



CITY OF SURPRISE
Regular City Council Meeting
16000 N. Civic Center Plaza
Surprise, AZ 85374

Tuesday, November 17, 2020 @ 6:00 PM
COUNCIL CHAMBERS

A. Call To Order

Any prayer or invocation that may be offered before the start of the Regular Council Meeting is a voluntary offering by a private resident of Surprise; has not been previously reviewed or approved by City Council or City staff; should not be considered an endorsement of any particular religion by the City or its officials, as the beliefs, viewpoint, and content are personal to the speaker; and no participation by any person in attendance is required. A list of volunteers is maintained by the office of the City Clerk and interested persons should contact the Clerk's Office for further information.

B. Roll Call

C. Pledge of Allegiance

D. Proclamation and Community Acknowledgements

E. City Manager Report

F. City Clerk Report

- | | | |
|----|--|------------------------------|
| 1. | City Clerk Aguilar will perform a Ceremonial Oath of Office for incoming new Councilmember, Jack Hastings. | None |
| | | Sherry Aguilar
City Clerk |

- | | | |
|----|--------------------|------------|
| 2. | THIS ITEM RESERVED | |
| | | City Clerk |

G. Call To The Public

NOTICE: In an effort to protect health and safety of city employees, residents, and visitors, the Council Chambers will be partially open to the public with limited seating. The public may access the meeting by viewing a live stream or broadcast of the meeting. To watch live, please visit www.surpriseaz.gov/surprisetv, the Surprise City Gov Facebook page at www.facebook.com/cityofsurprise. Cox channel 11 and Century Link channel 8513 will also carry the meeting live. For instructions on how to comment on agenda items and public hearings, please go to <https://bit.ly/3bKCm4Z>

H. Regular City Council Meeting Agenda

CONSENT AGENDA:

- | | | | |
|----|----------|--|------------------------------|
| 3. | Citywide | Consideration and action on the minutes of the Regular City Council Work Session and Regular City Council Meeting of November 2, 2020. | None |
| | | | Sherry Aguilar
City Clerk |

4.	District 3	Consideration and action pertaining to approval or disapproval of the Final Plat entitled, "A Replat of Lot 1 of the 'Replat of Lot 1 of the Final Plat for Sierra Montana Crossing' " an approximately 5.06 acre property generally located on the southwestern corner of Greenway Road and Cotton Lane.	None Hobart Wingard Community Development
5.	District 1	Consideration and action pertaining to acceptance of a Special Warranty Deed for a water campus from Rancho Mercado Community Association.	None Lloyd Abrams Community Development
6.	District 3	Consideration and action pertaining to acceptance of a Quit Claim Deed for Right of Way, two Municipal Use Easements, a Temporary Drainage Easement, and a Temporary Construction License from Suburban Land Reserve INC, for the purpose of facilitating roadway improvements along Greenway Road between the Loop 303 and Sarival Road.	Lloyd Abrams Community Development
7.	District 3	Consideration and action pertaining to approval of the Final Plat entitled, "Ryder Ranch Final Plat" generally located on the southwest corner of Cotton Lane and Sweetwater Avenue within the Ryder Ranch Planned Unit Development ("PUD"); Case FS19-364.	None Hobart Wingard Community Development
8.	District 1	Consideration and action declaring the City's intent to enlarge the lighting improvement district entitled, "The City of Surprise, Arizona, SU-Rancho Mercado North 181" pursuant to A.R.S. § 48-616 for the purpose of purchasing facilities and energy for lighting the public streets and parks; Resolution # 2020-99.	None Mike Gent Public Works
9.	Internal	Consideration and action pertaining to approval of an amendment to the Fiscal Year 2021 budget by reallocating appropriations of \$71,500 from the Grants Fund to the Ground Ambulance Service Fund to account for the agreement with the Centers for Medicare and Medicaid (CMS) for the Emergency Triage, Treat and Transport (ET3) Program; Resolution #2020-145.	None Tom Abbott Fire - Medical
10.	Citywide	Consideration and action pertaining to approval of an amendment to the Fiscal Year 2021 budget by reallocating appropriations in the amount of \$132,400 within the Grants Fund, and \$20,400 within the General Fund, to account for a grant award in the amount of \$443,899 from the Arizona Department of Public Safety Victims of Crime Act (VOCA) Assistance Grant Program; Resolution # 2020-133.	None Philip Johnson Police
11.	Internal	Consideration and action pertaining to approval of an amendment to the Fiscal Year 2021 budget by reallocating appropriations in the amount of \$92,000 to account for additional grant funding for the Congregate Meal program; Resolution #2020-149.	None Joseph Gladieux Human Svcs and Comm Vitality

- | | | | |
|-----|----------|--|---------------------------------------|
| 12. | Citywide | Consideration and action pertaining to approval of an amendment to the Fiscal Year 2021 budget by reallocating appropriations in the amount of \$4,000 within the Grants Fund and authorizing acceptance of a grant award from the AZ Governor's Office of Highway Safety (GOHS) for overtime to enforce seatbelt and child passenger safety laws as part of the 2020 Buckle Up AZ (Click It or Ticket) seatbelt enforcement campaign; Resolution #2020-152. | None

Terry Young
Police |
| 13. | Citywide | Consideration and action pertaining to approval of an amendment to the Fiscal Year 2021 budget by reallocating appropriations of \$3,300 within the Transportation Improvement Fund and Contract Awarding Authority List to account for an Intergovernmental Agreement with the Maricopa County Department of Transportation (MCDOT); Resolution # 2020-151. | None

Mike Gent
Public Works |

REGULAR AGENDA ITEM - PUBLIC HEARING:

- | | | | |
|-----|------------|---|--|
| 14. | Internal | Consideration and action declaring as a public record the proposed amendments to the City of Surprise Municipal Code related to Transaction Privilege Tax; Resolution # 2020-144. | None

Andrea Davis
Finance |
| 15. | Citywide | Consideration and action pertaining to adoption of amendments to the City of Surprise Municipal Code related to Transaction Privilege Tax; Ordinance # 2020-26. | None

Andrea Davis
Finance |
| 16. | District 1 | Consideration and action pertaining to approval of a rezone for the Enclave at Paloma Creek, an approximately 5 acre property generally located south of the Frontier Road and west of the 155th Ave alignments, from Residential Ranch (RR) to Residential Medium Density with a Planned Unit Development Overlay (RM-9 PUD), amending development standards, and limiting residential density to 4.01 dwelling units per acre; Ordinance # 2020-36. | None

Robert Kuhfuss
Community
Development |

REGULAR AGENDA ITEM - NON-PUBLIC HEARING:

- | | | | |
|-----|------------|---|--|
| 17. | Citywide | Consideration and action pertaining to approval of the SPA 2 East Water, Water Recharge and Wastewater Development Agreement with Paloma Creek Water Coordinator, LLC; Resolution # 2020-141. | Water Resource
Management |
| 18. | District 1 | Consideration and action pertaining to conditional approval of the Final Plat entitled, "Rancho Del Rey" an approximately 24.94 acre property generally located north of Happy Valley Road and east of 145th Avenue; Resolution # 2020-146. | None

Shirley Phan
Community
Development |

- | | | | |
|---|----------|---|-----------------------------------|
| 19. | Citywide | Consideration and action pertaining to approval of an amendment to Chapter 34 of the Surprise Municipal Code (SMC) by adding Article VIII <i>Recreational Marijuana</i> , prohibitions on marijuana on or in city property, open spaces, and public property; and prohibiting marijuana establishments and testing facilities; Ordinance # 2020-37. | Legal |
| I. Other Business and Future Agenda Items | | | |
| J. City Council Reports | | | |
| K. Executive Session | | | |
| | | | |
| 20. | Internal | Consideration and action to recess into executive session for discussion and consultation with the City Attorney for legal advice, and to consider and instruct the City Attorney regarding the City Council's position pertaining to opioid litigation pursuant to A.R.S. 38-431.03(A)(3) and (4). | None

Robert Wingo
Legal |

For information Purposes; Upon a public majority vote of a quorum of the City Council, the Council may hold an executive session, which will not be open to the public, but for only the following purposes:

- discussion or consideration of personnel matters (A.R.S. §38-431.03 (A)(1));
- discussion or consideration of records exempt by law from public inspection (A.R.S. §38-401.03 (A)(2));
- discussion or consultation for legal advice with the city's attorneys (A.R.S. §38-431.03 (A)(3));
- discussion or consultation with the city's attorneys regarding the city's position regarding contracts that are the subject of negotiations, in pending or contemplated litigation, or in settlement discussions conducted in order to avoid or resolve litigation (A.R.S. §38-431.03 (a)(4));
- discussion or consultation with designated representatives of the city in order to consider its position and instruct its representatives regarding negotiations with employee organizations (A.R.S. §38-431.03 (A)(5)); or
- discussion, consultation or consideration for international and interstate negotiations or for negotiations by a city or town, or its designated representatives, with members of a tribal council, or its designated representatives, of an Indian reservation located within or adjacent to the city or town. A.R.S. §38-401.03 (A)(6)).
- discussing or consulting with designated representatives of the city in order to consider its position and instruct its representatives regarding negotiations for the purchase, sale or lease of real property (A.R.S. §38-431.03 (A)(7)).

Confidentiality Requirements Pursuant to A.R.S. §38-431.03(C)(D): Any person receiving executive session information pursuant to A.R.S. §38-431.02 shall not disclose that information except to the Attorney General or County Attorney by agreement of the City Council, or as otherwise ordered by a court of competent jurisdiction.

The council may vote to hold an executive session for the purpose of obtaining legal advice from the Board's attorney on any matter listed on the agenda pursuant to A.R.S. § 38-431.03(A)(3).

- L. Adjournment

POSTED: November 12, 2020 at 10:25 AM

Amended agenda - Updated the Call to the Public section and item #5 District number on November 12, 2020 at 12:55 PM

SPECIAL NOTE: PERSONS WITH SPECIAL ACCESSIBILITY NEEDS, INCLUDING LARGE PRINT MATERIALS OR INTERPRETER, SHOULD CONTACT THE CITY CLERK'S OFFICE @ 623.222.1200 OR TTY 623.222.1002, BY NO LATER THAN 24 HOURS IN ADVANCE OF THE REGULAR SCHEDULED MEETING TIME.



CITY OF SURPRISE
Regular City Council Meeting

Council Meeting Date: November 17, 2020
Submitting Department: City Clerk
Staff Recommendations:

Contact Person:
District: Internal

Consent: No Regular: No Public Hearing: No Report/Discussion: No

Agenda Wording:

Invocation

Motion:

Background:

Objective Analysis:

Policy Compliant:

Financial Impact:

Budget Impact:

FTE Impact:

ATTACHMENTS:



CITY OF SURPRISE
Regular City Council Meeting

Council Meeting Date: November 17, 2020
Submitting Department: City Clerk
Staff Recommendations: None

Contact Person: Sherry Aguilar, City Clerk
District: District 5

Consent: No Regular: No Public Hearing: No Report/Discussion: No

Agenda Wording:

City Clerk Aguilar will perform a Ceremonial Oath of Office for incoming new Councilmember, Jack Hastings.

Motion:

Background:

Objective Analysis:

Policy Compliant:

Financial Impact:

Budget Impact:

FTE Impact:

ATTACHMENTS:



CITY OF SURPRISE
Regular City Council Meeting

Council Meeting Date: November 17, 2020
Submitting Department: City Clerk
Staff Recommendations:

Contact Person:
District: Internal

Consent: No Regular: No Public Hearing: No Report/Discussion: No

Agenda Wording:
THIS ITEM RESERVED

Motion:

Background:

Objective Analysis:

Policy Compliant:

Financial Impact:

Budget Impact:

FTE Impact:

ATTACHMENTS:



CITY OF SURPRISE
Regular City Council Meeting

Council Meeting Date: November 17, 2020
Submitting Department: City Clerk
Staff Recommendations: None

Contact Person: Sherry Aguilar, City Clerk
District: Citywide

Consent: No Regular: No Public Hearing: No Report/Discussion: No

Agenda Wording:

Consideration and action on the minutes of the Regular City Council Work Session and Regular City Council Meeting of November 2, 2020.

Motion:

Background:

Objective Analysis:

Policy Compliant:

Financial Impact:

Budget Impact:

FTE Impact:

ATTACHMENTS:

1. Nov 2 WKS
 2. Nov 2 REG
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CITY OF SURPRISE
Regular City Council Work Session Minutes
16000 North Civic Center Plaza
Surprise, AZ 85374

Monday, November 2, 2020 @ 4:00PM

Call To Order

Roll Call

Mayor Hall called to order the Regular City Council Work Session of November 2, 2020 at 4:00 PM at Surprise City Hall Council Chambers, 16000 N Civic Center Plaza, Surprise, Arizona 85374. Also in attendance with Mayor Hall were Vice Mayor Judd, Council Members; Winters, Hayden, Duffy, Sanders and Remley.

Staff Present: City Manager, Michael Frazier; City Attorney, Robert Wingo and City Clerk, Sherry Ann Aguilar.

Pledge of Allegiance

Call To The Public

Regular City Council Work Session Agenda

REGULAR AGENDA ITEM - NON-PUBLIC HEARING:

1. Presentation and discussion pertaining to the design review and permitting activity within the Surprise Heritage District - NO ACTION

Lloyd Abrams gave a powerpoint presentation on this item. The overview includes activity in the Original Townsite over the past 3 years.

2. Presentation and discussion pertaining to proposed updates to the Land Development Ordinances - NO ACTION

City Planner, Joshua Mike gave a powerpoint presentation on this item. He reviewed the Conditional Use Permit (CUP) recommended changes.

Council Member Sanders asked if there are additional environmental aspect to the request through the CUP process.

Council Member Remley questioned LDO compared to SUDC, lost in translation.

Council Member Remley commented on the Industrial Park along Dysart, he asked how the Frederico's fits into the industrial park. He asked for an explanation.

Mayor Hall asked why a CUP needs to be part of the LDO. He also asked for clarification.

Council Member Remley commented that Bell Rd., and Litchfield Road, the parking lot is totally packed in a small area. This needs to be addressed for future developments.

Vice Mayor Judd - Questioned parking standards.

Council Member Winters - Questioned balcony area on the carport requirements, he asked if residents required to have a garage.

Mr. Mike reviewed future steps, meetings, timeline, etc.

Vice Mayor Judd - Do we have standards for lighting? We have different lights all around the City right now.

3. Presentation and discussion pertaining to the conversion from Uniform Crime Reporting (UCR) Summary to the National Incident Based Reporting System (NIBRS) Summary - NO ACTION

Chief, Terry Young gave a brief powerpoint presentation for this item. He reviewed the Uniformed Crime Reporting Summary.

Council Member Sanders asked if this could help the legal system if someone is arrested.

Chief Young - not necessarily.

Council Member Hayden asked if runaways are added into this system.

Mayor Hall asked comparable question and how is this monitored.

Council Member Remley suggested that when we go from the old format to the new, maybe a side note of an explanation.

4. Presentation and discussion pertaining to the upcoming budget amendment to transfer budget dollars associated with the Police Training Center Project P31020 to the Public Safety Evidence Readiness Center (PSERC) project budget P31030 - NO ACTION

Kristin Tytler and Jeff Martin gave a powerpoint presentation on this item.

Council Member Hayden asked for clarification on parts of the project that are being excluded.

Council Member Remley - what becomes of the land on Litchfield and Bell?

Executive Session

Adjournment

Council Member Winters made the motion to adjourn the Regular City Council Work Session of November 2, 2020 at 5:05 PM. Council Member Hayden seconded the motion. Seven yes votes, motion carried.

Skip Hall, Mayor

ATTEST:

Sherry Ann Aguilar, City Clerk, MMC

CERTIFICATION:

I, Sherry Ann Aguilar, City Clerk for the City of Surprise, Maricopa County, Arizona, do hereby verify that these are the true and correct minutes of the Regular City Council Work Session of **Monday, November 2, 2020.**

Sherry Ann Aguilar, City Clerk, MMC

CITY OF SURPRISE
Regular City Council Meeting Minutes
16000 North Civic Center Plaza
Surprise, AZ 85374

Monday, November 2, 2020 @ 6:00PM

Call To Order

Invocation

Led by Jon Lipinski.

Roll Call

Mayor Hall called to order the Regular City Council Meeting of November 2, 2020 at 6:00 PM at Surprise City Hall Council Chambers, 16000 N Civic Center Plaza, Surprise, Arizona 85374. Also in attendance with Mayor Hall were Vice Mayor Winters, Council Members; Duffy, Hayden, Judd and Sanders and Remley.

Staff Present: City Manager, Michael Frazier; City Attorney, Robert Wingo and City Clerk, Sherry Ann Aguilar.

Pledge of Allegiance

Proclamation and Community Acknowledgements

City Manager Report

Reports

1. Update pertaining to City Council's request of staff to explore and identify potential Capital Improvement Projects to meet existing needs in Parks & Recreation; and other service areas, using one-time FY2021 funding.

ACM, Diane Arthur gave a brief presentation.

Council Member Remley - would like some of the funding to go towards

Gaines Park in OTS. Lighting needs to be installed and not put off for a year.

City Clerk Report

Reports

2. General Election Update

City Clerk Aguilar reported on the upcoming election, the polls are open from 6 AM to 7 PM.

Call To The Public

Doc Sullivan - Thanked Council for their hard work over the past year.

Regular City Council Meeting Agenda

CONSENT AGENDA:

Council Member Sanders made the motion to approve the consent agenda excluding items 5 and 8. Vice Mayor Judd seconded the motion. Seven yes votes, motion carried.

3. Consideration and action on the minutes of the Regular City Council Work Session and Regular City Council Meeting of October 20, 2020 - APPROVED

4. Consideration and action pertaining to approval of an amendment to the fiscal year 2021 budget by reallocating appropriations in the amount of \$40,000 within the Grants Fund for the acceptance of a grant from the Arizona Department of Homeland Security Urban Area Security Initiatives grant program; Resolution #2020-136 - APPROVED

5. Consideration and action pertaining to acceptance of a Quit Claim Deed from Timothy and Lisa McGinley for right of way along Desert Vista Trail near 157th avenue - APPROVED

Council Member Winters removed this item for clarification.

Council Member Winters made the motion to approve the acceptance of the Quit Claim Deed. Council Member Hayden seconded the motion. Seven yes votes, motion carried.

6. Consideration and action pertaining to acceptance of a sewer line easement from Fulton Homes Corporation near 155th Avenue and Pinnacle Peak Road - APPROVED

7. Consideration and action pertaining to approval of the Final Plat entitled, Fulton Homes Escalante Park Parcel dated October 2, 2020, located north of Asante Boulevard and west of 158th Drive (Case FS19-562) - APPROVED

8. Consideration and action pertaining to approval of an amendment to the Comprehensive Citywide Fee Schedule; Resolution #2020-135 - APPROVED

Vice Mayor Judd asked for clarification regarding Resolution 2020-135.

Vice Mayor Judd made the motion to approve Resolution 2020-135. Council Member Duffy seconded the motion. Seven yes votes, motion carried.

9. Consideration and action pertaining to approval of an amendment to the Fiscal Year 2021 budget by reallocating appropriations in the amount of \$126,000 within the Grants Fund and authorizing acceptance of seven grant awards from the AZ Governor's Office of Highway Safety (GOHS) to support impaired driving enforcement overtime, education, materials and supplies; Resolution # 2020-127 - APPROVED

10. Consideration and action pertaining to an amendment of the Fiscal Year 2021 budget by reallocating appropriations of \$693,900 associated with the police Training Center Project P31020 to the Public Safety Evidence Readiness Center (PSERC) project budget P31030 and amending the FY2021 Contract Awarding Authority List; Resolution # 2020-124 - APPROVED

REGULAR AGENDA ITEM - NON-PUBLIC HEARING:

11. Consideration and action pertaining to approval of an amendment to the Fiscal Year 2021 Budget by reallocating appropriations of \$125,000 and Contract Awarding Authority List to support the Surprise COVID Relief Assistance Package 2.0 by updating and expanding the Surprise Small Business Relief Grant and community water utility payment assistance; Resolution #2020-143 - APPROVED

ED Director, Jeanine Jerkovic and Human Services Director, Seth Dyson gave a powerpoint presentation on this item.

Council Member Remley commented that he has received calls from residents that need assistance but they do not know where to go or who to call. A brochure or literature would be helpful.

Council Member Sanders asked how we are going to move forward with allocation of the funding.

Council Member Sanders - how many non-profits in Surprise have 2 million dollars in revenue? How was this determined?

Council Member Winters asked about the amount of businesses still needing assistance.

Council Member Sanders made the motion to approve Resolution 2020-143. Council Member Remley seconded the motion. Seven yes votes, motion carried.

12. Consideration and action pertaining to approval of an amendment to Fiscal Year 2021 Budget by reallocating appropriations of up to \$50,000 from the Tourism Fund to partner with a third-party event organizer to host 10+ tournaments in the City of Surprise through December 2021; Resolution # 2020-142 - APPROVED

Sports & Tourism Director, Kendra Pettis gave a brief powerpoint presentation on this item.

Vice Mayor Judd great presentation, this is exactly what the tourism fund was set up for. How do you track room nights?

Council Member Sanders thanked staff for the presentation. This is a great partnership. How do we scale this? Sounds like capacity was the issue? Do we need more fields?

Council Member Duffy when I saw this come up, it is a no brainer, got to see my brother twice, he came to scout players. What better place to do this than here. I support this.

Council Member Winters made the motion to approve Resolution 2020-142. Council Member Sanders seconded the motion. Seven yes votes, motion carried.

13. Consideration and action pertaining to approval of the Second Amendment and Fourth Addendum to the Asante Development Agreement; Resolution # 2020-147 - APPROVED

Lloyd Abrams of Community Development gave a brief powerpoint presentation on this item.

Council Member Winters made the motion to approve Resolution 2020-147. Council Member Duffy seconded the motion. Seven yes votes, motion carried.

Other Business and Future Agenda Items

No discussion.

City Council Reports

Mayor Hall thanked Council Member Sanders for his service serving the remainder of District 5 term.

Council Member Sanders - thanked his family and spoke well of the council. Council Member Remley talked about Voting and how important it is and the times to vote and wearing a mask.

Council Member Duffy - will be doing a meet and greet at Spencer's Place this Saturday November 11/7/2020- from 9-11. He also spoke highly of Council Member Sanders.

Council Member Hayden - talked kindly about Council Member Sanders

Council Member Winters - talked about wearing a mask and keeping six feet apart. He also spoke highly about of Council Member Sanders

Vice Mayor Judd - spoke highly of Council Member Sanders

Executive Session

Adjournment

Council Member Sanders made the motion to adjourn the Regular City Council Meeting of November 2, 2020 at 7:10 PM. Council Member Duffy seconded the motion. Seven yes votes, motion carried.

Skip Hall, Mayor

ATTEST:

Sherry Ann Aguilar, City Clerk, MMC

CERTIFICATION:

I, Sherry Ann Aguilar, City Clerk for the City of Surprise, Maricopa County, Arizona, do hereby verify that these are the true and correct minutes of the Regular City Council Meeting of **Monday, November 2, 2020**.

Sherry Ann Aguilar, City Clerk, MMC



CITY OF SURPRISE
Regular City Council Meeting

Council Meeting Date: November 17, 2020 Contact Person: Hobart Wingard, PLANNER II
Submitting Department: Community Development District: District 3
Staff Recommendations: None

Consent: Yes Regular: No Public Hearing: No Report/Discussion: No

Agenda Wording:

Consideration and action pertaining to approval or disapproval of the Final Plat entitled, "A Replat of Lot 1 of the 'Replat of Lot 1 of the Final Plat for Sierra Montana Crossing' " an approximately 5.06 acre property generally located on the southwestern corner of Greenway Road and Cotton Lane.

Motion:

I move to approve the Final Plat entitled "A Replat of Lot 1 of the "Replat of Lot 1 of the Final Plat for Sierra Montana Crossing,"

Background:

Superior Surveying Services, on behalf of Cotton Greenway Partners, seeks approval of a Final Plat to provide three (3) lots for commercial uses.

Objective Analysis:

The proposed Final Plat will divide the 5.06-acre parcel into three (3) properties; 1.74 acres, 1.20 acres, and 2.12 acres for commercial development.

Policy Compliant:

The Surprise General Plan 2035 shows the subject property as lying within the Neighborhood Character Area which supports commercial uses.

Financial Impact:

While this item does not have an immediate or direct financial impact, ongoing development activity in the City will inevitably have a future financial impact as additional resources are needed to provide city services.

Budget Impact:

There is no anticipated budget impact related to this item.

FTE Impact:

This item does not have an impact on current staffing levels.

ATTACHMENTS:

1. 00 - FS19-804 - Sierra Montana Lot 1 - CC Staff Report - 111720

2. 01 - FS19-804 - Sierra Montana Lot 1 - Vicinity Map - 111720
 3. 02 - FS19-804 - Sierra Montana Lot 1 - Case Map - 111720
 4. 03 - FS19-804 - Sierra Montana Lot 1 - Final Plat - 111720
 5. PP - FS19-804 - Sierra Montana Lot 1 - CC PowerPoint - 111720
-

FINAL PLAT

REPORT TO THE CITY COUNCIL

Case: FS19-804

Project Name: Sierra Montana Lot 1

Council District: 3

City Council Date: November 17, 2020

Planner: Hobart Wingard, Planner II

Owner: Cotton Greenway Partners, LLC

Applicant: Superior Survey Services, Inc.

Request: Final Plat to subdivide Lot one (1) of the Sierra Montana Crossings Commercial Center

Site Location: Generally located south of the southwestern corner of Greenway Road and Cotton Lane.

Site Size: 5.06 acres (approx.)

Findings:

- The proposed Final Plat is consistent with the Surprise General Plan 2035
- The proposed Final Plat is consistent with the Zone Change as approved under case PAD99-100
- The proposed Final Plat is consistent with the Surprise Municipal Code

Alternative Actions: **Approve** – Approval of the proposed Final Plat will allow the applicant the ability to subdivide the property as proposed.

Deny – Denial of the requested Final Plat will prevent the applicant from subdividing the property as proposed.

Additional Information:

44

45 The subject Replat request involves reconfiguring the lot layout for Lot 1 of the Sierra Montana
46 Crossings commercial center located on the southwest corner of Greenway Road and Cotton Lane.

47 The proposed Final Plat will subdivide Lot 1 into three (3) parcels for future development:

48

49 • Lot 1A – 1.74 acres

50 • Lot 1B – 1.20 acres

51 • Lot 1C – 2.12 acres

52

53 **Attachments:**

54

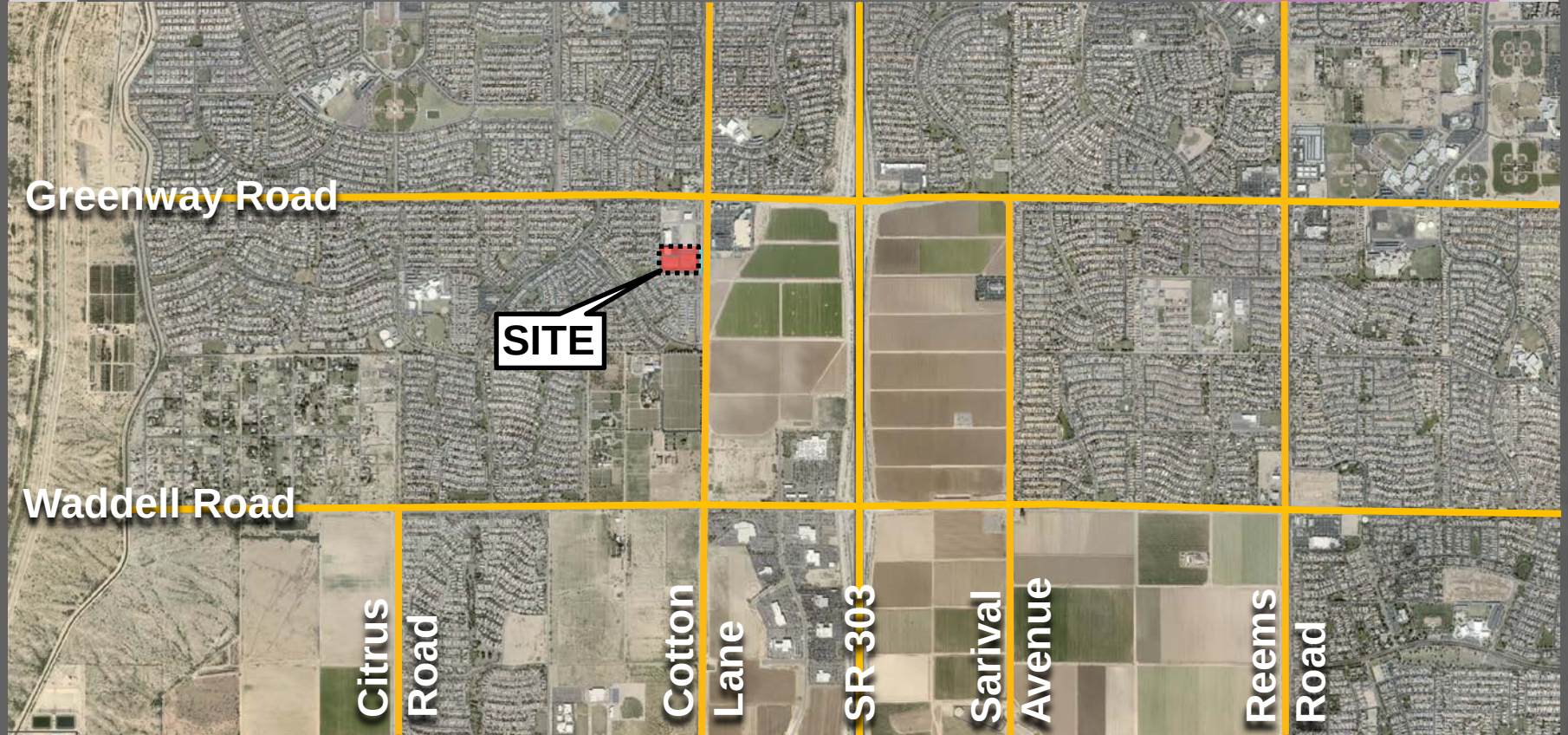
55 01 Vicinity Map

56 02 Case Map

57 03 Final Plat

VICINITY MAP

FS19-804
Sierra Montana



CASE MAP

FS19-804
Sierra Montana



A REPLAT OF LOT 1 OF THE
"REPLAT OF LOT 1 OF THE FINAL PLAT FOR SIERRA MONTANA CROSSING"
AS RECORDED IN BOOK 1226 PAGE 15, RECORDS OF MARICOPA COUNTY,
ARIZONA, LOCATED IN A PORTION OF THE NORTHEAST QUARTER OF SECTION 11,
TOWNSHIP 3 NORTH, RANGE 2 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN,
CITY OF SURPRISE, MARICOPA COUNTY, ARIZONA

DEDICATION

STATE OF ARIZONA
COUNTY OF MARICOPA

KNOW ALL PERSONS BY THESE PRESENTS: THAT RPK REAL ESTATE, INC., A CALIFORNIA CORPORATION, HAS SUBDIVIDED UNDER THE NAME A REPLAT OF LOT 1 "FINAL PLAT FOR SIERRA MONTANA CROSSINGS" AS RECORDED IN BOOK 1226, PAGE 15, RECORDS OF MARICOPA COUNTY, ARIZONA, LOCATED IN A PORTION OF THE NORTHEAST QUARTER OF SECTION 11, TOWNSHIP 3 NORTH, RANGE 2 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, CITY OF SURPRISE, MARICOPA COUNTY, ARIZONA, AS SHOWN AND PLATTED HEREON AND DOES HEREBY PUBLISH THIS PLAT AS AND FOR A REPLAT OF LOT 1 "FINAL PLAT FOR SIERRA MONTANA CROSSINGS" AS RECORDED IN BOOK 1226, PAGE 16, RECORDS OF MARICOPA COUNTY, ARIZONA, LOCATED IN A PORTION OF THE NORTHEAST QUARTER OF SECTION 11, TOWNSHIP 3 NORTH, RANGE 2 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, CITY OF SURPRISE, MARICOPA COUNTY, ARIZONA" AND DECLARES THAT THIS PLAT SETS FORTH THE LOCATION AND GIVES THE DIMENSIONS OF EACH LOT, STREET, AND EASEMENT CONSTITUTING SAME, AND THAT EACH LOT, STREET, AND EASEMENT SHALL BE KNOWN BY THE NUMBER, LETTER, AND/OR NAME GIVEN TO EACH RESPECTIVELY AS SHOWN ON THIS PLAT.

OWNER HEREBY GRANTS TO THE PUBLIC A PERPETUAL NON-EXCLUSIVE EASEMENT IN, UPON, OVER, UNDER, THROUGH, AND ACROSS THE AREAS DESIGNATED AS PUBLIC UTILITY EASEMENTS AS SHOWN ON THE PLAT FOR THE PURPOSE OF ACCESSING, INSTALLING, CONSTRUCTING, MAINTAINING, REPAIRING, REPLACING, AND UTILIZING PUBLIC UTILITIES.

OWNERS HEREBY GRANTS TO THE ULTIMATE OWNER OF EACH PARCEL CREATED BY THIS PLAT AN EASEMENT OVER, UPON AND ACROSS THE ENTIRE PLAT FOR THE PURPOSE OF PROVIDING CONTINUOUS AND UNINTERRUPTED INGRESS AND EGRESS AND PARKING TO EACH PARCEL CREATED BY THIS PLAT.

OWNERS HEREBY GRANTS TO THE UNITED STATES OF AMERICA DEPARTMENT OF THE AIR FORCE ("USAF") AN AVIGATION EASEMENT OVER AND ACROSS THIS PLAT AND EVERY LOT AND PARCEL THEREOF, WHICH EASEMENT SHALL INCLUDE, BUT NOT BE LIMITED TO, THE RIGHT OF FLIGHT OF AIRCRAFT OVER THIS PLAT, TOGETHER WITH ITS ATTENDANT NOISE, VIBRATIONS, FUMES, DUST, FUEL AND LUBRICANT PARTICLES, AND ALL OTHER EFFECTS THAT MAY BE CAUSED BY THE OPERATION OF AIRCRAFT LANDING AT, OR TAKING OFF FROM, OR OPERATING AT OR ON LUKE AIR FORCE BASE AND AUXILIARY FIELD.

THE MAINTENANCE OF LANDSCAPING WITHIN THE OPEN SPACES, LANDSCAPED TRACTS, RETENTION BASINS AND PARKS SHALL BE THE RESPONSIBILITY OF THE OWNER OR THE ASSOCIATION FORMED BY THE OWNER.

THE MAINTENANCE OF LANDSCAPING WITHIN THE ADJACENT PUBLIC RIGHTS-OF-WAY, INCLUDING LANDSCAPED MEDIANS WITHIN COLLECTORS AND LOCAL STREETS AND LANDSCAPED AREAS BETWEEN THE CURB AND THE DETACHED SIDEWALK, SHALL BE THE RESPONSIBILITY OF THE ADJACENT PROPERTY OWNER OR THE PROPERTY ASSOCIATION FORMED BY THE ADJACENT PROPERTY.

LANDSCAPING MAINTENANCE WITHIN THE MEDIANS WITHIN THE PUBLIC RIGHT-OF-WAY WITHIN ANY ARTERIAL OR PARKWAY STREET CLASSIFICATION SHALL BE RESPONSIBILITY OF THE CITY OF SURPRISE AFTER ACCEPTANCE.

ALL IMPROVEMENTS, FOR STREETS AND PUBLIC UTILITIES OWNED AND OPERATED BY THE CITY, INSTALLED OR CONSTRUCTED BY OWNER WITHIN THE PUBLIC RIGHTS-OF-WAY, THE EASEMENTS, OR ANY TRACTS OR PARCELS HEREBY DEDICATED TO THE CITY OF SURPRISE SHALL BE DEEMED TO HAVE BEEN DEDICATED BY OWNER TO THE CITY UPON THEIR COMPLETION; HOWEVER, SUCH TRANSFER SHALL NOT OCCUR UNTIL THE CITY COUNCIL FOR THE CITY OF SURPRISE MANIFESTS ITS ACCEPTANCE BY SEPARATE FORMAL COUNCIL ACTION.

THE EASEMENTS GRANTED WITHIN THIS DEDICATION ARE PERMANENT AND PERPETUAL AND SHALL RUN WITH THE LAND AND BE BINDING UPON OWNER AND ITS HEIRS, ASSIGNS, AND SUCCESSORS IN INTEREST TO THIS PLAT OR ANY PARCEL OR LOT THEREOF.

OWNER HEREBY GRANTS TO THE CITY OF SURPRISE A PERPETUAL CROSS ACCESS EASEMENT ACROSS THE PLAT INCLUDING ROADS AND STREETS, OPEN SPACES, COMMUNITY FACILITIES, TRACTS, SIDEWALKS, DRAINAGE BASINS AND ANY PROPERTY WITHIN THE PLAT OWNED BY THE HOMEOWNERS ASSOCIATION FOR THE PURPOSES OF PROVIDING CONTINUOUS AND UNINTERRUPTED INGRESS AND EGRESS FOR EMERGENCY VEHICLES.

EXCEPT AS TO ANY AREAS SUBJECT TO THE EASEMENT OR EASEMENTS GRANTED TO MARICOPA WATER DISTRICT, AS DEPICTED ON THIS PLAT AND RECORDED IN THE OFFICE OF THE RECORDER, MARICOPA COUNTY, ARIZONA, PERPETUAL WATER EASEMENTS ("EASEMENTS") AS DESCRIBED IN THE PLAT ARE GRANTED TO EPCOR WATER ARIZONA INC. AND ITS SUCCESSORS AND ASSIGNS (COLLECTIVELY, "GRANTEE") TO CONSTRUCT, OPERATE, AND MAINTAIN WATER LINES AND APPURTENANT FACILITIES (COLLECTIVELY, "FACILITIES") UPON, ACROSS, OVER AND UNDER THE SURFACE OF THE EASEMENTS, TOGETHER WITH THE RIGHT TO OPERATE, REPAIR, REPLACE, MAINTAIN, AND REMOVE THE FACILITIES FROM THE PREMISES; TO ADD OR TO ALTER THE FACILITIES, AND TO PROVIDE GRANTEE WITH REASONABLE INGRESS AND EGRESS TO THE FACILITIES. GRANTEE WILL HAVE UNRESTRICTED ACCESS TO THE EASEMENT FOR THE ACTIVITIES DESCRIBED ABOVE AND FORMAL NOTIFICATION OR APPROVAL BY ANY ASSOCIATION PRIOR TO ACCESSING THE EASEMENT WILL NOT BE REQUIRED.

GRANTOR SHALL NOT ERECT OR CONSTRUCT OR PERMIT TO BE ERECTED OR CONSTRUCTED ANY BUILDING, STRUCTURE OR SIMILAR IMPROVEMENT WITHIN THE LIMITS OF THE EASEMENT GRANTED HEREIN, GRANTOR SHALL NOT, NOR PERMIT, THE GRADE OVER GRANTEE'S FACILITIES TO BE SUBSTANTIALLY ALTERED WITHOUT, IN EACH INSTANCE, THE PRIOR WRITTEN CONSENT OF GRANTEE, AND GRANTOR AGREES THAT NO OTHER PIPES OR CONDUITS SHALL BE PLACED WITHIN THE PREMISES SUBJECT TO THE EASEMENT GRANTED HEREIN, EXCEPT PIPES CROSSING GRANTEE'S FACILITIES AT RIGHT ANGLES, IN WHICH CASE, A MINIMUM VERTICAL DISTANCE OF TWO (2) FEET (AS MEASURED FROM THE CLOSEST POINTS ON THE OUTSIDE EDGES) SHALL BE MAINTAINED BETWEEN GRANTEE'S FACILITIES AND SUCH OTHER PIPES OR CONDUITS.

DEDICATION CONTINUED

UNLESS GRANTEE EXPRESSLY CONSENTS IN WRITING OTHERWISE, ANY AND ALL SEWER PIPES CROSSING THE EASEMENT GRANTED HEREIN SHALL BE LAID BELOW GRANTEE'S FACILITIES. HOWEVER, GRANTOR SHALL HAVE THE RIGHT TO CONSTRUCT AND ERECT FENCES, TO INSTALL LANDSCAPING, PARKING FACILITIES AND DRIVEWAYS, AND TO ESTABLISH OTHER USES WHICH ARE NOT INCONSISTENT WITH USES WITHIN THE LIMITS OF SAID EASEMENT IN A MANNER WHICH WILL NOT UNREASONABLY INTERFERE WITH GRANTEE'S ACCESS TO THE FACILITIES.

IN WITNESS WHEREOF, OWNER HAS HEREUNTO CAUSED ITS CORPORATE NAME TO BE SIGNED AND ITS CORPORATE SEAL TO BE AFFIXED BY THE UNDERSIGNED, DULY AUTHORIZED OFFICER THIS _____ DAY OF _____, 2020.

RPK REAL ESTATE, INC., A CALIFORNIA CORPORATION

BY: _____
ROBERT P. KETTERER

ITS: PRESIDENT

ACKNOWLEDGMENT

A NOTARY PUBLIC OR OTHER OFFICER COMPLETING THIS CERTIFICATE VERIFIES ONLY THE IDENTITY OF THE INDIVIDUAL WHO SIGNED THE DOCUMENT TO WHICH THIS CERTIFICATE IS ATTACHED, AND NOT THE TRUTHFULNESS, ACCURACY, OR VALIDITY OF THAT DOCUMENT.

STATE OF CALIFORNIA
COUNTY OF LOS ANGELES

ON _____ BEFORE ME, _____ PERSONALLY APPEARED ROBERT P. KETTERER, WHO PROVED TO ME ON THE BASIS OF SATISFACTORY EVIDENCE TO BE THE PERSON WHOSE NAME IS SUBSCRIBED TO THE WITHIN INSTRUMENT AND ACKNOWLEDGED TO ME THAT HE EXECUTED THE SAME IN HIS AUTHORIZED CAPACITY, AND THAT BY HIS SIGNATURE ON THE INSTRUMENT THE PERSON, OR THE ENTITY UPON BEHALF OF WHICH THE PERSON ACTED, EXECUTED THE INSTRUMENT.

I CERTIFY UNDER PENALTY OF PERJURY UNDER THE LAWS OF THE STATE OF CALIFORNIA THAT THE FOREGOING PARAGRAPH IS TRUE AND CORRECT.

WITNESS MY HAND AND OFFICIAL SEAL.

SIGNATURE _____

RELEASE OF LIABILITY

COTTON GREENWAY PARTNERS, LLC, ("OWNER") DOES HEREBY (1) RELEASE AND DISCHARGE THE CITY OF SURPRISE, AND (2) INDEMNIFY, DEFEND, AND HOLD HARMLESS THE CITY OF SURPRISE, OF AND FROM ANY LIABILITY FOR ANY AND ALL CLAIMS FOR DAMAGES OF ANY KIND TO PERSONS OR PROPERTY THAT MAY ARISE AT ANY TIME IN THE FUTURE OVER, OR IN CONNECTION WITH THE AREAS LOCATED WITHIN THE NEWLY DEDICATED RIGHT-OF-WAY AS DEPICTED ON THIS PLAT UNTIL SUCH TIME THE RIGHT-OF-WAY IS IMPROVED TO CITY STANDARDS AND THOSE IMPROVEMENTS ARE APPROVED AND ACCEPTED BY THE CITY COUNCIL. THE MAINTENANCE OF THE AREA WITHIN ANY NEWLY DEDICATED RIGHT-OF-WAY AS SHOWN ON THIS PLAT SHALL BE THE RESPONSIBILITY OF THE ADJACENT OWNER/OR SUBSEQUENT ADJACENT OWNERS WITHIN THE BOUNDARY OF SAID PLAT UNTIL SUCH TIME THAT THE AREA WITHIN THE RIGHT-OF-WAY IS IMPROVED TO CITY STANDARD AND ACCEPTED BY THE CITY OF SURPRISE.

OWNER HEREBY FURTHER AGREES TO INDEMNIFY, DEFEND, AND HOLD HARMLESS THE CITY OF SURPRISE FROM ANY AND ALL CLAIMS FOR DAMAGES OF ANY KIND TO PERSONS OR PROPERTY LOCATED WITHIN THE RIGHT OF WAY THAT MAY ARISE IN CONNECTION WITH THE USE OF THE SIDEWALKS LOCATED WITHIN THE RIGHT-OF-WAY, UNTIL SUCH TIME THE CITY OF SURPRISE HAS ACCEPTED THE SIDEWALKS.

NOTICE OF INTER-GOVERNMENTAL AGREEMENT

THE CITY OF SURPRISE ("CITY") AND MARICOPA COUNTY MUNICIPAL WATER CONSERVATION DISTRICT NUMBER ONE ("MWD") ENTERED INTO AN INTERGOVERNMENTAL AGREEMENT DATED APRIL 8, 1997, AND RECORDED IN THE MARICOPA COUNTY RECORDER'S OFFICE ON APRIL 9, 1997, UNDER DOCKET NO. 97-0231759 ("IGA"). CITY AND MWD HAVE FACILITIES AND PROPERTY INTERESTS DESCRIBED AND DELINEATED WITHIN CERTAIN SUBDIVISION PLATS OR, FOR LANDS NOT INCLUDED IN A SUBDIVISION PLAT, DECLARATIONS OF TURF LANDS OR DECLARATIONS OF URBANIZED AREA, THAT HAVE PRIOR AND SUPERIOR RIGHTS TO THE UTILITY SERVICE PROVIDERS, AS DEFINED IN THE IGA. THE IGA PROVIDES FOR THE CITY TO HAVE A PUBLIC UTILITY EASEMENT WITHIN CERTAIN MWD PROPERTY INTERESTS AND FOR MWD TO HAVE AN EASEMENT WITHIN CITY'S PUBLIC RIGHTS-OF-WAY. CITY AND MWD RIGHTS WITHIN THESE EASEMENTS ARE SUBJECT TO AND CONTROLLED BY THE TERMS AND CONDITIONS OF THE IGA.

IN LOCATIONS WHERE APPLICABLE, INCLUDING ANY AND ALL DEDICATIONS WITHIN A SUBDIVISION PLAT, MWD'S PRIOR AND SUPERIOR RIGHTS OF ACCESS TO AND USE OF EXISTING AND FUTURE MWD FACILITIES AND PROPERTY INTERESTS, SHALL BE SUBJECT TO THE TERMS AND CONDITIONS OF THE IGA.

CITY SHALL HAVE THE RIGHT TO AUTHORIZE AND CONTROL THE UTILITY SERVICE PROVIDER'S USE AND OCCUPANCY OF THESE EASEMENTS. CITY REQUIRES THAT UTILITY SERVICE PROVIDERS CONSENT TO BE BOUND BY THE IGA PRIOR TO THE USE OR OCCUPANCY OF THE EASEMENTS GRANTED UNDER THE IGA. SUCH USE OR OCCUPANCY OF THE EASEMENTS CONSTITUTES CONSENT OF THE UTILITY SERVICE PROVIDERS TO BE BOUND BY THE IGA.

NOTICE OF SIERRA MONTANA CROSSINGS DEVELOPMENT AGREEMENT

FORTIS REAL ESTATE INVESTMENTS, L.L.C., ENTERED INTO THE SIERRA MONTANA DEVELOPMENT AGREEMENT DATED AUGUST 15, 2002 ("AGREEMENT") WITH MARICOPA COUNTY MUNICIPAL WATER CONSERVATION DISTRICT NUMBER ONE ("MWD") FOR WHICH A MEMORANDUM OF AGREEMENT WAS RECORDED ON AUGUST 15 2002, AT THE MARICOPA COUNTY RECORDERS' OFFICE AT DOCKET NO. 2002-0834169. THE PROPERTIES INVOLVED IN THIS PLAT ARE SUBJECT TO THIS AGREEMENT. THE AGREEMENT AND THIS PLAT, INCLUDING ANY AND ALL DECLARATIONS THEREIN, HEREBY PRESERVE MWD'S PRIOR AND SUPERIOR RIGHTS OF ACCESS TO AND USE OF EXISTING AND FUTURE MWD FACILITIES AND MWD PROPERTY INTERESTS, AS SUCH TERMS ARE DEFINED IN THE AGREEMENT, TO ENABLE MWD TO ACCOMPLISH ALL OF MWD'S PURPOSES, INCLUDING, BUT NOT LIMITED TO, THE TRANSMISSION AND DISTRIBUTION OF WATER, WASTEWATER, POWER AND COMMUNICATIONS, AND TO CONSTRUCT, RECONSTRUCT, OPERATE, MAINTAIN AND REPLACE THOSE MWD FACILITIES AND MWD PROPERTY INTERESTS. THE AGREEMENT IS ON FILE AT THE OFFICES OF LANDOWNER AT COTTON GREENWAY PARTNERS, LLC, 6920 E. SHEA BOULEVARD, SUITE 203, SCOTTSDALE, ARIZONA, 85254, AND MAY BE REVIEWED AS TO ALL DETAILS, WITH PARTICULAR REFERENCE TO SECTION 9, UPON REASONABLE REQUEST.

DATED THIS _____ DAY OF _____, 2020.

MARICOPA COUNTY MUNICIPAL WATER CONSERVATION DISTRICT NUMBER ONE, A POLITICAL SUBDIVISION OF THE STATE OF ARIZONA

ATTEST:

BY: _____
CHRISTINE CAIN

BY: _____
GLEN VORTHERMS

ITS: PROPERTY & CONTRACTS MANAGER

ITS: ASSISTANT SECRETARY

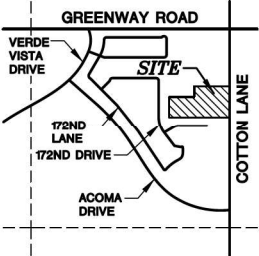
COTTON GREENWAY PARTNERS, LLC

BY: _____

ITS: _____

ZONING

SIERRA MONTANA PLANNED AREA AREA DEVELOPMENT (PAD-C2)



VICINITY MAP

NOT TO SCALE

DESCRIPTION

LOT 1, OF A REPLAT OF LOT 1 OF THE FINAL PLAT FOR "SIERRA MONTANA CROSSING", ACCORDING TO THE PLAT OF RECORD IN THE OFFICE OF THE COUNTY RECORDER OF MARICOPA COUNTY, ARIZONA, RECORDED IN BOOK 1226 OF MAPS, PAGE 15.

AREA

LOT NO.	AREA
LOT 1A	75,801 SQ. FT. 1.740 ACRES
LOT 1B	52,065 SQ. FT. 1.195 ACRES
LOT 1C	92,328 SQ. FT. 2.120 ACRES

TOTAL	220,199 SQ. FT. 5.055 ACRES
-------	--------------------------------

SURVEYOR

SUPERIOR SURVEYING SERVICES INC.
2122 W. LONE CACTUS DRIVE, SUITE 11
PHOENIX, AZ 85027
PHONE: (623)869-0223
FAX: (623)869-0726
CONTACT: DAVID S. KLEIN

OWNER

COTTON GREENWAY PARTNERS, LLC
C/O GEORGE APOSTOL
643 CYPRESS AVENUE
HERMOSA BEACH, CA 90254

APPROVALS

CITY OF SURPRISE ENGINEER APPROVAL

DATA ON THIS PLAT REVIEWED AND APPROVED THIS _____ DAY OF _____, 2020, BY THE CITY ENGINEER OF SURPRISE, ARIZONA.

APPROVED _____ DATE _____
CITY ENGINEER

CITY OF SURPRISE COUNCIL APPROVAL

APPROVED BY THE CITY COUNCIL OF THE CITY OF SURPRISE, ARIZONA.

THIS _____ DAY OF _____, 2020.

MAYOR

DATE

ATTEST: _____

CITY CLERK

DATE

CERTIFICATION

THIS IS TO CERTIFY THAT THIS PLAT IS CORRECT AND ACCURATE AND THE MONUMENTS DESCRIBED HEREIN HAVE EITHER BEEN SET OR LOCATED AS DESCRIBED TO THE BEST OF MY KNOWLEDGE AND BELIEF.

JANUARY 1, 2020
DAVID S. KLEIN
R.L.S. 42137
2122 W. LONE CACTUS DRIVE, SUITE 11
PHOENIX, AZ 85027

— FOR —
NOT
CONSTRUCTION
OR RECORDING



A REPLAT OF LOT 1 OF THE
"REPLAT OF LOT 1 OF THE FINAL PLAT
FOR SIERRA MONTANA CROSSING"
SURPRISE, ARIZONA

2122 W. Lone Cactus Drive, Suite 11
Phoenix, AZ 85027
623-869-0223 (office) 623-869-0726 (fax)
www.superiorsurveying.com
info@superiorsurveying.com

SUPERIOR
SURVEYING SERVICES, INC.

DWN: DB CHK: DK

SHEET 1 OF 2

DATE: 01/01/20

JOB NO.: 190739

CASE NUMBER: FS19-771

**A REPLAT OF LOT 1 OF THE
"REPLAT OF LOT 1 OF THE FINAL PLAT FOR SIERRA MONTANA CROSSING"
AS RECORDED IN BOOK 1226 PAGE 15, RECORDS OF MARICOPA COUNTY,
ARIZONA, LOCATED IN A PORTION OF THE NORTHEAST QUARTER OF SECTION 11,
TOWNSHIP 3 NORTH, RANGE 2 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN,
CITY OF SURPRISE, MARICOPA COUNTY, ARIZONA**

NOTES

1. ALL UTILITY LINES SHALL BE CONSTRUCTED UNDERGROUND.
2. ELECTRIC LINES TO BE CONSTRUCTED UNDERGROUND AS REQUIRED BY ARIZONA CORPORATION COMMISSION.
3. ALL COMMUNICATION LINES TO BE CONSTRUCTED UNDERGROUND AS REQUIRED BY ARIZONA CORPORATION COMMISSION.
4. A PROPERTY OWNERS ASSOCIATION SHALL MAINTAIN PRIVATE UTILITIES, PRIVATE FACILITIES, COMMON AREA LANDSCAPING AND LANDSCAPING IN THE RIGHT-OF-WAY ADJACENT TO THE PROJECT. THE CITY OF SURPRISE IS NOT RESPONSIBLE FOR AND WILL NOT ACCEPT MAINTENANCE FOR SUCH AREAS.
5. NO STRUCTURES SHALL BE CONSTRUCTED IN OR ACROSS NOR SHALL OTHER IMPROVEMENTS OR ALTERATIONS BE MADE TO THE DRAINAGE FACILITIES THAT ARE A PART OF THIS DEVELOPMENT WITHOUT WRITTEN AUTHORIZATION OF THE CITY OF SURPRISE.
6. ALL RETENTION BASINS MUST DRAIN ANY STORM EVENT UP TO AND INCLUDING THE 100 YEAR - 2 HOUR STORM EVENT. OWNER(S) OF ANY EXISTING BASIN FAILING TO MEET THIS REQUIREMENT MUST TAKE CORRECTIVE ACTION TO BRING THE BASIN INTO COMPLIANCE.
7. ALL DRYWELLS SHOWN ON THIS PROJECT SHALL BE MAINTAINED BY THE OWNER(S) AND ARE TO BE REPLACED BY THE OWNER(S) WHEN THEY CEASE TO DRAIN THE SURFACE WATER IN A 36 HOUR PERIOD. REGULAR MAINTENANCE OF THE DRYWELL SILTING CHAMBER IS REQUIRED TO ACHIEVE THE BEST OPERATION OF THE DRYWELL.
8. NO ON-SITE GRADING OR EXCAVATION SHALL OCCUR WITHOUT FIRST OBTAINING A PERMIT FROM THE CITY OF SURPRISE.
9. PURSUANT TO A.R.S. § 42-1102, THE CITY OF SURPRISE, A POLITICAL SUBDIVISION OF THE STATE OF ARIZONA, IS EXEMPT FROM ALL TAXES AND ASSESSMENTS BASED ON ASSESSED VALUE EXCEPT FOR SPECIAL DISTRICTS #14751 AND 14710, WHEN APPLICABLE.
10. THE PROPERTY IS LOCATED WITHIN AN AREA HAVING FLOOD ZONE "X" (SHADED) BY THE FEDERAL EMERGENCY MANAGEMENT AGENCY, ON FLOOD INSURANCE RATE MAP NO. 04013C1660L, WITH A DATE OF IDENTIFICATION OF OCTOBER 16, 2013, FOR COMMUNITY NO. 040053, IN MARICOPA COUNTY, STATE OF ARIZONA, WHICH IS THE CURRENT FLOOD INSURANCE RATE MAP FOR THE COMMUNITY IN WHICH SAID PROPERTY IS SITUATED.
11. IN ACCORDANCE WITH ARS § 9-461.07, THE CITY OF SURPRISE HAS DETERMINED THAT ALL DEDICATIONS OCCURRING WITH THIS PLAT ARE IN CONFORMANCE WITH THE SURPRISE GENERAL PLAN.
12. THE MAINTENANCE OF DRAINAGE FACILITIES SHALL BE THE RESPONSIBILITY OF THE PRESENT OWNERS AND/OR OWNER'S ASSOCIATION.

SURVEYORS NOTES

1. THE BASIS OF BEARING IS THE MONUMENT LINE OF COTTON LANE, ALSO BEING THE EAST LINE OF THE NORTHEAST QUARTER OF SECTION 11, USING A BEARING OF SOUTH 00 DEGREES 09 MINUTES 14 SECONDS EAST, PER THE PLAT OF SIERRA MONTANA CROSSINGS, RECORDED IN BOOK 974 OF MAPS, PAGE 47, RECORDS OF MARICOPA COUNTY, ARIZONA.
2. ALL TITLE INFORMATION AND THE DESCRIPTION SHOWN IS BASED ON A COMMITMENT FOR TITLE INSURANCE ISSUED BY CHICAGO TITLE INSURANCE COMPANY, ORDER NUMBER C1905982-347-JH-STM, DATED JUNE 24, 2019.

PUBLIC NOTICE

THE LOTS DEPICTED ON THIS PLAT ARE LOCATED WITHIN THE VICINITY OF LUKE AIR FORCE BASE AND MAY BE SUBJECT TO OVERTIGHTS BY JET AIRCRAFT. ALL STRUCTURES WITHIN THIS PLAT SHALL BE CONSTRUCTED IN COMPLIANCE WITH THE SOUND ATTENUATION STANDARDS ADOPTED BY THE CITY OF SURPRISE. A MAP DEPICTING THE MOST CURRENT ADOPTED MAG NOISE CONTOURS IN RELATION TO THIS PLAT SHALL BE DISPLAYED IN ALL SALES OFFICES. ADDITIONAL INFORMATION MAY BE OBTAINED BY CONTACTING THE CITY OF SURPRISE COMMUNITY DEVELOPMENT DEPARTMENT.

REFERENCES

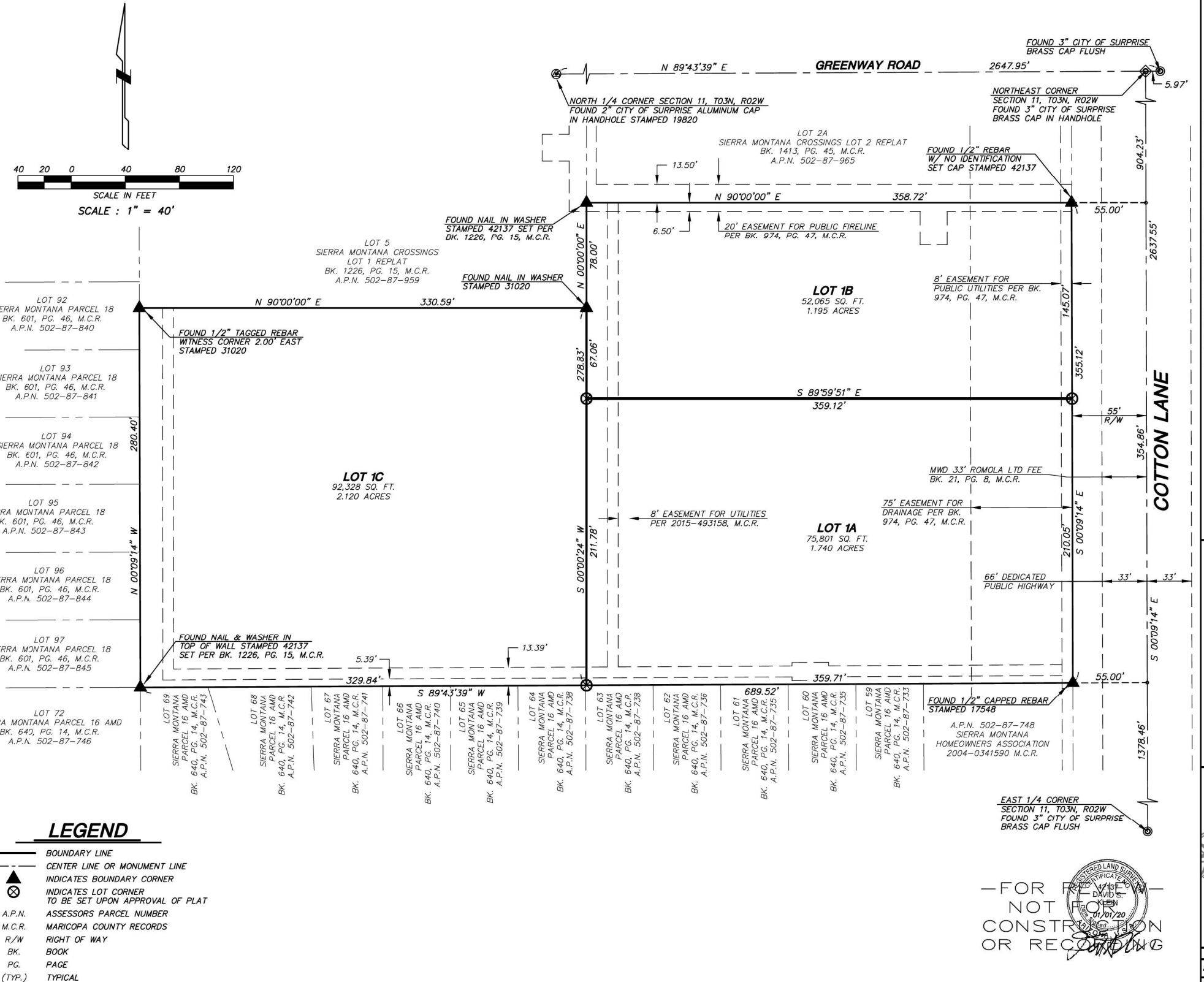
GENERAL LAND OFFICE RECORDS ON FILE WITH THE U.S. DEPARTMENT OF THE INTERIOR BUREAU OF LAND MANAGEMENT

CORRECTED PLAT FOR "SIERRA MONTANA PARCEL 16" RECORDED IN BOOK 640 OF MAPS, PAGE 14, MARICOPA COUNTY RECORDS

FINAL PLAT FOR "SIERRA MONTANA CROSSINGS" RECORDED IN BOOK 974 OF MAPS, PAGE 47, MARICOPA COUNTY RECORDS

REPLAT FOR "LOT 1 SIERRA MONTANA CROSSINGS" RECORDED IN BOOK 1226 OF MAPS, PAGE 15, MARICOPA COUNTY RECORDS

RESULTS OF SURVEY IN BOOK 1183 OF MAPS, PAGE 3, MARICOPA COUNTY RECORDS



A REPLAT OF LOT 1 OF THE
"REPLAT OF LOT 1 OF THE FINAL PLAT
FOR SIERRA MONTANA CROSSING"
SURPRISE, ARIZONA

2122 W. Lone Cactus Drive, Suite 11
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623-869-0223 (office) 623-869-0726 (fax)
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SUPERIOR
SURVEYING SERVICES, INC.

DWN: DB CHK: DK
SHEET 2 OF 2
DATE: 01/01/20
JOB NO.: 190739

CASE NUMBER: FS19-771



FS19-804

Sierra Montana Crossings

Final Plat

Mayor and City Council – November 17, 2020

VICINITY MAP

FS19-804
Sierra Montana



CASE MAP

FS19-804
Sierra Montana



ZONING MAP

FS19-804
Sierra Montana

Surprise Farms PAD

Greenway Road

Sierra
Montana
PAD

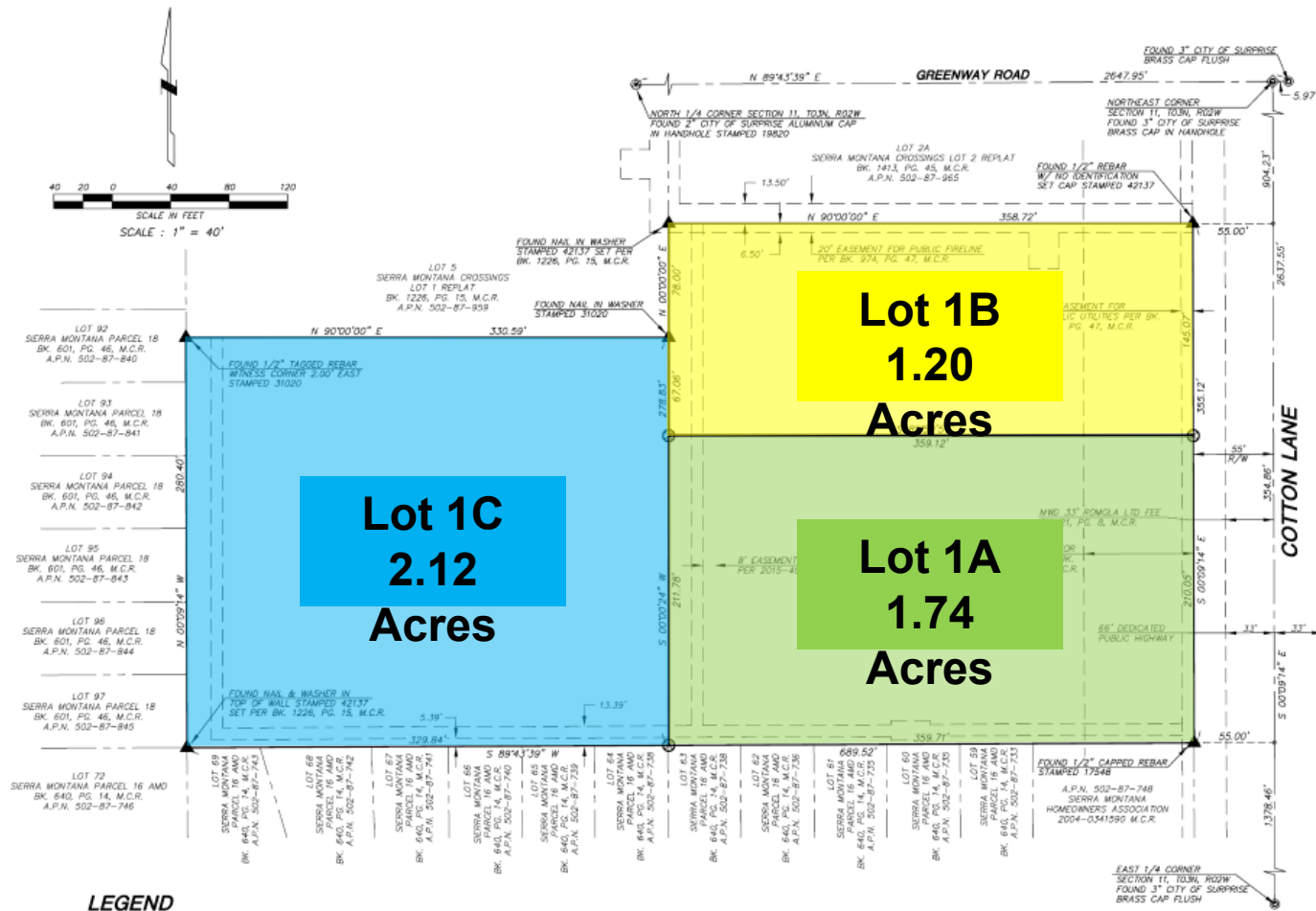
SITE

Prasada
PAD

Cotton

Lane

SR 303



FINAL PLAT



QUESTIONS OR COMMENTS?

Thank You



CITY OF SURPRISE Regular City Council Meeting

Council Meeting Date: November 17, 2020 Contact Person: Lloyd Abrams
Submitting Department: Community Development District: District 1
Staff Recommendations: None

Consent: Yes Regular: No Public Hearing: No Report/Discussion: No

Agenda Wording:

Consideration and action pertaining to acceptance of a Special Warranty Deed for a water campus from Rancho Mercado Community Association.

Motion:

I move to accept the Special Warranty Deed dated October 7, 2020, from the Rancho Mercado Community Association.

Background:

Rancho Mercado has developed a water campus as required for the development. As per the development agreement, the City is ready to accept the transfer of the site.

Objective Analysis:

Rancho Mercado has developed the water campus, and per the development agreement, has coordinated with the Water Department to accept the transfer of the site. Acceptance of the Deed will fulfill the developers' obligation to the City for the water campus.

Policy Compliant:

Approval of this item is policy compliant. The water campus will advance the goals and policies of the Surprise General Plan and the City Council's Strategic Plan.

Financial Impact:

While this item does not have an immediate or direct financial impact, ongoing development activity in the City will inevitably have a future financial impact as additional resources are needed to provide city services.

Budget Impact:

There is no anticipated budget impact related to this item. Future Operation and Maintenance of the site will be incorporated into Public Works.

FTE Impact:

This item does not have an impact on current staff levels.

ATTACHMENTS:

1. Special Warranty Deed
 2. Rancho Mercado Water Campus Map
-

When recorded return to:
City Clerk
City of Surprise, Arizona
16000 Civic Center Plaza
Surprise, AZ 85374

Exempt from filing an
Affidavit of legal value
A.R.S. §11-1134(A)(3)

SPECIAL WARRANTY DEED

For the consideration of Ten Dollar (\$10.00) and other valuable consideration, the receipt and sufficiency of which is hereby acknowledged, **RANCHO MERCADO COMMUNITY ASSOCIATION**, an Arizona non-profit corporation, ("Grantor"), hereby conveys to the **CITY OF SURPRISE**, an Arizona municipal corporation, the following real property situated in Maricopa County, Arizona, together with all rights and privileges appurtenant thereto:

See Exhibit A attached hereto and incorporated herein by this reference (the "Property").

Subject to all reservations in patents and all easements, rights-of-way, encumbrances, liens, covenants, conditions, restrictions, obligations and liabilities as may appear of record.

And Grantor hereby binds itself and its successors to warrant and defend the title, as against all acts of Grantor herein and none other, subject to the matters above set forth.

Dated this 7th day of October, 2020.

GRANTOR
Rancho Mercado Community Association
An Arizona non-profit corporation

By: 

Printed Name: Karen Beacom

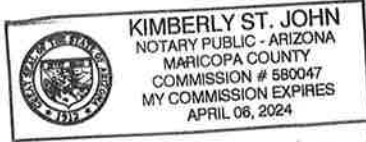
Its: Vice-President

STATE OF ARIZONA)

)ss.

County of MARICOPA)

This instrument was acknowledged and executed before me this 7th day of October 2020, by Karen Beacom, as the Vice President of the **Rancho Mercado Community Association**, an Arizona non-profit corporation, on behalf of the corporation.



My Commission Expires:

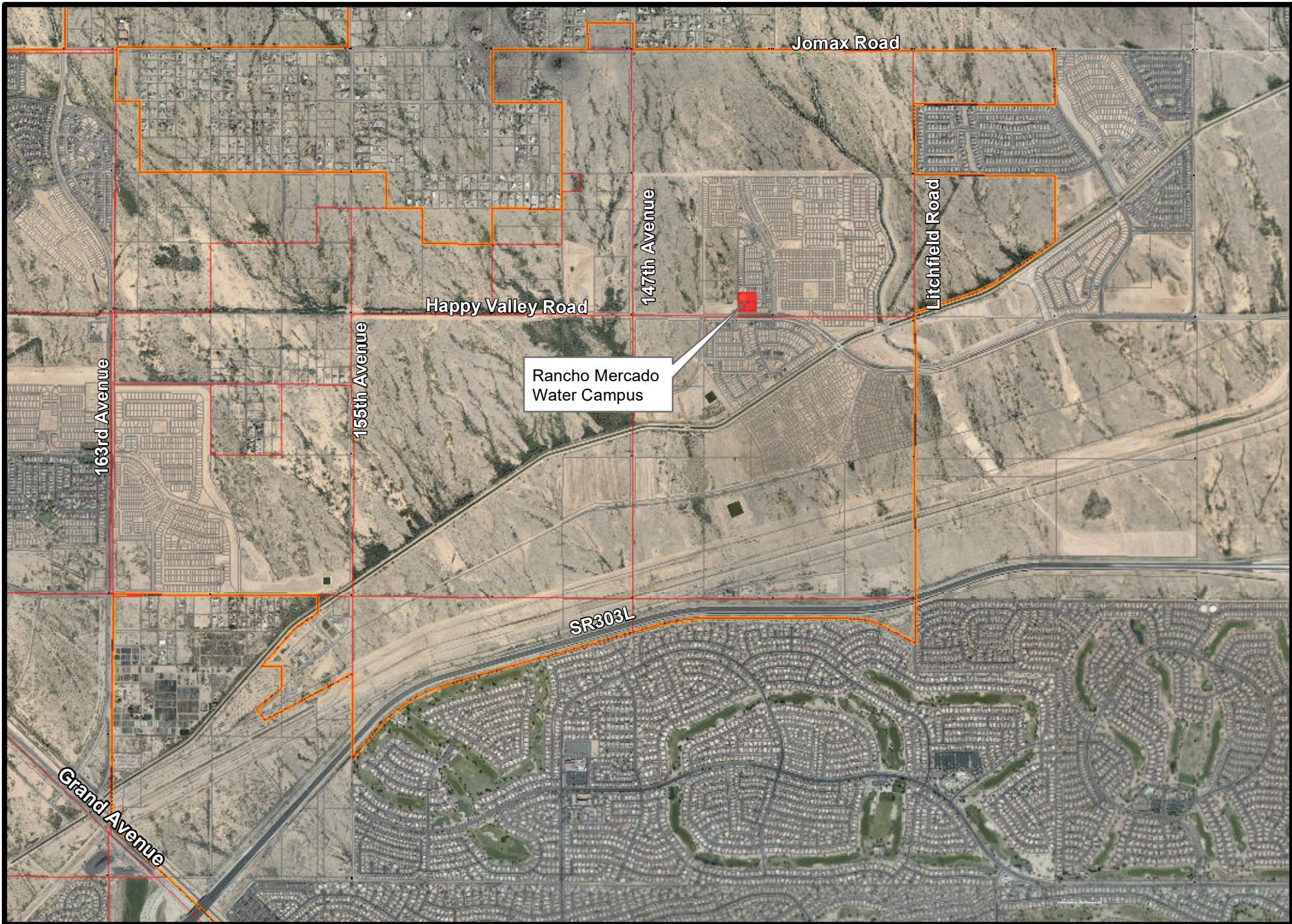
4/6/24

Kimberly Dr

NOTARY PUBLIC

Exhibit A

Tract 14D, Final Plat of Rancho Mercado Parcel A14, according to the plat thereof recorded in Book 1358 of Maps, page 40, official records of Maricopa County, Arizona.





CITY OF SURPRISE Regular City Council Meeting

Council Meeting Date: November 17, 2020 Contact Person: Lloyd Abrams
Submitting Department: Community Development District: District 3
Staff Recommendations:

Consent: Yes Regular: No Public Hearing: No Report/Discussion: No

Agenda Wording:

Consideration and action pertaining to acceptance of a Quit Claim Deed for Right of Way, two Municipal Use Easements, a Temporary Drainage Easement, and a Temporary Construction License from Suburban Land Reserve INC, for the purpose of facilitating roadway improvements along Greenway Road between the Loop 303 and Sarival Road.

Motion:

I move to accept a Quit Claim Deed for Right of Way executed October 27, 2020, two Municipal Use Easements dated October 27, 2020, a Temporary Drainage Easement dated October 27, 2020, and a Temporary Construction License dated October 28, 2020, from Suburban Land Reserve, Inc.

Background:

The right of way and easements being dedicated are in association with the CIP Improvement project for Greenway Road P61470, which was approved as part of the FY2018 GO Bond Initiative.

Objective Analysis:

The City lacks sufficient ROW on the south side of Greenway Road. Approval of this item will allow the City to complete the CIP project approved as part of the GO Bond Initiative.

Policy Compliant:

Approval of this item is policy compliant. The widened road will advance the goals and policies of the Surprise General Plan and the City Council's Strategic Plan.

Financial Impact:

While this item does not have an immediate or direct financial impact, ongoing development activity in the City will inevitably have a future financial impact as additional resources are needed to provide city services.

Budget Impact:

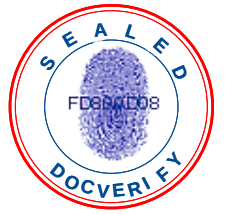
There is currently no budgetary impact related to approval of this item. The City will plan for future O&M when the road is in place and is accepted by the City.

FTE Impact:

This item does not have an impact on current staff levels.

ATTACHMENTS:

1. SLR_Greenway - Quit Claim Deed_Surprise AZ_SLR City of Surprise_20201027 (002)
 2. SLR_Greenway - Municipal Use Easement Agreement 1840_Surprise AZ_SLR City of Surprise_20201027 (002)
 3. SLR_Greenway - Municipall Use Easement Agreement_Surprise AZ_SLR City of Surprise_20201027
 4. SLR_Greenway - Temporary Drainage Easement Agreement_Surprise AZ_SLR City of Surprise_20201027 (002)
 5. SLR_Temporary Construction License - Greenway_Surprise AZ_SLR City of Surprise_20201028 (002)
 6. Greenway Road Right of Way Map
-



Greenway - Woodlands Lot 27

DocVerify ID: FD809D08-C7A7-4ACE-A0A6-1E1CA7C3C1D4
Created: October 27, 2020 12:45:06 -8:00
Pages: 4
Remote Notary: Yes / State: UT

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E-Signature Summary

E-Signature 1: R. Steven Romney (RSR)

October 27, 2020 14:07:23 -8:00 [426245250FDD] [73.20.31.187]
romneys@slreserve.com (Principal) (Personally Known)

E-Signature Notary: Marilyn F. Nielson (MFN)

October 27, 2020 14:07:23 -8:00 [FDFB5DAAF48B] [65.130.201.72]
nielsonm@slreserve.com
I, Marilyn F. Nielson, did witness the participants named above electronically sign this document.



When Recorded Mail To:

City Clerk
City of Surprise
16000 N Civic Center Plaza
Surprise, AZ 85374

Exempt from filing an
Affidavit of legal value

A.R.S. §11-1134(A)(3)

Tax Id No. 509-10-500 or 0.5483 ac

QUIT CLAIM DEED

In the consideration of Ten and 00/100 Dollars (\$10.00) and other good and valuable consideration, SUBURBAN LAND RESERVE, INC. a Utah corporation ("Grantor"), hereby quitclaims, without any warranty of any kind, to the CITY OF SURPIRSE, ARIZONA, a municipal corporation of the State of Arizona, whose address is 16000 N. Civic Center Plaza, Surprise, Arizona 85374 ("Grantee"), all right, title, and interest in and to the real property ("Property") located in Maricopa County, Arizona, and described as follows:

See Exhibit A and B attached hereto and incorporated herein by this reference;

TOGETHER WITH all easements, rights, tenements, hereditaments, and appurtenances thereto belonging or in any way appertaining thereto; and together with all improvements located thereon.

THIS CONVEYANCE IS SUBJECT TO: (i) any state of facts which an accurate survey or physical inspection of the Property might show, (ii) all zoning regulations, restrictions, rules and ordinances, building restrictions, and other laws and regulations now in effect or hereafter adopted by any governmental authority having jurisdiction, (iii) current taxes (not including roll back taxes), reservations, easements, rights-of-way, covenants, conditions, restrictions, encroachments, liens, and encumbrances, and all other matters of record or enforceable at law or in equity, and (iv) Grantee paying for and obtaining any necessary approvals by any applicable governmental agencies for the legal conveyance of the Property, including any subdivision plat or boundary line adjustment, if necessary.

RESERVING unto the Grantor all minerals, coal, carbons, hydrocarbons, oil, gas, chemical elements and compounds whether in solid, liquid, or gaseous fatal, and all steam and other forms of thermal energy on, in or under the above-described land, (the "Mineral Estate"), provided that Grantor does not reserve the right to enter upon or use the surface or any part pf the subject lands above a depth of 500 feet below the surface in connection with the Mineral Estate reserved by this instrument and provided that any entry onto the Property does not disrupt any existing improvements on the Property.

FD809D08-C7A7-4ACE-A0A6-1E1CA7C3C1D4 --- 2020/10/27 12:45:06 -8:00 --- Remote Notary



IN WITNESS WHEREOF, Grantor has executed the Quitclaim Deed this 27th day of October, 2020.

SUBURBAN LAND RESERVE, INC.
A Utah corporation

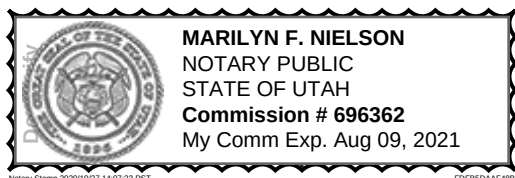
DO

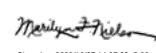
By: 
Name: R. Steven Romney
Its: President

STATE OF UTAH)
)ss.
County of Salt Lake)

Acknowledged before me this 10/27/2020 day of , 2020, by
R. Steven Romney, the President of SUBURBAN LAND RESERVE,
INC., a Utah corporation.

WITNESS my hand and official seal.




NOTARY PUBLIC

The principal making the acknowledgment and signing the document, R. Steven Romney, appeared remotely using audio/video communication technology approved by the State of Utah



EXHIBIT "A"

DESCRIPTION

ROAD RIGHT OF WAY

A portion of the Northeast Quarter of Section 12, Township 3 North, Range 2 West of the Gila and Salt River Base and Meridian, Maricopa County, Arizona, described as follows:

COMMENCING at the Northeast Corner of said Section 12, from which the North Quarter of said Section 12 lies North 89°46'46" West 2636.63 feet;

Thence along the east line of said Section 12 South 00°33'31" West 33.00 feet;

Thence on a line 33 feet south of and parallel with the north line of said Section 12 North 89°46'46" West 183.18 feet to a point on the south right-of-way line of Greenway Road and the POINT OF BEGINNING;

Thence departing said line South 00°13'14" West 28.00 feet;

Thence on a line 61.00 feet south of and parallel with said north line of Section 12 North 89°46'46" West 941.42 feet to a point on the southeast right of way line of the ADOT SR303 Highway;

Thence along said southeast right-of-way line North 81°13'06" East 178.95 feet to the intersection of said line and the aforesaid south right-of-way line of Greenway road;

Thence along said south right-of-way line South 89°46'46" East 764.68 feet to the POINT OF BEGINNING.

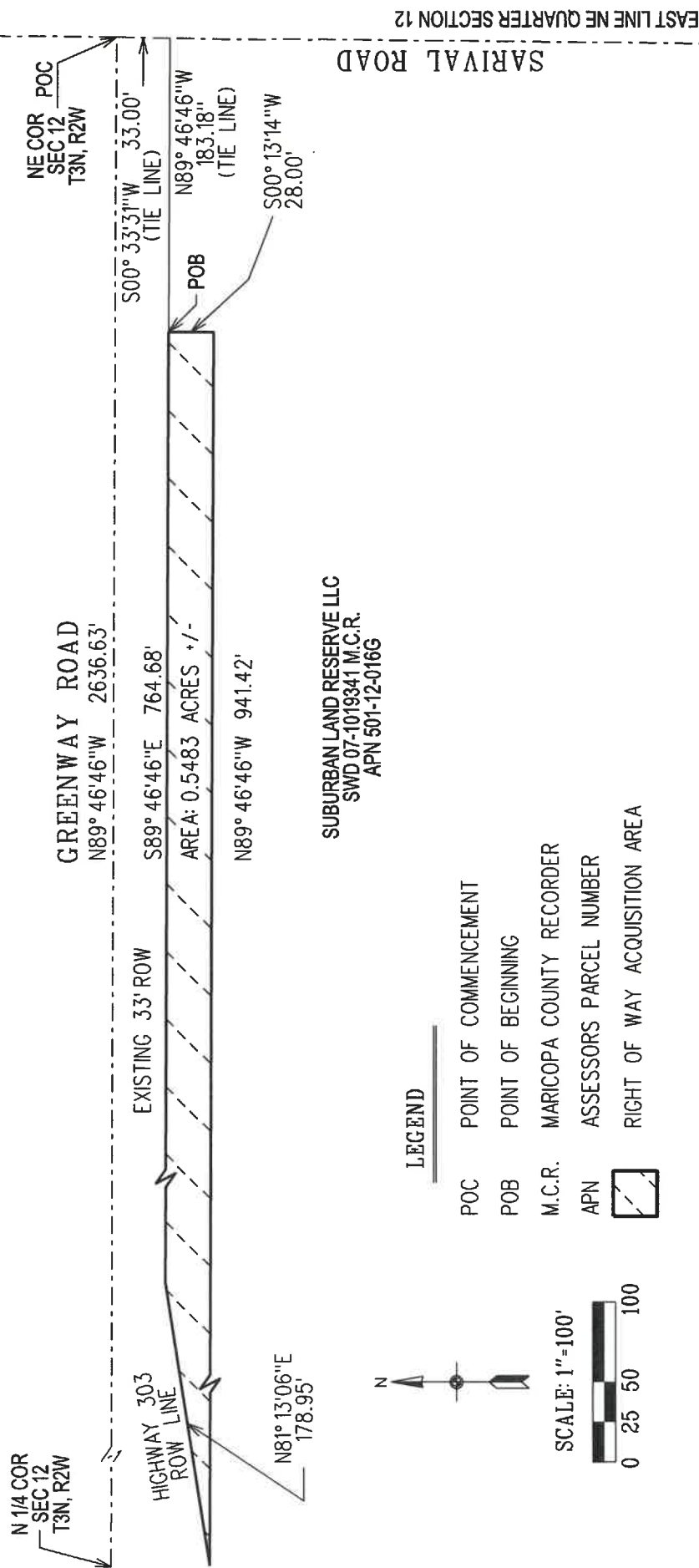
Containing 0.5483 acres, more or less.

Attached is EXHIBIT "B" and by this reference is made a part hereof.

End of description



EXHIBIT "B"



CITY OF SURPRISE
LAND SURVEY DEPARTMENT
16000 N. CIVIC CENTER PLAZA
SURPRISE AZ. 85374

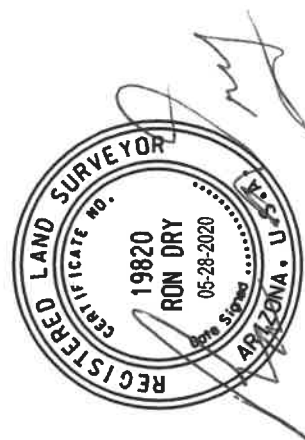
ROAD RIGHT OF WAY ACQUISITION

PROJECT # 20019

DRAWN BY RCD

DATE 05-28-2020

SHEET 1 OF 1





Greenway - Woodlands Lot 27

DocVerify ID: DFD28826-B3B4-4085-9DDB-E536AAEBED47
Created: October 27, 2020 12:45:06 -8:00
Pages: 11
Remote Notary: Yes / State: UT

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Go to www.docverify.com at any time to verify or validate the authenticity and integrity of this or any other DocVerify VeriVaulted document.

E-Signature Summary

E-Signature 1: R. Steven Romney (RSR)

October 27, 2020 14:07:25 -8:00 [23EF0F026EE0] [73.20.31.187]
romneys@slreserve.com (Principal) (Personally Known)

E-Signature Notary: Marilyn F. Nielson (MFN)

October 27, 2020 14:07:25 -8:00 [B8815BE030E1] [65.130.201.72]
nielsonm@slreserve.com
I, Marilyn F. Nielson, did witness the participants named above electronically sign this document.



When Recorded, Mail To:

City Clerk
City of Surprise
16000 N. Civic Center Plaza
Surprise, Arizona 85374-7470

With a Copy To:

Suburban Land Reserve, Inc.
Attn.: Danny Owen
79 S. Main St., Suite 500
Salt Lake City, Utah 84111

Tax Parcel No. 501-12-016G (0.2234)

(Space Above for Recorder Use Only)

MUNICIPAL USE EASEMENT AGREEMENT

THIS MUNICIPAL USE EASEMENT AGREEMENT (this “Agreement”) is made and entered into as of this ___ day of 10/27/2020, 2020 (the “Effective Date”), by and between **SUBURBAN LAND RESERVE, INC.**, a Utah corporation (“Grantor”), and **THE CITY OF SURPRISE, ARIZONA**, an Arizona municipal corporation (“Grantee”). Grantor and Grantee are sometimes referred to herein individually as a “Party,” and collectively as the “Parties.”

RECITALS

A. Grantor is the owner of certain real property located in Maricopa County, Arizona, as more particularly described on Exhibit A, attached hereto and incorporated herein by this reference (the “Grantor Property”).

B. Grantee is the owner of certain real property located adjacent to the Grantor Property, as more particularly described on Exhibit B, attached hereto and incorporated herein by this reference (the “Grantee Property”).

C. Grantee desires to obtain a municipal use MUE on, over, under, and across portions of the Grantor Property, as more particularly described on Exhibit A and B, attached hereto and incorporated herein by this reference (the “Easement Area”), for the benefit of the Grantee Property.

D. Grantor is willing to grant such easement to Grantee, subject to the terms and conditions set forth in this Agreement.



TERMS AND CONDITIONS

1. Easement.

1.1. Grant of Easement. Grantor does hereby convey unto Grantee a non-exclusive perpetual Municipal Use Easement (“MUE”) on, over, under, and across the Easement Area for the purposes of constructing, operating, repairing, altering, protecting, restoring, and maintaining certain improvements and infrastructure within the Easement Area (the “Improvements”), including public from any public utility provider or other governmental or quasi-governmental entity and required above ground appurtenances (e.g., cabinets, transformers, pads, pedestals, switch gear, etc.), conduits, sleeves, stubs, meters, pull boxes, traffic control devices, drainage, retention, paths, trails, sidewalks, hardscape, landscape, irrigation, curbs, gutters, bus bays, deceleration lanes, right turn lanes, driveway entrances, street signage, traffic signals, project signage (public and private), monumentation, screenwalls, and entry features (in accordance with the Prasada Gateway Village commercial design guidelines). All costs of the Improvements and all construction, replacement, relocation, removal, operation, use, maintenance, and/or repair thereof, shall be the sole responsibility of Grantee.

2. Term. This Agreement will be automatically terminated upon the earlier to occur of the following: (i) the date upon which Grantee no longer uses the Easement Area for a period of twelve (12) months, or (ii) Grantee provides a recorded notice of termination of easement agreement. Upon the occurrence of an event set forth in the preceding sentence, Grantor may record an instrument terminating this Agreement, and Grantee appoints Grantor its attorney-in-fact to sign such instrument, such power being coupled with an interest for such purposes. Grantor will thereafter promptly deliver a copy of the recorded instrument terminating this Agreement to Grantee.

3. Access and Release. Grantee and Grantee’s duly authorized employees, agents and contractors and subcontractors (collectively, “Grantee’s Agents”) will have the right to enter upon the Easement Area for the purposes permitted by this Agreement. Grantee and Grantee’s Agents will enter upon the Easement Area at their sole risk and hazard and will enter upon the Easement Area from existing roads to the extent available. Grantee hereby releases Grantor from any claims relating to the condition of the Easement Area and Grantor Property and the entry upon the Easement Area and Grantor Property by Grantee and Grantee’s Agents.

4. Reservation by Grantor. Grantor hereby reserves the right to use the Easement Area for any use not inconsistent with Grantee’s permitted use of the Easement Area. Without limiting the generality of the foregoing, Grantor expressly reserves the right to grant other third parties the right to use all or any portion of the Easement Area to the extent that such use shall not frustrate, impinge, or obstruct the use of the Improvements by any Grantee.

5. Condition of Easement Area. Grantee accepts the Easement Area and all aspects thereof in “AS IS”, “WHERE IS” condition, without warranties, either express or implied, “with all faults”, including, but not limited to, both latent and patent defects, and the existence of hazardous materials, if any. Grantee hereby waives all warranties, express or implied, regarding the condition and use of the Easement Area, including, but not limited to any warranty of merchantability or fitness for a particular purpose.

6. Maintenance and Restoration. The maintenance of landscaping within the Easement Area shall be the responsibility of the Grantee. Grantee, at its sole cost and expense, shall maintain and repair the Improvements in good order and condition. Grantee shall promptly repair any damage to the Grantor Property and Grantor's Improvements located thereon (including, without limitation, any and all landscaping, trees, fences, water and/or irrigation pipes, lines and ditches, curbs, gutters, asphalt surfaces, fences, signs, lighting, and building, etc.) caused by Grantee and/or Grantee's agents, and shall restore the Grantor Property and the improvements thereon to the same or better condition as they existed prior to any entry onto or work performed on the Grantor Property by Grantee and Grantee's agents. All maintenance actions performed by Grantee shall be completed in a manner consistent with Grantor's reserved rights in, and use of, the Grantor Property.

7. Construction of the Improvements. Grantee will conduct all construction activities in good and workmanlike manner in compliance with all laws, rules, and ordinances, both present and future. Upon completion of the Improvements, Grantee shall provide Grantor with evidence reasonably satisfactory to Grantor of such completion.

8. Hazardous Substances. Grantee agrees not to transport, generate, store, dispose of release, or use any Hazardous Substances on Grantor Property. AS used in this Agreement, the term "Hazardous Substances" means all hazardous and toxic substances, wastes or materials, including without limitation, hydrocarbons (including naturally occurring or man-made petroleum materials, biologically hazardous substances, PCBs, pesticides, herbicides, and any other kind and/or type of pollutants or contaminants (including, without limitation, asbestos, and raw materials which include hazardous constituents), sewage sludge, industrial slag, solvents and/or any other similar substances or materials which, because of toxic, flammable, ignitable, explosive, corrosive, reactive, radioactive, or other properties may be hazardous to human health or the environment and/or are included under, subject to, or regulated by any Hazardous Waste Laws Grantee agrees to immediately notify Grantor of any leaking or spillage of Hazardous Substances on the Grantor Property caused by Grantee or Grantee's Agent and Grantee shall be exclusively liable for all cleanup and remediation costs thereof. Grantee shall have no responsibility for a pre-existing environmental condition. As used in this Agreement, the term "Hazardous Waste Laws" means any and all present and future applicable (i) federal, state and local statutes, laws, rules or regulations governing Hazardous Substances; (ii) judicial or administrative interpretations thereof, including any judicial or administrative orders or judgements; and (iii) ordinances, codes, plans, injunctions, decrees, permits, demand letters, concessions, grants, franchises, licenses, agreements, notices, or other governmental restrictions, relating to the protection of the public health, welfare, and the environment, or to any actual, proposed or threatened storage, holding, existence, release, emission, discharge, spilling, leaking, pouring, pumping, injection, dumping, discarding, burying, abandoning, generation, processing, abatement, treatment, removal, disposition, handling, transportation or other management of any Hazardous Substance or any other activity or occurrence that cause or would cause any such event to exist.

