Price	Total
Mobilization, Traffic Control Setup/Teardown:	1	LS	$ 3,875.00	$ 3,875.00
Demo/Prep. Sub-base/Hot Patch Asphalt: Saw cut asphalt patches. Remove 3" of asphalt 6" of sub-base. Install 6" Mag Spec AB and compact. Tack asphalt edges and install 3" of 3/4" Mag Spec. Asphalt and compact. 23 Locations, approximately 320 Square Yards	1	LS	$ 37,316.39	$ 37,316.39
Note: Includes Traffic Control and Flagging of Work Zone during operations.				
Note 2: Scheduling availability currently would allow work to be performed sometime February				
Sales Tax---None MRRA				
			TOTAL	$ 41,191.39

EXCLUSIONS:

Proposal does not include the following: S.W.P.P.Plan, survey or layout, density testing, special inspections, export of any unknown hazardous materials, rock excavation (any hard dig situation incurred that a 310 size, rubber-tire backhoe is unable to dig), blasting and hammer hoe expenses, or permits.

ESTIMATE IS GUARANTEED FOR 30 DAYS FROM ORIGINAL DATE.

All material is guaranteed to be as specified. All work to be completed in a workman like manner according to standard practices. Any alteration or deviation from the above specification involving extra costs, will be executed only upon written orders and will become an extra charge in addition to the original amount.

Respectfully Submitted,

Ryan Hawkins

Ryan Hawkins, Project Manager / Assistant Estimato

Date: ____________________

Phone: *(845) 699-1813*

Date Printed
1/15/2025

ACCEPTANCE:

The above prices, specifications and conditions are satisfactory and are herby accepted. Earth Resources Corporation is authorized to do the work specified. Payment will be made as outlined above.

Date of Acceptance: ____________________

____
Authorized Signature

____
Printed Name and Title

BID 3

ESTIMATE

PRAM

PROPERTY RESTORATION AND MAINTENANCE

Prepared For

Terry City Of Clarkdale
Cross Roads

Property Restoration and Maintenance

2300 East Mingus Ave
Cottonwood, Az 86326
Phone: (520) 425-0777
Email: joseperez6339.jp@gmail.com
Web: www.pramservicesaz.com/

Estimate #	1422
Date	01/08/2025
Business / Tax #	ROC# 337219

Description	Quantity
3 inch Asphalt install hot mix asphalt Hot mix asphalt will be installed at a depth of 3 inches and compacted using a vibratory roller. Edges of the patch will be treated with binder.	3,152
Demo and haul off existing asphalt/cold patch	1,849
Excavate existing ab material 3 inches below top of pavement	1,303
Setup/ Takedown approved traffic control plan	3
Asphalt Crack seal sawcuts	850
Pavement prep Haul and dispose	1

Subtotal	$48,725.60
Total	**$48,725.60**