9. Compliance with Laws. Grantee will comply with all present or future laws, statutes, codes, acts, ordinances, rules, regulations, orders, judgements, decrees, injections, rules, regulations, permits, licenses, authorizations, directions, and requirements of and agreements with all governments, departments, commissions, boards, courts, authorities, agencies, officials and

officers, foreseen or unforeseen, ordinary or extraordinary, including, without limitation, any building, zoning, and land use laws.

10. Liens. Grantee shall keep the Grantor Property free from any liens arising out of any work performed, materials furnished, or obligations incurred by, through, for, or under Grantee, and shall indemnify, hold harmless and agree to defend Grantor from any liens that may be placed on the Grantor Property pertaining to any work performed, materials furnished, or obligations incurred by, through, for, or under Grantee or any of Grantee's Agents. In the event a mechanics' lien or similar lien is recorded against the Grantor Property on account of any act by or on behalf of Grantee, Grantee shall, within 30 days after notice from Grantor, cause such mechanics' lien to be removed from the Grantor property.

11. Insurance. Grantee will maintain in force the insurance policies and coverages set for the below. Additionally, Grantee will ensure that prior to entering onto the Easement Area or the Grantor Property, all of Grantee's Agents who assist with the Easement are either covered under the terms of Grantee's insurance policies, or that each obtain similar policies and which, at a minimum, provide Grantor the same protections. Grantee agrees to obtain and maintain the following insurance coverages and policies:

11.1. Liability Insurance Coverage and Limits. A commercial general liability insurance policy insuring Grantee's interests against claims for personal injury, bodily injury, death, property damage occurring on, in, or about the Easement Area and the ways immediately adjoining the Easement Area, with a "Combined Single Limit" covering personal injury liability, bodily injury liability, and property damage liability of not less than Two Million Dollars (\$2,000,000.00). Grantor must be endorsed as an additional insured on such policy on ISO Form CG 20 10)10/93) or its equivalent. The coverage set forth above shall be primary coverage and shall apply specifically to the Easement Area, the Grantor Property, and adjacent areas.

11.2. Worker's Compensation Insurance. All Worker's Compensation and Employers' Liability Insurance required under applicable Workers' Compensation Acts and/or applicable law. In addition, Grantee shall maintain Employers' Liability Insurance with a minimum limit of not less than Five Hundred Thousand Dollars (\$500,000.00).

11.3. Automobile Insurance. Automobile Liability Insurance with a minimum limit of not less than One Million Dollars (\$1,000,000.00) Combined Single Limit per accident, and coverage applying to "Any Auto".

12. Indemnification. Grantee shall indemnify, defend with counsel mutually acceptable to Grantor and Grantee, and hold Grantor and its employees, officers, divisions, subsidiaries, partners, members, and affiliated companies and entities and its and their employees, officers, shareholders, members, directors, agents, representatives, and professional consultants and its and their respective successors and assigns (collectively, the "indemnities") harmless from and against any loss, damage, injury, accident, fire, or other casualty, liability, claim, cost or expense (including, but not limited to, reasonable attorneys' fees) of any kind or character to any person or property, including the property of the Indemnities, (collectively, the "Claims" or a "Claim") from or by any unaffiliated third party, Grantee, and/or Grantee's Agents, to the extent such Claims arise from or relate to (i) any use of Easement Area, and/or adjacent areas by Grantee or Grantee's

Agents, and (ii) any act or omission of Grantee or any of Grantee's Agents. Grantee shall have no obligation to indemnify Grantor or Indemnitees for claims or liabilities directly caused by Grantor's or Indemnitees' gross negligence. The terms and conditions of this provision shall remain effective, notwithstanding the expiration or termination of this Agreement, so long as the event for which the indemnification is needed occurred prior to such expiration or termination of the Agreement.

13. Remedies.

13.1. Self-Help and Other Remedies. If any party defaults in the performance of its obligations hereunder and the default is not cured within ten (10) days following delivery of written notice to such defaulting party, then the non-defaulting party shall have the right to perform such obligation on behalf of the defaulting party, in which event such defaulting party shall reimburse such non-defaulting party for all amounts expended by the non-defaulting party on behalf of the defaulting party, together with interest thereon at the lesser of twelve percent (12%) per annum or the maximum amount permitted by law from the date the amounts are expended until the date repaid.

13.2. Injunctive Relief. In the event of a breach by any party hereto of any obligation of such party under this Agreement, the non-defaulting party shall be entitled to injunctive relief mandating compliance herewith, and shall be entitled to obtain a decree specifically enforcing the performance of the obligations created hereunder. Any costs and expenses of any such proceeding, including reasonable attorney's fees, shall be paid by the defaulting party.

13.3. Non-Waiver. No delay or omission of any party hereto in the exercise of any rights created hereunder shall impair such right, or be construed to be a waiver thereof, and every such right may be exercised at any time during the continuance of an event of default hereunder. A waiver by any party hereto of a breach of, or default in, any of the terms, provisions and conditions of this Agreement by the other party shall not be construed to be a waiver of any subsequent breach thereof or of any other term, condition, or provision of this Agreement. Except as otherwise specifically provided in this Agreement, no remedy provided in this Agreement shall be exclusive, but instead all remedies shall be cumulative with all other remedies provided for in this Agreement.

14. Attorneys' Fees. If any action, suit, or proceeding is brought by a party hereto with respect to a matter or matters covered by this Agreement, or if a party finds it necessary to retain an attorney to enforce its rights under this Agreement, all costs and expenses of the prevailing party incident to such proceeding or retention, including reasonable attorneys' fees, will be paid by the non-prevailing party.

15. Assignability. This Agreement may not be assigned, whether voluntarily or by operation of law, and Grantee shall not permit the use of the Easement Area, or any part thereof, except in strict compliance with the provisions hereof, and any attempt to do so shall be null and void.

16. Notices. All notices shall be in writing and shall be deemed to have been sufficiently given by personal delivery, overnight courier service, or United States certified mail, return receipt requested, postage or other delivery charge prepaid (provided that any notice given by facsimile or by email must also be given on the same day by one of the alternative ways listed above), addressed to Grantor or Grantee at the following addresses:

If to Grantor:

Suburban Land Reserve, Inc.
Attn: Danny Owen
79 S Main St, Suite 500
Salt Lake City, Utah 84111

With a Copy to:

Kirton McConkie
Attn: Robert C. Hyde; Jessica Rancie
50 E. South Temple, Suite 400
Salt Lake City, Utah 84111

If to Grantee:

City of Surprise
Attn: City Manager
16000 N. Civic Center Plaza
Surprise, Arizona 85374

With a Copy to:

City of Surprise
Attn: City Attorney
16000 N. Civic Center Plaza
Surprise, Arizona 85374

Either Party may designate a different individual or address for notices, by giving written notice thereof in the manner described above.

17. No Public/Use Dedication. The Grantor Property is and shall at all times remain the private property of Grantor. The use of the Grantor Property is permissive and shall be limited to the express purposes contained herein by Grantee. Neither Grantee, nor its successors or assigns, nor the public shall acquire nor be entitled to claim or assert any rights to the Grantor Property beyond the express terms and conditions of this Agreement.

18. Authorization. Each individual executing this Agreement represents and warrants that he or she has been duly authorized by appropriate action of the governing body of the Party for which he/she signs to execute and deliver this Agreement in the capacity and for the entity set forth where he/she signs and that as a result of his/her signature, this Agreement shall be binding upon the Party for which he/she signs.

19. Miscellaneous.

19.1. Entire Agreement. This Agreement contains the entire agreement between the Parties. All previous agreements, communications, discussions and negotiations relating to the subject matter hereof have been merged and finalized. This Agreement may only be modified or amended in writing by both Parties hereto.

19.2. Successors and Assigns. The provisions of this Agreement shall extend to and be binding upon the heirs, executors, administrators, personal representatives, successors and assigns of the Parties hereto.

19.3. Governing Law; Jurisdiction. To the fullest extent possible, this Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of Arizona, without regard to any conflicts of law issues.

19.4. Authority. The individuals executing this Agreement represent and warrant that they have the power and authority to do so and to bind the entities for which they are executing this Agreement.

19.5. Non-Fiduciary or Agency Relationship. The Parties hereto expressly disclaim and disavow any partnership, joint venture, fiduciary, agency or employment status or relationship between them and expressly affirm that they have entered into this Agreement as part of an “arms-length” transaction. No Party hereto has the authority to make any representation or warranty or incur any obligation or liability on behalf of any other Party hereto, nor shall they make any representation to any third Party inconsistent with this Section.

19.6. Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, and all of which when taken together shall constitute one and the same document and agreement. A copy or electronic transmission of any part of this Agreement, including the signature page, shall have the same force and effect as an original.

[Signatures and acknowledgements to follow]

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the Effective Date.

GRANTOR:

SUBURBAN LAND RESERVE, INC.,
a Utah corporation

DO

By:


Signed on 2020/10/27 14:07:25 -8:00

R. Steven Romney, President

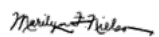
STATE OF Utah)
COUNTY OF Salt Lake)
:ss

10/27/2020

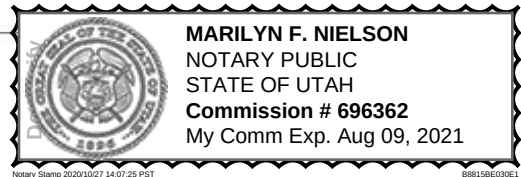
On the ___ day of _____, 2020 before me, a notary public in and for the State and County aforesaid, the undersigned officer, personally appeared R. Steven Romney, who acknowledged himself to be the President of SUBURBAN LAND RESERVE, INC., a Utah Corporation, and that he as such _____ executed the foregoing instrument for the purposes therein contained.

WITNESS my hand and official seal.

The principal making the acknowledgment and signing the document, R. Steven Romney, appeared remotely using audio/video communication technology approved by the State of Utah.


Signed on 2020/10/27 14:07:25 -8:00

Notary Public for the
State of _____



GRANTEE:

CITY OF SURPRISE,
an Arizona municipal corporation

By: _____

Name (Print): Skip Hall

Its: Mayor

ATTEST:

Sherry Aguilar
City Clerk

APPROVED AS TO FORM:

Robert Wingo
City Attorney

EXHIBIT "A"

DESCRIPTION

MUNICIPAL USE EASEMENT

A portion of the Northeast Quarter of Section 12, Township 3 North, Range 2 West of the Gila and Salt River Base and Meridian, Maricopa County, Arizona, described as follows:

COMMENCING at the Northeast Corner of said Section 12, from which the North Quarter of said Section 12 lies North 89°46'46" West 2636.63 feet;

Thence along the north line of said Northeast Quarter of Section 12 North 89°46'46" West 183.18 feet;

Thence departing said line South 00°13'14" West 61.00 feet to the south right-of way line of Greenway Road and the POINT OF BEGINNING;

Thence South 00°13'14" West 10.00 feet;

Thence North 89°46'46" West 1004.54 feet to a point on the southeast right of way line of the ADOT SR303 Highway;

Thence along said southeast right-of-way line North 81°13'06" East 63.91 feet to the intersection of said line and the aforesaid south right-of-way line of Greenway road;

Thence along said south right-of-way line South 89°46'46" East 941.42 feet to the POINT OF BEGINNING.

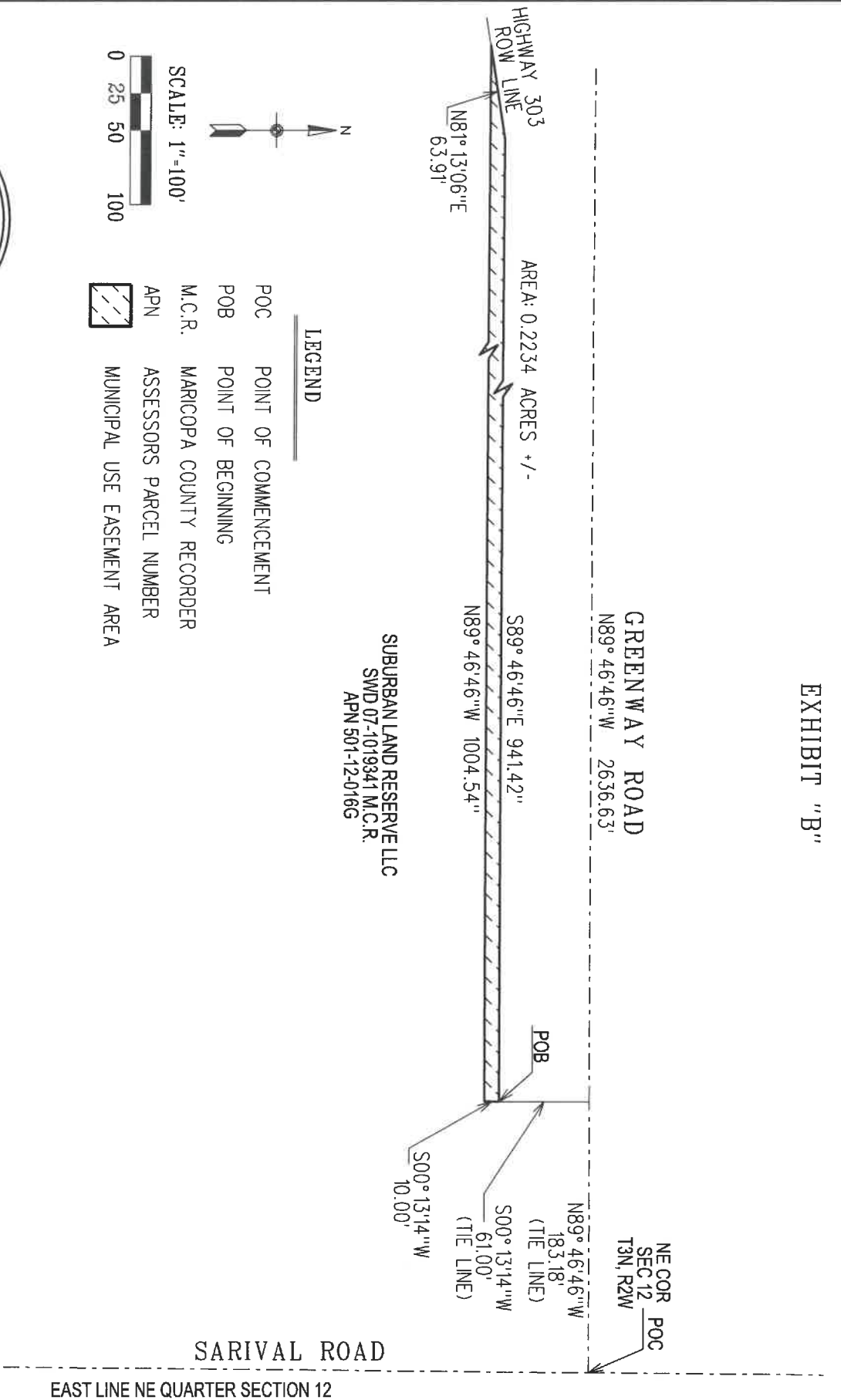
Containing 0.2234 acres, more or less.

Attached is EXHIBIT "B" and by this reference is made a part hereof.

End of description



EXHIBIT "B"



MUNICIPAL USE EASEMENT

SURPRISE
ARIZONA

CITY OF SURPRISE
LAND SURVEY DEPARTMENT
16000 N. CIVIC CENTER PLAZA
SURPRISE AZ. 85374

PROJECT # 20019 DRAWN BY RCD DATE 06-07-2020 SHEET 1 OF 1



Greenway - Woodlands Lot 27

DocVerify ID: 40152216-7675-417D-A580-5F46E2E48A38
Created: October 27, 2020 12:45:06 -8:00
Pages: 13
Remote Notary: Yes / State: UT

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Go to www.docverify.com at any time to verify or validate the authenticity and integrity of this or any other DocVerify VeriVaulted document.

E-Signature Summary

E-Signature 1: R. Steven Romney (RSR)

October 27, 2020 14:07:24 -8:00 [E98FDF7AA8BB] [73.20.31.187]
romneys@slreserve.com (Principal) (Personally Known)

E-Signature Notary: Marilyn F. Nielson (MFN)

October 27, 2020 14:07:24 -8:00 [43C949D55419] [65.130.201.72]
nielsonm@slreserve.com
I, Marilyn F. Nielson, did witness the participants named above electronically sign this document.



When Recorded, Mail To:

City Clerk
City of Surprise
16000 N. Civic Center Plaza
Surprise, Arizona 85374-7470

With a Copy To:

Suburban Land Reserve, Inc.
Attn.: Danny Owen
79 S. Main St., Suite 500
Salt Lake City, Utah 84111

Tax Parcel No. 501-12-016G (0.1840)

(Space Above for Recorder Use Only)

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A. Grantor is the owner of certain real property located in Maricopa County, Arizona, as more particularly described on Exhibit A, attached hereto and incorporated herein by this reference (the “Grantor Property”).

B. Grantee is the owner of certain real property located adjacent to the Grantor Property, as more particularly described on Exhibit B, attached hereto and incorporated herein by this reference (the “Grantee Property”).

C. Grantee desires to obtain a municipal use MUE on, over, under, and across portions of the Grantor Property, as more particularly described on Exhibit A and B, attached hereto and incorporated herein by this reference (the “Easement Area”), for the benefit of the Grantee Property.

D. Grantor is willing to grant such easement to Grantee, subject to the terms and conditions set forth in this Agreement.

TERMS AND CONDITIONS

1. Easement.

1.1. Grant of Easement. Grantor does hereby convey unto Grantee a non-exclusive perpetual Municipal Use Easement (“MUE”) on, over, under, and across the Easement Area for the purposes of constructing, operating, repairing, altering, protecting, restoring, and maintaining certain improvements and infrastructure within the Easement Area (the “Improvements”), including public from any public utility provider or other governmental or quasi-governmental entity and required above ground appurtenances (e.g., cabinets, transformers, pads, pedestals, switch gear, etc.), conduits, sleeves, stubs, meters, pull boxes, traffic control devices, drainage, retention, paths, trails, sidewalks, hardscape, landscape, irrigation, curbs, gutters, bus bays, deceleration lanes, right turn lanes, driveway entrances, street signage, traffic signals, project signage (public and private), monumentation, screenwalls, and entry features (in accordance with the Prasada Gateway Village commercial design guidelines). All costs of the Improvements and all construction, replacement, relocation, removal, operation, use, maintenance, and/or repair thereof, shall be the sole responsibility of Grantee.

2. Term. This Agreement will be automatically terminated upon the earlier to occur of the following: (i) the date upon which Grantee no longer uses the Easement Area for a period of twelve (12) months, or (ii) Grantee provides a recorded notice of termination of easement agreement. Upon the occurrence of an event set forth in the preceding sentence, Grantor may record an instrument terminating this Agreement, and Grantee appoints Grantor its attorney-in-fact to sign such instrument, such power being coupled with an interest for such purposes. Grantor will thereafter promptly deliver a copy of the recorded instrument terminating this Agreement to Grantee.

3. Access and Release. Grantee and Grantee’s duly authorized employees, agents and contractors and subcontractors (collectively, “Grantee’s Agents”) will have the right to enter upon the Easement Area for the purposes permitted by this Agreement. Grantee and Grantee’s Agents will enter upon the Easement Area at their sole risk and hazard and will enter upon the Easement Area from existing roads to the extent available. Grantee hereby releases Grantor from any claims relating to the condition of the Easement Area and Grantor Property and the entry upon the Easement Area and Grantor Property by Grantee and Grantee’s Agents.

4. Reservation by Grantor. Grantor hereby reserves the right to use the Easement Area for any use not inconsistent with Grantee’s permitted use of the Easement Area. Without limiting the generality of the foregoing, Grantor expressly reserves the right to grant other third parties the right to use all or any portion of the Easement Area to the extent that such use shall not frustrate, impinge, or obstruct the use of the Improvements by any Grantee.

5. Condition of Easement Area. Grantee accepts the Easement Area and all aspects thereof in “AS IS”, “WHERE IS” condition, without warranties, either express or implied, “with all faults”, including, but not limited to, both latent and patent defects, and the existence of hazardous materials, if any. Grantee hereby waives all warranties, express or implied, regarding the condition and use of the Easement Area, including, but not limited to any warranty of merchantability or fitness for a particular purpose.

6. Maintenance and Restoration. The maintenance of landscaping within the Easement Area shall be the responsibility of the Grantee. Grantee, at its sole cost and expense, shall maintain and repair the Improvements in good order and condition. Grantee shall promptly repair any damage to the Grantor Property and Grantor's Improvements located thereon (including, without limitation, any and all landscaping, trees, fences, water and/or irrigation pipes, lines and ditches, curbs, gutters, asphalt surfaces, fences, signs, lighting, and building, etc.) caused by Grantee and/or Grantee's agents, and shall restore the Grantor Property and the improvements thereon to the same or better condition as they existed prior to any entry onto or work performed on the Grantor Property by Grantee and Grantee's agents. All maintenance actions performed by Grantee shall be completed in a manner consistent with Grantor's reserved rights in, and use of, the Grantor Property.

7. Construction of the Improvements. Grantee will conduct all construction activities in good and workmanlike manner in compliance with all laws, rules, and ordinances, both present and future. Upon completion of the Improvements, Grantee shall provide Grantor with evidence reasonably satisfactory to Grantor of such completion.

8. Hazardous Substances. Grantee agrees not to transport, generate, store, dispose of release, or use any Hazardous Substances on Grantor Property. AS used in this Agreement, the term "Hazardous Substances" means all hazardous and toxic substances, wastes or materials, including without limitation, hydrocarbons (including naturally occurring or man-made petroleum materials, biologically hazardous substances, PCBs, pesticides, herbicides, and any other kind and/or type of pollutants or contaminants (including, without limitation, asbestos, and raw materials which include hazardous constituents), sewage sludge, industrial slag, solvents and/or any other similar substances or materials which, because of toxic, flammable, ignitable, explosive, corrosive, reactive, radioactive, or other properties may be hazardous to human health or the environment and/or are included under, subject to, or regulated by any Hazardous Waste Laws Grantee agrees to immediately notify Grantor of any leaking or spillage of Hazardous Substances on the Grantor Property caused by Grantee or Grantee's Agent and Grantee shall be exclusively liable for all cleanup and remediation costs thereof. Grantee shall have no responsibility for a pre-existing environmental condition. As used in this Agreement, the term "Hazardous Waste Laws" means any and all present and future applicable (i) federal, state and local statutes, laws, rules or regulations governing Hazardous Substances; (ii) judicial or administrative interpretations thereof, including any judicial or administrative orders or judgements; and (iii) ordinances, codes, plans, injunctions, decrees, permits, demand letters, concessions, grants, franchises, licenses, agreements, notices, or other governmental restrictions, relating to the protection of the public health, welfare, and the environment, or to any actual, proposed or threatened storage, holding, existence, release, emission, discharge, spilling, leaking, pouring, pumping, injection, dumping, discarding, burying, abandoning, generation, processing, abatement, treatment, removal, disposition, handling, transportation or other management of any Hazardous Substance or any other activity or occurrence that cause or would cause any such event to exist.

9. Compliance with Laws. Grantee will comply with all present or future laws, statutes, codes, acts, ordinances, rules, regulations, orders, judgements, decrees, injections, rules, regulations, permits, licenses, authorizations, directions, and requirements of and agreements with all governments, departments, commissions, boards, courts, authorities, agencies, officials and

officers, foreseen or unforeseen, ordinary or extraordinary, including, without limitation, any building, zoning, and land use laws.

10. Liens. Grantee shall keep the Grantor Property free from any liens arising out of any work performed, materials furnished, or obligations incurred by, through, for, or under Grantee, and shall indemnify, hold harmless and agree to defend Grantor from any liens that may be placed on the Grantor Property pertaining to any work performed, materials furnished, or obligations incurred by, through, for, or under Grantee or any of Grantee's Agents. In the event a mechanics' lien or similar lien is recorded against the Grantor Property on account of any act by or on behalf of Grantee, Grantee shall, within 30 days after notice from Grantor, cause such mechanics' lien to be removed from the Grantor property.

11. Insurance. Grantee will maintain in force the insurance policies and coverages set forth below. Additionally, Grantee will ensure that prior to entering onto the Easement Area or the Grantor Property, all of Grantee's Agents who assist with the Easement are either covered under the terms of Grantee's insurance policies, or that each obtain similar policies and which, at a minimum, provide Grantor the same protections. Grantee agrees to obtain and maintain the following insurance coverages and policies:

11.1. Liability Insurance Coverage and Limits. A commercial general liability insurance policy insuring Grantee's interests against claims for personal injury, bodily injury, death, property damage occurring on, in, or about the Easement Area and the ways immediately adjoining the Easement Area, with a "Combined Single Limit" covering personal injury liability, bodily injury liability, and property damage liability of not less than Two Million Dollars (\$2,000,000.00). Grantor must be endorsed as an additional insured on such policy on ISO Form CG 20 10 (10/93) or its equivalent. The coverage set forth above shall be primary coverage and shall apply specifically to the Easement Area, the Grantor Property, and adjacent areas.

11.2. Worker's Compensation Insurance. All Worker's Compensation and Employers' Liability Insurance required under applicable Workers' Compensation Acts and/or applicable law. In addition, Grantee shall maintain Employers' Liability Insurance with a minimum limit of not less than Five Hundred Thousand Dollars (\$500,000.00).

11.3. Automobile Insurance. Automobile Liability Insurance with a minimum limit of not less than One Million Dollars (\$1,000,000.00) Combined Single Limit per accident, and coverage applying to "Any Auto".

12. Indemnification. Grantee shall indemnify, defend with counsel mutually acceptable to Grantor and Grantee, and hold Grantor and its employees, officers, divisions, subsidiaries, partners, members, and affiliated companies and entities and its and their employees, officers, shareholders, members, directors, agents, representatives, and professional consultants and its and their respective successors and assigns (collectively, the "indemnities") harmless from and against any loss, damage, injury, accident, fire, or other casualty, liability, claim, cost or expense (including, but not limited to, reasonable attorneys' fees) of any kind or character to any person or property, including the property of the Indemnities, (collectively, the "Claims" or a "Claim") from or by any unaffiliated third party, Grantee, and/or Grantee's Agents, to the extent such Claims arise from or relate to (i) any use of Easement Area, and/or adjacent areas by Grantee or Grantee's

Agents, and (ii) any act or omission of Grantee or any of Grantee's Agents. Grantee shall have no obligation to indemnify Grantor or Indemnitees for claims or liabilities directly caused by Grantor's or Indemnitees' gross negligence. The terms and conditions of this provision shall remain effective, notwithstanding the expiration or termination of this Agreement, so long as the event for which the indemnification is needed occurred prior to such expiration or termination of the Agreement.

13. Remedies.

13.1. Self-Help and Other Remedies. If any party defaults in the performance of its obligations hereunder and the default is not cured within ten (10) days following delivery of written notice to such defaulting party, then the non-defaulting party shall have the right to perform such obligation on behalf of the defaulting party, in which event such defaulting party shall reimburse such non-defaulting party for all amounts expended by the non-defaulting party on behalf of the defaulting party, together with interest thereon at the lesser of twelve percent (12%) per annum or the maximum amount permitted by law from the date the amounts are expended until the date repaid.

13.2. Injunctive Relief. In the event of a breach by any party hereto of any obligation of such party under this Agreement, the non-defaulting party shall be entitled to injunctive relief mandating compliance herewith, and shall be entitled to obtain a decree specifically enforcing the performance of the obligations created hereunder. Any costs and expenses of any such proceeding, including reasonable attorney's fees, shall be paid by the defaulting party.

13.3. Non-Waiver. No delay or omission of any party hereto in the exercise of any rights created hereunder shall impair such right, or be construed to be a waiver thereof, and every such right may be exercised at any time during the continuance of an event of default hereunder. A waiver by any party hereto of a breach of, or default in, any of the terms, provisions and conditions of this Agreement by the other party shall not be construed to be a waiver of any subsequent breach thereof or of any other term, condition, or provision of this Agreement. Except as otherwise specifically provided in this Agreement, no remedy provided in this Agreement shall be exclusive, but instead all remedies shall be cumulative with all other remedies provided for in this Agreement.

14. Attorneys' Fees. If any action, suit, or proceeding is brought by a party hereto with respect to a matter or matters covered by this Agreement, or if a party finds it necessary to retain an attorney to enforce its rights under this Agreement, all costs and expenses of the prevailing party incident to such proceeding or retention, including reasonable attorneys' fees, will be paid by the non-prevailing party.

15. Assignability. This Agreement may not be assigned, whether voluntarily or by operation of law, and Grantee shall not permit the use of the Easement Area, or any part thereof, except in strict compliance with the provisions hereof, and any attempt to do so shall be null and void.

16. Notices. All notices shall be in writing and shall be deemed to have been sufficiently given by personal delivery, overnight courier service, or United States certified mail, return receipt requested, postage or other delivery charge prepaid (provided that any notice given by facsimile or by email must also be given on the same day by one of the alternative ways listed above), addressed to Grantor or Grantee at the following addresses:

If to Grantor:

Suburban Land Reserve, Inc.
Attn: Danny Owen
79 S Main St, Suite 500
Salt Lake City, Utah 84111

With a Copy to:

Kirton McConkie
Attn: Robert C. Hyde; Jessica Rancie
50 E. South Temple, Suite 400
Salt Lake City, Utah 84111

If to Grantee:

City of Surprise
Attn: City Manager
16000 N. Civic Center Plaza
Surprise, Arizona 85374

With a Copy to:

City of Surprise
Attn: City Attorney
16000 N. Civic Center Plaza
Surprise, Arizona 85374

Either Party may designate a different individual or address for notices, by giving written notice thereof in the manner described above.

17. No Public/Use Dedication. The Grantor Property is and shall at all times remain the private property of Grantor. The use of the Grantor Property is permissive and shall be limited to the express purposes contained herein by Grantee. Neither Grantee, nor its successors or assigns, nor the public shall acquire nor be entitled to claim or assert any rights to the Grantor Property beyond the express terms and conditions of this Agreement.

18. Authorization. Each individual executing this Agreement represents and warrants that he or she has been duly authorized by appropriate action of the governing body of the Party for which he/she signs to execute and deliver this Agreement in the capacity and for the entity set forth where he/she signs and that as a result of his/her signature, this Agreement shall be binding upon the Party for which he/she signs.

19. Miscellaneous.

19.1. Entire Agreement. This Agreement contains the entire agreement between the Parties. All previous agreements, communications, discussions and negotiations relating to the subject matter hereof have been merged and finalized. This Agreement may only be modified or amended in writing by both Parties hereto.

19.2. Successors and Assigns. The provisions of this Agreement shall extend to and be binding upon the heirs, executors, administrators, personal representatives, successors and assigns of the Parties hereto.

19.3. Governing Law; Jurisdiction. To the fullest extent possible, this Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of Arizona, without regard to any conflicts of law issues.

19.4. Authority. The individuals executing this Agreement represent and warrant that they have the power and authority to do so and to bind the entities for which they are executing this Agreement.

19.5. Non-Fiduciary or Agency Relationship. The Parties hereto expressly disclaim and disavow any partnership, joint venture, fiduciary, agency or employment status or relationship between them and expressly affirm that they have entered into this Agreement as part of an “arms-length” transaction. No Party hereto has the authority to make any representation or warranty or incur any obligation or liability on behalf of any other Party hereto, nor shall they make any representation to any third Party inconsistent with this Section.

19.6. Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, and all of which when taken together shall constitute one and the same document and agreement. A copy or electronic transmission of any part of this Agreement, including the signature page, shall have the same force and effect as an original.

[Signatures and acknowledgements to follow]

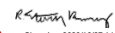
IN WITNESS WHEREOF, the Parties have executed this Agreement as of the Effective Date.

GRANTOR:

SUBURBAN LAND RESERVE, INC.,
a Utah corporation

DO

By:


Signed on 2020/10/27 14:07:24 -8:00

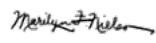
R. Steven Romney, President

STATE OF Utah)
)
COUNTY OF Salt Lake)
) :SS

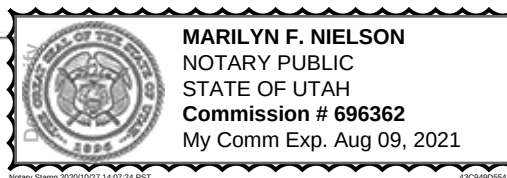
On the 10/27/2020 day of October, 2020 before me, a notary public in and for the State of Utah and County aforesaid, the undersigned officer, personally appeared R. Steven Romney, who acknowledged himself to be the President of SUBURBAN LAND RESERVE, INC., a Utah Corporation, and that he as such executed the foregoing instrument for the purposes therein contained.

WITNESS my hand and official seal.

The principal making the acknowledgment and signing the document, R. Steven Romney, appeared remotely using audio/video communication technology approved by the State of Utah.


Signed on 2020/10/27 14:07:24 -8:00

Notary Public for the
State of Utah



GRANTEE:

CITY OF SURPRISE,
an Arizona municipal corporation

By: _____

Name (Print): Skip Hall

Its: Mayor

ATTEST:

Sherry Aguilar
City Clerk

APPROVED AS TO FORM:

Robert Wingo
City Attorney

Exhibit A

[Legal Description of Grantor Property]



Exhibit B

[Legal Description of Grantee Property]



EXHIBIT "A"

DESCRIPTION

MUNICIPAL USE EASEMENT

A portion of the Northeast Quarter of Section 12, Township 3 North, Range 2 West of the Gila and Salt River Base and Meridian, Maricopa County, Arizona, described as follows:

COMMENCING at the Northeast Corner of said Section 12, from which the North Quarter of said Section 12 lies North 89°46'46" West 2636.63 feet;

Thence along the north line of said Northeast Quarter of Section 12 North 89°46'46" West 1165.18 feet;

Thence departing said line South 00°13'14" West 91.00 feet to POINT OF BEGINNING;

Thence South 00°13'14" West 12.00 feet;

Thence South 84°45'10" West 464.47 feet;

Thence North 00°13'14" East 9.00 feet to a point on the southeast right of way line of the ADOT SR303 Highway;

Thence along said right-of way line North 88°05'17" East 20.00 feet;

Thence continuing along said southeast right-of-way line North 81°13'06" East 297.26 feet;

Thence South 89°46'46" East 148.78 feet to the POINT OF BEGINNING.

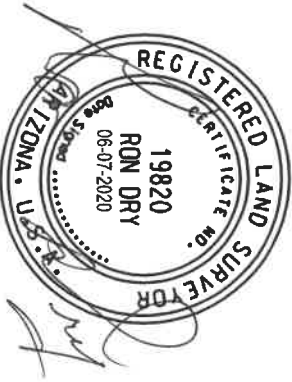
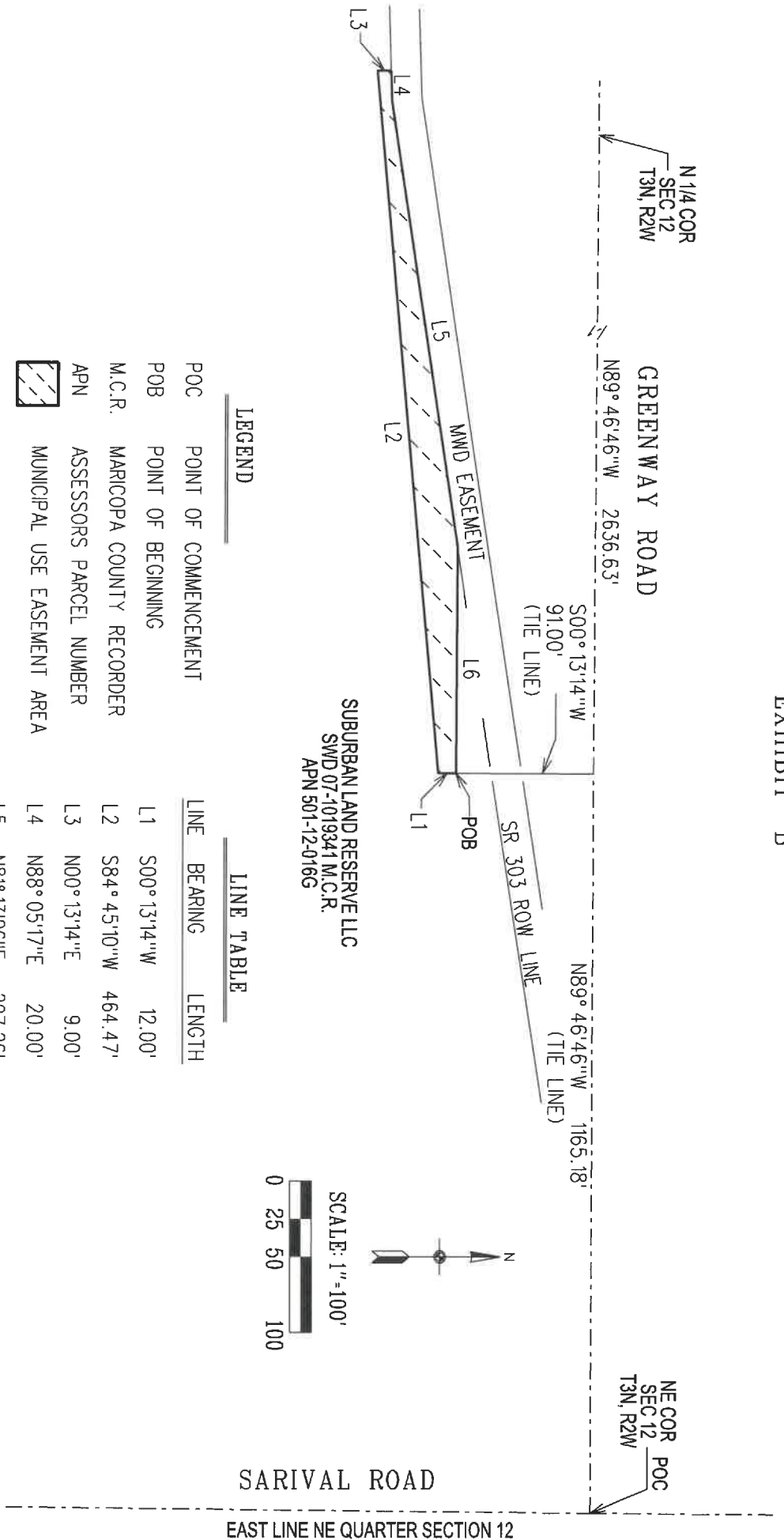
Containing 0.1840 acres, more or less.

Attached is EXHIBIT "B" and by this reference is made a part hereof.

End of description



EXHIBIT "B"



MUNICIPAL USE EASEMENT



CITY OF SURPRISE
LAND SURVEY DEPARTMENT
16000 N. CIVIC CENTER PLAZA
SURPRISE AZ. 85374

PROJECT # 20019

DRAWN BY RCD

DATE 06-07-2020

SHEET 1 OF 1



Greenway - Woodlands Lot 27

DocVerify ID: 7719045D-0277-4B9B-BD2B-C083B64E0EFB
Created: October 27, 2020 12:45:06 -8:00
Pages: 14
Remote Notary: Yes / State: UT

This document is a DocVerify VeriVaulted protected version of the document named above. It was created by a notary or on the behalf of a notary, and it is also a DocVerify E-Sign document, which means this document was created for the purposes of Electronic Signatures and/or Electronic Notary. Tampered or altered documents can be easily verified and validated with the DocVerify veriCheck system. This remote online notarization involved the use of communication technology.

Go to www.docverify.com at any time to verify or validate the authenticity and integrity of this or any other DocVerify VeriVaulted document.

E-Signature Summary

E-Signature 1: R. Steven Romney (RSR)

October 27, 2020 14:07:24 -8:00 [3C674B94215D] [73.20.31.187]
romneys@slreserve.com (Principal) (Personally Known)

E-Signature Notary: Marilyn F. Nielson (MFN)

October 27, 2020 14:07:24 -8:00 [D6445BEE0636] [65.130.201.72]
nielsonm@slreserve.com
I, Marilyn F. Nielson, did witness the participants named above electronically sign this document.



When Recorded, Mail To:

City Clerk
City of Surprise
16000 N. Civic Center Plaza
Surprise, Arizona 85374-7470

With a Copy To:

Suburban Land Reserve, Inc.
Attn.: Danny Owen
79 S. Main St., Suite 500
Salt Lake City, Utah 84111

Tax Parcel No. 501-12-016G

(Space Above for Recorder Use Only)

TEMPORARY DRAINAGE EASEMENT AGREEMENT

THIS TEMPORARY DRAINAGE EASEMENT AGREEMENT (this "Agreement") is made and entered into as of this ___ day of 10/27/2020, 2020 (the "Effective Date"), by and between **SUBURBAN LAND RESERVE, INC.**, a Utah corporation ("Grantor"), and **THE CITY OF SURPRISE, ARIZONA**, an Arizona municipal corporation ("Grantee"). Grantor and Grantee are sometimes referred to herein individually as a "Party," and collectively as the "Parties."

RECITALS

A. Grantor is the owner of certain real property located in Maricopa County, Arizona, as more particularly described on Exhibit A, attached hereto and incorporated herein by this reference (the "Grantor Property").

B. Grantee is the owner of certain real property located adjacent to the Grantor Property, as more particularly described on Exhibit B, attached hereto and incorporated herein by this reference (the "Grantee Property").

C. Grantee desires to obtain a drainage easement on, over, under, and across portions of the Grantor Property, as more particularly described on Exhibit A and Exhibit B attached hereto and incorporated herein by this reference (the "Easement Area"), for the benefit of the Grantee Property.

D. Grantor is willing to grant such easement to Grantee, subject to the terms and conditions set forth in this Agreement.



TERMS AND CONDITIONS

1. Easement.

1.1. Grant of Easement. Grantor does hereby convey unto Grantee a non-exclusive temporary drainage easement (the "Drainage Easement") on, over, under, and across the Easement Area for the purposes of constructing, operating, repairing, altering, protecting, restoring, and maintaining a temporary drainage facility such that water from the Grantee Property may drain into that certain temporary retention basin located within the Easement Area (the "Improvements"). All costs of the Improvements and all construction, replacement, relocation, removal, operation, use, maintenance, and/or repair thereof, shall be the sole responsibility of Grantee.

2. Term. This Agreement will be automatically terminated upon the earlier to occur of the following: (i) the date upon which the lots located adjacent to the Easement Area are developed and a permanent Drainage Easement is built on the adjacent property, or (ii) twenty-four (24) months from the date of this Agreement. Upon the occurrence of an event set forth in the preceding sentence, Grantor may record an instrument terminating this Agreement, and Grantee appoints Grantor its attorney-in-fact to sign such instrument, such power being coupled with an interest for such purposes. Grantor will thereafter promptly deliver a copy of the recorded instrument terminating this Agreement to Grantee.

3. Access and Release. Grantor and Grantor's duly authorized employees, agents and contractors and subcontractors (collectively, "Grantor's Agents") will have the right to enter upon the Easement Area for the purposes permitted by this Agreement. Grantee and Grantee's Agents will enter upon the Easement Area at their sole risk and hazard and will enter upon the Easement Area from existing roads to the extent available. Grantee hereby releases Grantor from any claims relating to the condition of the Easement Area and Grantor Property and the entry upon the Easement Area and Grantor Property by Grantee and Grantee's Agents.

4. Reservation by Grantor. Grantor hereby reserves the right to use the Easement Area for any use not inconsistent with Grantee's permitted use of the Easement Area. Without limiting the generality of the foregoing, Grantor expressly reserves the right to grant other third parties the right to use all or any portion of the Easement Area to the extent that such use shall not frustrate, impinge, or obstruct the use of the Improvements by Grantee.

5. Condition of the Easement Area. Grantee accepts the Easement Area and all aspects thereof in "AS IS", "WHERE IS" condition, without warranties, either express or implied, "with all faults", including, but not limited to, both latent and patent defects, and the existence of hazardous materials, if any. Grantee hereby waives all warranties, express or implied, regarding the condition and use of the Easement Area, including, but not limited to any warranty of merchantability or fitness for a particular purpose.

6. Maintenance and Restoration. Grantee, at its sole cost and expense, shall maintain and repair the Improvements in good order and condition. Grantee shall promptly repair any damage to the Grantor Property and Grantor's improvements located thereon (including, without

limitation, any and all landscaping, trees, fences, water and/or irrigation pipes, lines and ditches, curbs, gutters, asphalt surfaces, fences, signs, lighting, and buildings, etc.) caused by Grantee and/or Grantee's agents, and shall restore the Grantor Property and the improvements thereon to the same or better condition as they existed prior to any entry onto or work performed on the Grantor Property by Grantee and Grantee's agents. All maintenance actions performed by Grantee shall be completed in a manner consistent with Grantor's reserved rights in, and use of, the Grantor Property.

7. Construction of the Improvements. Grantee will conduct all construction activities in a good and workmanlike manner in compliance with all laws, rules, and ordinances, both present and future. Upon completion of the Improvements, Grantee shall provide Grantor with evidence reasonably satisfactory to Grantor of such completion.

8. Hazardous Substances. Grantee agrees not to transport, generate, store, dispose of, release, or use any Hazardous Substances on the Grantor Property. As used in this Agreement, the term "Hazardous Substances" means all hazardous and toxic substances, wastes or materials, including without limitation, hydrocarbons (including naturally occurring or man-made petroleum and hydrocarbons), flammable materials, explosives, urea formaldehyde insulation, radioactive materials, biologically hazardous substances, PCBs, pesticides, herbicides, and any other kind and/or type of pollutants or contaminants (including, without limitation, asbestos and raw materials which include hazardous constituents), sewage sludge, industrial slag, solvents and/or any other similar substances or materials which, because of toxic, flammable, ignitable, explosive, corrosive, reactive, radioactive, or other properties may be hazardous to human health or the environment and/or are included under, subject to, or regulated by any Hazardous Waste Laws. Grantee agrees to immediately notify Grantor of any leaking or spillage of Hazardous Substances on the Grantor Property caused by Grantee or Grantee's Agent and Grantee shall be exclusively liable for all cleanup and remediation costs thereof. Grantee shall have no responsibility for a pre-existing environmental condition. As used in this Agreement, the term "Hazardous Waste Laws" means any and all present and future applicable (i) federal, state and local statutes, laws, rules or regulations governing Hazardous Substances; (ii) judicial or administrative interpretations thereof, including any judicial or administrative orders or judgments; and (iii) ordinances, codes, plans, injunctions, decrees, permits, demand letters, concessions, grants, franchises, licenses, agreements, notices, or other governmental restrictions, relating to the protection of the public health, welfare, and the environment, or to any actual, proposed or threatened storage, holding, existence, release, emission, discharge, spilling, leaking, pouring, pumping, injection, dumping, discarding, burying, abandoning, generation, processing, abatement, treatment, removal, disposition, handling, transportation or other management of any Hazardous Substance or any other activity or occurrence that causes or would cause any such event to exist.

9. Compliance with Laws. Grantee will comply with all present or future laws, statutes, codes, acts, ordinances, rules, regulations, orders, judgments, decrees, injunctions, rules, regulations, permits, licenses, authorizations, directions, and requirements of and agreements with all governments, departments, commissions, boards, courts, authorities, agencies, officials and officers, foreseen or unforeseen, ordinary or extraordinary, including, without limitation, any building, zoning, and land use laws.

10. Liens. Grantee shall keep the Grantor Property free from any liens arising out of any work performed, materials furnished, or obligations incurred by, through, for, or under Grantee, and shall indemnify, hold harmless and agree to defend Grantor from any liens that may be placed on the Grantor Property pertaining to any work performed, materials furnished, or obligations incurred by, through, for, or under Grantee or any of Grantee's Agents. In the event any mechanics' lien or similar lien is recorded against the Grantor Property on account of any act by or on behalf of Grantee, Grantee shall, within 30 days after notice from Grantor, cause such mechanics' lien to be removed from the Grantor Property.

11. Insurance. Grantee will maintain in force the insurance policies and coverages set forth below. Additionally, Grantee will ensure that prior to entering onto the Easement Area or the Grantor Property, all of Grantee's Agents who assist with the Easement are either covered under the terms of Grantee's insurance policies, or that each obtain similar policies and which, at a minimum, provide Grantor the same protections. Grantee agrees to obtain and maintain the following insurance coverages and policies:

11.1. Liability Insurance Coverage and Limits. A commercial general liability insurance policy insuring Grantee's interests against claims for personal injury, bodily injury, death, property damage occurring on, in, or about the Easement Area and the ways immediately adjoining the Easement Area, with a "Combined Single Limit" covering personal injury liability, bodily injury liability, and property damage liability of not less than Two Million Dollars (\$2,000,000.00). Grantor must be endorsed as an additional insured on such policy on ISO Form CG 20 10 (10/93) or its equivalent. The coverage set forth above shall be primary coverage and shall apply specifically to the Easement Area, the Grantor Property, and adjacent areas.

11.2. Workers' Compensation Insurance. All Workers' Compensation and Employers' Liability Insurance required under applicable Workers' Compensation Acts and/or applicable law. In addition, Grantee shall maintain Employers' Liability Insurance with a minimum limit of not less than Five Hundred Thousand Dollars (\$500,000.00).

11.3. Automobile Insurance. Automobile Liability Insurance with a minimum limit of not less than One Million Dollars (\$1,000,000.00) Combined Single Limit per accident, and coverage applying to "Any Auto."

12. Indemnification. Grantee shall indemnify, defend with counsel mutually acceptable to Grantor and Grantee, and hold Grantor and its employees, officers, divisions, subsidiaries, partners, members, and affiliated companies and entities and its and their employees, officers, shareholders, members, directors, agents, representatives, and professional consultants and its and their respective successors and assigns (collectively, the "Indemnitees") harmless from and against any loss, damage, injury, accident, fire, or other casualty, liability, claim, cost, or expense (including, but not limited to, reasonable attorneys' fees) of any kind or character to any person or property, including the property of the Indemnitees, (collectively, the "Claims" or a "Claim") from or by any unaffiliated third party, Grantee, and/or Grantee's Agents, to the extent such Claims arise from or relate to (i) any use of the Easement Area, and/or adjacent areas by Grantee or Grantee's Agents, and (ii) any act or omission of Grantee or any of Grantee's Agents. Grantee shall have no obligation to indemnify Grantor or Indemnitees for claims or liabilities directly caused by Grantor's or Indemnitees' gross negligence. The terms and conditions of this provision

shall remain effective, notwithstanding the expiration or termination of this Agreement, so long as the event for which the indemnification is needed occurred prior to such expiration or termination of this Agreement.

13. Remedies.

13.1. Self-Help and Other Remedies. If any party defaults in the performance of its obligations hereunder and the default is not cured within ten (10) days following delivery of written notice to such defaulting party, then the non-defaulting party shall have the right to perform such obligation on behalf of the defaulting party, in which event such defaulting party shall reimburse such non-defaulting party for all amounts expended by the non-defaulting party on behalf of the defaulting party, together with interest thereon at the lesser of twelve percent (12%) per annum or the maximum amount permitted by law from the date the amounts are expended until the date repaid.

13.2. Injunctive Relief. In the event of a breach by any party hereto of any obligation of such party under this Agreement, the non-defaulting party shall be entitled to injunctive relief mandating compliance herewith, and shall be entitled to obtain a decree specifically enforcing the performance of the obligations created hereunder. Any costs and expenses of any such proceeding, including reasonable attorney's fees, shall be paid by the defaulting party.

13.3. Non-Waiver. No delay or omission of any party hereto in the exercise of any rights created hereunder shall impair such right, or be construed to be a waiver thereof, and every such right may be exercised at any time during the continuance of an event of default hereunder. A waiver by any party hereto of a breach of, or default in, any of the terms, provisions and conditions of this Agreement by the other party shall not be construed to be a waiver of any subsequent breach thereof or of any other term, condition, or provision of this Agreement. Except as otherwise specifically provided in this Agreement, no remedy provided in this Agreement shall be exclusive, but instead all remedies shall be cumulative with all other remedies provided for in this Agreement.

14. Attorneys' Fees. If any action, suit, or proceeding is brought by a party hereto with respect to a matter or matters covered by this Agreement, or if a party finds it necessary to retain an attorney to enforce its rights under this Agreement, all costs and expenses of the prevailing party incident to such proceeding or retention, including reasonable attorneys' fees, will be paid by the non-prevailing party.

15. Assignability. This Agreement may not be assigned, whether voluntarily or by operation of law, and Grantee shall not permit the use of the Easement Area, or any part thereof, except in strict compliance with the provisions hereof, and any attempt to do so shall be null and void.

16. Notices. All notices shall be in writing and shall be deemed to have been sufficiently given by personal delivery, overnight courier service, or United States certified mail, return receipt requested, postage or other delivery charge prepaid (provided that any notice given

by facsimile or by email must also be given on the same day by one of the alternative ways listed above), addressed to Grantor or Grantee at the following addresses:

If to Grantor:

Suburban Land Reserve, Inc.
Attn: Danny Owen
79 S Main St, Suite 500
Salt Lake City, Utah 84111

With a Copy to:

Kirton McConkie
Attn: Robert C. Hyde; Jessica Rancie
50 E. South Temple, Suite 400
Salt Lake City, Utah 84111

If to Grantee:

City of Surprise
Attn: City Manager
16000 N. Civic Center Plaza
Surprise, Arizona 85374

With a Copy to:

City of Surprise
Attn: City Attorney
16000 N. Civic Center Plaza
Surprise, Arizona 85374

Either Party may designate a different individual or address for notices, by giving written notice thereof in the manner described above.

17. No Public/Use Dedication. The Grantor Property is and shall at all times remain the private property of Grantor. The use of the Grantor Property is permissive and shall be limited to the express purposes contained herein by Grantee. Neither Grantee, nor its successors or assigns, nor the public shall acquire nor be entitled to claim or assert any rights to the Grantor Property beyond the express terms and conditions of this Agreement.

18. Authorization. Each individual executing this Agreement represents and warrants that he or she has been duly authorized by appropriate action of the governing body of the Party for which he/she signs to execute and deliver this Agreement in the capacity and for the entity set forth where he/she signs and that as a result of his/her signature, this Agreement shall be binding upon the Party for which he/she signs.

19. Miscellaneous.

19.1 Entire Agreement. This Agreement contains the entire agreement between the Parties. All previous agreements, communications, discussions and negotiations relating to the subject matter hereof have been merged and finalized. This Agreement may only be modified or amended in writing by both Parties hereto.

19.2 Successors and Assigns. The provisions of this Agreement shall extend to and be binding upon the heirs, executors, administrators, personal representatives, successors and assigns of the Parties hereto.

19.3 Governing Law; Jurisdiction. 1.1. To the fullest extent possible, this Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of Arizona, without regard to any conflicts of law issues.

19.4 Authority. The individuals executing this Agreement represent and warrant that they have the power and authority to do so and to bind the entities for which they are executing this Agreement.

19.5 Non-Fiduciary or Agency Relationship. 1.1. The Parties hereto expressly disclaim and disavow any partnership, joint venture, fiduciary, agency or employment status or relationship between them and expressly affirm that they have entered into this Agreement as part of an “arms-length” transaction. No Party hereto has the authority to make any representation or warranty or incur any obligation or liability on behalf of any other Party hereto, nor shall they make any representation to any third Party inconsistent with this Section.

19.6 Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, and all of which when taken together shall constitute one and the same document and agreement. A copy or electronic transmission of any part of this Agreement, including the signature page, shall have the same force and effect as an original.

[signatures and acknowledgements to follow]



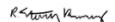
IN WITNESS WHEREOF, the Parties have executed this Agreement as of the Effective Date.

GRANTOR:

SUBURBAN LAND RESERVE, INC.,
a Utah corporation

DO

By:

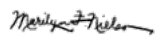

Signed on 2020/10/27 14:07:24 -8:00

R. Steven Romney, President

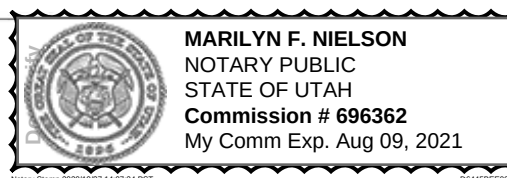
STATE OF Utah)
COUNTY OF Salt Lake) :ss

On the ___ day of 10/27/2020, 2020 before me, a notary public in and for the State and County aforesaid, the undersigned officer, personally appeared R. Steven Romney, who acknowledged himself to be the President of SUBURBAN LAND RESERVE, INC., a municipal corporation of the State of Arizona, and that he as such executed the foregoing instrument for the purposes therein contained.

WITNESS my hand and official seal.


Signed on 2020/10/27 14:07:24 -8:00
Notary Public for the
State of

The principal making the acknowledgment and signing the document, R. Steven Romney, appeared remotely using audio/video communication technology approved by the State of Utah.



GRANTEE:

CITY OF SURPRISE,
an Arizona municipal corporation

By: _____
Name : Skip Hall
Its: _____

ATTEST:

Sherry Aguilar
City Clerk

APPROVED AS TO FORM:

Robert Wingo
City Attorney

Exhibit A

[Legal Description of Grantor Property]

Exhibit B

[Legal Description of Grantee Property]

Exhibit C

[Legal Description of the Easement Area]

4852-8354-8553, v. 1



EXHIBIT "A"

DESCRIPTION

TEMPORARY DRAINAGE EASEMENT

A portion of the Northeast Quarter of Section 12, Township 3 North, Range 2 West of the Gila and Salt River Base and Meridian, Maricopa County, Arizona, described as follows:

COMMENCING at the Northeast Corner of said Section 12, from which the North Quarter of said Section 12 lies North 89°46'46" West 2636.63 feet;

Thence along the north line of the Northeast Quarter of said Section 12 North 89°46'46" West 203.20 feet;

Thence departing said line South 00°13'14" West 91.00 feet to the POINT OF BEGINNING;

Thence North 89°46'46" West 962.00 feet;

Thence North 00°13'14" East 91.00 feet;

Thence South 89°46'46" East 962.00 feet to the POINT OF BEGINNING.

Containing 1.3251 acres, more or less.

Attached is EXHIBIT "B" and by this reference is made a part hereof.

End of description



EXHIBIT "B"

N 1/4 COR
SEC 12
T3N, R2W

GREENWAY ROAD
N89° 46' 46" W 2636.63'

NE COR
SEC 12
T3N, R2W
POC

N89° 46' 46" W
203.20'
(TIE LINE)

S00° 13' 14" W
91.00'
(TIE LINE)

S89° 46' 46" E 962.00'

N00° 13' 14" E
60.00'

AREA: 1.3251 ACRES +/-

N89° 46' 46" W 962.00"

S00° 13' 14" W
60.00'

POB

SARIVAL ROAD

EAST LINE NE QUARTER SECTION 12

LEGEND

POC POINT OF COMMENCEMENT

POB POINT OF BEGINNING

M.C.R. MARICOPA COUNTY RECORDER

APN ASSESSORS PARCEL NUMBER

 DRAINAGE EASEMENT AREA

SUBURBAN LAND RESERVE LLC

SWD 07-1019341 M.C.R.
APN 501-12-0166

SCALE: 1"=100'



CITY OF SURPRISE
LAND SURVEY DEPARTMENT
16000 N. CIVIC CENTER PLAZA
SURPRISE AZ. 85374

TEMPORARY DRAINAGE EASEMENT

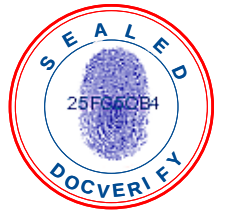
PROJECT # 20019

DRAWN BY RCD

DATE 05-28-2020

SHEET 1 OF 1



**TCL SLR final.pdf**

DocVerify ID: 25FC5CB4-9ACB-47EE-8D46-B1E4B9F1A49F
Created: October 28, 2020 08:43:41 -8:00
Pages: 15
Remote Notary: Yes / State: UT

This document is a DocVerify VeriVaulted protected version of the document named above. It was created by a notary or on the behalf of a notary, and it is also a DocVerify E-Sign document, which means this document was created for the purposes of Electronic Signatures and/or Electronic Notary. Tampered or altered documents can be easily verified and validated with the DocVerify veriCheck system. This remote online notarization involved the use of communication technology.

Go to www.docverify.com at any time to verify or validate the authenticity and integrity of this or any other DocVerify VeriVaulted document.

E-Signature Summary**E-Signature 1: R. Steven Romney (RSR)**

October 28, 2020 10:00:02 -8:00 [62503C08ABBB] [73.20.31.187]
romneyrs@slreserve.com (Principal) (Personally Known)

E-Signature Notary: Marilyn F. Nielson (MFN)

October 28, 2020 10:00:02 -8:00 [7B3F7543A532] [65.130.201.72]
nielsonm@slreserve.com
I, Marilyn F. Nielson, did witness the participants named above electronically sign this document.



When recorded, return to:

City Clerk
City of Surprise
16000 N. Civic Center Plaza
Surprise, Arizona 85374-7470

With a Copy To:

Suburban Land Reserve, Inc.
Attn.: Danny Owen
79 S. Main St., Suite 500
Salt Lake City, Utah 84111

Tax Parcel No. 501-12-016G (0.1840)

TEMPORARY CONSTRUCCION LICENSE AGREEMENT

THIS TEMPORARY CONSTRUCTION LICENSE AGREEMENT (this "Agreement") is made and entered into as of this ___ day of 10/28/2020, 2020 (the "Effective Date"), by and between **SUBURBAN LAND RESERVE, INC.**, a Utah corporation ("Grantor"), and **THE CITY OF SURPRISE, ARIZONA**, an Arizona municipal corporation ("Grantee"). Grantor and Grantee are sometimes referred to herein individually as a "Party," and collectively as the "Parties."

RECITALS

A. Grantor is the owner of certain real property located in Maricopa County, Arizona, as more particularly described on Exhibit A, attached hereto and incorporated herein by this reference (the "Grantor Property").

B. Grantee is the owner of certain real property located adjacent to the Grantor Property, as more particularly described on Exhibit B, attached hereto and incorporated herein by this reference (the "Grantee Property").

C. Grantee desires to obtain a municipal use easement ("MUE") on, over, under, and across portions of the Grantor Property, and desires a temporary construction license ("License"), as more particularly described on Exhibit A, ("License Area") for the purpose of installing the infrastructure ("Improvements").

D. Grantor is willing to grant such license to Grantee, subject to the terms and conditions set forth in this Agreement.



TERMS AND CONDITIONS

1. Grant of License. For the consideration of One Dollar (\$1.00) and other valuable consideration paid to grantor by the Grantee, the receipt and sufficiency of which is hereby acknowledged, Grantor has granted, bargained, sold, and conveyed and does hereby grant, bargain, sell and convey unto Grantee, its successors and assigns, a non-exclusive temporary revocable construction license over, across and under the License Area for continuous and uninterrupted use in order to allow Grantee to undertake irrigation improvements, subject to and in accordance with the further terms, covenants and provisions of this agreement.

2. Term. This Agreement will be automatically terminated upon the earlier to occur of the following: (i) the date upon which Grantee no longer uses the License Area for a period of twelve (12) months, or (ii) two years after the Effective Date.

3. Access and Release. Grantee and Grantee's duly authorized employees, agents and contractors and subcontractors (collectively, "Grantee's Agents") will have the right to enter upon the License Area for the purposes permitted by this Agreement. Grantee and Grantee's Agents will enter upon the License Area at their sole risk and hazard and will enter upon the License Area from existing roads to the extent available. Grantee hereby releases Grantor from any claims relating to the condition of the License Area and Grantor Property and the entry upon the License Area and Grantor Property by Grantee and Grantee's Agents.

4. Reservation by Grantor. Grantor hereby reserves the right to use the License Area for any use not inconsistent with Grantee's permitted use of the License Area. Without limiting the generality of the foregoing, Grantor expressly reserves the right to grant other third parties the right to use all or any portion of the License Area to the extent that such use shall not frustrate, the purpose of the License.

5. Condition of License Area. Grantee accepts the License Area and all aspects thereof in "AS IS", "WHERE IS" condition, without warranties, either express or implied, "with all faults", including, but not limited to, both latent and patent defects, and the existence of hazardous materials, if any. Grantee hereby waives all warranties, express or implied, regarding the condition and use of the License Area, including, but not limited to any warranty of merchantability or fitness for a particular purpose.

6. Maintenance and Restoration. The maintenance of landscaping within the License Area shall be the responsibility of the Grantee. Grantee, at its sole cost and expense, shall maintain and repair the Improvements in good order and condition. Grantee shall promptly repair any damage to the Grantor Property and Grantor's Improvements located thereon (including, without limitation, any and all landscaping, trees, fences, water and/or irrigation pipes, lines and ditches, curbs, gutters, asphalt surfaces, fences, signs, lighting, and building, etc.) caused by Grantee and/or Grantee's agents, and shall restore the Grantor Property and the improvements thereon to the same or better condition as they existed prior to any entry onto or work performed on the Grantor Property by Grantee and Grantee's agents. All maintenance actions performed by Grantee shall be completed in a manner consistent with Grantor's reserved rights in, and use of, the Grantor Property.



7. Construction of the Improvements. Grantee will conduct all construction activities in good and workmanlike manner in compliance with all laws, rules, and ordinances, both present and future. Upon completion of the Improvements, Grantee shall provide Grantor with evidence reasonably satisfactory to Grantor of such completion.

8. Hazardous Substances. Grantee agrees not to transport, generate, store, dispose of release, or use any Hazardous Substances on Grantor Property. As used in this Agreement, the term "Hazardous Substances" means all hazardous and toxic substances, wastes or materials, including without limitation, hydrocarbons (including naturally occurring or man-made petroleum materials, biologically hazardous substances, PCBs, pesticides, herbicides, and any other kind and/or type of pollutants or contaminants (including, without limitation, asbestos, and raw materials which include hazardous constituents), sewage sludge, industrial slag, solvents and/or any other similar substances or materials which, because of toxic, flammable, ignitable, explosive, corrosive, reactive, radioactive, or other properties may be hazardous to human health or the environment and/or are included under, subject to, or regulated by any Hazardous Waste Laws Grantee agrees to immediately notify Grantor of any leaking or spillage of Hazardous Substances on the Grantor Property caused by Grantee or Grantee's Agent and Grantee shall be exclusively liable for all cleanup and remediation costs thereof. Grantee shall have no responsibility for a pre-existing environmental condition. As used in this Agreement, the term "Hazardous Waste Laws" means any and all present and future applicable (i) federal, state and local statutes, laws, rules or regulations governing Hazardous Substances; (ii) judicial or administrative interpretations thereof, including any judicial or administrative orders or judgements; and (iii) ordinances, codes, plans, injunctions, decrees, permits, demand letters, concessions, grants, franchises, licenses, agreements, notices, or other governmental restrictions, relating to the protection of the public health, welfare, and the environment, or to any actual, proposed or threatened storage, holding, existence, release, emission, discharge, spilling, leaking, pouring, pumping, injection, dumping, discarding, burying, abandoning, generation, processing, abatement, treatment, removal, disposition, handling, transportation or other management of any Hazardous Substance or any other activity or occurrence that cause or would cause any such event to exist.

9. Compliance with Laws. Grantee will comply with all present or future laws, statutes, codes, acts, ordinances, rules, regulations, orders, judgements, decrees, injections, rules, regulations, permits, licenses, authorizations, directions, and requirements of and agreements with all governments, departments, commissions, boards, courts, authorities, agencies, officials and officers, foreseen or unforeseen, ordinary or extraordinary, including, without limitation, any building, zoning, and land use laws.

10. Liens. Grantee shall keep the Grantor Property free from any liens arising out of any work performed, materials furnished, or obligations incurred by, through, for, or under Grantee, and shall indemnify, hold harmless and agree to defend Grantor from any liens that may be placed on the Grantor Property pertaining to any work performed, materials furnished, or obligations incurred by, through, for, or under Grantee or any of Grantee's Agents. In the event a mechanics' lien or similar lien is recorded against the Grantor Property on account of any act by or on behalf of Grantee, Grantee shall, within 30 days after notice from Grantor, cause such mechanics' lien to be removed from the Grantor property.



11. Insurance. Grantee will maintain in force the insurance policies and coverages set for the below. Additionally, Grantee will ensure that prior to entering onto the License Area or the Grantor Property, all of Grantee's Agents who assist with the License are either covered under the terms of Grantee's insurance policies, or that each obtain similar policies and which, at a minimum, provide Grantor the same protections. Grantee agrees to obtain and maintain the following insurance coverages and policies:

11.1. Liability Insurance Coverage and Limits. A commercial general liability insurance policy insuring Grantee's interests against claims for personal injury, bodily injury, death, property damage occurring on, in, or about the License Area and the ways immediately adjoining the License Area, with a "Combined Single Limit" covering personal injury liability, bodily injury liability, and property damage liability of not less than Two Million Dollars (\$2,000,000.00). Grantor must be endorsed as an additional insured on such policy on ISO Form CG 20 10 (10/93) or its equivalent. The coverage set forth above shall be primary coverage and shall apply specifically to the License Area, the Grantor Property, and adjacent areas.

11.2. Worker's Compensation Insurance. All Worker's Compensation and Employers' Liability Insurance required under applicable Workers' Compensation Acts and/or applicable law. In addition, Grantee shall maintain Employers' Liability Insurance with a minimum limit of not less than Five Hundred Thousand Dollars (\$500,000.00).

11.3. Automobile Insurance. Automobile Liability Insurance with a minimum limit of not less than One Million Dollars (\$1,000,000.00) Combined Single Limit per accident, and coverage applying to "Any Auto".

12. Indemnification. Grantee shall indemnify, defend with counsel mutually acceptable to Grantor and Grantee, and hold Grantor and its employees, officers, divisions, subsidiaries, partners, members, and affiliated companies and entities and its and their employees, officers, shareholders, members, directors, agents, representatives, and professional consultants and its and their respective successors and assigns (collectively, the "indemnities") harmless from and against any loss, damage, injury, accident, fire, or other casualty, liability, claim, cost or expense (including, but not limited to, reasonable attorneys' fees) of any kind or character to any person or property, including the property of the Indemnities, (collectively, the "Claims" or a "Claim") from or by any unaffiliated third party, Grantee, and/or Grantee's Agents, to the extent such Claims arise from or relate to (i) any use of License Area, and/or adjacent areas by Grantee or Grantee's Agents, and (ii) any act or omission of Grantee or any of Grantee's Agents. Grantee shall have no obligation to indemnify Grantor or Indemnities for claims or liabilities directly caused by Grantor's or Indemnitees' intentional conduct, wanton misconduct, or negligence. The terms and conditions of this provision shall remain effective, notwithstanding the expiration or termination of this Agreement, so long as the event for which the indemnification is needed occurred prior to such expiration or termination of the Agreement.

13. Remedies.

13.1. Self-Help and Other Remedies. The only remedies available to either party in the event of a breach are injunction, specific performance, and declaratory judgment. No monetary damages may be sought or awarded, except that if any party defaults in the performance



of its obligations hereunder and the default is not cured within ten (10) days following delivery of written notice to such defaulting party, then the non-defaulting party shall have the right to perform such obligation on behalf of the defaulting party, in which event such defaulting party shall reimburse such non-defaulting party for all amounts expended by the non-defaulting party on behalf of the defaulting party, together with interest thereon at the lesser of twelve percent (12%) per annum or the maximum amount permitted by law from the date the amounts are expended until the date repaid.

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13.3. Non-Waiver. No delay or omission of any party hereto in the exercise of any rights created hereunder shall impair such right, or be construed to be a waiver thereof, and every such right may be exercised at any time during the continuance of an event of default hereunder. A waiver by any party hereto of a breach of, or default in, any of the terms, provisions and conditions of this Agreement by the other party shall not be construed to be a waiver of any subsequent breach thereof or of any other term, condition, or provision of this Agreement. Except as otherwise specifically provided in this Agreement, no remedy provided in this Agreement shall be exclusive, but instead all remedies shall be cumulative with all other remedies provided for in this Agreement.

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If to Grantor:

Suburban Land Reserve, Inc.
Attn: Danny Owen
79 S Main St, Suite 500

If to Grantee:



Salt Lake City, Utah 84111

With a Copy to:

Kirton McConkie
Attn: Robert C. Hyde; Jessica Rancie
50 E. South Temple, Suite 400
Salt Lake City, Utah 84111

City of Surprise
Attn: City Manager
16000 N. Civic Center Plaza
Surprise, Arizona 85374

With a Copy to:

City of Surprise
Attn: City Attorney
16000 N. Civic Center Plaza
Surprise, Arizona 85374

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19.4. Non-Fiduciary or Agency Relationship. The Parties hereto expressly disclaim and disavow any partnership, joint venture, fiduciary, agency or employment status or relationship between them and expressly affirm that they have entered into this Agreement as part of an "arms-length" transaction. No Party hereto has the authority to make any representation or



warranty or incur any obligation or liability on behalf of any other Party hereto, nor shall they make any representation to any third Party inconsistent with this Section.

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[Signatures and acknowledgements to follow]



IN WITNESS WHEREOF, the Parties have executed this Agreement as of the Effective Date.

GRANTOR:

SUBURBAN LAND RESERVE, INC.,
a Utah corporation

DO

By:

R. Steven Romney

Signed on 2020/10/28 10:00:02 -8:00

R. Steven Romney, President

STATE OF Utah)

:SS

COUNTY OF Salt Lake)

On the 10/28/2020 day of October, 2020 before me, a notary public in and for the State and County aforesaid, the undersigned officer, personally appeared R. Steven Romney, who acknowledged himself to be the President of SUBURBAN LAND RESERVE, INC., a Utah Corporation, and that he as such Pres. executed the foregoing instrument for the purposes therein contained.

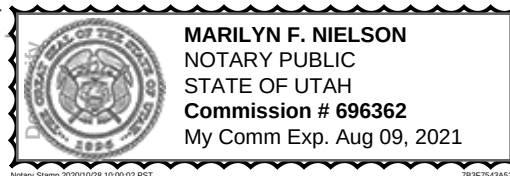
WITNESS my hand and official seal.

Marilyn F. Nielson

Signed on 2020/10/28 10:00:02 -8:00

Notary Public for the
State of

The principal making the acknowledgment and signing the document, R. Steven Romney, appeared remotely using audio/video communication technology approved by the State of Utah.



Notary Stamp 2020/10/28 10:00:02 PST

783F7543A532

GRANTEE:

CITY OF SURPRISE,
an Arizona municipal corporation

By: _____
Name (Print): Skip Hall
Its: Mayor

ATTEST:

Sherry Aguilar
City Clerk

APPROVED AS TO FORM:

Robert Wingo
City Attorney



Exhibit A

[Legal Description of Grantor Property]



Exhibit B

[Legal Description of Grantee Property]



EXHIBIT "A"

DESCRIPTION

TEMPORARY CONSTRUCTION EASEMENT

A portion of the Northwest Quarter of Section 12, Township 3 North, Range 2 West of the Gila and Salt River Base and Meridian, Maricopa County, Arizona, described as follows:

COMMENCING at the Northwest Corner of said Section 12, from which the North Quarter of said Section 12 lies South 89°47'28" East 2635.51 feet;

Thence along the North line of said Northwest Quarter of Section 12 South 89°47'28" East 1388.86 feet;

Thence departing said line South 00°12'32" West 92.00 feet to the POINT OF BEGINNING;

Thence South 89°48'40" East 97.80 feet;

Thence South 00°12'32" West 10.00 feet;

Thence North 89°48'40" West 107.85 feet;

Thence North 45°19'38" East 14.18 feet to the POINT OF BEGINNING.

Containing 1,028 square feet, more or less.

Attached is EXHIBIT "B" and by this reference is made a part hereof.

End of description



POC
NW COR
SEC 12
T3N, R2W

EXHIBIT "B"

S89°47'28"E 1388.86'
(TIE LINE)

GREENWAY ROAD

S89°47'28"E 2635.51'

N 1/4 COR
SEC 12
T3N, R2W

N LINE NW QUARTER SEC 12

20' MWD EASEMENT

GREENWAY ROAD ROW LINE

POB

S00°12'32"W
92.00'
(TIE LINE)

LINE TABLE

LINE	BEARING	LENGTH
L1	S89°48'40"E	97.80'
L2	S00°12'32"W	10.00'
L3	N89°48'40"W	107.85'
L4	N45°19'38"E	14.18'

LEGEND

POC POINT OF COMMENCEMENT

POB POINT OF BEGINNING

 TEMPORARY CONSTRUCTION EASEMENT AREA

SUBURBAN LAND RESERVE INC.

N. PRASADA GATEWAY

SCALE: 1"=50'



CITY OF SURPRISE
LAND SURVEY DEPARTMENT
16000 N. CIVIC CENTER PLAZA
SURPRISE, AZ. 85374

TEMPORARY CONSTRUCTION EASEMENT

PROJECT # 20019

DRAWN BY RCD

DATE 06-07-2020

SHEET 1 OF 1

EXHIBIT "A"

DESCRIPTION

TEMPORARY CONSTRUCTION EASEMENT

A portion of the Northwest Quarter of Section 12, Township 3 North, Range 2 West of the Gila and Salt River Base and Meridian, Maricopa County, Arizona, described as follows:

COMMENCING at the Northwest Corner of said Section 12, from which the North Quarter of said Section 12 lies South 89°47'28" East 2635.51 feet;

Thence along the North line of said Northwest Quarter of Section 12 South 89°47'28" East 866.45 feet;

Thence departing said line South 00°12'32" West 85.88 feet to the POINT OF BEGINNING;

Thence South 88°31'04" East 209.25 feet to a point on a non-tangent curve, concave northerly, the center of which lies North 08°05'06" East 302.00 feet;

Thence southeasterly, along the arc of said curve through a central angle of 6°36'09" a distance of 34.80 feet;

Thence South 88°31'04" East 31.58 feet;

Thence South 89°47'28" East 93.83 feet;

Thence South 44°40'22" East 11.29 feet;

Thence North 89°47'28" West 101.91 feet;

Thence North 88°31'04" West 231.84 feet;

Thence South 46°24'47" West 25.58 feet;

Thence North 89°47'28" West 25.08 feet;

Thence North 00°12'32" East 28.67 feet to the POINT OF BEGINNING.

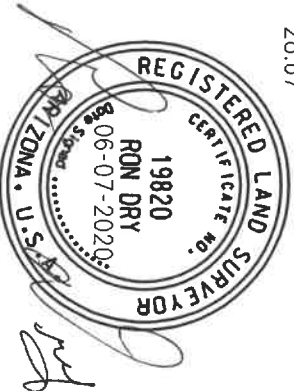
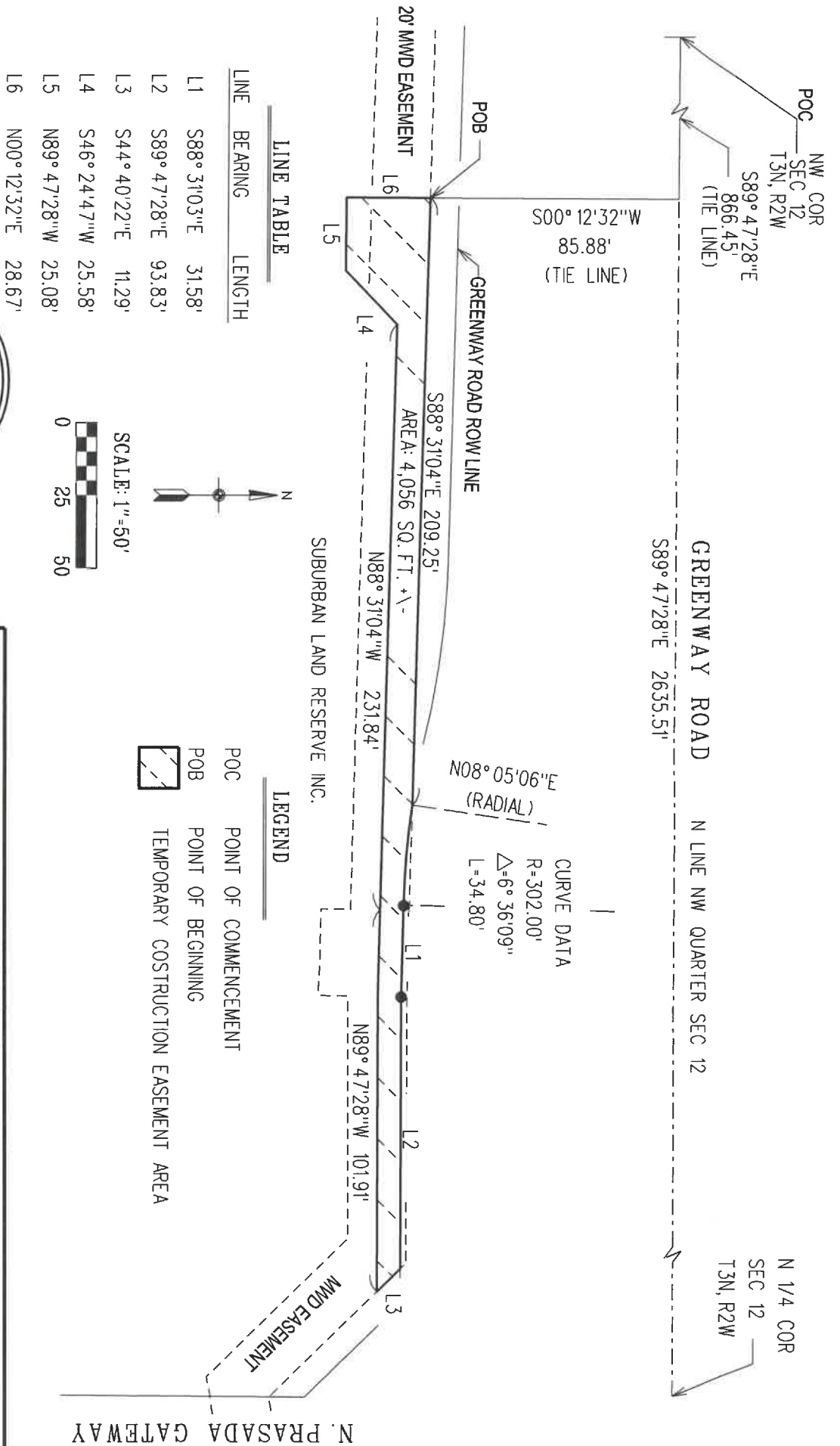
Containing 4,056 square feet, more or less.

Attached is EXHIBIT "B" and by this reference is made a part hereof.

End of description



EXHIBIT "B"



 CITY OF SURPRISE LAND SURVEY DEPARTMENT 16000 N. CIVIC CENTER PLAZA SURPRISE, AZ. 85374			
TEMPORARY CONSTRUCTION EASEMENT			
PROJECT #	20019	DRAWN BY	RCD
DATE	06-07-2020	SHEET	1 OF 1





CITY OF SURPRISE Regular City Council Meeting

Council Meeting Date: November 17, 2020 Contact Person: Hobart Wingard, PLANNER II
Submitting Department: Community Development District: District 3
Staff Recommendations: None

Consent: Yes Regular: No Public Hearing: No Report/Discussion: No

Agenda Wording:

Consideration and action pertaining to approval of the Final Plat entitled, “Ryder Ranch Final Plat” generally located on the southwest corner of Cotton Lane and Sweetwater Avenue within the Ryder Ranch Planned Unit Development (“PUD”); Case FS19-364.

Motion:

I move to approve the Final Plat entitled, “Ryder Ranch Final Plat”.

Background:

Kimley Horn, on behalf of Ryder Ranch, seeks approval of a Final Plat to provide 145 residential lots on 38.56 gross acres for a density of 3.76 dwelling units per acre (du/A).

Objective Analysis:

Approval of the proposed Final Plat will allow the applicant the ability to subdivide the property as proposed.

Policy Compliant:

The requested Final Plat is consistent with the Ryder Ranch PUD and advances the goals and policies of the General Plan.

Financial Impact:

While this item does not have an immediate or direct financial impact, ongoing development activity in the City will inevitably have a future financial impact as additional resources are needed to provide city services.

Budget Impact:

There is no anticipated budget impact related to this item.

FTE Impact:

This item does not have an impact on current staffing levels.

ATTACHMENTS:

1. 00 - FS19-364 - Ryder Ranch FP - CC Staff Report - 111720
2. 01 - FS19-364 - Ryder Ranch FP - Vicinity - 111720

3. 02 - FS19-364 - Ryder Ranch FP - Case Map - 111720
 4. 03 - FS19-364 - Ryder Ranch FP - Final Plat - 111720
 5. 04 - FS19-364 - Ryder Ranch FP - Landscape - 111720
 6. 05 - FS19-364 - Ryder Ranch FP - Luke Letter - 111720
 7. PP - FS19-364 - Ryder Ranch FP - CC PowerPoint - 111720
-

FINAL PLAT

REPORT TO THE CITY COUNCIL

Case: FS19-364
Project Name: Ryder Ranch
Council District: 3 - Mesquite
City Council Date: November 17, 2020
Planner: Hobart Wingard, Planner II

Owner: PL Ryder Ranch
Applicant: Kimley Horn
Request: Final Plat for a 145 lot single-family residential subdivision in the Ryder Ranch RM-9-PUD and RM-6-PUD zoning districts.
Site Location: Generally, on the southwest corner of Cotton Lane and Sweetwater Avenue
Site Size: 38.56 acres (approx.)
Density: 3.76 DU/Ac

Findings:

- The proposed Final Plat demonstrates compliance with the General Plan 2035.
- The proposed Final Plat is consistent with the zone change as approved under FS18-632.
- The proposed Final Plat is consistent with the Preliminary Plat approved under FS18-632.
- The proposed Final Plat is consistent with the Surprise Municipal Code.

Alternative Actions:

Approve – Approval of the proposed Final Plat will allow the applicant the ability to subdivide the property as proposed.

Deny – Denial of the requested Final Plat will prevent the applicant from subdividing the property as proposed.

Additional Information:

41 Kimley Horn on behalf of PL Ryder Ranch, seeks approval of a Final Plat to create 145 residential lots
42 on 38.56 acres for a density of 3.76 dwelling units per acre (DU/Ac). The plat will provide:

43 • Lots: 145 lots on 20.14 acres (net)

44 • ROW: 3.57 acres

45 • Tracts: 15 tracts on 7.25 acres

46

47 **Attachments:**

48 01 Vicinity Map

49 02 Case Map

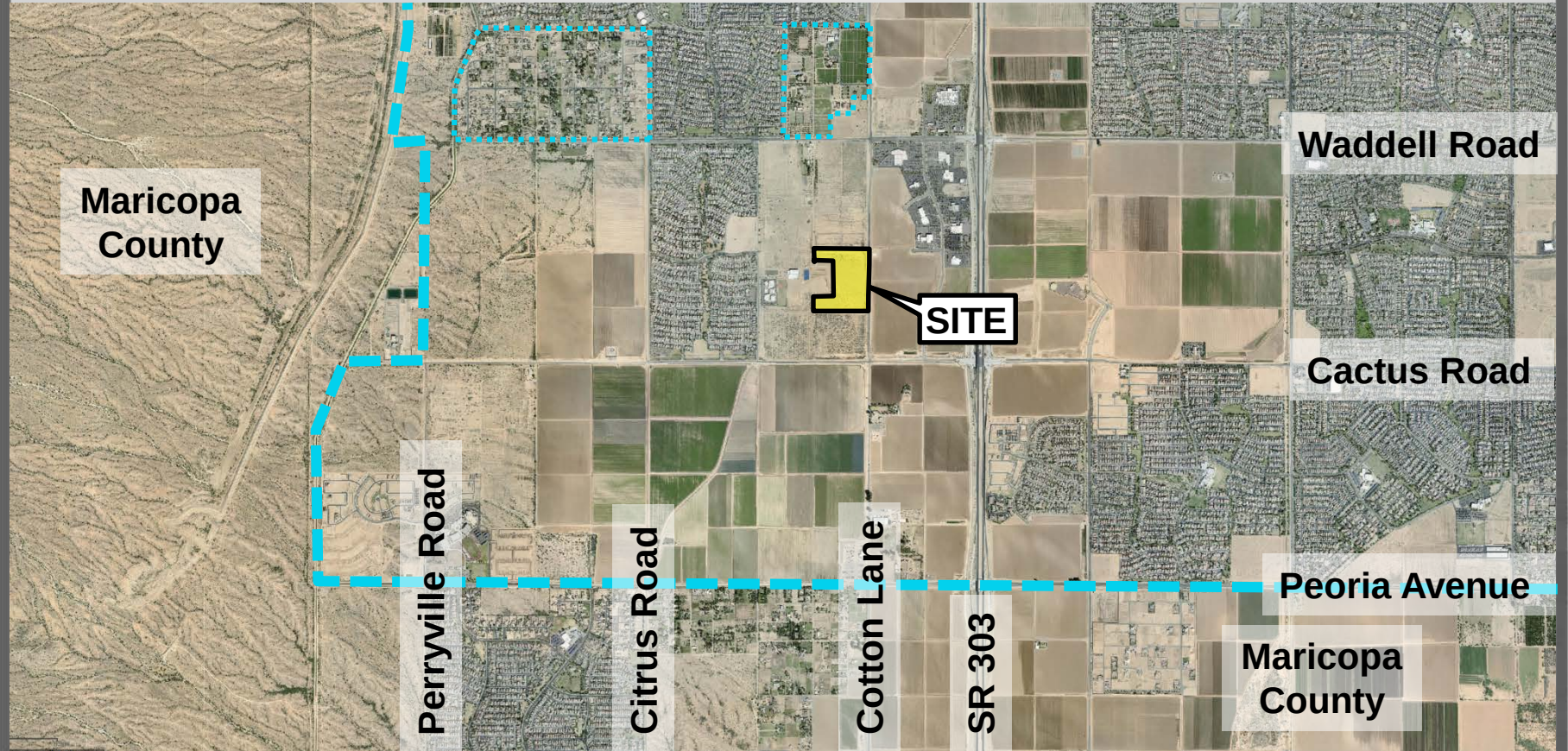
50 03 Final Plat

51 04 Landscape Plans

52 05 Luke AFB comments

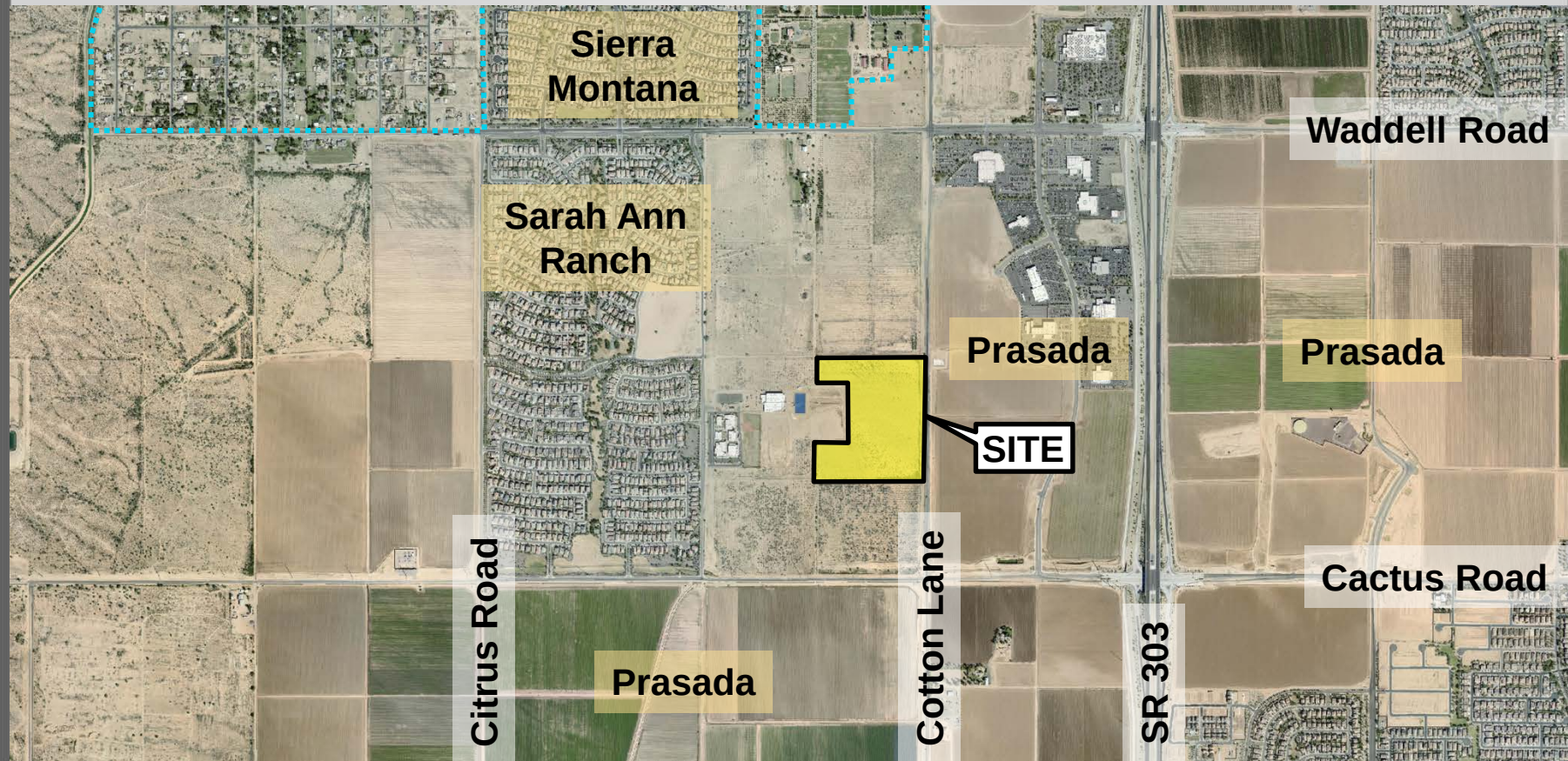
VICINITY MAP

FS19-364



CASE MAP

FS19-364



ARIZONA LIMITED LIABILITY CORPORATION, AS OWNER, DOES HEREBY (1) RELEASE AND DISCHARGE THE UNITED STATES OF AMERICA DEPARTMENT OF THE AIR FORCE (DOD) AND THE CITY OF SURPRISE, ARIZONA, AND (2) INDEMNIFY, DEFEND, AND HOLD HARMLESS THE CITY OF SURPRISE, ARIZONA, AND ALL CLAIMS FOR DAMAGES OF ANY KIND TO PERSONS OR PROPERTY LOCATED WITHIN THE RIGHT-OF-WAY, UNLESS SUCH DAMAGE OR INJURY IS CAUSED BY THE OPERATION OF AIRCRAFT UTILIZING LIKES AIR FORCE BASE, WHETHER SUCH DAMAGE SHALL ORIGINATE FROM NOISE, VIBRATION, FUMES, DUST, FUEL, AND LUBRICANT PARTICLES, AND ALL OTHER EFFECTS THAT MAY BE CAUSED BY THE OPERATION OF AIRCRAFT LANDING AT, OR TAKING OFF FROM, OR OPERATING AT OR ON LIKES AIR FORCE BASE AND ITS AUXILIARY FIELDS. THIS INSTRUMENT SHALL RUN WITH THE LAND AND BE BINDING UPON OWNER AND ITS HEIRS, ASSIGNS, AND SUCCESSORS IN INTEREST TO THIS PLAT OR ANY PARCEL OR LOT THEREOF. CERTIFICATE OF ASSURED WATER SUPPLY

DEDICATION

STATE OF ARIZONA

COUNTY OF MARICOPA

KNOW ALL PERSONS BY THESE PRESENTS:

PL RYDER RANCH, L.L.C., AN ARIZONA LIMITED LIABILITY CORPORATION, AS OWNER, DOES HEREBY (1) RELEASE AND DISCHARGE THE UNITED STATES OF AMERICA DEPARTMENT OF THE AIR FORCE (DOD) AND THE CITY OF SURPRISE, ARIZONA, AND (2) INDEMNIFY, DEFEND, AND HOLD HARMLESS THE CITY OF SURPRISE, ARIZONA, AND ALL CLAIMS FOR DAMAGES OF ANY KIND TO PERSONS OR PROPERTY LOCATED WITHIN THE RIGHT-OF-WAY, UNLESS SUCH DAMAGE OR INJURY IS CAUSED BY THE OPERATION OF AIRCRAFT UTILIZING LIKES AIR FORCE BASE, WHETHER SUCH DAMAGE SHALL ORIGINATE FROM NOISE, VIBRATION, FUMES, DUST, FUEL, AND LUBRICANT PARTICLES, AND ALL OTHER EFFECTS THAT MAY BE CAUSED BY THE OPERATION OF AIRCRAFT LANDING AT, OR TAKING OFF FROM, OR OPERATING AT OR ON LIKES AIR FORCE BASE AND ITS AUXILIARY FIELDS. THIS INSTRUMENT SHALL RUN WITH THE LAND AND BE BINDING UPON OWNER AND ITS HEIRS, ASSIGNS, AND SUCCESSORS IN INTEREST TO THIS PLAT OR ANY PARCEL OR LOT THEREOF. CERTIFICATE OF ASSURED WATER SUPPLY

OWNER HEREBY GRANTS TO THE CITY OF SURPRISE A PERPETUAL CROSS ACCESS EASEMENT ACROSS THE PLAT INCLUDING ROADS AND STREETS, OPEN SPACES, COMMUNITY FACILITIES, TRACTS, SEWERLINES, DRAINAGE BASINS AND ANY PROPERTY WITHIN THE PLAT OWNED BY THE HOMEOWNERS ASSOCIATION FOR THE PURPOSES OF PROVIDING CONDUITS AND UNINTERRUPTED ACCESS AND EGRESS FOR TRASH COLLECTION VEHICLES.

OWNER HEREBY GRANTS TO THE PUBLIC A PERPETUAL NON-EXCLUSIVE EASEMENT IN, UPON, OVER, UNDER, THROUGH, AND ACROSS THE AREA DESIGNATED AS PUBLIC UTILITY EASEMENTS AS SHOWN ON THE PLAT FOR THE PURPOSE OF ACCESSING, INSTALLING, CONSTRUCTING, MAINTAINING, REPAIRING, REPLACING AND UTILIZING PUBLIC UTILITIES.

OWNER HEREBY GRANTS TO THE CITY OF SURPRISE A PERPETUAL NON-EXCLUSIVE EASEMENT OVER, UNDER, THROUGH, AND ACROSS THE AREA DESIGNATED AS RIGHT MOBILITY TRANGLES FOR THE PURPOSE OF ENSURING THAT THESE AREAS REMAIN FREE OF SIGHT VISIBILITY OBSTRUCTIONS.

OWNER HEREBY GRANTS TO THE UNITED STATES OF AMERICA DEPARTMENT OF THE AIR FORCE (DOD) AN AIRPORT EASEMENT OVER AND ACROSS THIS PLAT AND EVERY LOT AND PARCEL THEREOF, WHICH EASEMENT SHALL INCLUDE, BUT NOT BE LIMITED TO, THE RIGHT OF FLIGHT OR AIRCRAFT OVER THIS PLAT, TOGETHER WITH ITS ATTENDANT NOISE, VIBRATIONS, FUMES, DUST, FUEL, AND LUBRICANT PARTICLES, AND ALL OTHER EFFECTS THAT MAY BE CAUSED BY THE OPERATION OF AIRCRAFT LANDING AT, OR TAKING OFF FROM, OR OPERATING AT OR ON LIKES AIR FORCE BASE AND ITS AUXILIARY FIELDS.

OWNER HEREBY GRANTS TO THE CITY OF SURPRISE A PERPETUAL EASEMENT ACROSS THE PLAT INCLUDING ROADS AND STREETS, OPEN SPACES, COMMUNITY FACILITIES, TRACTS, SEWERLINES, DRAINAGE BASINS AND ANY PROPERTY WITHIN THE PLAT OWNED BY THE HOMEOWNERS ASSOCIATION FOR THE PURPOSE OF PROVIDING CONDUITS AND UNINTERRUPTED INGRESS AND EGRESS FOR TRASH COLLECTION VEHICLES.

OWNER HEREBY GRANTS TO EPICOR WATER ARIZONA INC. AND ITS SUCCESSORS AND ASSIGNS COLLECTIVELY, "OWNERS" A PERPETUAL WATER EASEMENT ("EASEMENTS") AS DESCRIBED IN THE PLAT TO CONSTRUCT, OPERATE, AND MAINTAIN WATER LINES AND APPURTAINMENT FACILITIES ("FACILITIES") UPON, ACROSS, OVER, UNDER AND THROUGH THE SURFACE OF THE EASEMENTS, TOGETHER WITH THE RIGHT TO OPERATE, REPAIR, REPLACE, MAINTAIN, AND REMOVE THE FACILITIES FROM THE PREMISES, TO ADD OR TO ALTER THE FACILITIES, AND TO PROVIDE GRANTEES WITH REASONABLE INGRESS AND EGRESS TO THE FACILITIES. GRANTEES WILL HAVE UNRESTRICTED ACCESS TO THE EASEMENT FOR THE ACTIVITIES DESCRIBED ABOVE AND FORMAL NOTIFICATION OR APPROVAL BY ANY ASSOCIATION PRIOR TO ACCESSING THE EASEMENT WILL NOT BE REQUIRED.

GRANTOR SHALL NOT ERECT OR CONSTRUCT OR PERMIT TO BE ERECTED OR CONSTRUCTED ANY BUILDING, STRUCTURE OR SIMILAR IMPROVEMENT WITHIN THE LIMITS OF THE EASEMENT GRANTED HEREIN, GRANTOR SHALL NOT, NOR PERMIT, THE GRADIE OVER GRANTEES' FACILITIES TO BE SUBSTANTIALLY ALTERED WITHOUT A WRITTEN CONSENT OF GRANTOR, AND GRANTOR AGREES THAT NO OTHER PIPES OR CONDUITS SHALL BE PLACED WITHIN THE PREMISES SUBJECT TO THE EASEMENT GRANTED HEREIN, EXCEPT PIPES CROSSING GRANTEES' FACILITIES AT RIGHT ANGLES, IN WHICH CASE A MINIMUM VERTICAL DISTANCE OF TWO (2) FEET (AS MEASURED FROM THE CLOSEST POINTS ON THE OUTSIDE EDGES) SHALL BE MAINTAINED BETWEEN GRANTEES' FACILITIES AND SUCH OTHER PIPES OR CONDUITS, UNLESS GRANTEES EXPRESSLY CONSENTS IN WRITING. OTHERWISE, ANY AND ALL SOWER PIPES CROSSING THE EASEMENT GRANTED HEREIN SHALL BE Laid BELOW GRANTEES' FACILITIES. HOWEVER, GRANTOR SHALL HAVE THE RIGHT TO CONSTRUCT AND ERECT FORCES, TO INSTALL LANDSCAPING, PARKING FACILITIES AND DRIVEWAYS, AND TO ESTABLISH OTHER USES THAT ARE NOT INCONSISTENT WITH USES WITHIN THE LIMITS OF SAID EASEMENT IN A MANNER THAT WILL UNREASONABLY INTERFERE WITH GRANTEES' ACCESS TO THE FACILITIES.

THE EASEMENTS GRANTED WITHIN THIS DEDICATION ARE PERMANENT AND NON-RENEWABLE AND SHALL RUN WITH THE LAND AND BE BINDING UPON OWNER AND ITS HEIRS, ASSIGNS, AND SUCCESSORS IN INTEREST TO THIS PLAT OR ANY PARCEL OR LOT THEREOF.

ALL IMPROVEMENTS, FOR STREETS AND PUBLIC UTILITIES OWNED AND OPERATED BY THE CITY, INSTALLED OR CONSTRUCTED BY OWNER WITHIN THE PUBLIC RIGHTS-OF-WAY, THE EASEMENTS, OR ANY TRACTS OR PARCELS HEREBY DEDICATED TO THE CITY OF SURPRISE SHALL BE DEEMED TO HAVE BEEN DEDICATED BY OWNER TO THE CITY UPON THEIR COMPLETION. HOWEVER, SUCH TRANSFER SHALL NOT OCCUR UNTIL THE CITY COUNCIL FOR THE CITY OF SURPRISE MANIFESTS ITS ACCEPTANCE BY SEPARATE FORMAL COUNCIL ACTION.

IN WITNESS WHEREOF, OWNER HAS HERETOFORE CAUSED ITS CORPORATE NAME TO BE SIGNED AND ITS CORPORATE SEAL TO BE AFFIXED BY THE UNDERSIGNED, DATED AND AUTHORIZED OFFICER THIS _____ DAY OF _____, 2020.

PL RYDER RANCH, L.L.C., AN ARIZONA LIMITED LIABILITY CORPORATION

BY: _____ DATE: _____

STATE OF ARIZONA

COUNTY OF MARICOPA

ON THIS _____ DAY OF _____, 2020, BEFORE ME THE UNDERSIGNED NOTARY PUBLIC, PERSONALLY APPEARED _____,

WHO ACKNOWLEDGE HIMSELF/HERSELF TO BE AN _____ OF PL _____,

AUTHORIZED TO DO SO, EXECUTED THIS PLAT FOR THE PURPOSES THEREIN CONTAINED BY SIGNING THE NAME OF THE CORPORATION BY HIMSELF/HERSELF AS SUCH AUTHORIZED REPRESENTATIVE.

IN WITNESS WHEREOF, I HERETO SET MY HAND AND OFFICIAL SEAL.

NOTARY PUBLIC: _____ MY COMMISSION EXPIRES _____

SURVEYOR'S STATEMENT

THIS IS TO CERTIFY THAT THIS PLAT IS CORRECT AND ACCURATE AND THE MONUMENTS DESCRIBED HEREIN HAVE EITHER BEEN SET OR LOCATED AS DESCRIBED TO THE BEST OF MY KNOWLEDGE AND BELIEF. ALL LOT CORNERS WILL BE PERMANENTLY SET BY COMPLETION OF CONSTRUCTION.

ADRIAN M. BURCHAM, P.E.
REGISTRATION NO. #1288
1201 S. ALAM SCHOOL RD. SUITE #1200
MESA, AZ 85210



RYDER RANCH FINAL PLAT

PORTION OF THE EAST HALF OF SECTION 14, TOWNSHIP 3 NORTH, RANGE 2 WEST OF THE GLA AND SALT RIVER MERIDIAN, MARICOPA COUNTY, ARIZONA

OWNER

PL RYDER RANCH, L.L.C.
7740 E. PINNACLE PEAK ROAD #142
SCOTTSDALE, AZ 85258
TELEPHONE: 480-401-0800
CONTACT: RANDY CLAUDIO

LEGAL DESCRIPTION

PATROL NO. 1: (TAX PARCEL NO. 502-54-002)

THAT PART OF THE SOUTHWEST QUARTER OF SECTION 14, TOWNSHIP 3 NORTH, RANGE 2 WEST OF THE GLA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA, DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF SAID SECTION 14;

THENCE NORTH 89 DEGREES 58 MINUTES 50 SECONDS WEST ALONG THE SOUTH LINE OF SAID SECTION 14, A DISTANCE OF 83.00 FEET;

THENCE NORTH 00 DEGREES 22 MINUTES 01 SECONDS EAST ALONG A LINE WHICH LIES 83.00 FEET WEST OF THE EAST LINE OF SAID SECTION 14, A DISTANCE OF 1322.83 FEET TO THE POINT OF BEGINNING;

THENCE NORTH 89 DEGREES 58 MINUTES 50 SECONDS WEST, A DISTANCE OF 1484.01 FEET;

THENCE SOUTH 89 DEGREES 58 MINUTES 50 SECONDS EAST, A DISTANCE OF 316.80 FEET;

THENCE SOUTH 89 DEGREES 58 MINUTES 50 SECONDS WEST, A DISTANCE OF 384.63 FEET;

THENCE NORTH 00 DEGREES 00 MINUTES 10 SECONDS EAST, A DISTANCE OF 633.80 FEET;

THENCE NORTH 89 DEGREES 58 MINUTES 50 SECONDS WEST, A DISTANCE OF 370.00 FEET;

THENCE NORTH 00 DEGREES 00 MINUTES 10 SECONDS EAST, A DISTANCE OF 356.80 FEET;

THENCE SOUTH 89 DEGREES 58 MINUTES 50 SECONDS WEST ALONG THE NORTH LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 14, A DISTANCE OF 1472.70 FEET;

THENCE SOUTH 00 DEGREES 22 MINUTES 01 SECONDS WEST ALONG A LINE WHICH LIES 83.00 FEET WEST OF THE EAST LINE OF SAID SECTION 14, A DISTANCE OF 1307.75 FEET TO THE POINT OF BEGINNING;

EXCEPT ONE-HALF OF ALL OIL, GAS, AND MINERALS AS RESERVED IN THE WARRANTY DEED RECORDED JANUARY 8, 1952 IN DOCKET #84, PAGE 212, RECORDS OF MARICOPA COUNTY, ARIZONA.

PARCEL NO. 2: (TAX PARCEL NO. 502-54-003)

THAT PORTION OF A 3.00 FOOT WIDE STRIP OF LAND LOCATED IN THE EAST HALF OF SECTION 14, TOWNSHIP 3 NORTH, RANGE 2 WEST OF THE GLA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF SAID SECTION 14, A DISTANCE OF 83.00 FEET;

THENCE NORTH 89 DEGREES 58 MINUTES 50 SECONDS WEST ALONG THE SOUTH LINE OF SAID SECTION 14, OF THE WEST 50.00 FEET OF THE EAST 83.00 FEET OF THE SOUTHWEST QUARTER OF SECTION 14;

TOGETHER WITH THE SOUTH 50.00 FEET MEASURED AT RIGHT ANGLES TO THE EAST-WEST MID SECTION LINE OF SAID SECTION 14, OF THE WEST 50.00 FEET OF THE EAST 83.00 FEET OF THE NORTHEAST QUARTER OF SECTION 14;

THE EAST QUARTER CORNER OF SAID SECTION 14 BEARING NORTH 00 DEGREES 22 MINUTES 01 SECONDS EAST, A DISTANCE OF 2640.39 FEET FROM THE SOUTHWEST CORNER OF SECTION 14;

AND SAID EAST QUARTER CORNER BEARING NORTH 89 DEGREES 58 MINUTES 50 SECONDS WEST, A DISTANCE OF 2643.53 FEET FROM THE NORTHEAST CORNER OF SAID SECTION 14;

EXCEPT ALL COAL, OIL, GAS, GASOLINE-HEAD GAS AND ALL ORES AND MINERALS OF EVERY KIND AND NATURE, INCLUDING SAND AND GANGL, UNDERLYING THE SURFACE OF THE PROPERTY AS RESERVED IN OIL CLAIM DEED RECORDED AUGUST 24, 2005 IN RECORDING NO. 20051230087, RECORDS OF MARICOPA COUNTY, ARIZONA.

PATROL NO. 3: (TAX PARCEL NO. 502-54-004)

A PORTION OF A 3.00 FOOT WIDE STRIP OF LAND LOCATED IN THE SOUTHWEST QUARTER OF SECTION 14, TOWNSHIP 3 NORTH, RANGE 2 WEST OF THE GLA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF SAID SECTION 14, WHICH POINT BEARS SOUTH 00 DEGREES 22 MINUTES 01 SECONDS WEST, A DISTANCE OF 2640.39 FEET FROM THE EAST QUARTER CORNER OF SAID SECTION 14;

THENCE NORTH 89 DEGREES 58 MINUTES 50 SECONDS WEST ALONG THE SOUTH LINE OF SAID SECTION 14, A DISTANCE OF 33.00 FEET;

THENCE NORTH 00 DEGREES 22 MINUTES 01 SECONDS EAST ALONG A LINE WHICH LIES 33.00 FEET WEST OF THE EAST LINE OF SAID SECTION 14, A DISTANCE OF 1322.83 FEET, TO THE POINT OF BEGINNING;

THENCE NORTH 89 DEGREES 58 MINUTES 50 SECONDS WEST ALONG A LINE PARALLEL WITH THE SOUTH LINE OF SAID SECTION 14, A DISTANCE OF 50.00 FEET;

THENCE NORTH 00 DEGREES 22 MINUTES 01 SECONDS EAST ALONG A LINE WHICH LIES 83.00 FEET WEST OF THE EAST LINE OF SAID SECTION 14, A DISTANCE OF 1242.75 FEET;

THENCE NORTH 89 DEGREES 58 MINUTES 50 SECONDS EAST ALONG A LINE PARALLEL WITH AND 83.00 FEET SOUTH, MEASURED AT RIGHT ANGLES, FROM THE NORTH LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 14, A DISTANCE OF 30.00 FEET;

THENCE SOUTH 89 DEGREES 58 MINUTES 50 SECONDS WEST ALONG A LINE WHICH LIES 33.00 FEET WEST OF THE EAST LINE OF SAID SECTION 14, A DISTANCE OF 1242.75 FEET TO THE POINT OF BEGINNING;

EXCEPT ALL COAL, OIL, GAS, GASOLINE-HEAD GAS AND ALL ORES AND MINERALS OF EVERY KIND AND NATURE, INCLUDING SAND AND GANGL, UNDERLYING THE SURFACE OF THE PROPERTY AS RESERVED IN OIL CLAIM DEED RECORDED MAY 31, 2007 IN RECORDING NO. 20070300304, RECORDS OF MARICOPA COUNTY, ARIZONA.

NOTICE OF INTERGOVERNMENTAL AGREEMENT

THE CITY OF SURPRISE ("CITY") AND MARICOPA COUNTY MUNICIPAL WATER CONSERVATION DISTRICT NUMBER ONE ("MWO") ENTERED INTO AN INTERGOVERNMENTAL AGREEMENT DATED APRIL 8, 1987, AND RECORDED IN THE MARICOPA COUNTY RECORDER'S OFFICE ON APRIL 8, 1987, UNDER DOCKET NO. 87-031759 ("TOW"). CITY AND MWO HAVE FACILITIES AND PROPERTY INTERESTS DESCRIBED AND DESCRIBED WITHIN CERTAIN SUBDIVISION PLATS (OR FOR LANDS NOT INCLUDED IN A SUBDIVISION PLAT, DECLARATIONS OF TOWN LOTS OR DECLARATIONS OF UNBANNED AREA, THAT HAVE PRIOR AND SUPERIOR RIGHTS TO THE UTILITY SERVICE PROVIDERS, AS SET FORTH IN THE TOW. THE TOW PROVIDES FOR THE CITY TO HAVE A PUBLIC UTILITY EASEMENT WITHIN CERTAIN MWD PROPERTY INTERESTS AND FOR MWO TO HAVE AN EASEMENT WITHIN CITY'S PUBLIC RIGHT-OF-WAY, CITY AND MWO RIGHTS WITHIN THESE EASEMENTS ARE SUBJECT TO AND CONTROLLED BY THE TERMS AND CONDITIONS OF THE TOW.

IN LOCATIONS WHERE APPLICABLE, INCLUDING ANY AND ALL DECLARATIONS WITH A SUBDIVISION PLAT, MWO'S PRIOR AND SUPERIOR RIGHTS OF ACCESS TO AND USE OF EXISTING AND FUTURE MWD FACILITIES AND PROPERTY INTERESTS, SHALL BE SUBJECT TO THE TERMS AND CONDITIONS OF THE TOW.

CITY SHALL HAVE THE RIGHT TO AUTHORIZE AND CONTROL THE UTILITY SERVICE PROVIDER'S USE AND OCCUPANCY OF THESE EASEMENTS WITHIN THE CITY'S PUBLIC RIGHTS OF ACCESS TO AND USE OF EXISTING AND FUTURE MWD FACILITIES AND PROPERTY INTERESTS, AS SET FORTH IN THE TOW. THE TOW PROVIDES FOR THE CITY TO HAVE A PUBLIC UTILITY EASEMENT WITHIN CERTAIN MWD PROPERTY INTERESTS AND FOR MWO TO HAVE AN EASEMENT WITHIN CITY'S PUBLIC RIGHT-OF-WAY, CITY AND MWO RIGHTS WITHIN THESE EASEMENTS ARE SUBJECT TO AND CONTROLLED BY THE TERMS AND CONDITIONS OF THE TOW.

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CITY SHALL HAVE THE RIGHT TO AUTHOR

LINE #	BEARING	LENGTH
L1	N57°11'45"E	50.21'
L2	S21°10'17"E	27.50'
L3	S57°11'45"W	4.80'
L4	S18°06'36"W	31.05'
L5	S45°11'08"E	28.28'
L6	S47°38'34"W	27.85'
L7	S45°11'08"E	28.28'
L8	S44°49'17"E	28.28'
L9	N45°10'43"E	28.28'
L10	S87°41'51"E	31.04'
L11	N57°11'45"E	4.78'
L12	N44°48'50"E	28.28'
L13	N44°48'50"E	28.28'
L14	S45°00'10"E	28.02'
L15	S44°39'30"W	28.37'
L16	N45°11'05"W	28.28'
L17	N44°48'36"E	28.02'
L18	S45°00'12"E	28.02'
L19	S44°39'30"W	28.37'
L20	N45°11'08"W	28.28'
L21	N44°48'50"E	28.28'
L22	S45°00'12"E	28.19'
L23	S44°39'48"W	28.37'
L24	N45°11'07"W	28.28'
L25	N44°48'54"E	28.28'
L26	S21°10'43"W	10.00'
L27	S45°00'17"E	28.19'
L28	N49°49'17"W	10.00'
L29	S45°10'43"W	28.28'
L30	N44°49'17"W	28.28'
L31	N50°21'29"W	25.45'
L32	S27°24'19"W	23.47'
L33	N37°22'51"E	47.81'
L34	N18°33'21"W	14.88'
L35	N59°27'59"W	24.18'

CURVE #	DELTA	RADIUS	LENGTH
C1	32°37'14"	250.00'	142.33'
C2	89°59'33"	155.00'	243.47'
C3	22°54'02"	38.50'	15.39'
C4	135°48'03"	63.00'	149.32'
C5	22°54'02"	38.50'	15.39'
C6	32°37'14"	222.50'	126.68'
C7	17°38'56"	182.50'	58.22'
C8	65°41'03"	38.50'	44.14'
C9	24°54'03"	55.00'	235.84'
C10	22°54'02"	38.50'	15.39'
C11	135°26'19"	63.00'	148.92'
C12	22°54'02"	38.50'	15.39'
C13	42°27'08"	182.50'	135.22'
C14	32°37'14"	277.50'	157.99'
C15	89°59'33"	127.50'	200.27'
C16	22°54'02"	38.50'	15.39'
C17	136°10'33"	63.00'	149.72'
C18	22°54'02"	38.50'	15.39'

LOT #	SQUARE FEET	ACRES	ZONE
1	5388.00	0.1237	RM-9 PUD
2	5400.00	0.1240	RM-9 PUD
3	5400.00	0.1240	RM-9 PUD
4	5400.00	0.1240	RM-9 PUD
5	5400.00	0.1240	RM-9 PUD
6	5400.00	0.1240	RM-9 PUD
7	5400.00	0.1240	RM-9 PUD
8	5397.00	0.1239	RM-9 PUD
9	5400.00	0.1240	RM-9 PUD
10	5108.00	0.1173	RM-9 PUD
11	5187.00	0.1188	RM-9 PUD
12	5184.00	0.1190	RM-9 PUD
13	5184.00	0.1190	RM-9 PUD
14	5184.00	0.1190	RM-9 PUD
15	5184.00	0.1190	RM-9 PUD
16	5184.00	0.1190	RM-9 PUD
17	5184.00	0.1190	RM-9 PUD
18	5184.00	0.1190	RM-9 PUD
19	8303.00	0.1917	RM-9 PUD
20	5751.00	0.1320	RM-9 PUD
21	6393.00	0.1468	RM-9 PUD
22	5787.00	0.1329	RM-9 PUD
23	5473.00	0.1256	RM-9 PUD
24	5400.00	0.1240	RM-9 PUD
25	5410.00	0.1242	RM-9 PUD
26	5410.00	0.1242	RM-9 PUD
27	5410.00	0.1242	RM-9 PUD
28	5410.00	0.1242	RM-9 PUD
29	5410.00	0.1242	RM-9 PUD
30	5410.00	0.1242	RM-9 PUD
31	5410.00	0.1242	RM-9 PUD
32	5410.00	0.1242	RM-9 PUD
33	5410.00	0.1242	RM-9 PUD
34	6408.00	0.1461	RM-9 PUD
35	6340.00	0.1460	RM-9 PUD
36	6376.00	0.1464	RM-9 PUD
37	6376.00	0.1464	RM-9 PUD
38	6376.00	0.1464	RM-9 PUD
39	6376.00	0.1464	RM-9 PUD
40	6376.00	0.1464	RM-9 PUD
41	6376.00	0.1464	RM-9 PUD
42	6376.00	0.1464	RM-9 PUD
43	6376.00	0.1464	RM-9 PUD
44	6376.00	0.1464	RM-9 PUD
45	6376.00	0.1464	RM-9 PUD
46	6376.00	0.1464	RM-9 PUD
47	5175.00	0.1188	RM-9 PUD
48	5175.00	0.1188	RM-9 PUD
49	5175.00	0.1188	RM-9 PUD
50	5175.00	0.1188	RM-9 PUD
51	5175.00	0.1188	RM-9 PUD
52	5175.00	0.1188	RM-9 PUD
53	5175.00	0.1188	RM-9 PUD
54	5175.00	0.1188	RM-9 PUD
55	5175.00	0.1188	RM-9 PUD
56	5175.00	0.1188	RM-9 PUD
57	5175.00	0.1188	RM-9 PUD
58	5175.00	0.1188	RM-9 PUD
59	5175.00	0.1188	RM-9 PUD
60	5175.00	0.1188	RM-9 PUD
61	5175.00	0.1188	RM-9 PUD
62	5175.00	0.1188	RM-9 PUD
63	5175.00	0.1188	RM-9 PUD
64	5175.00	0.1188	RM-9 PUD
65	5181.00	0.1189	RM-9 PUD
66	5181.00	0.1189	RM-9 PUD
67	5181.00	0.1189	RM-9 PUD
68	5181.00	0.1189	RM-9 PUD
69	5181.00	0.1189	RM-9 PUD
70	5400.00	0.1240	RM-9 PUD
71	5400.00	0.1240	RM-9 PUD
72	5400.00	0.1240	RM-9 PUD
73	5400.00	0.1240	RM-9 PUD
74	5400.00	0.1240	RM-9 PUD
75	5400.00	0.1240	RM-9 PUD
76	5400.00	0.1240	RM-9 PUD
77	5400.00	0.1240	RM-9 PUD
78	5400.00	0.1240	RM-9 PUD
79	5400.00	0.1240	RM-9 PUD
80	6600.00	0.1515	RM-6 PUD
81	6600.00	0.1515	RM-6 PUD
82	6600.00	0.1515	RM-6 PUD
83	6600.00	0.1515	RM-6 PUD

LOT #	SQUARE FEET	ACRES	ZONE
84	6600.00	0.1515	RM-6 PUD
85	6600.00	0.1515	RM-6 PUD
86	6600.00	0.1515	RM-6 PUD
87	6600.00	0.1515	RM-6 PUD
88	6600.00	0.1515	RM-6 PUD
89	6600.00	0.1515	RM-6 PUD
90	6600.00	0.1515	RM-6 PUD
91	6600.00	0.1515	RM-6 PUD
92	6600.00	0.1515	RM-6 PUD
93	6600.00	0.1515	RM-6 PUD
94	6600.00	0.1515	RM-6 PUD
95	6600.00	0.1515	RM-6 PUD
96	6600.00	0.1515	RM-6 PUD
97	6600.00	0.1515	RM-6 PUD
98	6600.00	0.1515	RM-6 PUD
99	6600.00	0.1515	RM-6 PUD
100	6600.00	0.1515	RM-6 PUD
101	6600.00	0.1515	RM-6 PUD
102	6600.00	0.1515	RM-6 PUD
103	6600.00	0.1515	RM-6 PUD
104	6600.00	0.1515	RM-6 PUD
105	6600.00	0.1515	RM-6 PUD
106	6600.00	0.1515	RM-6 PUD
107	6600.00	0.1515	RM-6 PUD
108	6600.00	0.1515	RM-6 PUD
109	6600.00	0.1515	RM-6 PUD
110	6600.00	0.1515	RM-6 PUD
111	6600.00	0.1515	RM-6 PUD
112	6600.00	0.1515	RM-6 PUD
113	6600.00	0.1515	RM-6 PUD
114	6600.00	0.1515	RM-6 PUD
115	6600.00	0.1515	RM-6 PUD
116	6600.00	0.1515	RM-6 PUD
117	6600.00	0.1515	RM-6 PUD
118	6600.00	0.1515	RM-6 PUD
119	6600.00	0.1515	RM-6 PUD
120	6600.00	0.1515	RM-6 PUD
121	6600.00	0.1515	RM-6 PUD
122	6600.00	0.1515	RM-6 PUD
123	6600.00	0.1515	RM-6 PUD
124	6600.00	0.1515	RM-6 PUD
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126	6600.00	0.1515	RM-6 PUD
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128	6600.00	0.1515	RM-6 PUD
129	6600.00	0.1515	RM-6 PUD
130	6600.00	0.1515	RM-6 PUD
131	6600.00	0.1515	RM-6 PUD
132	6600.00	0.1515	RM-6 PUD
133	6600.00	0.1515	RM-6 PUD
134	6600.00	0.1515	RM-6 PUD
135	6600.00	0.1515	RM-6 PUD
136	6600.00	0.1515	RM-6 PUD
137	6600.00	0.1515	RM-6 PUD
138	6600.00	0.1515	RM-6 PUD
139	6600.00	0.1515	RM-6 PUD
140	6600.00	0.1515	RM-6 PUD
141	6600.00	0.1515	RM-6 PUD
142	6600.00	0.1515	RM-6 PUD
143	6600.00	0.1515	RM-6 PUD
144	6600.00	0.1515	RM-6 PUD
145	6600.00	0.1515	RM-6 PUD
TOTAL	877215.00	20.1383	

TRACT	SQUARE FEET	ACRES	USAGE
A	28283.00	0.6493	OPENSPACE
B	47144.00	1.0823	OPENSPACE
C	11718.00	0.2696	OPENSPACE
D	3660.00	0.0826	OPENSPACE
E	33786.00	0.7759	OPENSPACE
F	2321.00	0.0533	OPENSPACE
G	79796.00	1.8401	OPENSPACE
H	14945.00	0.3424	OPENSPACE
I	1955.00	0.0449	OPENSPACE
J	14925.00	0.3426	OPENSPACE
K	12083.00	0.2774	OPENSPACE
L	3711.00	0.0858	OPENSPACE
M	12280.00	0.2819	OPENSPACE
N	57953.00	1.3304	OPENSPACE
O	1077.00	0.0246	OPENSPACE
TOTAL	315727.00	7.4481	

- NOTES**
- THE MAINTENANCE OF LANDSCAPING WITHIN THE OPEN SPACES, LANDSCAPED TRACTS, RETENTION BASINS AND PAVES SHALL BE THE RESPONSIBILITY OF THE OWNER OR THE ASSOCIATION FORMED BY THE OWNER.
 - THE MAINTENANCE OF LANDSCAPING WITHIN THE ADJACENT PUBLIC RIGHTS-OF-WAY, INCLUDING LANDSCAPED MEDIAN, SIDEWALKS, COLLECTOR AND LOCAL STREETS AND LANDSCAPED AREAS BETWEEN THE CURB AND THE DETACHED SIDEWALK, SHALL BE THE RESPONSIBILITY OF THE ADJACENT PROPERTY OWNER OR THE PROPERTY ASSOCIATION FORMED BY THE ADJACENT PROPERTY.
 - LANDSCAPING MAINTENANCE WITHIN THE MEDIAN BETWEEN THE PUBLIC RIGHT-OF-WAY WITHIN ANY ARTERIAL OR PARKWAY STREET CLASSIFICATION SHALL BE RESPONSIBILITY OF THE CITY OF SURPRISE AFTER ACCEPTANCE.
 - SPRINKLERS ARE REQUIRED IN ALL ONE AND TWO FAMILY DWELLINGS BUILT IN AREAS WHICH DO NOT HAVE AN ADEQUATE WATER SUPPLY.
 - THE PROPERTY OWNER AT THE TIME WHEN THE CITY OF SURPRISE SEWER INFRASTRUCTURE IS AVAILABLE AT THE PROPERTY, SHALL BE REQUIRED TO CONNECT IN ACCORDANCE WITH SURPRISE MUNICIPAL CODE AND PAY ALL APPLICABLE FEES. ANY OWNER OF THE PROPERTY SHALL NOTIFY PROSPECTIVE BUYERS AND THE PUBLIC OF THIS NOTICE AND ANY SALES CONTRACTS OR SALES REPORTS SHALL INCLUDE SUCH NOTE.
 - NO ON-SITE DRAGING OR EXCAVATION SHALL OCCUR WITHOUT FIRST OBTAINING A PERMIT FROM THE CITY OF SURPRISE.
 - THE PROPERTY IS LOCATED WITHIN AN AREA HAVING FLOOD ZONES "X" AND "Y" BY THE FEDERAL EMERGENCY MANAGEMENT AGENCY. ON FLOOD INSURANCE MAP NO. 14012C1001, WITH A DATE OF IDENTIFICATION OF OCTOBER 16, 2011 FOR COMMUNITY NO. 040001, IN MARICOPA COUNTY, STATE OF ARIZONA, WHICH IS THE CURRENT FLOOD INSURANCE RATE MAP FOR THE COMMUNITY IN WHICH SAID PROPERTY IS SITUATED.
 - IN ACCORDANCE WITH A.R.S. § 9-401.02, THE CITY OF SURPRISE HAS DETERMINED THAT ALL LOCATIONS OCCURRING WITHIN THIS PLAT ARE IN CONFORMANCE WITH THE SURPRISE GENERAL PLAN.
 - FURGENT TO A.R.S. § 42-11102, THE CITY OF SURPRISE, A POLITICAL SUBDIVISION OF THE STATE OF ARIZONA, IS EXEMPT FROM ALL TAXES AND ASSESSMENTS BASED ON ASSESSED VALUE EXCEPT FOR SPECIAL DISTRICTS (§14715 AND 14716), WHEN APPLICABLE.
 - NO PERMANENT STRUCTURE OF ANY KIND SHALL BE CONSTRUCTED ON, OVER OR PLACED WITHIN EASEMENTS. IT SHALL BE FURTHER UNDERSTOOD THAT THE CITY OF SURPRISE SHALL NOT BE REQUIRED TO REPLACE ANY OBSTRUCTIONS OR PLANTING THAT MUST BE REMOVED DURING THE COURSE OF MAINTENANCE, CONSTRUCTION, OR RECONSTRUCTION OF CITY UTILITIES.
 - ALL NEW OR RELOCATED UTILITIES WILL BE PLACED UNDERGROUND.
 - ALL STRUCTURES AND LANDSCAPING WITHIN THE 30'x20' VISIBILITY TRIANGLE ALONG THE PROPERTY LINES AT LOT CORNERS SHALL BE MAINTAINED AT A MAXIMUM HEIGHT OF 30' ABOVE GROUND LEVEL.
 - ALL EXTERIOR SUBDIVISION BOUNDARY CORNERS ARE AS SHOWN PER THIS PLAT IN CONFORMANCE WITH ARIZONA STATUTE. ALL INTERIOR CORNER AND MONUMENTS ARE TO BE SET BY THE SURVEYOR RESPONSIBLE FOR THE CONSTRUCTION SURVEY AND STAKING OR THIS PROJECT AND MUST BE IN CONFORMANCE WITH SAID ARIZONA STATUTORY REQUIREMENTS.
 - PROVISIONS SHALL BE MADE FOR DEVELOPMENT AND MAINTENANCE OF STREET LIGHTS THROUGHOUT EITHER THE ASSOCIATION OR THROUGH THE CREATION OF A STREET LIGHT IMPROVEMENT DISTRICT (S.L.I.D.).
 - THIS FINAL PLAT IS IN SUBSTANTIAL CONFORMANCE WITH THE "RYDER RANCH" PRELIMINARY PLAT, APPROVED DATE OF 04/16/19, UNDER CASE 1518-632.
 - JOINING OF THE PROPERTY IS AS APPROVED BY THE CITY COUNCIL ON 04/16/19 UNDER CASE 1518-632, OR AS SUBSEQUENTLY AMENDED.

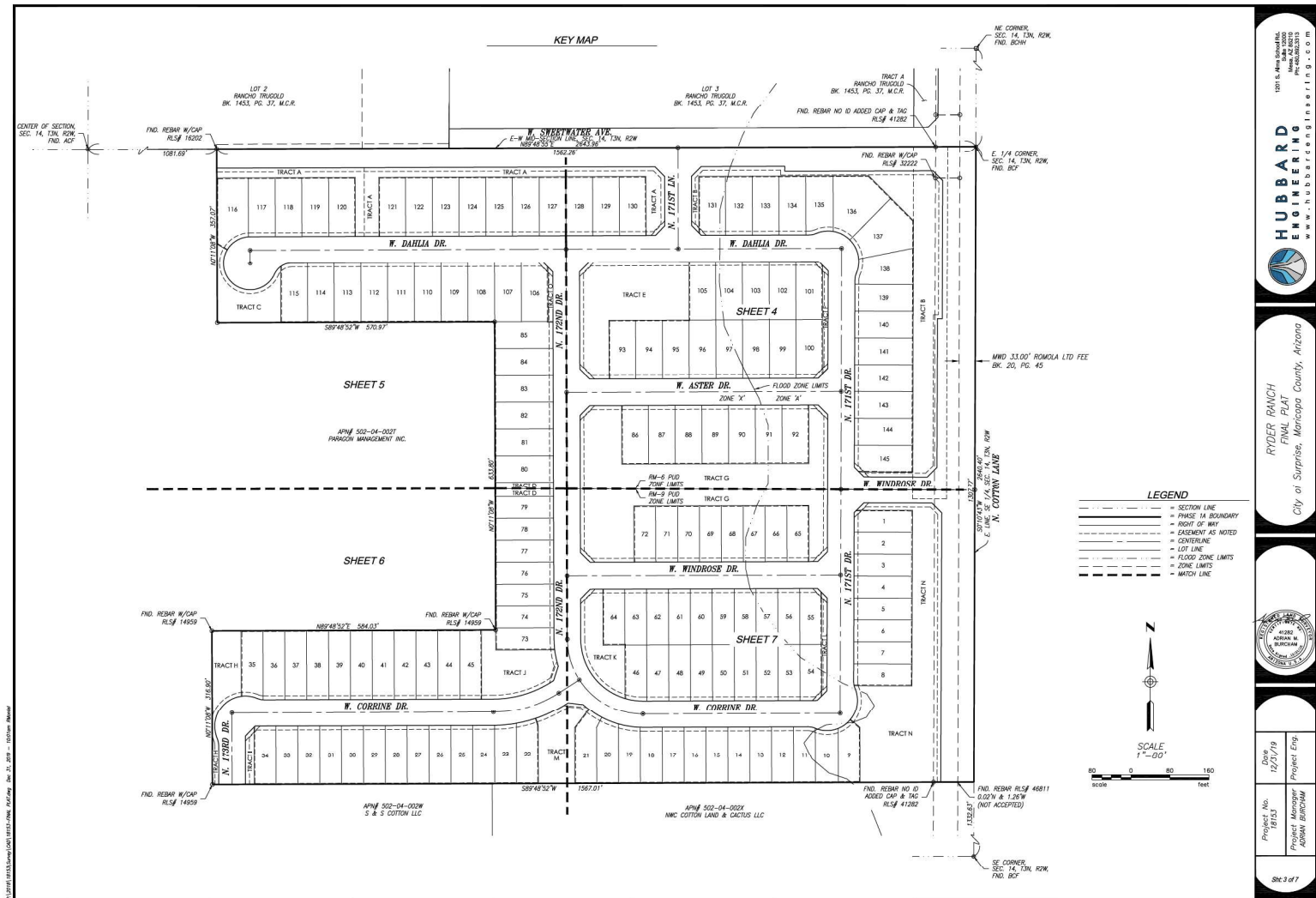
1201 S. Alamo Street, Suite 100, Phoenix, AZ 85004
Phone: 602.955.1234
Fax: 602.955.1235
www.hubbardsurveying.com

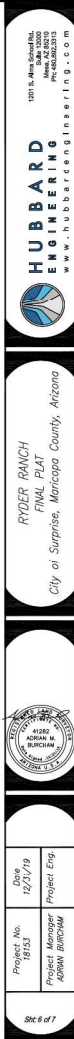
City of Surprise, Maricopa County, Arizona

OFFICE OF THE CLERK
JANET M. WICKHAM
CLERK OF THE SUPERIOR COURT
JANUARY 1, 1912

Project No. 15153
Project Manager: JASON BUCHANAN
Project Eng. 12/21/19

Case #FS19-364
SHE-2 of 7









SWEETWATER AVENUE

PARAGON
MANAGEMENT INC
502-04-002T

SEE SHEET 03

TREES

SHRUBS

ACCENTS

GROUNDCOVERS

MATERIALS

NOTES

- ## AMENITIES

-

GRAPHIC SCALE IN FEET



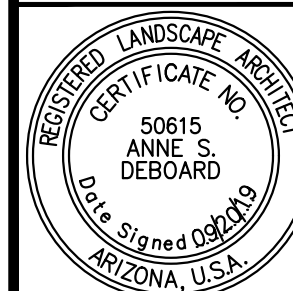
A horizontal line with tick marks at 0, 20, 40, and 80. The segments between 0 and 20, 20 and 40, and 40 and 80 are shaded black.



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7740 North 16th Street, Suite 300
Phoenix, Arizona 85020 (602) 944-5500

SCALE (H): 1"=40'
SCALE (V): NONE
DESIGNED BY: AAV
DRAWN BY: JAJ
CHECKED BY: ASD
DATE: 9/20/2019

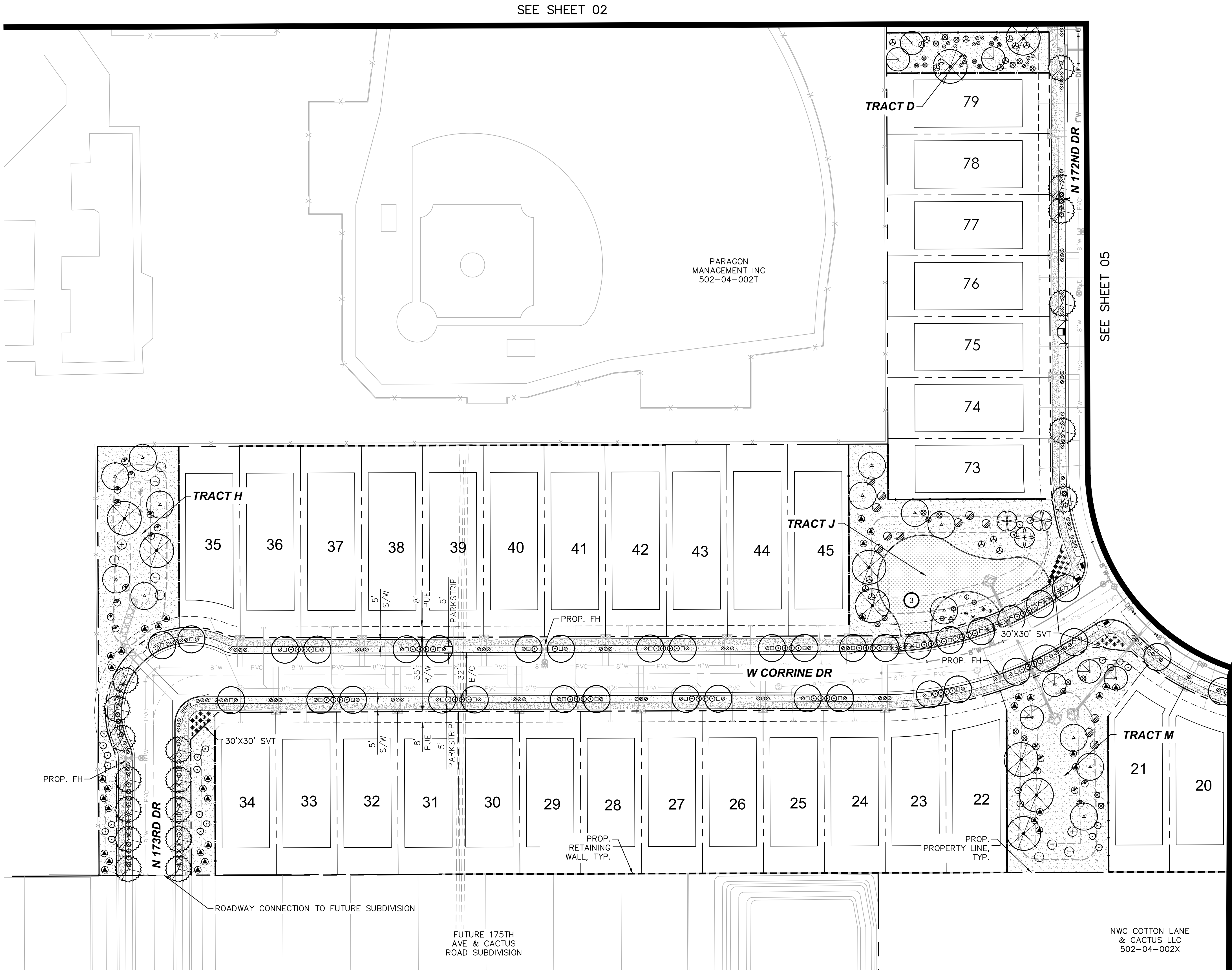
RYDER RANCH
LANDSCAPE PLAN
SURPRISE, ARIZONA



PROJECT NO.
29101505

DRAWING NAME
LS1

02 OF 17



PLANTING LEGEND

TREES

- BOTANICAL NAME / COMMON NAME
- Acacia aneura / Mulga
 - Chilopsis Linearis / Desert Willow
 - Parkinsonia 'Sonoran Emerald' / Sonoran Emerald Palo Verde
 - Prosopis 'Crown Jewel' / Crown Jewel Mesquite
 - Quercus virginiana / Live Oak
 - Ulmus parvifolia / Evergreen Elm
 - Vitex agnus-castus 'Montrose Purple' / Monk's Pepper Tree

SHRUBS

- BOTANICAL NAME / COMMON NAME
- Caesilpinia pulcherima / Red Bird of Paradise
 - Callistemon citrinus 'Little John' / Little John Bottlebrush
 - Cordia boissieri / Texas Olive
 - Dodonea viscosa / Hop Bush
 - Leucophyllum frutescens 'Green Cloud' / Green Cloud Sage
 - Leucophyllum langmaniae / Rio Bravo Sage
 - Rosmarinus officinalis / Upright Rosemary
 - Tecoma stans 'Gold Star' / Yellow Bells
 - Tecoma x Sunrise / Sunrise Esperanza

ACCENTS

- BOTANICAL NAME / COMMON NAME
- Agave geminiflora / Twin Flowered Agave
 - Bouteloua gracilis 'Blonde Ambition' / Blonde Ambition Grass
 - Dasyliroia wheeleri / Desert Spoon
 - Euphorbia rigida / Gopher Plant
 - Hesperaloe funifera / Giant Hesperaloe
 - Hesperaloe parviflora 'Brakelights' / Brakelights Red Yucca
 - Hesperaloe parviflora 'Yellow' / Yellow Yucca
 - Muhlenbergia capillaris 'Regal Mist' / Regal Mist Muhly

GROUNDCOVERS

- BOTANICAL NAME / COMMON NAME
- Lantana camara 'Dallas Red' / Dallas Red Lantana
 - Lantana camara 'New Gold' / New Gold Lantana
 - Lantana montevidensis / Purple Trailing Lantana
 - Teucrium chamaedrys / Germander

MATERIALS

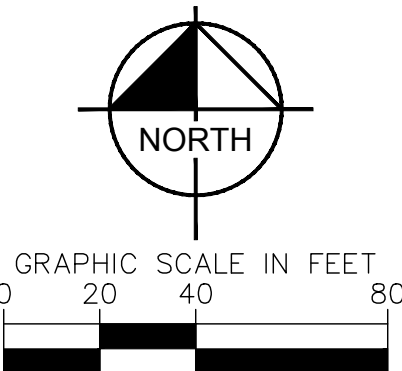
- DESCRIPTION
- Decomposed Granite (All Planting Areas)
 - ¾" Screened, Express Armor, 2" Depth Min.
 - Turf: Hybrid Bermuda
 - Bermuda Tifway 419 'Sod'

NOTES

- ALL TREES INSTALLED WITHIN THE PUBLIC RIGHT-OF-WAY SHALL HAVE THEIR MAIN LEADERS INTACT.
- ALL TREES PLACED WITHIN THREE (3) FEET OF ANY SIDEWALK, CURB, PAVEMENT, OR WALL WILL HAVE A ROOT BARRIER PER CITY OF SURPRISE ENGINEERING DEVELOPMENT STANDARD (EDS) DETAIL 8-14.
- TREES WITHIN SIGHT VISIBILITY TRIANGLES OR WITHIN SIGHT DISTANCE AREAS SHALL BE MAINTAINED CLEAR UP TO 84 INCHES.
- NO SHRUBS, ACCENTS, OR GROUNDCOVER WITHIN SIGHT DISTANCE TRIANGLES AND SIGHT DISTANCE AREAS SHALL EXCEED 30 INCHES IN HEIGHT.
- SIGHT DISTANCE REQUIREMENTS ON ARTERIALS AND COLLECTORS WILL ADHERE TO SURPRISE DETAILS 4-01. SIGHT VISIBILITY WITHIN THE UNOBSTRUCTED VIEW EASEMENT AREA AND IN FRONT OF STOP SIGNS MUST MEET OR EXCEED REQUIREMENTS IN SURPRISE DETAILS 4-01 AND 4-02.

AMENITIES

- TOT LOT:
 - SHADE COVERED PLAY STRUCTURE
 - SWING SET
 - TWO BENCHES
 - ONE DRINKING FOUNTAIN
- RAMADA (EACH WITH):
 - PICNIC TABLE
 - BBQ GRILL
 - TRASH RECEPTACLE
- RECREATIONAL TURF AREA
- BASKETBALL COURT
- BAG TOSS



Kimley»Horn

SCALE (H): 1"=40'
SCALE (V): NONE
DESIGNED BY: AAV
DRAWN BY: JAJ
CHECKED BY: ASD
DATE: 9/20/2019

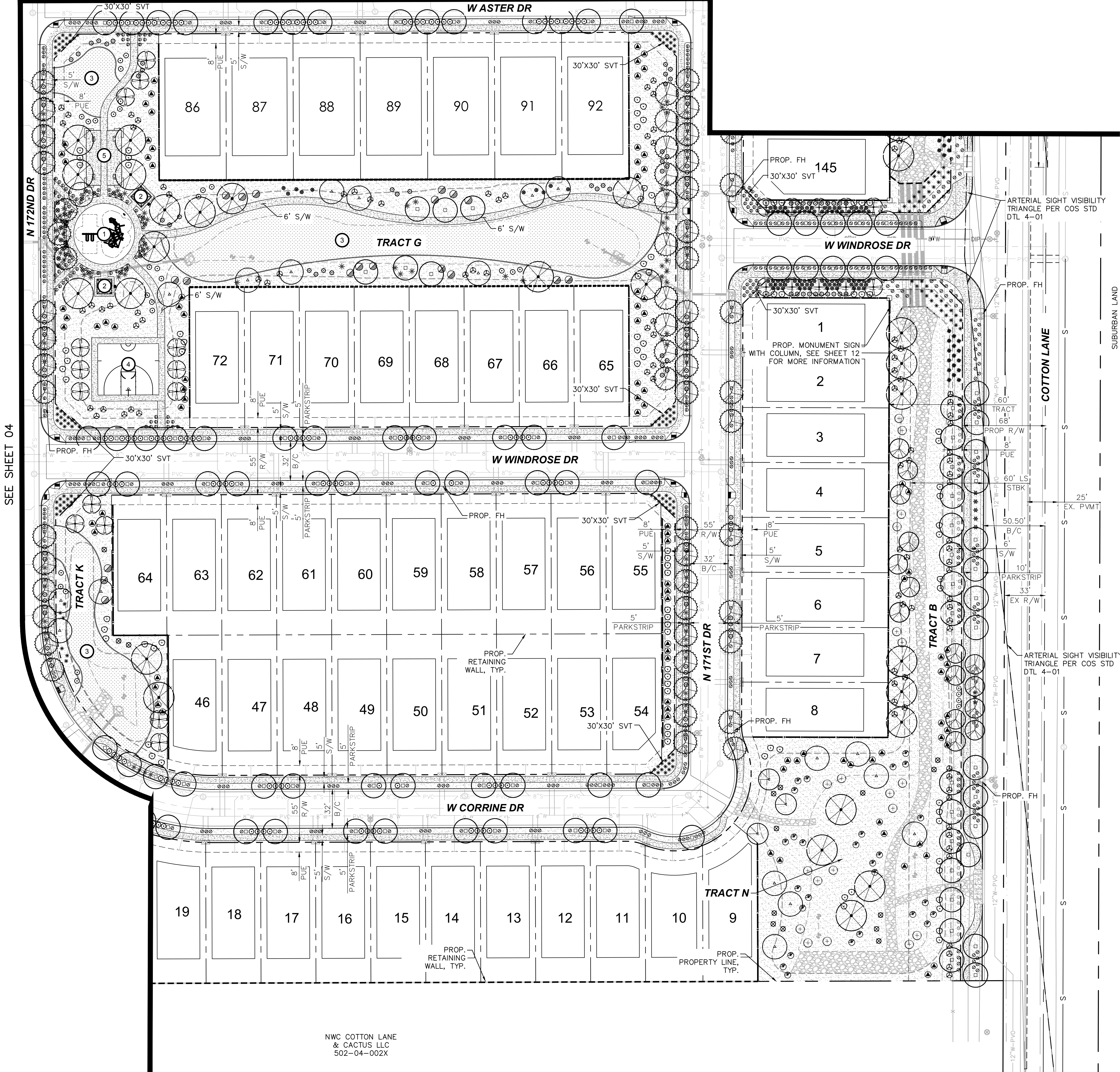
RYDER RANCH
LANDSCAPE PLAN
SURPRISE, ARIZONA



PROJECT NO.
29101505

DRAWING NAME
LS3

04 OF 17



NWC COTTON LANE
& CACTUS LLC
502-04-002X

PLANTING LEGEND

TREES

BOTANICAL NAME / COMMON NAME
Acacia aneura / Mulga
Chilopsis Linearis / Desert Willow
Parkinsonia 'Sonoran Emerald' / Sonoran Emerald Palo Verde
Prosopis 'Crown Jewel' / Crown Jewel Mesquite
Quercus virginiana / Live Oak
Ulmus parvifolia / Evergreen Elm
Vitex agnus-castus 'Montrose Purple' / Monk's Pepper Tree

SHRUBS

BOTANICAL NAME / COMMON NAME
Caesilpinia pulcherima / Red Bird of Paradise
Callistemon citrinus 'Little John' / Little John Bottlebrush
Cordia boissieri / Texas Olive
Dodonea viscosa / Hop Bush
Leucophyllum frutescens 'Green Cloud' / Green Cloud Sage
Leucophyllum langmaniae / Rio Bravo Sage
Rosmarinus officinalis / Upright Rosemary
Tecoma stans 'Gold Star' / Yellow Bells
Tecoma x Sunrise / Sunrise Esperanza

ACCENTS

BOTANICAL NAME / COMMON NAME
Agave geminiflora / Twin Flowered Agave
Bouteloua gracilis 'Blonde Ambition' / Blonde Ambition Grass
Dasyliro wheeleri / Desert Spoon
Euphorbia rigida / Gopher Plant
Hesperaloe funifera / Giant Hesperaloe
Hesperaloe parviflora 'Brakelights' / Brakelights Red Yucca
Hesperaloe parviflora 'Yellow' / Yellow Yucca
Muhlenbergia capillaris 'Regal Mist' / Regal Mist Muhly

GROUNDCOVERS

BOTANICAL NAME / COMMON NAME
Lantana camara 'Dallas Red' / Dallas Red Lantana
Lantana camara 'New Gold' / New Gold Lantana
Lantana montevidensis / Purple Trailing Lantana
Teucrium chamaedrys / Germander

MATERIALS

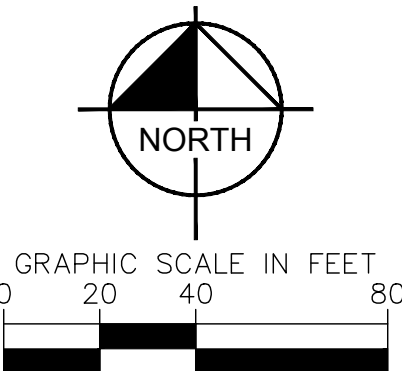
DESCRIPTION
Decomposed Granite (All Planting Areas)
¾" Screened, Express Armor, 2" Depth Min.
Turf: Hybrid Bermuda
Bermuda Tifway 419 'Sod'

NOTES

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AMENITIES

- TOT LOT:
 - SHADE COVERED PLAY STRUCTURE
 - SWING SET
 - TWO BENCHES
 - ONE DRINKING FOUNTAIN
- RAMADA (EACH WITH):
 - PICNIC TABLE
 - BBQ GRILL
 - TRASH RECEPTACLE
- RECREATIONAL TURF AREA
- BASKETBALL COURT
- BAG TOSS

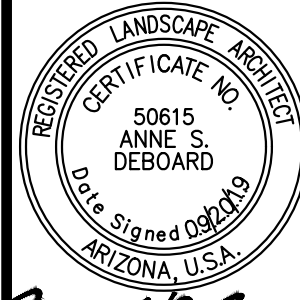


CALL TWO WORKING DAYS
BEFORE YOU DIG
602-263-1100
1-800-STAKE-IT
(OUTSIDE MARICOPA COUNTY)

Kimley»Horn

SCALE (H): 1"=40'
SCALE (V): NONE
DESIGNED BY: AAV
DRAWN BY: JAJ
CHECKED BY: ASD
DATE: 9/20/2019

RYDER RANCH
LANDSCAPE PLAN
SURPRISE, ARIZONA



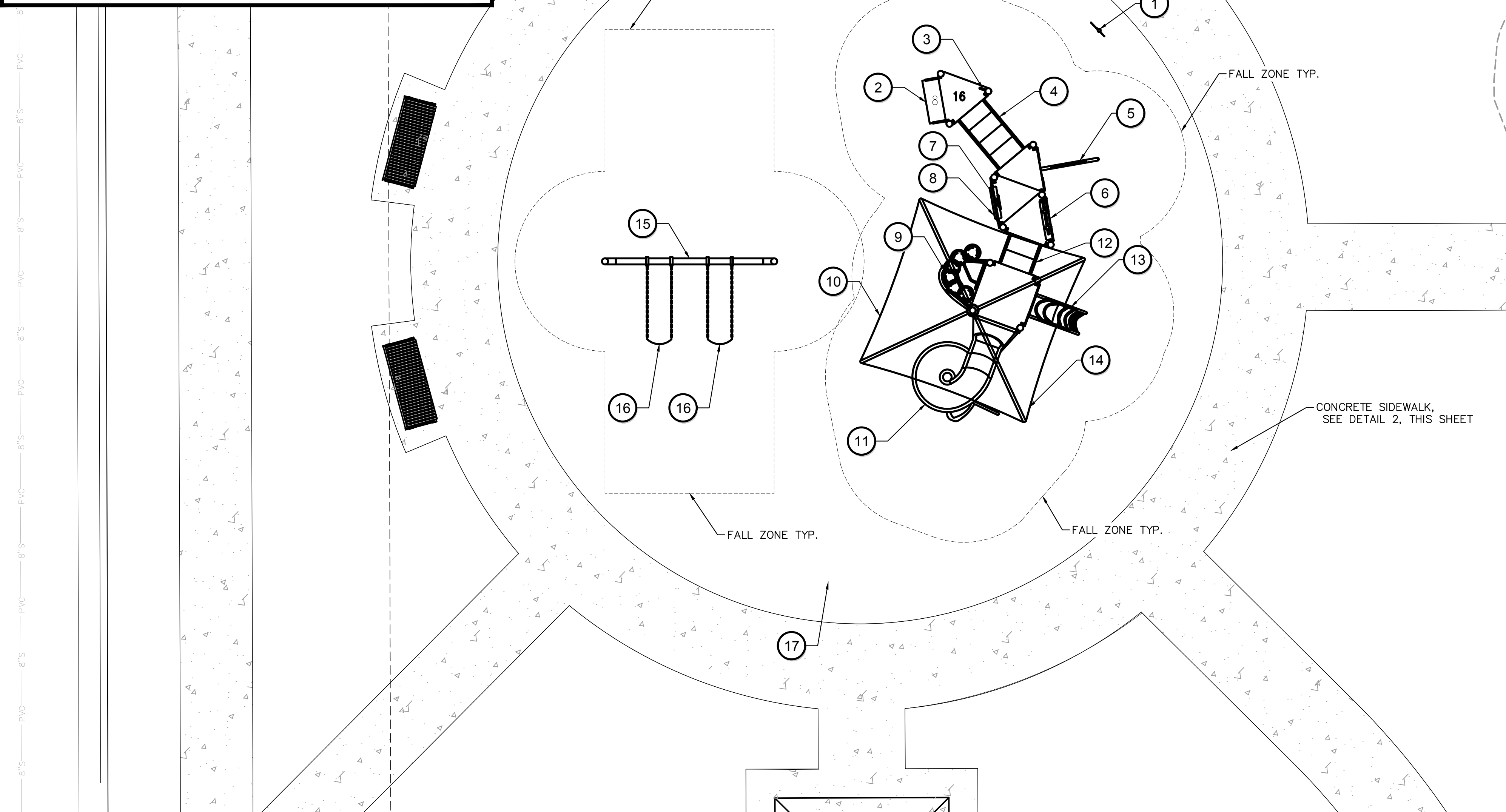
PROJECT NO.
29101505
DRAWING NAME
LS4

MANUFACTURER: LANDSCAPE STRUCTURES, INC.
REPRESENTATIVE ORGANIZATION: EXERPLAY, INC.
DESCRIPTION: PLAYBOOSTER SERIES.
-OR EQUAL PER THIS DETAIL

SHOP
DRAWING
REQUIRED

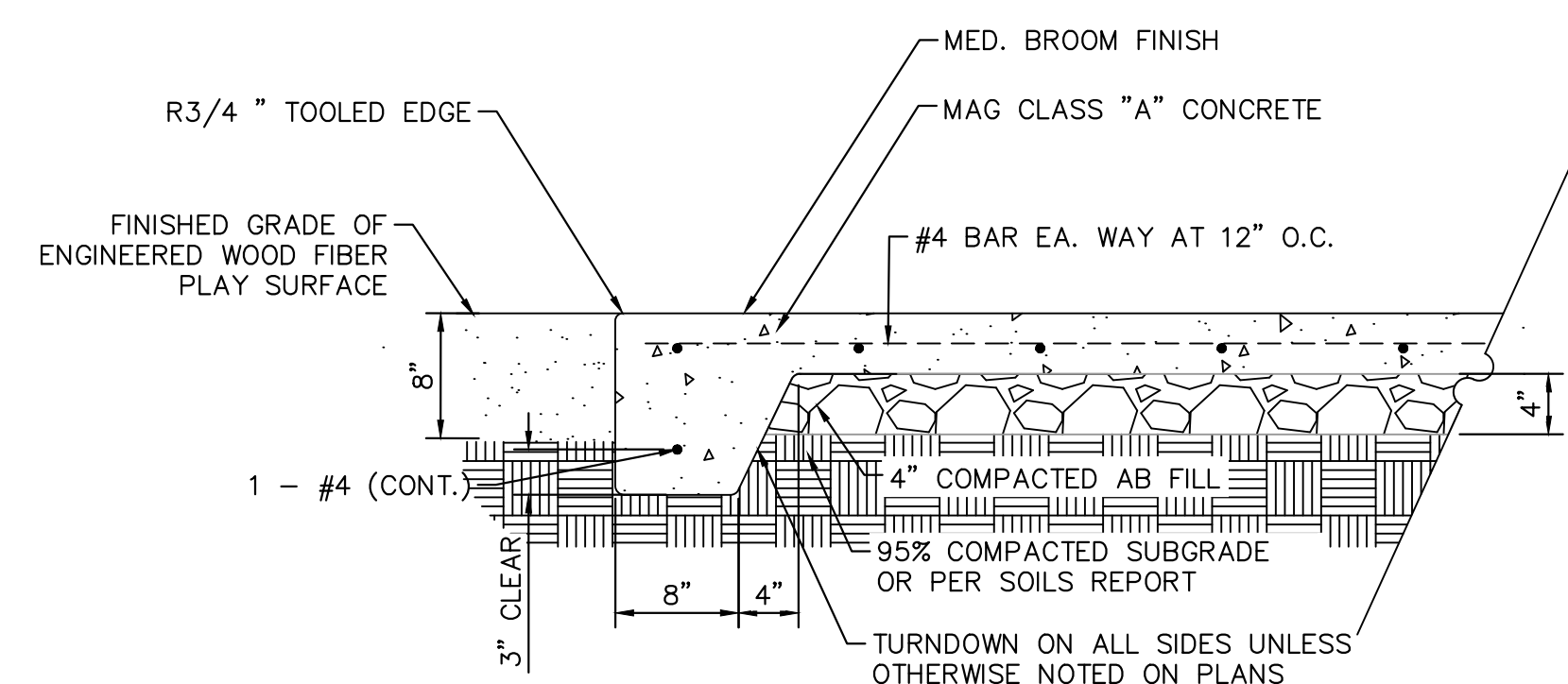
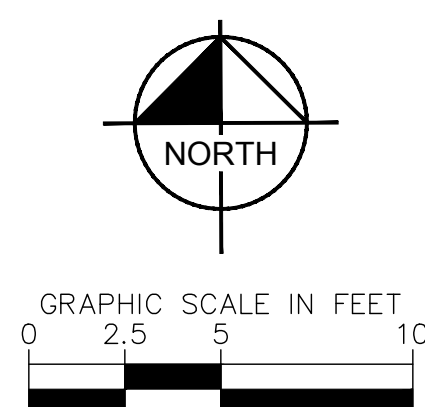
NOTICE

SPECIFIED PRODUCTS BY MANUFACTURERS HAVE BEEN IDENTIFIED AS ACCEPTABLE FOR USE IN THE PROJECT BASED ON APPROVED PRODUCT SUBMITTALS. THE CONTRACTOR SHALL BE RESPONSIBLE FOR PROVIDING ALL REQUIRED SHOP DRAWINGS, STRUCTURAL DETAILS, FOOTING DESIGN AND OTHER NECESSARY CALCULATIONS PREPARED BY AN ARIZONA STATE LICENSED ENGINEER FOR APPROVAL PRIOR TO COMMENCING WORK. THE CONTRACTOR SHALL BE RESPONSIBLE FOR MAKING APPLICATION, PAYING FOR, AND SECURING ANY REQUIRED PERMITS.



EQUIPMENT SCHEDULE

NUMBER	DESCRIPTION	NUMBER	DESCRIPTION
1	182503 - WELOME SIGN (LSI PROVIDED) 5-12 YEARS, DIRECT BURY	11	222708 - WHOOSHWINDER
2	185852 - TRANSFER STEP	12	152907 - DECK LINK W/ BARRIERS & STEEL END PANELS TWO STEPS
3	120901 - GRAB BAR	13	229830 - ARCADE CLIMBER DB ONLY
4	152907 - DECK LINK W/ BARRIERS & STEEL END PANELS FOUR STEPS	14	6"/8" RISE KICKPLATE (K.P.1) QTY. (2)
5	176080 - LOGO CLIMBER	15	177332 - SINGLE POST SWING DB ONLY
6	219509 - GOPLEX CLIMBER	16	174018 - BELT SEAT W/ PROGUARD CHAINS 8' BEAM HEIGHT
7	120314 - WIRE BARRIER W/ WHEEL	17	ENGINEERED WOOD FIBER PLAY SURFACE (MEETING ASTM F1292 FOR SAFETY; ASTM F205 FOR PURITY, AND ASTM F1951 FOR WHEELCHAIR ACCESS)
8	115254 - STORE FRONT PANEL (BELOW DECK)		
9	229832- DOT-TO-DOT CLIMBER		
10	154884 - COOLTOPPER SINGLE POST PYRAMID ROOF DB ONLY		



1 PLAY AREA EQUIPMENT AND LAYOUT

SCALE: 1"= 5'-0"

2 CONCRETE TURNDOWN

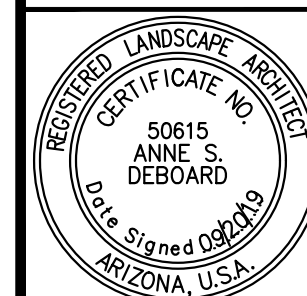
SCALE: 1"=1'-0"

Kimley»Horn

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Phoenix, Arizona 85020 (602) 944-5500

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SCALE (V): NONE
DESIGNED BY: AAV
DRAWN BY: JAJ
CHECKED BY: ASD
DATE: 9/20/2019

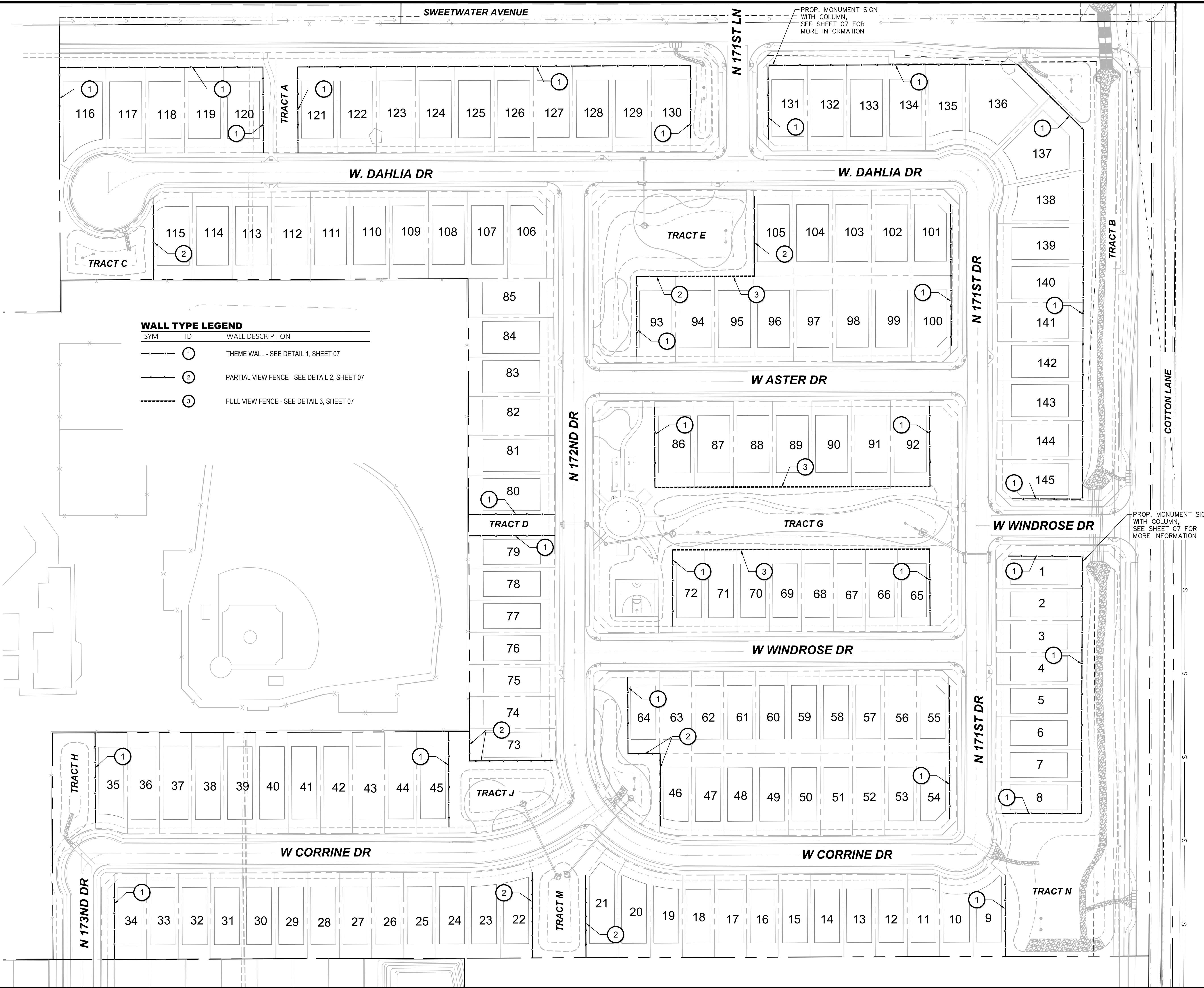
RYDER RANCH HARDSCAPE DETAILS SURPRISE, ARIZONA



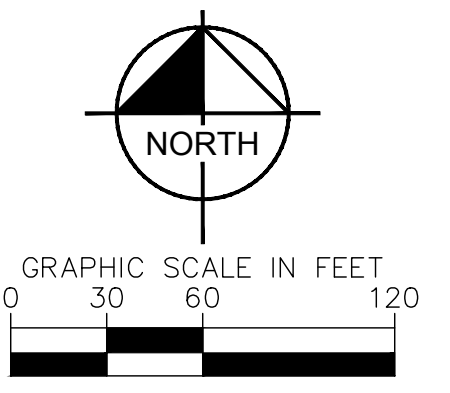
PROJECT N
29101505

DRAWING NAME
HS_DTLS

06 OF 17



WALL TYPE LEGEND		
SYM	ID	WALL DESCRIPTION
	1	THEME WALL - SEE DETAIL 1, SHEET 07
	2	PARTIAL VIEW FENCE - SEE DETAIL 2, SHEET 07
	3	FULL VIEW FENCE - SEE DETAIL 3, SHEET 07



CALL TWO WORKING DAYS BEFORE YOU DIG
602-263-1100
1-800-STAKE-IT
(OUTSIDE MARICOPA COUNTY)

RYDER RANCH
WALL LAYOUT
SURPRISE, ARIZONA

PROJECT NO.
29101505
DRAWING NAME
10 OF 17

SCALE (H): 1"=60'
SCALE (V): NONE
DESIGNED BY: AAV
DRAWN BY: JAJ
CHECKED BY: ASD
DATE: 9/20/2019

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7740 North 16th Street, Suite 300
Phoenix, Arizona 85020 (602) 944-5500

REVISION

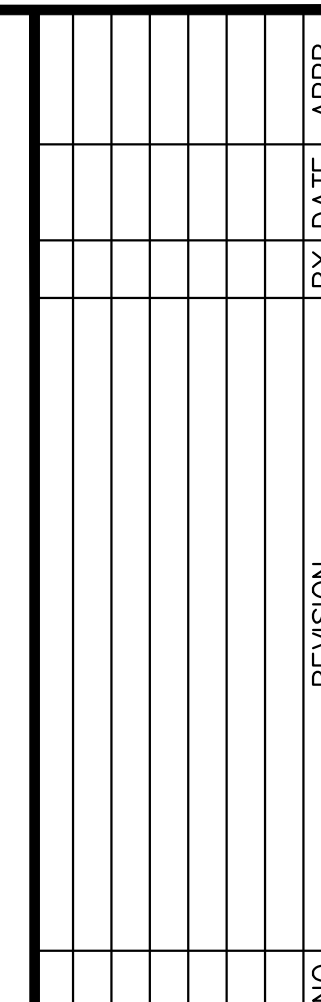
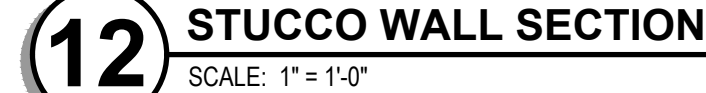
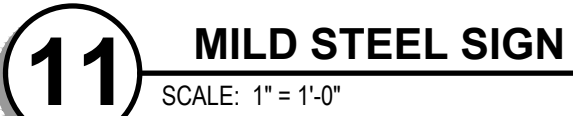
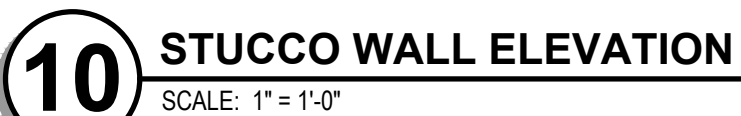
NO.

BY

DATE

APPR.

Page 125 of 546

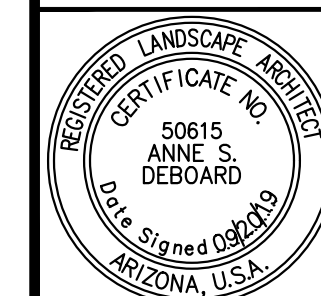


Kimley»»Horn

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77740 North 16th Street, Suite 300
Phoenix, Arizona 85020 (602) 944-5500

SCALE (H): NONE
SCALE (V): NONE
DESIGNED BY: AAV
DRAWN BY: JAJ
CHECKED BY: ASD
DATE: 9/20/2019

RYDER RANCH
MONUMENT SIGN DETAILS
SURPRISE, ARIZONA



PROJECT NO.
29101505

DRAWING NAME
HS_DTLS

12 OF 17



**DEPARTMENT OF THE AIR FORCE
AIR EDUCATION AND TRAINING COMMAND**

11 June 2019

Mr. James R. Mitchell
Director, Community Initiatives Team
56th Fighter Wing
14185 West Falcon St.
Luke AFB AZ 85309-1629

Ms. Allysa Robinson
City of Surprise Planning Department
16000 North Civic Center Plaza
Surprise AZ 85374

Re: FS19-364; Ryder Ranch (APN: 502-04-002E, 502-04-023E, & 502-04-022A)

Dear Ms. Robinson

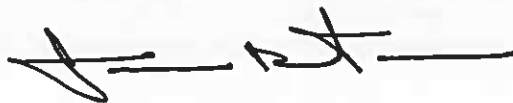
Thank you for the opportunity to provide comments for the Final Plat Application for Ryder Ranch. The site sits on 38.5 acres of vacant land located at southeast corner of Cotton Lane and Sweetwater Avenue. The request is to develop the site into approximately 145 single-family residential lots for an overall gross density of 3.76 du/ac. The site is 2.40 miles outside the 1988 JLUS 65 Ldn, "high noise or accident potential zone" as defined by A.R.S. § 28-8461 and is within the "territory in the vicinity of a military airport" also defined by A.R.S. § 28-8461.

In an effort to promote a more compatible co-existence Luke AFB follows the guidelines in the Graduated Density Concept (GDC). The GDC proposes, in the absence of a more restrictive state, county or municipal general or comprehensive plan, graduating densities away from the 65 Ldn as follows: a maximum of 2 du/acre from the 65 Ldn to 1/2 mile, a maximum of 4 du/acre from 1/2 to 1 mile, and a maximum of 6 du/acre from 1 to 3 miles. This project, with a density of 3.76 du/ac meets these guidelines.

As stated in the narrative, at the location above, this final plat request will not have a negative impact on the Luke AFB flight operations. The site will be located within the "territory in the vicinity of a military airport," it will be subjected to approximately 165 over flights a day, with some as low as 1,500 feet above ground level. If approved, we recommend you review the sound attenuation requirements found in A.R.S. § 28-8482. In addition, a strong notification program on the part of the applicant would be essential to inform potential residents/tenants about Luke AFB operations.

If you have any questions, please contact my Community Planner, Mr. Reggie Christianson at (623) 856-9981.

Sincerely

A handwritten signature in black ink, appearing to read 'JRM', followed by a horizontal line.

JAMES R. MITCHELL

cc:

Colonel Michael S. Richardson, Vice Commander, 56th Fighter Wing

Ms. Cindy L. Allen, GS-13, General and Environmental Law Attorney, 56th Fighter Wing

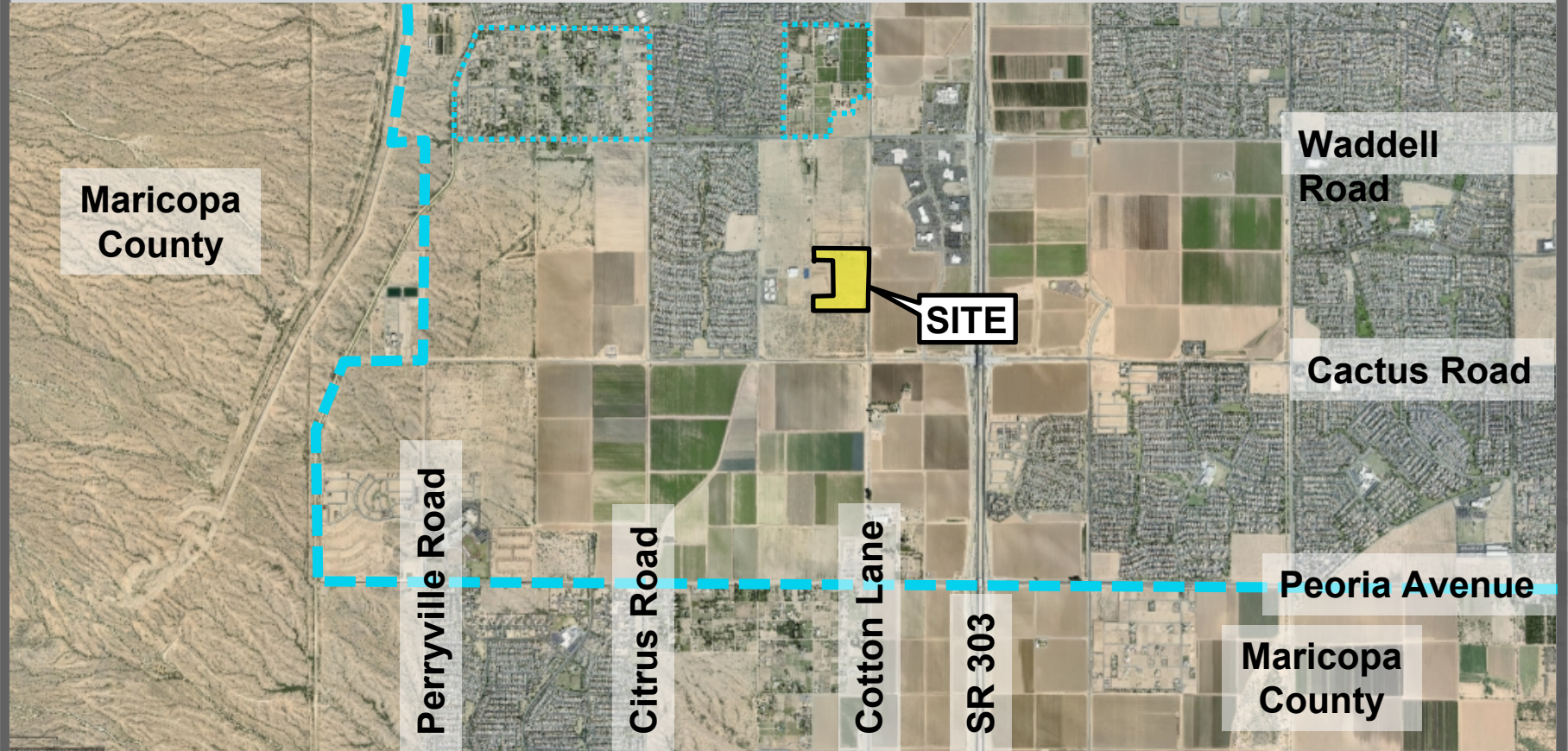


Ryder Ranch
FS19-364
Final Plat

City Council – November 17, 2020

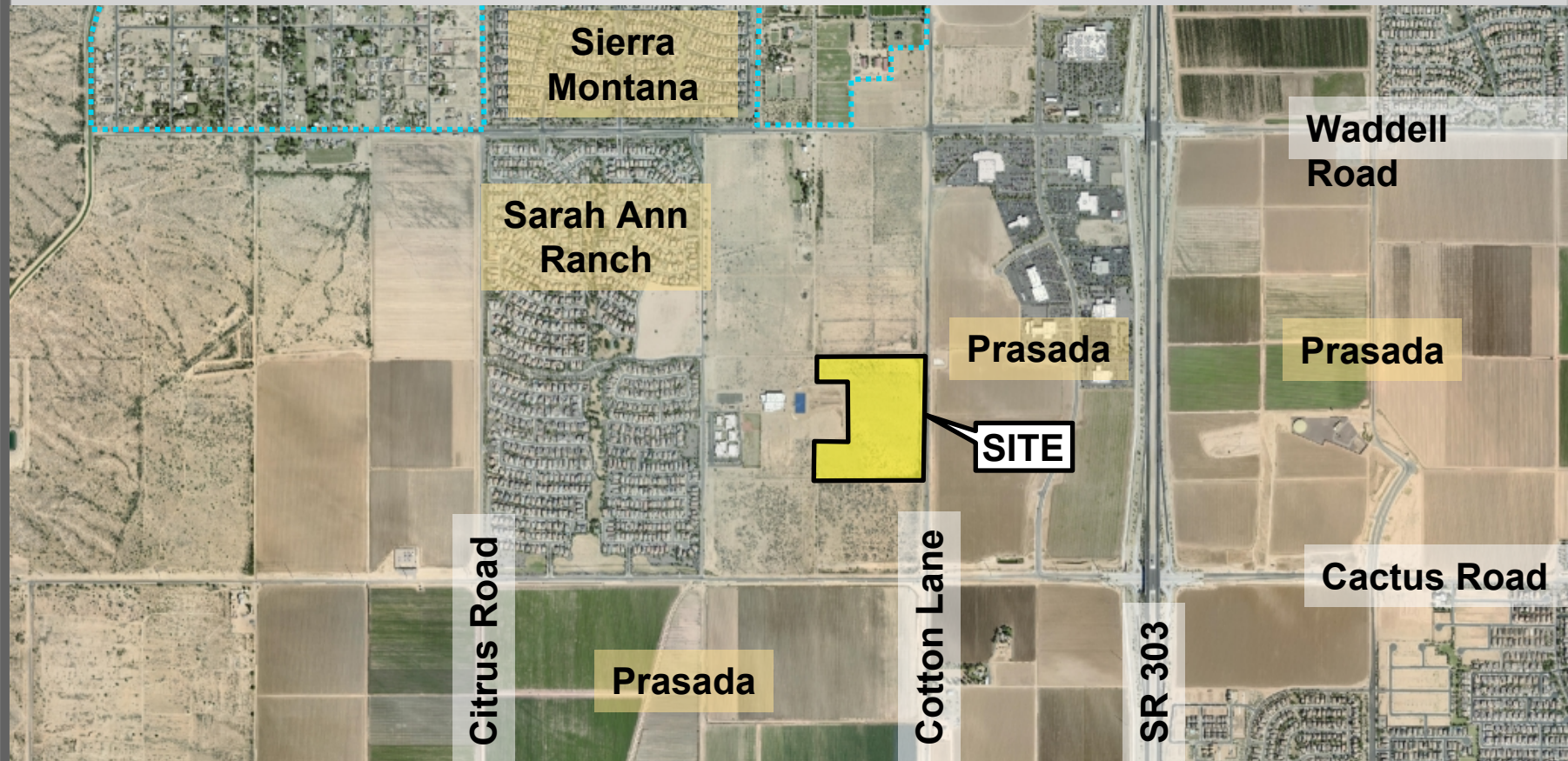
VICINITY MAP

FS19-364



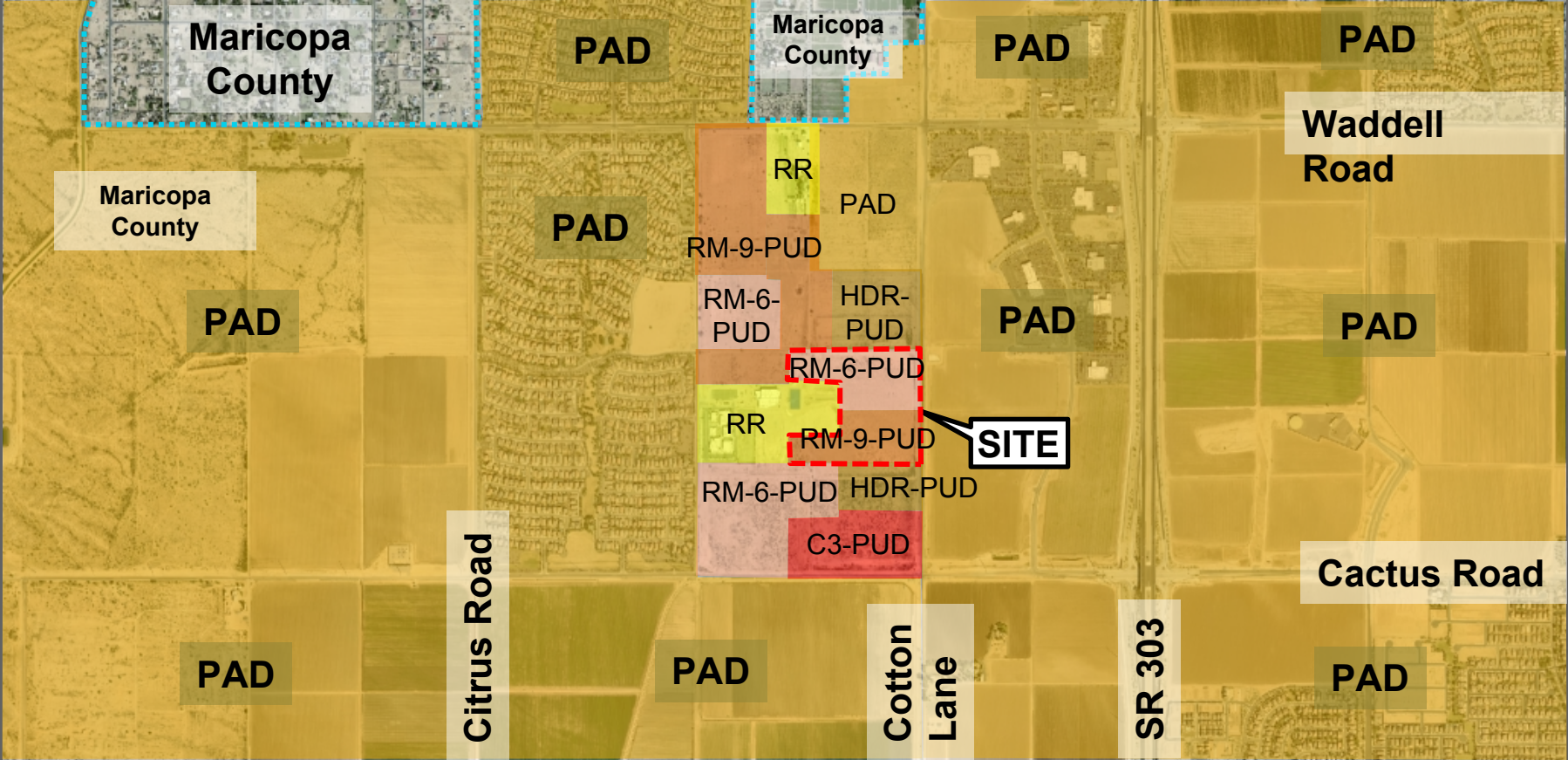
CASE MAP

FS19-364



ZONING MAP

FS19-364



175th Avenue

Paradise
Education

38.56 Acres

Cotton Lane

175th Avenue

Paradise
Education

Cotton Lane

66
55' x 100' Lots

79
40' x 100' Lots

Lotting Product

175th Avenue

Paradise
Education

Cotton Lane

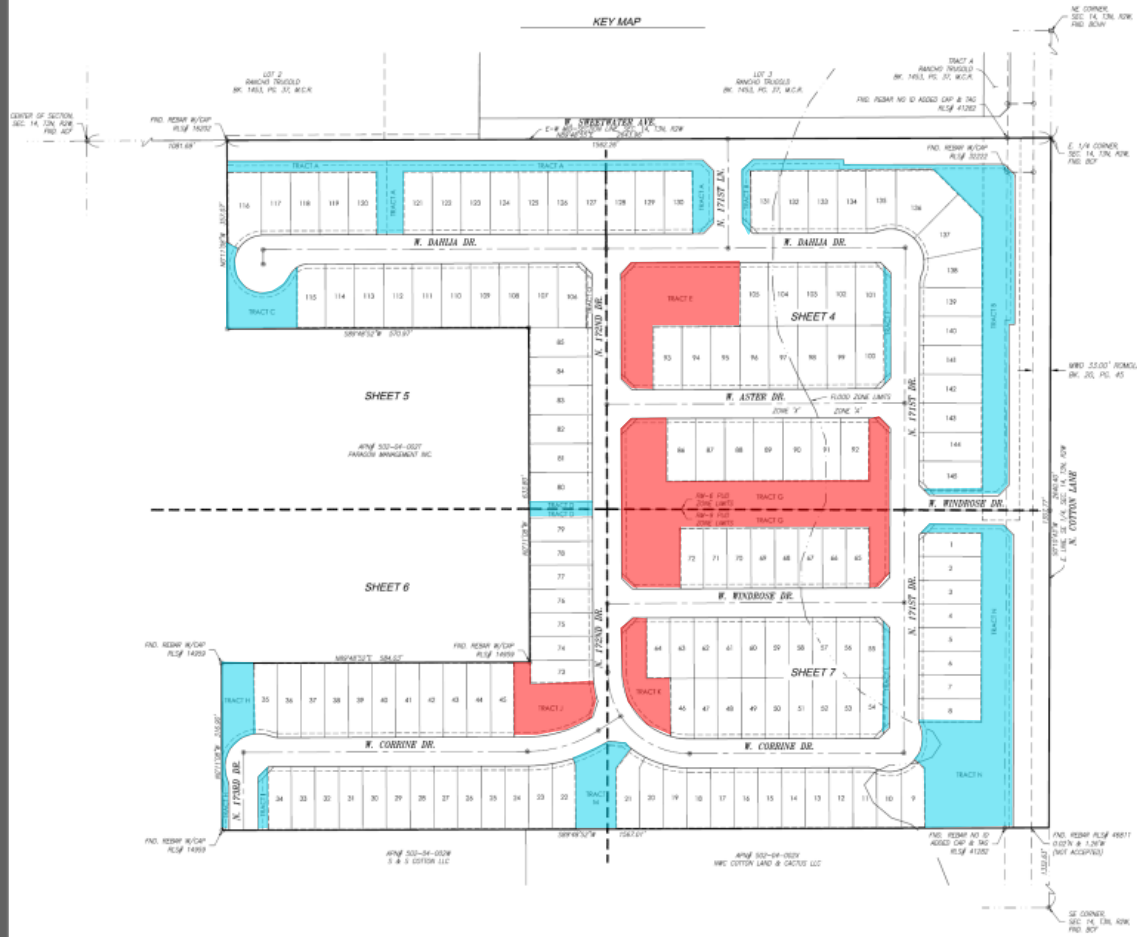
Access

175th Avenue

Paradise
Education

Cotton Lane

Access



Open Space Requirement

- 20 %

Active Open Space

- 3.14 acres
- 43.31 %

Passive Open Space

- 4.11 acres
- 56.69 %

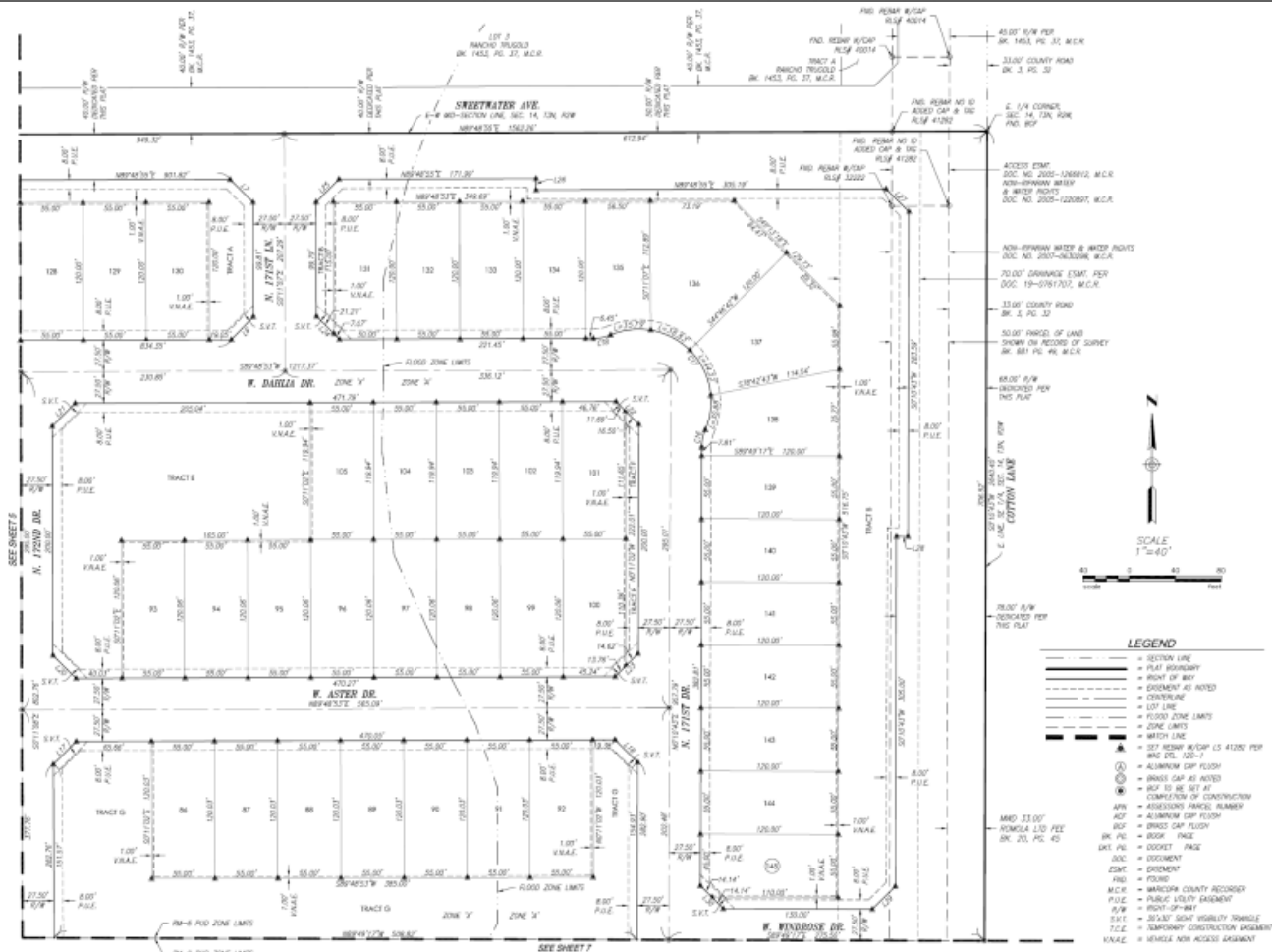
Total Open Space

- 7.25 acres
- 21 %

OPEN SPACE

FINAL PLAT

FINAL PLAT







QUESTIONS OR COMMENTS?

Thank You



CITY OF SURPRISE Regular City Council Meeting

Council Meeting Date: November 17, 2020
Submitting Department: Public Works
Staff Recommendations: None

Contact Person: Mike Gent, DIRECTOR - PW
District: District 1

Consent: Yes	Regular: No	Public Hearing: No	Report/Discussion: No
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Agenda Wording:

Consideration and action declaring the City's intent to enlarge the lighting improvement district entitled, "The City of Surprise, Arizona, SU-Rancho Mercado North 181" pursuant to A.R.S. § 48-616 for the purpose of purchasing facilities and energy for lighting the public streets and parks; Resolution # 2020-99.

Motion:

I move to approve Resolution # 2020-99.

Background:

Rancho Mercado was formed October 27, 2019 (Resolution 2019-077). Since the time of formation, new parcels have been formed in and around the original SLID boundary. We request enlarging the existing SLID to include the new parcels and extend existing boundaries to roadway centerlines. The city has verified that the Petition for the proposed street light improvement district enlargement contains the signatures of all of the real property owners in the enlargement area of the district, exclusive of mortgages and other lien holders. 26 (estimated) new lights are proposed within this enlargement which are local and collector roads that will be billed to the SU-Rancho Mercado North 181 SLID and 3 new lights on an arterial road that will be billed to the City of Surprise.

Objective Analysis:

A SLID is a neighborhood partnership and very common practice in which property owners in a defined area agree to pay the costs to operate and maintain their immediate area's street lights through a property tax. All new developments in the City of Surprise require a SLID. This action will enlarge an existing SLID boundary to include the remainder of the parcels not within the SLID and extend existing boundaries to roadway centerlines. The District is paid for by the levy and collection of equal apportionment of taxes based on the number and classification of properties within the District. The enlargement of the SLID will only affect the parcels joining into the District, as the valuation of the property may be increased.

Policy Compliant:

Surprise Municipal Code requires that street lighting that serves a defined area be paid for through revenues obtained from the specific area being served by such street lighting. In these instances, a Street Light Improvement District (SLID) is formed. The city strives to assure that residents are subject to only one SLID and that the boundaries of each SLID accurately reflect the service area. This item is

consistent with these objectives.

Financial Impact:

Any financial impact on the City is anticipated to be minimal, as the ratio of the new lights to existing lights is very small

Budget Impact:

This is an enlargement of an existing SLID, therefore no impact to the budget is anticipated. A separate fund for this District is currently in place to track the revenue and expenses.

FTE Impact:

This action does not change the full time equivalent count.

ATTACHMENTS:

1. 01 FS19-395 Res 2020-99-SLID Enlargement 2020-Final
 2. 02 FS19-395 SLID Petition signed- Approved
 3. 03 FS19-395 Rancho Del Rey Streetlight Plans - Approved
 4. 04 FS19-395 Rancho Del Rey Council Map
-

RESOLUTION # 2020-99

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF SURPRISE, ARIZONA DECLARING ITS INTENT TO ENLARGE THE CITY OF SURPRISE, ARIZONA SU-RANCHO MERCADO NORTH 181 AND ORDERING SUCH ENLARGEMENT.

WHEREAS, on June 27, 2019 the Mayor and City Council of the City of Surprise adopted Resolution No. 2019-077, ordering the formation of the City of Surprise, Arizona SU-Rancho Mercado North 181 (the "District") for the purpose of purchasing energy for the lighting of the public streets and parks within the District;

WHEREAS, on October 27, 2019 the Mayor and City Council adopted Resolution No. 2019-126, ordering the consolidation of Parcels A11, A14, A17, and A19 with Rancho Mercado North 181 Lighting Improvement District;

WHEREAS, Ariz. Rev. Stat. § 48-616(M) permits the City to add new territory to an existing district, thereby enlarging the boundaries of an existing street lighting improvement district ("SLID"), when proper notice has been given to the owners of real property that will be added to the SLID;

WHEREAS, Ariz. Rev. Stat. § 48-617(A) gives the City immediate jurisdiction to order the creation or enlargement of a SLID without the necessity of publication and posting of the resolution of intention when all owners of the real property being added to the SLID have petitioned the City to form or enlarge the SLID;

WHEREAS, the owners, exclusive of mortgagees and other lienholders, of parcels of property which adjoin the District (hereinafter referred to as "Petitioners") acting pursuant to the provisions of Ariz. Rev. Stat. §§ 48-616(M) and 48-617(A), have petitioned the City to enlarge the District to include said property legally described in Exhibit A to this Resolution, with such boundaries as shown in the map in Exhibit B to this Resolution;

WHEREAS, the City has verified and finds that Petitioners are the owners, exclusive of mortgagees and other lienholders, of all of the real property being added to the boundary of the District.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Surprise, Arizona, as follows.

Section 1. *District Enlargement.* The City of Surprise, Arizona SU-Rancho Mercado North 181 shall be enlarged by the addition of the property legally described in Exhibit A and shown in the map in Exhibit B, which are incorporated by reference hereto into this Resolution. The annual tax levied upon the District will remain in full force and

effect, and, commencing in fiscal year 2021/2022 will apply to the District as enlarged by this Resolution.

Section 2. *Recording and Filing of this Resolution.* A certified copy of this Resolution shall be recorded in the office of the Maricopa County Recorder. Certified copies of this Resolution shall also be filed with the Arizona Department of Revenue and the Maricopa County Assessor's office pursuant to Ariz. Rev. Stat. § 42-17257.

APPROVED AND ADOPTED this ____ day of _____, 2020.

Skip Hall, Mayor

Attest:

Approved as to form:

Sherry Aguilar, City Clerk

Robert Wingo, City Attorney

EXHIBIT A

Legal Description

**Legal Description
Street Light Improvement District
Rancho Del Rey**

Job No. 16-226

6/17/19

A PORTION OF THE EAST HALF OF THE SOUTHWEST QUARTER OF SECTION 4, TOWNSHIP 4 NORTH, RANGE 1 WEST OF THE GILA AND SALT RIVER MERIDIAN, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF SAID SECTION 4, FROM WHICH THE SOUTH QUARTER CORNER OF SAID SECTION 4 BEARS NORTH 89 DEGREES 57 MINUTES 09 SECONDS EAST, 2631.54 FEET;

THENCE ALONG THE SOUTH LINE OF SAID SOUTHWEST QUARTER, NORTH 89 DEGREES 57 MINUTES 09 SECONDS EAST, 1315.77 FEET TO THE **POINT OF BEGINNING**;

THENCE ALONG THE WEST LINE OF THE EAST HALF OF SAID SOUTHWEST QUARTER, NORTH 0 DEGREES 22 MINUTES 53 SECONDS WEST, 1652.71 FEET;

THENCE NORTH 89 DEGREES 57 MINUTES 50 SECONDS EAST, 657.32 FEET;

THENCE ALONG THE EAST LINE OF THE WEST HALF OF THE EAST HALF OF SAID SOUTHWEST QUARTER, SOUTH 0 DEGREES 24 MINUTES 04 SECONDS EAST, 1652.58 FEET;

THENCE ALONG THE SOUTH LINE OF SAID SOUTHWEST QUARTER, SOUTH 89 DEGREES 57 MINUTES 09 SECONDS WEST, 657.89 FEET TO THE **POINT OF BEGINNING**.

CONTAINS 24.9486 ACRES, MORE OR LESS.



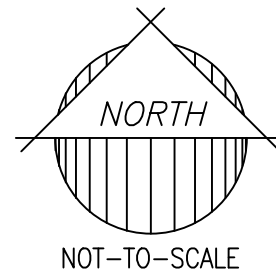
EPS Group, Inc. • 1130 N. Alma School Rd., Suite 120 • Mesa, AZ 85201
Tel (480) 503-2250 • Fax (480) 503-2258

EXHIBIT B

Map

BROOKFIELD HOLDINGS
MERCADO LLC

N89°57'50"E 657.32'



W LINE, E 1/2, SW 1/4
SEC 4, T4N, R1W

STATE LAND

N0°22'53"W 1652.71'

SUBJECT PARCEL
24.9486 AC ±

E LINE, W 1/2, E 1/2
SW 1/4, SEC 4,
T4N, R1W

S0°24'04"E 1652.58'

RANCHO MERCADO PARCEL A14
BK 1358, PG 40, MCR



POB

1315.77'

POC
SW COR, SEC 4, T4N, R1W

N89°57'09"E 2631.54'
W HAPPY VALLEY RD

S LINE, SW 1/4, SEC 4,
T4N, R1W

657.89'

S 1/4 COR, SEC 4, T4N, R1W

16-226

STREET LIGHT IMPROVEMENT DISTRICT
RANCHO DEL REY

EXHIBIT



1130 N Alma School Rd
Ste 120 Mesa, AZ 85201
T:480.503.2250 | F:480.503.2258
www.epsgroupinc.com

STREET LIGHT IMPROVEMENT DISTRICT PETITION

TO THE MAYOR AND COUNCIL OF THE CITY OF SURPRISE:

We, the undersigned, are all or a majority of the real property owners, exclusive of mortgagees and other lienholders, adjoining the district named below. We petition the City Council of the City of Surprise, Arizona, to enlarge the District to include said property legally described in Exhibit A with such boundaries as shown in the map in Exhibit B attached hereto. This petition includes a charge for maintaining the lighting facilities.

It is hereby requested that, in compliance with the Arizona Revised Statutes, the City Council adopt a Resolution of Intention to enlarge the existing District, and that unless protests are received pursuant to A.R.S. §48-579 sufficient to bar further proceedings, the City Council proceed with the improvements petitioned for herein.

Public convenience, necessity and welfare will be promoted by the establishment of the District and the real property within the District will be benefited by the District. Additional street lighting facilities may be installed and included in the District, at no investment cost to the District, as directed by the City and as approved by Arizona Public Service and the City Engineer.

WHEREFORE, we respectfully ask that this Petition be properly filed and that the Mayor and Council of the City adopt the Resolution and take such other action as is proper, necessary and appropriate to enlarge the District and to fulfill the purposes for which the District is organized, as the Mayor and Council believe is proper and necessary.

The name of the existing street light improvements district to be enlarged:
SU - Rancho Mercado 181 North

PETITIONERS: Please print and sign your name

PRINT BUSINESS/ PETITIONER'S NAME	ADDRESS OF PROPERTY OWNED WITHIN DISTRICT	ASSESSOR PARCEL #	SIGNATURE
HV 20 LLC	144th Ave and Happy Valley Rd Surprise, AZ	503-54-003D 503-54-003E	John Wittrick
Y&M Rayis Trust	144th Ave and Happy Valley Rd Surprise, AZ	503-54-003F	Yousif Rayis



**RATE SCHEDULE E-58
CLASSIFIED SERVICE
STREET LIGHTING SERVICE**

AVAILABILITY

This rate schedule is applicable to those portions of cities, towns and unincorporated communities in which the Company does a general retail electric business and where the Company has installed a multiple or series street lighting system of adequate capacity for the service to be rendered.

DESCRIPTION

E-58 is a rate that is applicable for lighting public streets, alleys, thoroughfares, public parks and playgrounds from dusk to dawn by use of Company's facilities.

TIME PERIODS

Dusk: Time between sunset and full night when photocontrol senses the lack of sufficient sunlight and turns on the lights.
Dawn: The time between full night and sunrise when a photocontrol senses sufficient sunlight to turn off lights.

CHARGES

The monthly bill will consist of the following charges, plus adjustments.

I. FIXTURES (Includes Mounting Arm, if Applicable)

	Lumen	Watts	kWh	CHARGES	
				Investment by Company	Investment by Others
A. Acorn	3,835 LED	75	26	\$21.63	\$7.59
	4,796 LED	75	26	\$17.38	\$6.46
	5,003 LED	100	35	\$23.45	\$8.71
	5,904 LED	100	35	\$23.03	\$8.60
	6000 IND	85	29	\$19.24	\$5.14
B. Architectural	6,200 IND	85	29	\$10.13	\$3.93
	8,400 IND	100	34	\$10.69	\$4.36
	10,200 IND	120	41	\$11.75	\$4.99
	13,000 IND	150	52	\$12.98	\$5.93
	20,500 IND	200	69	\$14.78	\$7.37
	22,500 IND	265	91	\$17.63	\$9.28
	3,300 LED	43	15	\$10.24	\$3.79
	3,800 LED	32	12	\$7.73	\$2.92
	3,900 LED	32	12	\$9.96	\$3.51
	4,050 LED	63	22	\$18.63	\$6.52
	4,100 LED	45	16	\$10.34	\$3.89
	4,800 LED	41	15	\$8.27	\$3.27
	5,000 LED	41	15	\$9.61	\$3.62



**RATE SCHEDULE E-58
CLASSIFIED SERVICE
STREET LIGHTING SERVICE**

	CHARGES				
	Lumen	Watts	kWh	Investment by Company	Investment by Others
	5,100 LED	60	21	\$10.18	\$4.19
	5,300 LED	67	24	\$10.47	\$4.48
	5,800 LED	94	32	\$17.81	\$5.16
	5,890 LED	89	31	\$20.56	\$7.66
	6,000 LED	62	22	\$18.63	\$6.52
	6,000 LED	67	24	\$19.89	\$6.99
	6,400 LED	89	31	\$17.89	\$5.10
	6,810 LED	101	35	\$18.89	\$7.50
	7,100 LED	62	22	\$19.70	\$6.80
	7,400 LED	127	44	\$20.42	\$6.34
	7,500 LED	73	26	\$20.08	\$7.18
	7,700 LED	86	30	\$18.41	\$7.02
	8,200 LED	88	31	\$10.45	\$4.97
	8,200 LED	95	33	\$11.87	\$5.48
	8,300 LED	72	25	\$17.93	\$6.54
	8,300 LED	106	37	\$12.45	\$5.91
	8,500 LED	88	31	\$11.69	\$5.30
	9,020 LED	139	48	\$22.94	\$9.47
	9,200 LED	139	48	\$25.60	\$7.30
	9,900 LED	130	45	\$13.82	\$6.84
	10,000 LED	93	32	\$21.43	\$7.96
	10,000 LED	113	39	\$13.26	\$6.28
	10,600 LED	126	44	\$22.56	\$9.09
	11,100 LED	108	38	\$12.76	\$6.07
	11,500 LED	108	38	\$13.16	\$6.18
	12,300 LED	203	70	\$25.48	\$8.85
	12,900 LED	119	41	\$22.31	\$8.82
	13,260 LED	202	70	\$27.11	\$12.12
	13,620 LED	202	70	\$28.49	\$9.24
	14,000 LED	171	59	\$26.07	\$11.08
	15,000 LED	136	47	\$24.93	\$9.94
	15,400 LED	144	50	\$25.21	\$10.22
	18,300 LED	162	56	\$16.13	\$8.22
	19,200 LED	257	89	\$26.87	\$13.38
	20,000 LED	258	89	\$26.87	\$13.38
	20,300 LED	193	67	\$17.17	\$9.26
	21,000 LED	193	67	\$24.77	\$11.28
C. Cobra	6,200 IND	75	26	\$10.54	\$3.77
	6,400 IND	85	29	\$8.97	\$3.78
	8,000 IND	88	30	\$10.47	\$4.04
	8,400 IND	100	34	\$9.70	\$4.24
	10,200 IND	120	41	\$10.44	\$4.81



**RATE SCHEDULE E-58
CLASSIFIED SERVICE
STREET LIGHTING SERVICE**

				CHARGES				
				Investment by Company	Investment by Others			
				Lumen	Watts	kWh		
C. Cobra				13,000 IND	150	52	\$11.50	\$5.73
				15,250 IND	200	69	\$13.86	\$7.25
				22,500 IND	250	86	\$18.55	\$9.06
		Gray / Bronz		3,500 IND	55	19	\$10.50	\$3.27
				6,000 LED	95	33	\$17.05	\$5.13
				8,700 LED	142	49	\$19.17	\$6.53
				9,600 LED	157	54	\$20.40	\$7.04
				11,600 B-LED	181	62	\$19.03	\$7.44
		Gray / Bronz		3,300 LED	43	15	\$9.00	\$2.79
		Gray / Bronz		5,300 LED	67	23	\$10.45	\$3.54
		Gray / Bronz		8,300 LED	106	37	\$13.55	\$4.94
		Gray / Bronz		10,500 LED	130	45	\$15.08	\$5.69
		Gray / Bronz		20,000 LED	258	89	\$26.21	\$10.27
D. Decorative Transit				5,300 LED	75	26	\$28.44	\$6.12
				8,300 LED	100	34	\$30.45	\$6.97
				8,147 LED	75	26	\$35.76	\$11.36
				9,522 LED	100	35	\$36.14	\$12.09
				10,500 LED	150	52	\$32.69	\$8.52
				14,896 LED	150	52	\$39.98	\$14.29
		Double		8,147 LED	75	26	\$64.74	\$18.96
		Double		9,522 LED	100	35	\$64.67	\$19.58
		Double		14,896 LED	100	52	\$70.67	\$22.32
		Copper		6,000 IND	85	29	\$18.87	\$5.09
		Gray / Black		8,000 IND	88	30	\$14.86	\$4.62
		Gray / Black		4,350 LED	86	30	\$13.48	\$4.44
E. Flood				14,470 LED	148	51	\$23.93	\$9.95
				16,000 LED	125	43	\$23.17	\$9.19
F. Pendant				8,678 LED	75	26	\$26.36	\$8.85
				13,964 LED	100	35	\$27.84	\$9.88
G. Post Top				4,350 LED	86	30	\$13.43	\$5.69
				6,400 LED	30	30	\$13.43	\$5.69
				6,600 LED	83	29	\$13.33	\$5.59
H. Roadway				3,300 LED	43	15	\$9.46	\$3.58
				3,800 LED	32	12	\$7.24	\$2.79
				3,900 LED	32	12	\$9.18	\$3.30
				4,100 LED	45	16	\$9.56	\$3.68
				4,800 LED	41	15	\$7.76	\$3.13
				5,000 LED	41	15	\$9.12	\$3.49
				5,100 LED	60	21	\$9.69	\$4.06
				5,300 LED	67	24	\$9.98	\$4.35
				8,200 LED	88	31	\$9.72	\$4.77



**RATE SCHEDULE E-58
CLASSIFIED SERVICE
STREET LIGHTING SERVICE**

	8,200 LED	95	33	\$11.36	\$5.34
	8,300 LED	106	37	\$11.74	\$5.72
	8,500 LED	88	31	\$11.18	\$5.16
	9,900 LED	130	45	\$13.31	\$6.70
	10,000 LED	113	39	\$12.75	\$6.14
	11,100 LED	108	38	\$12.03	\$5.88
	11,500 LED	108	38	\$12.65	\$6.04
	18,300 LED	162	56	\$15.23	\$7.98
	19,200 LED	257	89	\$19.11	\$11.32
	20,000 LED	258	89	\$19.11	\$11.32
	20,300 LED	193	67	\$16.27	\$9.02
	21,000 LED	193	67	\$17.01	\$9.22

FROZEN	4,000 INC	295	103	\$10.54	\$5.89
	7,000 MV	175	73	\$13.65	\$7.83
	11,000 MV	250	96	\$17.09	\$10.43
	20,000 MV	400	150	\$26.84	\$15.21
FROZEN ACORN	9,500 HPS	100	41	\$29.14	\$9.93
	16,000 HPS	150	69	\$32.35	\$12.55
FROZEN ARCHITECTURAL	9,500 HPS	100	41	\$16.56	\$7.90
	16,000 HPS	150	69	\$19.77	\$19.34
	30,000 HPS	250	99	\$22.95	\$13.57
	50,000 HPS	400	153	\$28.32	\$19.53
	14,000 MH	175	72	\$23.17	\$12.70
	21,000 MH	250	101	\$26.31	\$15.66
	36,000 MH	400	159	\$32.89	\$21.54
	8,000 LPS	55	30	\$24.08	\$10.58
	13,500 LPS	90	50	\$28.39	\$12.76
	22,500 LPS	135	72	\$32.43	\$15.56
FROZEN COBRA ROADWAY	33,000 LPS	180	90	\$39.01	\$18.33
	5,800 HPS	70	29	\$9.40	\$5.56
	9,500 HPS	100	41	\$11.07	\$6.81
	16,000 HPS	150	69	\$13.86	\$9.50
FROZEN COBRA ROADWAY	30,000 HPS	250	99	\$16.72	\$12.35
	50,000 HPS	400	153	\$22.69	\$17.63
	14,000 MH	175	72	\$16.12	\$10.99
	21,000 MH	250	101	\$18.84	\$13.67
	36,000 MH	400	159	\$24.81	\$18.99
FROZEN DECORATIVE TRANSIT	8,000 FL	100	38	\$18.53	\$5.43
	9,500 HPS	100	41	\$39.95	\$11.96
	16,000 HPS	150	69	\$39.72	\$13.36
FROZEN FLOOD	30,000 HPS	250	99	\$45.74	\$17.26
	30,000 HPS	250	99	\$22.20	\$13.79
	50,000 HPS	400	153	\$27.53	\$19.14
	21,000 MH	250	101	\$23.69	\$14.58
FROZEN Colonial Gray	36,000 MH	400	159	\$28.89	\$19.76
	8,000 FL	100	38	\$19.97	\$5.64



**RATE SCHEDULE E-58
CLASSIFIED SERVICE
STREET LIGHTING SERVICE**

POST TOP	Colonial Gray	9,500 HPS	100	41	\$11.42	\$7.16
	Colonial Black	9,500 HPS	100	41	\$13.15	\$7.41
	Decorative	9,500 HPS	100	41	\$34.97	\$11.03

NOTES:

1. Investment by Company. These rates are applicable where the Company provides the initial investment to purchase and install all facilities necessary for street lighting service. The Company will own, operate, and maintain the street lighting system.
2. Investment by Others. These rates are applicable in those instances where the requesting entity or individual purchases and installs the street lighting facilities at their own expense and in accordance with Company specifications. These rates will also apply in the instance where the Customer provides a non-refundable advance to the Company to cover the Company's cost of purchasing and installing the street lighting system. The Company retains ownership of the street lighting system and provides operation and maintenance for all facilities.
3. Listed kWhs reflect the assigned monthly energy usage for each type of fixture and are used to determine any applicable transmission, system benefit, distribution, energy, and adjustment charges.
4. HPS = High Pressure Sodium
5. MH = Metal Halide
6. LPS = Low Pressure Sodium
7. FL = Fluorescent
8. INC = Incandescent. Incandescent lighting charges are applicable and available only to those Customers being served and those installations in service on November 1, 1986.
9. MV = Mercury Vapor. Mercury Vapor lighting charges are applicable and available only to those Customers being served and those installation in service on November 1, 1986 in accordance with A.R.S. §49-1104(A).
10. LED = Light Emitting Diode
11. IND = Induction



**RATE SCHEDULE E-58
CLASSIFIED SERVICE
STREET LIGHTING SERVICE**

II. POLES

				CHARGES		
				Investment by Company	Investment by Others	
A. Anchor Base Mounted (Flush)	Round Steel	1 Simplex Adapter	Height			
			12 ft.	\$13.11	\$1.81	
			22 ft.	\$14.75	\$2.03	
			25 ft.	\$15.97	\$2.21	
			30 ft.	\$18.34	\$2.52	
		32 ft.	\$19.27	\$2.55		
		2 Simplex Adapters	12 ft.	\$13.98	\$1.93	
			22 ft.	\$16.06	\$2.22	
			25 ft.	\$16.75	\$2.31	
			30 ft.	\$19.47	\$2.68	
	32 ft.		\$20.77	\$2.87		
	Square Steel	5"	13 ft.	\$15.03	\$2.06	
			15 ft.	\$13.43	\$1.85	
			23 ft.	\$15.93	\$2.19	
			25 ft.	\$17.51	\$2.41	
			28 ft.	\$19.44	\$2.67	
			32 ft.	\$19.33	\$2.66	
	Concrete		12 ft.	\$44.79	\$6.17	
	Fiberglass		12 ft.	\$37.93	\$5.22	
	Decorative Transit		4"	16 ft.	\$36.98	\$5.10
	Decorative Transit		6"	30 ft.	\$71.39	\$9.83
	Hinged Poles		Square	15 ft.	\$14.21	\$1.16
Round			19 ft.	\$12.85	\$1.05	
B. Anchor Base Mounted (Pedestal)	Round Steel	1 Simplex Adapter	12 ft.	\$12.61	\$1.73	
			22 ft.	\$14.26	\$1.96	
			25 ft.	\$15.46	\$2.13	
			30 ft.	\$17.85	\$2.47	
			32 ft.	\$18.75	\$2.58	
		2 Simplex Adapters	12 ft.	\$13.47	\$1.85	
			22 ft.	\$15.05	\$2.06	
			25 ft.	\$16.24	\$2.23	
			30 ft.	\$18.97	\$2.60	
			32 ft.	\$20.26	\$2.79	
		3 Bolt	32 ft.	\$23.28	\$3.20	
		Square Steel	5"	13 ft.	\$14.54	\$2.01
				15 ft.	\$14.86	\$2.03
				23 ft.	\$15.43	\$2.13
	25 ft.			\$17.02	\$2.36	
	28 ft.			\$18.91	\$2.60	
	32 ft.			\$19.63	\$2.69	



**RATE SCHEDULE E-58
CLASSIFIED SERVICE
STREET LIGHTING SERVICE**

II POLES (cont)

		CHARGES		
		Height	Investment by Company	Investment by Others
C. Direct Bury	Round Steel	19 ft.	\$19.84	\$2.74
		30 ft.	\$15.49	\$2.87
		38 ft.	\$18.90	\$2.94
		Self 40 ft.	\$23.28	\$3.69
		Stepped 25 ft.	\$53.55	\$4.37
		32 ft.	\$56.40	\$4.60
		49 ft.	\$70.00	\$9.65
	Square Steel	4" 34 ft.	\$17.09	\$2.96
		5" 20 ft.	\$16.23	\$2.68
		30 ft.	\$16.92	\$2.79
		38 ft.	\$18.36	\$3.19
		8" 28 ft.	\$30.64	\$2.49
		32 ft.	\$32.03	\$2.62
		Decorative Transit 41 ft 6	\$22.05	\$3.24
	Decorative Transit	47 ft.	\$27.47	\$4.04
	Steel Distribution Pole (for lighting only)	35 ft.	\$25.36	\$3.34
D. Post Top	Decorative Transit Anchor Base	16 ft.	\$37.77	\$5.19
	Gray Steel/Fiberglass	23 ft.	\$13.10	\$2.15
	Black Steel	23 ft.	\$14.44	\$2.38
E. Existing distribution pole suitable for streetlight use			\$1.59	--
F. FROZEN	Wood Poles	30 ft.	\$9.64	\$1.67
		35 ft.	\$9.64	\$1.59

NOTE: The monthly rate for all new poles includes up to 300 feet of overhead secondary wire, or up to 300 feet of underground secondary wire if the Customer provides earthwork and conduit (excluding the underground to overhead transition).

III. ANCHOR BASE

		CHARGES		
		Height	Investment by Company	Investment by Others
A. Flush		4 ft.	\$10.67	\$1.47
		6 ft.	\$12.73	\$2.21
B. Pedestal		8 ft.	\$14.59	\$2.54
	For 32' Round Steel Pole only	4 ft. 6"	\$10.12	\$1.75



**RATE SCHEDULE E-58
CLASSIFIED SERVICE
STREET LIGHTING SERVICE**

IV. CHARGES FOR OPTIONAL OR ADDITIONAL EQUIPMENT

		CHARGE
		Company Owned
FROZEN		
Underground Circuit Charges:		
a.	Per foot of cable, installed under paving	\$0.17000
b.	Per foot of cable, not installed under paving	\$0.06000

V. DETERMINATION OF CHARGES FOR NEW EQUIPMENT

Monthly charges for new lighting fixtures, poles and other equipment not included in Sections I, II, or III above will be determined by the Company using the following method:

Step 1 Determination of Charges for each Charge Type							Monthly Fixed Charge Rate
Charge Type	Monthly Charge		Cost Inputs Equipment Cost		PV Factor		
1	Carrying Cost (fixtures)	=	(installed)	x	NA	x	1.518%
			Equipment Cost				
2	Carrying Cost (poles)	=	(installed)	x	NA	x	1.296%
			Equipment Cost				
3	Fixture Replacement Cost	=	Equipment Cost (installed)	x	0.257	x	1.518%
4	Pole, Anchor Replacement Cost	=	Equipment Cost (installed)	x	0.110	x	1.296%
5	Lighting O&M	=	O&M Cost (lifecycle)	x	0.427	x	1.518%
Charge Type	Monthly Charge		kWh Input		\$/kWh		
6	Generation	=	kWh per month	x	0.06760		
7	T&D, RCS, SB	=	kWh per month	x	0.02738		



**RATE SCHEDULE E-58
CLASSIFIED SERVICE
STREET LIGHTING SERVICE**

Step 2 **Determination of Total Monthly Charge**
The total monthly charge will be the summation of the charges for each applicable charge type

<u>Equipment</u>	<u>Charge Type</u>
Fixture - IBC	1,5,6,7
Fixture - IBO	3,5,6,7
Pole, Anchor Base - IBC	2
Pole, Anchor Base - IBO	4

TRIP CHARGE

A \$100.00 trip charge per light will be charged when a Customer requests a disconnect or reconnect of service in order to accommodate the maintenance activities of the Customer or its designee(s) on their street lighting equipment.

ADJUSTMENTS

The bill will include the following adjustments:

1. The Renewable Energy Standard charge, Adjustment Schedule REAC-1.
2. The Power Supply Adjustment charges, Adjustment Schedule PSA-1.
3. The Transmission Cost Adjustment charge, Adjustment Schedule TCA-1.
4. The Environmental Improvement Surcharge, Adjustment Schedule EIS.
5. The Demand Side Management Adjustment charge, Adjustment Schedule DSMAC-1.
6. The Lost Fixed Cost Recovery Adjustment charge, Adjustment Schedule LFCR.
7. Direct Access Customers returning to Standard Offer service may be subject to a Returning Customer Direct Access Charge, Adjustment Schedule RCDAC-1.
8. Any applicable taxes and governmental fees that are assessed on APS's revenues, prices, sales volume, or generation volume.

SERVICE DETAILS

1. Street lighting facilities installed under this rate schedule are of the type currently being furnished by Company as standard at the time service is initially requested. Standard facilities are those listed in the Company's Transmission and Distribution Construction Standards book.



**RATE SCHEDULE E-58
CLASSIFIED SERVICE
STREET LIGHTING SERVICE**

2. The Customer will be responsible for notifying the Company when the streetlighting facilities are not operating as intended. The Company will use reasonable efforts to complete normal maintenance (replacement of lamps, photocontrols or fixtures) within ten (10) working days from notification by Customer. If the maintenance requires cable replacement or repairs, the Company will use reasonable efforts to complete said repairs within twenty (20) working days.
3. The Customer's bill will not be reduced due to lamp, photocontrol or cable repair or replacement outages.
4. Lighting equipment which is not specified in this rate schedule will be billed at the rates corresponding to the most similar equipment, as determined by the Company.
5. Non-standard facilities (non-standard being defined as any facility not listed in the Company's Transmission and Distribution Construction Standards book) do not qualify for this rate schedule. At the Company's discretion, such facilities may be served under another of the Company's rate schedules.
6. The Company will extend its standard street lighting system up to a distance of 300 feet for each additional lighting installation without cost at the request of the Customer. When the extension is underground the customer will provide earthwork as specified in the Company's Service Schedule 3, Conditions Governing Extensions of Electric Distribution Lines and Services; or, at the applicant's request, the Company will provide such earthwork and the applicant will be required to pay a non-refundable contribution in aid of construction equal to the cost of such earthwork. Any additional extension required (over and above the first 300 feet) will be provided by Company for a contribution in aid of construction equal to the cost of the additional extension.
 - a. Extensions to isolated areas requiring a substantial extension of the electric distribution system, as opposed to an extension of the street lighting system, will require a special study to determine the terms and conditions under which the Company will undertake such an extension.
7. APS provides electric service under the Company's Service Schedules. These schedules provide details about how the Company serves its Customers, and they have provisions and charges that may affect the Customer's bill. In addition, service may be subject to special terms and conditions as provided for in a Customer contract or service agreement.

THESE DRAWINGS AND SPECIFICATIONS ARE THE SOLE PROPERTY OF WRIGHT ENGINEERING CORPORATION AND MAY NOT BE REPRODUCED OR MODIFIED FOR ANY USE WITHOUT THE EXPRESS WRITTEN PERMISSION OF WRIGHT ENGINEERING CORPORATION.

STREET LIGHTING REQUIREMENTS

5.00 GENERAL NOTES:
THE FOLLOWING INFORMATION IS PROVIDED TO EMPHASIZE CRITICAL WORK AND IS INTENDED TO SUPPLEMENT THE SPECIFICATIONS. SHOULD THERE BE A CONFLICT WITH THE SPECIFICATIONS, THIS DOCUMENT SHALL TAKE PRECEDENCE.
ALTERNATES SHALL BE PRE-APPROVED BY THE CITY ENGINEERING MANAGER. APPROVAL OF ALTERNATE PRODUCTS SHALL BE ON AN EQUAL BASIS WITH THE PRODUCT SPECIFIED AND SHALL BE SUBMITTED A MINIMUM OF TEN (10) DAYS PRIOR TO BID OPENING. STRUCTURAL CALCULATIONS SHALL BE FURNISHED FOR ALTERNATE PRODUCTS AND CERTIFIED BY A STRUCTURAL ENGINEER, REGISTERED IN THE STATE OF ARIZONA. LUMINAIRES AND LAMPS SHALL MEET OR EXCEED THE PHOTOMETRIC, ELECTRICAL, AND MECHANICAL REQUIREMENTS FOR THE SPECIFIED PRODUCTS.

THE CONTRACTOR SHALL COMPLY WITH STATE AND CITY STATUTES, AND MANUFACTURER'S RECOMMENDATIONS.
THE SUBMITTAL PACKAGE SHALL CONSIST OF THREE (3) COPIES OF EQUIPMENT/MATERIAL TO BE INSTALLED AND SHALL BE BOUND/STAPLED IN A FOLDER AND SUBMITTED AT THE TIME OF PERMIT APPLICATION.

PRIOR TO SUBMITTING A PROPOSAL, THE BIDDER SHALL EXAMINE ALL GENERAL CONSTRUCTION DRAWINGS AND VISIT THE CONSTRUCTION SITE TO BECOME FAMILIAR WITH EXISTING CONDITIONS UNDER WHICH HE WILL OPERATE AND WHICH WILL IN ANY WAY AFFECT THE WORK UNDER THE CONTRACT. NO SUBSEQUENT ALLOWANCE WILL BE MADE IN THIS CONNECTION IN THE BEHALF OF THE CONTRACTOR FOR ANY ERROR OR NEGLIGENCE ON HIS PART.

PRIOR TO ORDERING ANY MATERIALS OR DOING ANY WORK, THE CONTRACTOR SHOULD VERIFY DIMENSIONS AT THE SITE. IMMEDIATELY REPORT DIFFERENCES TO THE ENGINEERING MGR. AND SHOULD NOT PROCEED WITH WORK UNTIL THE ENGINEERING MGR. RENDERS A DECISION. NO EXTRA CHARGES OR COMPENSATION WILL BE ALLOWED FOR DIFFERENCES IN ACTUAL DIMENSIONS AND DIMENSIONS INDICATED ON THE DRAWINGS.

5.01 GENERAL:
THE ELECTRICAL CONTRACTOR SHALL COMPLY WITH ALL LICENSING REQUIREMENTS SET FORTH BY THE STATE REGISTRAR OF CONTRACTORS OFFICE TO PERFORM WORK RELATING TO STREET LIGHT INSTALLATION IN THE CITY RIGHT-OF-WAY.

ONE PROJECT UNDERGROUND UTILITIES (RIGHT OF WAY) PERMIT AND ONE STREETLIGHT PERMIT FOR EACH STREET LIGHT POLE SHALL BE OBTAINED BY THE CONTRACTOR PRIOR TO CONSTRUCTION.

5.02 WORKING / "AS BUILT" PLANS:
ACCEPTANCE OF THE COMPLETED IMPROVEMENTS WILL NOT BE GIVEN UNTIL 4 MIL PHOTO MYLAR REPRODUCIBLE "AS BUILT" PLANS HAVE BEEN SUBMITTED TO AND APPROVED BY THE CITY ENGINEER.

5.03 LIGHT POLES:
LIGHT POLES SHALL BE INSTALLED PLUMB, BE ADJUSTED TO PROVIDE PROPER ALIGNMENT TO THE ROADWAY WHEN LIGHTED AND BE PROPERLY GROUNDED WHEN THE INSTALLATION IS COMPLETE.

5.04 EMBEDMENT:
DIRECT BURIED POLES SHALL BE SET IN A TWELVE (12) INCH AUGURED HOLE DEPTH AS SPECIFIED IN UNDISTURBED EARTH. POLE SHALL BE SET PLUMB IN TWO DIRECTIONS 90 DEGREES APART. HAND TAMPING OF ABC BACKFILL WITH PNEUMATIC OR VIBRATING EQUIPMENT IS THE ACCEPTABLE METHOD OF COMPACTION. BACKFILL SHALL BE COMPACTED TO 85% OF MAXIMUM DENSITY AS DEFINED BY ASTM D-2922 AND D-3017. A GROUND ROD SHALL BE INSTALLED ADJACENT TO PULL BOX IN UNDISTURBED SOIL AND A LEAD IN COPPER BOND WIRE (#6) SHALL BE INSTALLED IN 1" CARFLEX LIQUIDTIGHT FLEXIBLE NONMETALLIC CONDUIT (OR EQUAL) FOR POLE GROUNDING.

SURPLUS EXCAVATION SHALL BE DISPOSED OF BY THE CONTRACTOR.

5.05 LUMINAIRES:
LUMINAIRES SHALL BE INSTALLED LEVEL AND INCLUDE A LAMP AND PHOTOCCELL. CONTRACTOR SHALL ASSURE THAT THE LUMINAIRES SHALL BE FREE OF DUST, DIRT OR ANYTHING THAT WOULD IMPAIR THE OUTPUT OF THE LIGHT BEFORE HE LEAVES THE SITE.

LUMINAIRES FURNISHED WITH MULTI-TAP BALLASTS SHALL BE REWIRED OR RECONNECTED TO MATCH THE VOLTAGE SUPPLIED BY THE ELECTRIC UTILITY COMPANY.

5.06 WIRING:
WIRING SHALL BE INSTALLED PER UTILITY STANDARDS.

5.07 GROUNDING:
EACH POLE SHALL HAVE A 8' X 5/8" COPPER CLAD GROUND ROD DRIVEN ADJACENT TO PULL BOX. A #6 BARE COPPER LEAD FROM THE GROUND ROD IN PULL BOX TO LANDING LUG IN STREET LIGHT POLE HAND HOLE.

5.08 PULL BOXES:
EXCAVATION FOR PULL BOXES AND MATERIAL SPECIFICATION SHALL BE PER THE ELECTRIC UTILITY COMPANY STANDARDS.

5.09 TRENCH
TRENCH SHALL BE INSTALLED PER THE UTILITY COMPANY STANDARDS.

THE USE OF A COMMON ELECTRIC UTILITY COMPANY TRENCH IS PERMITTED. IT IS THE CONTRACTOR'S RESPONSIBILITY TO CONTACT THE UTILITY COMPANY FOR COORDINATION OF TRENCHING AND THE INSTALLATION OF CONDUIT.

CONDUIT SHALL BE INSTALLED AT THE DEPTH SPECIFIED ON THE PLANS. CONDUIT SHALL BE 1 INCH CARFLEX LIQUIDTIGHT FLEXIBLE NONMETALLIC CONDUIT OR EQUAL. CONDUIT MUST BE UL RATED AND SUITABLE FOR UNDERGROUND USE.

CONNECTIONS SHALL BE PER UTILITY STANDARDS.

5.12 LIGHT POLE IDENTIFICATION:
THE CONTRACTOR SHALL FURNISH AND INSTALL A NUMBER ON EACH LIGHT POLE. STREET LIGHT POLE IDENTIFICATION AND SPECIFICATIONS WILL BE PROVIDED BY THE CITY OF SURPRISE.

IT IS THE CONTRACTOR'S RESPONSIBILITY TO RESTORE ALL PROPERTY, LANDSCAPING, PAVING AND DRIVEWAYS THAT ARE DISTURBED DURING STREET LIGHT CONSTRUCTION TO THEIR ORIGINAL CONDITION IN CONFORMANCE WITH "MAG" SPECIFICATION SECTION 107.9.

THE DEVELOPER SHALL BE RESPONSIBLE FOR FURNISHING ALL PERSONNEL AND EQUIPMENT TO SUCCESSFULLY PERFORM THE FOLLOWING TEST.

PRIOR TO ACCEPTANCE, THE DEVELOPER SHALL ENERGIZE AND OPERATE THE ENTIRE ROADWAY LIGHTING SYSTEM, FROM SUNSET TO SUNRISE FOR TWO CONSECUTIVE DAYS WITHOUT INTERRUPTION OR FAILURE. IF A LAMP OR BALLAST SHOULD FAIL, IT SHALL BE IMMEDIATELY REPLACED.

THE CONTRACTOR SHALL GUARANTEE ALL WORK FOR A PERIOD OF ONE YEAR FROM THE DATE OF FINAL ACCEPTANCE BY THE ENGINEERING MANAGER, AGAINST IMPERFECT WORKMANSHIP, FAILURE, MALFUNCTION OF MATERIALS AND/OR EQUIPMENT DUE TO FAULTY OR IMPERFECT WORKMANSHIP. THIS GUARANTEE IS TO BE IN WRITING TO THE CITY AT THE TIME OF ISSUING FINAL ACCEPTANCE. WORK FOUND TO BE DEFECTIVE WITHIN THE WARRANTY PERIOD SHALL BE REPLACED WITHOUT COST TO THE CITY.

RANCHO DEL REY
STREET LIGHT DESIGN

GENERAL ENGINEERING NOTES:

- ALL CONSTRUCTION MUST CONFORM TO MARICOPA ASSOCIATION OF GOVERNMENT (MAG) SPECIFICATIONS AND DETAILS AND LATEST REVISIONS UNLESS OTHERWISE STATED ON PLANS.
- THE ENGINEER WILL NOT BE RESPONSIBLE FOR CONSTRUCTION MEANS, METHODS, TECHNIQUES, SEQUENCES, OR PROCEDURES OR FOR SAFETY PRECAUTIONS OR PROGRAMS UTILIZED IN CONNECTION WITH THE WORK, AND THEY WILL NOT BE RESPONSIBLE FOR THE CONTRACTOR'S FAILURE TO CARRY OUT THE WORK IN ACCORDANCE WITH THE CONTRACT DOCUMENTS.
- THE CONTRACTOR SHALL BE RESPONSIBLE FOR IDENTIFYING ALL OVERHEAD AND UNDERGROUND UTILITY LOCATIONS WHERE CONSTRUCTION OCCURS. SPECIAL CARE SHALL BE TAKEN TO ENSURE THAT ALL UTILITIES ARE AVOIDED. UTILITY LOCATIONS SHOWN ON THE PLANS ARE APPROXIMATE AND NOT FOR CONSTRUCTION PURPOSES. ANY DAMAGE TO EXISTING UTILITIES SHALL BE REPAIRED AND OR REPLACED AT THE CONTRACTOR'S EXPENSE. THE CONTRACTOR SHALL COMPLY WITH ALL CURRENT ARIZONA UNDERGROUND FACILITIES LAWS (ARIZONA REVISED STATUTES TITLE 40, CHAPTER 2, ARTICLE 6.3, SECTION 40-360.21-32). CALL ARIZONA 811 FOR FIELD LOCATION BY DIAL 811.
- THE CITY OF SURPRISE ENGINEERING SERVICES OF PUBLIC WORKS SHALL BE NOTIFIED FORTY-EIGHT (48) HOURS PRIOR TO COMMENCEMENT OF ANY CONSTRUCTION WORK AT 623-222-6150.
- THE ENGINEER AND APPLICABLE AGENCY MUST APPROVE, PRIOR TO CONSTRUCTION, ANY ALTERATION OR VARIANCE FROM THESE PLANS. ANY VARIATION FROM THESE PLANS SHALL BE PROPOSED AND RESUBMITTED FOR REVIEW AND APPROVAL.
- THE CONTRACTOR SHALL PROTECT AND MAINTAIN ALL EXISTING UTILITIES ON THE SITE. ANY DAMAGE TO EXISTING UTILITIES, WHETHER SHOWN OR NOT ON THE DRAWING, SHALL BE REPAIRED/REPLACED AT THE CONTRACTOR'S EXPENSE. EXISTING SURFACE FEATURES AND FENCING SHALL BE REPLACED IN KIND.
- ANY INSPECTION BY THE CITY, COUNTY, OR THE ENGINEER, SHALL NOT IN ANY WAY RELIEVE THE CONTRACTOR FROM ANY OBLIGATION TO PERFORM THE WORK IN STRICT COMPLIANCE WITH THE APPLICABLE CODES AND AGENCY REQUIREMENTS.
- THE CONTRACTOR IS TO LOCATE ALL EXISTING LANDSCAPING, LANDSCAPING IRRIGATION LINES, PROPERTY MONUMENTS, FENCING OR SURFACE FEATURES PRIOR TO CONSTRUCTION. ANYTHING DISTURBED DURING CONSTRUCTION SHALL BE REPLACED IN KIND AT THE CONTRACTOR'S EXPENSE.
- NOTHING CONTAINED IN THE CONTRACT DOCUMENTS SHALL CREATE, NOR SHALL BE CONSTRUED TO CREATE, ANY CONTRACTUAL RELATIONSHIP BETWEEN THE ENGINEER AND THE CONTRACTOR OR ANY SUBCONTRACTOR.
- ALL CONSTRUCTION WATER USED WITHIN THE CITY OF SURPRISE WATER SERVICE AREA REQUIRES APPROVAL BY THE CITY OF SURPRISE PUBLIC WORKS DEPARTMENT AND MAY BE SUBJECT TO VOLUME AND TIME RESTRICTIONS. PLEASE SEE THE CITY OF SURPRISE CONSTRUCTION WATER GUIDELINES FOR ADDITIONAL INFORMATION. THE GUIDELINES CAN BE OBTAINED FROM THE PUBLIC WORKS DEPARTMENT AT 623-222-6000.
- TRAFFIC CONTROL SHALL BE MAINTAINED IN ACCORDANCE WITH MAG SPECIFICATION 401, THE MANUAL ON UNIFORM TRAFFIC CONTROL DEVICES, AND THE "TEMPORARY WORK ZONE TRAFFIC MANAGEMENT POLICY" (LATEST EDITION).
- PRIOR TO FINAL APPROVAL AND ACCEPTANCE OF THE WORK, THE DEVELOPER/CONTRACTOR WILL BE REQUIRED TO CLEAN AND REPAIR ADJACENT (OFF-PROJECT) ROADWAYS USED OR DAMAGED DURING THE COURSE OF CONSTRUCTION.
- EMERGENCY VEHICLE ACCESS (E.V.A.) MUST BE PROVIDED BY THE DEVELOPER/CONTRACTOR THROUGHOUT THE PROJECT SITE. E.V.A. ROADS AND SIGNAGE SHALL BE MAINTAINED BY THE DEVELOPER/CONTRACTOR AT ALL TIMES. SIGNAGE SHALL BE POSTED AT THE POINT OF ENTRY TO THE SITE AND AT ALL LOCATIONS WHERE A CHANGE IN DIRECTION OCCURS.
- THE PLANS SHALL COMPLY WITH THE AMERICANS WITH DISABILITIES ACT'S ACCESSIBILITY GUIDELINES, AS PUBLISHED IN THE FEDERAL REGISTER ON SEPTEMBER 15, 2010.

UTILITIES WITHIN OR AFFECTED BY THE PROJECT	
UTILITY CONTACT	DATE SUBMITTED
ARIZONA PUBLIC SERVICE	5/16/2019
CENTURY LINK	5/16/2019
COX COMMUNICATIONS	5/16/2019
SOUTHWEST GAS	5/16/2019

STREET LIGHTING (APS AREA)															
KEY NO.	SYMBOL	STREET TYPE	OFFSET BEHIND B/C	QUANTITY	POLE		MAST ARM	LUMINAIRE						APS STANDARD CODE NO.	
					POLE HEIGHT	FOUNDATION		SIZE	MOUNTING HEIGHT	LUMENS	WATTAGE	I.E.S. DIST.	VOLTAGE		TYPE
①		LOCAL	PER PLANS	26	30'–6"	DIRECT BURY	2'–0"	25'–0"	4,900	39 W	TYPE A3	*	LED	ARCHITECTURAL (SHOEBOX)	8030.S2
①		ARTERIAL	PER PLANS	3	38'–0"	DIRECT BURY	8'X8'	39'–6"	20,100	174 W	TYPE C3	*	LED	ARCHITECTURAL (SHOEBOX)	8030.S8

*PER UTILITY COMPANY REQUIREMENTS

NOTE

- ENSURE THERE IS 1' CLEARANCE FROM EDGE OF SIDEWALK TO FACE OF POLE.
- THE ELECTRICAL/MAINTENANCE COSTS OF ALL STREET LIGHTS ON LOCAL AND COLLECTOR STREETS ARE TO BE PAID BY THE ADJACENT PROJECT OR THE ADJACENT DEVELOPMENT'S STREET LIGHT IMPROVEMENT DISTRICT (SLID). THE ELECTRICAL / MAINTENANCE COSTS OF ALL STREET LIGHTS ON ARTERIAL STREETS ARE TO BE BILLD TO THE CITY OF SURPRISE'S ENERGY BILL.

LED NOTE

LED TECHNOLOGY IS CHANGING RAPIDLY. THE FIXTURES SHOWN ON THESE PLANS MAY NOT BE APPLICABLE AT TIME OF CONSTRUCTION. CONTRACTOR TO COORDINATE WITH APS AND UTILIZE THEIR CURRENT SPECIFICATION AT THE TIME OF BIDDING AND CONSTRUCTION.

CITY OF SURPRISE APPROVAL

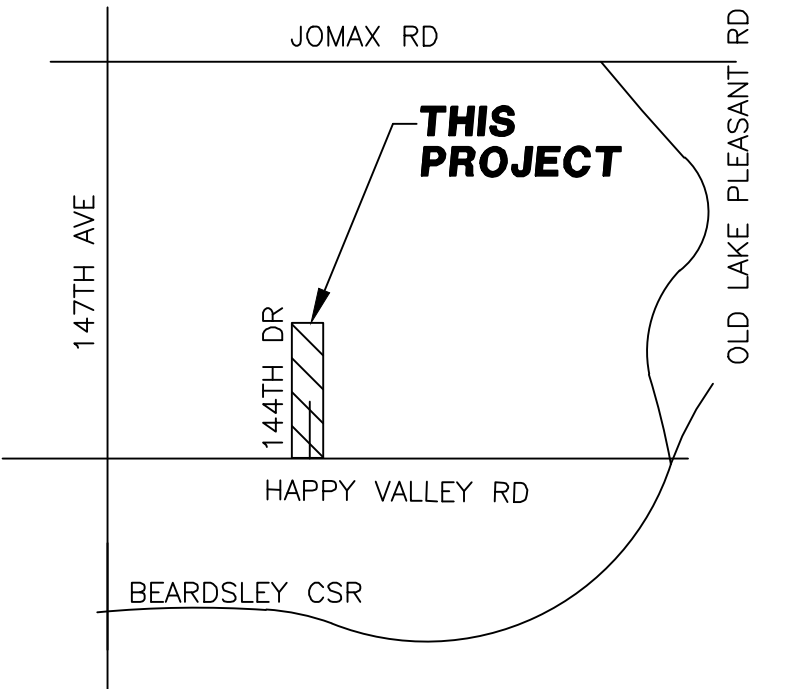
THIS SET OF PLANS HAS BEEN REVIEWED FOR COMPLIANCE WITH CITY REQUIREMENTS PRIOR TO ISSUANCE OF PERMITS. THE CITY NEITHER ACCEPTS NOR ASSUMES ANY LIABILITY FOR ERRORS OR OMISSIONS. THIS COMPLIANCE APPROVAL SHALL NOT PREVENT THE CITY ENGINEER FROM REQUIRING CORRECTIONS OF ERRORS OR OMISSIONS IN PLANS FOUND TO BE IN VIOLATION OF LAW OR ORDINANCES.

CITY OF SURPRISE ENGINEER

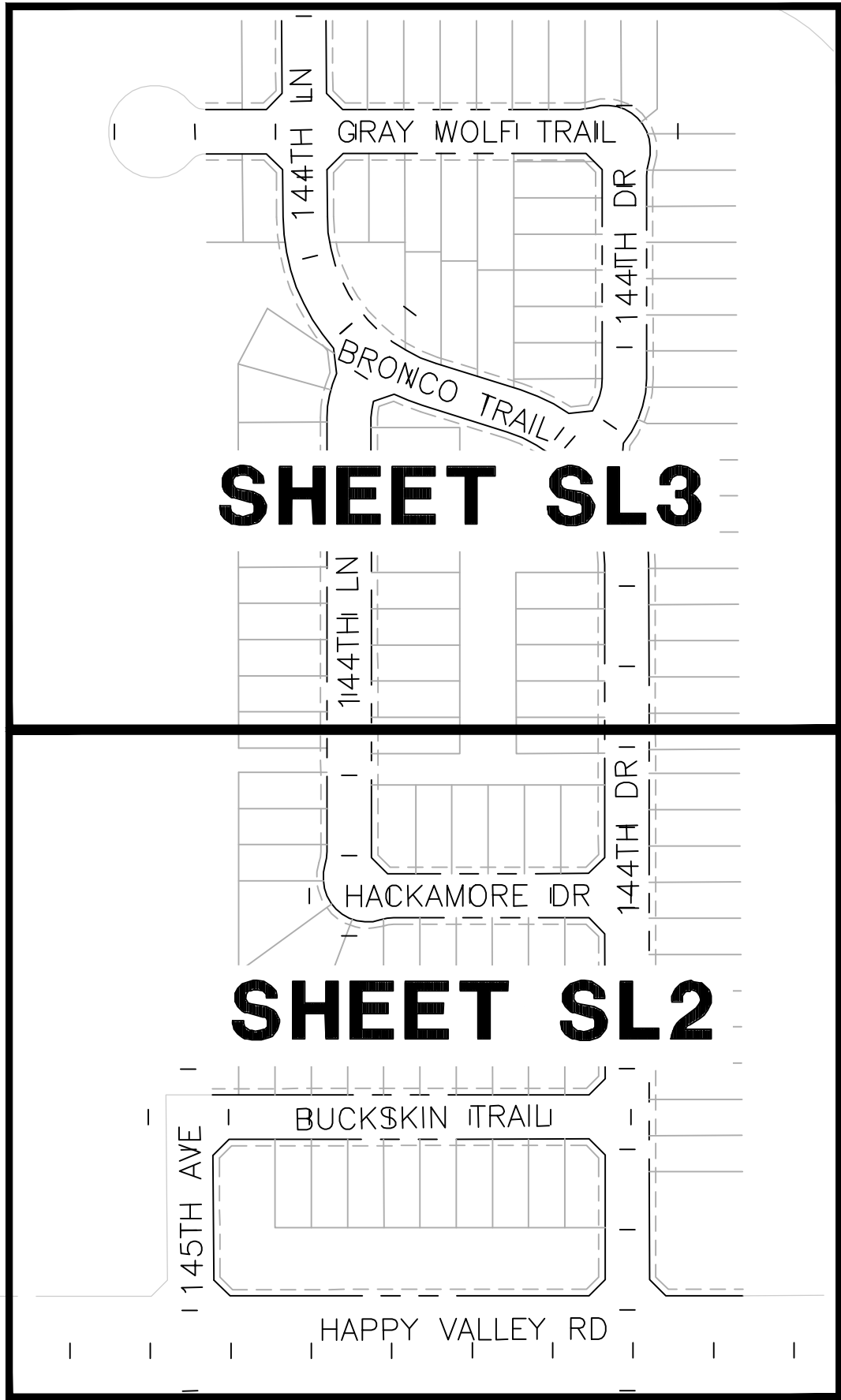
DATE

SHEET INDEX

COVER SHEET	SL1
STREET LIGHT PLAN	SL2
STREET LIGHT PLAN	SL3
DETAILS & TYPICALS	SL4
PHOTOMETRICS	PH1



VICINITY MAP
N.T.S.



KEY MAP
N.T.S.

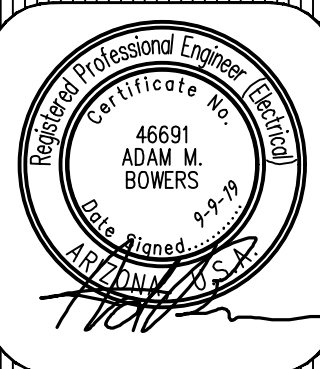
WRIGHT ENGINEERING
PROJECT NO:
19166
DESIGN BY: MRS
DRAWN BY: MRS
CHECKED BY: AMB

WRIGHT
engineering corporation
ELECTRICAL ENGINEERING AND DESIGN
165 EAST CHILTON DRIVE • CHANDLER, ARIZONA 85225
PHONE 480.497.5829 • FAX 480.497.5807
www.wrightengineering.us

PROJECT: TITLE:

SURPRISE, ARIZONA
RANCHO DEL REY
HAPPY VALLEY RD & OLD OAK LN
STREET LIGHT COVER SHEET

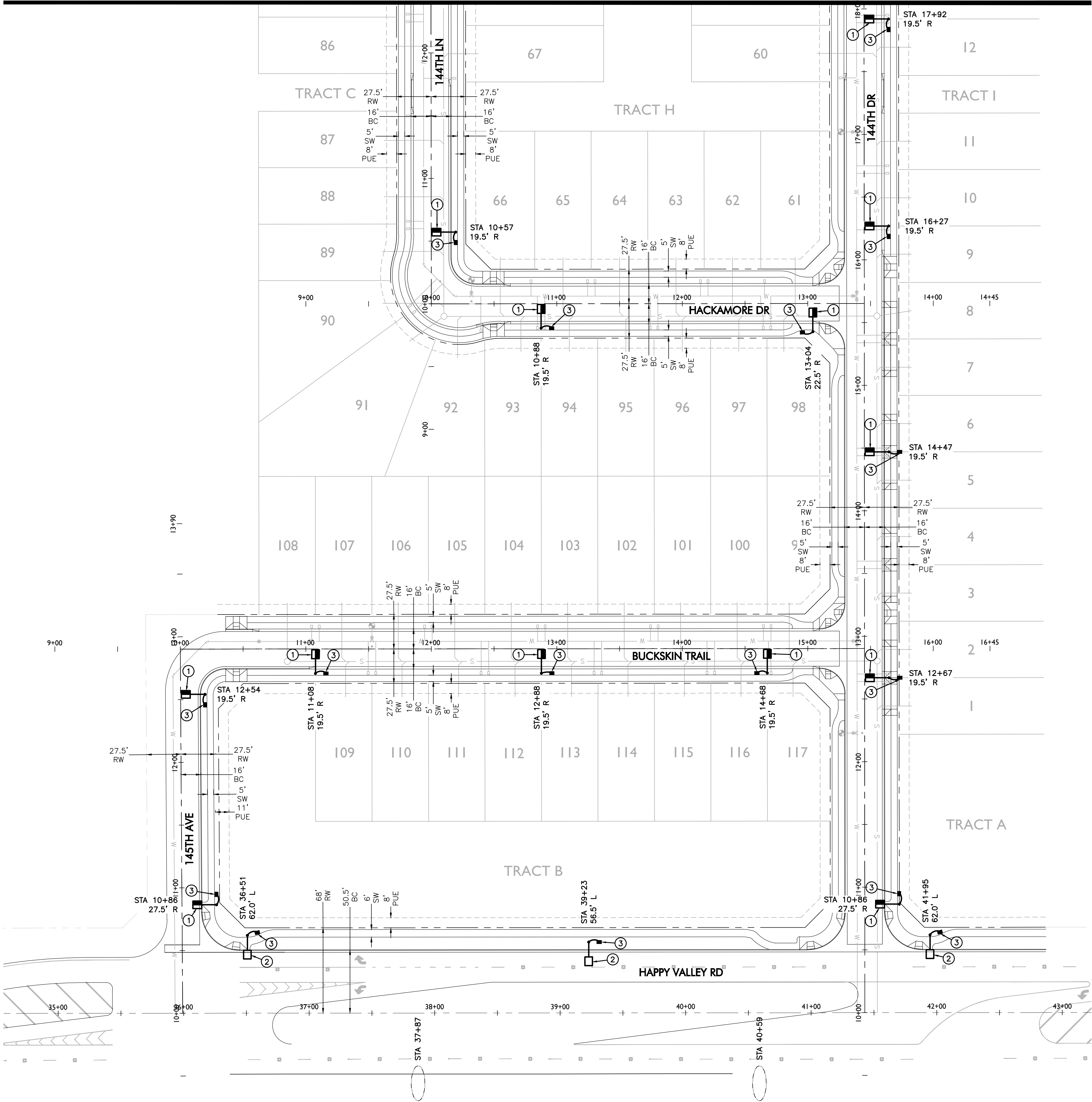
NO.	DATE	SUBMITTALS/REVISIONS (DESCRIPTIONS)
1	MAY 2019	1ST SUBMITTAL
2	AUG 2019	2ND SUBMITTAL
2	SEPT 2019	3RD SUBMITTAL



DRAWING NO:
SL1
OF 5

ARIZONA BLUE STAKE
CALL TWO WORKING DAYS
BEFORE YOU DIG
Dial 811 or
602-263-1100
1-800-STAKE-IT
(OUTSIDE MARICOPA COUNTY)

MATCHLINE 'A'
SEE SHEET SL3



LEGEND

- 4,900 LUMEN LED STREET LIGHT
- 20,100 LUMEN LED STREET LIGHT
- PULL BOX
- NEW CONDUIT RUN
- FIRE HYDRANT
- FUTURE STREET LIGHT

CONSTRUCTION NOTES

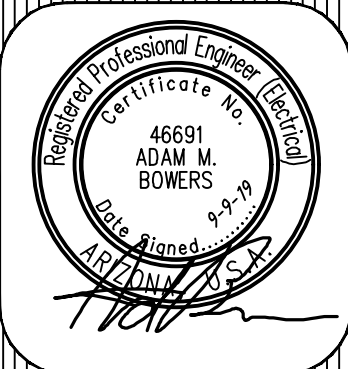
- INSTALL 39W LED (4,900 LUMEN) LUMINAIRE (SEE LUMINAIRE TABLE ON SHEET SL4), PHOTOCELL, 30'-6" DIRECT BURIED POLE (1940.38), 2" MAST ARM (S2) PER APS DETAIL 8030 (SEE SHEET SL4). INSTALL (2) #14 THHN/THWN FROM LUMINAIRE TO FUSE HOLDER IN POLE. ALL WIRING, FUSING, AND GROUNDING PER APS DETAILS AND SPECIFICATIONS.
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- INSTALL APS PULL BOX NEXT TO POLE. INSTALL 1" CONDUIT WITH (2) #14 TYPE THHN/THWN AND (1) #14 BARE BOND FROM PULL BOX TO FUSE HOLDER IN STREET LIGHT PER APS DETAILS AND SPECIFICATIONS.

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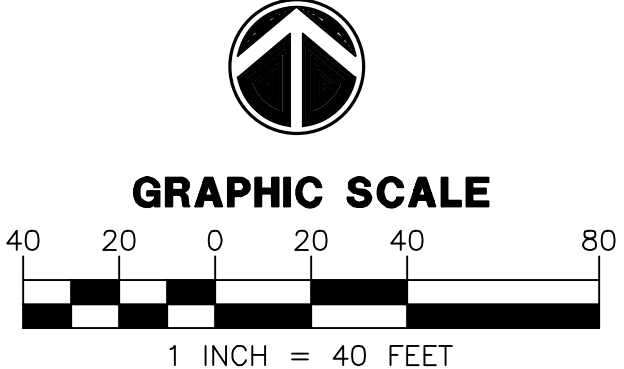
PROJECT: TITLE:
SURPRISE, ARIZONA
RANCHO DEL REY
HAPPY VALLEY RD & OLD OAK LN
STREET LIGHT PLAN

NO.	DATE	SUBMITTALS/REVISIONS (DESCRIPTIONS)
1	MAY 2019	1ST SUBMITTAL
2	AUG 2019	2ND SUBMITTAL
2	SEPT 2019	3RD SUBMITTAL



DRAWING NO:
SL2
OF 5

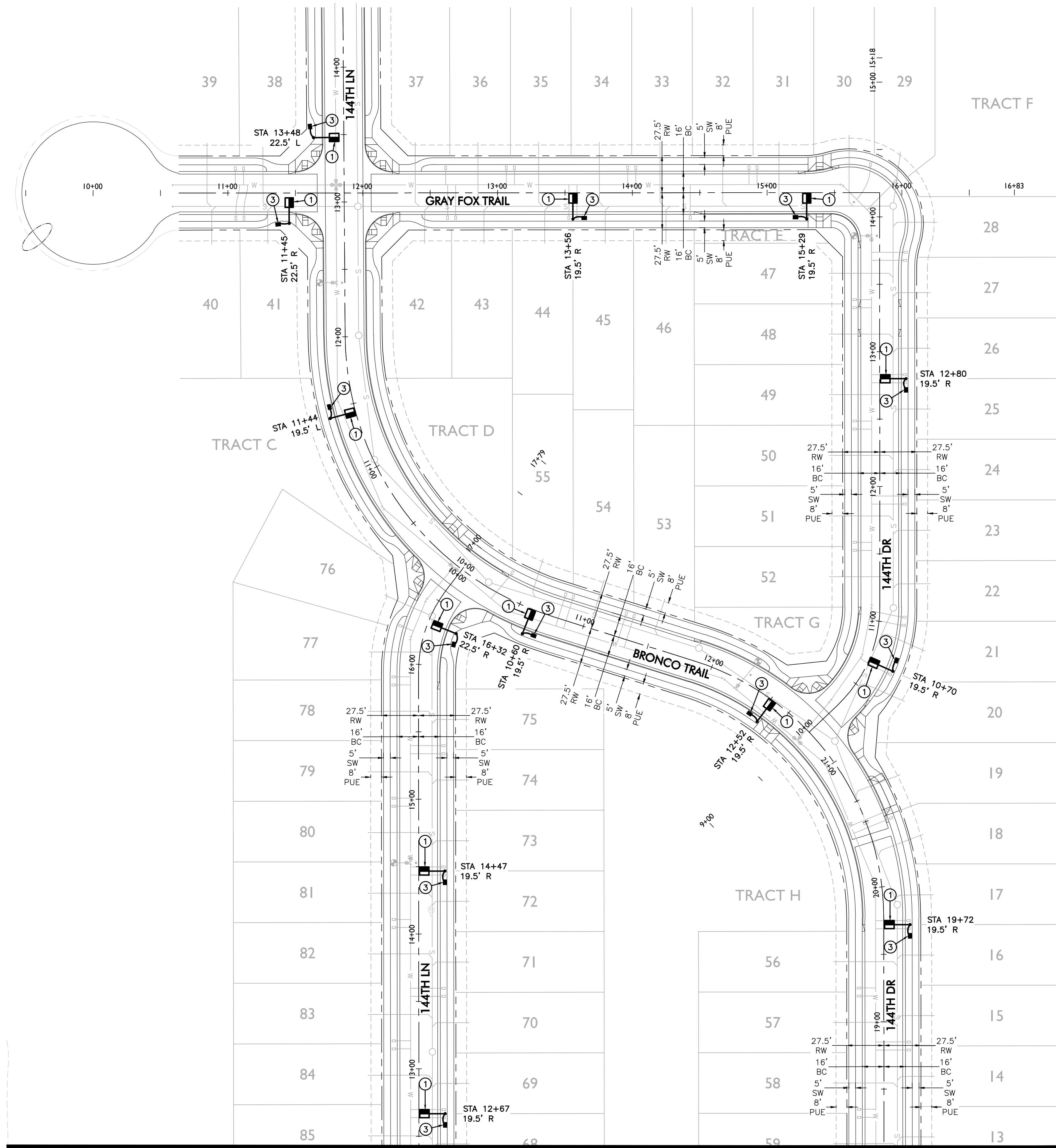
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CALL TWO WORKING DAYS
BEFORE YOU DIG
Dial 811 or
602-263-1100
1-800-STAKE-IT
(OUTSIDE MARICOPA COUNTY)



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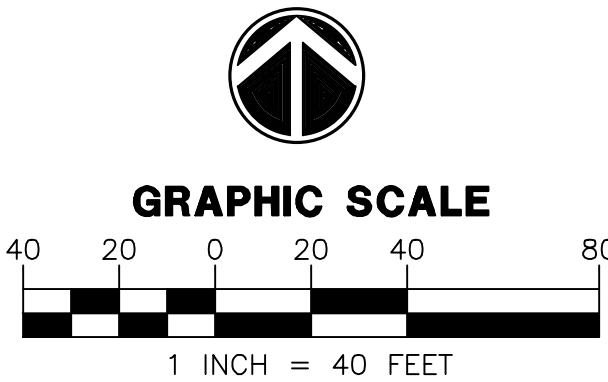


MATCHLINE 'A'
SEE SHEET SL2

- LEGEND**
- 4,900 LUMEN LED STREET LIGHT
 - 20,100 LUMEN LED STREET LIGHT
 - PULL BOX
 - NEW CONDUIT RUN
 - FIRE HYDRANT
 - FUTURE STREET LIGHT

CONSTRUCTION NOTES

- INSTALL 39W LED (4,900 LUMEN) LUMINAIRE (SEE LUMINAIRE TABLE ON SHEET SL4), PHOTOCCELL, 30'-6" DIRECT BURIED POLE (1940.38), 2' MAST ARM (S2) PER APS DETAIL 8030 (SEE SHEET SL4). INSTALL (2) #14 THHN/THWN FROM LUMINAIRE TO FUSE HOLDER IN POLE. ALL WIRING, FUSING, AND GROUNDING PER APS DETAILS AND SPECIFICATIONS.
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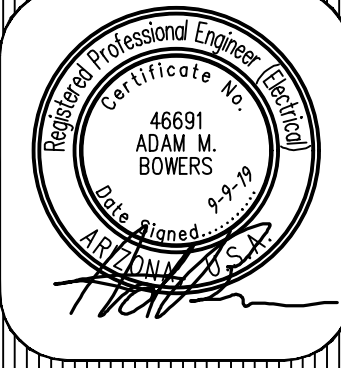
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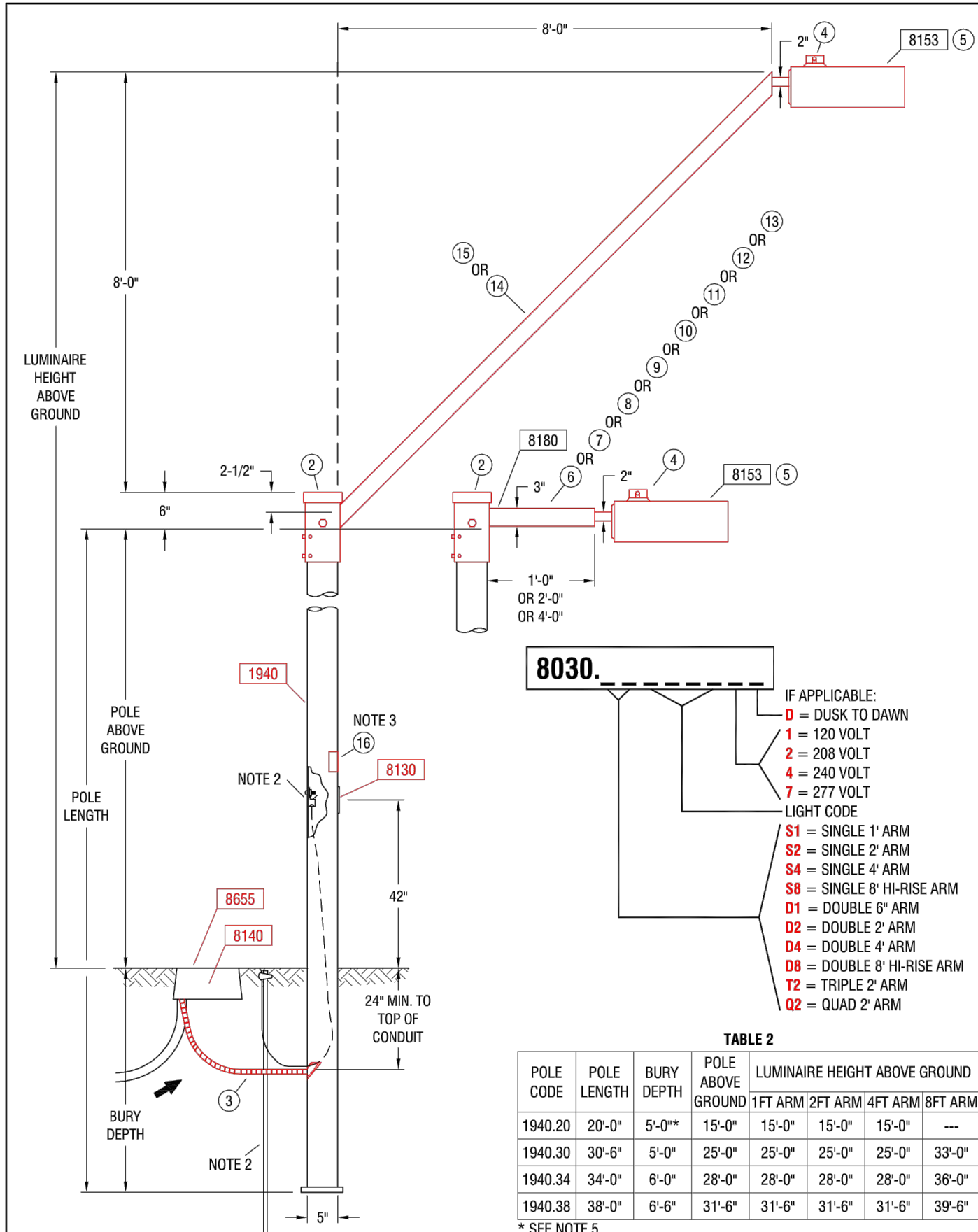
PROJECT: TITLE:

SURPRISE, ARIZONA
RANCHO DEL REY
HAPPY VALLEY RD & OLD OAK LN
STREET LIGHT PLAN

NO.	DATE	SUBMITTALS/REVISIONS (DESCRIPTIONS)
1	MAY 2019	1ST SUBMITTAL
2	AUG 2019	2ND SUBMITTAL
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DRAWING NO:
SL3
OF 5



1. ADJUST PHOTO EYE TO FACE NORTH.
2. A GROUND ROD IS PROVIDED WITH EACH STREET LIGHT POLE. WHERE A GROUND ROD CANNOT BE DRIVEN, ALTERNATE GROUND SHALL BE USED. SEE 2449 THRU 2460 FOR APPROVED ALTERNATES.
3. SIGN, "NOTICE THIS POLE IS OWNED AND MAINTAINED BY APS. DISCONNECT INSIDE", IS REQUIRED ON ALL DUSK-TO-DAWN AND AREA LIGHTING APPLICATIONS.
4. POLES THAT HAVE MORE THAN ONE LUMINAIRE REQUIRE A SEPARATE CIRCUIT WITH FUSING FROM THE J-BOX TO EACH LUMINAIRE.
5. USING THE 20'-0" POLE TO MATCH THE 16'-0" PEDESTRIAN LIGHT MOUNTING HEIGHT REDUCE POLE BURY DEPTH TO 4'-0".
6. THE BROWN PHOTO CONTROL IS A FAIL OFF CONTROL AND SHALL BE USED WITH ALL INDUCTION AND LED LUMINAIRES.
7. ON 277 VOLT STREET LIGHT CIRCUITS, INSTALL A "277 VOLT" MICARTA TAG ON CABLE IN J-BOX. TAG PROVIDED BY SPEC 8129.
8. THE LUMINAIRE SHOWN IS RECOMMENDED FOR THIS MOUNTING HEIGHT. SEE 8153 FOR ADDITIONAL BROWN ARCHITECTURAL LUMINAIRES.
9. THE TWO ARMED TENON BRACKET POSITIONES THE DOUBLE ARM 180 DEGREES APART.
10. TO ACCOMMODATE LESS THAN THE SPECIFIED LUMINAIRE MOUNTING HEIGHT, A SHOP ORDER IS REQUIRED TO HAVE A TENON ARM FROM THE TOP OF THE POLE CUT OFF. THE TENON ARM BRACKET SLIDES OVER AND COVERS THE CUT PORTION OF THE POLE.
11. IN-LINE FUSE FOR UNDERGROUND FEEDS. SEE 8130-8140
12. FOR PEDESTRIAN ONLY APPLICATIONS
SEE 8030.

LIGHT CODE		TABLE 1					MOUNTING HEIGHT	
APN	WATTS	K	TYPE	VOLTS	INITIAL LUMENS			
AH06	00094545	100			120/208/240/277	5,500		
AH17	00094515	150			120/208/240/277	16,000		
AH18	00094525	250	1000	HPS	120/208/240/277	30,000		
AH19	00094544	500			120/208/240/277	50,000		
AN44	00128665	35	2700		120/208/240/277	5,800		
AN41	00128667	100			120/208/240/277	8,400		
RM42	00128466	120			120/208/240/277	10,200		
RM43	00141051	150	5000	IND	120/208/240/277	15,000		
RM44	00121153	200			120/208/240/277	15,500		
RM45	00118527	250			120/208/240/277	22,500		
RL40	00141047	32			120/208/240/277	3,800		
RL41	00141048	80			120/208/240/277	8,800		
RL42	00141049	85	3000	LED S	120/208/240/277	8,200		
RL43	00141050	108			120/208/240/277	11,000		
RL44	00141051	132			120/208/240/277	13,000		
RL50	00129251	45			120/208/240/277	4,300	SEE TABLE 2	
RL52	00128084	60			120/208/240/277	5,400		
RL53	00128095	95	4000	LED S	120/208/240/277	8,000		
RL54	00128102	113			120/208/240/277	10,000		
RL56	00128365	257			120/208/240/277	19,200		
AL58	00113722	62			120/208/240/277	7,100		
AL58	00113723	90			120/208/240/277	8,800		
AL60	00113723	119	4000	LED	120/208/240/277	12,900		
AL61	00116265	1198T	4000	M	120/208/240/277	12,900		
AL62	00116268	119LT			120/208/240/277	12,900		
AL65	00107465	144			120/208/240/277	15,400		
AS20	33806772	55			120/240	8,000		
AS21	33806774	90			120/240	13,500		
AS22	33806775	150	1700	LPS	120/240	22,500		
AS23	33806778	180			120/240	33,000		

* CALL STANDARDS ENGINEERING FOR APPLICATION

CODE		MATERIAL LIST											
ITEM	QTY	8000.51	8000.54	8000.58	8000.61	8000.62	8000.64	8000.68	8000.02	DESCRIPTION			API
2	1	1	1	1	1	1	1	1	1	BRACKET ARROW SLP BOLTED			00092521
3	10	10	10	10	10	10	10	10	10	COND STY 1/2"X5.5" ARROW			01000308
4	1	1	1	1	1	1	1	1	1	CONCRETE 1"X6"X12" 1500 LB-20			32900091
5	1	1	1	1	1	1	1	1	1	LUMINAIRE - SEE TABLE 1			00072544
6	1	1	1	1	1	1	1	1	1	MAST ARM STL 3"X5 X 2 L DBL			00121514
7	1	1	1	1	1	1	1	1	1	MAST ARM STL 3"X5 X 2 L SGL			00008350
8	1	1	1	1	1	1	1	1	1	MAST ARM STL 3"X5 X 2 L DBL			33701711
9	1	1	1	1	1	1	1	1	1	MAST ARM STL 3"X5 X 2 L DBL			00052665
10	1	1	1	1	1	1	1	1	1	MAST ARM STL 3"X5 X 2 L SGL			33701611
11	1	1	1	1	1	1	1	1	1	MAST ARM STL 3"X5 X 2 L TPL			00052664
12	1	1	1	1	1	1	1	1	1	MAST ARM STL 3"X5 X 4 L DBL			00073267
13	1	1	1	1	1	1	1	1	1	MAST ARM STL 3"X5 X 4 L SGL			00061738
14	1	1	1	1	1	1	1	1	1	MAST ARM STL 3"X5 X 8 SGL			33701710
15	1	1	1	1	1	1	1	1	1	MAST ARM STL 3"X8 L BOLT-ON			00092222
16	1	1	1	1	1	1	1	1	1	MAST ARM STL 3"X8 L BOLT-ON			00050202

POLE CODE	POLE LENGTH	BURY DEPTH	POLE ABOVE GROUND	LUMINAIRE HEIGHT ABOVE GROUND			
				1FT ARM	2FT ARM	4FT ARM	8FT ARM
1940.20	20'-0"	5'-0"	15'-0"	15'-0"	15'-0"	15'-0"	---
1940.30	30'-6"	5'-0"	25'-0"	25'-0"	25'-0"	25'-0"	33'-0"
1940.34	34'-0"	6'-0"	28'-0"	28'-0"	28'-0"	28'-0"	36'-0"
1940.38	38'-0"	6'-6"	31'-6"	31'-6"	31'-6"	31'-6"	39'-6"

* SEE NOTE 5

aps ARIZONA PUBLIC SERVICE COMPANY
T&D CONSTRUCTION STANDARDS

BY	LDR.	MGR.	DATE	REV
KLS	B. BOOKER	R. CANDRA	02/2016	12

**LIGHTS
ARCHITECTURAL ON
5" SQUARE BROWN PAINTED STEEL POLE
DIRECT BURY**

SH 1 OF 2

9030


ARIZONA PUBLIC SERVICE COMPANY
T&D CONSTRUCTION STANDARDS

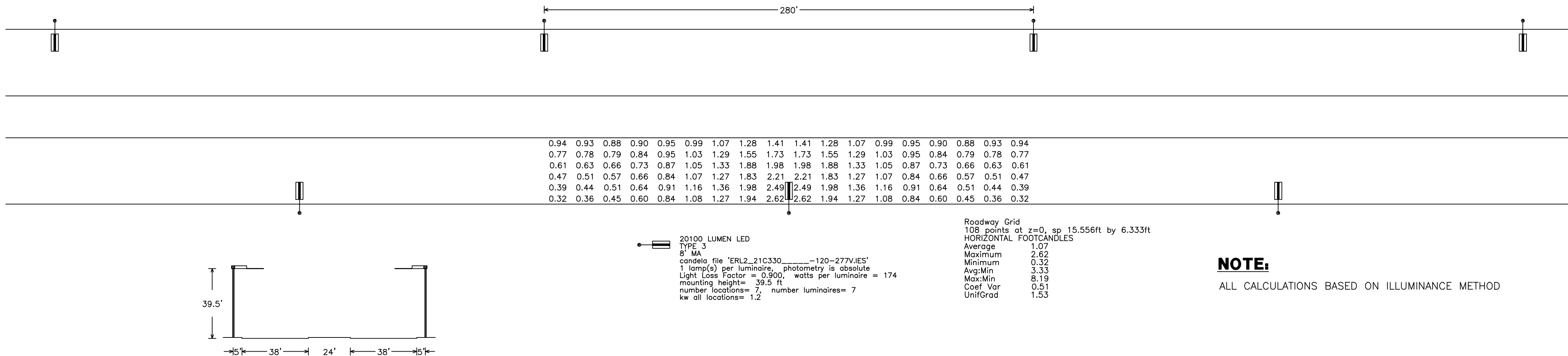
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KLS	B. BOOKER	R. CANDRA	02/2016	12

**LIGHTS
ARCHITECTURAL ON
5" SQUARE BROWN PAINTED STEEL POLE
DIRECT BURY**

SH 2 OF 2

8030

WORST CASE MAXIMUM SPACING



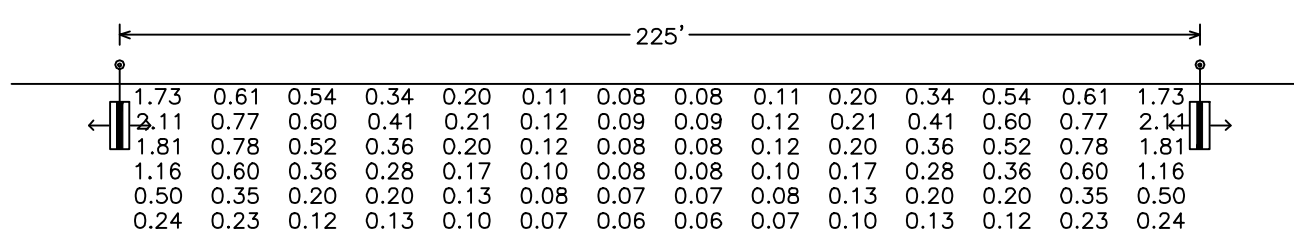
Roadway Grid
108 points at z=0, sp 15.556ft by 6.333ft
HORIZONTAL FOOTCANDLES

Average	1.07
Maximum	2.62
Minimum	0.32
Avg:Min	3.33
Max:Min	8.19
Coef Var	0.51
UnifGrad	1.53

NOTE:

ALL CALCULATIONS BASED ON ILLUMINANCE METHOD

WORST CASE MAXIMUM SPACING



Roadway Grid
84 points at z=0, sp 16.071ft by 5.167ft
HORIZONTAL FOOTCANDLES

Average	0.41
Maximum	2.11
Minimum	0.06
Avg:Min	6.75
Max:Min	35.17
Coef Var	1.17
UnifGrad	2.84

NOTE:

ALL CALCULATIONS BASED ON ILLUMINANCE METHOD

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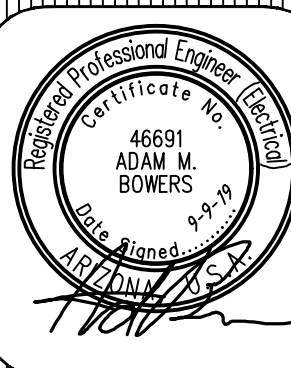
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www.wrightengineering.com

PROJECT: TITLE:

SURPRISE, ARIZONA
RANCHO DEL REY
HAPPY VALLEY RD & OLD OAK LN
STREET LIGHT DETAILS & TYPICALS

NO.	DATE	SUBMITTALS/REVISIONS (DESCRIPTIONS)
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NO.	DATE	SUBMITTALS/
1	MAY 2019	1ST SUBMITTAL
2	AUG 2019	2ND SUBMITTAL
2	SEPT 2019	3RD SUBMITTAL



DRAWING NO:

SL4
OF 5



RANCHO DEL REY

- Street Light Poles
- 26 - New Poles (Local)
 - 3 - New Poles (Arterial)
 - SLID Boundary





CITY OF SURPRISE Regular City Council Meeting

Council Meeting Date: November 17, 2020
Submitting Department: Fire - Medical
Staff Recommendations: None

Contact Person: Tom Abbott, FIRE CHIEF
District: Internal

Consent: Yes	Regular: No	Public Hearing: No	Report/Discussion: No
--------------	-------------	--------------------	-----------------------

Agenda Wording:

Consideration and action pertaining to approval of an amendment to the Fiscal Year 2021 budget by reallocating appropriations of \$71,500 from the Grants Fund to the Ground Ambulance Service Fund to account for the agreement with the Centers for Medicare and Medicaid (CMS) for the Emergency Triage, Treat and Transport (ET3) Program; Resolution #2020-145.

Motion:

I move to approve Resolution #2020-145.

Background:

Over the last few years, there has been a strong movement within the medical community to reduce costs. One of the ways that has recently obtained good traction is by having first responders diagnose the medical issues in the field and then send the patient to receive care from the least expensive medical practitioner who has the ability to deal with the issue. For example, a subject with a bloody nose might be treated in the field, sent to urgent care or sent to a physician's office rather than being taken by ambulance to the emergency room of a hospital. The City of Surprise Fire-Medical Department (SFMD) has been a leader in this area pursuing different and less expensive treatment options that are medically reasonable.

The Centers for Medicare and Medicaid (CMS), a part of the U.S. Department of Health Services, is conducting experimental program looking for partners who will develop different medical care alternatives so that CMS can evaluate them and develop best practices. CMS is interested in contracting with the City of Surprise and SFMD to be one of its partners in this experimental program and SFMD is seeking Council's approval to participate.

The proposed Participation Agreement has a Model Performance Period of five years (January 1, 2021 – December 31, 2025) and an Agreement Term of seven years. The Model Performance Period represents the number of years SFMD will be transporting Medicare patients to destinations other than a hospital emergency room and be eligible for reimbursement from CMS. After the initial 5 year period is up, CMS will evaluate the overall success of all the participants nationwide and decide on future options. If ET3 is successful, commercial insurances could potentially join in this cost saving program in the future.

Objective Analysis:

The ET3 program will ensure that, with Medicare patients, SFMD will be adequately compensated for its ambulance transports as well as for its emergency medical services and for some routine medical services. SFMD had previously been providing services and collecting fees from Medicaid through the Treat and Refer Program. The ET3 program will allow SFMD to expand the Medicare payer base to more citizens with more equitable services and at a reasonable cost.

Policy Compliant:

The basic foundational ideas upon which City services are designed and delivered is to provide high quality service at the lowest cost possible. This program is all about doing exactly that and meets all city policies and requirements.

Financial Impact:

SFMD's Model Performance Period begins on January 1, 2021 which will provide the City with 6 months of revenue attributable to the ET3 Program in FY2021. For FY21's operation in the program, SFMD anticipates revenues of \$143,100, with the total anticipated revenue for the five-years of participation estimated to be \$715,500. This should be considered one-time revenue as the program is not guaranteed to continue at the end of the Model Performance Period (December 31, 2025) at this time. As the program continues, more information on ET3's tenure will be revealed with annual outcomes, successes and updates. This revenue calculation estimate is inclusive of contractual adjustments from CMS.

The addition of this Program is at very little expense to the City. Due to the nature of Fire-Medical service delivery, SFMD is currently treating patients eligible for the ET3 program, however, it is with no reimbursement mechanism. The City is currently absorbing all consumable costs for these patients and transport to an alternate destination occurs in a non-emergency vehicle. Transports of patients eligible for the ET3 program will occur via ambulance, therefore fuel and vehicle maintenance expenses will be incurred, however, the expense is minimal and can be absorbed by the Ground Ambulance Service Fund.

Budget Impact:

Appropriations of \$71,500 will be reallocated from the Grants/Contingency Fund to the Ground Ambulance Service Fund in order to budget for the additional revenue associated with the ET3 program. \$164,100 will be budgeted in Ambulance Services revenue and (92,600) will be budgeted in Ambulance Insurance Discounts (contractual adjustments) revenue.

FTE Impact:

No FTE impact.

ATTACHMENTS:

1. ET3_Participant_Agreement Sept 2020
 2. Nov 2020 Emergency Triage Treatment Transportation
 3. Resolution 2020-145 FINAL
-



Centers for Medicare & Medicaid Services
Center for Medicare & Medicaid Innovation
Prevention and Population Health Group
2810 Lord Baltimore Drive, Suite 130
Baltimore, MD 21244



Emergency Triage, Treat, and Transport Model
Participation Agreement

Last Updated: September 30, 2020

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PARTICIPATION AGREEMENT

This Participation Agreement (“Agreement”) is between the Centers for Medicare & Medicaid Services (“CMS”) and _____ (“Participant”) (each a “Party” and collectively the “Parties”).

CMS is the agency within the U.S. Department of Health and Human Services (“HHS”) that is charged with administering the Medicare and Medicaid programs.

The Participant is an entity that is enrolled in Medicare as an ambulance service supplier or ambulance provider.

CMS is implementing the Emergency Triage, Treat, and Transport Model (“ET3 Model” or “Model”) under Section 1115A of the Social Security Act (“Act”), which authorizes CMS, through its Center for Medicare and Medicaid Innovation, to test innovative payment and service delivery models that have the potential to reduce Medicare, Medicaid, or Children’s Health Insurance Program (“CHIP”) expenditures while maintaining or improving the quality of care for Medicare, Medicaid, or CHIP beneficiaries.

The purpose of the ET3 Model is to test whether paying for (1) Transport to an Alternative Destination and (2) Treatment in Place, each furnished to low-acuity Medicare FFS beneficiaries following a 9-1-1 call, will reduce avoidable transports of Medicare FFS beneficiaries to emergency departments and/or utilization of other Covered Services.

The Participant submitted an application to participate in the ET3 Model (“Application”), and CMS has approved the Participant for participation in the ET3 Model.

The Parties, intending to be legally bound, therefore agree as follows:

Article I. Agreement Term; Model Performance Period; Performance Years

1.1 Effective Date

The effective date of this Agreement (“Effective Date”) is the date this Agreement is signed by the last Party to sign it (as indicated by the date associated with that Party’s signature).

1.2 Agreement Term

The term of this Agreement (“Agreement Term”) begins on the Effective Date and expires two years after the last Day of the Model Performance Period, unless this Agreement is sooner terminated by either Party in accordance with Article 19, in which case the Agreement shall expire either on the effective date of termination or, if the Agreement is terminated by CMS pursuant to Article 19.3(a), on the effective date of the new agreement described in Article 19.3(a).

1.3 Model Performance Period

The performance period for this Agreement (“**Model Performance Period**”) begins on January 1, 2021 (“**Start Date**”) and ends on December 31, 2025, unless the Agreement is sooner terminated by either Party in accordance with Article 19, in which case the Model Performance Period terminates immediately upon the effective date of such termination. The Model Performance Period includes the following five performance years (each a “**Performance Year**”):

Performance Year 1: January 1, 2021 through December 31, 2021

Performance Year 2: January 1, 2022 through December 31, 2022

Performance Year 3: January 1, 2023 through December 31, 2023

Performance Year 4: January 1, 2024 through December 31, 2024

Performance Year 5: January 1, 2025 through December 31, 2025

Article II. Definitions

In this Agreement, the following definitions apply:

“**After Hours**” means the hours between 8:00pm and 8:00am local time at the ET3 Model Beneficiary’s location.

“**After Hours Service**” means a Covered Service, which may include a Telehealth Service, that is (1) furnished as part of a Treatment in Place intervention to an ET3 Model Beneficiary; (2) by a Medicare-Enrolled Qualified Health Care Partner or Downstream Practitioner of a Qualified Health Care Partner; and (3) initiated or completed After Hours.

“**After Hours Payment**” means the allowed amount for an After Hours Service plus the After Hours Upward Payment Adjustment.

“**After Hours Upward Payment Adjustment**” means a 15% upward adjustment to the allowed amount for an After Hours Service.

“**Alternative Destination Partner**” means an individual or entity that has agreed to furnish Covered Services, or to arrange for a Downstream Practitioner to furnish Covered Services, to an ET3 Model Beneficiary at an Alternative Destination owned or operated by the individual or entity following a Transport to an Alternative Destination intervention.

“**Alternative Destination**” means a destination that (1) is not a Medicare-covered destination as identified in 42 C.F.R. § 410.40(f)(1); and (2) is owned or operated by an Alternative Destination Partner.

“**Available Interventions**” means (1) ET3 Model Interventions; and (2) Medicare-Covered Ground Ambulance Transport. For the duration of the PHE, the term Available Interventions also refers to medically necessary unscheduled ground ambulance transport to a Medicare covered destination as identified in 42 C.F.R. § 410.40(f)(5) that is not also identified in 42 C.F.R. § 410.40(f)(1).

“Billing Party” means any individual or entity, including, but not limited to, a Downstream Practitioner that (1) is Medicare-Enrolled; (2) is not an ET3 Partner; (3) is listed as the “billing provider” on a claim submitted to Medicare for Covered Services furnished by an ET3 Partner or its Downstream Practitioner to an ET3 Model Beneficiary during a Treatment in Place intervention or at an Alternative Destination following a Transport to an Alternative Destination intervention, and (4) bills for the Covered Services in their own name or pursuant to a valid reassignment of the right to receive Medicare payment.

“C.F.R.” means the Code of Federal Regulations, as may be amended from time to time.

“Change of Control” means any of the following: (1) the acquisition by any “person” (as such term is used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934) of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Securities Exchange Act of 1934), directly or indirectly, of voting securities of an entity representing more than 50 percent of the entity’s outstanding voting securities or rights to acquire such securities; (2) the acquisition of an entity by any other individual or entity; (3) any merger, division, or expansion of an entity (including satellite offices); or (4) the sale, lease, exchange or other transfer (in one transaction or a series of transactions) of all or substantially all of the assets of an entity, or an agreement for the sale or liquidation of the entity.

“Clinical Protocols” means pre-determined protocols developed by the Participant in accordance with Article 5.5.

“County or Equivalent Entity” means a county that is the primary legal subdivision of a state, or any of the following equivalent entities:

- a. The District of Columbia.
- b. Parishes in Louisiana.
- c. Boroughs, cities, municipalities, and census areas in Alaska.
- d. Municipios in Puerto Rico.
- e. A city in Maryland, Missouri, Nevada or Virginia that is independent of any county and considered a primary legal subdivision of that state.

“Covered Services” means the scope of health care benefits described in Sections 1812 and 1832 of the Act for which payment is available under Part A or Part B of Title XVIII of the Act.

“Days” means calendar days unless otherwise specified.

“Distant Site” means “distant site” as defined in 42 C.F.R. § 410.78(a)(2).

“Downstream Practitioner” means an individual who (1) is a Medicare-Enrolled Physician or Non-Physician Practitioner who furnishes Covered Services to ET3 Model Beneficiaries following a Transport to an Alternative Destination intervention or as part of a Treatment in Place intervention; (2) has a written arrangement with an ET3 Partner that meets all applicable requirements of Article 4.3, under which the Downstream Practitioner agrees to participate in

the Model and comply with all applicable terms and conditions under this Agreement; and (3) bills Medicare for such services directly or pursuant to a valid reassignment with a Billing Party in accordance with applicable regulations

“Encounter” means an encounter with a Patient that begins when the Participant arrives on the scene of a 9-1-1 emergency response in the Model Region following a 9-1-1 call, and ends when the Patient for whom the 9-1-1 call was placed is no longer in the physical care of the Participant, or, in the case of a Treatment in Place intervention, the Participant’s Qualified Health Care Partner or a Qualified Health Care Partner’s Downstream Practitioner.

“ET3 Model Beneficiary” means an individual who is (1) entitled to benefits under Medicare Part A and enrolled under Medicare Part B; (2) is suffering from a complaint for which a 9-1-1 call is placed and Participant is dispatched; and (3) is located in the Model Region when the Participant arrives on the scene of the 9-1-1 emergency response.

“ET3 Model Intervention” means either of the following interventions made available to an ET3 Model Beneficiary during an Encounter: (1) Transport to an Alternative Destination; or (2) Treatment in Place.

“ET3 Partner” means an Alternative Destination Partner or a Qualified Health Care Partner that (1) is identified by a TIN; (2) has a written arrangement with the Participant that meets the requirements of Article 4.3; and (3) is identified as an ET3 Partner on the ET3 List.

“ET3 List” means the list of the Participant’s ET3 Partners, any Alternative Destinations identified by an NPI that is not shared with its associated Alternative Destination Partner, and any Billing Parties that bill Medicare for Covered Services as part of a Treatment in Place intervention, as established and updated in accordance with Article 4.2 and Article 4.4(b).

“Implementation Plan” means a complete description of the Participant’s plan to implement the ET3 Model Intervention(s) by making such interventions available to ET3 Model Beneficiaries in the Model Region established pursuant to Article 5.1.

“In-Person Treatment in Place Intervention” means Covered Services furnished in person at the scene of a 9-1-1 emergency response to an ET3 Model Beneficiary during an Encounter, including Covered Services furnished by a Medicare-Enrolled Qualified Health Care Partner or a Downstream Practitioner as part of the In-Person Treatment in Place Intervention, and the initiation and facilitation of such Covered Services by the Participant.

“Learning System” means a structured approach to sharing, integrating, and actively applying quality improvement concepts, tactics, and lessons learned in order to create an environment that will maximize the likelihood of success of the Model.

“Medically Necessary” means reasonable and necessary as determined in accordance with Section 1862(a) of the Act.

“Medicare-Covered Ground Ambulance Transport” means a medically necessary unscheduled ground ambulance transport to a Medicare-covered destination as identified in 42 C.F.R. § 410.40(f)(1).

“Medicare-Enrolled” means the state of being enrolled in the Medicare program and thereby being eligible to bill and receive payment from Medicare for Medically Necessary Covered Services furnished to Medicare beneficiaries.

“Medicare Fee-for-Service” or “Medicare FFS” means Medicare Part A and Part B. As used in this Agreement, the term Medicare FFS does not include Medicare Part C (Medicare Advantage) or Medicare Part D (Prescription Drug Benefit).

“Model Participant” means an entity that has executed an agreement with CMS to participate in the Model.

“Model Region” means the Counties or Equivalent Entities where the Participant offers Medicare-Covered Ground Ambulance Transport, ET3 Model Interventions, and during the PHE, PHE Alternative Transports to ET3 Model Beneficiaries during the Model Performance Period in accordance with the Implementation Plan.

“Originating Site” means “originating site” as defined in 42 C.F.R. § 410.78(a)(4).

“Patient” means an individual, regardless of health insurance status, who is suffering from a complaint for which a 9-1-1 call is placed and Participant is dispatched and who is located in the Model Region when the Participant arrives on the scene of the 9-1-1 emergency response.

“Patient Care Report Data” or “PCR Data” means patient care information that is collected, most often in the National EMS Information System (NEMSIS) standard, following a 9-1-1 call for assistance.

“PHE” means “public health emergency” as defined in 42 C.F.R. § 400.200.

“PHE Alternative Transport” means a medically necessary unscheduled emergency ground ambulance transport of an ET3 Model Beneficiary from the scene of a 9-1-1 emergency response to a Medicare-covered destination identified in 42 C.F.R. § 410.40(f)(5) that is not also identified in 42 C.F.R. § 410.40(f)(1).

“Physician or Non-Physician Practitioner” means a physician or non-physician practitioner who meets all State and local laws, regulatory requirements, accreditation standards, and licensing guidelines or rules to render the particular Covered Service furnished to an ET3 Model Beneficiary as part of a Treatment in Place intervention or following a Transport to an Alternative Destination intervention.

“Program Integrity Screening” means a review of an individual’s or entity’s program integrity history, which may include a review of the individual’s or entity’s history of exclusion or other sanctions imposed with respect to participation in Medicare, Medicaid, or CHIP; history of failure to pay Medicare debts in a timely manner; current or prior law enforcement investigations or administrative actions; affiliations with individuals or entities that have a history of program integrity issues; and other information pertaining to the trustworthiness of the individual or entity.

“Protected Health Information (PHI)” means protected health information as defined in 45 C.F.R § 160.103.

“Provider” means a “provider of services” defined under section 1861(u) of the Act and codified in the definition of “provider” at 42 C.F.R. § 400.202, as may be amended from time to time.

“Qualified Health Care Partner” means an individual or entity that has agreed to furnish a Treatment in Place intervention, or to arrange for a Downstream Practitioner to furnish a Treatment in Place intervention, to an ET3 Model Beneficiary.

“Supplier” means a supplier as defined in section 1861(d) of the Act and codified at 42 C.F.R. § 400.202, as may be amended from time to time.

“Telehealth Services” means Covered Services that are furnished as telehealth services under section 1834(m) of the Act and 42 C.F.R. § 410.78.

“Telehealth Treatment in Place Intervention” means Telehealth Services furnished to an ET3 Model Beneficiary located at the scene of a 9-1-1 emergency response during an Encounter, including Covered Services furnished by a Medicare-Enrolled Qualified Health Care Partner or a Downstream Practitioner as part of the Telehealth Treatment in Place Intervention, as well as the initiation and facilitation of such Covered Services by the Participant.

“TIN” means a federal Taxpayer Identification Number, which in some cases may be a Social Security Number.

“Transport to an Alternative Destination” means medically necessary (as described in 42 C.F.R. § 410.40(e)(1)) unscheduled emergency ground ambulance transport, other than PHE Alternative Transport, of an ET3 Model Beneficiary by the Participant from the scene of a 9-1-1 emergency response to an Alternative Destination during an Encounter.

“Treatment in Place” means (1) a Telehealth Treatment in Place Intervention; or (2) an In-Person Treatment in Place Intervention.

“Triage Decision” means the Participant’s procedures to (1) use its’ Clinical Protocols to assess a Patient’s condition after the Participant arrives on the scene of a 9-1-1 emergency response; (2) determine which Available Intervention (if any) is most clinically appropriate; and (3) use the information from steps (1) through (2), together with the Participant’s determination as to whether the Patient is an ET3 Model Beneficiary in accordance with the Eligibility Plan developed pursuant to Article 5.2(a)(ii), to make the offer (if any) of an Available Intervention to the Patient.

Article III. Participant Requirements

3.1 General Requirements

- (a) The Participant must be a legal entity identified by a TIN formed under applicable state, federal, or tribal law, and authorized to conduct business in each state in which it operates.
- (b) The Participant must be a Medicare-Enrolled ambulance service supplier or ambulance provider that meets the applicable vehicle, staff, billing and reporting requirements of 42 C.F.R. § 410.41, is authorized to respond to 9-1-1 emergency medical requests, is subject to community-wide emergency medical services (“EMS”) protocols and state or local laws governing EMS. The Participant must notify CMS of any administrative or other action that

may affect the Participant's Medicare enrollment status within 30 Days of the Participant's receipt of notice of such action.

- (c) The Participant must notify CMS in writing of any noncompliance or deficiencies in regards to this Agreement within 15 Days of discovery, unless a different timeframe for notification is specified in this Agreement.
- (d) The Participant must ensure that all ET3 Partners, Downstream Practitioners, Billing Parties, and other entities and individuals performing functions or services related to the ET3 Model Interventions are obligated to comply with the applicable terms and conditions of this Agreement, and must ensure that the Participant has sufficient access to all necessary records, data, and information of and pertaining to the ET3 Partners, Downstream Practitioners, Billing Parties, and other entities and individuals performing functions or services related to the ET3 Model Interventions, as applicable, to enable the Participant to carry out this responsibility.

3.2 Participant Changes

(a) Legal Name Change

The Participant must provide written notice to CMS at least 60 Days before any change in the Participant's legal name. The notice of legal name change must include a copy of any legal document effecting the name change, authenticated by the appropriate state official (if applicable), and the Parties must execute an agreement reflecting the change of the Participant's legal name.

(b) Change of Control

The Participant must provide written notice to CMS at least 90 Days before the effective date of any Change of Control of the Participant. This obligation remains in effect throughout the Agreement Term and until final payment by or to the Participant has been made in accordance with this Agreement. After review of such notice, CMS may terminate this Agreement, demand immediate payment of any amount owed by the Participant to CMS under this Agreement, or may take any other actions consistent with the terms of this Agreement, to include Article 21.7.

(c) Identifier Change

The Participant must provide written notice to CMS as soon as practicable, but no later than 30 Days after any change in TIN, NPI, or other identifier specified by CMS with respect to the Participant. After review of such notice, CMS may terminate this Agreement, demand immediate payment of any amount owed by the Participant to CMS under this Agreement, or may take any other actions consistent with the terms of this Agreement.

3.3 State and Local Requirements

- (a) For the duration of the Model Performance Period, the Participant must meet all applicable requirements to operate as a 9-1-1 emergency ambulance service supplier or ambulance provider in each state that is included (in whole or in part) in the Model Region, including,

but not limited to, adherence to state-wide EMS protocols, agency license, medical director license, personnel certifications, and vehicle licenses and requirements.

- (b) For the duration of the Model Performance Period, the Participant must meet all applicable requirements to operate as a 9-1-1 emergency ambulance service supplier or ambulance provider in each County or Equivalent Entity that is included (in whole or in part) in the Model Region, including, but not limited to, adherence to community-wide EMS protocols, business license, or other local authorizations and licenses.

3.4 Non-Duplication of Participation

- (a) The Participant may concurrently participate in the ET3 Model and other CMS initiatives, including, but not limited to: shared savings initiatives; total cost of care initiatives; the Medicare Prior Authorization of Repetitive, Scheduled Non-Emergent Ambulance Transport Model; and medical home initiatives.
- (b) The Participant must give written notice to CMS if the Participant is selected to participate in any CMS initiative after the Participant submitted its Application. Such notice must be given within 30 Days of the Effective Date if the Participant was selected after submitting the Application but prior to the Effective Date or, if the Participant is selected on or after the Effective Date, within 30 Days of receiving notification that the Participant has been selected to participate in the initiative.
- (c) Where the Participant concurrently participates in the Model and any other CMS initiative, CMS reserves the right to amend this Agreement without the consent of the Participant to include additional requirements, revise ET3 Model parameters, or ultimately prohibit simultaneous participation in multiple initiatives, in order to avoid counting savings twice in interacting initiatives and to enable CMS to conduct a robust evaluation of each such initiative.

Article IV. ET3 Partners

4.1 General Requirements

- (a) The Participant must notify and educate each individual and entity who is a potential ET3 Partner about the Model to enable them to make an informed decision about whether to participate in the Model as an ET3 Partner. The provision of information to a potential ET3 Partner for purposes of satisfying this requirement is not considered promotion, marketing, or advertising under Article 11.4(b).
- (b) The Participant must provide a copy of this Agreement and any amendments hereto to each potential ET3 Partner prior to obtaining their consent to participate in the Model as an ET3 Partner and must obligate each ET3 Partner to provide such documents to each potential Downstream Practitioner and Billing Party.
- (c) If the requirements of Article 4.1(a) and Article 4.1(b) are not satisfied prior to the Participant's execution of an arrangement with an ET3 Partner pursuant to Article 4.3, the requirements of this Article 4.1 are not satisfied.

4.2 ET3 List

(a) General

- (i) The Participant must ensure that all proposed ET3 Partners, Alternative Destinations identified by an NPI that is not shared with its associated Alternative Destination Partner, and any Billing Parties, including Downstream Practitioners, that will bill Medicare for Covered Services furnished as part of a Treatment in Place intervention are approved by CMS to be added to the ET3 List pursuant to this Article 4.2 prior to furnishing ET3 Model Interventions under the terms of this Agreement to an ET3 Model Beneficiary.
- (ii) An individual or entity will be included on the ET3 List only upon written approval of CMS.
- (iii) CMS will maintain the ET3 List in a manner that permits the Participant to review the list. The Participant must periodically review its ET3 List to ensure that the list is true, accurate, and complete, and must make any updates to the ET3 List in accordance with Article 4.2(c).
- (iv) The Participant must maintain documentation of all ET3 Lists, both current and historical, in accordance with Article 18.2.
- (v) CMS may periodically conduct a Program Integrity Screening of each individual and entity listed on the ET3 List. The presence of an individual or entity on the ET3 List does not imply or constitute a determination that the individual or entity has no program integrity issues, nor does it preclude CMS or any other federal government agency from enforcing any and all applicable laws, rules and regulations, or from initiating or continuing any audit or investigation of an individual or entity listed on the ET3 List.

(b) Initial ET3 List

- (i) If the Participant intends to implement ET3 Model Interventions as of the Start Date, the Parties acknowledge that the Participant submitted to CMS a proposed list of individuals and entities for inclusion on the ET3 List that satisfied the requirements of this Article 4.2(b).
- (ii) If the Participant intends to implement ET3 Model Interventions at some point after the Start Date, the Participant shall submit a proposed list of individuals for inclusion on the ET3 List at least 45 days prior to the first day on which the Participant intends to implement ET3 Model Interventions.
- (iii) The Participant must include all information necessary for CMS to perform a Program Integrity Screening of the individual or entity proposed for inclusion on the ET3 List, to include without limitation:

- 1) Medicare-Enrolled individuals and entities proposed for inclusion on the ET3 List must be identified by legal business name (or, in the case of an individual, legal name), correspondence address, NPI, Medicare Provider Identification Number(s) (if issued), and CMS Certification Number (if applicable).
 - 2) Those individuals and entities who are not Medicare-Enrolled must be identified by legal business name (or, in the case of an individual, legal name), correspondence address, type of entity, TIN, NPI, existing and/or past state license number (if any) and state that issued license; and for any board member or individual with managing control, partnership interest, or a 10% or greater direct or indirect ownership in the ET3 Partner, the individual's name, date of birth, NPI (if applicable), and social security number.
- (iv) For each individual or entity proposed for inclusion on the ET3 List, the Participant must indicate whether the individual or entity is proposed as an ET3 Partner, Alternative Destination identified by an NPI that is not shared with its associated Alternative Destination Partner, or Billing Party. In the case of an Alternative Destination or Billing Party, the Participant must indicate the ET3 Partner associated with the Alternative Destination or Billing Party.
 - (v) CMS will review the list of individuals and entities proposed for inclusion on the ET3 List and conduct a Program Integrity Screening of those individuals and entities for which CMS received all information necessary to conduct a Program Integrity Screening.
 - (vi) CMS will submit to the Participant a list of individuals and entities that it approved for inclusion on the ET3 List. The Participant shall review this list and make any necessary corrections to it, including the removal of any individuals or entities proposed as ET3 Partners or any proposed Downstream Practitioners identified as Billing Parties that have not agreed to participate in the Model pursuant to a written arrangement meeting the requirements of Article 4.3.
 - (vii) The Participant shall submit to CMS an initial ET3 List that the Participant has certified is a true, accurate, and complete list of all of the Participant's ET3 Partners, as well as those Alternative Destinations and Billing Parties that must be included on the ET3 List pursuant to Article 4.2(a)(i).
 - (viii) Once the initial ET3 List has been certified by the Participant and submitted to CMS, that list shall be deemed the final ET3 List and the Participant must update the ET3 List in accordance with Article 4.2(c).
- (c) Updates to ET3 List
- (i) Removals from the ET3 List
 - 1) In a form and manner specified by CMS, the Participant must notify CMS no later than 30 Days after an individual or entity on the ET3 List has ceased to be an ET3 Partner, Alternative Destination, or Billing Party for any reason other than termination by CMS, and must include in the notice the date on which the individual or entity ceased to be an ET3 Partner, Alternative Destination, or Billing Party. The removal of the individual or entity from the ET3 List will be effective on

the date the individual or entity ceased to be an ET3 Partner, Alternative Destination, or Billing Party.

- 2) CMS may terminate an individual or entity and update the ET3 List to reflect this termination or subject the Participant to additional monitoring pursuant to Article 14.2(f)(i) on the basis of the results of a periodic Program Integrity Screening or information obtained regarding an individual's or entity's history of program integrity issues. CMS will notify the Participant if CMS chooses to terminate an individual or entity and remove them from the ET3 List. Such notice will specify the effective date of termination.

(ii) Additions to the ET3 List

- 1) If, after the initial ET3 List has been deemed final, the Participant wishes to add an individual or entity to the ET3 List as an ET3 Partner, Alternative Destination identified by an NPI that is not shared with its associated Alternative Destination Partner, or Billing Party, it must submit a request to CMS, in a form and manner and by a deadline specified by CMS, that meets the following requirements:
 - a) The Participant must include all information necessary for CMS to perform a Program Integrity Screening of the individual or entity proposed for inclusion on the ET3 List, including without limitation the information specified in paragraphs (1) and (2) of Article 4.2(b)(iii).
 - b) For each individual or entity proposed for inclusion on the ET3 List, the Participant must indicate whether the individual or entity is proposed as an ET3 Partner, Alternative Destination identified by an NPI that is not shared with its associated Alternative Destination Partner, or Billing Party. In the case of an Alternative Destination or Billing Party, the Participant must indicate the ET3 Partner associated with the Alternative Destination or Billing Party.
 - c) The Participant must ensure that it has a written arrangement that meets the requirements of Article 4.3 with any proposed ET3 Partner and that any proposed Alternative Destination or Billing Party is associated with an approved ET3 Partner.
- 2) CMS will conduct a Program Integrity Screening of each individual or entity proposed for inclusion on the ET3 List by the Participant.
- 3) CMS will notify the Participant regarding whether the proposed individual or entity has been approved or rejected for inclusion on the ET3 List on the basis that the individual or entity fails to satisfy the definition of an "ET3 Partner," "Alternative Destination," or "Billing Party", or on the basis of a Program Integrity Screening. If CMS approves the request, the individual or entity will be added to the ET3 List, effective on the date the addition is approved by CMS.

4.3 ET3 Partner Arrangement

- (a) The Participant must have an arrangement with each ET3 Partner that complies with the following requirements:
 - (i) The arrangement is in writing, and the only parties to the arrangement are the Participant and ET3 Partner.
 - (ii) **Arrangements with Alternative Destination Partners.** For an arrangement between the Participant and an ET3 Partner that is an Alternative Destination Partner:
 - 1) The arrangement requires the Alternative Destination Partner to participate in the Model and furnish Covered Services, or arrange for Covered Services to be furnished by a Downstream Practitioner, to ET3 Model Beneficiaries following Transport to an Alternative Destination.
 - 2) The arrangement requires the Alternative Destination Partner to ensure it has the ability to (1) assess the real-time capacity of an Alternative Destination of the Alternative Destination Partner to furnish the required level and type of care for the illness or injury of any ET3 Model Beneficiary prior to accepting transport of the ET3 Model Beneficiary by the Participant to the Alternative Destination pursuant to Article 6.2; (2) meet the needs of any ET3 Model Beneficiary accepted for transport to an Alternative Destination of the Alternative Destination Partner; and (3) bill Medicare for Covered Services furnished to ET3 Model Beneficiaries at an Alternative Destination of the Alternative Destination Partner or, if the Alternative Destination Partner cannot or does not intend to bill Medicare for such Covered Services, has arranged for such Covered Services to be billed by a Billing Party that has the ability to bill Medicare for such Covered Services.
 - 3) If the Alternative Destination Partner is not Medicare-Enrolled, the arrangement requires the Alternative Destination Partner to contract or employ at least one Downstream Practitioner who is Medicare-Enrolled and has the ability to furnish Covered Services described in Article 6.2 that are furnished at an Alternative Destination of the Alternative Destination Partner, and if the Downstream Practitioner cannot or does not intend to bill Medicare for such Covered Services, has arranged for such Covered Services to be billed by a Billing Party that has the ability to bill Medicare for such Covered Services furnished by the Downstream Practitioner.
 - (iii) **Arrangements with Qualified Health Care Partners.** For an arrangement between the Participant and an ET3 Partner who is a Qualified Health Care Partner:
 - 1) The arrangement requires the Qualified Health Care Partner to participate in the Model and furnish Covered Services to ET3 Model Beneficiaries as part of a Treatment in Place intervention, or to arrange for Covered Services to be furnished by a Downstream Practitioner to ET3 Model Beneficiaries as part of a Treatment in Place intervention.
 - 2) The arrangement requires the Qualified Health Care Partner to ensure it has the capacity to meet the needs of ET3 Model Beneficiaries who receive Covered

Services during a Treatment in Place intervention, as well as the ability to bill Medicare for Covered Services furnished to ET3 Model Beneficiaries during a Treatment in Place intervention or, if the Qualified Health Care Partner cannot or does not intend to bill Medicare for such Covered Services, has arranged for such Covered Services to be billed by a Billing Party that has the ability to bill Medicare for such Covered Services.

- 3) If the Qualified Health Care Partner is not Medicare-Enrolled, the arrangement requires the Qualified Health Care Partner to contract or employ at least one Downstream Practitioner who is Medicare-Enrolled and has the capacity to furnish Covered Services that satisfy the requirements of Article 6.3, and if the Downstream Practitioner cannot or does not plan to bill Medicare for such Covered Service, has arranged for such Covered Services to be billed by a Billing Party that has the ability to bill Medicare for such Covered Services furnished by the Downstream Practitioner.
 - 4) The arrangement requires the Qualified Health Care Partner to collect and report to the Participant data on an Encounter, as necessary and appropriate, to ensure that the Participant makes data submissions to CMS in accordance with Article 16 and requires the Qualified Health Care Partner to impose this requirement on its Downstream Practitioners and Billing Parties.
 - 5) The arrangement requires the Qualified Health Care Partner to collect and report to the Participant data on an Encounter, as necessary and appropriate, to ensure that the Participant makes data submissions to CMS in accordance with Article 16 and requires the Qualified Health Care Partner to impose this requirement on its Downstream Practitioners and Billing Parties.
 - 6) The arrangement includes written confirmation of the Qualified Health Care Partner's consent to bill and receive payment for Covered Services furnished as part of a Treatment in Place intervention as described in Article 8.1 and, if applicable, also requires the Qualified Health Care Partner to ensure that its Billing Parties provide written confirmation of the Billing Parties' consent to bill and receive payment for such Covered Services as described in Article 8.1.
- (iv) The arrangement expressly sets forth the ET3 Partner's obligation to comply with the applicable terms and conditions of the Model as set forth in this Agreement, including, but not limited to, compliance with ET3 Model evaluation, monitoring, and oversight activities and also requires the ET3 Partner to ensure that its Downstream Practitioners and Billing Parties are obligated to comply with the applicable terms and conditions of the Model as set forth in this Agreement.
 - (v) The arrangement expressly requires the ET3 Partner to comply with all applicable laws and regulations including, but not limited to, those specified in Article 14.2(b), and also requires the ET3 Partner to ensure that its Downstream Practitioners and Billing Parties are obligated to comply with all such laws and regulations.

- (vi) The arrangement expressly requires the ET3 Partner to promptly submit to the Participant a true, accurate, and complete list of all the ET3 Partner's Alternative Destinations, Downstream Practitioners, and Billing Parties upon request by the Participant. Such list must include the legal name and NPI of each Billing Party and Downstream Practitioner. Billing Parties that are Downstream Practitioners need not be listed twice.
- (vii) If Covered Services furnished to an ET3 Model Beneficiary during a Treatment in Place intervention or following Transport to an Alternative Destination are furnished by a Downstream Practitioner and the Billing Party is not the Downstream Practitioner who furnished the Covered Services, the arrangement obligates the ET3 Partner to ensure that the Downstream Practitioner who furnished the Covered Services has reassigned his or her right to bill the Medicare program and receive Medicare payments for the Covered Services to the Billing Party.
- (viii) The arrangement requires the ET3 Partner to require its Downstream Practitioners and Billing Parties to update their Medicare enrollment information on a timely basis in accordance with Medicare program requirements and, if the ET3 Partner is Medicare-enrolled, also requires the ET3 Partner to do the same.
- (ix) If the ET3 Partner is Medicare-Enrolled, the arrangement requires the ET3 Partner to notify the Participant of any changes to its Medicare enrollment information, legal name, NPI or other identifier specified by CMS with respect to the individual or entity, and a Change of Control within 30 Days after becoming aware of the change, and also requires the ET3 Partner to ensure that its Alternative Destinations, Downstream Practitioners and other Billing Parties are obligated to do the same if they are on the ET3 List, or if the change meaningfully affects the Downstream Practitioner's capacity to furnish Covered Services to ET3 Model Beneficiaries as part of an ET3 Model Intervention.
- (x) The arrangement requires the ET3 Partner to notify the Participant within 7 Days of becoming aware that it or any of its Downstream Practitioners or Billing Parties is under investigation or has been sanctioned (including, without limitation, the imposition of program exclusion, debarment, civil monetary penalties, loss of medical license or equivalent, corrective action plans, and revocation of Medicare billing privileges) by the federal, state, or local government, or any licensing authority, and requires the ET3 Partner to ensure that its Downstream Practitioners and Billing Parties provide such notice to the ET3 Partner if the Downstream Practitioner or Billing Party is the subject of such investigations or sanctions.
- (xi) The arrangement permits the Participant to take remedial action against the ET3 Partner, including termination of the Participant's arrangement with the ET3 Partner, to address noncompliance with the terms of the Model as set forth in this Agreement or program integrity issues identified by CMS, and also requires the ET3 Partner to ensure that the ET3 Partner's arrangements with its Downstream Practitioners and Billing Parties permit the ET3 Partner to take such actions against a Downstream

Practitioner or Billing Party to address noncompliance with the applicable terms of this Model as set forth in this Agreement or program integrity issues identified by CMS.

- (xii) The arrangement permits early termination if CMS removes the ET3 Partner from the ET3 List and, if the ET3 Partner is a Qualified Health Care Partner, requires the Qualified Health Care Partner to ensure it has the ability to terminate its arrangement with any of its Billing Parties who are removed from the ET3 List by CMS.
- (b) CMS provides no opinion on the legality of any contractual or other arrangement that the Participant, ET3 Partner, a Downstream Practitioner, Billing Party, or other individual or entity involved in the Participant's implementation of ET3 Model Interventions has proposed, implemented, or documented. The receipt by CMS of any such documents in the course of the application process or otherwise shall not be construed as a waiver or modification of any applicable laws, rules or regulations, and will not preclude CMS, HHS or its Office of Inspector General, a law enforcement agency, or any other federal or state agency from enforcing any and all applicable laws, rules and regulations.

4.4 Notification of Termination and Other Changes

- (a) The Participant must provide written notice to CMS of the following:
 - (i) The Participant must provide written notice to CMS within 30 Days before the termination of a written arrangement described in Article 4.3.
 - (ii) The Participant must provide written notice to CMS within 30 Days after becoming aware of any change in the legal name of any individual or entity listed on the ET3 List.
 - (iii) The Participant must provide written notice to CMS within 30 Days after becoming aware of any Change of Control of any entity listed on the ET3 List.
 - (iv) The Participant must provide written notice to CMS as soon as practicable, but no later than 30 Days after becoming aware of any change in Medicare enrollment status or change in NPI or other identifier specified by CMS with respect to any Medicare-Enrolled individual or entity listed on the ET3 List.
 - (v) The Participant must provide written notice to CMS within 30 Days after becoming aware that any individual or entity listed on the ET3 List is under investigation or has been sanctioned (including, without limitation, the imposition of program exclusion, debarment, civil monetary penalties, loss of medical license or equivalent, corrective action plans, and revocation of Medicare billing privileges) by the federal, state, or local government or any licensing authority.
- (b) After review of a notice described under Article 4.4(a), CMS may conduct a Program Integrity Screening with respect to such individual or entity listed on the ET3 List, terminate such individual or entity on the ET3 List, or take any of the actions set forth in Article 19.

4.5 Limitations

The Participant must not take any action to limit the ability of an ET3 Partner or Downstream Practitioner to make decisions in the best interest of an ET3 Model Beneficiary, including the selection of care or services furnished to an ET3 Model

Beneficiary under the Model, or to offer an ET3 Model Beneficiary an Available Intervention that differs from the Available Intervention identified by the Participant's Triage Decision.

Article V. Implementation of ET3 Model Interventions

5.1 Implementation Plan

(a) Submission and Acceptance

- (i) The Parties acknowledge that the Participant submitted to CMS an Implementation Plan that includes, at a minimum, all the information described in Article 5.1(b), subject to CMS review and approval pursuant to Article 5.1(d).
- (ii) The Participant shall update the Implementation Plan throughout the Model Performance Period in accordance with Article 5.1(c).
- (iii) CMS's acceptance of the Participant's Implementation Plan or any updates thereto does not imply or constitute a determination that the Participant's Implementation Plan complies with federal statutes or regulations or relieve the Participant, ET3 Partners, Downstream Practitioners, Billing Parties, or other individuals or entities included in the Implementation Plan, such as payers included in the Participant's Multi-Payer Strategy described in Article 5.2 (if applicable), of the obligation to comply with the applicable terms of this Agreement or all applicable laws, rules, and regulations. Such acceptance does not preclude CMS or any other federal government agency from enforcing any and all applicable laws, rules, and regulations.
- (iv) The Participant shall adhere to the CMS-accepted Implementation Plan and must obligate its ET3 Partners to adhere to the applicable requirements of the Implementation Plan and to obligate their Downstream Practitioners and Billing Parties to do the same. If CMS determines that the Participant is materially unable to implement its Implementation Plan during the Model Performance Period, CMS reserves the right to take remedial action pursuant to Article 19.

(b) Required Implementation Plan Content

The Participant's Implementation Plan submitted pursuant to Article 5.1(a) and updated in accordance with Article 5.1(c) must include, in a form and manner specified by CMS, all of the following information:

- (i) A description of the Model Region.
- (ii) A description of how the Participant will implement the Transport to an Alternative Destination intervention during the Model Performance Period in accordance with the requirements of this Agreement, including all of the following:
 - 1) The date by which the Participant proposes to make the Transport to an Alternative Destination intervention available to ET3 Model Beneficiaries.
 - 2) A description of how the Participant will meet each of the requirements of Article 6.2.

- 3) A description of any Alternative Destination Partners approved by CMS for inclusion on the ET3 List in accordance with Article 4.2 and/or any individuals or entities the Participant intends to add to the ET3 List as an Alternative Destination Partner, subject to CMS review and approval, including a description of the Alternative Destination Partner's capacity to serve ET3 Model Beneficiaries at one or more Alternative Destinations.
- (iii) If the Participant intends to perform PHE Alternative Transports during the Model Performance Period concurrent with its implementation of the Transport to an Alternative Destination intervention, the Participant must describe its plan to simultaneously comply with both ET3 Model requirements and the requirements of 42 C.F.R. §410.40(f)(5) for PHE Alternative Transports, including, but not limited to, its plan to identify whether a given transport is a PHE Alternative Transport or a Transport to an Alternative Destination and to avoid the submission of inaccurate or duplicative claims.
 - (iv) A statement indicating whether the Participant has elected to implement the optional Treatment in Place intervention in accordance with Article 6.3(b).
 - (v) If the Participant has elected to implement the Treatment in Place intervention, the Implementation Plan must also contain the following information:
 - 1) A description of how the Participant will implement the Treatment in Place intervention during the Model Performance Period in accordance with the requirements of this Agreement, including:
 - a) a statement indicating whether the Participant will make the In-Person Treatment in Place Intervention, the Telehealth Treatment in Place Intervention, or both interventions available to ET3 Model Beneficiaries,
 - b) if the Participant has elected to implement the Treatment in Place intervention during Performance Year 1, a statement indicating whether the Participant will implement the Treatment in Place intervention pursuant to Article 6.3(a)(i) or the exception specified in Article 6.3(a)(ii), and
 - c) a description of how the Participant will meet the requirements of Article 6.3.
 - 2) The date by which the Participant proposes to make the Treatment in Place intervention available to ET3 Model Beneficiaries; and
 - 3) If the Participant has elected to implement the optional Treatment in Place intervention during Performance Year 1 pursuant to the exception specified in Article 6.3(a)(ii):
 - a) a description of each destination to which the Participant has made the necessary arrangements to make PHE Alternative Transports available to

ET3 Model Beneficiaries including, legal business name and type of facility, and

- b) a description of the Participant's operational plan to respond to a loss of eligibility to implement the optional Treatment in Place intervention pursuant to the exception specified in Article 6.3(a)(ii) due to a termination the PHE determination without a subsequent renewal.

(vi) The Participant's Payer Strategy developed in accordance with Article 5.2.

(vii) The Participant's Access Plan developed in accordance with Article 5.3.

(c) Updates to Implementation Plan

(i) The Participant shall update all Implementation Plan content on an annual basis in a form and manner and by a date specified by CMS.

(ii) The Participant also must promptly update its Implementation Plan prior to the next annual update to reflect:

- 1) Material changes in how the Participant will implement the Transport to an Alternative Destination intervention. Such material changes include, but are not limited to, changes to the date Participant proposed to make the Transport to an Alternative Destination intervention available to ET3 Model Beneficiaries and any interruptions in the Participant's ability to make the Transport to an Alternative Destination intervention available, such as gaps or anticipated gaps in the Participant's ability to make available the Transport to an Alternative Destination intervention.
- 2) Material changes in how the Participant will implement the optional Treatment in Place intervention. Such material changes include, but are not limited to, the Participant's decision to no longer make the optional Treatment in Place intervention available to ET3 Model Beneficiaries, changes to the date Participant proposed to make the Treatment in Place intervention available, changes to Participant's eligibility to implement the Treatment in Place intervention, and changes in the type of Treatment in Place intervention (In-Person Treatment in Place Intervention, Telehealth Treatment in Place Intervention, or both) that the Participant will make available to ET3 Model Beneficiaries.
- 3) Material changes to the Participant's Payer Strategy. Such material changes include, but are not limited to, a change in the Participant's election to implement either a Medicare FFS Strategy or Multi-Payer Strategy, any significant changes to the Participant's Eligibility Plan, and any significant changes to the proposed timeline or partnerships associated with the Payer Strategy.
- 4) Material changes to the Participant's Access Plan. Such material changes include, but are not limited to, changes to the timeline to achieve 24/7 access, any changes that will materially limit the Participant's ability to achieve 24/7 access, or any changes that will lead to material interruptions in the Participant's ability to meet the 24/7 access requirement.

(iii) If the Participant updates its Implementation Plan to elect to implement the optional

Treatment in Place intervention, the Participant must submit the updated Implementation Plan to CMS no less than 45 Days prior to the date by which the Participant proposes to make the Treatment in Place intervention available to ET3 Model Beneficiaries.

(d) CMS Review and Acceptance

- (i) CMS will review the Implementation Plan, including any updates thereto, and will make reasonable efforts to accept the Implementation Plan, reject the Implementation Plan, or provide notice to the Participant of an extension of CMS's period of review of the Implementation Plan, within 30 Days of CMS's receipt thereof.
- (ii) CMS may require the Participant to make changes to the Implementation Plan before acceptance and may reject the Implementation Plan if the Participant does not make satisfactory changes. If CMS rejects the Participant's Implementation Plan, CMS may take remedial action in accordance with Article 19.

5.2 Payer Strategy

(a) The Participant must implement a "**Payer Strategy**" that includes:

- (i) Either a strategy for how the Participant will operationalize its proposed ET3 Model Interventions in Medicare FFS only ("**Medicare FFS Strategy**") or a strategy for how the Participant will work with multiple payers such as Medicaid managed care, Medicare Advantage, commercial insurance, or others, in addition to Medicare FFS, to implement coverage of an ET3 Model-like intervention that provides coverage for unscheduled ground ambulance transport to a site not currently covered by the payer and/or provides coverage for services furnished in-person or through telehealth at the scene of a 9-1-1 emergency response ("**Multi-Payer Strategy**"); and
- (ii) A plan to identify whether a Patient is an ET3 Model Beneficiary prior to offering an ET3 Model Intervention ("**Eligibility Plan**").
- (iii) Information provided to a potential payer partner for the purposes of developing or implementing the Participant's Multi-Payer Strategy is not considered promotion, advertising, or marketing under Article 11.4(b).

5.3 Access Plan

- (a) Except as provided in Article 5.3(b), after the Participant makes the Transport to an Alternative Destination intervention available pursuant to Article 6.2, the Participant must ensure that ET3 Model Beneficiaries have access to at least one ET3 Model Intervention 24 hours per Day, 7 Days per week during the Model Performance Period. The Participant shall achieve such access based on the availability of one or more Alternative Destinations or, if the Participant has elected to implement the optional Treatment in Place intervention, on the availability of a combination of Alternative Destinations and Qualified Health Care Partners.

- (b) If the Participant has elected to implement the optional Treatment in Place intervention during Performance Year 1 pursuant to the exception specified in Article 6.3(a)(ii), the Participant must ensure that ET3 Model Beneficiaries have access to either PHE Alternative Transports or Treatment in Place 24 hours per Day, 7 Days per week for any period during Performance Year 1 that the Participant implements the optional Treatment in Place intervention pursuant to the exception specified in Article 6.3(a)(ii). The Participant shall achieve such access based on a combination of the availability of Qualified Health Care Partners or their Downstream Practitioners to furnish Covered Services during a Treatment in Place intervention and the availability of any destination with which the Participant has made any necessary arrangements to make PHE Alternative Transports available to ET3 Model Beneficiaries.

5.4 Transport to Covered Destinations

The Participant must continue to offer Medically Necessary Medicare-Covered Ground Ambulance Transport for ET3 Model Beneficiaries within the Model Region for the duration of the Model Performance Period.

5.5 Clinical Protocols

- (a) With oversight from the Participant's medical director or equivalent, the Participant must develop, implement, and maintain appropriate Clinical Protocols and other operational guidelines relevant to the Model, which are compliant with state and local requirements and clinical best practices, and are subject to internal quality improvement processes to ensure that quality and safety practices are implemented and tracked.
- (b) During an Encounter, the Participant must use its Clinical Protocols to make a Triage Decision for any Patient identified as an ET3 Model Beneficiary before the Participant may offer an ET3 Intervention available to the ET3 Model Beneficiary.

Article VI. ET3 Model Interventions

6.1 General

- (a) Notwithstanding any requirements of this Agreement, the Participant may offer PHE Alternative Transports at any time during the Model Performance Period that overlaps with the PHE, including any period during which the Participant is also implementing the Transport to an Alternative Destination intervention.
- (b) No earlier than the Start Date, and no later than January 1, 2022 or such later date as specified by CMS, the Participant must make the Transport to an Alternative Destination intervention available to ET3 Model Beneficiaries in accordance with the Implementation Plan and Article 6.2, and must thereafter continue to make the Transport to an Alternative Destination intervention available to ET3 Model Beneficiaries for the remaining duration of the Model Performance Period.
- (c) In accordance with Article 6.3(b), the Participant may elect to make the optional Treatment in Place intervention available to ET3 Model Beneficiaries during the Model Performance Period.

- (d) The Participant must ensure that Covered Services furnished to an ET3 Model Beneficiary following Transport to an Alternative Destination or as part of a Treatment in Place intervention are furnished by a Medicare-Enrolled ET3 Partner or a Downstream Practitioner.
- (e) Subject to the requirements of Article 6.2 and Article 6.3, the Participant may furnish or, if applicable, initiate and facilitate an ET3 Model Intervention for a Patient only after the Participant has:
 - (i) made a Triage Decision that identified an ET3 Model Intervention as the most appropriate Available Intervention,
 - (ii) identified the Patient as an ET3 Model Beneficiary in accordance with the Eligibility Plan developed pursuant to Article 5.2(a)(ii),
 - (iii) offered the ET3 Model Intervention to the ET3 Model Beneficiary in accordance with Article 11.1 and subject to the requirements of Article 5.3,
 - (iv) obtained and documented the ET3 Model Beneficiary's consent to receive the ET3 Model Intervention in accordance with Article 11.1, and
 - (v) if furnishing the Transport to an Alternative Destination intervention, the Participant must confirm the real-time capacity of the Alternative Destination to furnish the required level and type of care for the ET3 Model Beneficiary's illness or injury pursuant to the method described in Article 6.2(a)(ii).

6.2 Transport to an Alternative Destination Intervention

- (a) The Participant must make the Transport to an Alternative Destination intervention available to ET3 Model Beneficiaries in accordance with a CMS-accepted Implementation Plan, the Participant's Clinical Protocols, and this Article 6.2.
- (b) The Participant must, prior to making the Transport to an Alternative Destination intervention available to ET3 Model Beneficiaries:
 - (i) Update its ET3 List in accordance with Article 4.2(c)(ii) to include:
 - 1) at least one Alternative Destination Partner that has agreed to furnish Medically Necessary Covered Services, or has arranged for Medically Necessary Covered Services to be furnished by a Downstream Practitioner of the Alternative Destination Partner, to ET3 Model Beneficiaries following Transport to an Alternative Destination, and
 - 2) if the Alternative Destination Partner cannot or does not intend to bill Medicare for such Covered Services, at least one Billing Party that has the capacity to bill Medicare for such Covered Services furnished by the Alternative Destination Partner or a Downstream Practitioner of the Alternative Destination Partner to ET3 Model Beneficiaries at an Alternative Destination of the Alternative Destination Partner following Transport to an Alternative Destination.

- (ii) Develop a method to ensure that an Alternative Destination has the real-time capacity to furnish the required level and type of care for an ET3 Model Beneficiary's illness or injury prior to transporting the ET3 Model Beneficiary to the Alternative Destination.
 - (iii) Be capable of meeting the requirements of Article 6.1(e).
- (c) The Participant must ensure that each Transport to an Alternative Destination intervention furnished to an ET3 Model Beneficiary:
 - (i) is, in whole or in part, for the purpose of facilitating the ET3 Model Beneficiary's receipt of a Medically Necessary Covered Service by the Alternative Destination Partner or its Downstream Practitioner at an Alternative Destination, and
 - (ii) is made to the nearest appropriate Alternative Destination that has the real-time capacity to furnish the required level and type of care for the ET3 Model Beneficiary's illness or injury.

6.3 Optional Treatment in Place Intervention

- (a) Eligibility
 - (i) Except as specified in Article 6.3(a)(ii), the Participant may elect to implement the optional Treatment in Place intervention pursuant to Article 6.3(b) only if the Participant is implementing the Transport to an Alternative Destination intervention in accordance with Article 6.2.
 - (ii) For Performance Year 1, the Participant may elect to implement the optional Treatment in Place intervention pursuant to Article 6.3(b) during any period of the Performance Year during which the PHE exists if:
 - 1) The Participant is not eligible to elect to implement the optional Treatment in Place intervention pursuant to Article 6.3(a)(i), and
 - 2) The Participant has made the necessary arrangements to make PHE Alternative Transports available to ET3 Model Beneficiaries during such period.
- (b) Election

If eligible pursuant to Article 6.3(a)(i) or, for Performance Year 1, Article 6.3(a)(ii), the Participant may elect to implement the optional Treatment in Place intervention by stating so in the Implementation Plan in accordance with Article 5.1(b)(iv).
- (c) Implementation
 - (i) If the Participant has elected to implement the optional Treatment in Place intervention, the Participant must make the Treatment in Place intervention available to ET3 Model Beneficiaries in accordance with a CMS-accepted Implementation Plan, the Participant's Clinical Protocols, and this Article 6.4(c).
 - (ii) Prior to making the Treatment in Place intervention available to ET3 Model Beneficiaries and on an ongoing basis thereafter, the Participant must:
 - 1) Update its ET3 List in accordance with Article 4.2(c)(ii) to include:

- a) at least one Qualified Health Care Partner that has agreed to furnish Medically Necessary Covered Services, or has arranged for Medically Necessary Covered Services to be furnished by a Downstream Practitioner of the Qualified Health Care Partner, to ET3 Model Beneficiaries as part of a Treatment in Place intervention, and
 - b) if the Qualified Health Care Partner cannot or does not intend to bill Medicare for such Covered Services, at least one Billing Party that has the capacity to bill Medicare for such Covered Services furnished by the Qualified Health Care Partner or a Downstream Practitioner of the Qualified Health Care Partner to ET3 Model Beneficiaries as part of a Treatment in Place intervention.
 - 2) Obtain written consent in accordance with Article 6.3(d) and Article 6.3(e), and
 - 3) Be capable of meeting the requirements of Article 6.1(e).
- (iii) The Participant must ensure that the Participant, a Medicare-Enrolled Qualified Health Care Partner, or a Downstream Practitioner is physically present at all times at the scene of the 9-1-1 emergency response where the Treatment in Place intervention is furnished.
- (d) Consent to Payment Terms for Services Furnished as part of a Treatment in Place intervention
 - (i) The Participant shall obtain written confirmation of consent to bill and receive payment for Covered Services furnished as part of a Treatment in Place intervention under the terms specified in Article 8.1, and Appendices B and C of this Agreement from each Medicare-Enrolled Qualified Health Care Partner that has agreed to furnish Covered Services as part of the Treatment in Place intervention to ET3 Model Beneficiaries and, if applicable, require each Qualified Health Care Partner that has agreed to arrange for Covered Services to be furnished to ET3 Model Beneficiaries as part of a Treatment in Place intervention by one or more Downstream Practitioners to obtain such consent from each of its Downstream Practitioners who have agreed to furnish Covered Services as part of the Treatment in Place intervention to ET3 Model Beneficiaries, as well as from any Billing Parties that have agreed to submit claims to Medicare for such Covered Services. Any such agreement must be signed by an individual legally authorized to act for the individual or entity through whose TIN the Qualified Health Care Partner, Downstream Practitioner, or Billing Party bills Medicare.
 - (ii) As part of the written confirmation of consent described in Article 6.3(d)(i), the individual legally authorized to act for the individual or entity through whose TIN the Medicare-Enrolled Qualified Health Care Partner, Downstream Practitioner, or Billing Party bills Medicare must verify the accuracy of the list of Medicare-Enrolled Qualified Health Care Partners, Downstream Practitioners, and Billing Parties billing under that TIN that have affirmatively consented to receive payment for Covered Services under the terms specified in Article 8.1 and Appendices B and C of this Agreement.

- (iii) The written confirmation of consent described in this Article 6.3(d) must be renewed annually in advance of the subsequent Performance Year in order for those Qualified Health Care Partners, Downstream Practitioners, and Billing Parties to continue to participate in the ET3 Model as a Qualified Health Care Partner, Downstream Practitioner, or Billing Party for that Performance Year.
- (e) Consent to After Hours Upward Payment Adjustment
 - (i) The Participant shall obtain written confirmation of consent to the After Hours Upward Payment Adjustment from each Medicare-Enrolled Qualified Health Care Partner that has agreed to furnish Covered Services to ET3 Model Beneficiaries as part of a Treatment in Place intervention and, if applicable, require each Qualified Health Care Partner that has agreed to arrange for Covered Services to be furnished to ET3 Model Beneficiaries as part of a Treatment in Place intervention by one or more Downstream Practitioners to obtain such consent from each of its Downstream Practitioners who have agreed to furnish Covered Services to ET3 Model Beneficiaries as part of a Treatment in Place intervention, as well as from any Billing Parties who have agreed to submit claims to Medicare for such Covered Services. Any such agreement must be signed by an individual legally authorized to act for the individual or entity through whose TIN the Qualified Health Care Partner, Downstream Practitioner, or Billing Party bills Medicare.
 - (ii) The individual who signs the consent to receive the After Hours Upward Payment Adjustment must verify the accuracy of the list of Medicare-Enrolled Qualified Health Care Partners, Downstream Practitioners, and Billing Parties billing under that TIN that have affirmatively consented to receive the After Hours Upward Payment Adjustment.
 - (iii) Consent to receive the After Hours Upward Payment Adjustment provided by a Medicare-Enrolled Qualified Health Care Partner, Downstream Practitioner, or Billing Party must be renewed annually in order for those Qualified Health Care Partners, Downstream Practitioners, or Billing Parties to continue to participate in the ET3 Model as a Qualified Health Care Partner, Downstream Practitioner, or Billing Party for that Performance Year.

Article VII. Payment to Participant

7.1 General

- (a) The Participant may receive payment for Transport to an Alternative Destination furnished to an ET3 Model Beneficiary as set forth in this Article VII and Appendix D of this Agreement. If the Participant has a CMS-accepted Implementation Plan that indicates that the Participant has elected to implement the In-Person Treatment in Place Intervention, the Participant may receive payment for Covered Services furnished as part of initiating and facilitating an In-Person Treatment in Place Intervention as set forth in this Article VII and Appendix B of this Agreement. If the Participant has a CMS-accepted Implementation Plan that indicates that the Participant has elected to implement the Telehealth Treatment in Place Intervention, the Participant may receive payment for Covered Services furnished

as part of initiating and facilitating a Telehealth Treatment in Place Intervention as set forth in this Article VII and Appendix C of this Agreement.

- (b) The Participant may receive payment for only one Available Intervention per Encounter with an ET3 Model Beneficiary. If the Participant furnishes more than one Available Intervention to an ET3 Model Beneficiary during a single Encounter, the Participant may receive payment only for the Available Intervention furnished to the ET3 Model Beneficiary last in time during that Encounter.
- (c) If the Participant offers an ET3 Model Intervention to an ET3 Model Beneficiary and the ET3 Model Beneficiary chooses to decline the offer, the Participant must include a non-payable code specified by CMS to document the refusal on any claim submitted to CMS for an item or service furnished during the Encounter.
- (d) CMS will provide the Participant with billing guidelines for ET3 Model Interventions, including the applicable non-payable codes to document the refusal of an ET3 Model Intervention, as well as the appropriate claims modifiers and HCPCS-codes that are required for the Participant to receive payment for an ET3 Model Intervention.
- (e) CMS will pay the Participant for Medicare-Covered Ground Ambulance Transport and PHE Alternative Transport services furnished to an ET3 Model Beneficiary at the applicable Medicare FFS rates, pursuant to Medicare FFS rules and billing guidelines, including the applicable rules regarding debt collection.

7.2 Payment for Transport to an Alternative Destination

- (a) Eligibility
 - (i) The Participant may receive payment for Transport to an Alternative Destination only if:
 - 1) The Participant has a CMS-accepted Implementation Plan;
 - 2) The Alternative Destination Partner is listed on the ET3 List in accordance with Article 4.2 and complies with the applicable terms and conditions of the Model as set forth in this Agreement;
 - 3) The transport is to an Alternative Destination and is medically necessary as described in 42 C.F.R. § 410.40(e)(1); and
 - 4) The Participant submits the claim for payment to CMS and such claim includes the modifiers and HCPCS codes specified by CMS.
- (b) Payment Rate
 - (i) If the requirements of Article 7.2(a) are met, CMS will pay the Participant for Transport to an Alternative Destination at a rate equivalent to:
 - 1) The Medicare Part B Ambulance Fee Schedule (AFS) base rate, as calculated under 42 C.F.R. § 414.610, for emergency Basic Life Support (BLS-E) ground ambulance or emergency Advanced Life Support, Level 1 (ALS1-E) ground ambulance based on the level of service provided under the definitions of Basic life support (BLS),

Advanced life support, level 1 (ALS1), and Emergency response at 42 C.F.R. § 414.605; and

- 2) Mileage rates and adjustments applicable to BLS-E or ALS1-E transports to a Medicare-covered destination as identified in 42 C.F.R. § 410.40(f)(1), including, but not limited to, the geographic adjustment factor at § 414.610(c)(4), the rural adjustment factors at 42 C.F.R. § 414.610(c)(5)(i) and (ii), rural and urban add-ons at 42 C.F.R. § 414.610(c)(1)(ii), the multiple patient rule, if applicable, at 42 C.F.R. § 414.610(c)(6), and the payment reduction for failure to report data at 42 C.F.R. § 414.610(c)(9).
- (ii) In order to bill and receive payment at the ALS1-E base rate, the Participant must provide Medically Necessary Covered Services and either an ALS assessment by ALS personnel or at least one ALS intervention as defined in 42 C.F.R. § 414.605.
- (iii) CMS will update the base payment rates annually to match the BLS-E and ALS1-E base rates in the Medicare Part B Ambulance Fee Schedule.

7.3 Payment for Initiation and Facilitation of Treatment in Place

(a) In-Person Treatment in Place Intervention

(i) Eligibility

The Participant may receive payment for initiating and facilitating an In-Person Treatment in Place Intervention in accordance with this Agreement only if:

- 1) The Participant has a CMS-accepted Implementation Plan that indicates that the Participant has elected to implement the In-Person Treatment in Place Intervention;
- 2) The Covered Service initiated and facilitated by the Participant as part of the In-Person Treatment in Place Intervention is Medically Necessary; and
- 3) The Participant submits the claim for payment to CMS and such claim includes the modifiers and HCPCS-codes specified by CMS.

(ii) Payment Rate

- 1) If the requirements of Article 7.3(a)(i) are met, CMS will pay the Participant for the initiation and facilitation of an In-Person Treatment in Place Intervention at a rate equivalent to the Medicare Part B AFS base rate, as calculated under 42 C.F.R. § 414.610, for BLS-E ground ambulance service or ALS1-E ground ambulance service based on the level of service provided under the definitions of Basic life support (BLS), Advanced life support, level 1 (ALS1), and Emergency response at 42 C.F.R. § 414.605.
- 2) In order to bill and receive payment at the ALS1-E base rate, the Participant must provide Medically Necessary supplies and services and either an ALS assessment by ALS personnel or at least one ALS intervention as defined in 42 C.F.R. § 414.605.
- 3) CMS will update the base payment rates annually to match the BLS-E and ALS1-E base rates in the Medicare Part B Ambulance Fee Schedule.

(b) Telehealth Treatment in Place Intervention

(i) Eligibility

The Participant may receive payment for initiating and facilitating a Telehealth Treatment in Place Intervention in accordance with this Agreement only if:

- 1) The Participant has a CMS-accepted Implementation Plan that indicates that the Participant has elected to implement the Telehealth Treatment in Place Intervention;
- 2) The Covered Services initiated and facilitated by the Participant as part of the Telehealth Treatment in Place Intervention are Medically Necessary; and
- 3) The Participant submits the claim for payment to CMS and such claim includes the modifiers and HCPCS codes specified by CMS.

(ii) Payment Rate

- 1) If the requirements of Article 7.3(b)(i) are met, the Participant may receive payment from CMS for a Telehealth Treatment in Place Intervention at a base payment rate equivalent to the Medicare Part B AFS base rate, as calculated under 42 C.F.R. § 414.610, for BLS-E ground ambulance service or ALS1-E ground ambulance service based on the level of service provided under the definitions of Basic life support (BLS), Advanced life support, level 1 (ALS1), and Emergency response at 42 C.F.R. § 414.605.
- 2) In order to bill and receive payment at the ALS1-E base rate, the Participant must provide medically necessary supplies and services and either an ALS assessment by ALS personnel or at least one ALS intervention as defined in 42 C.F.R. § 414.605.
- 3) The base payment rate for a Telehealth Treatment in Place Intervention will be updated annually to match the BLS-E and ALS1-E base rates in the Medicare Part B Ambulance Fee Schedule for the year.

7.4 Performance-Based Payments

- (a) CMS will, in its sole discretion, determine the availability of performance-based upward payment adjustments for Model Participants, and the availability of such upward payment adjustments is not guaranteed. Prior to the start of Performance Year 3 of the Model Performance Period, CMS will notify the Participant whether performance-based payment adjustments will be made.
- (b) If CMS, in its sole and absolute discretion, offers performance-based payment adjustments to Model Participants, CMS may unilaterally amend this Agreement or any Appendix hereto as may be necessary to make such payments available to the Participant under this Agreement. CMS shall provide the Participant with 60 Days advance written notice of any such unilateral amendment, which notice shall specify the amendment's effective date.

Article VIII. Payment to ET3 Partners or their Billing Parties

8.1 Payment to Qualified Health Care Partners and their Billing Parties for Covered Services
Furnished as part of a Treatment in Place Intervention

(a) General

- (i) If the Participant has a CMS-accepted Implementation Plan that indicates that the Participant has elected to implement the In-Person Treatment in Place intervention, CMS shall pay Qualified Health Care Partners and their Billing Parties for Covered Services furnished in accordance with this Agreement as part an In-Person Treatment in Place Intervention as set forth in this Article 8.1 and Appendix B of this Agreement. If the Participant has a CMS-accepted Implementation Plan that indicates that the Participant has elected to implement the Telehealth Treatment in Place Intervention, CMS shall pay, Qualified Health Care Partners and their Billing Parties for Covered Services furnished in accordance with this Agreement as part of a Telehealth Treatment in Place Intervention as set forth in this Article 8.1 and Appendix C of this Agreement.
- (ii) CMS will provide the Participant with billing guidelines for ET3 Model Interventions, including appropriate claims modifiers and G-codes that are required for Qualified Health Care Partners and their Billing Parties to receive payment for a Treatment in Place intervention.

(b) Eligibility

CMS shall pay a Qualified Health Care Partner or their Billing Party for Covered Services furnished in accordance with this Agreement as part of a Treatment in Place intervention as set forth in this Article 8.1 and Appendix C of this Agreement only if:

- (i) The Participant has a CMS-accepted Implementation Plan that indicates that the Participant has elected to implement the Treatment in Place intervention in a manner that includes the type of Covered Service furnished by the Qualified Health Care Partner or their Downstream Practitioner;
- (ii) The Qualified Health Care Partner or their Billing Party is listed on the ET3 List in accordance with Article 4.2;
- (iii) The claim for the Covered Service includes the modifiers and codes specified by CMS; and
- (iv) The Covered Service is Medically Necessary.

(c) Payment Rate

Except as specified in Article 8.1(d), CMS shall pay a Medicare-Enrolled Qualified Health Care Partner or their Billing Party for Covered Services furnished as part of a Treatment in Place intervention at the applicable Medicare FFS rates, pursuant to Medicare FFS rules and billing guidelines, including the applicable rules regarding debt collection.

(d) After Hours Upward Payment Adjustment

If the requirements of Article 8.1(b) and Article 6.3 are met, CMS shall pay a Qualified Health Care Partner or their Billing Party, the After Hours Payment for After Hours Services.

(e) Loss of Telehealth Technology Connection during a Telehealth Treatment in Place Intervention

- (i) If a Telehealth Service being furnished to an ET3 Model Beneficiary as part of a Telehealth Treatment in Place Intervention is interrupted due to poor connectivity and the Telehealth Service cannot be completed, a Medicare-enrolled Qualified Health Care Partner or Billing Party may bill and receive payment for the Telehealth Service only if the Telehealth Service is substantially completed when the disruption occurs and the requirements of Article 8.1(b) and Article 6.3 are met.
- (ii) If the Participant, a Qualified Health Care Partner, or a Downstream Practitioner offers an ET3 Model Beneficiary an Available Intervention during an Encounter in which a Telehealth Service was initiated as part of a Telehealth Treatment in Place Intervention, but could not be completed due to an interruption in connectivity, the Telehealth Service initiated during the failed Telehealth Treatment in Place Intervention is not substantially completed.

8.2 Payment to Alternative Destination Partners or their Billing Parties for Covered Services furnished after Transport to an Alternative Destination

CMS shall pay for Covered Services furnished to an ET3 Model Beneficiary by an Alternative Destination Partner or their Downstream Practitioner following Transport to an Alternative Destination at the applicable Medicare FFS rates, pursuant to Medicare FFS rules and billing guidelines, including the applicable rules regarding debt collection.

Article IX. Payment to CMS

9.1 Payment in Error

- (a) If CMS determines that a payment made by CMS pursuant to Article 7 or Article 8 was made in error, CMS shall send the Participant, Qualified Health Care Partner, or Billing Party a demand letter for the amount of such payment, and may take a remedial action as described in Article 19. The Participant, Qualified Health Care Partner, or Billing Party, as applicable, shall pay any such amount within 30 Days of the date of the demand letter.
- (b) If CMS does not receive payment of the full amount owed by the date specified in the demand letter, CMS may assess interest at the rate applicable to other Medicare debts pursuant to 42 C.F.R. §405.378 on any outstanding unpaid amounts. Interest will be calculated in 30-day periods and assessed for each 30-day period that payment is not made in full.
- (c) If the Participant, a Qualified Health Care Partner, or Billing Party fails to pay CMS the full amount owed by the date specified in the demand letter, CMS will recoup monies owed from present and future Medicare payments otherwise owed to the Participant, Qualified Health Care Partner, or Billing Party, as applicable. If CMS is unable to recoup the full amount owed via Medicare payments, CMS will invoke all legal means to collect the debt,

including referral of the remaining debt to the United States Department of Treasury, pursuant to 31 U.S.C. 3711(g).

Article X. Medicare Payment Waivers

10.1 General

CMS finds it necessary solely for purposes of testing the Model to waive the requirements of Title XVIII of the Act set forth in this Agreement pursuant to Section 1115A(d)(1) of the Act. CMS reserves the right to reconsider these waivers and, where the public interest requires, to amend this Agreement without the consent of the Participant to modify or terminate these waivers at any time. CMS may also amend this Agreement without the consent of the Participant if CMS determines, in CMS's sole discretion, that it is necessary to waive additional Medicare payment requirements solely for purposes of testing the Model.

10.2 Transport to an Alternative Destination

Appendix D specifies the waivers necessary solely for purposes of testing the Transport to an Alternative Destination intervention and shall remain in effect for the duration of the Model Performance Period, unless this Agreement is sooner terminated or CMS sooner modifies or terminates such waivers.

10.3 In-Person Treatment in Place

Appendix B specifies the waivers necessary solely for purposes of testing the In-Person Treatment in Place Intervention and shall apply to this Agreement only for those periods of the Model Performance Period during which the Participant implements the In-Person Treatment in Place Intervention to ET3 Model Beneficiaries in accordance with a CMS-accepted Implementation Plan.

10.4 Telehealth Treatment in Place

Appendix C specifies the waivers necessary solely for purposes of testing the Telehealth Treatment in Place Intervention and shall apply to this Agreement only for those periods during the Model Performance Period during which the Participant implements the Telehealth Treatment in Place Intervention to ET3 Model Beneficiaries in accordance with a CMS-accepted Implementation Plan.

Article XI. Beneficiary Protections

11.1 Beneficiary Notifications

- (a) The Participant must develop, maintain, and implement written processes to obtain and document ET3 Model Beneficiary consent and/or refusal of an offer by the Participant, an ET3 Partner, or Downstream Practitioner to furnish Covered Services related to an ET3 Model Intervention during an Encounter, consistent with all applicable federal, state, and local laws and requirements. Documentation of such processes, both current and historical, must be maintained in accordance with Article 18.2.

- (b) Information and education provided to beneficiaries for purposes of obtaining their consent or refusal for Covered Services in compliance with this Article 11.1 is not considered promotion, marketing, or advertising for the purposes of Article 11.4.
- (c) The Participant must ensure that ET3 Model Beneficiaries are entitled to the same notifications as all other Medicare beneficiaries, including Advance Beneficiary Notices, if applicable. The Participant may reference the Medicare Claims Processing Manual, Chapter 30, Sections 40.3, 40.4, 50.15.2 for guidance on applicable policies on Emergencies or Urgent Situations / Ambulance Transport.
- (d) The Participant must ensure that any notice furnished to an ET3 Model Beneficiary for purposes of complying with this Article 11.1 is provided in such a way that it addresses the needs of the ET3 Model Beneficiary and their families and/or caregivers with limited English proficiency or low or limited health literacy.

11.2 Availability of Services

The Participant must not restrict, and must require ET3 Partners and Downstream Practitioners not to restrict an ET3 Model Beneficiary's access to Medically Necessary Covered Services. The Participant must make, and must require ET3 Partners and Downstream Practitioners to make, Medically Necessary Covered Services available to ET3 Model Beneficiaries in accordance with all applicable laws and regulations, as well as the Participant's Clinical Protocols. ET3 Model Beneficiaries and their appointed representatives and assignees retain their right to appeal claims determinations in accordance with 42 C.F.R. Part 405, Subpart I.

11.3 Beneficiary Freedom of Choice

- (a) Consistent with Section 1802(a) of the Act, the Participant, ET3 Partners, Downstream Practitioners, or other individuals or entities performing functions or services related to ET3 Model Interventions shall not commit any act or omission, nor adopt any policy, that inhibits beneficiaries from exercising their freedom to receive Medicare-Covered Ground Ambulance Transport or PHE Alternative Transport, to decline such transport, or to decline an ET3 Model Intervention offered to the beneficiary, including transport to a specific Alternative Destination, subject to state and local EMS protocols, Medicare program requirements, and any applicable licensing guidelines or rules.
- (b) Notwithstanding the foregoing, during an Encounter, the Participant may communicate to ET3 Model Beneficiaries the benefits of receiving ET3 Model Interventions from the Participant, ET3 Partners, or Downstream Practitioners.
- (c) Subject to Medicare program requirements, the Participant must furnish Medicare-Covered Ground Ambulance Transport or PHE Alternative Transport to an ET3 Model Beneficiary if, at any time prior to the conclusion of the Encounter, an ET3 Model Beneficiary chooses to access treatment via Medicare-Covered Ground Ambulance Transport.

11.4 Prohibition of Promotion and Inducements

- (a) The Participant is prohibited, and shall prohibit its ET3 Partners, Downstream Practitioners, and Billing Parties from providing gifts or other remuneration to ET3 Model Beneficiaries to

induce them to receive ET3 Model Interventions from the Participant, an ET3 Partner, or a Downstream Practitioner.

- (b) The Participant shall not, and shall require that its ET3 Partners, Downstream Practitioners, and Billing Parties do not, promote, market, or advertise the availability of ET3 Model Interventions, including, but not limited to, encouraging Patients to utilize 9-1-1 to access ET3 Model Interventions.

11.5 Beneficiary Privacy and Patient Data Sharing

- (a) Health Insurance Portability and Accountability Act (HIPAA) Requirements
 - (i) The Participant acknowledges that it is a covered entity or a business associate, as those terms are defined in 45 C.F.R. §160.103.
 - (ii) The Participant shall have all appropriate administrative, technical, and physical safeguards in place before the start of the Model Performance Period to protect the privacy and security of PHI in accordance with 45 C.F.R. §164.530(c).
 - (iii) The Participant shall maintain the privacy and security of all Model-related information that identifies individual beneficiaries in accordance with the HIPAA Privacy and Security Rules and all relevant HIPAA Privacy and Security guidance applicable to the use and disclosure of PHI by covered entities and business associates, including 42 C.F.R. Part 2, as well as applicable state laws and regulations, for as long as the Participant retains the data, which may extend beyond the Model Performance Period.

Article XII. Participation in Evaluation; Shared Learning Activities; and Site Visits

12.1 Evaluation Requirements

- (a) General
 - (i) CMS will contract with an independent evaluator to evaluate the Model in accordance with Section 1115A(b)(4) of the Act.
 - (ii) Consistent with the requirements of 42 C.F.R. § 403.1110, the Participant shall participate and cooperate in the evaluation activities described in Article 12.1(a)(iii) during the Model Performance Period and for six months thereafter to enable CMS and/or its designees to track and obtain any and all relevant data as may be needed for the Model evaluations, and shall require its ET3 Partners and Downstream Practitioners to participate and cooperate in the same.
 - (iii) Evaluation activities may include, but are not limited to:
 - 1) Supplying data to measure quality of care;
 - 2) Participating in surveys, interviews, and site visits; and
 - 3) Participating in other activities deemed necessary by CMS to conduct a comprehensive formative and summative Model evaluation.

- (iv) The Participant shall ensure that it has written arrangements and/or legal relationships with any individuals or entities performing functions and services related to the Model that are necessary to ensure the Participant can participate and cooperate in the evaluation activities described in Article 12.1(a)(iii).

(b) Primary Data

In its evaluation activities, CMS or its designee(s) may collect qualitative and quantitative data from data sources that may include, but are not limited to:

- (i) site visits,
- (ii) surveys,
- (iii) interviews with Patients and their caregivers,
- (iv) focus groups of Patients and their caregivers,
- (v) interviews with the Participant, its ET3 Partners and Downstream Practitioners, Billing Parties, and/or their staff,
- (vi) focus groups with the Participant, its ET3 Partners and Downstream Practitioners, Billing Parties, and/or their staff,
- (vii) direct observation of ET3 Model Beneficiary interactions with the Participant, ET3 Partner, and Downstream Practitioner staff and other activities related to the Participant's participation in the Model, and
- (viii) PCR Data.

(c) Secondary Data

In its evaluation activities, CMS or its designee(s) may use data or information submitted by or made available by the Participant as well as claims submitted to CMS for items and services furnished to beneficiaries. These data may include, but are not limited to:

- (i) claims data,
- (ii) survey data,
- (iii) clinical data such as lab values,
- (iv) medical records, and
- (v) Clinical Protocols, Implementation Plan, or other Model implementation documents.

12.2 Shared Learning Activities

- (a) The Participant shall actively participate in the Learning System designed by CMS to strengthen results and share learning that emerges from participation in the Model. Specifically, the Participant shall:
 - (i) Participate in Learning System activities throughout the term of this Agreement, including during the period after the Effective Date but prior to the Start Date. By the end of the second quarter following the Start Date, the Participant shall develop and submit to CMS, in a form and manner specified by CMS, a visual display of what drives

achievement of Participant's implementation aim ("Driver Diagram") designed to drive toward the achievement of project aim as well as the inclusion of objectives and key results ("**OKRs**"). CMS will work with the Participant to provide sufficient instruction on Driver Diagram and OKR development. The Participant shall annually update the Driver Diagram and OKRs and submit to CMS;

- (ii) Respond to surveys, interviews, or other assessment mechanisms from CMS or its designees in order to assist CMS in identifying Participant learning needs;
 - (iii) Participate in the identification and dissemination of promising practices, challenges, and other opportunities useful for learning, peer-to-peer sharing, and overall improvement across Model Participants (e.g., presenting on webinars, spotlights, etc.);
 - (iv) Participate in required ET3 Model Learning System activities during the Model Performance Period, including up to one virtual Learning System activity every quarter. Repeated failure to actively participate in required Learning System activities and related events could result in remedial action and/or termination of this Agreement pursuant to Article 19;
 - (v) Develop, track, and report to CMS on quality improvement efforts, activities, and program measures, at regular intervals; and
 - (vi) Participate in at least one in-person Learning System event during the Model Performance Period. The location of each in-person event will be made at CMS's sole discretion. In-person events may be held in the Baltimore/District of Columbia area or another location. These events will focus on Model Participant learning, collaboration, dissemination of ET3 Model promising practices, and other Model Participant needs. This event may be conducted virtually, subject to CMS discretion.
- (b) The Participant shall ensure ET3 Partners, Downstream Practitioners, and any non-Medicare payers with which the Participant has partnered with as part of the Participant's Payer Strategy described in Article 5.2. are informed of the opportunity to participate in the ET3 Model's Learning System activities. CMS will aim to design Learning System events relevant to ET3 Partners, Downstream Practitioners, and non-Medicare payers.

12.3 Site Visits

- (a) The Participant shall cooperate in periodic site visits by CMS and/or its designees in order to facilitate evaluation, Learning System activities, monitoring, or the fulfilment of the terms of this Agreement, and shall require ET3 Partners, Downstream Practitioners, and Billing Parties to participate and cooperate in the same. Site visits may involve virtual or in-person interviews with executive leadership, staff, and individuals or entities performing functions related to the Model. The duration of a site visit will depend on the size and complexity of the Participant, ET3 Partner, Downstream Practitioner, or Billing Party.
- (b) CMS or its designees shall provide the Participant with no less than 3 Days advance notice of site visits. To the extent practicable, CMS will attempt to accommodate the Participant's request for particular dates in scheduling site visits. However, the Participant may not request a date that is more than 60 Days after the date of the initial site visit notice from CMS.

- (c) Notwithstanding the foregoing, and to the extent feasible, CMS may perform unannounced site visits at the office of any Model Participant, ET3 Partner, Downstream Practitioner, or Billing Party at any time to investigate concerns about the health or safety of beneficiaries or other program integrity issues.
- (d) The Participant shall ensure that personnel with the appropriate responsibilities and knowledge associated with the purpose of the site visit are available during site visits.
- (e) Nothing in this Agreement shall be construed to limit or otherwise prevent CMS from performing site visits permitted by applicable law or regulations.

12.4 Rights in Data and Intellectual Property

- (a) CMS may use any data obtained pursuant to the Model to evaluate and monitor the Model and to disseminate quantitative and qualitative results, including factors associated with successful approaches to ET3 Model implementation and multi-payer participation, to Model Participants and the public. Data to be disseminated may include measures based upon claims, medical records, and other data sources.
- (b) The Participant may be permitted to comment on evaluation reports for factual accuracy but may not edit conclusions or control the dissemination of reports.
- (c) Notwithstanding any other provision in this Agreement, all proprietary trade secret information and technology of the Participant, an ET3 Partner, a Downstream Practitioner, or a Billing Party is and shall remain the sole property of the Participant, ET3 Partner, Downstream Practitioner, or Billing Party and, except as required by Federal law, shall not be released by CMS or its designee(s) without the express written consent of the Participant. The regulation at 48 C.F.R. § 52.227-14, "Rights in Data-General" is hereby incorporated by reference into this Agreement. CMS does not acquire by license or otherwise, whether express or implied, any intellectual property right or other rights to the proprietary information or technology of the Participant, ET3 Partners, Downstream Practitioners, or Billing Parties.
- (d) The Participant shall submit to CMS a form identifying any specific examples of what the Participant considers proprietary and confidential information currently contained in its program that should not be publicly disclosed. The template for this form is attached as Appendix A of this Agreement. In a form and manner established by CMS, the Participant may resubmit the form to CMS as may be necessary to identify additional examples of what the Participant considers proprietary and confidential information during the Agreement Term.

Article XIII. Participant Release of Information

13.1 CMS Prior Approval

The Participant shall, and shall require its ET3 Partners, Downstream Practitioners, and Billing Parties to, obtain prior approval from CMS during the Model Performance Period and for six months thereafter for the publication or release of any press release, beneficiary education materials, external report or statistical/analytical material that materially and substantially references the participation of the Participant, an ET3 Partner, a Downstream Practitioner, or a

Billing Party in the Model or the financial arrangement between the Participant and CMS. External reports and statistical/analytical material may include, but are not limited to, papers, articles, professional publications, speeches, and testimony.

13.2 Required Disclaimer

All external reports and statistical/analytical material that are subject to the requirements of Article 13.1 must include the following statement on the first page: “The statements contained in this document are solely those of the authors and do not necessarily reflect the views or policies of CMS. The authors assume responsibility for the accuracy and completeness of the information contained in this document.”

Article XIV. Compliance and Oversight

14.1 Participant Compliance Plan

- (a) Throughout the Model Performance Period, the Participant must implement and maintain a plan for compliance with the terms of the Agreement and with all applicable laws and regulations (“**Compliance Plan**”) and must update the Compliance Plan periodically to reflect any amendments to this Agreement, any changes due to local, state or federal emergency declarations and any changes in applicable laws and regulations.
- (b) The Compliance Plan must include:
 - (i) The basic elements of a compliance program for ambulance suppliers identified in the HHS Office of Inspector General’s Compliance Program Guidance for Ambulance Suppliers¹, including but not limited to:
 - 1) Development and distribution of written standards of conduct, as well as written policies and procedures that reflect the Participant’s commitment to compliance and address specific areas of potential fraud or abuse;
 - 2) Designation of a compliance officer who is not legal counsel and appropriate bodies (e.g., a compliance committee) that report directly to the organization’s upper management and are charged with responsibility for operating and monitoring the Participant’s compliance program;
 - 3) Regular compliance training and education for the Participant, including Model-related compliance training and education for ET3 Partners, Downstream Practitioners, Billing Parties, and other individuals or entities performing functions or services related to ET3 Model Interventions;
 - 4) Mechanisms for identifying and appropriately addressing compliance problems related to the Participant’s operations and performance, including activities related to the Model that are performed by ET3 Partners, and Downstream

¹ The HHS Office of Inspector General’s Compliance Program Guidance for Ambulance Suppliers uses the term “ambulance suppliers” to refer to both ambulance suppliers and ambulance providers. See 68 Fed. Reg. 14245, 14246 (March 24, 2003).

Practitioners, Billing Parties, and other individuals or entities performing functions or services related to ET3 Model Interventions;

- 5) A method for employees or contractors of the Participant, ET3 Partners, Downstream Practitioners, Billing Parties, and other individuals or entities performing functions or services related to ET3 Model Interventions to anonymously report to the compliance official suspected problems related to the Participant, including an ET3 Partner's, Downstream Practitioner's, Billing Parties', or other individual's or entity's noncompliance with obligations set forth in an arrangement entered into pursuant to the terms of this Agreement; and
 - 6) A requirement for the Participant to report probable violations of law to an appropriate law enforcement agency.
- (ii) A plan for avoiding inappropriate utilization of ET3 Model Interventions, including overutilization of such interventions and under-triaging of ET3 Model Beneficiaries who are transported to an Alternative Destination and, if applicable, receive a Treatment in Place intervention. This includes ensuring that any Transport to an Alternative Destination does not duplicate a Medicare-Covered Ground Ambulance Transport or PHE Alternative Transport.
 - (iii) A plan for successfully implementing the ET3 Model Interventions within the context of applicable federal, state, and County or Equivalent Entity EMS laws, regulations, and policies, including the Emergency Medical Treatment & Labor Act (EMTALA); applicable laws and scope of practice rules governing the provision of emergency medical services by ambulance suppliers and providers, ET3 Partners, and Downstream Practitioners; and policies of the Participant, ET3 Partners, and Downstream Practitioners.
 - (iv) Identification of a governing body or other organizational mechanisms that will make and execute decisions related to the Model; develop, implement, and monitor Clinical Protocols, including quality and safety practices; and develop and oversee compliance with federal fraud and abuse requirements.
- (c) In a form and manner determined by CMS, the Participant must notify CMS of any material changes to the Compliance Plan within 30 days of the change including, but not limited to, any changes to the Participant's ability to implement the Model in compliance with state, local, or federal laws, regulations, protocols, or other requirements including EMTALA and any failure to gain or maintain approval for Clinical Protocols or to meet requirements to operate as a 9-1-1 emergency ambulance supplier or provider within any state located (in whole or in part) in the Model Region that are necessary for implementation of the Model.

14.2 Compliance with Monitoring and Oversight Activities

- (a) General
 - (i) Consistent with the requirements of 42 C.F.R. § 403.1110, the Participant shall comply fully with, and shall require ET3 Partners and Downstream Practitioners to comply fully with, all CMS monitoring and oversight requests and activities, including:

- 1) Providing data related to the Participant, ET3 Partners, Downstream Practitioners, Billing Parties, and Patients in accordance with applicable law;
- 2) Promptly submitting a list of all the Downstream Practitioners and Billing Parties of one or more of the Participant's ET3 Partners to CMS and its designees, upon request;
- 3) Being available for site visits by CMS and its designees at their respective facilities in accordance with the terms of the Agreement;
- 4) Providing all information and documentation related to desk and in-person audits as required and requested by CMS staff and its designees;
- 5) Participating in surveys and interviews as requested by CMS and its designees; and
- 6) Tracking ongoing monitoring information, including operational metrics and measures related to performance improvement efforts and providing such information to CMS and its designees, upon request.

(b) Agreement to Comply

- (i) The Participant shall comply with, and shall require all ET3 Partners, Downstream Practitioners, and Billing Parties to comply with, all applicable statutes, rules, and regulations, including, without limitation: (a) federal criminal laws; (b) the False Claims Act (31 U.S.C. 3729 et seq.); (c) the anti-kickback statutes (42 U.S.C. 1320a-7b(b)); and (d) the civil monetary penalties law (42 U.S.C. 1395nn).
- (ii) This Agreement does not waive any obligation of the Participant, ET3 Partners, Downstream Practitioners, or Billing Parties to comply with the terms of any other CMS contract, agreement, Model, or demonstration.

(c) Office of Inspector General of the Department of Health and Human Services (OIG) Authority

None of the provisions of this Agreement limit or restrict the OIG's authority to audit, evaluate, investigate, or inspect the Participant, ET3 Partners, Downstream Practitioners, or Billing Parties.

(d) Reservation of Rights

- (i) Nothing contained in this Agreement or in the application process for the Model is intended or shall be construed as a waiver by the United States Department of Justice, the Internal Revenue Service, the Federal Trade Commission, HHS Office of Inspector General, or CMS of any right to institute any proceeding or action against defendants for violations of any statutes, rules or regulations administered by a federal agency, or to prevent or limit the rights of the federal government to obtain relief under any other federal statutes or regulations, or on account of any violation of this Agreement or any other provision of law. This Agreement shall not be construed to bind any federal agency except CMS, and this Agreement binds CMS only to the extent provided herein.

- (ii) The submission of any information, Clinical Protocols, plans, strategies or documents during the Model application process or otherwise does not imply that CMS has reviewed or approved the information, Clinical Protocols, plans, strategies, or documents.
 - (iii) CMS provides no opinion on the legality of any information, Clinical Protocols, plans, strategies, or documents that the Participant has proposed, implemented, or documented. The receipt by CMS of any such items in the course of the application process or otherwise shall not be construed as a waiver or modification of any applicable laws, rules or regulations, and will not preclude CMS, HHS or its Office of Inspector General, a law enforcement agency, or any other federal, state, or local agency from enforcing any and all applicable laws, rules, and regulations.
 - (iv) The failure by CMS to require performance of any provision of this Agreement does not affect CMS's right to require performance at any time thereafter, nor does a waiver of any breach or default of this Agreement constitute a waiver of any subsequent breach or default or a waiver of the provision itself.
- (e) Other Authority

None of the provisions of this Agreement limit or restrict any other government authority that is permitted by law to audit, evaluate, investigate, or inspect the Participant, ET3 Partners, Downstream Practitioners, or Billing Parties.
- (f) Monitoring for Participant Compliance
 - (i) CMS shall screen and continuously monitor the Participant, ET3 Partners, Downstream Practitioners, and Billing Parties throughout the Model Performance Period to prevent, identify, and respond to potential fraud, waste, and abuse related to the Model. At CMS's discretion, the Participant, ET3 Partners, Downstream Practitioners, and Billing Parties will be subject to periodic Program Integrity Screenings.
 - (ii) CMS shall conduct monitoring activities to evaluate compliance by the Participant with the terms of this Agreement. Such monitoring activities may include, without limitation:
 - 1) collection and analysis of the Participant's data submitted pursuant to this Agreement, including data submitted as required under Article 16;
 - 2) interviews with any individual or entity involved in ET3 Model Interventions such as members of the Participant's leadership and management or the leadership and management of an ET3 Partner, a Downstream Practitioner, or a Billing Party;
 - 3) monitoring for inappropriate provision of care, including, but not limited to, unsafe Patient care practices and overutilization of services associated with the Model;
 - 4) obtaining information regarding any financial arrangements between the Participant and its ET3 Partners, Downstream Practitioners, and Billing Parties;

- 5) audits of charts, medical records, and other data from the Participant, ET3 Partners, Downstream Practitioners, and Billing Parties;
 - 6) site visits (including on-site visits and desk audits) to the Participant, ET3 Partners, Downstream Practitioners, and Billing Parties;
 - 7) requests sent to the Participant, ET3 Partners, Downstream Practitioners, and Billing Parties including surveys and questionnaires; and
 - 8) analysis of supporting documentation submitted by the Participant as part the Application (e.g., any letters of intent or arrangements between the Participant and an ET3 Partner; documents about the Participant's sanctions, or other actions; past or current investigation information; financial arrangement documents) or submitted pursuant to this Agreement, including initial and updated information.
- (iii) In conducting monitoring and oversight activities, CMS or its designees may use any relevant data or information including, without limitation, service utilization and referral patterns by the Participant, ET3 Partners, Downstream Practitioners, and Billing Parties, as well as Medicare claims submitted for items or services furnished to ET3 Model Beneficiaries.
 - (iv) CMS will assess metrics that measure the Participant's implementation activities (implementation efficacy, Patient safety, billing behaviors, and overall impact on Model aims) throughout the entirety of the Model Performance Period. These performance metrics will be compared against the Participant's own data, including, but not limited to, PCR Data and CMS claims data from before and after the Start Date that is collected by CMS in accordance with Article 16, and compared to multiple groupings of Model Participants, to identify outlier behavior, unintended consequences, and other instances that suggest the Participant is struggling to implement Model requirements or may be engaging in potentially fraudulent activity.
- (g) Monitoring for Model Impact
- Using claims and other data reported by the Participant, CMS and its designees may monitor the Model's impact on quality of care and the broader EMS system in the Model Region to determine whether the Model transforms care delivery appropriately, without resulting in negative unintended consequences. Such monitoring efforts may include, but are not limited to, measurements of:
- (i) Proportion of dispatches that result in transport;
 - (ii) Adherence to Clinical Protocols;
 - (iii) EMS response time from dispatch to arrival on scene for critical illness;
 - (iv) Patterns of frequent utilization of services by beneficiaries, the Participant, ET3 Partners, and Downstream Practitioners, including multiple Encounters for the same ET3 Model Beneficiary in the same Day and overutilization of ET3 Model Interventions including services associated with Treatment in Place; and

- (v) Diagnostic codes for services furnished by ET3 Partners and Downstream Practitioners as part of a Treatment in Place intervention or at Alternative Destinations.

Article XV. Data Sharing and Reports

15.1 General

- (a) CMS may elect to provide, and Participant retains the right to request, aggregate data from CMS regarding the Participant's progress in the Model, which may be used to facilitate the Participant's learning, and certain other data as described in Article 16.2 and Article 16.3 of this Agreement. CMS retains the right to accept, reject, or defer the Participant's requests for data due to availability of data dashboards, analysis time and frequencies, level of effort to retrieve the data, quantity of data, or other reasons. If such a request is accepted, the Participant may view the aggregate data in a form and manner and at a time determined by CMS.
- (b) Data provided to the Participant will be aggregate data that have been fully de-identified in accordance with the HIPAA Privacy Rule, 45 C.F.R. § 164.514(b)(2).

15.2 Provision of Certain De-Identified Data for Quality Improvement and Safety

- (a) Upon request by the Participant or as indicated by monitoring data, CMS and its designees may provide de-identified, aggregate data to the Participant for the purpose of supporting the Participant's efforts to comply with Article 5.5(a), which requires the Participant to continuously implement and track quality improvement and safety practices.
- (b) The Parties mutually agree that CMS retains all ownership rights to all data furnished to the Participant by CMS. The Participant does not obtain any right, title, or interest in any of the data furnished by CMS.
- (c) The Participant represents and warrants that the use of data provided by CMS under this Article 15.2 will be used solely to develop and implement improvements in the quality and efficacy of care provided under the Model to Patients, including the quality of the Participant's own Clinical Protocols and Triage Decisions or to implement the Multi-Payer Strategy, as applicable.

15.3 Provision of De-Identified Dashboard and Summary Information

When provided by CMS to all Model Participants or as the result of the Participant's data request, the following data will be provided at the aggregate level and will be de-identified in accordance with 45 C.F.R. § 164.514(b)(2):

- (a) Dashboards comparing the Participant performance on quality metrics to a baseline comparison developed by CMS; and
- (b) Summary tables with the Participant's aggregate performance data over the course of the Model Performance Period.

Article XVI. Submission of Required Data

16.1 General

For the duration of the Model Performance Period, the Participant must periodically submit all required data specified in Article 16.3 (“**Required Data**”) to CMS for the purposes of Model monitoring and evaluation.

16.2 Submission Timing and Contents

(a) Initial Data Submission

- (i) No later than 60 Days prior to the date of the initial submission of Required Data to CMS (“**Initial Data Submission**”), CMS will notify the Participant of the deadline and form and manner for the Initial Data Submission and each of the subsequent data submissions. The date of the Initial Data Submission will be no earlier than February of 2021.
- (ii) By the deadline for the Initial Data Submission, the Participant must submit:
 - 1) all Required Data for all Patients seen by the Participant in an interval of time which begins on the Start Date and ends on a date prior to the Initial Data Submission that will be specified by CMS, and
 - 2) required Data for dates of service for a period of time specified by CMS, which will be up to two calendar years prior to the Start Date.

(b) Subsequent Data Submissions

- (i) After the Initial Data Submission, by a deadline and in a form and manner specified by CMS, the Participant must submit all Required Data for Patients no less frequently than once per calendar month.
- (ii) The final data submission will include all dates of service up to the last Day of the Model Performance Period and will be submitted no later than 90 Days after the end of the Model Performance Period.

16.3 Required Data

- (a) The Required Data for Performance Year 1 include those PCR Data specified by CMS no later than 60 Days prior to the Initial Submission Date.
- (b) On an annual basis, CMS may provide an updated list of PCR Data that the Participant must submit to CMS.
- (c) If CMS updates the Required Data list in accordance with Article 16.3(b) to include additional PCR Data, the Participant may be required to submit those new data for dates of service up to one calendar year prior to the Start Date.
- (d) Failure to submit all Required Data in the form and manner and by the deadline specified by CMS may result in CMS taking remedial action under Article 19.

16.4 CMS Quality Reporting Initiatives

The Participant, ET3 Partners, Downstream Practitioners, and Billing Parties must continue to participate in all applicable CMS quality reporting initiatives for the duration of the Model.

Article XVII. Certification of Data and Information

17.1 General

With respect to data and information that are generated or submitted by the Participant, ET3 Partners, Downstream Practitioners, or Billing Parties related to implementation of the Model, the Participant shall ensure that an individual with the authority to legally bind the individual or entity submitting such data or information certifies the accuracy, completeness, and truthfulness of the data and information to the best of their knowledge, information, and belief.

17.2 Annual Certification

- (a) At the end of each Performance Year, an individual with the legal authority to bind the Participant must certify to the best of their knowledge, information, and belief:
 - (i) that the Participant, ET3 Partners, Downstream Practitioners, Billing Parties, and other individuals and entities performing functions or services related to ET3 Model Interventions are in compliance with the applicable Model requirements, and
 - (ii) that all data and information related to ET3 Model Interventions that are generated or submitted by the Participant, ET3 Partners, and, if applicable, Downstream Practitioners and Billing Parties are accurate, complete, and truthful.

Article XVIII. Audits and Record Retention

18.1 Right to Audit and Correction

- (a) The Participant agrees, and must require all ET3 Partners, Downstream Practitioners, Billing Parties, and other individuals and entities performing functions or services related to ET3 Model Interventions to agree that the federal government, including CMS, HHS, and the Comptroller General or their designees, has the right to audit, inspect, investigate, and evaluate any books, contracts, records, documents, and other evidence of the Participant, ET3 Partners, Downstream Practitioners, Billing Parties, and other individuals and entities performing functions or services related to ET3 Model Interventions that pertain to the following:
 - (i) The Participant's compliance with this Agreement, including provisions that require the Participant to impose duties or requirements on ET3 Partners, Downstream Practitioners, and Billing Parties;
 - (ii) Whether ET3 Partners, Downstream Practitioners, and Billing Parties complied with the duties and requirements imposed on them by the Participant pursuant to the terms of this Agreement;
 - (iii) Patient complaints and appeals;
 - (iv) The quality of the services performed under this Agreement; and
 - (v) ET3 Model Beneficiary medical records.

18.2 Maintenance of Records

- (a) The Participant agrees, and must require all ET3 Partners, Downstream Practitioners, and Billing Parties to agree, to the following:
 - (i) To maintain and give the federal government, including CMS, HHS, and the Comptroller General or their designees, access to all books, contracts, records, documents, and other evidence (including data related to Medicare utilization and costs, quality performance measures, and other financial arrangements) sufficient to enable the audit, evaluation, inspection, or investigation of the Participant's compliance with this Agreement, including provisions that require the Participant to impose duties or requirements on ET3 Partners, Downstream Practitioners, and Billing Parties; whether ET3 Partners, Downstream Practitioners, or Billing Parties complied with the duties and requirements imposed on them by the Participant pursuant to the terms of this Agreement; the quality of services furnished to ET3 Model Beneficiaries under the Model; and the Participant's obligation and ability to repay any monies owed to CMS.
 - (ii) To maintain such books, contracts, records, documents, and other evidence for a period of 10 years from the expiration or termination of this Agreement or from the date of completion of any audit, evaluation, inspection, or investigation, whichever is later, unless:
 - 1) CMS determines there is a special need to retain a particular record or group of records for a longer period and notifies the Participant at least 30 Days before the normal disposition date; or
 - 2) There has been a termination, dispute, or allegation of fraud or similar fault against the Participant, ET3 Partners, Downstream Practitioners, or Billing Party related to the ET3 Model, in which case the records shall be maintained for an additional six years from the date of any resulting final resolution of the termination, dispute, or allegation of fraud or similar fault.

Article XIX. Remedial Action and Termination

19.1 Remedial Action

If CMS determines through monitoring or otherwise that the Participant, an ET3 Partner, a Downstream Practitioner, or Billing Party is not in compliance with the applicable terms of this Agreement, CMS may take one or more of the following actions:

- (a) Notify the Participant and, if appropriate, ET3 Partner, Downstream Practitioner, and/or Billing Party of the violation by warning letter, email, or otherwise;
- (b) Require the Participant to provide additional information to CMS or its designees;
- (c) Conduct on-site visits and/or desk audits, interview Patients after receipt of an ET3 Model Intervention, or take other actions to gather information;
- (d) Place the Participant on a monitoring and/or auditing plan developed by CMS;

- (e) Require the Participant to cease transportation of ET3 Model Beneficiaries to an Alternative Destination and/or to terminate the Participant's arrangement, immediately or within a timeframe specified by CMS, with an Alternative Destination Partner with respect to this Model;
- (f) Require the Participant to cease utilization of a Qualified Health Care Partner and/or to modify or terminate the Participant's arrangement, immediately or within a timeframe specified by CMS, with such Qualified Health Care Partner with respect to this Model or require the Participant to require the Qualified Health Care Partner to cease utilization of a Downstream Practitioner and/or to modify or terminate the Qualified Health Care Partner's arrangement, immediately or within a timeframe specified by CMS, with such Downstream Practitioner with respect to this Model;
- (g) Require the Participant to terminate its relationship with any other individual or entity performing functions or services related to the ET3 Model;
- (h) Terminate or temporarily suspend the ability of the Participant, Qualified Health Care Partners, or Billing Parties to receive payment under any or all waivers of existing law made pursuant to Section 1115A(d)(1) of the Act and established in Appendices B, C, or D of this Agreement;
- (i) Request a corrective action plan ("**CAP**") from the Participant that is acceptable to CMS, with respect to which the following requirements:
 - (i) The Participant shall submit a CAP for CMS approval by a deadline established by CMS;
 - (ii) The CAP must address what actions the Participant will take, or will require any ET3 Partners, Billing Parties, or any Downstream Practitioners to take, within a specified time period to ensure that all deficiencies will be corrected and that the Participant will be in compliance with the terms of this Agreement; and
 - (iii) The CAP must also indicate how the Participant will measure, track, and report implementation of the CAP, which must be deemed useful to CMS to determine whether changes proposed in the Participant's CAP were made.
- (j) Demand repayment of any amounts paid under the Agreement pursuant to Articles 7 and 8.

19.2 Termination of the Agreement by the Participant

The Participant may terminate this Agreement at any time for any reason upon 30 Days advance written notice to CMS in a manner prescribed by CMS. At CMS's request, the Participant shall provide feedback regarding its decision to terminate the Agreement and its experience as it relates to the provision of ET3 Model Interventions and compliance with other Model requirements outlined in this Agreement.

19.3 Termination of the Agreement by CMS

CMS may immediately or with advance notice terminate this Agreement by promptly notifying the Participant, in writing, of the effective date of the termination and the reason for such termination. CMS may terminate this Agreement for any of the following reasons:

- (a) CMS offers an updated version of this Agreement to take effect at the start of a subsequent Performance Year or such other time specified by CMS;
- (b) CMS determines in its sole discretion that CMS no longer has the funds to support the Model or that continuing the Model is no longer in the public interest;
- (c) CMS modifies or terminates the Model pursuant to Section 1115A(b)(3)(B) of the Act; or
- (d) CMS determines that the Participant, an ET3 Partner, a Downstream Practitioner, or a Billing Party:
 - (i) Has failed to comply with any term of this Agreement, identified by CMS through monitoring of the Model or otherwise, including restricting access to Medically Necessary care;
 - (ii) Has failed to demonstrate improved performance following any remedial action;
 - (iii) Has taken any action that threatens the health or safety of an ET3 Model Beneficiary or other Patient;
 - (iv) Has submitted false data or made false representations, warranties, or certifications in connection with any aspect of the Model under the terms of this Agreement;
 - (v) Is subject to sanctions or other actions of an accrediting organization or a federal, state or local government agency;
 - (vi) Is subject to investigation or action by HHS (including HHS-OIG and CMS) or the Department of Justice due to an allegation of fraud or significant misconduct, including violation of antitrust laws, the federal anti-kickback statute, the federal civil monetary penalties law, the federal physician self-referral law or any other applicable Medicare laws, rules or regulations that are relevant to this Model, or being subject to the filing of a complaint, filing of a criminal charge, being subject to an indictment, or being named as a defendant in a False Claims Act qui tam matter in which the government has intervened;
 - (vii) No longer provides Medicare-Covered Ground Ambulance Transport services to Medicare FFS beneficiaries within every County or Equivalent Entity in the Participant's Model Region; or
 - (viii) Is unable to implement the Model due to state or local laws or scope of practice barriers.

19.4 Notification of ET3 Partners, Downstream Practitioners and Billing Parties

If this Agreement is terminated under Article 19.2 or Article 19.3, the Participant shall provide written notice of the termination to all ET3 Partners, Downstream Practitioners, and Billing Parties. The Participant shall deliver such written notice of the termination to all ET3 Partners, Downstream Practitioners, and Billing Parties. The Participant shall deliver such notice in a manner determined by CMS and no later than 30 Days before the effective date of the

termination unless a later date is specified by CMS. The Participant shall include in such notices any content specified by CMS.

Article XX. Limitations on Review and Dispute Resolution

20.1 Limitations on Review

There is no administrative or judicial review under Sections 1869 or 1878 of the Act or otherwise for the following:

- (a) The Section of models for testing or expansion under Section 1115A of the Act;
- (b) The selection of organizations, sites, or Model Participants to test the selected models, including the decision by CMS to terminate this Agreement or to require the termination of any individual's or entity's status as the Participant, ET3 Partner, Downstream Practitioner, or Billing Party;
- (c) The elements, parameters, scope, and duration of such Models for testing or dissemination;
- (d) Determinations regarding budget neutrality under Section 1115A(b)(3) of the Act;
- (e) The termination or modification of the design and implementation of a model under Section 1115A(b)(3)(B) of the Act; and
- (f) Decisions about expansion of the duration and scope of a model under Subsection 1115A(c), including the determination that a Model is not expected to meet criteria described in paragraph (1) or (2) of such Subsection.

20.2 Dispute Resolution

- (a) The Parties agree to the following procedures for any dispute that is not subject to preclusion of administrative or judicial review as set forth in Article 20.1.
- (b) The Participant shall notify CMS of any such dispute in writing within 30 Days of the date on which the Participant becomes aware, or should have become aware, of the determination giving rise to the dispute. This written notification must provide a detailed explanation of the basis for the dispute and supporting documentation.
- (c) If the Parties cannot resolve any such dispute within 90 Days after CMS receives written notice of the dispute, then the Participant shall submit within 30 subsequent Days an informal hearing request to a CMS hearing officer, or a CMS designee, including the detailed explanation of the basis for the dispute and supporting documentation.
- (d) After receiving the Participant's informal hearing request, the CMS hearing officer shall issue a notice within 30 Days to the Participant and CMS for a hearing scheduled no fewer than 30 Days after the date of the notice. This notice will specify the date, time and location of the hearing, and the issues in dispute.
- (e) Within 30 Days of the hearing, the CMS hearing officer shall issue a written notice to the Participant containing its final determination on the issue, and announcing the effective date of the determination, if applicable.

- (f) CMS's determination under Article 20.2(e) shall be final and binding.
- (g) The Parties shall proceed diligently with the performance of this Agreement during the course of any dispute arising under the Agreement.

Article XXI. Miscellaneous

21.1 Agency Notifications and Submission Reports

Unless otherwise stated in writing after the Effective Date, all notifications and reports required under this Agreement shall be submitted to the Parties at the addresses set forth below:

CMS:

Emergency Triage, Treat, and Transport Model

Centers for Medicare & Medicaid Services

Center for Medicare and Medicaid Innovation

Emergency Triage, Treat, and Transport Model

7500 Security Boulevard

Mailstop: WB-06-05

Baltimore, MD 21244

Email: ET3Model@cms.hhs.gov

Participant:

Organization Name:

Address:

Email:

Phone Number:

21.2 Notice of Bankruptcy

In the event the Participant enters into proceedings relating to bankruptcy, whether voluntary or involuntary, the Participant agrees to furnish, by certified mail, written notification of the bankruptcy to CMS. This notification shall be furnished within 5 Days of the initiation of the proceedings relating to bankruptcy filing. This notification shall include the date on which the bankruptcy petition was filed, the identity of the court in which the bankruptcy petition was filed, and a listing of all federal government contracts, project agreements, contract officers, and project officers for all government contracts and project agreements against which final

payment has not been made. This obligation remains in effect until the expiration or termination of this Agreement and final payment under this Agreement has been made.

21.3 Severability

In the event that any one or more of the provisions contained herein shall, for any reason, be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provisions of this Agreement, but this Agreement shall be construed as if such invalid, illegal or unenforceable provisions had never been contained herein, unless the deletion of such provision or provisions would result in such a material change so as to cause completion of the transactions contemplated herein to be unreasonable.

21.4 Entire Agreement: Amendment

This Agreement, including all Appendices, constitutes the entire agreement between the Parties. The Parties may amend this Agreement or any Appendix hereto at any time by mutual written agreement; provided, however, that CMS may unilaterally amend this Agreement or any Appendix hereto as specified in this Agreement including its Appendices, or for good cause or as necessary to comply with applicable federal or State law, regulatory requirements, accreditation standards or licensing guidelines or rules. To the extent practicable, CMS shall provide the Participant with 30 Days advance written notice of any such unilateral amendment, which notice shall specify the amendment's effective date.

21.5 Survival

Termination or expiration of this Agreement by any party shall not affect the rights and obligations of the Parties accrued prior to the effective date of the termination or expiration of this Agreement, except as provided in this Agreement. The data privacy and security requirements articulated in this Agreement survive for the duration that CMS data remains in the possession of the Participant. The rights and duties under the following Sections of this Agreement shall also survive termination of this Agreement and apply thereafter:

- (a) Article 11.5 [Beneficiary Privacy and Patient Data Sharing]
- (b) Article 12.1 [Evaluation Requirements];
- (c) Article 14 [Compliance and Oversight];
- (d) Article 15 [Data Sharing and Reports];
- (e) Article 18 [Audits and Record Retention];
- (f) Article 19.4 [Notification of ET3 Partners, Downstream Practitioners and Billing Parties];
- and
- (g) Article 21.2 [Notice of Bankruptcy].

21.6 Precedence

If any provision of this Agreement conflicts with a provision of any document incorporated herein by reference, the provision of this Agreement shall prevail.

21.7 Prohibition on Assignment

Except with the prior written consent of CMS, the Participant shall not transfer, including by merger (whether the Participant is the surviving or disappearing entity), consolidation, dissolution, or otherwise: (1) any discretion granted it under this Agreement; (2) any right that it has to satisfy a condition under this Agreement; (3) any remedy that it has under this Agreement; or (4) any obligation imposed on it under this Agreement. The Participant shall provide CMS 90 Days advance written notice of any such transfer. This obligation remains in effect until the expiration or termination of this Agreement and final payment by the Participant under this Agreement has been made. CMS may condition its consent to such transfer on full or partial payment of any monies owed to CMS under the terms of this Agreement. Any purported transfer in violation of this Section is voidable at the discretion of CMS.

21.8 Change of Control

CMS may terminate this Agreement or require immediate payment of any monies owed under this Agreement if the Participant undergoes a Change of Control. For purposes of this paragraph, a "Change of Control" shall mean: (1) the acquisition by any "person" (as such term is used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934) of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Securities Exchange Act of 1934), directly or indirectly, of voting securities of the Participant representing more than 50% of the Participant's outstanding voting securities or rights to acquire such securities; (2) upon any sale, lease, exchange or other transfer (in one transaction or a series of transactions) of all or substantially all of the assets of the Participant; or (3) a plan of liquidation of the Participant or an agreement for the sale or liquidation of the Participant is approved and completed. The Participant shall provide CMS 90 Days advance written notice of a Change of Control. This obligation remains in effect until the expiration or termination of this Agreement and final payment by the Participant under this Agreement has been made.

21.9 Certification

The individual signing this Agreement on behalf of the Participant certifies to the best of their knowledge, information, and belief that the information contained in this Agreement (inclusive of Appendices), is accurate, complete, and truthful and that he or she is authorized by the Participant to execute this Agreement and to legally bind the Participant on whose behalf he or she is executing this Agreement to its terms and conditions.

21.10 Interpretation of the Agreement

The Participant has been represented (or has had the opportunity to be represented) by their attorneys throughout the transactions contemplated by this Agreement in connection with the execution of this Agreement and any agreements and instruments executed in connection herewith. As a consequence, the Parties do not intend that the presumptions of laws or rules relating to the interpretation of contracts against the drafter of any particular clause should be applied to this Agreement or any document or instrument executed in connection herewith, and therefore waive their effects.

21.11 Execution in Counterpart

This Agreement and any amendments thereto may be executed in counterparts, each of which shall be deemed to be an original, but all of which, taken together, shall constitute one and the same Agreement. In the event that any signature is delivered by facsimile transmission or by e-mail delivery of a “.pdf” format data file, such signature shall create a valid and binding obligation of the party executing (or on whose behalf such signature is executed) with the same force and effect as if such facsimile or “.pdf” signature page were an original thereof.

21.12 Autopen or Electronic Signature

This Agreement and any amendments hereto may be signed by autopen or electronic signature (e.g., DocuSign or similar electronic signature technology) and may be transmitted by electronic means. Copies of this Agreement and any amendments hereto that are so executed and delivered have the same force and effect as if executed with handwritten signatures and physically delivered.

[SIGNATURE PAGE FOLLOWS]

Each Party is signing this Agreement on the date stated opposite that Party's signature. If a Party signs but fails to date a signature, the date that the other Party receives the signing Party's signature will be deemed to be the date that the signing Party signed this Agreement.

PARTICIPANT:

Date: _____

By: _____

Name of authorized signatory

Title

NPI: _____

Application ID: _____

CMS:

Date: _____

By: _____

Name of authorized signatory

Title

APPENDIX A: PROPRIETARY INFORMATION DISCLOSURE TEMPLATE

The following are specific examples, without limitation, of what the Participant considers proprietary and confidential information currently contained in its program that should not be publicly disclosed:

1)

2)

3)

In accordance with Article 12.4 of this Agreement, this information shall remain the sole property of the Participant and, except as required by federal law, shall not be released by CMS without the express written consent of the Participant.

APPENDIX B: IN-PERSON TREATMENT IN PLACE INTERVENTION WAIVER

I. Election of the In-Person Treatment in Place Intervention

If the Participant wishes to implement the In-Person Treatment in Place Intervention during the Model Performance Period it must submit an Implementation Plan in accordance with Article 5.1 of the Agreement for CMS review and acceptance, which states the Participant's intention to implement the In-Person Treatment in Place Intervention. The waivers described in Section II of this Appendix B shall apply only if CMS accepts such Implementation Plan and the In-Person Treatment in Place Intervention is furnished in accordance with the applicable requirements of this Agreement.

II. Waiver and Terms

Under the authority of Section 1115A(d)(1) of the Act, CMS finds it necessary solely for purposes of testing the Model to waive the following requirements:

(a) Waiver of Transport Requirement:

CMS waives the transportation requirement in the definitions of Advanced Life Support, Level 1 (ALS1) and Basic Life Support (BLS) in 42 C.F.R. §414.605 to allow payment to the Participant that is equivalent to the BLS-E or ALS1-E rate for the initiation and facilitation of an In-Person Treatment in Place Intervention furnished in accordance with this Agreement without requiring the Participant to transport the ET3 Model Beneficiary from the scene of a 9-1-1 emergency response.

(b) Waiver of Outpatient Setting Requirement:

CMS waives the requirements of Sections 1832(a)(2)(B) and 1861(s)(2)(B) of the Act, which establish the Part B coverage for medical and other health services and limit medical and other health services that are hospital services to those rendered in the outpatient setting to allow medical and other health services that otherwise would be furnished in an outpatient setting to be furnished by, and payment made to, the Participant when furnished in accordance with this Agreement at the scene of a 9-1-1 emergency response as part of the initiation and facilitation of an In-Person Treatment in Place Intervention.

(c) Waiver of Physician Fee Schedule Payment Requirement for After Hours Services:

CMS waives the requirement of Section 1848(a)(1) of the Act that payment amounts for physicians' services (as defined in Section 1848(j)(3) of the Act) be determined under the Physician Fee Schedule (PFS), to allow the After Hours Payment to be made to ET3 Partners or their Billing Parties, for an In-Person Treatment in Place Intervention furnished After Hours.

III. Responsibility for Denied Claims

- (a) If CMS denies a claim for services furnished by the Participant as part of initiating and facilitating an In-Person Treatment in Place Intervention, or by a Qualified Health Care Partner or Downstream Practitioner, as part of an In-Person Treatment in Place Intervention, and CMS later determines that such services were furnished in accordance with the terms of this Agreement:
 - (i) CMS shall, notwithstanding such denial, pay for the services under the waiver in Section II of this Appendix B as though the denial had not occurred;
 - (ii) the Participant shall not charge the beneficiary for the expenses incurred by such services and shall ensure that its Qualified Health Care Partners and their Billing Parties do not charge the beneficiary for the expenses incurred by such services; and
 - (iii) the Participant shall return to the beneficiary any monies collected from the beneficiary for such services and shall ensure that its Qualified Health Care Partners and their Billing Parties return to the beneficiary any monies collected from the beneficiary for such services.
- (b) If CMS denies a claim for services furnished by the Participant as part of initiating and facilitating an In-Person Treatment in Place Intervention, or by a Qualified Health Care Partner or Downstream Practitioner as part of an In-Person Treatment in Place Intervention, and CMS later determines that such services were not furnished in accordance with the terms of this Agreement:
 - (i) CMS shall not make payment to the Participant, the Qualified Health Care Partner, or the Qualified Health Care Partner's Billing Party, for such services;
 - (ii) the Participant shall not charge the beneficiary for the expenses incurred by such services and shall ensure that its Qualified Health Care Partners and their Billing Parties do not charge the beneficiary for the expenses incurred for such services; and
 - (iii) the Participant shall return to the beneficiary any monies collected from the beneficiary for such services and shall ensure that its Qualified Health Care Partners and their Billing Parties return to the beneficiary any monies collected from the beneficiary for such services.
- (c) If CMS pays a claim for services furnished by the Participant to initiate and facilitate an In-Person Treatment in Place Intervention, or by a Qualified Health Care Partner or Downstream Practitioner as part of an In-Person Treatment in Place Intervention, and CMS later determines that such services were not furnished in accordance with the terms of this Agreement:
 - (i) CMS shall recoup any payment made to the Participant for such services in accordance with Article 9 of this Agreement, or from the Qualified Health Care Partner or their Billing Party for such services in accordance with applicable Medicare debt collection requirements;

- (ii) the Participant shall not charge the beneficiary for the expenses incurred for such services and shall ensure that its Qualified Health Care Partners and their Billing Parties do not charge the beneficiary for the expenses incurred for such services; and
- (iii) the Participant shall return to the beneficiary any monies collected from the beneficiary for such services and shall ensure that its Qualified Health Care Partners and their Billing Parties return to the beneficiary any monies collected from the beneficiary for such services.

IV. Compliance and Enforcement

- (a) The Participant shall submit and shall require its Qualified Health Care Partners and their Billing Parties to submit information to CMS, by a time and in a manner determined by CMS, upon request regarding the Participant, Qualified Health Care Partner, or the Qualified Health Care Partner's Billing Party use of the In-Person Treatment in Place Intervention Waiver.
- (b) In accordance with Article 19.1 of the Agreement, CMS may suspend or terminate the Participant, Qualified Health Care Partner, Downstream Practitioner, or Billing Party's ability to utilize the waiver in Section II of this Appendix B, as appropriate, for failure to comply with the terms and conditions of the Agreement including this Appendix B.

APPENDIX C: TELEHEALTH TREATMENT IN PLACE INTERVENTION WAIVER

I. Election of the Telehealth Treatment in Place Intervention Waiver

If the Participant wishes to implement the Telehealth Treatment in Place Intervention during the Model Performance Period, it must submit an Implementation Plan in accordance with Article 5.1 of the Agreement for CMS review and approval which states the Participant's intention to implement the Telehealth Treatment in Place Intervention to ET3 Model Beneficiaries. The waivers described in Section II of this Appendix C shall apply only if CMS accepts such Implementation Plan and the Telehealth Treatment in Place Intervention is furnished in accordance with the applicable requirements of this Agreement.

II. Waiver and Terms

Under the authority of Section 1115A(d)(1) of the Act, CMS finds it necessary solely for purposes of testing the Model to waive the following requirements:

(a) Waiver of Originating Site Facility Fee Requirement:

CMS waives the requirements of Section 1834(m)(2)(B) of the Act, which establishes the telehealth Originating Site facility fee, to allow payment of a modified Originating Site facility fee equal to either the BLS-E or ALS1-E rate payment to the Participant for the initiation and facilitation of a Telehealth Treatment in Place Intervention furnished at the scene of a 911 emergency response.

(b) Waiver of Originating Site Location Requirement:

CMS waives the requirements of Section 1834(m)(2)(B) and 1834(m)(4)(C) of the Act and 42 C.F.R. §410.78(b)(3) and (b)(4), which limit Medicare telehealth services to those furnished in specific types of Originating Sites located in certain areas, to allow:

- (i) payment to the Participant for the initiation and facilitation of a Telehealth Treatment in Place Intervention furnished at the scene of a 911 emergency response, and
- (ii) payment to Qualified Health Care Partners and their Billing Parties for Covered Services furnished at a Distant Site during a Telehealth Treatment in Place Intervention.

(c) Waiver of Outpatient Setting Requirement:

CMS waives the requirements of Sections 1832(a)(2)(B) and 1861(s)(2)(B) of the Act, which establish the Part B coverage for medical and other health services and limit medical and other health services that are hospital services to those rendered in the outpatient setting to allow medical and other health services that otherwise would be furnished in an outpatient setting to be provided by, and paid to, the Participant when furnished at the scene of a 9-1-1 emergency response as part of the initiation and facilitation of a Telehealth Treatment in Place Intervention furnished in accordance with this Agreement.

(d) Waiver of Telehealth Service Payment Requirement:

CMS waives the requirements of Section 1834(m)(2)(A) of the Act, which requires that a physician or practitioner located at a Distant Site that furnishes a Telehealth Service to an eligible telehealth individual be paid an amount equal to the amount that such physician or

practitioner would have been paid had such service been furnished without the use of a telecommunications system, to allow the After Hours Payment to be made to Qualified Health Care Partners and their Billing Parties for a Telehealth Treatment in Place Intervention furnished After Hours.

III. Responsibility for Denied Claims

- (a) If CMS denies a claim for services furnished by the Participant as part of initiating and facilitating a Telehealth Treatment in Place Intervention, or by a Qualified Health Care Partner or their Downstream Practitioner, as part of a Telehealth Treatment in Place Intervention, and CMS later determines that such services were furnished in accordance with the terms of this Agreement:
 - (i) CMS shall, notwithstanding such denial, pay for the service under the waiver in Section II of this Appendix C as though the denial had not occurred,
 - (ii) the Participant shall not charge the beneficiary for the expenses incurred by such services and shall ensure that its Qualified Health Care Partners and their Billing Parties do not charge the beneficiary for the expenses incurred by such services, and
 - (iii) The Participant shall return to the beneficiary any monies collected from the beneficiary for such services and shall ensure that its Qualified Health Care Partners and their Billing Parties, return to the beneficiary any monies collected from the beneficiary for such services.
- (b) If CMS denies a claim for services furnished by the Participant as part of initiating and facilitating a Telehealth Treatment in Place Intervention, or by a Qualified Health Care Partner, or their Downstream Practitioner as part of a Telehealth Treatment in Place Intervention, and CMS later determines that such services were not furnished in accordance with the terms of this Agreement:
 - (i) CMS shall not make payment to the Participant, Qualified Health Care Partner, and/or their Billing Parties for such services,
 - (ii) the Participant shall not charge the beneficiary for the expenses incurred by such services and shall ensure that its Qualified Health Care Partners and their Billing Parties, do not charge the beneficiary for the expenses incurred for such services, and
 - (iii) the Participant shall return to the beneficiary any monies collected from the beneficiary for such services and shall ensure that its Qualified Health Care Partners and their Billing Parties return to the beneficiary any monies collected from the beneficiary for such services.
- (c) If CMS pays a claim for services furnished by the Participant as part of initiating and facilitating a Telehealth Treatment in Place Intervention, or by a Qualified Health Care Partner or Downstream Practitioner as part of a Telehealth Treatment in Place Intervention, and CMS later determines that such services were not furnished in accordance with the terms of this Agreement:
 - (i) CMS shall recoup any payment made to the Participant for such services in accordance with Article 9 of this Agreement, or from the Qualified Health Care Partner

or their Billing Parties for such services in accordance with applicable Medicare debt collection requirements,

- (ii) the Participant shall not charge the beneficiary for the expenses incurred for such services and shall ensure that its Qualified Health Care Partners and their Billing Parties do not charge the beneficiary for the expenses incurred for such services, and
- (iii) the Participant shall return to the beneficiary any monies collected from the beneficiary for such services and shall ensure that its Qualified Health Care Partners and their Billing Parties return to the beneficiary any monies collected from the beneficiary for such services.

IV. Compliance and Enforcement

- (a) The Participant shall submit and shall require its Qualified Health Care Partners and their Billing Parties to submit information to CMS, by a time and in a manner determined by CMS, upon request regarding the Participant, Qualified Health Care Partner, or Downstream Practitioner's use of the Telehealth Treatment in Place Intervention Waiver.
- (b) In accordance with Article 19.1 of the Agreement, CMS may suspend or terminate the ability of the Participant, Qualified Health Care Partner, or the Qualified Health Care Partner's Downstream Practitioner or Billing Party to utilize the In-Person Treatment in Place Waiver, as appropriate, for failure to comply with the terms and conditions of the Agreement or this Appendix C.

APPENDIX D: DESTINATION REQUIREMENTS FOR AMBULANCE SERVICES WAIVER

I. Applicability of Waiver

The waiver specified in Section II of this Appendix D applies as of the start date of the Participant's implementation of the Transport to an Alternative Destination, as specified in the Participant's CMS-accepted Implementation Plan, provided that such services are furnished in accordance with this Agreement.

II. Waiver and Terms

Waiver of Destination Requirements for Ambulance Services: Under the authority of Section 1115A(d)(1) of the Act, CMS finds it necessary solely for purposes of testing the ET3 Model to waive the requirements of 42 C.F.R. §410.40(f)(1) that limit covered destinations for ambulance services to particular settings and require transports to the nearest covered destination that is capable of furnishing the required level and type of care for the beneficiary's illness or injury, to allow payment to be made to the Participant for the transport of an ET3 Model Beneficiary to the nearest appropriate Alternative Destination that has the real-time capacity to furnish the required level and type of care for the ET3 Model Beneficiary's illness or injury.

III. Responsibility for Denied Claims

- (a) If CMS denies a claim for Transport to an Alternative Destination, and CMS later determines that such services were furnished in accordance with the terms of this Agreement:
 - (i) CMS shall, notwithstanding such denial, pay for such services under the waiver in Section II of this Appendix D as though the denial had not occurred,
 - (ii) the Participant shall not charge the beneficiary for the expenses incurred by such services, and
 - (iii) the Participant shall return to the beneficiary any monies collected from the beneficiary for such services.
- (b) If CMS denies a claim for Transport to an Alternative Destination, and CMS later determines that such services were not furnished in accordance with the terms of this Agreement:
 - (i) CMS shall not make payment to the Participant for such services,
 - (ii) the Participant shall not charge the beneficiary for the expenses incurred by such services, and
 - (iii) as applicable, the Participant shall return to the beneficiary any monies collected from the beneficiary for such services.
- (c) If CMS pays a claim for Transport to an Alternative Destination furnished to a beneficiary, and CMS later determines that such services were not furnished in accordance with the terms of this Agreement:
 - (i) CMS shall recoup any payment for such services made to the Participant in accordance with Article 9 of this Agreement,

- (ii) the Participant shall not charge the beneficiary for the expenses incurred by such services, and
- (iii) the Participant shall return to the beneficiary any monies collected from the beneficiary by the Participant for such services.

IV. Compliance and Enforcement

- (a) The Participant shall submit information to CMS, by a time and in a manner determined by CMS, upon request regarding the Participant's use of the Destination Requirements for Ambulance Services Waiver.
- (b) In accordance with Article 19.1 of the Agreement, CMS may suspend or terminate the Participant's ability to utilize the Destination Requirements for Ambulance Services Waiver, as appropriate, if the Participant fails to comply with the terms and conditions of this Agreement or this Appendix D.



Emergency Triage Treatment Transportation (ET3)

ET3 adds new options for Medicare enrolled patients in 911



1. Ambulance transport to alternate destinations

(e.g., Urgent Care, Behavioral Health)

2. Treatment in place

(With access to a Telehealth Provider)

Hospital Transport

(Existing Option)

ET3 Model Participants



Medicare-Enrolled Ambulance Suppliers & Providers

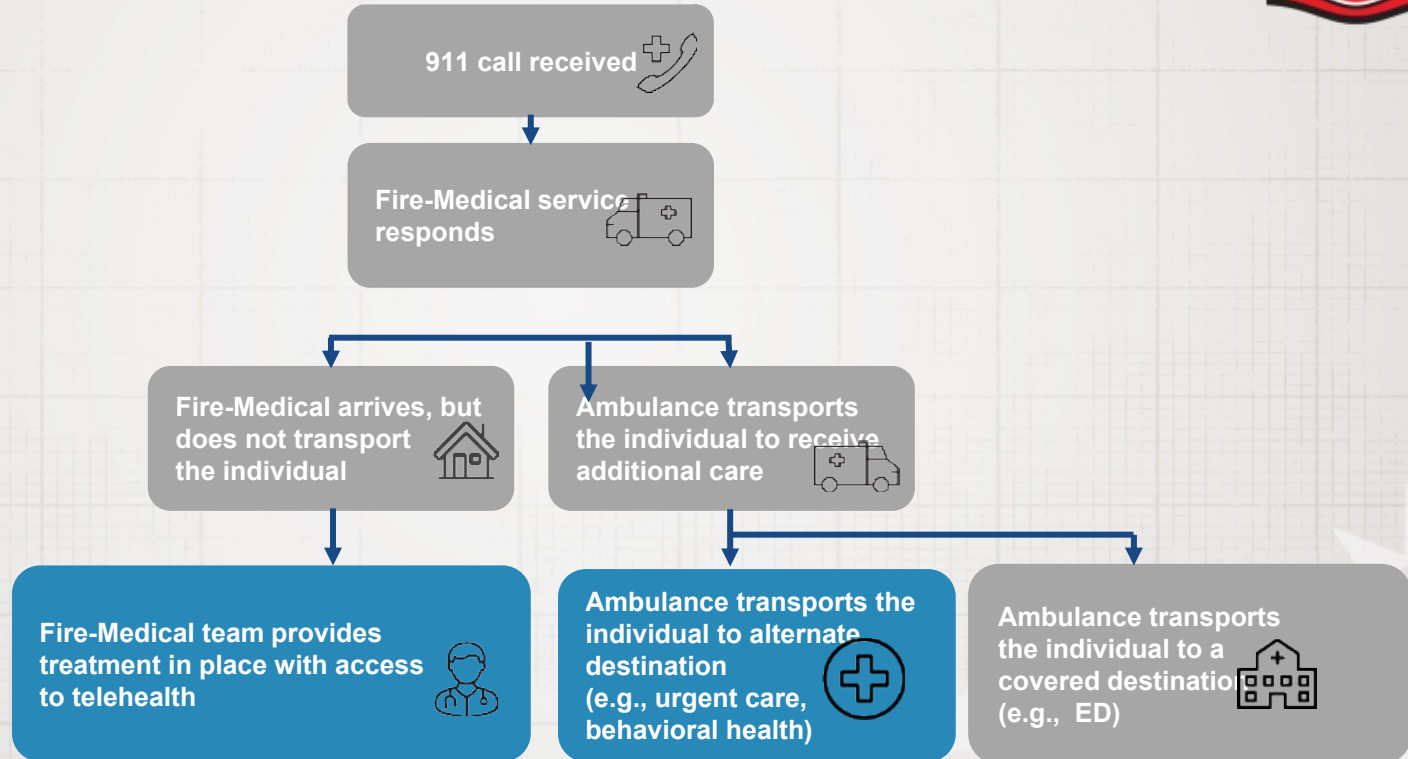
will support EMS innovation by transporting Medicare FFS beneficiaries to covered destinations (e.g., ED) or alternative destinations, and by providing treatment in place with a qualified health care practitioner (on site or via telehealth).



<https://innovation.cms.gov/initiatives/et3>



ET3 process



Blue Boxes = New Options



Comments & Questions

The main source of information is the ET3
model website:

<https://innovation.cms.gov/initiatives/et3>

RESOLUTION # 2020-145

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF SURPRISE, ARIZONA, APPROVING A PARTICIPATION AGREEMENT WITH THE CENTERS FOR MEDICARE & MEDICAID SERVICES FOR AN INNOVATIVE EMERGENCY TRIAGE, TREAT, AND TRANSPORT (ET3) PROGRAM AND AMENDING THE FISCAL YEAR 2021 BUDGET BY REALLOCATING APPROPRIATIONS OF \$71,500 FROM THE GRANTS/CONTINGENCY FUND TO THE GROUND AMBULANCE SERVICE FUND.

WHEREAS, the parties desire to enter into a Participation Agreement in order to facilitate the Surprise Fire-Medical Department (SFMD) providing an innovative service delivery program that treats patients on scene and transports the patient to an alternative location other than a hospital emergency room;

WHEREAS, the program will provide the patient with the medical services necessary and reduce the cost to the U.S. Department of Health Services, Centers for Medicare and Medicaid Services (CMS);

WHEREAS, SFMD will receive payment from CMS to cover a portion of its costs for providing these services;

WHEREAS, entry into this Participation Agreement with CMS will create additional revenue that was not anticipated and thus not included within the FY2021 budget;

WHEREAS, the FY2021 budget was adopted by Council Resolution #2020-63 on June 2, 2020;

WHEREAS, this action will necessitate a budget amendment; and

WHEREAS, the City of Surprise Administrative Policies requires the approval of the Mayor and Council for budget amendments of this nature.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the City of Surprise, Arizona, as follows.

Section 1. That the statements and schedules attached as *Exhibit A* and incorporated by reference are adopted, amending the budget of the City of Surprise, Arizona for the fiscal year July 1, 2020 through June 30, 2021.

Section 2. The Participation Agreement between the City of Surprise and the Centers for Medicare and Medicaid Services, attached as *Exhibit B*, is approved.

Section 3. The City Manager, or his designee, is hereby authorized to execute and submit all documents and other necessary or desirable instruments in connection with said agreement.

APPROVED AND ADOPTED this ____ day of _____, 2020.

Skip Hall, Mayor

Attest:

Approved as to form:

Sherry Aguilar, City Clerk

Robert Wingo, City Attorney

RESOLUTION # 2020-125
Exhibit A

1. Appropriation - The allocation below represents a reallocation of appropriation in the amount of \$71,500 from the Grants/Contingency Fund to the Ground Ambulance Service Fund in order to budget for additional revenue associated with the ET3 Program. This action does not increase or decrease the total adopted citywide expenditure budget.

Fund	Department	Project/Category	Rev/ Exp	Current Budget	Increase/ (Decrease)	Amended Budget
Ground Ambulance Service	Fire - Medical	Charges for Services	R	4,071,300	71,500	4,142,800
Grants/Contingency	General Operations	Other	R	25,552,300	(71,500)	25,480,800
Expense Total				-	-	-
Revenue Total				29,623,600	-	29,623,600

RESOLUTION # 2020-125

Exhibit B

**A Participation Agreement between the City of Surprise and the Centers for
Medicare and Medicaid Services**

(Agreement begins on the next page)



CITY OF SURPRISE Regular City Council Meeting

Council Meeting Date: November 17, 2020
Submitting Department: Police
Staff Recommendations: None

Contact Person: Philip Johnson
District: Citywide

Consent: Yes Regular: No Public Hearing: No Report/Discussion: No

Agenda Wording:

Consideration and action pertaining to approval of an amendment to the Fiscal Year 2021 budget by reallocating appropriations in the amount of \$132,400 within the Grants Fund, and \$20,400 within the General Fund, to account for a grant award in the amount of \$443,899 from the Arizona Department of Public Safety Victims of Crime Act (VOCA) Assistance Grant Program; Resolution # 2020-133.

Motion:

I move to approve Resolution #2020-133.

Background:

The Police Department has been awarded federal grant funding in the amount of \$443,899 over a three-year performance period for salary expenses of the Department's Victim Assistance Program coordinator, a part-time (.7 FTE) victim advocate, and training, phones and computer equipment for Victim Assistance Program employees and volunteers. Services covered by the grant and provided by the Victim Assistance Unit include (1) response to emotional and physical needs of crime victims; (2) assist primary and secondary victims of crime to stabilize their lives after a victimization; (3) assist victims to understand and participate in the criminal justice system; and (4) provide victims of crime with a measure of safety and security. The grant also provides for a vehicle, training, phones and computer equipment for employees and volunteers of the Victims Assistance Unit.

Objective Analysis:

The grant pays a portion of the salaries of the current victim advocate coordinator and one part-time victim advocate and provides funding for training, phones and computer equipment for employees and volunteers within the Victim Assistance Unit. While the grant does have a 20% match requirement and data reporting requirements, there are no other significant grant requirements that would cause any concern about entering into this grant.

Policy Compliant:

This request is consistent with the City and Council policy and practice of supplementing the general fund budget through use of grant funds when reasonable to do so.

Financial Impact:

Acceptance of this grant agreement will provide ongoing funding beginning FY2021 and ending FY2024 for personnel, supplies, services, and capital. Per the agreement, the grant award is as follows:

FFY2021 \$166,876 grant funding and \$41,719 City-match; FFY2022 \$136,767 grant funding and \$34,192 City-match; FFY2023 \$140,256 grant funding and \$35,064 City-match for a grand total of \$443,899 in grant funding and a total City-match requirement of \$110,975 of which \$44,530 will be met with in-kind volunteer hours.

Budget Impact:

Acceptance of this grant will amend the FY2021 budget by reallocating appropriations in the amount of \$132,400 within the Grants Fund from Contingency and \$20,400 within the General Fund to Project G31251. Due to the timing of the grant performance period, this action will reallocate only the pro-rated amount which will be spent during FY2021. Any unspent grant funding will be carried over from year to year and match funding will be identified as part of the annual budget process. This action represents a transfer of spending authority and does not increase or decrease the total adopted citywide expenditure budget.

FTE Impact:

This item does not impact the overall full-time equivalent count.

ATTACHMENTS:

1. FFY2021 - 2023 VOCA Grant
 2. Res 2020-133-Budget Amendment FY21
-

ARIZONA DEPARTMENT OF PUBLIC SAFETY

**VICTIMS OF CRIME ACT (VOCA) VICTIM ASSISTANCE GRANT PROGRAM
 FEDERAL GRANT# 2018-V2-GX-0012
 CFDA #16.575
 SUBGRANT AWARD AGREEMENT**

SUBRECIPIENT

AGENCY: City of Surprise Police Department
 ADDRESS: 14250 W. Statler Plaza #103
 CITY: Surprise STATE: Arizona ZIP: 85374-7481
PROJECT TITLE: Victim Assistance Unit- Surprise Police Department
AWARD AMOUNT: \$443,899
REQUIRED MATCH (NON-FEDERAL SOURCE): \$110,975
PROJECT PERIOD: 10/01/2020 to 09/30/2023
PROJECT PURPOSE: To provide assistance to victims of crime.

This agreement is made under the authority of the Victims of Crime Act of 1984, U.S. Code, Title 34, Subtitle II, Chapter 201, Subchapter I, § 20101, et seq. as amended.

The purpose of this agreement shall be to award Victims of Crime Act (VOCA) Assistance funds to the subrecipient to provide services to victims of crime as authorized by the Victims of Crime Act. Awards may be supplemented by other federal, state, local, and private funds. Subrecipient's agreement or amended agreement(s) is incorporated by reference into this Subgrant Award Agreement.

This award is subject to agreement by the subrecipient, including any DPS VOCA funded positions and their immediate supervisors, to conform to the provisions of the Victims of Crime Act of 1984; the DPS VOCA victim assistance grant program guidelines; the subrecipient's application; the most recent version of the general conditions, which are incorporated here by reference, and certifications; the most recent version of the Department of Justice Grants Financial Guide; the Uniform Administrative Requirements, Cost Principles, and Audit Requirements in 2 CFR Part 200 and supplemented by the Department of Justice in 2 CFR Part 2800 (together, the "Part 200 Uniform Requirements"); Executive Order 12372; and 28 CFR pts. 66 and 70, all of which are incorporated by reference as if fully stated herein.

Subrecipients, and all their contractors, will comply with all lawful requirements imposed by the awarding agency, specifically including any applicable regulations, such as 28 CFR pts. 18, 22, 23, 30, 35, 38 (as amended on May 4, 2016), 42, 46, 61 Appendix D, and 63, and the award term in 2 CFR § 175.15 (b); section 106 of the National Historic Preservation Act of 1966 (16 USC § 470); Executive Order 11593; the Archaeological and Historical Preservation Act of 1974 (16 USC § 469 a-1 et seq.); the National Environmental Policy Act of 1969 (42 USC § 4321); and any applicable statutorily-imposed nondiscrimination requirements, which may include Title VI of the Civil Rights Act of 1964, as amended, (42 USC § 2000d and 28 CFR § 42.101 et seq.); the Indian Civil Rights Act (25 USC §§ 1301-1303); Section 504 of the Rehabilitation Act of 1973 (29 USC § 794 and 28 CFR § 42.501 et seq.); the Age Discrimination Act of 1975 (42 USC § 6101-07 and 28 CFR § 42.700 et seq.); Title IX of the Education Amendments of 1972 (20 USC § 1681, 1683, 1685-86 and 28 CFR pt. 54); the Omnibus Crime Control and Safe Streets Act (Safe Streets Act) of 1968 (34 USC § 10228(c) and 28 CFR § 42.201 et seq.); the Juvenile Justice and Delinquency Prevention Act (JJDP) of 1974, as amended, (34 USC § 11182(b)); Section 1407 of the Victims of Crime Act (VOCA) of 1984 (34 USC § 20110(e));

Title II of the Americans with Disabilities Act of 1990 (42 USC § 12131-34 and 28 CFR pt. 35); and Partnerships with Faith-Based and Other Neighborhood Organizations (28 CFR pt. 38 and Executive Order 13279 as amended by Executive Order 13559); and State Executive Order No. 2009-09. The above referenced federal and state laws prohibit discrimination on the basis of race, color, religion, sex, disability, and national origin (including limited English proficiency) in the delivery of services and employment practices, and prohibit discrimination on the basis of age in the delivery of services.

Governmental entities will comply with the requirements of Uniform Relocation Assistance and Real Property Acquisitions Act of 1970 (42 USC § 4601 et seq.), and 5 USC §§ 1501-08 and §§ 7324-28 which limit certain political activities of State and local government employees whose principal employment is in connection with an activity financed in whole or in part by federal assistance.

The Arizona Department of Public Safety agrees to pay the subrecipient the AWARD AMOUNT in the below shown sums per periods listed:

Approved Budget

Federal VOCA Amount

Budget line items	10/1/2020 - 9/30/2021	10/1/2021 - 9/30/2022	10/1/2022 - 9/30/2023	Total
Personnel - Salary	\$90,755	\$93,434	\$96,193	\$280,382
Personnel - Fringe Benefits	\$34,169	\$35,081	\$36,023	\$105,273
Contractual Services	\$0	\$0	\$0	\$0
Mileage	\$0	\$0	\$0	\$0
Training	\$4,607	\$3,828	\$3,722	\$12,157
Capital Equipment	\$33,143	\$0	\$0	\$33,143
Other Expenses	\$4,202	\$4,424	\$4,318	\$12,944
Total	\$166,876	\$136,767	\$140,256	\$443,899

Match Amount

Budget line items	10/1/2020 - 9/30/2021	10/1/2021 - 9/30/2022	10/1/2022 - 9/30/2023	Total
Personnel - Salary	\$0	\$0	\$0	\$0
Personnel - Fringe Benefits	\$0	\$0	\$0	\$0
Volunteers	\$14,555	\$15,014	\$14,961	\$44,530
Contractual Services	\$0	\$0	\$0	\$0
Mileage	\$0	\$0	\$0	\$0
Training	\$0	\$0	\$0	\$0
Capital Equipment	\$0	\$0	\$0	\$0
Other Expenses	\$0	\$0	\$0	\$0
Match Waiver	\$27,164	\$19,178	\$20,103	\$66,445
Total	\$41,719	\$34,192	\$35,064	\$110,975

For the Arizona Department of Public Safety:

Heston Silbert, Colonel
Director
Arizona Department of Public Safety

Date

For the Subrecipient:

Authorizing Official:

Terry Young

Date

Approved as to form:

Attorney for Subrecipient (optional)

RESOLUTION # 2020-133

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF SURPRISE, ARIZONA, APPROVING AN INTERGOVERNMENTAL AGREEMENT WITH THE ARIZONA DEPARTMENT OF PUBLIC SAFETY FOR A VOCA GRANT AND AMENDING THE FISCAL YEAR 2021 BUDGET BY REALLOCATING APPROPRIATIONS OF \$132,400 WITHIN THE GRANTS FUND FROM CONTINGENCY AND \$20,400 WITHIN THE GENERAL FUND TO PROJECT G31251 AND ACCEPTING A GRANT AWARD IN THE AMOUNT \$443,899 FROM THE ARIZONA DEPARTMENT OF PUBLIC SAFETY VICTIMS OF CRIME ACT (VOCA) ASSISTANCE GRANT PROGRAM.

WHEREAS, the City has for years applied for and received grants through the Arizona Department of Public Safety (DPS) for the Police Department to provide victim services to crime victims pursuant to the Victims of Crime Act of 1984;

WHEREAS, DPS has tentatively awarded the City a grant in the amount of \$443,899 with a required match of \$110,975;

WHEREAS, the City and the Police Department desire to accept this grant agreement;

WHEREAS, the FY2021 budget was adopted by Council Resolution #2020-63 on June 2, 2020;

WHEREAS, the amount of the grant was unknown at the time the FY2021 budget was adopted;

WHEREAS, this action will necessitate a budget amendment; and

WHEREAS, the City of Surprise Administrative Policies requires the approval of the Mayor and Council for budget amendments of this nature.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the City of Surprise, Arizona, as follows.

Section 1. That the statements and schedules attached as *Exhibit A* and incorporated by reference are adopted, amending the budget of the City of Surprise, Arizona for the fiscal year July 1, 2020 through June 30, 2021.

Section 2. The Intergovernmental Agreement between the City of Surprise and the Arizona Department of Public Safety, attached as Exhibit B, is approved.

Section 3. The City Manager, or his designee, is hereby authorized to execute and submit all documents and other necessary or desirable instruments in connection with said agreement.

APPROVED AND ADOPTED this ____ day of _____, 2020.

Skip Hall, Mayor

Attest:

Approved as to form:

Sherry Aguilar, City Clerk

Robert Wingo, City Attorney

RESOLUTION # 2020-133
Exhibit A

1. Appropriation - The allocation below represents a reallocation of appropriation in the amount of \$132,400 within the Grants Fund from Contingency and \$20,400 within the General Fund to project G31251 to provide victim services to crime victims pursuant to Victims of Crime Act of 1984. This action represents a transfer of spending authority and does not increase or decrease the total adopted citywide expenditure budget.

Fund	Department	Project/Category	Rev/ Exp	Current Budget	Increase/ (Decrease)	Amended Budget
Grants	Police	#G31251 FY21 VOCA	E	-	132,400	132,400
Grants	Police	#G31251 FY21 VOCA	R	-	132,400	132,400
Grants	General Operations	Other	R	25,510,800	(132,400)	25,378,400
Grants/Contingency	General Operations	Contingency	E	18,789,600	(132,400)	18,657,200
General Fund	Police	Personnel Services	E	29,127,000	(20,400)	29,106,600
General Fund	Police	#G31251 FY21 VOCA	E	-	20,400	20,400
Expense Total				47,916,600	-	47,916,600
Revenue Total				25,510,800	-	25,510,800



CITY OF SURPRISE Regular City Council Meeting

Council Meeting Date: November 17, 2020

Contact Person: Joseph Gladieux, SENIOR SVCS
PRG SUPV

Submitting Department: Human Svcs and Comm
Vitality

District: Internal

Staff Recommendations: None

Consent: Yes

Regular: No

Public Hearing: No

Report/Discussion: No

Agenda Wording:

Consideration and action pertaining to approval of an amendment to the Fiscal Year 2021 budget by reallocating appropriations in the amount of \$92,000 to account for additional grant funding for the Congregate Meal program; Resolution #2020-149.

Motion:

I move to approve Resolution # 2020-149.

Background:

In response to the pandemic, the Senior Center continues to serve Seniors with their drive-thru meal service. Additional Area Agency COVID-19 funding is being provided in response to the increase in demand.

Objective Analysis:

This action will allow HSCV to continue to provide the drive through congregate meal program in response to COVID-19.

Policy Compliant:

This item is compliant with City and Council policy.

Financial Impact:

This one-time grant award will provide an additional \$92,000 for materials and supplies within HSCV to support the congregate meal program. Expenses will be reimbursed monthly. There is a City match requirement which has already been met with General Fund expenses.

Budget Impact:

This action will result in a reallocation of appropriation in the amount of \$92,000 within the Grants Fund from contingency to project G51503 for a total project budget of \$160,300. This action represents a transfer of spending authority and does not increase or decrease the total adopted citywide expenditure budget.

FTE Impact:

None

ATTACHMENTS:

1. Res 2020-149 AAA FY21 Amend-Final-
-

RESOLUTION # 2020-149

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF SURPRISE, ARIZONA, AMENDING THE CONTRACT FOR SERVICES BETWEEN THE CITY OF SURPRISE AND AREA AGENCY ON AGING FOR FISCAL YEAR 2021, AND TO AUTHORIZE THE CITY TO ACCEPT ADDITIONAL GRANT FUNDING IN THE AMOUNT OF \$92,000 FOR THE CONGREGATE MEAL PROGRAM BY AMENDING THE FISCAL YEAR 2021 BUDGET AND REALLOCATING APPROPRIATIONS WITHIN THE GRANTS FUND, AMENDING THE FISCAL YEAR 2021 CONTRACT AWARDING AUTHORITY LIST BY INCREASING THE CONGREGATE MEAL ITEM TO \$267,000.

WHEREAS, the FY2021 budget was adopted including funding for the Congregate Meal program expenditures;

WHEREAS, the FY2021 contract for services was adopted by Council Resolution # 2020-85 on August 18, 2020;

WHEREAS, the additional funding will serve to support the congregate meal program for the remainder of the fiscal year, and will require a minor amendment to Contract #2021-36-SUR;

WHEREAS, the additional allocation to the City of Surprise is \$92,000 and all expenditures are on a reimbursement basis;

WHEREAS, the FY2021 budget and Contract Awarding Authority List was adopted by Council Resolution #2020-63 on June 2, 2020;

WHEREAS, the City of Surprise Procurement Code §2-338 (d) requires the authority of the Mayor and Council when the cost to the city is greater than \$50,000;

WHEREAS, this action will necessitate a budget amendment; and

WHEREAS, the City of Surprise Administrative Policies requires the approval of the Mayor and Council for budget amendments of this nature.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the City of Surprise, Arizona, as follows.

Section 1. That the statements and schedules attached as *Exhibit A* and incorporated by reference are adopted, amending the budget of the City of Surprise, Arizona for the fiscal year July 1, 2020 through June 30, 2021.

Section 2. That the statements and schedules attached as *Exhibit B* and incorporated by reference are adopted, the Fiscal Year 2021 Contract Awarding Authority List of the City of Surprise, Arizona for the fiscal year July 1, 2020 through June 30, 2021.

Section 3. That the additional grant funds in the approximate amount of \$92,000 as shown on *Exhibit A* are accepted, and the Contract #2020-36-SUR Amendment 1 attached hereto as *Exhibit C* is approved, with all other terms and conditions of Contract #2020-36-SUR remaining in force and effect.

APPROVED AND ADOPTED this ____ day of _____, 2020.

Skip Hall, Mayor

Attest:

Approved as to form:

Sherry Aguilar, City Clerk

Robert Wingo, City Attorney

RESOLUTION # 2020-149
Exhibit A

1. Appropriation- The allocations below represent a reallocation of appropriations in the amount of \$92,000 within the Grants Fund due to an additional allocation from the Area Agency on Aging in support of the Congregate Meal Program. This action represents a transfer of spending authority and does not increase or decrease the total adopted citywide expenditure budget.

Fund	Department	Project/Category	Rev/ Exp	Current Budget	Increase/ (Decrease)	Amended Budget
Grants	Human Svcs and Comm Vitality	#G5 1503 FY21 AAA Meals	E	68,300	92,000	160,300
Grants	Human Svcs and Comm Vitality	#G5 1503 FY21 AAA Meals	R	68,300	92,000	160,300
Grants/Contingency	General Operations	Contingency	E	18,748,100	(92,000)	18,656,100
Grants/Contingency	General Operations	Other	R	25,552,300	(92,000)	25,460,300
Expense Total				18,816,400	-	18,816,400
Revenue Total				25,620,600	-	25,620,600

RESOLUTION # 2020-149
Exhibit B

1. Contract Awarding Authority List – Council approved \$92,000 for the purpose of the Congregate Meal program included on the Fiscal Year 2021 Contract Awarding Authority List. This amount was based on the contract amendment received from Area Agency on Aging.

Reference #	Description	Current Amount	Increase/ (Decrease)	Amended Amount
21466	Congregate Meals	\$175,000	\$92,000	\$267,000

RESOLUTION # 2020-149

Exhibit C

Contract #2020-36-SUR Amendment 1

Contract #2021-36-SUR

AMENDMENT 1

CONTRACT FOR SERVICES BETWEEN

Area Agency on Aging, Region One, Incorporated AND
1366 E. Thomas Road, Suite 108
Phoenix, Arizona 85014
602-264-2255 fax: 602-230-9132

City of Surprise
16000 North Civic Center Plaza
Surprise, Arizona 85374
623-222-1500 fax: 623-222-1501
EIN 86-6007796

EFFECTIVE DATE OF THIS AMENDMENT: October 1, 2020

PURPOSE OF THE AMENDMENT:

1. Increase Area Agency funding for Congregate Meals by \$92,000 from \$68,300 to \$160,300 due to increased service needs related to the COVID-19 Pandemic.

EXCEPT AS PROVIDED HEREIN, ALL TERMS AND CONDITIONS OF THE ORIGINAL CONTRACT AS HERETOFORE CHANGED AND/OR AMENDED REMAIN UNCHANGED AND IN FULL FORCE AND EFFECT. IN WITNESS THEREBY OF SIGNATURE, THE PARTIES ENTER INTO THIS CONTRACT:

AREA AGENCY ON AGING,
REGION ONE, INCORPORATED

CITY OF SURPRISE

Signature and Date

Mary Lynn Kasunic, President & CEO
Area Agency on Aging, Region One

Signature and Date

Seth Dyson, Director,
Human Services & Community Vitality

FIXED PRICE WITH PRICE ADJUSTMENT

CONTRACT #: 2021-36-SUR

CONTRACTOR: City of Surprise

TYPE: **Amendment 1**

CONTRACT TERM: July 1, 2020 to June 30, 2021

Contract Reimbursement Ceiling for all Services: TOTAL: \$ 172,000

CONTRACT OPERATING BUDGET

REVENUE	Congregate Meals	Multipurpose Operations
Area Agency	160,300	11,700
Project Income	-	-
Non-Fed Inkind	-	-
Non-Fed Cash	57,124	156,005
Other Federal	-	-
TOTAL	217,424	167,705
EXPENSES		
Personnel	105,976	125,077
ERE	20,798	24,928
Prof&Outside	-	-
Travel	200	-
Space	8,550	12,400
Equipment	-	-
Materials/Supl	80,300	4,900
Operating Svc	1,600	400
Indirect	-	-
TOTAL	217,424	167,705
UNITS	33,320	3,837
UNIT RATE	\$ 6.53	\$ 43.71



CITY OF SURPRISE Regular City Council Meeting

Council Meeting Date: November 17, 2020
Submitting Department: Police
Staff Recommendations: None

Contact Person: Terry Young, POLICE CHIEF
District: Citywide

Consent: Yes	Regular: No	Public Hearing: No	Report/Discussion: No
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Agenda Wording:

Consideration and action pertaining to approval of an amendment to the Fiscal Year 2021 budget by reallocating appropriations in the amount of \$4,000 within the Grants Fund and authorizing acceptance of a grant award from the AZ Governor's Office of Highway Safety (GOHS) for overtime to enforce seatbelt and child passenger safety laws as part of the 2020 Buckle Up AZ (Click It or Ticket) seatbelt enforcement campaign; Resolution #2020-152.

Motion:

I move to approve Resolution #2020-152.

Background:

The City of Surprise applied for and was awarded a \$4,000 grant from the Governor's Office of Highway Safety for overtime and employee related expenses to enforce seat belt and child passenger safety laws as part of the national Click It Or Ticket Campaign.

Objective Analysis:

This grant will provide overtime funding for occupant protection enforcement efforts. Such enforcement will contribute to fewer and less severe injuries of our citizens if involved in traffic accidents. The one negative to obtaining any grant funding is the employee time spent in overseeing the grant and making regular reports back to the grantor.

Policy Compliant:

This grant is consistent with the City's past practice of enforcing City traffic laws and enhancing seat belt and child passenger safety enforcement efforts in the City of Surprise.

Financial Impact:

This is a one-time grant award totaling \$4,000. There is no city match requirement, however all employee related expenses (ERE) associated with this overtime will be absorbed by the Police Department's current operating budget.

Budget Impact:

The FY2021 adopted budget did not include appropriations for revenue and expenses related to the Buckle Up AZ! Click It or Ticket! grant awarded to the Police Department. Acceptance of this grant

will require a reallocation of \$4,000 within the Grants Fund from Contingency to Project G31382. This action represents a transfer of spending authority and does not increase or decrease the total adopted citywide expenditure budget.

FTE Impact:

The number of full-time equivalents (FTE) is not impacted by this item.

ATTACHMENTS:

1. AZ GOHS CIOT Award Letter
 2. Buckle Up AZ Contract 2020
 3. RESOLUTION 2020-152 GOHS Click It or Ticket Grant (Final)
-



DOUGLAS A. DUCEY
GOVERNOR

ALBERTO C. GUTIER
DIRECTOR
GOVERNOR'S HIGHWAY SAFETY REPRESENTATIVE

October 26, 2020

Chief Terry Young
Surprise Police Department
14250 W. Statler Plaza Ste. 103
Surprise, AZ 85374

PROJECT REFERENCE:

Contract Number: 2020-CIOT-024
Total Estimated Costs: \$4,000.00
Purpose of Project: Buckle Up Arizona
(Click it or Ticket) Enforcement Overtime

Re: Funding for the 2020 "Buckle Up Arizona...It's the Law!" Enforcement Campaign

Dear Chief Young:

Every year law enforcement agencies across Arizona conduct a two-week enforcement campaign focusing on enforcing Arizona's safety belt and child passenger safety laws. This campaign "Buckle Up Arizona...It's the Law!" is part of the national "Click it or Ticket" campaign.

The Governor's Office of Highway Safety ("GOHS") has selected your agency to receive funding to conduct enforcement of Arizona's safety belt and child passenger laws during this year's campaign, from November 16, 2020 through November 29, 2020. You have been selected to receive funding in part based on your agency's participation last year and your continued stellar effort on enforcing traffic laws. As you know, Arizona has a secondary seat belt law, it is important that this is communicated in any pronouncements of this funding.

Enclosed is a copy of the referenced Highway Safety Contract for your review and signature. This is not an authorization to proceed with the project.

Please complete the following steps:

1. Have your fiscal staff complete the Reimbursement Instructions (page 22);
2. As Project Director, sign and date the signature page (page 23) :
3. Return all signed copies of the Contract to 1700 West Washington Street, Executive Tower Suite 430, Phoenix, AZ 85007. **If you agency needs an original copy back, please mail (2) copies otherwise the contract will be emailed once executed.**

Please do not incur any costs at this time as it would nullify the contract. Once the signed copies are received, I will approve and sign the contract as the GOHS Director/Governor's Highway Safety Representative and an original executed contract with a letter of authorization to proceed will be forwarded to you.

Thank you for your participation in this campaign. If you have any questions, please feel free to contact me directly.

Sincerely,

Alberto Gutier, Director
Governor's Highway Safety Representative

10-26-2020
Date

HIGHWAY SAFETY CONTRACT

This page, the Project Directors Manual and attached hereto and incorporated herein by reference, constitute the entire contract between the parties hereto unless the Governor's Highway Safety Representative authorizes deviation in writing.

FAIN: 69A3752030000405bAZL		Assistance Listings: 20.616
1. APPLICANT AGENCY Surprise Police Department	GOHS CONTRACT NUMBER 2020-CIOT-024	
ADDRESS 14250 W. Statler Plaza, Ste. 103, Surprise, AZ 85374	PROGRAM AREA 405b	
2. GOVERNMENTAL UNIT City of Surprise	AGENCY CONTACT Severin Hall	
ADDRESS 16000 N. Civic Center Dr., Surprise, AZ 85374	3. PROJECT TITLE Buckle Up Arizona Enforcement Campaign (CIOT)	
4. GUIDELINES 405b – Occupant Protection (OP)		
5. BRIEFLY STATE PURPOSE OF PROJECT: Federal 405b funds will support Personnel Services (Overtime) and Employee Related Expenses to participate in the two-week Buckle Up Arizona Enforcement Campaign from November 16, 2020 through November 29, 2020 to enhance seat belt and child safety seat usage throughout the City of Surprise.		
6. BUDGET COST CATEGORY	Project Period FY 2018	
I. Personnel Services	\$4,000.00	
II. Employee Related Expenses (00.00%)	\$0.00	
III. Professional and Outside Services	\$0.00	
IV. Travel In-State	\$0.00	
V. Travel Out-of-State	\$0.00	
VI. Materials and Supplies	\$0.00	
VII. Capital Outlay	\$0.00	
TOTAL ESTIMATED COSTS	\$4,000.00	
PROJECT PERIOD	FROM: Effective Date (<i>Date of GOHS Director Signature</i>)	TO: 11-29-2020
CURRENT GRANT PERIOD	FROM: 11-16-2020	TO: 11-29-2020
TOTAL FEDERAL FUNDS OBLIGATED THIS FY: \$4,000.00		
A political subdivision or state agency that is mandated to provide a certified resolution or ordinance authorizing entry into this contract must do so prior to incurring any expenditures. Failure to do so may result in termination of the awarded contract.		

PROBLEM IDENTIFICATION AND RESOLUTION:

Motor vehicle collisions continue to be the leading cause of death, injury and property damage in Arizona and the United States. A number of factors contribute to the risk of collision including; vehicle design, speed of operation, road design, road environment, driver skill and/or impairment and driver behavior. The human factor that has been consistently identified in reducing collisions and minimizing their effects is consistent usage of seat belts and child safety seats.

According to the Arizona Motor Vehicle Crash Facts, there were 911 vehicle occupants (driver/passenger) fatalities in 2019, of which 300 (**33%**) were unrestrained. Children under the age of five accounted for 7 passenger fatalities in 2019, of which 1 (**14%**) were unrestrained.

In 2019, seat belt usage in Arizona reached **90.6%**, an increase of **4.7%** since 2018. The noted increase is attributed partly to the Arizona Governor's Office of Highway Safety (GOHS) funded statewide enforcement campaigns, enhanced earned media, and extensive outreach support of educational and public awareness activities.

The summary of the 2015 through 2019 Arizona Seat Belt Use Survey results are presented in the following table:

GROUPS OBSERVED	2015	2016	2017	2018	2019
Total Front Seat Occupants Seat Belt Use	86.6%	88.0%	86.1%	85.9%	90.6%
All Drivers Seat Belt Use	87.1%	88.2%	86.1%	88.4%	92.1%
Front Seat Passenger Seat Belt Use	84.8%	87.3%	86.0%	90.8%	95.4%
Children Safety Restraint Use	N/A	N/A	N/A	N/A	N/A

Seat belts and child safety seats have proven to significantly reduce the chance of death and injuries of passengers in vehicles. According to the Center for Disease Control and Prevention, seat belt use reduces serious crash-related injuries and deaths by about **50%**. The proper and consistent use of Child Safety Seats has been found to reduce the risk of fatal injury by **71%** for infants (younger than 1-year-old) and by **54%** for toddlers (1 to 4 years old) in passenger cars. Properly installed booster seats reduce the risk for serious injury by **45%** among children ages 4 to 8-year-old.

Numerous factors affect the occupant protection enforcement program in Arizona:

- Arizona presently conducts enforcement under a secondary seat belt law and a primary child safety seat law
- Arizona currently came near the national average seat belt usage rate of 90.7% in 2019
- Arizona continues to develop and expand a highly visible Occupant Protection Enforcement Program

Selective Traffic Enforcement Programs (STEP) is a proven approach that can be used to quickly change motorists' behavior in a short period of time. This particular STEP is a widely-publicized enforcement campaign focused on changing a particular behavior among motorists.

As part of the National Click It or Ticket Campaign, Arizona has developed and promoted the **"Buckle Up Arizona... It's the Law!"** program, which has been an effective enforcement message in a secondary law state.

This program unites state-wide law enforcement agencies to engage in aggressive traffic enforcement with a **"zero tolerance"** approach to seat belt and child safety seat violations. The goal is to sustain and increase seatbelt usage rates in the designated geographical areas of the participating agencies.

The mobilizations begin with earned media generated at the State and local level followed by a high visibility enforcement campaign lasting two weeks. Paid media phases in approximately one week later followed by high-visibility enforcement lasting for two weeks. Additional earned media conducted through the GOHS has been paramount in enhancing occupant protection message.

OVERVIEW OF PROGRAM:

Federal 405b funding will support Personnel Services (Overtime) and Employee Related Expenses to participate in the national two-week **"Buckle Up Arizona"** enforcement campaign from **November 16, 2020 through November 29, 2020**.

The purpose of the campaign is for the Surprise Police Department to engage in aggressive traffic enforcement with a **"zero tolerance"** approach to seat belt and child safety seat violations. The goal is to sustain seatbelt usage rates in the designated geographical areas of the participating agencies.

The campaign will be supported by earned media to reinforce the occupant protection message. The Surprise Police Department will participate in other educational and public awareness activities to support the enforcement component.

Occupant protection usage surveys will be conducted subsequent to the enforcement campaign by an independent research organization to analyze the effectiveness of the program. Results will be provided to the respective law enforcement agency upon receipt of the completed study.

GOALS/OBJECTIVES:

The Surprise Police Department is required to complete the following goals and objectives under the guidelines of the contract:

- Provide intensive traffic enforcement during designated period with zero tolerance for safety belt/child restraint laws
- Heighten enforcement visibility through news media contacts, safety belt/child seat inspections, and other public awareness and educational activities
- The Surprise Police Department shall provide a written press release announcing the enforcement program to the local media affecting their respective areas (a copy of this press release shall be sent to the GOHS Director prior to the initiation of the enforcement campaign)

- The Surprise Police Department is additionally encouraged to invite media representatives for live interviews and ride-a-longs during the enforcement activities
- The Surprise Police Department shall develop and participate in some form of enforcement activity, such as saturation patrols, multi-agency enforcement task forces etc. related to respective areas with low restraint usage.
- The Surprise Police Department shall submit a Final Enforcement Summary Report to GOHS no later than **December 4, 2020.**
- The Surprise Police Department shall a Final Statement of Accomplishments Report including press releases, news stories, educational/public awareness activities, enforcement statistics and quality photographs by **December 11, 2020.**
- The Surprise Police Department shall provide the names of top enforcement performers for possible future recognition by GOHS and their respective agency

MEDIA RELEASE

To prepare complete press release information for media (television, radio, print and on-line) during each campaign period including a main press release, schedule of events, departmental plans and relevant data. **The material will emphasize the campaign's purpose, aggressive enforcement and the high cost of Occupant Protection in terms of money, criminal and human consequences.**

The Surprise Police Department will maintain responsibility for **reporting sustained enforcement** activity in a timely manner. Additionally, it is the responsibility of the Surprise Police Department to report all holiday task force enforcement statistics to GOHS on-line at the GOHS website **no later than 10:00a.m. the morning following each day of the event.**

PURSUIT POLICY:

All law enforcement agencies receiving federal funds are encouraged to follow the guidelines established for vehicular pursuits issued by the International Association of Chiefs of Police (IACP) that are currently in effect.

METHOD OF PROCEDURE:

The Surprise Police Department will make expenditures as follows to meet the outlined Program Goals/Objectives:

Personnel Services – To support Overtime for two-week Buckle Up Arizona Enforcement Campaign from November 16, 2020 through November 29, 2020

Employee Related Expenses – To support Employee Related Expenses for Agency Overtime

PRESS RELEASE:

Agencies are required to develop and distribute a press release announcing this grant award (a copy of this press release shall be sent to the GOHS Director at the same time it is sent to the media). This press release shall include the objective and specify that the funding is from the Governor's Office of Highway Safety. A sample press release for the Buckle Up Arizona Campaign will be provided to the agency.

PROFESSIONAL AND TECHNICAL PERSONNEL:

Terry Young, Chief, Surprise Police Department, shall serve as Project Director.

Severin Hall, Sergeant, Surprise Police Department, shall serve as Project Administrator.

Gabriela Gallegos, Occupant Protection Coordinator, Governor's Office of Highway Safety, shall serve as Project Coordinator.

REPORT OF COSTS INCURRED (RCI):

The Project Director shall submit a Report of Costs Incurred (RCI) with supporting documentation attached, to the Governor's Office of Highway Safety within thirty (30) days of the enforcement period in correlation with the required report.

RCIs shall be typed and delivered via mail or hand delivered with appropriate supporting documentation, to the Governor's Office of Highway Safety. **Electronically submitted RCIs will not be accepted.** Expenditures submitted after the expiration date will not be reimbursed and the agency will accept fiscal responsibility.

The RCI template and instructions are available on the Governor's Office of Highway Safety website at <http://www.azgohs.gov/grant-opportunities/>. Failure to meet the reporting requirements may be cause to terminate the project.

FINAL ENFORCEMENT SUMMARY REPORT:

All participating agencies shall complete and submit total enforcement statistical data implementing the attached form no later than **December 4, 2020**, to the Governor's Office of Highway Safety.

FINAL STATEMENT OF ACCOMPLISHMENTS:

The Project Director shall complete and submit the attached Final Statement of Accomplishments Report no later than **December 11, 2020**, to the Governor's Office of Highway Safety. All agencies receiving funding are required to submit a Final Statement of Accomplishments Report. The report is a summary overview of the contracted project and is reviewed by the Governor's Office of Highway Safety project coordinator to determine the effectiveness of the project.

PROJECT MONITORING:

Highway safety grant project monitoring is used by GOHS project coordinators to track the progress of project objectives, performance measures and compliance with applicable procedures, laws, and regulations.

The process is used throughout the duration of the contracted project and serves as a continuous management tool. Project monitoring also presents an opportunity to develop partnerships, share information and provide assistance to contracted agencies. Additionally, project monitoring outlines a set of procedures for project review and documentation.

Project monitoring also serves as a management tool for:

- Detecting and preventing problems
- Helping to identify needed changes
- Identifying training or assistance needed
- Obtaining data necessary for planning, and evaluation
- Identifying exemplary projects

Types of Monitoring

Monitoring is formal and informal, financial and operational. The most common types of monitoring are:

- Ongoing contact with the contracted grantee through phone calls, e-mails, correspondence, and meetings
- On-Site and/or In-House monitoring reviews of project operations, management, and financial records and systems
- Review of project Quarterly Reports
- Review and approval of Report of Costs Incurred (RCIs)
- Desk review of other documents in the project-grant files for timely submission and completeness

Monitoring Schedule	
Total Awarded Amount:	Type of Monitoring:
Under \$50,000	Desk Review/Phone Conference
\$50,000 and over	May have an In-House GOHS Review
\$100,000+	May have an On-Site Review
Capital Outlay Greater than \$25,000 (combined)	May have an On-Site Review
Desk Review and Phone Conference	Internal review of all written documentation related to contractual project including, but not limited to the Contract, Quarterly Reports, enforcement data, financial data, e-mails, letters, notes, press releases, photographs, inventories, and other written correspondence. A phone conference call conducted during the course of the project which includes the date and time of the call, the person(s) contacted, and the results. It serves as an informational review to determine progress of programmatic/financial activities. Both the designated project administrator and fiscal contact should be present, if possible, during the phone conference. If identified financial or operational problems are present, GOHS reserves the right to bring the grantee in for an in-house meeting at GOHS. Monitoring form written by Project Coordinator, any findings, areas of improvement, concern, or recognition will be provided to the grantee.

In-House Review	Documents performance review results including project activities, reimbursement claims review, equipment purchases, approvals, and other information. Reviews applicable information related to the project(s) including, but not limited to the Contract, Quarterly Reports, enforcement data, financial data, e-mails, letters, notes, press releases, photographs, inventories, and other written correspondence. Completed at GOHS in a meeting with appropriate operational and financial personnel. Monitoring form written by Project Coordinator, any findings, areas of improvement, concern, or recognition will be provided to the grantee.
On-Site Monitoring	Documents performance review results including project activities, reimbursement claims review, equipment purchases, and other information. Reviews applicable information related to the project(s) including, but not limited to the Contract, Quarterly Reports, enforcement data, financial data, e-mails, letters, notes, press releases, photographs, inventories, and other written correspondence. Conducted on-site at the grantee's Agency with monitoring form completed on-site by Project Coordinator. Any findings, areas of improvement, concern, or recognition, will be provided to the grantee.

On-site and/or In-house monitoring for grantees of designated projects with large capital outlay purchases, personnel services, and complex projects must be completed within the second or third quarter of the fiscal year. Contracted projects displaying any problems might need on-site monitoring more than once during the fiscal year.

On-site and/or In-house monitoring includes a review and discussion of all issues related to assure the effective administration of the contracted project. The following are the most important items to review:

- Progress toward meeting goals/objectives and performance measures
- Adherence to the contract specifications, timely submission of complete and correct reports, including required documentation
- Quarterly reports
- Status of expenditures related to the outlined budget
- Accounting records
- Supporting documentation (training documentation, inventory sheets, photographs, press releases, etc.)

In addition, the designated project administrator will assure that any equipment purchased will be available for inspection and is being used for the purpose for which it was bought under the outlined contractual agreement.

Documentation

The Governor's Office of Highway Safety will retain all findings documented on the GOHS Monitoring Form in the grantee's respective federal file. Findings will be discussed with the grantee designated contract representative (project administrator, fiscal specialist) by phone and/or e-mail. All noted deficiencies will be provided to the grantee with guidance for improvement and solutions to problems. Grantees that exhibit significantly poor performance will be placed on a performance plan as outlined by the project coordinator. Grantee monitoring information will additionally provide documentation for potential funding in subsequent fiscal year grant proposal review.

PROJECT PERIOD:

The Project Period shall commence on the date the GOHS Director signs the Highway Safety Contract and terminate on November 29, 2020 of that or subsequent year as indicated on the Highway Safety Contract. Any unexpended funds remaining at the termination of the contract shall be released back to the Governor's Office of Highway Safety.

DURATION:

Contracts shall be effective on the date the Governor's Office of Highway Safety Director signs the contract and expire at the end of the project period.

If the Agency is unable to expend the funds in the time specified, the Project Director will submit notification on the Agency's letterhead and hand-deliver or submit via regular mail to the Director of the Governor's Office of Highway Safety a minimum of 90 days prior to the end of the project period.

The Agency shall address all requests to modify the contract to the Director of the Governor's Office of Highway Safety on Agency letterhead and either hand deliver or submit the request via regular mail. All requests for modification must bear the signature of the Project Director.

Failure to comply may result in cancellation of the contract. Any unexpended funds remaining at the termination of the contract shall be released back to the Governor's Office of Highway Safety.

ESTIMATED COSTS:

I.	Personnel Services (overtime)	\$4,000.00
II.	Employee Related Expenses (00.00%)	\$0.00
III.	Professional and Outside Services	\$0.00
IV.	Travel In-State	\$0.00
V.	Travel Out-of-State	\$0.00
VI.	Materials and Supplies	\$0.00
VII.	Capital Outlay	\$0.00

TOTAL ESTIMATED COSTS**\$4,000.00**

*Includes all applicable training, tax, freight, and advertising costs. The GOHS reserves the right to limit reimbursement of Employee Related Expenses from zero (0) to a maximum rate of 40 percent. This is the maximum ERE amount to be reimbursed. It is agreed and understood that the Surprise Police Department shall absorb any and all expenditures in excess of **\$4,000.00**.

CERTIFICATIONS AND AGREEMENTS

This CONTRACT, is made and entered into by and between the STATE OF ARIZONA, by and through the Governor's Office of Highway Safety (GOHS) hereinafter referred to as "STATE", and the agency named in this Contract, hereinafter referred to as "AGENCY".

WHEREAS, the National Highway Safety Act of 1966, as amended (23 USC §§401-404), provides Federal funds to STATE for approved highway safety projects; and

WHEREAS, STATE may make said funds available to various state, county, tribal, or municipal agencies, governments, or political subdivisions upon application and approval by STATE and the United States Department of Transportation (USDOT); and

WHEREAS, AGENCY must comply with the requirements listed herein to be eligible for Federal funds for approved highway safety projects; and

WHEREAS, AGENCY has submitted an application for Federal funds for highway safety projects;

NOW, THEREFORE, IN CONSIDERATION OF MUTUAL PROMISES AND OTHER GOODS AND VALUABLE CONSIDERATION, it is mutually agreed that AGENCY will strictly comply with the following terms and conditions and the following Federal and State Statutes, Rules, and Regulations:

I. Project Monitoring, Reports, and Inspections

- A. AGENCY agrees to fully cooperate with representatives of STATE monitoring the project, either on-site or by telephone, during the life of the Contract.
- B. AGENCY will submit Quarterly Reports (one for each three-month period of the project year) to STATE in the form and manner prescribed by STATE. Notice of the specific requirements for each report will be given in this Contract or at any time thereafter by giving thirty (30) days written notice to AGENCY by ordinary mail at the address listed on the Contract. Failure to comply with Quarterly Report requirements may result in withholding of Federal funds or termination of this Contract.
- C. AGENCY will submit a Final Report/Statement of Accomplishment at completion of the Contract to include all financial, performance, and other reports required as a condition of the grant to STATE within thirty (30) days of the completion of the Contract.
- D. Representatives authorized by STATE and the National Highway Traffic Safety Administration (NHTSA) will have the right to visit the site and inspect the work under this Contract whenever such representatives may determine such inspection is necessary.

II. Reimbursement of Eligible Expenses

- A. AGENCY's Project Director, or Finance Personnel, will submit a Report of Costs Incurred Form (RCI) to STATE each time there have been funds expended for which reimbursement is

being requested. Failure to meet this requirement may be cause to terminate the project under Section XX herein, "Termination and Abandonment".

- B. AGENCY will reimburse STATE for any ineligible or unauthorized expenses for which Federal funds have been claimed and reimbursement received, as may have been determined by a State or Federal audit.
- C. STATE will have the right to withhold any installments equal to the reimbursement received by AGENCY for prior installments which have been subsequently determined to be ineligible or unauthorized.

III. Property Agreement

- A. AGENCY will immediately notify STATE if any equipment purchased under this Contract ceases to be used in the manner as set forth by this Contract. In such event, AGENCY further agrees to either give credit to the project cost or to another active highway safety project for the residual value of such equipment in an amount to be determined by STATE or to transfer or otherwise dispose of such equipment as directed by STATE.
- B. No equipment will be conveyed, sold, salvaged, transferred, etc., without the express written approval of STATE, or unless otherwise provided elsewhere in this Contract.
- C. AGENCY will maintain or cause to be maintained for its useful life, any equipment purchased under this Contract.
- D. AGENCY will incorporate any equipment purchased under this Contract into its inventory records.
- E. AGENCY will insure any equipment purchased under this Contract for the duration of its useful life. Self-insurance meets the requirements of this section.

IV. Travel

In-State and Out-of-State Travel

In state and out-of-state travel claims will be reimbursed at rates provided by AGENCY's regulations, provided that such regulations are as restrictive as those of STATE. Where they are less restrictive, ARS §38-624 will apply.

The State must approve all out-of-state travel in writing and in advance.

V. Standard of Performance

AGENCY hereby agrees to perform all work and services herein required or set forth, and to furnish all labor, materials, and equipment, except that labor, material, and equipment as STATE agrees to furnish pursuant to this Contract.

VI. Hold Harmless Agreement

Neither party to this agreement agrees to indemnify the other party or hold harmless the other party from liability hereunder. However, if the common law or a statute provides for either a right to indemnify and/or a right to contribution to any party to this agreement then the right to pursue one or both of these remedies is preserved.

VII. Non-Assignment and Sub-Contracts

This Contract is not assignable nor may any portion of the work to be performed be subcontracted unless specifically agreed to in writing by STATE. No equipment purchased hereunder may be assigned or operated by other than AGENCY unless agreed to in writing by STATE.

VIII. Work Products and Title to Commodities and Equipment

A. The work product and results of the project are the property of STATE, unless otherwise specified elsewhere in this Contract. All property, instruments, non-consumable materials, supplies, and the like, which are furnished or paid for by STATE under the terms of this Contract, unless otherwise provided for elsewhere in this Contract, are and remain the property of STATE and will be returned at the completion of this project upon request of STATE. The work product and results of the project will be furnished to STATE upon request, if no provision is otherwise made by this Contract.

B. The provisions of subparagraph A apply whether or not the project contracted for herein is completed.

IX. Copyrights and Patents

Any copyrightable materials, patentable discovery, or invention produced in the course of this project may be claimed by STATE and a copyright or patent obtained by it at its expense. In the event STATE does not wish to obtain such copyright or patent, AGENCY may do so, but in any event, provision will be made by AGENCY for royalty-free, nonexclusive, nontransferable, and irrevocable licenses to be given the United States Government and STATE and its political subdivisions to use such copyrightable material, patented discoveries, or inventions in any manner they see fit. The STATE reserves the right to impose such other terms and conditions upon the use of such copyrights or patents as may be deemed in the best interest of STATE in the event AGENCY is allowed to obtain a copyright or patent.

X. "Common Rule" and OMB Circular No. A-102 (Revised)

"Common Rule" (49 CFR Part 18): Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments

OMB Circular No. A-102 (Revised): Grants and Cooperative Agreements with State and Local Governments

The application of USDOT "Common Rule" and Circular A-102 requires that:

AGENCY and sub-grantees will use their own procurement procedures, which reflect applicable State and local laws and regulations, provided that the procurements conform to applicable Federal law. The most stringent purchasing requirement at each level must be met.

The Arizona Procurement Code (ARS §41-2501, et. seq.) and promulgated rules (A.A.C. Title 2, Chapter 7) are a part of this Contract as if fully set forth herein and AGENCY agrees to fully comply with these requirements for any procurement using grant monies from this Contract.

XI. Non-Discrimination

During the performance of this contract/funding agreement, the contractor/funding recipient agrees—

- A. To comply with all Federal nondiscrimination laws and regulations, as may be amended from time to time;
- B. Not to participate directly or indirectly in the discrimination prohibited by any Federal non-discrimination law or regulation, as set forth in Appendix B of 49 CFR part 21 and herein;
- C. To permit access to its books, records, accounts, other sources of information, and its facilities as required by the State highway safety office, US DOT or NHTSA;
- D. That, in event a contractor/funding recipient fails to comply with any nondiscrimination provisions in this contract/funding agreement, the State highway safety agency will have the right to impose such contract/agreement sanctions as it or NHTSA determine are appropriate, including, but not limited to, withholding payments to the contractor/funding recipient under the contract/agreement until the contractor/funding recipient complies; and/or cancelling, terminating, or suspending a contract or funding agreement, in whole or in part; and
- E. To insert this clause, including paragraphs A through E, in every subcontract and subagreement and in every solicitation for a subcontract or sub-agreement, that receives Federal funds under this program.
- F. If AGENCY fails or refuses to comply with its undertaking as set forth in these provisions, STATE or the USDOT may take any or all of the following actions:
 - 1. Cancel, terminate, or suspend, in whole or in part, the agreement, contract, or other arrangement with respect to which the failure or refusal occurred; and
 - 2. Refrain from extending any further Federal financial assistance to AGENCY under the Highway Safety Program with respect to which the failure or refusal occurred until satisfactory assurance of future compliance has been received from AGENCY.

- G. Pursuant to the requirement of Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. §794), AGENCY must operate this Highway Safety Project so that it is accessible and otherwise non-discriminatory to handicapped persons.

XII. Executive Order 2009-09

It is mutually agreed that AGENCY will comply with the terms and conditions of Executive Order 2009-09, *Non-Discrimination in Employment by Government Contractors and Subcontractors*. Executive Order 2009-09 is located in Part II of the Project Director's Manual.

XIII. Application of Hatch Act

The AGENCY will comply with provisions of the Hatch Act (5 U.S.C. 1501-1508), which limits the political activities of employees whose principal employment activities are funded in whole or in part with Federal funds.

XIV. Minority Business Enterprises (MBE) Policy and Obligation

- A. Policy: It is the policy of the USDOT that minority business enterprises as defined in 49 CFR Part 23, will have the maximum opportunity to participate in the performance of contracts financed in whole or in part with Federal funds under this Contract. Consequently, the minority business enterprises requirements of 49 CFR Part 23 apply to this Contract.
- B. Obligation: The recipient or its contractor agrees to ensure that minority business enterprises, as defined in 49 CFR Part 23, have the subcontracts financed in whole or in part with Federal funds provided under this Contract. In this regard, all recipients or contractors will take all necessary and reasonable steps in accordance with 49 CFR, Part 23 to ensure that minority business enterprises have the maximum opportunity to compete for and perform contracts. Recipients and their contractors will not discriminate on the basis of race, color, creed, sex, or national origin in the award and performance of USDOT-assigned contracts.

XV. Arbitration Clause, ARS §12-1518

Pursuant to ARS §12-1518, the parties agree to use arbitration, after exhausting applicable administrative reviews, to resolve disputes arising out of this Contract where the provisions of mandatory arbitration apply.

XVI. Inspection and Audit, ARS §35-214

Pursuant to ARS §35-214, all books, accounts, reports, files, and other records relating to this Contract will be subject at all reasonable times to inspection and audit by STATE for five (5) years after completion of this Contract. The records will be produced at the Governor's Office of Highway Safety.

XVII. Appropriation of Funds by U.S. Congress

It is agreed that in no event will this Contract be binding on any party hereto unless and until such time as funds are appropriated and authorized by the U.S. Congress and specifically allocated to

the project submitted herein and then only for the fiscal year for which such allocation is made. In the event no funds are appropriated by the U.S. Congress or no funds are allocated for the project proposed herein for subsequent fiscal years, this Contract will be null and void, except as to that portion for which funds have then been appropriated or allocated to this project, and no right of action or damages will accrue to the benefit of the parties hereto as to that portion of the Contract or project that may so become null and void.

XVIII. Continuation of Highway Safety Program

It is the intention of AGENCY to continue the Highway Safety Program identified in this Contract once Federal funding is completed. This intended continuation will be based upon cost effectiveness and an evaluation by AGENCY of the program's impact on highway safety.

XIX. E-Verify

Both parties acknowledge that immigration laws require them to register and participate with the E-Verify Program (employment verification program administered by the United States Department of Homeland Security and the Social Security Administration or any successor program) as they both employ one or more employees in this State. Both parties warrant that they have registered with and participate with E-Verify. If either party later determines that the other non-compliant party has not complied with E-Verify, it will notify the non-compliant party by certified mail of the determination and of the right to appeal the determination.

XX. Termination and Abandonment

- A. The STATE and AGENCY hereby agree to the full performance of the covenants contained herein, except that STATE reserves the right, at its discretion, to terminate or abandon any portion of the project for which services have not been already performed by AGENCY.
- B. In the event STATE abandons the services or any part of the services as herein provided, STATE will notify AGENCY in writing and within twenty-four (24) hours after receiving such notice, AGENCY will discontinue advancing the work under this Contract and proceed to close said operations under the Contract.
- C. The appraisal value of work performed by AGENCY to the date of such termination or abandonment shall be made by STATE on a basis equitable to STATE and AGENCY and a final reimbursement made to AGENCY on the basis of costs incurred. Upon termination or abandonment, AGENCY will deliver to STATE all documents, completely or partially completed, together with all unused materials supplied by STATE.
- D. AGENCY may terminate or abandon this Contract upon thirty (30) days written notice to STATE, provided there is subsequent concurrence by STATE. Termination or abandonment by AGENCY will provide that costs can be incurred against the project up to and including sixty (60) days after notice is given to STATE.

- E. Any equipment or commodities which have been purchased as a part of this Contract and which have not been consumed or reached the end of its useful life will be returned to STATE upon its written request.

XXI. Cancellation Statute

All parties are hereby put on notice that this Contract is subject to cancellation pursuant to ARS §38-511, the provisions of which are stated below.

In accordance with ARS §38-511, this Contract may be cancelled without penalty or further obligation if any person significantly involved in initiating, negotiating, securing, drafting, or creating the Contract on behalf of the STATE, its political subdivisions or any department or agency of either, is at any time while the Contract or any extension of the Contract is in effect, an employee of any other party to the Contract in any capacity or a consultant to any other party of the Contract with respect to the subject matter or the Contract.

The cancellation shall be effective when written notice from the Governor or Chief Executive Officer or governing body of the political subdivision is received by all other parties to the Contract unless the notice specifies a later time.

AGREEMENT OF UNDERSTANDING AND CERTIFICATION OF COMPLIANCE**Acceptance of Condition**

It is understood and agreed by the undersigned that a grant received as a result of this Contract is subject to the Highway Safety Act of 1966, as amended (23 U.S.C.A. §§401-404), ARS §28-602, and all administrative regulations governing grants established by the USDOT and STATE. It is expressly agreed that this Highway Safety Project constitutes an official part of the STATE's Highway Safety Program and that AGENCY will meet the requirements as set forth in the accompanying Project Director's Manual, which are incorporated herein and made a part of this Contract. All State and Federal Statutes, Rules, Regulations, and Circulars referenced in this Contract are a part of this document as if fully set forth herein. It is also agreed that no work will be performed nor any obligation incurred until AGENCY is notified in writing that this project has been approved by the Governor's Highway Safety Representative.

Certificate of Compliance

This is to certify that AGENCY will comply with all of the State and Federal Statutes, Rules and Regulations identified in this Contract.

Certification of Non-Duplication of Grant Funds Expenditure

This is to certify that AGENCY has no ongoing nor completed projects under contract with other Federal fund sources which duplicate or overlap any work contemplated or described in this Contract. It is further certified that any pending or proposed request for other Federal grant funds which would duplicate or overlap work described in the Contract will be revised to exclude any such duplication of grant fund expenditures. It is understood that any such duplication of Federal funds expenditures subsequently determined by audit will be subject to recovery by STATE.

Single Audit Act

If your political subdivision has had an independent audit meeting the requirements of the Single Audit Act of 1984, (31 U.S.C.A. §7501 et. seq.), please forward a copy to GOHS, Attention: Fiscal Services Officer, within thirty (30) days of the effective date of this Contract. If such audit has not been performed, please advise when it is being scheduled.

Buy America Act

The State and each subrecipient will comply with the Buy America requirement (23 U.S.C. 313) when purchasing items using Federal funds. Buy America requires a State, or subrecipient, to purchase only steel, iron, and manufactured products produced in the United States with Federal funds, unless the Secretary of Transportation determines that such domestically produced items would be inconsistent with the public interest, that such materials are not reasonably available and of a satisfactory quality, or that inclusion of domestic materials will increase the cost of the overall project contract by more than twenty-five (25) percent. In order to use Federal funds to purchase foreign produced items, the State must submit a waiver request that provides an adequate basis and justification to and approved by the Secretary of Transportation.

Prohibition on Using Grant Funds to Check for Helmet Usage

The State and each subrecipient will not use 23 U.S.C. Chapter 4 grant funds for programs to check helmet usage or to create checkpoints that specifically target motorcyclists.

Certification Regarding Debarment and Suspension

- A. By signing and submitting this proposal, the prospective primary participant is providing the certification set out below and agrees to comply with the requirements of 2 CFR parts 180 and 1300.
- B. The inability of a person to provide the certification required below will not necessarily result in denial of participation in this covered transaction. The prospective participant shall submit an explanation of why it cannot provide the certification set out below. The certification or explanation will be considered in connection with the department or agency's determination whether to enter into this transaction. However, failure of the prospective primary participant to furnish a certification or an explanation shall disqualify such person from participation in this transaction.
- C. The certification in this clause is a material representation of fact upon which reliance was placed when the department or agency determined to enter into this transaction. If it is later determined that the prospective primary participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department or agency may terminate this transaction for cause or default or may pursue suspension or debarment.
- D. The prospective primary participant shall provide immediate written notice to the department or agency to which this proposal is submitted if at any time the prospective primary participant learns its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
- E. The terms *covered transaction*, *debarment*, *suspension*, *ineligible*, *lower tier*, *participant*, *person*, *primary tier*, *principal*, and *voluntarily excluded*, as used in this clause, have the meaning set out in the Definitions and Coverage sections of 2 CFR part 180. You may contact the department or agency to which this proposal is being submitted for assistance in obtaining a copy of those regulations.
- F. The prospective primary participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is proposed for debarment under 48 CFR part 9, subpart 9.4, debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by NHTSA.
- G. The prospective primary participant further agrees by submitting this proposal that it will include the clause titled Instructions for Lower Tier Certification including the Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion—Lower Tier Covered Transaction, provided by the department or agency entering into this covered transaction, without modification, in all lower tier covered transactions and in all solicitations

for lower tier covered transactions and will require lower tier participants to comply with 2 CFR parts 180 and 1300.

- H. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not proposed for debarment under 48 CFR part 9, subpart 9.4, debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the list of Parties Excluded from Federal Procurement and Non-procurement Programs.
- I. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
- J. Except for transactions authorized under paragraph 6 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is proposed for debarment under 48 CFR part 9, subpart 9.4, suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, the department or agency may disallow costs, annul or terminate the transaction, issue a stop work order, debar or suspend you, or take other remedies as appropriate.

Certification Regarding Debarment, Suspension, and Other Responsibility Matter

- A. The prospective primary participant certifies to the best of its knowledge and belief, that its principal:
 - 1. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any Federal department or agency;
 - 2. Have not within a three-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of record, making false statements, or receiving stolen property;
 - 3. Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State or Local) with commission of any of the offenses enumerated in paragraph (1)(b) of this certification; and
 - 4. Have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State, or local) terminated for cause or default.

- B. Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

Instructions for Lower Tier Certification

- A. By signing and submitting this proposal, the prospective lower tier participant is providing the certification set out below and agrees to comply with the requirements of 2 CFR parts 180 and 1300.
- B. The certification in this clause is a material representation of fact upon which reliance was placed when this transaction was entered into. If it is later determined that the prospective lower tier participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.
- C. The prospective lower tier participant shall provide immediate written notice to the person to which this proposal is submitted if at any time the prospective lower tier participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
- D. The terms covered transaction, debarment, suspension, ineligible, lower tier, participant, person, primary tier, principal, and voluntarily excluded, as used in this clause, have the meanings set out in the Definition and Coverage sections of 2 CFR part 180. You may contact the person to whom this proposal is submitted for assistance in obtaining a copy of those regulations.
- E. The prospective lower tier participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is proposed for debarment under 48 CFR part 9, subpart 9.4, debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by NHTSA.
- F. The prospective lower tier participant further agrees by submitting this proposal that it will include the clause titled "Instructions for Lower Tier Certification" including the "Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion—Lower Tier Covered Transaction," without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions and will require lower tier participants to comply with 2 CFR parts 180 and 1300.
- G. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not proposed for debarment under 48 CFR part 9, subpart 9.4, debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the List of Parties Excluded from Federal Procurement and Non-procurement Programs.

- H. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
- I. Except for transactions authorized under paragraph 5 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is proposed for debarment under 48 CFR part 9, subpart 9.4, suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, the department or agency with which this transaction originated may disallow costs, annul or terminate the transaction, issue a stop work order, debar or suspend you, or take other remedies as appropriate.

Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion

- A. The prospective lower tier participant certifies, by submission of this proposal, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.
- B. Where the prospective lower tier participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

REIMBURSEMENT INSTRUCTIONS**1. Agency Official preparing the Report of Costs Incurred:**Name: Teresa ButterbredtTitle: Assistant DirectorTelephone Number: (623) 222-1820 Fax Number: (623) 222-1801E-mail Address: teresa.butterbredt@surpriseaz.gov**2. Agency's Fiscal Contact:**Name: Teresa ButterbredtTitle: Assistant Director, FinanceTelephone Number: (623) 222-1820 Fax Number: (623) 222-1801E-mail Address: teresa.butterbredt@ surpriseaz.govFederal Identification Number: 86-6007796**3. REIMBURSEMENT INFORMATION:**

Warrant/Check to be made payable to:

City of Surprise

Warrant/Check to be mailed to:

City of Surprise

(Agency)

16000 N. Civic Center Plaza

(Address)

Surprise, AZ 85374

(City, State, Zip Code)

4. DUNS Number:021 64 8936

(DUNS #)

16000 N. Civic Center Plaza, Surprise, AZ 85374

(Registered Address & Zip Code)

Lobbying Restrictions**Certification for Contracts, Grants, Loans, and Cooperative Agreements**

The undersigned certifies, to the best of his or her knowledge and belief, that:

- A. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
- B. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
- C. The undersigned will require that the language of this certification be included in the award documents for all sub-awards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients will certify and disclose accordingly.
- D. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by 31 USC §1352. Any person who fails to file the required certification will be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Signature of Project Director:

Terry Young, Chief
Surprise Police Department

***Signature of Authorized Official of
Governmental Unit:***

Mike Frazier, City Manager
City of Surprise

Date

Telephone

Date

Telephone

RESOLUTION # 2020-152

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF SURPRISE, ARIZONA, AUTHORIZING THE CITY TO ENTER INTO AN INTERGOVERNMENTAL AGREEMENT WITH THE STATE OF ARIZONA GOVERNOR'S OFFICE OF HIGHWAY SAFETY AND AMENDING THE FISCAL YEAR 2021 BUDGET FOR RECEIPT OF GRANT FUNDING BY REALLOCATING APPROPRIATIONS OF \$4,000 WITHIN THE GRANTS FUND FROM CONTINGENCY TO PROJECT G31382 FFY21 GOHS BUCKLE UP AZ.

WHEREAS, the Arizona Governor's Office of Highway Safety (GOHS) annually awards grants to local agencies to focus upon highway safety;

WHEREAS, GOHS has offered the City of Surprise an award in the amount of \$4,000 for overtime to enforce seat belt and child passenger safety laws as part of the 2020 Buckle Up AZ (Click it or Ticket) seatbelt enforcement campaign;

WHEREAS, the City of Surprise Police Department desires to accept the award;

WHEREAS, the FY2021 budget was adopted by Council Resolution #2020-63 on June 2, 2020;

WHEREAS, these actions will necessitate a budget amendment; and

WHEREAS, the City of Surprise Administrative Policies require the approval of the Mayor and Council for budget amendments of this nature.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the City of Surprise, Arizona, as follows.

Section 1. The City is hereby authorized to accept a grant award in the amount of \$4,000 from the Governor's Office of Highway Safety for the City of Surprise Police Department to enforce Arizona's safety belt and child passenger safety laws as part of the 2020 Buckle Up AZ! Click it or Ticket seatbelt enforcement campaign.

Section 2. That the City Manager, or his designees, is authorized to conduct all negotiations and to execute and submit all documents and other necessary or desirable instruments in connection with said grants and related contracts.

Section 3. That the statements and schedules attached as *Exhibit A* and incorporated by reference are adopted, amending the budget of the City of Surprise, Arizona for the fiscal year July 1, 2020 through June 30, 2021.

APPROVED AND ADOPTED this ____ day of _____, 2019.

Skip Hall, Mayor

Attest:

Approved as to form:

Sherry Aguilar, City Clerk

Robert Wingo, City Attorney

RESOLUTION # 2020-152

Exhibit A

1. Appropriation - The allocation below represents a reallocation of appropriation in the amount of \$4,000 from Contingency within the Grants Fund to the FFY21 GOHS Buckle Up AZ project within the Grants Fund to cover projected overtime expenditures for additional traffic safety, seat belt and child passenger safety law enforcement as part of the national GOHS Buckle Up Arizona enforcement campaign. This action represents a transfer of spending authority and does not increase or decrease the total adopted citywide expenditure budget.

Fund	Department	Project/Category	Rev/ Exp	Current Budget	Increase/ (Decrease)	Amended Budget
Grants	Police	#G31382 FFY21 GOHS Buckle Up AZ	E	-	4,000	4,000
Grants	Police	#G31382 FFY21 GOHS Buckle Up AZ	R	-	4,000	4,000
Grants/Contingency	General Operations	Contingency	E	18,323,100	(4,000)	18,319,100
Grants/Contingency	General Operations	Other	R	25,552,300	(4,000)	25,548,300
Expense Total				18,323,100	-	18,323,100
Revenue Total				25,552,300	-	25,552,300



CITY OF SURPRISE Regular City Council Meeting

Council Meeting Date: November 17, 2020
Submitting Department: Public Works
Staff Recommendations: None

Contact Person: Mike Gent, DIRECTOR - PW
District: Citywide

Consent: Yes	Regular: No	Public Hearing: No	Report/Discussion: No
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Agenda Wording:

Consideration and action pertaining to approval of an amendment to the Fiscal Year 2021 budget by reallocating appropriations of \$3,300 within the Transportation Improvement Fund and Contract Awarding Authority List to account for an Intergovernmental Agreement with the Maricopa County Department of Transportation (MCDOT); Resolution # 2020-151.

Motion:

I move to approve Resolution # 2020-151.

Background:

The County, acting through the Maricopa County Department of Transportation (MCDOT), is a co-lead of AZTech, a regional traffic management partnership in the Phoenix Metropolitan area that guides the application of Intelligent Transportation System technologies for managing regional traffic. Through AZTech, the Bell Rd Communications Enhancements Project was generated.

MCDOT applied for Federal CMAQ funding through the Maricopa Association of Government (MAG) System Management and Operations Plan to improve the reliability of fiber optic communications and expand communications bandwidth along Bell Road from State Route 101L to Litchfield Road and at existing MCDOT, City of Surprise, and City of Peoria traffic signals.

The proposed improvements consist of installing Intelligent Transportation System infrastructure consisting of replacing existing fiber with new fiber optic cabling, rehabilitating conduit and pull boxes, and upgrading ethernet switches. This project will also replace existing backbone ethernet switches at the City of Surprise and City of Peoria Traffic Management Center's (TMCs) and install two new node cabinets along the eight-mile corridor with high bandwidth switches.

This project is a multi-jurisdictional project located within Maricopa County, City of Peoria, and City of Surprise. Each entity is contributing towards this project. Since scoping and finalization of the project, the final assumptions varied slightly from original, which lead to the slight increase in the budget.

Both CIP projects are approved in the FY2021 Budget and part of the Transportation Improvement Fund. The Kingswood Parke Project was completed in FY20 which created some savings for the Bell Road Communication project.

Objective Analysis:

The Project's purpose is to improve the reliability of communications and expand communications bandwidth along Bell Road at existing MCDOT, City of Surprise, and City of Peoria traffic signals. The Project will also address existing damaged fiber and upgrade the fiber capacity and bandwidth to improve communications connectivity to City of Surprise and City of Peoria Traffic Management Centers (TMC's). In addition, the Project will improve the reliability of this critical portion of the Regional Community Network (RNC) along Bell Road.

Policy Compliant:

Pursuant to Arizona Revised Statute §11-951, et seq., the City of Surprise has the authority to enter into an intergovernmental agreement (IGA) with other governmental entities for the purposes set forth in this agreement. This item is policy compliant.

Financial Impact:

The estimated cost of the project is \$966,208. Surprise's portion of the project is \$71,299. The budget amendment will allow for an increase in one-time expenses of \$3,300 for capital project P61980, Bell Road Communication Enhancement, and decrease in one-time expenses of \$3,300 for capital project P61560, Kingswood Parke Streetlighting.

Budget Impact:

Funding for this project will come from the Transportation Improvement Fund. Project P61980 Bell Road Communication Enhancement has an approved budget of \$68,000. If the amendment is approved, this item will amend the FY2021 adopted budget by moving \$3,300 of appropriation from project P61560 - Kingswood Parke Streetlighting to project P61980 Bell Road Communication Enhancement project. This action represents a transfer of spending authority and does not increase or decrease the total adopted citywide expenditure budget. This action also represents an amendment to the FY21 Contract Awarding Authority List.

FTE Impact:

This action does not change the full time equivalent count.

ATTACHMENTS:

1. Res 2020-151 IGA Bell Rd Comm Enhancement
-

RESOLUTION # 2020-151

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF SURPRISE, ARIZONA APPROVING AN INTERGOVERNMENTAL AGREEMENT WITH MARICOPA COUNTY FOR THE BELL ROAD COMMUNICATION ENHANCEMENTS PROJECT AND AMENDING THE FISCAL YEAR 2021 BUDGET BY MOVING \$3,300 WITHIN THE TRANSPORTATION IMPROVEMENT FUND FROM PROJECT P61560 KINGSWOOD PARKE STREETLIGHTING TO PROJECT P61980 BELL ROAD COMMUNICATION ENHANCEMENT.

WHEREAS, pursuant to Arizona Revised Statute §11-951, *et seq.*, the City of Surprise has the authority to enter into intergovernmental agreements (“IGA”) with other governmental entities for the purposes set forth within;

WHEREAS, the City desires to enter into this IGA with Maricopa County in order to facilitate the Bell Road Communication Enhancements Project P61980;

WHEREAS, this project will improve the reliability of fiber optic communications, expand bandwidth, address existing damaged fiber, and improve connectivity to the City’s Traffic Management Center;

WHEREAS, acceptance of this IGA will require an additional \$3,299 contribution by the City and savings in project P61560 has been identified to meet this need;

WHEREAS, the FY2021 budget was adopted by Council Resolution #2020-63 on June 2, 2020;

WHEREAS, this action will necessitate a budget amendment; and

WHEREAS, the City of Surprise Administrative Policies requires the approval of the Mayor and Council for budget amendments of this nature.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the City of Surprise, Arizona, as follows.

Section 1. The Intergovernmental Agreement between the City of Surprise and the Maricopa County, attached as *Exhibit A*, is approved.

Section 2. The City Manager, or his designee, is hereby authorized to execute and submit all documents and other necessary or desirable instruments in connection with said agreement.

Section 3. That the statements and schedules attached as *Exhibit B* and incorporated by reference are adopted, amending the budget of the City of Surprise, Arizona for the fiscal year July 1, 2020 through June 30, 2021.

APPROVED AND ADOPTED this ____ day of _____, 2020.

Skip Hall, Mayor

Attest:

Approved as to form:

Sherry Aguilar, City Clerk

Robert Wingo, City Attorney

EXHIBIT A

INTERGOVERNMENTAL AGREEMENT BETWEEN
THE CITY OF SURPRISE AND MARICOPA COUNTY

INTERGOVERNMENTAL AGREEMENT
BETWEEN MARICOPA COUNTY AND
THE CITY OF SURPRISE
FOR THE BELL ROAD COMMUNICATION ENHANCEMENTS PROJECT

(TT0667)

MAG #: MMA21

Fed Aid #: TBD

CFDA #: XX

TRACS #: TP0016 01D

(C-64-20- _____ -2-00)

This Intergovernmental Agreement (**Agreement**) is between the County of Maricopa, a political subdivision of the State of Arizona (**County**), and the City of Surprise, (**City**). The County and the City are collectively referred to as the **Parties** or individually as a **Party**.

STATUTORY AUTHORIZATION

1. The County is authorized, pursuant to A.R.S. §§11-251 and 28-6701, *et seq.*, to layout, maintain, control and manage public roads within its respective County, to acquire and condemn property necessary for such purposes, and to enter into this Agreement.
2. Public Agencies are authorized, pursuant to A.R.S. § 11-951, *et seq.*, to enter into Intergovernmental Agreements for the provision of services or for joint or cooperative action.
3. The City is authorized, pursuant to A.R.S. Section 9-240 and Sections 9-276 *et seq.*, to lay out and establish, regulate and improve streets within the City and to enter into this Agreement.

BACKGROUND

4. The County, acting through the Maricopa County Department of Transportation (MCDOT), is a co-lead of AZTech, a regional traffic management partnership in the Phoenix Metropolitan area that guides the application of Intelligent Transportation System (ITS) technologies for managing regional traffic. Through AZTech, the Bell Rd Communications Enhancements Project (**Project**) was generated.
5. MCDOT applied for Federal CMAQ funding through the Maricopa Association of Government (MAG) System Management and Operations (SMO) Plan to

improve the reliability of fiber optic communications and expand communications bandwidth along Bell Road from State Route 101L (SR-101L) to Litchfield Road and at existing MCDOT, City of Surprise, and City of Peoria traffic signals.

6. The Project's purpose is to improve the reliability of communications and expand communications bandwidth along Bell Road at existing MCDOT, City of Surprise, and City of Peoria traffic signals. The Project will also address existing damaged fiber and upgrade the fiber capacity and bandwidth to improve communications connectivity to City of Surprise and City of Peoria Traffic Management Centers (TMC's). In addition, the Project will improve the reliability of this critical portion of the Regional Community Network (RNC) along Bell Road.
7. The proposed improvements consist of installing Intelligent Transportation System infrastructure consisting of replacing existing fiber with new fiber optic cabling, rehabilitating conduit and pull boxes, and upgrading ethernet switches. This project will also replace existing backbone ethernet switches at the City of Surprise and City of Peoria Traffic Management Center's (TMCs) and install two new node cabinets along the eight-mile corridor with high bandwidth switches.
8. This project is a multi-jurisdictional project located within Maricopa County, City of Peoria, and City of Surprise.
9. The project is approximately 8 miles along Bell Road from State Route 101 Loop (SR 101L) to Litchfield Road (7.0 miles) and along Litchfield Road to Statler Boulevard (0.70 miles) and along Statler Boulevard to the City of Surprise Traffic Management Center (TMC) (0.03 miles).
 - 9.1 From SR 101L to West of 92nd Avenue (approximately 1,000 feet west of 92nd Ave) the project is within City of Peoria limits.
 - 9.2 From West of 92nd Avenue to East of 115th Avenue (approximately 1,800 feet east of 115th Ave) is within MCDOT limits.
 - 9.3 From East of 115th Avenue to Litchfield Road and Litchfield Road to Statler Boulevard the project is within City of Surprise limits.
 - 9.4 The project is also within Arizona Department of Transportation (ADOT) limits at SR 101L.
10. This Agreement is contingent upon the Arizona Department of Transportation's (**ADOT**) compliance with the Single Audit Act of 1984 and the availability of federal funds through the MAG TIP:
 - 10.1 Federal Contract Number: CM-MMA-0(xxx)D
 - 10.2 Catalog of Federal Domestic Assistance (**CFDA**) Number: CFDA# 20.xxx
 - 10.3 Fiscal Years: FY 2021
 - 10.4 Total Project Cost: \$966,208
 - 10.4.1 Total Construction Cost: \$862,708
 - 10.4.2 Total Design Cost: \$93,500
 - 10.4.3 Total Review Fee: \$10,000

10.5 Federal Obligation Award: \$813,534

10.6 Funding Sources:

- i. \$813,534 Federal Highway Administration (**FHWA**)
Congestion Mitigation and Air Quality Funds
(**CMAQ**)
- ii. \$152,674 Local Match (5.7%) \$49,174 Highway User
Revenue Funds (**HURF**) and local revenues,
\$93,500 Total Project Design Cost and
\$10,000 ADOT Review Fee distributed
proportionally between the participating
agencies as follows:
 1. Maricopa County 33.7% \$51,451
 2. City of Peoria 19.6% \$29,924
 3. City of Surprise 46.7% \$71,299

10.7 Project Contact Information:

- i. Name: Lydia Warnick, Project Manager
- ii. Agency: Maricopa County Department of Transportation
- iii. Phone: 602-506-8623
- iv. Email: Lydia.Warnick@maricopa.gov

PURPOSE OF THE AGREEMENT

11. The purposes of this Agreement are to identify the roles and responsibilities of the Parties with respect to the Project and define the cost sharing of the local match for the Project.

TERMS OF THE AGREEMENT

12. **The County shall:**

- 12.1 Be the lead agency on all construction and construction management, and shall provide certification of right-of-way with the assistance of the City.
- 12.2 Request from the City any necessary right-of-way, utility and environmental clearance background information.
- 12.3 Provide design and installation documents to the City for review in a timely manner.
- 12.4 Apply for no-cost permits for Project work within the City boundaries.
- 12.5 Notify and work with the appropriate City staff to obtain access to the City's infrastructure.
- 12.6 Receive and administer the project federal-aid funding for the duration of the project.

- 12.7 Contribute its share of the local match requirement of \$51,451.
- 12.8 At notice to proceed of construction, the County will invoice the City in the amount of \$71,299.
- 12.9 Provide the construction documents for the project to the City's representative when completed.

13. The City shall:

- 13.1 Provide the County any necessary right-of-way, utility and environmental clearance background information.
- 13.2 Provide timely review of all design and installation documents provided by the County. The City shall provide comments to the County within 30 calendar days after receiving documents for review from the County.
- 13.3 Issue the County no-cost permits for Project work within the City boundaries.
- 13.4 Have a technician on site during all installations, removals, maintenance and repairs of the City owned and operated ATMS communications and peripheral equipment in or attached to the City owned traffic signals, control cabinets and enclosures.
- 13.5 Within thirty (30) days of receiving the invoice from the County, the City shall contribute its share of the local match requirement of \$71,299. The City shall own, operate and maintain the equipment installed within the City's jurisdiction as part of this project upon completion of the project.

GENERAL TERMS AND CONDITIONS

- 14. To the extent permitted by law, each Party will indemnify, defend and save the other Party harmless, including any of the Party's departments, agencies, officers, employees, elected officials or agents, from and against all loss, expense, damage or claim of any nature whatsoever which is caused by any activity, condition or event arising out of the negligent performance or nonperformance by the indemnifying Party of any of the provisions of this Agreement. By entering into this Agreement, each Party indemnifies the other against all liability, losses and damages of any nature for or on account of any injuries or death of persons or damages to or destruction of property arising out of or in any way connected with the performance or nonperformance of this Agreement, except such injury or damage as shall have been caused or contributed to by the negligence of that other Party. The damages which are the subject of this indemnity shall include but not be limited to the damages incurred by any Party, its departments, agencies, officers, employees, elected officials or agents. In the event of an action, the damages which are the subject of this

indemnity shall include costs, expenses of litigation and reasonable attorney's fees.

15. This Agreement shall become effective as of the date it is approved by the governing bodies of the Parties and remain in full force and effect until all stipulations previously indicated have been satisfied, except that it may be amended upon written Agreement by all Parties.
16. This Agreement shall be subject to the provisions of A.R.S. Section 38-511.
17. The Parties warrant that they are in compliance with A.R.S. Section 41-4401 and further acknowledge that:
 - 17.1 Any contractor or subcontractor who is contracted by a Party to perform work on the Project shall warrant their compliance with all federal immigration laws and regulations that relate to their employees and their compliance with A.R.S. Section 23-214(A), and shall keep a record of the verification for the duration of the employee's employment or at least three (3) years, whichever is longer.
 - 17.2 Any breach of the warranty shall be deemed a material breach of this agreement of which breaching party may be liable for penalties including termination of the agreement.
 - 17.3 The Parties retain the legal right to inspect the papers of any contractor or subcontractor employee who works on the Project to ensure that the contractor or subcontractor is complying with the warranty above and that the contractor agrees to make all papers and employment records of said employee available during normal working hours in order to facilitate such an inspection.
 - 17.4 Nothing in this Agreement shall make any contractor or subcontractor an agent or employee of the Parties to this Agreement.
18. Any contractor or subcontractor who engages in for-profit activity and has 10 or more employees, if the value of the contract is a minimum of \$1,000,000, certify it is not currently engaged in, and agrees for the duration of this Agreement to not engage in, a boycott of goods or services from Israel. This certification does not apply to a boycott prohibited by 50 U.S.C. § 4842 or a regulation issued pursuant to 50 U.S.C. § 4842.
19. Each Party to this Agreement warrants that neither it nor any contractor or vendor under contract with the Party to provide goods or services toward the accomplishment of the objectives of this Agreement is suspended or debarred by any federal agency which has provided funding that will be used in the Project described in this Agreement.

20. Each of the following shall constitute a material breach of this Agreement and an event of default ("Default") hereunder: A Party's failure to observe or perform any of the material covenants, conditions or provisions of this Agreement to be observed or performed by that Party ("Defaulting Party"), where such failure shall continue for a period of thirty (30) days after the Defaulting Party receives written notice of such failure from the non-defaulting Party provided, however, that such failure shall not be a Default if the Defaulting Party has commenced to cure the Default within such thirty (30) day period and thereafter is diligently pursuing such cure to completion, but the total aggregate cure period shall not exceed ninety (90) days unless the Parties agree in writing that additional time is reasonably necessary under such circumstances to cure such default. In the event a Defaulting Party fails to perform any of its material obligations under this Agreement and is in Default pursuant to this Section, the non-defaulting Party, at its option, may terminate this Agreement. Further, upon the occurrence of any Default and at any time thereafter, the non-defaulting Party may, but shall not be required to, exercise any remedies now or hereafter available to it at law or in equity.

21. All notices required under this agreement to be given in writing shall be sent to:

Maricopa County Department of Transportation
Attn: Intergovernmental Relations Branch
2901 W. Durango Street
Phoenix, Arizona 85009

City of Surprise
Attn: City Manager
16000 North Civic Center Plaza
Surprise, Arizona 85374

All notices required or permitted by this Agreement or applicable law shall be in writing and may be delivered in person (by hand or courier) or may be sent by regular, certified or registered mail or U.S. Postal Service Express Mail, with postage prepaid, and shall be deemed sufficiently given if served in a manner specified in this paragraph. Either Party may by written notice to the other specify a different address for notice. Any notice sent by registered or certified mail, return receipt requested, shall be deemed given on the date of delivery shown on the receipt card, or if no delivery date is shown, the postmark thereon. If sent by regular mail, the notice shall be deemed given 72 hours after the notice is addressed as required in this paragraph and mailed with postage prepaid. Notices delivered by United States Express Mail or overnight courier that guarantee next day delivery shall be deemed given 24 hours after delivery of the notice to the Postal Service or courier.

22. This Agreement does not imply authority to perform any tasks, or accept any responsibility, not expressly stated in this Agreement.
23. Any funding provided for in this Agreement, other than in the current fiscal year, is contingent upon being budgeted and appropriated by the governing bodies of the Parties in such fiscal year. This Agreement may be terminated by any Party at the end of any fiscal year due to non-appropriation of funds.
24. This Agreement shall be binding upon and inure to the benefit of the Parties and their respective successors and assignees. Neither Party shall assign its interest in this Agreement without the prior written consent of the other Party.
25. This Agreement and all Exhibits attached to this Agreement set forth all of the covenants, promises, agreements, conditions and understandings related to the Project between the Parties to this Agreement, and there are no covenants, promises, agreements, conditions or understandings, either oral or written, between the Parties related to the Project, other than as set forth in this Agreement, and those agreements which are executed contemporaneously with this Agreement. This Agreement shall be construed as a whole and in accordance with its fair meaning and without regard to any presumption or other rule requiring construction against the party drafting this Agreement. This Agreement cannot be modified or changed except by a written instrument executed by all of the Parties hereto.
26. Each Party has reviewed this Agreement and has had the opportunity to have it reviewed by legal counsel.
27. The waiver by any Party of any right granted to it under this Agreement is not a waiver of any other right granted under this Agreement, nor may any waiver be deemed to be a waiver of a subsequent right obtained by reason of the continuation of any matter previously waived.
28. Wherever possible, each provision of this Agreement shall be interpreted in such a manner as to be valid under applicable law, but if any provision shall be invalid or prohibited under the law, such provision shall be ineffective to the extent of such prohibition or invalidation but shall not invalidate the remainder of such provision or the remaining provisions.
29. Except as otherwise provided in this Agreement, all covenants, agreements, representations and warranties set forth in this Agreement or in any certificate or instrument executed or delivered pursuant to this Agreement shall survive the expiration or earlier termination of this Agreement for a period of one (1) year.
30. Nothing contained in this Agreement shall create any partnership, joint venture or other agreement between the Parties hereto. Except as expressly provided in this Agreement, no term or provision of this Agreement is intended or shall be for

the benefit of any person or entity not a party to this Agreement, and no such other person or entity shall have any right or cause of action under this Agreement.

31. Section or other headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement.
32. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute the same instrument. Faxed, copied and scanned signatures are acceptable as original signatures.
33. The Parties will execute and/or deliver to each other such other instruments and documents as may be reasonably necessary to fulfill the covenants and obligations to be performed by such Party pursuant to this Agreement.
34. The venue for any claim arising out of or in any way related to this Agreement shall be Maricopa County, Arizona.
35. This Agreement shall be governed by the laws of the State of Arizona.

End of Agreement - Signature Page Follows

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement.

MARICOPA COUNTY

Recommended by:

Jennifer Toth, P.E. Date
Transportation Director

Approved and Accepted by:

Clint L. Hickman, Chairman Date
Board of Supervisors

Attest by:

Clerk of the Board Date

APPROVAL OF DEPUTY COUNTY ATTORNEY

The foregoing Agreement has been reviewed pursuant to A.R.S. 11 952, as amended, by the undersigned Deputy County Attorney, who has determined that it is in proper form and within the powers and authority granted to the Board of Supervisors under the laws of the State of Arizona.

Deputy County Attorney Date

IN WITNESS WHEREOF, the Parties have executed this Agreement.

CITY OF SURPRISE

Recommended by:

City Manager Date

Approved and Accepted by:

Mayor Date

Attest by:

City Clerk Date

APPROVAL OF CITY ATTORNEY

The foregoing Agreement has been reviewed pursuant to A.R.S. 11 952, as amended, by undersigned Counsel, who has determined that it is in proper form and within the powers and authority granted to the City under the laws of the State of Arizona.

City Attorney Date

RESOLUTION # 2020-151
Exhibit B

1. Appropriation - Move \$3,300 from Project P61560 Kingswood Parke Street Lighting to Project P61980 Bell Road Communication Enhancement. Matching funds for this project were higher than expected. The total funding portion from the City of Surprise for this project is \$71,299 and only \$68,000 was originally included in the project budget. This action represents a transfer of spending authority and does not increase or decrease the total adopted citywide expenditure budget.

Fund	Department	Project/Category	Rev/ Exp	Current Budget	Increase/ (Decrease)	Amended Budget
Transportation Improvement	Public Works	#P61560 Kingswood Parke Street Lighting	E	163,000	(3,300)	159,700
Transportation Improvement	Public Works	#P61980 Bell Road Communication Enhancement	E	68,000	3,300	71,300



CITY OF SURPRISE Regular City Council Meeting

Council Meeting Date: November 17, 2020

Contact Person: Andrea Davis, DIRECTOR -
FINANCE

Submitting Department: Finance

District: Internal

Staff Recommendations: None

Consent: No

Regular: No

Public Hearing: Yes

Report/Discussion: No

Agenda Wording:

Consideration and action declaring as a public record the proposed amendments to the City of Surprise Municipal Code related to Transaction Privilege Tax; Resolution # 2020-144.

Motion:

I move to approve Resolution #2020-144.

Background:

The tax code applied for the City of Surprise is the official version maintained by the Arizona Department of Revenue (ADOR) on its Model City Tax Code website (Modelcitytaxcode.az.gov). The City of Surprise Municipal Code must be periodically updated to reflect the amendments as approved by ADOR. Public notice has been provided that the City intends to adopt these amendments during the Regular City Council meeting on November 17, 2020. Arizona State law allows the City, when voluminous code adoptions or updates are necessary, to first declare the documents as a public record and three copies be on file with the City Clerk. These public records are then adopted by Ordinance.

Objective Analysis:

Amending the Surprise Municipal Code to reflect the amendments made to the Model City Tax Code as approved by ADOR will minimize the potential for conflicting information.

Policy Compliant:

This item is compliant with City and Council policy.

Financial Impact:

This action has no financial impact.

Budget Impact:

This action has no budgetary impact.

FTE Impact:

This action has no impact on the full-time equivalent count.

ATTACHMENTS:

1. Resolution 2020-144 TPT Public Record
 2. SMC Amendments 3.14 et. seq.
-

RESOLUTION # 2020-144

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF SURPRISE, ARIZONA DECLARING AS A PUBLIC RECORD THE FOLLOWING PROPOSED AMENDMENTS TO THE CITY OF SURPRISE MUNICIPAL CODE RELATED TO TRANSACTION PRIVILEGE TAX.

WHEREAS, certain changes to the Model City Tax Code have been approved by the Municipal Tax Code Commission from 2012 through 2014;

WHEREAS, the City wishes to update the Surprise Municipal Code to reflect these changes.

WHEREAS, pursuant to A.R.S. 9-802, the City Council may declare a document a public record and therefore enact same without setting forth the public record in the adopting ordinance;

WHEREAS, this is an efficient and cost effective procedure for adopting large text amendments; and

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the City of Surprise, Arizona, as follows.

Section 1. That certain documents entitled 2012-2014 Amendments to the Tax Code of the City of Surprise three copies of which are on file in the office of the City Clerk, are hereby declared to be public records, and said copies are ordered to remain on file with the City Clerk.

APPROVED AND ADOPTED this ____ day of _____, 2020.

Skip Hall, Mayor

Attest:

Approved as to form:

Sherry Aguilar, City Clerk

Robert Wingo, City Attorney

2012-2014 AMENDMENTS TO THE TAX CODE OF THE CITY OF SURPRISE

Section I. Model City Tax Code Section 3.14-100 is amended as follows, with an effective date of January 1, 2007.

Sec. 3.14-100. General definitions.

For the purposes of this Chapter, the following definitions apply:

"Assembler" means a person who unites or combines products, wares, or articles of manufacture so as to produce a change in form or substance of such items without changing or altering component parts.

"Broker" means any person engaged or continuing in business who acts for another for a consideration in the conduct of a business activity taxable under this Chapter, and who receives for his principal all or part of the gross income from the taxable activity.

"Business" ~~means~~ **INCLUDES** all activities or acts, personal or corporate, engaged in ~~and~~ **OR** caused to be engaged in with the object of gain, benefit, or advantage, either direct~~LY~~ or indirect~~LY~~, but **DOES** not **INCLUDE EITHER:** casual activities or sales; **OR THE TRANSFER OF ELECTRICITY FROM A SOLAR PHOTOVOLTAIC GENERATION SYSTEM TO AN ELECTRIC UTILITY DISTRIBUTION SYSTEM.**

"Business Day" means any day of the week when the Tax Collector's office is open for the public to conduct the Tax Collector's business.

"Casual Activity or Sale" means a transaction of an isolated nature made by a person who neither represents himself to be nor is engaged in a business subject to a tax imposed by this Chapter. However, no sale, rental, license for use, or lease transaction concerning real property, nor any activity entered into by a business taxable by this Chapter shall be treated, or be exempt, as casual. This definition shall include sales of used capital assets, provided that the volume and frequency of such sales do not indicate that the seller regularly engages in selling such property.

"Combined Taxes" means the sum of all applicable Arizona Transaction Privilege and Use Taxes; all applicable transportation taxes imposed upon gross income by this County as authorized by Article III, Chapter 6, Title 42, Arizona Revised Statutes; and all applicable taxes imposed by this Chapter.

"Commercial Property" is any real property, or portion of such property, used for any purpose other than lodging or lodging space, including structures built for lodging but used otherwise, such as model homes, apartments used as offices, etc.

"Communications Channel" means any line, wire, cable, microwave, radio signal, light beam, telephone, telegraph, or any other electromagnetic means of moving a message.

"Construction Contracting" refers to the activity of a construction contractor.

"Construction Contractor" means a person who undertakes to or offers to undertake to, or purports to have the capacity to undertake to, or submits a bid to, or does himself or by or through others, construct, alter, repair, add to, subtract from, improve, move, wreck, or demolish any building, highway, road, railroad, excavation, or other structure, project, development, or improvement to real property, or to do any part thereof. "Construction contractor" includes subcontractors, specialty contractors, prime contractors, and any person receiving consideration for the general supervision and/or coordination of such a construction

2012-2014 AMENDMENTS TO THE TAX CODE OF THE CITY OF SURPRISE

project except for remediation contracting. This definition shall govern without regard to whether or not the construction contractor is acting in fulfillment of a contract.

"Delivery (of Notice) by the Tax Collector" means "receipt (of notice) by the taxpayer".

"Delivery, Installation, or Other Direct Customer Services" means services or labor, excluding repair labor, provided by a taxpayer to or for his customer at the time of transfer of tangible personal property; provided further that the charge for such labor or service is separately billed to the customer and maintained separately in the taxpayer's books and records.

"Engaging", when used with reference to engaging or continuing in business, includes the exercise of corporate or franchise powers.

"Equivalent Excise Tax" means either:

- (1) a Privilege or Use Tax levied by another Arizona municipality upon the transaction in question, and paid either to such Arizona municipality directly or to the vendor; or
- (2) an excise tax levied by a political subdivision of a state other than Arizona upon the transaction in question, and paid either to such jurisdiction directly or to the vendor; or
- (3) an excise tax levied by a Native American Government organized under the laws of the Federal Government upon the transaction in question and paid either to such jurisdiction directly or to the vendor.

"Federal Government" means the United States Government, its departments and agencies; but not including national banks or federally chartered or insured banks, savings and loan institutions, or credit unions.

"Food" means any items intended for human consumption as defined by rules and regulations adopted by the Department of Revenue, State of Arizona, pursuant to A.R.S. Section 42-5106. Under no circumstances shall "food" include alcoholic beverages or tobacco, or food items purchased for use in conversion to any form of alcohol by distillation, fermentation, brewing, or other process. Under no circumstances shall "food" include an edible product, beverage, or ingredient infused, mixed, or in any way combined with medical marijuana or an active ingredient of medical marijuana.

"Hotel" means any public or private hotel, inn, hostelry, tourist home, house, motel, rooming house, apartment house, trailer, or other lodging place within the City offering lodging, wherein the owner thereof, for compensation, furnishes lodging to any transient, except foster homes, rest homes, sheltered care homes, nursing homes, or primary health care facilities.

"Jet Fuel" means jet fuel as defined in A.R.S. Section 42-5351.

"Job Printing" means the activity of copying or reproducing an article by any means, process, or method. "Job printing" includes engraving of printing plates, embossing, copying, micrographics, and photo reproduction.

"Lessee" includes the equivalent person in a rental or licensing agreement for all purposes of this Chapter.

"Lessor" includes the equivalent person in a rental or licensing agreement for all purposes of this Chapter.

2012-2014 AMENDMENTS TO THE TAX CODE OF THE CITY OF SURPRISE

"Licensing (for Use)" means any agreement between the user ("licensee") and the owner or the owner's agent ("licensor") for the use of the licensor's property whereby the licensor receives consideration, where such agreement does not qualify as a "sale" or "lease" or "rental" agreement.

"Lodging (Lodging Space)" means any room or apartment in a hotel or any other provider of rooms, trailer spaces, or other residential dwelling spaces; or the furnishings or services and accommodations accompanying the use and possession of said dwelling space, including storage or parking space for the property of said tenant.

"Manufactured Buildings" means a manufactured home, mobile home or factory-built building, as defined in A.R.S. Section 41-2142.

"Manufacturer" means a person engaged or continuing in the business of fabricating, producing, or manufacturing products, wares, or articles for use from other forms of tangible personal property, imparting to such new forms, qualities, properties, and combinations.

"Medical marijuana" means "marijuana" used for a "medical use" as those terms are defined in A.R.S. Section 36-2801.

"Mining and Metallurgical Supplies" means all tangible personal property acquired by persons engaged in activities defined in Section 3.14-432 for such use. This definition shall not include:

- (1) janitorial equipment and supplies.
- (2) office equipment, office furniture, and office supplies.
- (3) motor vehicles licensed for use upon the highways of the State.

"Modifier" means a person who reworks, changes, or adds to products, wares, or articles of manufacture.

"Nonprofit Entity" means any entity organized and operated exclusively for charitable purposes, or operated by the Federal Government, the State, or any political subdivision of the State.

"Occupancy (of Real Property)" means any occupancy or use, or any right to occupy or use, real property including any improvements, rights, or interests in such property.

"Out-of-City Sale" means the sale of tangible personal property and job printing if all of the following occur:

- (1) transference of title and possession occur without the City; and
- (2) the stock from which such personal property was taken was not within the corporate limits of the City; and
- (3) the order is received at a permanent business location of the seller located outside the City; which location is used for the substantial and regular conduct of such business sales activity. In no event shall the place of business of the buyer be determinative of the situs of the receipt of the order.

For the purpose of this definition it does not matter that all other indicia of business occur within the City, including, but not limited to, accounting, invoicing, payments, centralized purchasing, and supply to out-of-City storehouses and out-of-City retail branch outlets from a primary storehouse within the City.

2012-2014 AMENDMENTS TO THE TAX CODE OF THE CITY OF SURPRISE

"Out-of-State Sale" means the sale of tangible personal property and job printing if all of the following occur:

- (1) the order is placed from without the State of Arizona; and
- (2) the property is delivered to the buyer at a location outside the State; and
- (3) the property is purchased for use outside the State.

"Owner-Builder" means an owner or lessor of real property who, by himself or by or through others, constructs or has constructed or reconstructs or has reconstructed any improvement to real property.

"Person" means an individual, firm, partnership, joint venture, association, corporation, estate, trust, receiver, syndicate, broker, the Federal Government, this State, or any political subdivision or agency of this State. For the purposes of this Chapter, a person shall be considered a distinct and separate person from any general or limited partnership or joint venture or other association with which such person is affiliated. A subsidiary corporation shall be considered a separate person from its parent corporation for purposes of taxation of transactions with its parent corporation.

"Prosthetic" means any of the following tangible personal property if such items are prescribed or recommended by a licensed podiatrist, chiropractor, dentist, physician or surgeon, naturopath, optometrist, osteopathic physician or surgeon, psychologist, hearing aid dispenser, physician assistant, nurse practitioner or veterinarian:

- (1) any man-made device for support or replacement of a part of the body, or to increase acuity of one of the senses. Such items include: prescription eyeglasses; contact lenses; hearing aids; artificial limbs or teeth; neck, back, arm, leg, or similar braces.
- (2) insulin, insulin syringes, and glucose test strips sold with or without a prescription.
- (3) hospital beds, crutches, wheelchairs, similar home health aids, or corrective shoes.
- (4) drugs or medicine, including oxygen.
- (5) equipment used to generate, monitor, or provide health support systems, such as respiratory equipment, oxygen concentrator, and dialysis machine.
- (6) durable medical equipment which has a federal health care financing administration common procedure code, is designated reimbursable by Medicare, can withstand repeated use, is primarily and customarily used to serve a medical purpose, is generally not useful to a person in the absence of illness or injury and is appropriate for use in the home.
- ~~(7)~~ ORTHODONTIC DEVICES DISPENSED BY A DENTAL PROFESSIONAL WHO IS LICENSED UNDER TITLE 32, CHAPTER 11 TO A PATIENT AS PART OF THE PRACTICE OF DENTISTRY.
- ~~(7)(8)~~ Under no circumstances shall "prosthetic" include medical marijuana regardless of whether it is sold or dispensed pursuant to a prescription, recommendation, or written certification by any authorized person.

"Qualifying Community Health Center"

2012-2014 AMENDMENTS TO THE TAX CODE OF THE CITY OF SURPRISE

- (1) means an entity that is recognized as nonprofit under 501(c)(3) of the United States Internal Revenue Code, that is a community-based, primary care clinic that has a community-based board of directors and that is either:
 - (A) the sole provider of primary care in the community.
 - (B) a nonhospital affiliated clinic that is located in a federally designated medically underserved area in this State.
- (2) includes clinics that are being constructed as qualifying community health centers.

"Qualifying Health Care Organization" means an entity that is recognized as nonprofit under Section 501(c) of the United States Internal Revenue Code and that uses, saves or invests at least eighty percent (80%) of all monies that it receives from all sources each year only for health and medical related educational and charitable services, as documented by annual financial audits prepared by an independent certified public accountant, performed according to Generally Accepted Accounting Standards (GAAS) and filed annually with the Arizona Department of Revenue. Monies that are used, saved or invested to lease, purchase or construct a facility for health and medical related education and charitable services are included in the eighty percent (80%) requirement.

"Qualifying Hospital" means any of the following:

- (1) a licensed hospital which is organized and operated exclusively for charitable purposes, no part of the net earnings of which inures to the benefit of any private shareholder or individual.
- (2) a licensed nursing care institution or a licensed residential care institution or a residential care facility operated in conjunction with a licensed nursing care institution or a licensed kidney dialysis center, which provides medical services, nursing services or health related services and is not used or held for profit.
- (3) a hospital, nursing care institution or residential care institution which is operated by the Federal Government, this State or a political subdivision of this State.
- (4) a facility that is under construction and that on completion will be a facility under subdivision (1), (2) or (3) of this paragraph.

"Receipt (of Notice) by the Taxpayer" means the earlier of actual receipt or the first attempted delivery by certified United States mail to the taxpayer's address of record with the Tax Collector.

"Remediation" means those actions that are reasonable, necessary, cost-effective and technically feasible in the event of the release or threat of release of hazardous substances into the environment such that the waters of the State are or may be affected, such actions as may be necessary to monitor, assess and evaluate such release or threat of release, actions of remediation, removal or disposal of hazardous substances or taking such other actions as may be necessary to prevent, minimize or mitigate damage to the public health or welfare or to the waters of the State which may otherwise result from a release or threat of release of a hazardous substance that will or may affect the waters of the State. Remediation activities include the use of biostimulation with indigenous microbes and bioaugmentation using microbes that are nonpathogenic, nonopportunistic and that are naturally occurring. Remediation activities may include community information and participation costs and providing an alternative drinking water supply.

2012-2014 AMENDMENTS TO THE TAX CODE OF THE CITY OF SURPRISE

"Rental Equipment" means tangible personal property sold, rented, leased, or licensed to customers to the extent that the item is actually used by the customer for rental, lease, or license to others; provided that:

- (1) the vendee is regularly engaged in the business of renting, leasing, or licensing such property for a consideration; and
- (2) the item so claimed as "rental equipment" is not used by the person claiming the exemption for any purpose other than rental, lease, or license for compensation, to an extent greater than fifteen percent (15%) of its actual use.

"Rental Supply" means an expendable or nonexpendable repair or replacement part sold to become part of "rental equipment", provided that:

- (1) the documentation relating to each purchased item so claimed specifically itemizes to the vendor the actual item of "rental equipment" to which the purchased item is intended to be attached as a repair or replacement part; and
- (2) the vendee is regularly engaged in the business of renting, leasing, or licensing such property for a consideration; and
- (3) the item so claimed as "rental equipment" is not used by the person claiming the exemption for any purpose other than rental, lease, or license for compensation, to an extent greater than fifteen percent (15%) of its actual use.

"Repairer" means a person who restores or renews products, wares, or articles of manufacture.

"Resides within the City" means in cases other than individuals, whose legal addresses are determinative of residence, the engaging, continuing, or conducting of regular business activity within the City.

"Restaurant" means any business activity where articles of food, drink, or condiment are customarily prepared or served to patrons for consumption on or off the premises, also including bars, cocktail lounges, the dining rooms of hotels, and all caterers. For the purposes of this Chapter, a "fast food" business, which includes street vendors and mobile vendors selling in public areas or at entertainment or sports or similar events, who prepares or sells food or drink for consumption on or off the premises is considered a "restaurant", and not a "retailer".

"Retail Sale (Sale at Retail)" means the sale of tangible personal property, except the sale of tangible personal property to a person regularly engaged in the business of selling such property.

"Retailer" means any person engaged or continuing in the business of sales of tangible personal property at retail.

"Sale" means any transfer of title or possession, or both, exchange, barter, conditional or otherwise, in any manner or by any means whatsoever, including consignment transactions and auctions, of property for a consideration. "Sale" includes any transaction whereby the possession of such property is transferred but the seller retains the title as security for the payment of the price. "Sale" also includes the fabrication of tangible personal property for consumers who, in whole or in part, furnish either directly or indirectly the materials used in such fabrication work.

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"Solar Daylighting" means a device that is specifically designed to capture and redirect the visible portion of the solar beam, while controlling the infrared portion, for use in illuminating interior building spaces in lieu of artificial lighting.

"Solar Energy Device" means a system or series of mechanisms designed primarily to provide heating, to provide cooling, to produce electrical power, to produce mechanical power, to provide solar daylighting or to provide any combination of the foregoing by means of collecting and transferring solar generated energy into such uses either by active or passive means, including wind generator systems that produce electricity. Solar energy systems may also have the capability of storing solar energy for future use. Passive systems shall clearly be designed as a solar energy device, such as a trombe wall, and not merely as a part of a normal structure, such as a window.

"Speculative Builder" means either:

- (1) an owner-builder who sells or contracts to sell, at any time, improved real property (as provided in Section 3.14-416) consisting of:
 - (A) custom, model, or inventory homes, regardless of the stage of completion of such homes; or
 - (B) improved residential or commercial lots without a structure; or
- (2) an owner-builder who sells or contracts to sell improved real property, other than improved real property specified in subsection (1) above:
 - (A) prior to completion; or
 - (B) before the expiration of twenty-four (24) months after the improvements of the real property sold are substantially complete.

"Substantially Complete" means the construction contracting or reconstruction contracting:

- (1) has passed final inspection or its equivalent; or
- (2) certificate of occupancy or its equivalent has been issued; or
- (3) is ready for immediate occupancy or use.

"Supplier" means any person who rents, leases, licenses, or makes sales of tangible personal property within the City, either directly to the consumer or customer or to wholesalers, jobbers, fabricators, manufacturers, modifiers, assemblers, repairers, or those engaged in the business of providing services which involve the use, sale, rental, lease, or license of tangible personal property.

"Tax Collector" means the Finance Director or their designee or agent for all purposes under this Chapter.

"Taxpayer" means any person liable for any tax under this Chapter.

"Taxpayer Problem Resolution Officer" means the individual designated by the City to perform the duties identified in Sections 3.14-515 and 3.14-516. In cities with a population of fifty thousand (50,000) or more, the Taxpayer Problem Resolution Officer shall be an employee of the City. In cities with a population of less than fifty thousand (50,000), the Taxpayer Problem Resolution Officer need not be an employee of the City. Regardless of whether the Taxpayer Problem Resolution Officer is or is not an employee of the City,

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the Taxpayer Problem Resolution Officer shall have substantive knowledge of taxation. The identity of and telephone number for the Taxpayer Problem Resolution Officer can be obtained from the Tax Collector.

"Telecommunication Service" means any service or activity connected with the transmission or relay of sound, visual image, data, information, images, or material over a communications channel or any combination of communications channels.

"Transient" means any person who either at the person's own expense or at the expense of another obtains lodging space or the use of lodging space on a daily or weekly basis, or on any other basis for less than thirty (30) consecutive days.

"Utility Service" means the producing, providing, or furnishing of electricity, electric lights, current, power, gas (natural or artificial), or water to consumers or ratepayers.

Section II. Model City Tax Code Section 3.14-120 and Model Option #2 is repealed, with an effective date of July 1, 2013.

~~3.14-120. (RESERVED)~~

Section III. Model City Tax Code Section 3.14-200 is amended as follows, with an effective date of July 1, 2013.

Sec. 3.14-200. Determination of gross income: in general.

- (a) Gross income includes:
 - (1) the value proceeding or accruing from the sale of property, the providing of service, or both.
 - (2) the total amount of the sale, lease, license for use, or rental price at the time of such sale, rental, lease, or license.
 - (3) all receipts, cash, credits, barter, exchange, reduction of or forgiveness of indebtedness, and property of every kind or nature derived from a sale, lease, license for use, rental, or other taxable activity.
 - (4) all other receipts whether payment is advanced prior to, contemporaneous with, or deferred in whole or in part subsequent to the activity or transaction.
- (b) Barter, exchange, trade-outs, or similar transactions are includable in gross income at the fair market value of the service rendered or property transferred, whichever is higher, as they represent consideration given for consideration received.

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- (c) No deduction or exclusion is allowed from gross income on account of the cost of the property sold, the time value of money, expense of any kind or nature, losses, materials used, labor or service performed, interest paid, or credits granted.
- (D) FOR THE PURPOSES OF THIS CHAPTER THE TOTAL AMOUNT OF GROSS INCOME, GROSS RECEIPTS OR GROSS PROCEEDS OF SALES FOR NUCLEAR FUEL SHALL BE DEEMED TO BE THE VALUE OF THE PURCHASE PRICE OF URANIUM OXIDE USED IN PRODUCING THE FUEL. THE TAX IMPOSED BY THIS CHAPTER MAY BE IMPOSED ONLY ONCE FOR ANY ONE QUANTITY OR BATCH OF NUCLEAR FUEL REGARDLESS OF THE NUMBER OF TRANSACTIONS OR FINANCING ARRANGEMENTS WHICH MAY OCCUR WITH RESPECT TO THAT NUCLEAR FUEL.

Section IV. Model City Tax Code Article III is REPEALED AND REPLACED IN ITS ENTIRETY with the following Sections 3.14-300 through 3.14-380, effective January 1, 2015.

Article III - Licensing and Recordkeeping

Sec. 3.14-300. Licensing requirements.

- (a) The following persons shall make application to the Tax Collector for a Transaction Privilege and Use Tax License and no person shall engage or continue in business or engage in such activities until he shall have such a license:
- (1) Every person engaging or continuing in business activities within the City upon which a Transaction Privilege Tax is imposed by this Chapter.
 - (2) Every person engaging or continuing in business within the City and storing or using tangible personal property in this municipality upon which a Use Tax is imposed by this Chapter.
 - (3) Every person required to report and pay tax upon Rental Occupancy, as imposed by Section 3.14-440.
- (b) For the purpose of determining whether a Transaction Privilege and Use Tax License is required, a person shall be deemed to be "engaging or continuing in business" within the City if:
- (1) engaging in any activity as a principal or broker, the gross receipts of which may be subject to Transaction Privilege Tax under Article IV of this Chapter, or
 - (2) maintaining within the City directly, or if a corporation by a subsidiary, an office, distribution house, sales house, warehouse or other place of business; maintaining within the City directly, or if a corporation by a subsidiary, any real or tangible personal property; or having any agent or other representative operating within the City under the authority of such person, or if a corporation by a subsidiary, irrespective of whether such place of

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business, property, or agent or other representative is located here permanently or temporarily, or

- (3) soliciting sales, orders, contracts, leases, and other similar forms of business relationships, within the City from customers, consumers, or users located within the City, by means of salesmen, solicitors, agents, representatives, brokers, and other similar agents or by means of catalogs or other advertising, whether such orders are received or accepted within or without this City.
 - (4) A person shall also be deemed to be "engaging or continuing in business" if engaging in any activity subject to Use Tax under Article VI of this Chapter for business purposes. Individuals who acquire items subject to Use Tax for their own personal use or their family's personal use are not required to obtain a license.
 - (5) Every person required to report and pay tax upon Rental Occupancy, as imposed by Section 3.14-440.
- (c) A person engaging in more than one activity subject to Transaction Privilege Tax at any one business location is not required to obtain a separate license for each activity, provided that, at the time such person makes application for a license, he shall list on such application each category of activity in which he is engaged.
 - (d) The licensee shall inform the Tax Collector of any changes in his business activities, location, or mailing address within thirty (30) days.
 - (e) Limitation. The issuance of a Transaction Privilege and Use Tax License by the Tax Collector shall in no way be construed as permission to operate a business activity in violation of any other law or regulation to which such activity may be subject.
 - (f) Casual activity. For the purposes of this Chapter, individuals engaging in a "casual activity or sale" are not subject to the license requirements imposed under this Article provided that they are only engaged in private sales activities, such as the sale of a personal automobile or garage sale, on no more than three separate occasions during any calendar year.

Sec. 3.14-310. Licensing: special requirements.

- (a) Partnerships. Application for a Transaction Privilege and Use Tax License for a partnership engaging or continuing in business shall provide, as a minimum, the names and addresses of all general partners. Licenses issued to persons engaging in business as partners, limited or general, shall be in the name of the partnership.
- (b) Limited Liability Companies. Application for a Transaction Privilege and Use Tax License for a Limited Liability Company (LLC) engaging or continuing in business shall provide, as a minimum, the names and addresses of all members and the manager. Licenses issued to persons engaging in business as Limited Liability Companies, shall be in the name of the LLC.
- (c) Corporations. Application for a Transaction Privilege and Use Tax License for a corporation engaging or continuing in business shall provide, as a minimum, the names and addresses of both

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the Chief Executive Officer and Chief Financial Officer of the corporation. Licenses issued to persons engaging in business as corporations shall be in the name of the corporation.

- (d) Multiple Locations or Multiple Business Names. A person engaging or continuing in one or more businesses at two (2) or more locations or under two (2) or more business names shall procure a license for each such location or business name. A "location" is a place of a separate business establishment.
- (e) Real Property Rental, Leasing, and Licensing for Use. In all cases the Transaction Privilege and Use Tax License shall be issued only to the owner of the real property regardless of the owner engaging a property manager or other broker to oversee the owner's business activity including filing tax returns on behalf of the owner. Each rental property that can be independently sold or transferred is deemed to be a separate business establishment. Each platted parcel of real property subject to the tax imposed by this Chapter is deemed to be a separate business establishment and requires a separate license, regardless of the number of rental units located on that platted parcel. If one structure is located on multiple parcels in a manner such that ownership of an individual parcel cannot be sold or transferred without requiring alteration to divide the structure, one license shall be required for all affected parcels.

Sec. 3.14-320. License fees; annual renewal; renewal fees.

- (a) The Transaction Privilege and Use Tax License shall be valid upon receipt of a non-refundable license fee of ten dollars (\$10.00), except for a license to engage in the business activity of residential or commercial real property rental, leasing, and licensing for use as separately identified in this Section. The Transaction Privilege and Use Tax License shall be valid only for the calendar year in which it is issued unless renewed each year by filing the appropriate application for license renewal and paying an annual license renewal fee of zero dollars (\$0.00) for each license, subject to the limitations in A.R.S. Section 42-5005. Such annual renewal fee shall be due and payable on January 1 of each year and shall be considered delinquent if not paid and received on or before the last business day of January.
- (b) The Transaction Privilege and Use Tax License to engage in the business activity of residential real property rental, leasing, and licensing for use shall be valid only upon receipt of a non-refundable license fee of ten dollars (\$10.00). The Transaction Privilege and Use Tax License shall be valid only for the calendar year in which it is issued unless renewed each year by filing the appropriate application for license renewal and paying an annual license renewal fee of zero dollars (\$0.00) for each license, subject to the limitations in A.R.S. Section 42-5005. Such fee shall be due and payable on January 1 of each year and shall be considered delinquent if not paid and received on or before the last business day of January.
- (c) The Transaction Privilege and Use Tax License to engage in the business activity of commercial real property rental, leasing, and licensing for use shall be valid only upon receipt of a non-refundable license fee of ten dollars (\$10.00). The Transaction Privilege and Use Tax License shall be valid only for the calendar year in which it is issued unless renewed each year by filing the appropriate application for license renewal and paying an annual license renewal fee of zero dollars (\$0.00) for each license, subject to the limitations in A.R.S. Section 42-5005. Such fee shall be due

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and payable on January 1 of each year and shall be considered delinquent if not paid and received on or before the last business day of January.

Sec. 3.14-330. Licensing: duration; transferability; display; penalties; penalty waiver; relicensing; fees collectible as if taxes.

- (a) The Transaction Privilege and Use Tax License shall be valid only for the calendar year in which it is issued unless renewed each year by filing the appropriate application for license renewal and paying the applicable license renewal fee for each license, subject to the limitations in A.R.S. Section 42-5005. Such fee shall be due and payable on January 1 of each year and shall be considered delinquent if not paid and received on or before the last business day of January. Application and payment of the annual fee must be received in the Tax Collector's office to be deemed paid and received.
- (b) The Transaction Privilege and Use Tax License shall be nontransferable between owners or locations and shall be on display to the public in the licensee's place of business.
- (c) Any person required to be licensed under this Chapter who fails to obtain a license on or before conducting any business activity requiring such license shall be subject to the license fees due for each year in business plus a penalty in the amount of fifty percent (50%) of the applicable fee for each period of time for which such fee would have been imposed, from and after the date on which such activity commenced until paid. This penalty shall be in addition to any other penalty imposed under this Chapter and must be paid prior to the issuance of any license. License fee penalties may be waived by the Tax Collector subject to the same terms as the waiver of tax penalties as provided for in Section 3.14-540.
- (d) Any licensee who fails to renew his license on or before the due date shall be deemed to be operating without a license following such due date, and shall be subject to all penalties imposed under this Chapter against persons required to be licensed and operating without a license. The non-licensed status may be removed by payment of the annual license fee for each year or portion of a year he operated without a license, plus a license fee penalty of fifty percent (50%) of the license fee due for each year. License fee penalties may be waived by the Tax Collector subject to the same terms as the waiver of tax penalties as provided for in Section 3.14-540.
- (e) Any licensee who permits his license to expire through cancellation as provided in Section 3.14-340, by his request for cancellation, by surrender of the license, or by the cessation of the business activity for which the license was issued, and who thereafter applies for a license, shall be granted a new license as a new applicant and shall pay the current license fee imposed under Section 3.14-320.
- (f) Any licensee who needs a copy of his Transaction Privilege and Use Tax License which is still in effect shall be charged the current license fee for each reissuance of a license.
- (g) Any person conducting a business activity subject to licensing without obtaining a Transaction Privilege and Use Tax License shall be liable to the City for all applicable fees and penalties and shall be subject to the provisions of Sections 3.14-580 and 3.14-590, to the same extent as if such fees and penalties were taxes and penalties under such Sections.

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Sec. 3.14-340. Licensing; cancellation; revocation.

- (a) Cancellation. The Tax Collector may cancel the Transaction Privilege and Use Tax License of any licensee as "inactive" if the taxpayer, required to report monthly, has neither filed any return nor remitted any taxes imposed by this Chapter for a period of six (6) consecutive months; or, if required to report quarterly, has neither filed any return nor remitted any taxes imposed by this Chapter for two (2) consecutive quarters; or, if required to report annually, has neither filed any return nor remitted any taxes imposed by this Chapter when such annual report and tax are due to be filed with and remitted to the Tax Collector.
- (b) Revocation. If any licensee fails to pay any tax, interest, penalty, fee, or sum required to be paid under this Chapter, or if such licensee fails to comply with any other provisions of this Chapter, the Tax Collector may revoke the Transaction Privilege and Use Tax License of said licensee.
- (c) Notice and Hearing. The Tax Collector shall deliver notice to such licensee of cancellation or revocation of the Transaction Privilege and Use Tax License. If the licensee requests a hearing within twenty (20) days of receipt of such notice, he shall be granted a hearing before the Tax Collector.
- (d) After cancellation or revocation of a taxpayer's license, the taxpayer shall not be issued a new license until all reports have been filed; all fees, taxes, interest, and penalties due have been paid; and he is in compliance with all provisions of this Chapter.

Sec. 3.14-350. Operating without a license.

It shall be unlawful for any person who is required by this Chapter to obtain a Transaction Privilege and Use Tax License to engage in or continue in business without a license. The Tax Collector shall assess any delinquencies in tax, interest, and penalties which may apply against such person upon any transactions subject to the taxes imposed by this Chapter.

Sec. 3.14-360. Recordkeeping requirements.

- (a) It shall be the duty of every person subject to the tax imposed by this Chapter to keep and preserve suitable records and such other books and accounts as may be necessary to determine the amount of tax for which he is liable under this Chapter. The books and records must contain, at a minimum, such detail and summary information as may be required by this Article; Or when records are maintained within an electronic data processing (EDP) system, the requirements established by the Arizona Department of Revenue for Privilege Tax filings will be accepted. It shall be the duty of every person to keep and preserve such books and records for a period equal to the applicable limitation period for assessment of tax, and all such books and records shall be open for inspection by the Tax Collector during any business day.
- (b) The Tax Collector may direct, by letter, a specific taxpayer to keep specific other books, records, and documents. Such letter directive shall apply:

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- (1) only for future reporting periods, and
- (2) only by express determination of the Tax Collector that such specific recordkeeping is necessary due to the inability of the taxing jurisdiction to conduct an adequate examination of the past activities of the taxpayer, which inability resulted from inaccurate or inadequate books, records, or documentation maintained by the taxpayer.

Sec. 3.14-362. Recordkeeping: income.

The minimum records required for persons having gross income subject to, or exempt or excluded from, tax by this Chapter must show:

- (a) The gross income of the taxpayer attributable to any activity occurring in whole or in part in the City.
- (b) The gross income taxable under this Chapter, divided into categories as stated in the official City tax return.
- (c) The gross income subject to Arizona Transaction Privilege Taxes, divided into categories as stated in the official State tax return.
- (d) The gross income claimed to be exempt, and with respect to each activity or transaction so claimed:
 - (1) If the transaction is claimed to be exempt as a sale for resale or as a sale, rental, lease, or license for use of rental equipment:
 - (A) The City Privilege License number and State Transaction Privilege Tax License number of the customer (or the equivalent city, if applicable, and state tax numbers of the municipality and state where the customer resides), and
 - (B) The name, business address, and business activity of the customer, and
 - (C) Evidence sufficient to persuade a reasonably prudent businessman that the transaction is believed to be in good faith a purchase for resale, or a purchase, rental, lease, or license for use of rental equipment, by the vendee in the ordinary and regular course of his business activity, as provided by Regulation.
 - (2) If the transaction is claimed to be exempt for any other reason:
 - (A) The name, business address, and business activity of the customer, and
 - (B) Evidence which would establish the applicability of the exemption to a reasonably prudent businessman acting in good faith. Ordinary business documentation which would reasonably indicate the applicability of an exemption shall be sufficient to relieve the person on whom the tax would otherwise be imposed from liability therein, if he acts in good faith as provided by Regulation.
- (e) With respect to those allowed deductions or exclusions for tax collected or charges for delivery or other direct customer services, where applicable, evidence that the deductible income has been separately stated and shown on the records of the taxpayer and on invoices or receipts provided to

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the customer. All other deductions, exemptions, and exclusions shall be separately shown and substantiated.

- (f) With respect to special classes and activities, such other books, records, and documentation as the Tax Collector, by Regulation, shall deem necessary for specific classes of taxpayer by reason of the specialized business activity of any such class.
- (g) In all cases, the books and records of the taxpayer shall indicate both individual transaction amounts and totals for each reporting period for each category of taxable, exempt, and excluded income defined by this Chapter.

Sec. 3.14-364. Recordkeeping: expenditures.

The minimum records required for persons having expenditures, costs, purchases and rental or lease or license expenses subject to, or exempt or excluded from, tax by this Chapter are:

- (a) The total price of all goods acquired for use or storage in the City.
- (b) The date of acquisition and the name and business address of the seller or lessor of all goods acquired for use or storage in the City.
- (c) Documentation of taxes, freight, and direct customer service labor separately charged and paid for each purchase, rental, lease, or license.
- (d) The gross price of each acquisition claimed as exempt from tax, and with respect to each transaction so claimed, sufficient evidence to satisfy the Tax Collector that the exemption claimed is applicable.
- (e) As applicable to each taxpayer, documentation sufficient to the Tax Collector, so that he may ascertain:
 - (1) All construction expenditures and all Privilege and Use Taxes claimed paid, relating to owner-builders and speculative builders.
 - (2) Disbursement of collected gratuities and related payroll information required of restaurants.
 - (3) (Reserved)
 - (A) (Reserved)
 - (B) (Reserved)
 - (4) The validity of any claims of proof of exemption.
 - (5) A claimed alternative prior value for reconstruction.
 - (6) All claimed exemptions to the Use Tax imposed by Article VI of this Chapter.
 - (7) Costs used to compute the "computed charge" claimed for retail service and repair.
 - (8) Payments of tax to the Arizona Department of Transportation and computations therefor, when a motor-vehicle transporter claims such the exemption.

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- (9) Payments by tenants subject to the tax upon Rental Occupancy imposed by Section 3.14-440.
- (f) Any additional documentation as the Tax Collector, by Regulation, shall deem necessary for any specific class of taxpayer by reason of the specialized business activity of specific exemptions afforded to that class of taxpayer.
- (g) In all cases, the books and records of the taxpayer shall indicate both individual transaction amounts and totals for each reporting period for each category of taxable, exempt, and excluded expenditures as defined by this Chapter.

Sec. 3.14-366. Recordkeeping: out-of-City and out-of-State sales.

- (a) Out-of-City Sales. Any person engaging or continuing in a business who claims out-of-City sales shall maintain and keep accounting records or books indicating separately the gross income from the sales of tangible personal property from such out-of-City branches or locations.
- (b) Out-of-State Sales. Persons engaged in a business claiming out-of-State sales shall maintain accounting records or books indicating for each out-of-State sale the following documentation:
 - (1) documentation of location of the buyer at the time of order placement; and
 - (2) shipping, delivery, or freight documents showing where the buyer took delivery; and
 - (3) documentation of intended location of use or storage of the tangible personal property sold to such buyer.

Sec. 3.14-370. Recordkeeping: claim of exclusion, exemption, deduction, or credit; documentation; liability.

- (a) All deductions, exclusions, exemptions and credits provided in this Chapter are conditional upon adequate proof and documentation of such as may be required under A.R.S. Section 42-5022 or by this Chapter or Regulation.
- (b) Any person who claims and receives an exemption, deduction, exclusion, or credit to which he is not entitled under this Chapter, shall be subject to, liable for, and pay the tax on the transaction as if the vendor subject to the tax had passed the burden of the payment of the tax to the person wrongfully claiming the exemption. A person who wrongfully claimed such exemption shall be treated as if he is delinquent in the payment of the tax and shall be subject to interest and penalties upon such delinquency. However, if the tax is collected from the vendor on such transaction it shall not again be collected from the person claiming the exemption, or if collected from the person claiming the exemption it shall not also be collected from the vendor.

Sec. 3.14-372. Proof of exemption: sale for resale; sale, rental, lease, or license of rental equipment.

A claim of purchase for resale or of purchase, rental, lease, or license for rent, lease, or license is valid only if the evidence is sufficient to persuade a reasonably prudent businessman that the particular item is being

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acquired for resale or for rental, lease, or license in the ordinary course of business. The fact that the acquiring person possesses a Privilege License number and makes a verbal claim of "sale for resale or lease" or "lease for re-lease" does not meet this burden and is insufficient to justify an exemption. The "reasonable evidence" must be evidence which exists objectively, and not merely in the mind of the vendor, that the property being acquired is normally sold, rented, leased, or licensed by the acquiring person in the ordinary course of business. Failure to obtain such reasonable evidence at the time of the transaction will be a basis for disallowance of any claimed deduction on returns filed for such transactions.

Sec. 3.14-380. Inadequate or unsuitable records.

In the event the records provided by the taxpayer are considered by the Tax Collector to be inadequate or unsuitable to determine the amount of the tax for which such taxpayer is liable under the provisions of this Chapter, it is the responsibility of the taxpayer either:

- (a) to provide such other records required by this Chapter or Regulation; or
- (b) to correct or to reconstruct his records, to the satisfaction of the Tax Collector.

This change also eliminates the following Regulations, effective January 1, 2015:

~~Regulation 3.14-300.1. Who must apply for a license.~~

~~Regulation 3.14-300.2. (Reserved)~~

~~Regulation 3.14-310.1. (Reserved)~~

~~Regulation 3.14-310.2. (Reserved)~~

~~Regulation 3.14-310.3. (Reserved)~~

~~Regulation 3.14-350.1. Recordkeeping: income.~~

~~Regulation 3.14-350.2. Recordkeeping: expenditures.~~

~~Regulation 3.14-350.3. Recordkeeping: out-of-City and out-of-State sales.~~

~~Regulation 3.14-360.1. Proof of exemption: sale for resale; sale, rental, lease or license of rental equipment.~~

~~Regulation 3.14-360.2. Proof of exemption: exemption certificate.~~

Section V. Model City Tax Code Section 3.14-422, Local Option #LL is amended as follows to correct an obsolete reference, with an effective date of July 20, 2011.

Sec. 3.14-422. (Reserved)

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Section VI. Model City Tax Code Section 3.14-425 is amended as follows to eliminate Local Option #MM, which will no longer be used by any city or town, effective July 1, 2012. New subsection (7) is added with an effective date of September 21, 2006.

Sec. 3.14-425. Job printing.

- (a) The tax rate shall be at an amount equal to two and two-tenths percent (2.2%) of the gross income from the business activity upon every person engaging or continuing in the business of job printing, which includes engraving of printing plates, embossing, copying, micrographics, and photo reproduction.
- (b) The tax imposed by this Section shall not apply to:
 - (1) job printing purchased for the purpose of resale by the purchaser in the form supplied by the job printer.
 - (2) out-of-City sales.
 - (3) out-of-State sales.
 - (4) (Reserved)
 - (5) sales of job printing to a qualifying hospital, qualifying community health center or a qualifying health care organization, except when the property sold is for use in activities resulting in gross income from unrelated business income as that term is defined in 26 U.S.C. Section 512.
 - (6) (Reserved)
 - (7) SALES OF POSTAGE AND FREIGHT EXCEPT THAT THE AMOUNT DEDUCTED SHALL NOT EXCEED THE ACTUAL POSTAGE AND FREIGHT EXPENSE THAT IS PAID TO THE UNITED STATES POSTAL SERVICE OR A COMMERCIAL DELIVERY SERVICE AND THAT IS SEPARATELY ITEMIZED BY THE TAXPAYER ON THE CUSTOMER'S INVOICE AND IN THE TAXPAYER'S RECORDS.

Section VII. Model City Tax Code Section 3.14-445 is amended as follows, with an effective date of July 1, 2013.

Sec. 3.14-445. Rental, leasing, and licensing for use of real property.

- (a) The tax rate shall be at an amount equal to two and two-tenths percent (2.2%) of the gross income from the business activity upon every person engaging or continuing in the business of leasing or

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renting real property located within the City for a consideration, to the tenant in actual possession, or the licensing for use of real property to the final licensee located within the City for a consideration including any improvements, rights, or interest in such property; provided further that:

- (1) Payments made by the lessee to, or on behalf of, the lessor for property taxes, repairs, or improvements are considered to be part of the taxable gross income.
 - (2) Charges for such items as telecommunications, utilities, pet fees, or maintenance are considered to be part of the taxable gross income.
 - (3) However, if the lessor engages in telecommunication activity, as evidenced by installing individual metering equipment and by billing each tenant based upon actual usage, such activity is taxable under Section 3.14-470.
- (b) If individual utility meters have been installed for each tenant and the lessor separately charges each single tenant for the exact billing from the utility company, such charges are exempt.
- (c) Charges by a qualifying hospital, qualifying community health center or a qualifying health care organization to patients of such facilities for use of rooms or other real property during the course of their treatment by such facilities are exempt.
- (d) Charges for joint pole usage by a person engaged in the business of providing or furnishing utility or telecommunication services to another person engaged in the business of providing or furnishing utility or telecommunication services are exempt from the tax imposed by this Section.
- (e) Exempt from the tax imposed by this Section is gross income derived from the rental, leasing, or licensing for use of real property to a qualifying hospital, qualifying community health center or a qualifying health care organization, except when the property so rented, leased, or licensed is for use in activities resulting in gross income from unrelated business income as that term is defined in 26 U.S.C. Section 512.
- (f) A person who has less than two (2) apartments, houses, trailer spaces, or other lodging spaces rented, leased or licensed or available for rent, lease, or license within the State and no units of commercial property for rent, lease, or license within the State, is not deemed to be in the rental business, and is therefore exempt from the tax imposed by this Section on such income. However, a person who has one (1) or more units of commercial property is subject to the tax imposed by this Section on rental, lease and license income from all such lodging spaces and commercial units of real estate even though said person may have fewer than two (2) lodging spaces.
- (g) (Reserved)
- (h) (Reserved)
- (i) (Reserved)
- (j) Exempt from the tax imposed by this Section is gross income derived from the activities taxable under Section 3.14-444 of this Code.
- (k) (Reserved)
- (l) (Reserved)

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- (m) (Reserved)
- (n) Notwithstanding the provisions of Section 3.14-200(b), the fair market value of one (1) apartment, in an apartment complex provided rent free to an employee of the apartment complex is not subject to the tax imposed by this Section. For an apartment complex with more than fifty (50) units, an additional apartment provided rent free to an employee for every additional fifty (50) units is not subject to the tax imposed by this Section.
- (o) Income derived from incarcerating or detaining prisoners who are under the jurisdiction of the United States, this State or any other state or a political subdivision of this State or of any other state in a privately operated prison, jail or detention facility is exempt from the tax imposed by this Section.
- (p) Charges by any hospital, any licensed nursing care institution, or any kidney dialysis facility to patients of such facilities for the use of rooms or other real property during the course of their treatment by such facilities are exempt.
- (q) Charges to patients receiving "personal care" or "directed care", by any licensed assisted living facility, licensed assisted living center or licensed assisted living home as defined and licensed pursuant to Chapter 4 Title 36 Arizona Revised Statutes and Title 9 of the Arizona Administrative Code are exempt.
- (r) Income received from the rental of any "low-income unit" as established under Section 42 of the Internal Revenue Code, including the low-income housing credit provided by IRC Section 42, to the extent that the collection of tax on rental income causes the "gross rent" defined by IRC Section 42 to exceed the income limitation for the low-income unit is exempt. This exemption also applies to income received from the rental of individual rental units subject to statutory or regulatory "low-income unit" rent restrictions similar to IRC Section 42 to the extent that the collection of tax from the tenant causes the rental receipts to exceed a rent restriction for the low-income unit. This subsection also applies to rent received by a person other than the owner or lessor of the low-income unit, including a broker. This subsection does not apply unless a taxpayer maintains the documentation to support the qualification of a unit as a low-income unit, the "gross rent" limitation for the unit and the rent received from that unit.
- (s) ~~The gross proceeds of sales or gross income derived from a commercial lease in which a reciprocal insurer or a corporation leases real property to an affiliated corporation is exempt. For the purposes of this paragraph:~~
 - (1) ~~“Affiliated corporation” means a corporation that meets one of the following conditions:~~
 - (A) ~~The corporation owns or controls at least eighty percent of the lessor.~~
 - (B) ~~The corporation is at least eighty percent owned or controlled by the lessor.~~
 - (C) ~~The corporation is at least eighty percent owned or controlled by a corporation that also owns or controls at least eighty percent of the lessor.~~
 - (D) ~~The corporation is at least eighty percent owned or controlled by a corporation that is at least eighty percent owned or controlled by a reciprocal insurer.~~

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- (2) ~~For the purposes of subsection (1), ownership and control are determined by reference to the voting shares of a corporation.~~
- (3) ~~“Reciprocal insurer” has the same meaning as prescribed in A.R.S. Section 20-762.~~
- (S) THE GROSS PROCEEDS OF A COMMERCIAL LEASE OF REAL PROPERTY BETWEEN AFFILIATED COMPANIES, BUSINESSES, PERSONS OR RECIPROCAL INSURERS ARE EXEMPT. FOR THE PURPOSES OF THIS PARAGRAPH:
- (1) "AFFILIATED COMPANIES, BUSINESSES, PERSONS OR RECIPROCAL INSURERS" MEANS THE LESSOR HOLDS A CONTROLLING INTEREST IN THE LESSEE, THE LESSEE HOLDS A CONTROLLING INTEREST IN THE LESSOR, AN AFFILIATED ENTITY HOLDS A CONTROLLING INTEREST IN BOTH THE LESSOR AND THE LESSEE OR AN UNRELATED PERSON HOLDS A CONTROLLING INTEREST IN BOTH THE LESSOR AND LESSEE.
- (2) "CONTROLLING INTEREST" MEANS DIRECT OR INDIRECT OWNERSHIP OF AT LEAST EIGHTY PERCENT (80%) OF THE VOTING SHARES OF A CORPORATION OR OF THE INTERESTS IN A COMPANY, BUSINESS OR PERSON OTHER THAN A CORPORATION.
- (3) "RECIPROCAL INSURER" HAS THE SAME MEANING AS PRESCRIBED IN A.R.S. SECTION 20-762.

Section VIII. Model City Tax Code Section 3.14-450 is amended as follows, with an effective date of September 1, 2004.

Sec. 3.14-450. Rental, leasing, and licensing for use of tangible personal property.

- (a) The tax rate shall be at an amount equal to two and two-tenths percent (2.2%) of the gross income from the business activity upon every person engaging or continuing in the business of leasing, licensing for use, or renting tangible personal property for a consideration, including that which is semi-permanently or permanently installed within the City as provided by Regulation.
- (b) Special provisions relating to long-term motor vehicle leases. A lease transaction involving a motor vehicle for a minimum period of twenty-four (24) months shall be considered to have occurred at the location of the motor vehicle dealership, rather than the location of the place of business of the lessor, even if the lessor's interest in the lease and its proceeds are sold, transferred, or otherwise assigned to a lease financing institution; provided further that the city or town where such motor vehicle dealership is located levies a Privilege Tax or an equivalent excise tax upon the transaction.
- (c) Gross income derived from the following transactions shall be exempt from Privilege Taxes imposed by this Section:

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- (1) rental, leasing, or licensing for use of tangible personal property to persons engaged or continuing in the business of leasing, licensing for use, or rental of such property.
- (2) rental, leasing, or licensing for use of tangible personal property that is semi-permanently or permanently installed within another city or town that levies an equivalent excise tax on the transaction.
- (3) rental, leasing, or licensing for use of film, tape, or slides to a theater or other person taxed under Section 3.14-410, or to a radio station, television station, or subscription television system.
- (4) rental, leasing, or licensing for use of the following:
 - (A) prosthetics.
 - (B) income-producing capital equipment.
 - (C) mining and metallurgical supplies.

These exemptions include the rental, leasing, or licensing for use of tangible personal property which, if it had been purchased instead of leased, rented, or licensed by the lessee or licensee, would qualify as income-producing capital equipment or mining and metallurgical supplies.

- (5) rental, leasing, or licensing for use of tangible personal property to a qualifying hospital, qualifying community health center or a qualifying health care organization, except when the property so rented, leased, or licensed is for use in activities resulting in gross income from unrelated business income as that term is defined in 26 U.S.C. Section 512 or rental, leasing, or licensing for use of tangible personal property in this State by a nonprofit charitable organization that has qualified under Section 501(c)(3) of the United States Internal Revenue Code and that engages in and uses such property exclusively for training, job placement or rehabilitation programs or testing for mentally or physically handicapped persons.
- (6) separately billed charges for delivery, installation, repair, and/or maintenance as provided by Regulation.
- (7) charges for joint pole usage by a person engaged in the business of providing or furnishing utility or telecommunication services to another person engaged in the business of providing or furnishing utility or telecommunication services.
- (8) (Reserved)
- (9) rental, leasing, or licensing of aircraft that would qualify as aircraft acquired for use outside the State, as prescribed by Regulation, if such rental, leasing, or licensing had been a sale.
- (10) rental, leasing and licensing for use of an alternative fuel vehicle if such vehicle was manufactured as a diesel fuel vehicle and converted to operate on alternative fuel and equipment that is installed in a conventional diesel fuel motor vehicle to convert the vehicle to operate on an alternative fuel, as defined in A.R.S. Section 1-215.

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- (11) rental, leasing, and licensing for use of solar energy devices, for taxable periods beginning from and after July 1, 2008. The lessor shall register with the Department of Revenue as a solar energy retailer. By registering, the lessor acknowledges that it will make its books and records relating to leases of solar energy devices available to the Department of Revenue and City, as applicable, for examination.
- (12) LEASING OR RENTING CERTIFIED IGNITION INTERLOCK DEVICES INSTALLED PURSUANT TO THE REQUIREMENTS PRESCRIBED BY A.R.S. SECTION 28-1461. FOR THE PURPOSES OF THIS PARAGRAPH, "CERTIFIED IGNITION INTERLOCK DEVICE" HAS THE SAME MEANING PRESCRIBED IN A.R.S. SECTION 28-1301.

Section IX. Model City Tax Code Section 3.14-460 is amended as follows, with an effective date of October 1, 2007.

Sec. 3.14-460. Retail sales: measure of tax; burden of proof; exclusions.

- (a) The tax rate shall be at an amount equal to two and two-tenths percent (2.2%) of the gross income from the business activity upon every person engaging or continuing in the business of selling tangible personal property at retail.
- (b) The burden of proving that a sale of tangible personal property is not a taxable retail sale shall be upon the person who made the sale.
- (c) Exclusions. For the purposes of this Chapter, sales of tangible personal property shall not include:
- (1) sales of stocks, bonds, options, or other similar materials.
 - (2) sales of lottery tickets or shares pursuant to Article I, Chapter 5, Title 5, Arizona Revised Statutes.
 - (3) sales of platinum, bullion, or monetized bullion, except minted or manufactured coins transferred or acquired primarily for their numismatic value as prescribed by Regulation.
 - (4) gross income derived from the transfer of tangible personal property which is specifically included as the gross income of a business activity upon which another Section of this Article imposes a tax, shall be considered gross income of that business activity, and are not includable as gross income subject to the tax imposed by this Section.
 - (5) sales by professional or personal service occupations where such sales are inconsequential elements of the service provided.
 - (6) SALES OF CASH EQUIVALENTS. THE GROSS PROCEEDS OF SALES OR GROSS INCOME DERIVED FROM THE REDEMPTION OF ANY CASH EQUIVALENT BY THE HOLDER AS A MEANS OF PAYMENT FOR GOODS OR SERVICES THAT ARE TAXABLE UNDER THIS ARTICLE IS SUBJECT TO THE TAX. "CASH EQUIVALENTS" MEANS ITEMS OR INTANGIBLES, WHETHER OR NOT

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NEGOTIABLE, THAT ARE SOLD TO ONE OR MORE PERSONS, THROUGH WHICH A VALUE DENOMINATED IN MONEY IS PURCHASED IN ADVANCE AND MAY BE REDEEMED IN FULL OR IN PART FOR TANGIBLE PERSONAL PROPERTY, INTANGIBLES OR SERVICES. CASH EQUIVALENTS INCLUDE GIFT CARDS, STORED VALUE CARDS, GIFT CERTIFICATES, VOUCHERS, TRAVELER'S CHECKS, MONEY ORDERS OR OTHER INSTRUMENTS, ORDERS OR ELECTRONIC MECHANISMS, SUCH AS AN ELECTRONIC CODE, PERSONAL IDENTIFICATION NUMBER OR DIGITAL PAYMENT MECHANISM, OR ANY OTHER PREPAID INTANGIBLE RIGHT TO ACQUIRE TANGIBLE PERSONAL PROPERTY, INTANGIBLES OR SERVICES IN THE FUTURE, WHETHER FROM THE SELLER OF THE CASH EQUIVALENT OR FROM ANOTHER PERSON. CASH EQUIVALENTS DO NOT INCLUDE EITHER OF THE FOLLOWING:

- (A) ITEMS OR INTANGIBLES THAT ARE SOLD TO ONE OR MORE PERSONS, THROUGH WHICH A VALUE IS NOT DENOMINATED IN MONEY.
- (B) PREPAID CALLING CARDS OR PREPAID AUTHORIZATION NUMBERS FOR TELECOMMUNICATIONS SERVICES MADE TAXABLE BY SUBSECTION (g) OF THIS SECTION.

- (d) (Reserved)
- (e) When this City and another Arizona city or town with an equivalent excise tax could claim nexus for taxing a retail sale, the city or town where the permanent business location of the seller at which the order was received shall be deemed to have precedence, and for the purposes of this Chapter such city or town has sole and exclusive right to such tax.
- (f) The appropriate tax liability for any retail sale where the order is received at a permanent business location of the seller located in this City or in an Arizona city or town that levies an equivalent excise tax shall be at the tax rate of the city or town of such seller's location.
- (g) Retail sales of prepaid calling cards or prepaid authorization numbers for telecommunications services, including sales of reauthorization of a prepaid card or authorization number, are subject to tax under this Section.

Section X. Model City Tax Code Section 3.14-462 is added as follows, with an effective date of July 1, 2013.

SEC. 3.14-462. RETAIL SALES: FOOD FOR HOME CONSUMPTION.

- (a) THE TAX RATE SHALL BE AT AN AMOUNT EQUAL TO ZERO PERCENT (0%) OF THE GROSS INCOME FROM THE BUSINESS ACTIVITY UPON EVERY PERSON ENGAGING OR CONTINUING IN THE BUSINESS OF SELLING FOOD FOR HOME CONSUMPTION AT RETAIL.

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(b) FOR THE PURPOSES OF THIS SECTION ONLY, THE FOLLOWING DEFINITIONS SHALL BE APPLICABLE:

- (1) "ELIGIBLE GROCERY BUSINESS" MEANS AN ESTABLISHMENT WHOSE SALES OF FOOD ARE SUCH THAT IT IS ELIGIBLE TO PARTICIPATE IN THE FOOD STAMP PROGRAM ESTABLISHED BY THE FOOD STAMP ACT OF 1977 (P.L. 95-113; 91 STAT. 958.7 U.S.C. SECTION 2011 ET SEQ.), ACCORDING TO REGULATIONS IN EFFECT ON JANUARY 1, 1979. AN ESTABLISHMENT IS DEEMED ELIGIBLE TO PARTICIPATE IN THE FOOD STAMP PROGRAM IF IT IS AUTHORIZED TO PARTICIPATE IN THE PROGRAM BY THE UNITED STATES DEPARTMENT OF AGRICULTURE FOOD AND NUTRITION SERVICE FIELD OFFICE ON THE EFFECTIVE DATE OF THIS SECTION, OR IF, PRIOR TO A REPORTING PERIOD FOR WHICH THE RETURN IS FILED, SUCH RETAILER PROVES TO THE SATISFACTION OF THE TAX COLLECTOR THAT THE ESTABLISHMENT, BASED ON THE NATURE OF THE RETAILER'S FOOD SALES, COULD BE ELIGIBLE TO PARTICIPATE IN THE FOOD STAMP PROGRAM ESTABLISHED BY THE FOOD STAMP ACT OF 1977 ACCORDING TO REGULATIONS IN EFFECT ON JANUARY 1, 1979.**
- (2) "FACILITIES FOR THE CONSUMPTION OF FOOD" MEANS TABLES, CHAIRS, BENCHES, BOOTHS, STOOLS, COUNTERS, AND SIMILAR CONVENIENCES, TRAYS, GLASSES, DISHES, OR OTHER TABLEWARE AND PARKING AREAS FOR THE CONVENIENCE OF IN-CAR CONSUMPTION OF FOOD IN OR ON THE PREMISES ON WHICH THE RETAILER CONDUCTS BUSINESS.**
- (3) "FOOD FOR CONSUMPTION ON THE PREMISES" MEANS ANY OF THE FOLLOWING:**
- (A) "HOT PREPARED FOOD" AS DEFINED BELOW.**
- (B) HOT OR COLD SANDWICHES.**
- (C) FOOD SERVED BY AN ATTENDANT TO BE EATEN AT TABLES, CHAIRS, BENCHES, BOOTHS, STOOLS, COUNTERS, AND SIMILAR CONVENIENCES AND WITHIN PARKING AREAS FOR THE CONVENIENCE OF IN-CAR CONSUMPTION OF FOOD.**
- (D) FOOD SERVED WITH TRAYS, GLASSES, DISHES, OR OTHER TABLEWARE.**
- (E) BEVERAGES SOLD IN CUPS, GLASSES, OR OPEN CONTAINERS.**
- (F) FOOD SOLD BY CATERERS.**
- (G) FOOD SOLD WITHIN THE PREMISES OF THEATRES, MOVIES, OPERAS, SHOWS OF ANY TYPE OR NATURE, EXHIBITIONS, CONCERTS, CARNIVALS, CIRCUSES, AMUSEMENT PARKS, FAIRS, RACES, CONTESTS, GAMES, ATHLETIC EVENTS, RODEOS, BILLIARD AND POOL PARLORS, BOWLING ALLEYS, PUBLIC DANCES, DANCE HALLS, BOXING, WRESTLING AND OTHER MATCHES, AND ANY BUSINESS**

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WHICH CHARGES ADMISSION, ENTRANCE, OR COVER FEES FOR EXHIBITION, AMUSEMENT, ENTERTAINMENT, OR INSTRUCTION.

- (H) ANY ITEMS CONTAINED IN SUBSECTIONS (b)(3)(A) THROUGH (G) ABOVE EVEN THOUGH THEY ARE SOLD ON A "TAKE-OUT" OR "TO GO" BASIS, AND WHETHER OR NOT THE ITEM IS PACKAGED, WRAPPED, OR IS ACTUALLY TAKEN FROM THE PREMISES.
- (4) "HOT PREPARED FOOD" MEANS THOSE PRODUCTS, ITEMS, OR INGREDIENTS OF FOOD WHICH ARE PREPARED AND INTENDED FOR CONSUMPTION IN A HEATED CONDITION. "HOT PREPARED FOOD" INCLUDES A COMBINATION OF HOT AND COLD FOOD ITEMS OR INGREDIENTS IF A SINGLE PRICE HAS BEEN ESTABLISHED.
- (5) "PREMISES" MEANS THE TOTAL SPACE AND FACILITIES IN OR ON WHICH A VENDOR CONDUCTS BUSINESS AND WHICH ARE OWNED OR CONTROLLED, IN WHOLE OR IN PART, BY A VENDOR OR WHICH ARE MADE AVAILABLE FOR THE USE OF CUSTOMERS OF THE VENDOR OR GROUP OF VENDORS, INCLUDING ANY BUILDING OR PART OF A BUILDING, PARKING LOT, OR GROUNDS.
- (6) "FOOD FOR HOME CONSUMPTION" MEANS ALL FOOD, EXCEPT FOOD FOR CONSUMPTION ON THE PREMISES, IF SOLD BY ANY OF THE FOLLOWING:
- (A) AN ELIGIBLE GROCERY BUSINESS.
- (B) A PERSON WHO CONDUCTS A BUSINESS WHOSE PRIMARY BUSINESS IS NOT THE SALE OF FOOD BUT WHO SELLS FOOD WHICH IS DISPLAYED, PACKAGED, AND SOLD IN A SIMILAR MANNER AS AN ELIGIBLE GROCERY BUSINESS.
- (C) A PERSON WHO SELLS FOOD AND DOES NOT PROVIDE OR MAKE AVAILABLE ANY FACILITIES FOR THE CONSUMPTION OF FOOD ON THE PREMISES.
- (D) A PERSON WHO CONDUCTS A DELICATESSEN BUSINESS EITHER FROM A COUNTER WHICH IS SEPARATE FROM THE PLACE AND CASH REGISTER WHERE TAXABLE SALES ARE MADE OR FROM A COUNTER WHICH HAS TWO CASH REGISTERS AND WHICH ARE USED TO RECORD TAXABLE AND TAX EXEMPT SALES, OR A RETAILER WHO CONDUCTS A DELICATESSEN BUSINESS WHO USES A CASH REGISTER WHICH HAS AT LEAST TWO TAX COMPUTING KEYS WHICH ARE USED TO RECORD TAXABLE AND TAX EXEMPT SALES.
- (E) VENDING MACHINES AND OTHER TYPES OF AUTOMATIC RETAILERS.
- (F) A PERSON'S SALES OF FOOD, DRINK AND CONDIMENT FOR CONSUMPTION WITHIN THE PREMISES OF ANY PRISON, JAIL OR OTHER INSTITUTION UNDER THE JURISDICTION OF THE STATE DEPARTMENT OF CORRECTIONS, THE DEPARTMENT OF PUBLIC

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SAFETY, THE DEPARTMENT OF JUVENILE CORRECTIONS OR A
COUNTY SHERIFF.

(c) INCOME DERIVED FROM THE FOLLOWING SOURCES IS EXEMPT FROM THE TAX
IMPOSED BY THIS SECTION:

- (1) SALES OF FOOD FOR HOME CONSUMPTION TO A PERSON REGULARLY
ENGAGED IN THE BUSINESS OF SELLING SUCH PROPERTY.
- (2) OUT-OF-CITY SALES OR OUT-OF-STATE SALES.
- (3) CHARGES FOR DELIVERY OR OTHER "DIRECT CUSTOMER SERVICES" AS
PRESCRIBED BY REGULATION.
- (4) FOOD PURCHASED WITH FOOD STAMPS PROVIDED THROUGH THE FOOD
STAMP PROGRAM ESTABLISHED BY THE FOOD STAMP ACT OF 1977 (P.L. 95-
113; 91 STAT. 958.7 U.S.C. SECTION 2011 ET SEQ.) OR PURCHASED WITH FOOD
INSTRUMENTS ISSUED UNDER SECTION 17 OF THE CHILD NUTRITION ACT
(P.L. 95-627; 92 STAT. 3603; AND P.L. 99-669; SECTION 4302; 42 UNITED STATES
CODE SECTION 1786) BUT ONLY TO THE EXTENT THAT FOOD STAMPS OR
FOOD INSTRUMENTS WERE ACTUALLY USED TO PURCHASE SUCH FOOD.
- (5) SALES OF FOOD PRODUCTS BY PRODUCERS AS PROVIDED FOR BY A.R.S.
SECTIONS 3-561, 3-562 AND 3-563.
- (6) SALES OF FOOD, BEVERAGES, CONDIMENTS AND ACCESSORIES TO A
PUBLIC EDUCATIONAL ENTITY, PURSUANT TO ANY OF THE PROVISIONS OF
TITLE 15, ARIZONA REVISED STATUTES, INCLUDING A REGULARLY
ORGANIZED PRIVATE OR PAROCHIAL SCHOOL THAT OFFERS AN
EDUCATIONAL PROGRAM FOR GRADE TWELVE (12) OR UNDER WHICH MAY
BE ATTENDED IN SUBSTITUTION FOR A PUBLIC SCHOOL PURSUANT TO
A.R.S. SECTION 15-802 ; TO THE EXTENT SUCH ITEMS ARE TO BE PREPARED
OR SERVED TO INDIVIDUALS FOR CONSUMPTION ON THE PREMISES OF A
PUBLIC EDUCATIONAL ENTITY DURING SCHOOL HOURS. FOR THE
PURPOSES OF THIS SUBSECTION, "ACCESSORIES" MEANS PAPER PLATES,
PLASTIC EATING UTENSILS, NAPKINS, PAPER CUPS, DRINKING STRAWS,
PAPER SACKS OR OTHER DISPOSABLE CONTAINERS, OR OTHER ITEMS
WHICH FACILITATE THE CONSUMPTION OF THE FOOD.
- (7) SALES OF FOOD, BEVERAGES, CONDIMENTS AND ACCESSORIES TO A
NONPROFIT CHARITABLE ORGANIZATION THAT HAS QUALIFIED AS AN
EXEMPT ORGANIZATION UNDER 26 U.S.C. SECTION 501(C)(3) AND
REGULARLY SERVES MEALS TO THE NEEDY AND INDIGENT ON A
CONTINUING BASIS AT NO COST. FOR THE PURPOSES OF THIS SUBSECTION,
"ACCESSORIES" MEANS PAPER PLATES, PLASTIC EATING UTENSILS,
NAPKINS, PAPER CUPS, DRINKING STRAWS, PAPER SACKS OR OTHER
DISPOSABLE CONTAINERS, OR OTHER ITEMS WHICH FACILITATE THE

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CONSUMPTION OF THE FOOD.

- (d) REPORTING. SUCH PERSONS WHO SELL FOOD FOR HOME CONSUMPTION SHALL, IN CONJUNCTION WITH THE RETURN REQUIRED PURSUANT TO SECTION 3.14-520, REPORT TO THE TAX COLLECTOR IN A MANNER PRESCRIBED BY THE TAX COLLECTOR ALL SALES OF FOOD FOR HOME CONSUMPTION EXEMPTED FROM TAXES IMPOSED BY THIS CHAPTER.
- (e) RECORDKEEPING.
- (1) RETAILERS SHALL MAINTAIN ACCURATE, VERIFIABLE, AND COMPLETE RECORDS OF ALL PURCHASES AND SALES OF TANGIBLE PERSONAL PROPERTY IN ORDER TO VERIFY EXEMPTIONS FROM TAXES IMPOSED BY THIS CHAPTER. A RETAILER MAY USE ANY METHOD OF REPORTING THAT PROPERLY REFLECTS ALL PURCHASES AND SALES OF FOOD FOR HOME CONSUMPTION, AS WELL AS ALL PURCHASES AND SALES OF ITEMS SUBJECT TO TAXES IMPOSED BY THIS CHAPTER, PROVIDED THAT SUCH RECORDS ARE MAINTAINED IN ACCORDANCE WITH ARTICLE III, AND REGULATIONS OF THE TAX COLLECTOR.
- (2) ANY PERSON WHO FAILS TO MAINTAIN RECORDS AS PROVIDED HEREIN SHALL BE DEEMED TO HAVE HAD NO SALES OF FOOD FOR HOME CONSUMPTION, AND IF UPON REQUEST BY THE TAX COLLECTOR, A PERSON CANNOT DEMONSTRATE TO THE TAX COLLECTOR THAT SUCH RECORDS AND REPORTS DO PROPERLY REFLECT ALL SALES OF FOOD FOR HOME CONSUMPTION, THE TAX COLLECTOR MAY RECOMPUTE THE AMOUNT OF TAX TO BE PAID AS PROVIDED IN SECTIONS 3.14-370 AND 3.14-545(B).

Section XI. Model City Tax Code Section 3.14-465 is amended as follows. All changes are effective July 1, 2013, except new subsection (mm), which is effective January 1, 2007.

Sec. 3.14-465. Retail sales: exemptions.

Income derived from the following sources is exempt from the tax imposed by Section 3.14-460:

- (a) sales of tangible personal property to a person regularly engaged in the business of selling such property.
- (b) out-of-City sales or out-of-State sales.
- (c) charges for delivery, installation, or other direct customer services as prescribed by Regulation.
- (d) charges for repair services as prescribed by Regulation, when separately charged and separately maintained in the books and records of the taxpayer.

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- (e) sales of warranty, maintenance, and service contracts, when separately charged and separately maintained in the books and records of the taxpayer.
- (f) sales of prosthetics.
- (g) sales of income-producing capital equipment.
- (h) sales of rental equipment and rental supplies.
- (i) sales of mining and metallurgical supplies.
- (j) sales of motor vehicle fuel and use fuel which are subject to a tax imposed under the provisions of Article I or II, Chapter 16, Title 28, Arizona Revised Statutes; or sales of use fuel to a holder of a valid single trip use fuel tax permit issued under A.R.S. Section 28-5739, or sales of natural gas or liquefied petroleum gas used to propel a motor vehicle.
- (k) sales of tangible personal property to a construction contractor who holds a valid Privilege Tax License for engaging or continuing in the business of construction contracting where the tangible personal property sold is incorporated into any structure or improvement to real property as part of construction contracting activity.
- (l) sales of motor vehicles to nonresidents of this State for use outside this State if the vendor ships or delivers the motor vehicle to a destination outside this State.
- (m) sales of tangible personal property which directly enters into and becomes an ingredient or component part of a product sold in the regular course of the business of job printing, manufacturing, or publication of newspapers, magazines, or other periodicals. Tangible personal property which is consumed or used up in a manufacturing, job printing, publishing, or production process is not an ingredient or component part of a product.
- (n) (Reserved)
 - (1) (Reserved)
 - (2) (Reserved)
- (o) sales to hotels, bars, restaurants, dining cars, lunchrooms, boarding houses, or similar establishments of articles consumed as food, drink, or condiment, whether simple, mixed, or compounded, where such articles are customarily prepared or served to patrons for consumption on or off the premises, where the purchaser is properly licensed and paying a tax under Section 3.14-455 or the equivalent excise tax upon such income.
- (p) sales of tangible personal property to a qualifying hospital, qualifying community health center or a qualifying health care organization, except when the property sold is for use in activities resulting in gross income from unrelated business income as that term is defined in 26 U.S.C. Section 512 or sales of tangible personal property purchased in this State by a nonprofit charitable organization that has qualified under Section 501(c)(3) of the United States Internal Revenue Code and that engages in and uses such property exclusively for training, job placement or rehabilitation programs or testing for mentally or physically handicapped persons.
- ~~(q) food purchased with food stamps provided through the food stamp program established by the Food Stamp Act of 1977 (P.L. 95-113; 91 Stat. 958.7 U.S.C. Section 2011 et seq.) or purchased with~~

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~~food instruments issued under Section 17 of the Child Nutrition Act (P.L. 95-627; 92 Stat. 3603; and P.L. 99-669; Section 4302; 42 United States Code Section 1786) but only to the extent that food stamps or food instruments were actually used to purchase such food. (RESERVED)~~

- (r) (Reserved)
 - (1) (Reserved)
 - (2) (Reserved)
 - (3) (Reserved)
 - (4) (Reserved)
- (s) sales of groundwater measuring devices required by A.R.S. Section 45-604.
- (t) (Reserved)
- (u) sales of aircraft acquired for use outside the State, as prescribed by Regulation.
- (v) sales of food products by producers as provided for by A.R.S. Sections 3-561, 3-562 and 3-563.
- (w) (Reserved)
- ~~(x) (Reserved) SALES OF FOOD AND DRINK TO A PERSON WHO IS ENGAGED IN BUSINESS THAT IS CLASSIFIED UNDER THE RESTAURANT CLASSIFICATION AND THAT PROVIDES SUCH FOOD AND DRINK WITHOUT MONETARY CHARGE TO ITS EMPLOYEES FOR THEIR OWN CONSUMPTION ON THE PREMISES DURING SUCH EMPLOYEES' HOURS OF EMPLOYMENT.~~
- (y) (Reserved)
- (z) (Reserved)
- (aa) the sale of tangible personal property used in remediation contracting as defined in Section 3.14-100 and Regulation 3.14-100.5.
- (bb) sales of materials that are purchased by or for publicly funded libraries including school district libraries, charter school libraries, community college libraries, state university libraries or federal, state, county or municipal libraries for use by the public as follows:
 - (1) printed or photographic materials.
 - (2) electronic or digital media materials.
- (cc) sales of food, beverages, condiments and accessories used for serving food and beverages to a commercial airline, as defined in A.R.S. Section 42-5061(A)(49), that serves the food and beverages to its passengers, without additional charge, for consumption in flight. For the purposes of this subsection, "accessories" means paper plates, plastic eating utensils, napkins, paper cups, drinking straws, paper sacks or other disposable containers, or other items which facilitate the consumption of the food.
- (dd) in computing the tax base in the case of the sale or transfer of wireless telecommunication equipment as an inducement to a customer to enter into or continue a contract for telecommunication services that are taxable under Section 3.14-470, gross proceeds of sales or

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gross income does not include any sales commissions or other compensation received by the retailer as a result of the customer entering into or continuing a contract for the telecommunications services.

- (ee) for the purposes of this Section, a sale of wireless telecommunication equipment to a person who holds the equipment for sale or transfer to a customer as an inducement to enter into or continue a contract for telecommunication services that are taxable under Section 3.14-470 is considered to be a sale for resale in the regular course of business.
- (ff) sales of alternative fuel as defined in A.R.S. Section 1-215, to a used oil fuel burner who has received a Department of Environmental Quality permit to burn used oil or used oil fuel under A.R.S. Sections 49-426 or 49-480.
- (gg) sales of food, beverages, condiments and accessories to a public educational entity, pursuant to any of the provisions of Title 15, Arizona Revised Statutes, INCLUDING A REGULARLY ORGANIZED PRIVATE OR PAROCHIAL SCHOOL THAT OFFERS AN EDUCATIONAL PROGRAM FOR GRADE TWELVE (12) OR UNDER WHICH MAY BE ATTENDED IN SUBSTITUTION FOR A PUBLIC SCHOOL PURSUANT TO A.R.S. SECTION 15-802; to the extent such items are to be prepared or served to individuals for consumption on the premises of a public educational entity during school hours. For the purposes of this subsection, "accessories" means paper plates, plastic eating utensils, napkins, paper cups, drinking straws, paper sacks or other disposable containers, or other items which facilitate the consumption of the food.
- (hh) sales of personal hygiene items to a person engaged in the business of and subject to tax under Section 3.14-444 of this Code if the tangible personal property is furnished without additional charge to and intended to be consumed by the person during his occupancy.
- (ii) for the purposes of this Section, the diversion of gas from a pipeline by a person engaged in the business of operating a natural or artificial gas pipeline, for the sole purpose of fueling compressor equipment to pressurize the pipeline, is not a sale of the gas to the operator of the pipeline.
- (jj) sales of food, beverages, condiments and accessories to a nonprofit charitable organization that has qualified as an exempt organization under 26 U.S.C. Section 501(c)(3) and regularly serves meals to the needy and indigent on a continuing basis at no cost. For the purposes of this subsection, "accessories" means paper plates, plastic eating utensils, napkins, paper cups, drinking straws, paper sacks or other disposable containers, or other items which facilitate the consumption of the food.
- (kk) sales of motor vehicles that use alternative fuel if such vehicle was manufactured as a diesel fuel vehicle and converted to operate on alternative fuel and sales of equipment that is installed in a conventional diesel fuel motor vehicle to convert the vehicle to operate on an alternative fuel, as defined in A.R.S. Section 1-215.
- (ll) sales of solar energy devices, for taxable periods beginning from and after July 1, 2008. The retailer shall register with the Department of Revenue as a solar energy retailer. By registering, the retailer acknowledges that it will make its books and records relating to sales of solar energy devices available to the Department of Revenue and City, as applicable, for examination.

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- (MM) SALES OR OTHER TRANSFERS OF RENEWABLE ENERGY CREDITS OR ANY OTHER UNIT CREATED TO TRACK ENERGY DERIVED FROM RENEWABLE ENERGY RESOURCES. FOR THE PURPOSES OF THIS PARAGRAPH, "RENEWABLE ENERGY CREDIT" MEANS A UNIT CREATED ADMINISTRATIVELY BY THE CORPORATION COMMISSION OR GOVERNING BODY OF A PUBLIC POWER UTILITY TO TRACK KILOWATT HOURS OF ELECTRICITY DERIVED FROM A RENEWABLE ENERGY RESOURCE OR THE KILOWATT HOUR EQUIVALENT OF CONVENTIONAL ENERGY RESOURCES DISPLACED BY DISTRIBUTED RENEWABLE ENERGY RESOURCES.
- (NN) SALES OF MAGAZINES OR OTHER PERIODICALS OR OTHER PUBLICATIONS BY THIS STATE TO ENCOURAGE TOURIST TRAVEL.
- (OO) SALES OF PAPER MACHINE CLOTHING, SUCH AS FORMING FABRICS AND DRYER FELTS, SOLD TO A PAPER MANUFACTURER AND DIRECTLY USED OR CONSUMED IN PAPER MANUFACTURING.
- (PP) SALES OF OVERHEAD MATERIALS OR OTHER TANGIBLE PERSONAL PROPERTY THAT IS USED IN PERFORMING A CONTRACT BETWEEN THE UNITED STATES GOVERNMENT AND A MANUFACTURER, MODIFIER, ASSEMBLER OR REPAIRER, INCLUDING PROPERTY USED IN PERFORMING A SUBCONTRACT WITH A GOVERNMENT CONTRACTOR WHO IS A MANUFACTURER, MODIFIER, ASSEMBLER OR REPAIRER, TO WHICH TITLE PASSES TO THE GOVERNMENT UNDER THE TERMS OF THE CONTRACT OR SUBCONTRACT.
- (QQ) SALES OF COAL, PETROLEUM, COKE, NATURAL GAS, VIRGIN FUEL OIL AND ELECTRICITY SOLD TO A QUALIFIED ENVIRONMENTAL TECHNOLOGY MANUFACTURER, PRODUCER OR PROCESSOR AS DEFINED IN A.R.S. SECTION 41-1514.02 AND DIRECTLY USED OR CONSUMED IN THE GENERATION OR PROVISION OF ON-SITE POWER OR ENERGY SOLELY FOR ENVIRONMENTAL TECHNOLOGY MANUFACTURING, PRODUCING OR PROCESSING OR ENVIRONMENTAL PROTECTION. THIS PARAGRAPH SHALL APPLY FOR TWENTY (20), FULL CONSECUTIVE CALENDAR OR FISCAL YEARS FROM THE DATE THE FIRST PAPER MANUFACTURING MACHINE IS PLACED IN SERVICE. IN THE CASE OF AN ENVIRONMENTAL TECHNOLOGY MANUFACTURER, PRODUCER OR PROCESSOR WHO DOES NOT MANUFACTURE PAPER, THE TIME PERIOD SHALL BEGIN WITH THE DATE THE FIRST MANUFACTURING, PROCESSING OR PRODUCTION EQUIPMENT IS PLACED IN SERVICE.
- (RR) SALES OR GROSS INCOME DERIVED FROM SALES OF MACHINERY, EQUIPMENT, MATERIALS AND OTHER TANGIBLE PERSONAL PROPERTY USED DIRECTLY AND PREDOMINANTLY TO CONSTRUCT A QUALIFIED ENVIRONMENTAL TECHNOLOGY MANUFACTURING, PRODUCING OR PROCESSING FACILITY AS DESCRIBED IN A.R.S. SECTION 41-1514.02. THIS SUBSECTION APPLIES FOR TEN (10), FULL CONSECUTIVE CALENDAR OR FISCAL YEARS AFTER THE START OF INITIAL CONSTRUCTION.

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Section XII. Model City Tax Code Section 3.14-480 is amended as follows, with an effective date of January 1, 2007, except new Local Option #PP which is available to be selected effective August 1, 2014.

Sec. 3.14-480. Utility services.

- (a) The tax rate shall be at an amount equal to two and two-tenths percent (2.2%) of the gross income from the business activity upon every person engaging or continuing in the business of producing, providing, or furnishing utility services, including electricity, electric lights, current, power, gas (natural or artificial), or water to:
 - (1) consumers or ratepayers who reside within the City.
 - (2) (Reserved)
- (b) Exclusion of certain sales of natural gas to a public utility. Notwithstanding the provisions of subsection (a) above, the gross income derived from the sale of natural gas to a public utility for the purpose of generation of power to be transferred by the utility to its ratepayers shall be considered a retail sale of tangible personal property subject to Sections 3.14-460 and 3.14-465, and not considered gross income taxable under this Section.
- (c) Resale utility services. Sales of utility services to another provider of the same utility services for the purpose of providing such utility services either to another properly licensed utility provider or directly to such purchaser's customers or ratepayers shall be exempt and deductible from the gross income subject to the tax imposed by this Section, provided that the purchaser is properly licensed by all applicable taxing jurisdictions to engage or continue in the business of providing utility services, and further provided that the seller maintains proper documentation, in a manner similar to that for sales for resale, of such transactions.
- (d) (Reserved)
- (e) The tax imposed by this Section shall not apply to sales of utility services to a qualifying hospital, qualifying community health center or a qualifying health care organization, except when sold for use in activities resulting in gross income from unrelated business income as that term is defined in 26 U.S.C. Section 512.
- (f) The tax imposed by this Section shall not apply to sales of natural gas or liquefied petroleum gas used to propel a motor vehicle.
- (g) The tax imposed by this Section shall not apply to:
 - (1) revenues received by a municipally owned utility in the form of fees charged to persons constructing residential, commercial or industrial developments or connecting residential, commercial or industrial developments to a municipal utility system or systems if the fees are segregated and used only for capital expansion, system enlargement or debt service of the utility system or systems.

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- (2) revenues received by any person or persons owning a utility system in the form of reimbursement or contribution compensation for property and equipment installed to provide utility access to, on or across the land of an actual utility consumer if the property and equipment become the property of the utility. This exclusion shall not exceed the value of such property and equipment.
- (h) The tax imposed by this Section shall not apply to sales of alternative fuel as defined in A.R.S. Section 1-215, to a used oil fuel burner who has received a Department of Environmental Quality permit to burn used oil or used oil fuel under A.R.S. Sections 49-426 or 49-480.
- (I) THE TAX IMPOSED BY THIS SECTION SHALL NOT APPLY TO SALES OR OTHER TRANSFERS OF RENEWABLE ENERGY CREDITS OR ANY OTHER UNIT CREATED TO TRACK ENERGY DERIVED FROM RENEWABLE ENERGY RESOURCES. FOR THE PURPOSES OF THIS PARAGRAPH, "RENEWABLE ENERGY CREDIT" MEANS A UNIT CREATED ADMINISTRATIVELY BY THE CORPORATION COMMISSION OR GOVERNING BODY OF A PUBLIC POWER UTILITY TO TRACK KILOWATT HOURS OF ELECTRICITY DERIVED FROM A RENEWABLE ENERGY RESOURCE OR THE KILOWATT HOUR EQUIVALENT OF CONVENTIONAL ENERGY RESOURCES DISPLACED BY DISTRIBUTED RENEWABLE ENERGY RESOURCES.
- (J) THE TAX IMPOSED BY THIS SECTION SHALL NOT APPLY TO THE PORTION OF GROSS PROCEEDS OF SALES OR GROSS INCOME ATTRIBUTABLE TO TRANSFERS OF ELECTRICITY BY ANY RETAIL ELECTRIC CUSTOMER OWNING A SOLAR PHOTOVOLTAIC ENERGY GENERATING SYSTEM TO AN ELECTRIC DISTRIBUTION SYSTEM, IF THE ELECTRICITY TRANSFERRED IS GENERATED BY THE CUSTOMER'S SYSTEM.
- (K) (RESERVED)

Section XIII. Model City Tax Code Section 3.14-485 is amended as follows, with an effective date of July 1, 2013.

Sec. 3.14-485. WASTEWATER REMOVAL SERVICES

- (a) THE TAX RATE SHALL BE AN AMOUNT EQUAL TO ZERO PERCENT (0%) OF THE GROSS INCOME FROM THE BUSINESS ACTIVITY UPON EVERY PERSON ENGAGING OR CONTINUING IN THE BUSINESS OF PROVIDING WASTEWATER REMOVAL SERVICES BY MEANS OF SEWER LINES OR SIMILAR PIPELINES TO:
- (1) CONSUMERS OR RATEPAYERS WHO RESIDE WITHIN THE CITY.
- (2) CONSUMERS OR RATEPAYERS OF THIS CITY, WHETHER WITHIN THE CITY OR WITHOUT, TO THE EXTENT THAT THIS CITY PROVIDES SUCH PERSONS WASTEWATER REMOVAL SERVICES, EXCLUDING CONSUMERS OR RATEPAYERS WHO ARE RESIDENTS OF ANOTHER CITY OR TOWN WHICH

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LEVIES AN EQUIVALENT EXCISE TAX UPON THIS CITY FOR PROVIDING
SUCH WASTEWATER REMOVAL SERVICES TO SUCH PERSONS.

- (b) THE TAX IMPOSED BY THIS SECTION SHALL NOT APPLY TO GROSS INCOME
RELATING TO THE PROVIDING OF WASTEWATER REMOVAL SERVICES FROM A
QUALIFYING HOSPITAL, QUALIFYING COMMUNITY HEALTH CENTER OR A
QUALIFYING HEALTH CARE ORGANIZATION.

**Section XIV. Model City Tax Code, Appendix IV, Section 3.14-570 is amended as follows to
conform the Appendix language with prior changes made to Section 3.14-570 of the Model
language, with an effective date of July 1, 2008.**

**Sec. 3.14-570. Administrative review; petition for hearing or for redetermination; finality of order.
(State Administration and Audits)**

- (a) Closing agreements between the Tax Collector and a taxpayer have no force of law unless made in accordance with the provisions of A.R.S. Section 42-1113.
- (b) Administrative review.
- (1) Petitions of appeal shall be made to, and hearings shall be conducted by, the Arizona Department of Revenue, in accordance with the provisions of A.R.S. Section 42-1251, as modified by Section 3.14-571.
- (2) (Reserved)
- (3) (Reserved)
- (4) (Reserved)
- (5) Hearings shall be held by the Arizona Department of Revenue in accordance with the provisions of A.R.S. Section 42-1251. The Department's decision may be appealed to the State Board of Tax Appeals, in accordance with the provisions of A.R.S. Section 42-1253.
- (6) (Reserved)
- (7) (Reserved)
- (8) (Reserved)
- (c) (Reserved)
- (d) (Reserved)
- (e) Taxpayers shall be subject to the State Taxpayer Bill of Rights (A.R.S. Section 42-2051 et. seq.).

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Sec. 3.14-570. Administrative review; petition for hearing or for redetermination; finality of order. (Local Audits)

For the purposes of this section, "Municipal Tax Hearing Office" means the administrative offices of the ~~minicipal~~ MUNICIPAL Tax Hearing Officer.

- (a) Informal Conference. A taxpayer shall have the right to discuss any proposed assessment with the auditor prior to the issuance of any assessment, but any such informal conference is not required for the taxpayer to file a petition for administrative review.
- (b) Administrative Review.
 - (1) Filing a Petition. Other than in the case of a jeopardy assessment, a taxpayer may contest the applicability or amount of tax, penalty, or interest imposed upon or paid by him pursuant to this Chapter by filing a petition for a hearing or for redetermination with the Tax Collector as set forth below:
 - (A) within forty-five (45) days of receipt by the taxpayer of notice of a determination by the Tax Collector that a tax, penalty, or interest amount is due, or that a request for refund or credit has been denied; or
 - (B) by voluntary payment of any contested amount when accompanied by a timely filed return and a petition requesting a refund of the protested portion of said payment; or
 - (C) by petition accompanying a timely filed return contesting an amount reported but not paid; or
 - (D) by petition requesting review of denial of waiver of penalty as provided in subsection 3.14-540(g).
 - (2) Extension to file a petition. In all cases, the taxpayer may request ~~only one~~ AN extension from the Tax Collector. Such request must be in writing, state the reasons for the requested delay ~~and time of delay requested~~, and must be filed with the Tax Collector within the period allowed above for originally filing a petition. The Tax Collector shall allow ~~such A~~ FORTY-FIVE (45) DAY extension to file a petition, when such written request has been properly and timely made by the taxpayer, ~~but such extension shall not exceed forty-five (45) days beyond the time provided for originally filing a petition. THE TAX COLLECTOR MAY GRANT AN ADDITIONAL EXTENSION AND MAY DETERMINE THE CORRESPONDING TIME OF ANY SUCH EXTENSION AT HIS SOLE DISCRETION.~~
 - (3) Requirements for petition.
 - (A) The petition shall be in writing and shall set forth the reasons why any correction, abatement, or refund should be granted, and the amount of reduction or refund requested. The petition may be amended at any time prior to the time the taxpayer rests his case at the hearing or such time as the Hearing Officer allows for submitting of amendments in cases of redeterminations without hearings. The Hearing Officer may require that amendments be in writing, and in that case, he

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shall provide a reasonable period of time to file the amendment. The Hearing Officer shall provide a reasonable period of time for the Tax Collector to review and respond to the petition and to any written amendments.

- (B) The taxpayer, as part of the petition, may request a hearing which shall be granted by the Hearing Officer. If no request for hearing is made the petition shall be considered to be submitted for decision by the Hearing Officer on the matters contained in the petition and in any reply made by the Tax Collector.
 - (C) The provisions of this Section are exclusive, and no petition seeking any correction, abatement, or refund shall be considered unless the petition is timely and properly filed under the Section.
- (4) Transmittal to Hearing Officer. The City shall designate a Hearing Officer, who may be other than an employee of the City. The Tax Collector, if designated to receive petitions, shall forward any petition to the Municipal Tax Hearing Officer within twenty (20) days after receipt, accompanied by documentation as to timeliness. In cases where the Hearing Officer determines that the petition is not timely or not in proper form, he shall notify both the taxpayer and the Tax Collector; and in cases of petitions not in proper form only, the Hearing Officer shall provide the taxpayer with an extension up to forty-five (45) days to correct the petition.
 - (5) Hearings shall be conducted by a Hearing Officer and shall be continuous until the Hearing Officer closes the record. The taxpayer may be heard in person or by his authorized representative at such hearing. Hearings shall be conducted informally as to the order of proceeding and presentation of evidence. The Hearing Officer shall admit evidence over hearsay objections where the offered evidence has substantial probative value and reliability. Further, copies of records and documents prepared in the ordinary course of business may be admitted, without objection as to foundation, but subject to argument as to weight, admissibility, and authenticity. Summary accounting records may be admitted subject to satisfactory proof of the reliability of the summaries. In all cases, the decision of the Hearing Officer shall be made solely upon substantial and reliable evidence. All expenses incurred in the hearing shall be paid by the party incurring the same.
 - (6) Redeterminations upon a "petition for redetermination" shall follow the same conditions, except that no oral hearing shall be held.
 - (7) Hearing Ruling. In either case, the Hearing Officer shall issue his ruling not later than forty-five (45) days after the close of the record by the Hearing Officer.
 - (8) Notice of Refund or Adjusted Assessment. Within sixty (60) days of the issuance of the Hearing Officer's decision, the Tax Collector shall issue to the taxpayer either a notice of refund or an adjusted assessment recalculated to conform to the Hearing Officer's decision.
- (c) Stipulations that future tax is also protested. A taxpayer may enter into a stipulation with the Tax Collector that future taxes of similar nature are also at issue in any protest or appeal. However, unless such stipulation is made, it is presumed that the protest or appeal deals solely and exclusively with the tax specifically protested and no other. When a taxpayer enters into such a stipulation with the Tax Collector that future taxes of similar nature will be included in any redetermination,

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hearing, or court case, it is the burden of that taxpayer to identify, segregate, and keep record of such income or protested taxable amount in his books and records in the same manner as the taxpayer is required to segregate exempt income.

- (d) When an assessment is final.
 - (1) If a request for administrative review and petition for hearing or redetermination of an assessment made by the Tax Collector is not filed within the period required by subsection (b) above, such person shall be deemed to have waived and abandoned the right to question the amount determined to be due and any tax, interest, or penalty determined to be due shall be final as provided in subsections 3.14-545(a) and 3.14-555(f).
 - (2) The decision made by the Hearing Officer upon administrative review by hearing or redetermination shall become final thirty (30) days after the taxpayer receives the notice of refund or adjusted assessment required by subsection (b)(8) above, unless the taxpayer appeals the order or decision in the manner provided in Section 3.14-575.
- (e) The provisions of the State Taxpayer Bill of Rights (A.R.S. Section 42-2051 et. seq.) shall not apply.

Section XV. Model City Tax Code Section 3.14-660 is amended as follows. All changes are effective July 1, 2013, except new subsection (mm), which is effective January 1, 2007, and new Local Option #PP which is available to be selected effective August 1, 2014.

Sec. 3.14-660. Use tax: exemptions.

The storage or use in this City of the following tangible personal property is exempt from the Use Tax imposed by this Article:

- (a) tangible personal property brought into the City by an individual who was not a resident of the City at the time the property was acquired for his own use, if the first actual use of such property was outside the City, unless such property is used in conducting a business in this City.
- (b) tangible personal property, the value of which does not exceed the amount of one thousand dollars (\$1,000) per item, acquired by an individual outside the limits of the City for his personal use and enjoyment.
- (c) charges for delivery, installation, or other customer services, as prescribed by Regulation.
- (d) charges for repair services, as prescribed by Regulation.
- (e) separately itemized charges for warranty, maintenance, and service contracts.
- (f) prosthetics.
- (g) income-producing capital equipment.
- (h) rental equipment and rental supplies.

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- (i) mining and metallurgical supplies.
- (j) motor vehicle fuel and use fuel which are used upon the highways of this State and upon which a tax has been imposed under the provisions of Article I or II, Chapter 16, Title 28, Arizona Revised Statutes.
- (k) tangible personal property purchased by a construction contractor, but not an owner-builder, when such person holds a valid Privilege License for engaging or continuing in the business of construction contracting, and where the property acquired is incorporated into any structure or improvement to real property in fulfillment of a construction contract.
- (l) sales of motor vehicles to nonresidents of this State for use outside this State if the vendor ships or delivers the motor vehicle to a destination outside this State.
- (m) tangible personal property which directly enters into and becomes an ingredient or component part of a product sold in the regular course of the business of job printing, manufacturing, or publication of newspapers, magazines or other periodicals. Tangible personal property which is consumed or used up in a manufacturing, job printing, publishing, or production process is not an ingredient nor component part of a product.
- (n) rental, leasing, or licensing for use of film, tape, or slides by a theater or other person taxed under Section 3.14-410, or by a radio station, television station, or subscription television system.
- (o) food served to patrons for a consideration by any person engaged in a business properly licensed and taxed under Section 3.14-455, but not food consumed by owners, agents, or employees of such business.
- (p) tangible personal property acquired by a qualifying hospital, qualifying community health center or a qualifying health care organization, except when the property is in fact used in activities resulting in gross income from unrelated business income as that term is defined in 26 U.S.C. Section 512.
- (q) ~~(RESERVED) food for home consumption.~~
- (r) (Reserved)
 - (1) (Reserved)
 - (2) (Reserved)
 - (3) (Reserved)
 - (4) (Reserved)
- (s) groundwater measuring devices required by A.R.S. Section 45-604.
- (t) (Reserved)
- (u) aircraft acquired for use outside the State, as prescribed by Regulation.
- (v) sales of food products by producers as provided for by A.R.S. Sections 3-561, 3-562 and 3-563.
- (w) (Reserved)

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- (x) ~~(Reserved)~~ FOOD AND DRINK PROVIDED BY A PERSON WHO IS ENGAGED IN BUSINESS THAT IS CLASSIFIED UNDER THE RESTAURANT CLASSIFICATION WITHOUT MONETARY CHARGE TO ITS EMPLOYEES FOR THEIR OWN CONSUMPTION ON THE PREMISES DURING SUCH EMPLOYEES' HOURS OF EMPLOYMENT.
- (y) (Reserved)
- (z) (Reserved)
- (aa) tangible personal property used in remediation contracting as defined in Section 3.14-100 and Regulation 3.14-100.5.
- (bb) materials that are purchased by or for publicly funded libraries including school district libraries, charter school libraries, community college libraries, state university libraries or federal, state, county or municipal libraries for use by the public as follows:
 - (1) printed or photographic materials.
 - (2) electronic or digital media materials.
- (cc) food, beverages, condiments and accessories used for serving food and beverages by a commercial airline, as defined in A.R.S. Section 42-5061(A)(49), that serves the food and beverages to its passengers, without additional charge, for consumption in flight. For the purposes of this subsection, "accessories" means paper plates, plastic eating utensils, napkins, paper cups, drinking straws, paper sacks or other disposable containers, or other items which facilitate the consumption of the food.
- (dd) wireless telecommunication equipment that is held for sale or transfer to a customer as an inducement to enter into or continue a contract for telecommunication services that are taxable under Section 3.14-470.
- (ee) (Reserved)
- (ff) alternative fuel as defined in A.R.S. Section 1-215, by a used oil fuel burner who has received a Department of Environmental Quality permit to burn used oil or used oil fuel under A.R.S. Section 49-426 or Section 49-480.
- (gg) food, beverages, condiments and accessories purchased by or for a public educational entity, pursuant to any of the provisions of Title 15, Arizona Revised Statutes, INCLUDING A REGULARLY ORGANIZED PRIVATE OR PAROCHIAL SCHOOL THAT OFFERS AN EDUCATIONAL PROGRAM FOR GRADE TWELVE (12) OR UNDER WHICH MAY BE ATTENDED IN SUBSTITUTION FOR A PUBLIC SCHOOL PURSUANT TO A.R.S. SECTION 15-802; to the extent such items are to be prepared or served to individuals for consumption on the premises of a public educational entity during school hours. For the purposes of this subsection, "accessories" means paper plates, plastic eating utensils, napkins, paper cups, drinking straws, paper sacks or other disposable containers, or other items which facilitate the consumption of the food.

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- (hh) personal hygiene items purchased by a person engaged in the business of and subject to tax under Section 3.14-444 of this Code if the tangible personal property is furnished without additional charge to and intended to be consumed by the person during his occupancy.
- (ii) the diversion of gas from a pipeline by a person engaged in the business of operating a natural or artificial gas pipeline, for the sole purpose of fueling compressor equipment to pressurize the pipeline, is not a sale of the gas to the operator of the pipeline.
- (jj) food, beverages, condiments and accessories purchased by or for a nonprofit charitable organization that has qualified as an exempt organization under 26 U.S.C. Section 501(c)(3) and regularly serves meals to the needy and indigent on a continuing basis at no cost. For the purposes of this subsection, "accessories" means paper plates, plastic eating utensils, napkins, paper cups, drinking straws, paper sacks or other disposable containers, or other items which facilitate the consumption of the food.
- (kk) sales of motor vehicles that use alternative fuel if such vehicle was manufactured as a diesel fuel vehicle and converted to operate on alternative fuel and sales of equipment that is installed in a conventional diesel fuel motor vehicle to convert the vehicle to operate on an alternative fuel, as defined in A.R.S. Section 1-215.
- (ll) The storage, use or consumption of tangible personal property in the City by a school district or charter school.
- (mm) RENEWABLE ENERGY CREDITS OR ANY OTHER UNIT CREATED TO TRACK ENERGY DERIVED FROM RENEWABLE ENERGY RESOURCES. FOR THE PURPOSES OF THIS PARAGRAPH, "RENEWABLE ENERGY CREDIT" MEANS A UNIT CREATED ADMINISTRATIVELY BY THE CORPORATION COMMISSION OR GOVERNING BODY OF A PUBLIC POWER UTILITY TO TRACK KILOWATT HOURS OF ELECTRICITY DERIVED FROM A RENEWABLE ENERGY RESOURCE OR THE KILOWATT HOUR EQUIVALENT OF CONVENTIONAL ENERGY RESOURCES DISPLACED BY DISTRIBUTED RENEWABLE ENERGY RESOURCES.
- (nn) MAGAZINES OR OTHER PERIODICALS OR OTHER PUBLICATIONS BY THIS STATE TO ENCOURAGE TOURIST TRAVEL.
- (oo) PAPER MACHINE CLOTHING, SUCH AS FORMING FABRICS AND DRYER FELTS, SOLD TO A PAPER MANUFACTURER AND DIRECTLY USED OR CONSUMED IN PAPER MANUFACTURING.
- (pp) OVERHEAD MATERIALS OR OTHER TANGIBLE PERSONAL PROPERTY THAT IS USED IN PERFORMING A CONTRACT BETWEEN THE UNITED STATES GOVERNMENT AND A MANUFACTURER, MODIFIER, ASSEMBLER OR REPAIRER, INCLUDING PROPERTY USED IN PERFORMING A SUBCONTRACT WITH A GOVERNMENT CONTRACTOR WHO IS A MANUFACTURER, MODIFIER, ASSEMBLER OR REPAIRER, TO WHICH TITLE PASSES TO THE GOVERNMENT UNDER THE TERMS OF THE CONTRACT OR SUBCONTRACT.
- (qq) COAL, PETROLEUM, COKE, NATURAL GAS, VIRGIN FUEL OIL AND ELECTRICITY SOLD TO A QUALIFIED ENVIRONMENTAL TECHNOLOGY MANUFACTURER,

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PRODUCER OR PROCESSOR AS DEFINED IN A.R.S. SECTION 41-1514.02 AND DIRECTLY USED OR CONSUMED IN THE GENERATION OR PROVISION OF ON-SITE POWER OR ENERGY SOLELY FOR ENVIRONMENTAL TECHNOLOGY MANUFACTURING, PRODUCING OR PROCESSING OR ENVIRONMENTAL PROTECTION. THIS PARAGRAPH SHALL APPLY FOR TWENTY FULL CONSECUTIVE CALENDAR OR FISCAL YEARS FROM THE DATE THE FIRST PAPER MANUFACTURING MACHINE IS PLACED IN SERVICE. IN THE CASE OF AN ENVIRONMENTAL TECHNOLOGY MANUFACTURER, PRODUCER OR PROCESSOR WHO DOES NOT MANUFACTURE PAPER, THE TIME PERIOD SHALL BEGIN WITH THE DATE THE FIRST MANUFACTURING, PROCESSING OR PRODUCTION EQUIPMENT IS PLACED IN SERVICE.

(RR) MACHINERY, EQUIPMENT, MATERIALS AND OTHER TANGIBLE PERSONAL PROPERTY USED DIRECTLY AND PREDOMINANTLY TO CONSTRUCT A QUALIFIED ENVIRONMENTAL TECHNOLOGY MANUFACTURING, PRODUCING OR PROCESSING FACILITY AS DESCRIBED IN A.R.S. SECTION 41-1514.02. THIS SUBSECTION APPLIES FOR TEN FULL CONSECUTIVE CALENDAR OR FISCAL YEARS AFTER THE START OF INITIAL CONSTRUCTION.

(SS) (RESERVED)

Section XVI. Model City Tax Code Regulation 3.14-120.1 is repealed, with an effective date of July 1, 2013.

Reg. 3.14-120.1. (Reserved)

Section XVII. Model City Tax Code Regulation 3.14-270.1 is amended as follows, with an effective date of July 1, 2013.

Reg. 3.14-270.1. Proprietary activities of municipalities are not considered activities of a governmental entity.

The following activities, when performed by a municipality, are considered to be activities of a person engaged in business for the purposes of this Chapter, and not excludable by reason of Section 3.14-270:

- (a) rental, leasing, or licensing for use of real property to other than another department or agency of the municipality.
- (b) producing, providing, or furnishing electricity, electric lights, current, power, gas (natural or artificial), or water to consumers or ratepayers.

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- (c) sale of tangible personal property to the public, when similar tangible personal property is available for sale by other persons, as, for example, at police or surplus auctions.
- (d) ~~(Reserved)~~ PROVIDING WASTEWATER REMOVAL SERVICES TO CONSUMERS OR RATEPAYERS BY MEANS OF SEWER LINES OR SIMILAR PIPELINES.

Section XVIII. Model City Tax Code Regulation 3.14-460.1 is amended as follows, with an effective date of July 1, 2013.

Reg. 3.14-460.1. Distinction between retail sales and certain other transfers of tangible personal property.

- (a) Charges for transfer of tangible personal property included in the gross income of the business activity of persons engaged in the following business activities shall be deemed only as gross income from such business activity and not sales at retail taxed by Section 3.14-460:
 - (1) tangible personal property incorporated into real property as part of reconstruction or construction contracting, per Sections 3.14-415 through 3.14-418.
 - (2) sales of feed at wholesale, per Section 3.14-420.
 - (3) job printing, per Section 3.14-425.
 - (4) mining, timbering, and other extraction, per Section 3.14-430.
 - (5) publication of newspapers, magazines, and other periodicals, per Section 3.14-435.
 - (6) rental, leasing, and licensing of real or tangible personal property, per Sections 3.14-445 or 3.14-450.
 - (7) restaurants and bars, per Section 3.14-455.
 - ~~(7)(8)~~ FOOD FOR HOME CONSUMPTION, PER SECTION 3.14-462.
 - (9) telecommunications services, per Section 3.14-470.
 - (10) utility services, per Section 3.14-480.
 - (11) WASTEWATER REMOVAL SERVICES, PER SECTION 3.14-485.
- (b) Distinction between construction contracting, retail, and certain direct customer service activities.
 - (1) When an item is attached or installed on real property, it is a construction contracting activity and any subsequent repair, removal, or replacement of that item is construction contracting.
 - (2) Items attached or installed on tangible personal property are retail sales.
 - (3) Transactions where no tangible personal property is attached or installed are considered direct customer service activities (for example: carpet cleaning, lawn mowing, and landscape maintenance).

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- (4) Demolition, earth moving, and wrecking activities are considered construction contracting.
- (c) The sale of sand, rock, and gravel extracted from the ground shall be deemed a sale of tangible personal property and not mining or metallurgical activity.
- (d) Sale of consumable goods incorporated into or applied to real property is considered a retail sale and not construction contracting. Examples of consumable goods are lubricants, faucet washers, and air conditioning coolant, but not paint.
- (e) Installation or removal of tangible personal property which has independent functional utility is considered a retail activity.
 - (1) "Tangible personal property which has independent functional utility" must be able to substantially perform its function(s) without attachment to real property. "Attachment to real property" must include more than connection to water, power, gas, communication, or other service.
 - (2) Examples of tangible personal property which has independent functional utility include artwork, furnishings, "plug-in" kitchen equipment, or similar items installed by bolts or similar fastenings.
 - (3) Examples of tangible personal property which does not have independent functional utility include wall-to-wall carpeting, flooring, wallpaper, kitchen cabinets, or "built-in" dishwashers or ranges.
 - (4) The installation of window coverings (drapes, mini-blinds, etc.) is always a retail activity.



CITY OF SURPRISE Regular City Council Meeting

Council Meeting Date: November 17, 2020

Contact Person: Andrea Davis, DIRECTOR -
FINANCE

Submitting Department: Finance

District: Citywide

Staff Recommendations: None

Consent: No	Regular: No	Public Hearing: Yes	Report/Discussion: No
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Agenda Wording:

Consideration and action pertaining to adoption of amendments to the City of Surprise Municipal Code related to Transaction Privilege Tax; Ordinance # 2020-26.

Motion:

I move to approve Ordinance # 2020-26.

Background:

The tax code applied for the City of Surprise is the official version maintained by the Arizona Department of Revenue (ADOR) on its Model City Tax Code website (Modelcitytaxcode.az.gov). The City of Surprise Municipal Code must be periodically updated to reflect the amendments as approved by ADOR. This update will reflect amendments approved between 2012 and 2014.

Staff will return at a future date to amend the Surprise Municipal Code to reflect amendments approved by ADOR through 2019.

Objective Analysis:

Amending the Surprise Municipal Code to reflect the amendments made to the Model City Tax Code as approved by ADOR will minimize the potential for conflicting information. Adoption of ADOR amendments is also mandated by law.

Policy Compliant:

This item is compliant with City and Council policy.

Financial Impact:

This action has no financial impact.

Budget Impact:

This action has no budgetary impact.

FTE Impact:

This action has no impact on the full-time equivalent count.

ATTACHMENTS:

1. Ordinance 2020-xx MCTC Amendment
 2. SMC Amendments 3.14 et. seq.
 3. Surprise Tax Code Amendments Summary
 4. Presentation Model City Tax Code Updates
-

ORDINANCE # 2020-26

AN ORDINANCE OF THE CITY OF SURPRISE, ARIZONA, AMENDING THE CITY OF SURPRISE TAX CODE BY ADOPTING AND INCORPORATING THE 2012-2014 AMENDMENTS TO THE MODEL CITY TAX CODE RELATED TO THE TRANSACTION PRIVILEGE TAX OF THE CITY OF SURPRISE; ESTABLISHING EFFECTIVE DATES; PROVIDING FOR SEVERABILITY AND PENALTIES FOR VIOLATIONS.

WHEREAS, the 2012-2014 Amendments to the Model City Tax Code were approved by the Municipal Tax Code Commission;

WHEREAS, pursuant to A.R.S. § 42-6052, all cities and towns shall adopt the changes to the model city tax code adopted by the commission; and

WHEREAS, the City wishes to update the Surprise Municipal Code to reflect these 2012-2014 amendments to the Model City Tax Code and the City of Surprise Tax Code.

NOW, THEREFORE, BE IT ORDAINED by the Mayor and Council of the City of Surprise, Arizona, as follows:

Section 1. That certain document known as "The 2012-2014 Amendments to the Tax Code of the City of Surprise", three copies of which are on file in the office of the City Clerk of the City of Surprise, Arizona, which document was made a public record by Resolution No.2020-144 of the City of Surprise, Arizona, is hereby referred to, adopted and made a part hereof as if fully set out in this ordinance.

Section 2. If any section, subsection, sentence, clause, phrase or portion of this Ordinance or any part of these amendments to the municipal code adopted herein is for any reason held to be invalid or unconstitutional by decision of any court of competent jurisdiction, such decision will not be read to affect the validity of the remaining portions thereof.

Section 3. Any person found guilty of violating any provision of these amendments to the Tax Code shall be guilty of a class one misdemeanor. Each day that a violation continues shall be a separate offense punishable as herein above described.

Section 4. The provisions of this ordinance conforms this local code to the Model City Tax Code, which is controlling. The provisions of each section are effective as stated in each section and are as provided by the Municipal Tax Code Commission upon approval of the stated change to the Model City Tax Code. Provisions subject to a retroactive effective date at the time of approval by the Municipal Tax Code Commission favor taxpayers by reducing an imposition of the tax or increasing an allowable

deduction, exemption, or exclusion. Provisions that increase the imposition of the tax or decrease the application of a deduction, exemption, or exclusion had a prospective effective date at the time of approval by the Municipal Tax Code Commission. Provisions creating a new Option state the first effective date the new Option is available for selection. Provisions eliminating an existing Option state the last effective date of the eliminated Option.

PASSED AND ADOPTED this _____ day of _____, 2020.

Skip Hall, Mayor

Attest:

Approved as to form:

Sherry Aguilar, City Clerk

Robert Wingo, City Attorney

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Section I. Model City Tax Code Section 3.14-100 is amended as follows, with an effective date of January 1, 2007.

Sec. 3.14-100. General definitions.

For the purposes of this Chapter, the following definitions apply:

"Assembler" means a person who unites or combines products, wares, or articles of manufacture so as to produce a change in form or substance of such items without changing or altering component parts.

"Broker" means any person engaged or continuing in business who acts for another for a consideration in the conduct of a business activity taxable under this Chapter, and who receives for his principal all or part of the gross income from the taxable activity.

"Business" ~~means~~ **INCLUDES** all activities or acts, personal or corporate, engaged in ~~and~~ **OR** caused to be engaged in with the object of gain, benefit, or advantage, either direct**LY** or indirect**LY**, but **DOES** not **INCLUDE EITHER:** casual activities or sales; **OR THE TRANSFER OF ELECTRICITY FROM A SOLAR PHOTOVOLTAIC GENERATION SYSTEM TO AN ELECTRIC UTILITY DISTRIBUTION SYSTEM.**

"Business Day" means any day of the week when the Tax Collector's office is open for the public to conduct the Tax Collector's business.

"Casual Activity or Sale" means a transaction of an isolated nature made by a person who neither represents himself to be nor is engaged in a business subject to a tax imposed by this Chapter. However, no sale, rental, license for use, or lease transaction concerning real property, nor any activity entered into by a business taxable by this Chapter shall be treated, or be exempt, as casual. This definition shall include sales of used capital assets, provided that the volume and frequency of such sales do not indicate that the seller regularly engages in selling such property.

"Combined Taxes" means the sum of all applicable Arizona Transaction Privilege and Use Taxes; all applicable transportation taxes imposed upon gross income by this County as authorized by Article III, Chapter 6, Title 42, Arizona Revised Statutes; and all applicable taxes imposed by this Chapter.

"Commercial Property" is any real property, or portion of such property, used for any purpose other than lodging or lodging space, including structures built for lodging but used otherwise, such as model homes, apartments used as offices, etc.

"Communications Channel" means any line, wire, cable, microwave, radio signal, light beam, telephone, telegraph, or any other electromagnetic means of moving a message.

"Construction Contracting" refers to the activity of a construction contractor.

"Construction Contractor" means a person who undertakes to or offers to undertake to, or purports to have the capacity to undertake to, or submits a bid to, or does himself or by or through others, construct, alter, repair, add to, subtract from, improve, move, wreck, or demolish any building, highway, road, railroad, excavation, or other structure, project, development, or improvement to real property, or to do any part thereof. "Construction contractor" includes subcontractors, specialty contractors, prime contractors, and any person receiving consideration for the general supervision and/or coordination of such a construction

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project except for remediation contracting. This definition shall govern without regard to whether or not the construction contractor is acting in fulfillment of a contract.

"Delivery (of Notice) by the Tax Collector" means "receipt (of notice) by the taxpayer".

"Delivery, Installation, or Other Direct Customer Services" means services or labor, excluding repair labor, provided by a taxpayer to or for his customer at the time of transfer of tangible personal property; provided further that the charge for such labor or service is separately billed to the customer and maintained separately in the taxpayer's books and records.

"Engaging", when used with reference to engaging or continuing in business, includes the exercise of corporate or franchise powers.

"Equivalent Excise Tax" means either:

- (1) a Privilege or Use Tax levied by another Arizona municipality upon the transaction in question, and paid either to such Arizona municipality directly or to the vendor; or
- (2) an excise tax levied by a political subdivision of a state other than Arizona upon the transaction in question, and paid either to such jurisdiction directly or to the vendor; or
- (3) an excise tax levied by a Native American Government organized under the laws of the Federal Government upon the transaction in question and paid either to such jurisdiction directly or to the vendor.

"Federal Government" means the United States Government, its departments and agencies; but not including national banks or federally chartered or insured banks, savings and loan institutions, or credit unions.

"Food" means any items intended for human consumption as defined by rules and regulations adopted by the Department of Revenue, State of Arizona, pursuant to A.R.S. Section 42-5106. Under no circumstances shall "food" include alcoholic beverages or tobacco, or food items purchased for use in conversion to any form of alcohol by distillation, fermentation, brewing, or other process. Under no circumstances shall "food" include an edible product, beverage, or ingredient infused, mixed, or in any way combined with medical marijuana or an active ingredient of medical marijuana.

"Hotel" means any public or private hotel, inn, hostelry, tourist home, house, motel, rooming house, apartment house, trailer, or other lodging place within the City offering lodging, wherein the owner thereof, for compensation, furnishes lodging to any transient, except foster homes, rest homes, sheltered care homes, nursing homes, or primary health care facilities.

"Jet Fuel" means jet fuel as defined in A.R.S. Section 42-5351.

"Job Printing" means the activity of copying or reproducing an article by any means, process, or method. "Job printing" includes engraving of printing plates, embossing, copying, micrographics, and photo reproduction.

"Lessee" includes the equivalent person in a rental or licensing agreement for all purposes of this Chapter.

"Lessor" includes the equivalent person in a rental or licensing agreement for all purposes of this Chapter.

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"Licensing (for Use)" means any agreement between the user ("licensee") and the owner or the owner's agent ("licensor") for the use of the licensor's property whereby the licensor receives consideration, where such agreement does not qualify as a "sale" or "lease" or "rental" agreement.

"Lodging (Lodging Space)" means any room or apartment in a hotel or any other provider of rooms, trailer spaces, or other residential dwelling spaces; or the furnishings or services and accommodations accompanying the use and possession of said dwelling space, including storage or parking space for the property of said tenant.

"Manufactured Buildings" means a manufactured home, mobile home or factory-built building, as defined in A.R.S. Section 41-2142.

"Manufacturer" means a person engaged or continuing in the business of fabricating, producing, or manufacturing products, wares, or articles for use from other forms of tangible personal property, imparting to such new forms, qualities, properties, and combinations.

"Medical marijuana" means "marijuana" used for a "medical use" as those terms are defined in A.R.S. Section 36-2801.

"Mining and Metallurgical Supplies" means all tangible personal property acquired by persons engaged in activities defined in Section 3.14-432 for such use. This definition shall not include:

- (1) janitorial equipment and supplies.
- (2) office equipment, office furniture, and office supplies.
- (3) motor vehicles licensed for use upon the highways of the State.

"Modifier" means a person who reworks, changes, or adds to products, wares, or articles of manufacture.

"Nonprofit Entity" means any entity organized and operated exclusively for charitable purposes, or operated by the Federal Government, the State, or any political subdivision of the State.

"Occupancy (of Real Property)" means any occupancy or use, or any right to occupy or use, real property including any improvements, rights, or interests in such property.

"Out-of-City Sale" means the sale of tangible personal property and job printing if all of the following occur:

- (1) transference of title and possession occur without the City; and
- (2) the stock from which such personal property was taken was not within the corporate limits of the City; and
- (3) the order is received at a permanent business location of the seller located outside the City; which location is used for the substantial and regular conduct of such business sales activity. In no event shall the place of business of the buyer be determinative of the situs of the receipt of the order.

For the purpose of this definition it does not matter that all other indicia of business occur within the City, including, but not limited to, accounting, invoicing, payments, centralized purchasing, and supply to out-of-City storehouses and out-of-City retail branch outlets from a primary storehouse within the City.

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"Out-of-State Sale" means the sale of tangible personal property and job printing if all of the following occur:

- (1) the order is placed from without the State of Arizona; and
- (2) the property is delivered to the buyer at a location outside the State; and
- (3) the property is purchased for use outside the State.

"Owner-Builder" means an owner or lessor of real property who, by himself or by or through others, constructs or has constructed or reconstructs or has reconstructed any improvement to real property.

"Person" means an individual, firm, partnership, joint venture, association, corporation, estate, trust, receiver, syndicate, broker, the Federal Government, this State, or any political subdivision or agency of this State. For the purposes of this Chapter, a person shall be considered a distinct and separate person from any general or limited partnership or joint venture or other association with which such person is affiliated. A subsidiary corporation shall be considered a separate person from its parent corporation for purposes of taxation of transactions with its parent corporation.

"Prosthetic" means any of the following tangible personal property if such items are prescribed or recommended by a licensed podiatrist, chiropractor, dentist, physician or surgeon, naturopath, optometrist, osteopathic physician or surgeon, psychologist, hearing aid dispenser, physician assistant, nurse practitioner or veterinarian:

- (1) any man-made device for support or replacement of a part of the body, or to increase acuity of one of the senses. Such items include: prescription eyeglasses; contact lenses; hearing aids; artificial limbs or teeth; neck, back, arm, leg, or similar braces.
- (2) insulin, insulin syringes, and glucose test strips sold with or without a prescription.
- (3) hospital beds, crutches, wheelchairs, similar home health aids, or corrective shoes.
- (4) drugs or medicine, including oxygen.
- (5) equipment used to generate, monitor, or provide health support systems, such as respiratory equipment, oxygen concentrator, and dialysis machine.
- (6) durable medical equipment which has a federal health care financing administration common procedure code, is designated reimbursable by Medicare, can withstand repeated use, is primarily and customarily used to serve a medical purpose, is generally not useful to a person in the absence of illness or injury and is appropriate for use in the home.
- ~~(7)~~ ORTHODONTIC DEVICES DISPENSED BY A DENTAL PROFESSIONAL WHO IS LICENSED UNDER TITLE 32, CHAPTER 11 TO A PATIENT AS PART OF THE PRACTICE OF DENTISTRY.
- ~~(7)(8)~~ Under no circumstances shall "prosthetic" include medical marijuana regardless of whether it is sold or dispensed pursuant to a prescription, recommendation, or written certification by any authorized person.

"Qualifying Community Health Center"

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- (1) means an entity that is recognized as nonprofit under 501(c)(3) of the United States Internal Revenue Code, that is a community-based, primary care clinic that has a community-based board of directors and that is either:
 - (A) the sole provider of primary care in the community.
 - (B) a nonhospital affiliated clinic that is located in a federally designated medically underserved area in this State.
- (2) includes clinics that are being constructed as qualifying community health centers.

"Qualifying Health Care Organization" means an entity that is recognized as nonprofit under Section 501(c) of the United States Internal Revenue Code and that uses, saves or invests at least eighty percent (80%) of all monies that it receives from all sources each year only for health and medical related educational and charitable services, as documented by annual financial audits prepared by an independent certified public accountant, performed according to Generally Accepted Accounting Standards (GAAS) and filed annually with the Arizona Department of Revenue. Monies that are used, saved or invested to lease, purchase or construct a facility for health and medical related education and charitable services are included in the eighty percent (80%) requirement.

"Qualifying Hospital" means any of the following:

- (1) a licensed hospital which is organized and operated exclusively for charitable purposes, no part of the net earnings of which inures to the benefit of any private shareholder or individual.
- (2) a licensed nursing care institution or a licensed residential care institution or a residential care facility operated in conjunction with a licensed nursing care institution or a licensed kidney dialysis center, which provides medical services, nursing services or health related services and is not used or held for profit.
- (3) a hospital, nursing care institution or residential care institution which is operated by the Federal Government, this State or a political subdivision of this State.
- (4) a facility that is under construction and that on completion will be a facility under subdivision (1), (2) or (3) of this paragraph.

"Receipt (of Notice) by the Taxpayer" means the earlier of actual receipt or the first attempted delivery by certified United States mail to the taxpayer's address of record with the Tax Collector.

"Remediation" means those actions that are reasonable, necessary, cost-effective and technically feasible in the event of the release or threat of release of hazardous substances into the environment such that the waters of the State are or may be affected, such actions as may be necessary to monitor, assess and evaluate such release or threat of release, actions of remediation, removal or disposal of hazardous substances or taking such other actions as may be necessary to prevent, minimize or mitigate damage to the public health or welfare or to the waters of the State which may otherwise result from a release or threat of release of a hazardous substance that will or may affect the waters of the State. Remediation activities include the use of biostimulation with indigenous microbes and bioaugmentation using microbes that are nonpathogenic, nonopportunistic and that are naturally occurring. Remediation activities may include community information and participation costs and providing an alternative drinking water supply.

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"Rental Equipment" means tangible personal property sold, rented, leased, or licensed to customers to the extent that the item is actually used by the customer for rental, lease, or license to others; provided that:

- (1) the vendee is regularly engaged in the business of renting, leasing, or licensing such property for a consideration; and
- (2) the item so claimed as "rental equipment" is not used by the person claiming the exemption for any purpose other than rental, lease, or license for compensation, to an extent greater than fifteen percent (15%) of its actual use.

"Rental Supply" means an expendable or nonexpendable repair or replacement part sold to become part of "rental equipment", provided that:

- (1) the documentation relating to each purchased item so claimed specifically itemizes to the vendor the actual item of "rental equipment" to which the purchased item is intended to be attached as a repair or replacement part; and
- (2) the vendee is regularly engaged in the business of renting, leasing, or licensing such property for a consideration; and
- (3) the item so claimed as "rental equipment" is not used by the person claiming the exemption for any purpose other than rental, lease, or license for compensation, to an extent greater than fifteen percent (15%) of its actual use.

"Repairer" means a person who restores or renews products, wares, or articles of manufacture.

"Resides within the City" means in cases other than individuals, whose legal addresses are determinative of residence, the engaging, continuing, or conducting of regular business activity within the City.

"Restaurant" means any business activity where articles of food, drink, or condiment are customarily prepared or served to patrons for consumption on or off the premises, also including bars, cocktail lounges, the dining rooms of hotels, and all caterers. For the purposes of this Chapter, a "fast food" business, which includes street vendors and mobile vendors selling in public areas or at entertainment or sports or similar events, who prepares or sells food or drink for consumption on or off the premises is considered a "restaurant", and not a "retailer".

"Retail Sale (Sale at Retail)" means the sale of tangible personal property, except the sale of tangible personal property to a person regularly engaged in the business of selling such property.

"Retailer" means any person engaged or continuing in the business of sales of tangible personal property at retail.

"Sale" means any transfer of title or possession, or both, exchange, barter, conditional or otherwise, in any manner or by any means whatsoever, including consignment transactions and auctions, of property for a consideration. "Sale" includes any transaction whereby the possession of such property is transferred but the seller retains the title as security for the payment of the price. "Sale" also includes the fabrication of tangible personal property for consumers who, in whole or in part, furnish either directly or indirectly the materials used in such fabrication work.

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"Solar Daylighting" means a device that is specifically designed to capture and redirect the visible portion of the solar beam, while controlling the infrared portion, for use in illuminating interior building spaces in lieu of artificial lighting.

"Solar Energy Device" means a system or series of mechanisms designed primarily to provide heating, to provide cooling, to produce electrical power, to produce mechanical power, to provide solar daylighting or to provide any combination of the foregoing by means of collecting and transferring solar generated energy into such uses either by active or passive means, including wind generator systems that produce electricity. Solar energy systems may also have the capability of storing solar energy for future use. Passive systems shall clearly be designed as a solar energy device, such as a trombe wall, and not merely as a part of a normal structure, such as a window.

"Speculative Builder" means either:

- (1) an owner-builder who sells or contracts to sell, at any time, improved real property (as provided in Section 3.14-416) consisting of:
 - (A) custom, model, or inventory homes, regardless of the stage of completion of such homes; or
 - (B) improved residential or commercial lots without a structure; or
- (2) an owner-builder who sells or contracts to sell improved real property, other than improved real property specified in subsection (1) above:
 - (A) prior to completion; or
 - (B) before the expiration of twenty-four (24) months after the improvements of the real property sold are substantially complete.

"Substantially Complete" means the construction contracting or reconstruction contracting:

- (1) has passed final inspection or its equivalent; or
- (2) certificate of occupancy or its equivalent has been issued; or
- (3) is ready for immediate occupancy or use.

"Supplier" means any person who rents, leases, licenses, or makes sales of tangible personal property within the City, either directly to the consumer or customer or to wholesalers, jobbers, fabricators, manufacturers, modifiers, assemblers, repairers, or those engaged in the business of providing services which involve the use, sale, rental, lease, or license of tangible personal property.

"Tax Collector" means the Finance Director or their designee or agent for all purposes under this Chapter.

"Taxpayer" means any person liable for any tax under this Chapter.

"Taxpayer Problem Resolution Officer" means the individual designated by the City to perform the duties identified in Sections 3.14-515 and 3.14-516. In cities with a population of fifty thousand (50,000) or more, the Taxpayer Problem Resolution Officer shall be an employee of the City. In cities with a population of less than fifty thousand (50,000), the Taxpayer Problem Resolution Officer need not be an employee of the City. Regardless of whether the Taxpayer Problem Resolution Officer is or is not an employee of the City,

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the Taxpayer Problem Resolution Officer shall have substantive knowledge of taxation. The identity of and telephone number for the Taxpayer Problem Resolution Officer can be obtained from the Tax Collector.

"Telecommunication Service" means any service or activity connected with the transmission or relay of sound, visual image, data, information, images, or material over a communications channel or any combination of communications channels.

"Transient" means any person who either at the person's own expense or at the expense of another obtains lodging space or the use of lodging space on a daily or weekly basis, or on any other basis for less than thirty (30) consecutive days.

"Utility Service" means the producing, providing, or furnishing of electricity, electric lights, current, power, gas (natural or artificial), or water to consumers or ratepayers.

Section II. Model City Tax Code Section 3.14-120 and Model Option #2 is repealed, with an effective date of July 1, 2013.

~~3.14-120. (RESERVED)~~

Section III. Model City Tax Code Section 3.14-200 is amended as follows, with an effective date of July 1, 2013.

Sec. 3.14-200. Determination of gross income: in general.

- (a) Gross income includes:
 - (1) the value proceeding or accruing from the sale of property, the providing of service, or both.
 - (2) the total amount of the sale, lease, license for use, or rental price at the time of such sale, rental, lease, or license.
 - (3) all receipts, cash, credits, barter, exchange, reduction of or forgiveness of indebtedness, and property of every kind or nature derived from a sale, lease, license for use, rental, or other taxable activity.
 - (4) all other receipts whether payment is advanced prior to, contemporaneous with, or deferred in whole or in part subsequent to the activity or transaction.
- (b) Barter, exchange, trade-outs, or similar transactions are includable in gross income at the fair market value of the service rendered or property transferred, whichever is higher, as they represent consideration given for consideration received.

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- (c) No deduction or exclusion is allowed from gross income on account of the cost of the property sold, the time value of money, expense of any kind or nature, losses, materials used, labor or service performed, interest paid, or credits granted.
- (D) FOR THE PURPOSES OF THIS CHAPTER THE TOTAL AMOUNT OF GROSS INCOME, GROSS RECEIPTS OR GROSS PROCEEDS OF SALES FOR NUCLEAR FUEL SHALL BE DEEMED TO BE THE VALUE OF THE PURCHASE PRICE OF URANIUM OXIDE USED IN PRODUCING THE FUEL. THE TAX IMPOSED BY THIS CHAPTER MAY BE IMPOSED ONLY ONCE FOR ANY ONE QUANTITY OR BATCH OF NUCLEAR FUEL REGARDLESS OF THE NUMBER OF TRANSACTIONS OR FINANCING ARRANGEMENTS WHICH MAY OCCUR WITH RESPECT TO THAT NUCLEAR FUEL.

Section IV. Model City Tax Code Article III is REPEALED AND REPLACED IN ITS ENTIRETY with the following Sections 3.14-300 through 3.14-380, effective January 1, 2015.

Article III - Licensing and Recordkeeping

Sec. 3.14-300. Licensing requirements.

- (a) The following persons shall make application to the Tax Collector for a Transaction Privilege and Use Tax License and no person shall engage or continue in business or engage in such activities until he shall have such a license:
- (1) Every person engaging or continuing in business activities within the City upon which a Transaction Privilege Tax is imposed by this Chapter.
 - (2) Every person engaging or continuing in business within the City and storing or using tangible personal property in this municipality upon which a Use Tax is imposed by this Chapter.
 - (3) Every person required to report and pay tax upon Rental Occupancy, as imposed by Section 3.14-440.
- (b) For the purpose of determining whether a Transaction Privilege and Use Tax License is required, a person shall be deemed to be "engaging or continuing in business" within the City if:
- (1) engaging in any activity as a principal or broker, the gross receipts of which may be subject to Transaction Privilege Tax under Article IV of this Chapter, or
 - (2) maintaining within the City directly, or if a corporation by a subsidiary, an office, distribution house, sales house, warehouse or other place of business; maintaining within the City directly, or if a corporation by a subsidiary, any real or tangible personal property; or having any agent or other representative operating within the City under the authority of such person, or if a corporation by a subsidiary, irrespective of whether such place of

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business, property, or agent or other representative is located here permanently or temporarily, or

- (3) soliciting sales, orders, contracts, leases, and other similar forms of business relationships, within the City from customers, consumers, or users located within the City, by means of salesmen, solicitors, agents, representatives, brokers, and other similar agents or by means of catalogs or other advertising, whether such orders are received or accepted within or without this City.
 - (4) A person shall also be deemed to be "engaging or continuing in business" if engaging in any activity subject to Use Tax under Article VI of this Chapter for business purposes. Individuals who acquire items subject to Use Tax for their own personal use or their family's personal use are not required to obtain a license.
 - (5) Every person required to report and pay tax upon Rental Occupancy, as imposed by Section 3.14-440.
- (c) A person engaging in more than one activity subject to Transaction Privilege Tax at any one business location is not required to obtain a separate license for each activity, provided that, at the time such person makes application for a license, he shall list on such application each category of activity in which he is engaged.
 - (d) The licensee shall inform the Tax Collector of any changes in his business activities, location, or mailing address within thirty (30) days.
 - (e) Limitation. The issuance of a Transaction Privilege and Use Tax License by the Tax Collector shall in no way be construed as permission to operate a business activity in violation of any other law or regulation to which such activity may be subject.
 - (f) Casual activity. For the purposes of this Chapter, individuals engaging in a "casual activity or sale" are not subject to the license requirements imposed under this Article provided that they are only engaged in private sales activities, such as the sale of a personal automobile or garage sale, on no more than three separate occasions during any calendar year.

Sec. 3.14-310. Licensing: special requirements.

- (a) Partnerships. Application for a Transaction Privilege and Use Tax License for a partnership engaging or continuing in business shall provide, as a minimum, the names and addresses of all general partners. Licenses issued to persons engaging in business as partners, limited or general, shall be in the name of the partnership.
- (b) Limited Liability Companies. Application for a Transaction Privilege and Use Tax License for a Limited Liability Company (LLC) engaging or continuing in business shall provide, as a minimum, the names and addresses of all members and the manager. Licenses issued to persons engaging in business as Limited Liability Companies, shall be in the name of the LLC.
- (c) Corporations. Application for a Transaction Privilege and Use Tax License for a corporation engaging or continuing in business shall provide, as a minimum, the names and addresses of both

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the Chief Executive Officer and Chief Financial Officer of the corporation. Licenses issued to persons engaging in business as corporations shall be in the name of the corporation.

- (d) Multiple Locations or Multiple Business Names. A person engaging or continuing in one or more businesses at two (2) or more locations or under two (2) or more business names shall procure a license for each such location or business name. A "location" is a place of a separate business establishment.
- (e) Real Property Rental, Leasing, and Licensing for Use. In all cases the Transaction Privilege and Use Tax License shall be issued only to the owner of the real property regardless of the owner engaging a property manager or other broker to oversee the owner's business activity including filing tax returns on behalf of the owner. Each rental property that can be independently sold or transferred is deemed to be a separate business establishment. Each platted parcel of real property subject to the tax imposed by this Chapter is deemed to be a separate business establishment and requires a separate license, regardless of the number of rental units located on that platted parcel. If one structure is located on multiple parcels in a manner such that ownership of an individual parcel cannot be sold or transferred without requiring alteration to divide the structure, one license shall be required for all affected parcels.

Sec. 3.14-320. License fees; annual renewal; renewal fees.

- (a) The Transaction Privilege and Use Tax License shall be valid upon receipt of a non-refundable license fee of ten dollars (\$10.00), except for a license to engage in the business activity of residential or commercial real property rental, leasing, and licensing for use as separately identified in this Section. The Transaction Privilege and Use Tax License shall be valid only for the calendar year in which it is issued unless renewed each year by filing the appropriate application for license renewal and paying an annual license renewal fee of zero dollars (\$0.00) for each license, subject to the limitations in A.R.S. Section 42-5005. Such annual renewal fee shall be due and payable on January 1 of each year and shall be considered delinquent if not paid and received on or before the last business day of January.
- (b) The Transaction Privilege and Use Tax License to engage in the business activity of residential real property rental, leasing, and licensing for use shall be valid only upon receipt of a non-refundable license fee of ten dollars (\$10.00). The Transaction Privilege and Use Tax License shall be valid only for the calendar year in which it is issued unless renewed each year by filing the appropriate application for license renewal and paying an annual license renewal fee of zero dollars (\$0.00) for each license, subject to the limitations in A.R.S. Section 42-5005. Such fee shall be due and payable on January 1 of each year and shall be considered delinquent if not paid and received on or before the last business day of January.
- (c) The Transaction Privilege and Use Tax License to engage in the business activity of commercial real property rental, leasing, and licensing for use shall be valid only upon receipt of a non-refundable license fee of ten dollars (\$10.00). The Transaction Privilege and Use Tax License shall be valid only for the calendar year in which it is issued unless renewed each year by filing the appropriate application for license renewal and paying an annual license renewal fee of zero dollars (\$0.00) for each license, subject to the limitations in A.R.S. Section 42-5005. Such fee shall be due

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and payable on January 1 of each year and shall be considered delinquent if not paid and received on or before the last business day of January.

Sec. 3.14-330. Licensing: duration; transferability; display; penalties; penalty waiver; relicensing; fees collectible as if taxes.

- (a) The Transaction Privilege and Use Tax License shall be valid only for the calendar year in which it is issued unless renewed each year by filing the appropriate application for license renewal and paying the applicable license renewal fee for each license, subject to the limitations in A.R.S. Section 42-5005. Such fee shall be due and payable on January 1 of each year and shall be considered delinquent if not paid and received on or before the last business day of January. Application and payment of the annual fee must be received in the Tax Collector's office to be deemed paid and received.
- (b) The Transaction Privilege and Use Tax License shall be nontransferable between owners or locations and shall be on display to the public in the licensee's place of business.
- (c) Any person required to be licensed under this Chapter who fails to obtain a license on or before conducting any business activity requiring such license shall be subject to the license fees due for each year in business plus a penalty in the amount of fifty percent (50%) of the applicable fee for each period of time for which such fee would have been imposed, from and after the date on which such activity commenced until paid. This penalty shall be in addition to any other penalty imposed under this Chapter and must be paid prior to the issuance of any license. License fee penalties may be waived by the Tax Collector subject to the same terms as the waiver of tax penalties as provided for in Section 3.14-540.
- (d) Any licensee who fails to renew his license on or before the due date shall be deemed to be operating without a license following such due date, and shall be subject to all penalties imposed under this Chapter against persons required to be licensed and operating without a license. The non-licensed status may be removed by payment of the annual license fee for each year or portion of a year he operated without a license, plus a license fee penalty of fifty percent (50%) of the license fee due for each year. License fee penalties may be waived by the Tax Collector subject to the same terms as the waiver of tax penalties as provided for in Section 3.14-540.
- (e) Any licensee who permits his license to expire through cancellation as provided in Section 3.14-340, by his request for cancellation, by surrender of the license, or by the cessation of the business activity for which the license was issued, and who thereafter applies for a license, shall be granted a new license as a new applicant and shall pay the current license fee imposed under Section 3.14-320.
- (f) Any licensee who needs a copy of his Transaction Privilege and Use Tax License which is still in effect shall be charged the current license fee for each reissuance of a license.
- (g) Any person conducting a business activity subject to licensing without obtaining a Transaction Privilege and Use Tax License shall be liable to the City for all applicable fees and penalties and shall be subject to the provisions of Sections 3.14-580 and 3.14-590, to the same extent as if such fees and penalties were taxes and penalties under such Sections.

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Sec. 3.14-340. Licensing; cancellation; revocation.

- (a) Cancellation. The Tax Collector may cancel the Transaction Privilege and Use Tax License of any licensee as "inactive" if the taxpayer, required to report monthly, has neither filed any return nor remitted any taxes imposed by this Chapter for a period of six (6) consecutive months; or, if required to report quarterly, has neither filed any return nor remitted any taxes imposed by this Chapter for two (2) consecutive quarters; or, if required to report annually, has neither filed any return nor remitted any taxes imposed by this Chapter when such annual report and tax are due to be filed with and remitted to the Tax Collector.
- (b) Revocation. If any licensee fails to pay any tax, interest, penalty, fee, or sum required to be paid under this Chapter, or if such licensee fails to comply with any other provisions of this Chapter, the Tax Collector may revoke the Transaction Privilege and Use Tax License of said licensee.
- (c) Notice and Hearing. The Tax Collector shall deliver notice to such licensee of cancellation or revocation of the Transaction Privilege and Use Tax License. If the licensee requests a hearing within twenty (20) days of receipt of such notice, he shall be granted a hearing before the Tax Collector.
- (d) After cancellation or revocation of a taxpayer's license, the taxpayer shall not be issued a new license until all reports have been filed; all fees, taxes, interest, and penalties due have been paid; and he is in compliance with all provisions of this Chapter.

Sec. 3.14-350. Operating without a license.

It shall be unlawful for any person who is required by this Chapter to obtain a Transaction Privilege and Use Tax License to engage in or continue in business without a license. The Tax Collector shall assess any delinquencies in tax, interest, and penalties which may apply against such person upon any transactions subject to the taxes imposed by this Chapter.

Sec. 3.14-360. Recordkeeping requirements.

- (a) It shall be the duty of every person subject to the tax imposed by this Chapter to keep and preserve suitable records and such other books and accounts as may be necessary to determine the amount of tax for which he is liable under this Chapter. The books and records must contain, at a minimum, such detail and summary information as may be required by this Article; Or when records are maintained within an electronic data processing (EDP) system, the requirements established by the Arizona Department of Revenue for Privilege Tax filings will be accepted. It shall be the duty of every person to keep and preserve such books and records for a period equal to the applicable limitation period for assessment of tax, and all such books and records shall be open for inspection by the Tax Collector during any business day.
- (b) The Tax Collector may direct, by letter, a specific taxpayer to keep specific other books, records, and documents. Such letter directive shall apply:

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- (1) only for future reporting periods, and
- (2) only by express determination of the Tax Collector that such specific recordkeeping is necessary due to the inability of the taxing jurisdiction to conduct an adequate examination of the past activities of the taxpayer, which inability resulted from inaccurate or inadequate books, records, or documentation maintained by the taxpayer.

Sec. 3.14-362. Recordkeeping: income.

The minimum records required for persons having gross income subject to, or exempt or excluded from, tax by this Chapter must show:

- (a) The gross income of the taxpayer attributable to any activity occurring in whole or in part in the City.
- (b) The gross income taxable under this Chapter, divided into categories as stated in the official City tax return.
- (c) The gross income subject to Arizona Transaction Privilege Taxes, divided into categories as stated in the official State tax return.
- (d) The gross income claimed to be exempt, and with respect to each activity or transaction so claimed:
 - (1) If the transaction is claimed to be exempt as a sale for resale or as a sale, rental, lease, or license for use of rental equipment:
 - (A) The City Privilege License number and State Transaction Privilege Tax License number of the customer (or the equivalent city, if applicable, and state tax numbers of the municipality and state where the customer resides), and
 - (B) The name, business address, and business activity of the customer, and
 - (C) Evidence sufficient to persuade a reasonably prudent businessman that the transaction is believed to be in good faith a purchase for resale, or a purchase, rental, lease, or license for use of rental equipment, by the vendee in the ordinary and regular course of his business activity, as provided by Regulation.
 - (2) If the transaction is claimed to be exempt for any other reason:
 - (A) The name, business address, and business activity of the customer, and
 - (B) Evidence which would establish the applicability of the exemption to a reasonably prudent businessman acting in good faith. Ordinary business documentation which would reasonably indicate the applicability of an exemption shall be sufficient to relieve the person on whom the tax would otherwise be imposed from liability therein, if he acts in good faith as provided by Regulation.
- (e) With respect to those allowed deductions or exclusions for tax collected or charges for delivery or other direct customer services, where applicable, evidence that the deductible income has been separately stated and shown on the records of the taxpayer and on invoices or receipts provided to

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the customer. All other deductions, exemptions, and exclusions shall be separately shown and substantiated.

- (f) With respect to special classes and activities, such other books, records, and documentation as the Tax Collector, by Regulation, shall deem necessary for specific classes of taxpayer by reason of the specialized business activity of any such class.
- (g) In all cases, the books and records of the taxpayer shall indicate both individual transaction amounts and totals for each reporting period for each category of taxable, exempt, and excluded income defined by this Chapter.

Sec. 3.14-364. Recordkeeping: expenditures.

The minimum records required for persons having expenditures, costs, purchases and rental or lease or license expenses subject to, or exempt or excluded from, tax by this Chapter are:

- (a) The total price of all goods acquired for use or storage in the City.
- (b) The date of acquisition and the name and business address of the seller or lessor of all goods acquired for use or storage in the City.
- (c) Documentation of taxes, freight, and direct customer service labor separately charged and paid for each purchase, rental, lease, or license.
- (d) The gross price of each acquisition claimed as exempt from tax, and with respect to each transaction so claimed, sufficient evidence to satisfy the Tax Collector that the exemption claimed is applicable.
- (e) As applicable to each taxpayer, documentation sufficient to the Tax Collector, so that he may ascertain:
 - (1) All construction expenditures and all Privilege and Use Taxes claimed paid, relating to owner-builders and speculative builders.
 - (2) Disbursement of collected gratuities and related payroll information required of restaurants.
 - (3) (Reserved)
 - (A) (Reserved)
 - (B) (Reserved)
 - (4) The validity of any claims of proof of exemption.
 - (5) A claimed alternative prior value for reconstruction.
 - (6) All claimed exemptions to the Use Tax imposed by Article VI of this Chapter.
 - (7) Costs used to compute the "computed charge" claimed for retail service and repair.
 - (8) Payments of tax to the Arizona Department of Transportation and computations therefor, when a motor-vehicle transporter claims such the exemption.

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- (9) Payments by tenants subject to the tax upon Rental Occupancy imposed by Section 3.14-440.
- (f) Any additional documentation as the Tax Collector, by Regulation, shall deem necessary for any specific class of taxpayer by reason of the specialized business activity of specific exemptions afforded to that class of taxpayer.
- (g) In all cases, the books and records of the taxpayer shall indicate both individual transaction amounts and totals for each reporting period for each category of taxable, exempt, and excluded expenditures as defined by this Chapter.

Sec. 3.14-366. Recordkeeping: out-of-City and out-of-State sales.

- (a) Out-of-City Sales. Any person engaging or continuing in a business who claims out-of-City sales shall maintain and keep accounting records or books indicating separately the gross income from the sales of tangible personal property from such out-of-City branches or locations.
- (b) Out-of-State Sales. Persons engaged in a business claiming out-of-State sales shall maintain accounting records or books indicating for each out-of-State sale the following documentation:
 - (1) documentation of location of the buyer at the time of order placement; and
 - (2) shipping, delivery, or freight documents showing where the buyer took delivery; and
 - (3) documentation of intended location of use or storage of the tangible personal property sold to such buyer.

Sec. 3.14-370. Recordkeeping: claim of exclusion, exemption, deduction, or credit; documentation; liability.

- (a) All deductions, exclusions, exemptions and credits provided in this Chapter are conditional upon adequate proof and documentation of such as may be required under A.R.S. Section 42-5022 or by this Chapter or Regulation.
- (b) Any person who claims and receives an exemption, deduction, exclusion, or credit to which he is not entitled under this Chapter, shall be subject to, liable for, and pay the tax on the transaction as if the vendor subject to the tax had passed the burden of the payment of the tax to the person wrongfully claiming the exemption. A person who wrongfully claimed such exemption shall be treated as if he is delinquent in the payment of the tax and shall be subject to interest and penalties upon such delinquency. However, if the tax is collected from the vendor on such transaction it shall not again be collected from the person claiming the exemption, or if collected from the person claiming the exemption it shall not also be collected from the vendor.

Sec. 3.14-372. Proof of exemption: sale for resale; sale, rental, lease, or license of rental equipment.

A claim of purchase for resale or of purchase, rental, lease, or license for rent, lease, or license is valid only if the evidence is sufficient to persuade a reasonably prudent businessman that the particular item is being

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acquired for resale or for rental, lease, or license in the ordinary course of business. The fact that the acquiring person possesses a Privilege License number and makes a verbal claim of "sale for resale or lease" or "lease for re-lease" does not meet this burden and is insufficient to justify an exemption. The "reasonable evidence" must be evidence which exists objectively, and not merely in the mind of the vendor, that the property being acquired is normally sold, rented, leased, or licensed by the acquiring person in the ordinary course of business. Failure to obtain such reasonable evidence at the time of the transaction will be a basis for disallowance of any claimed deduction on returns filed for such transactions.

Sec. 3.14-380. Inadequate or unsuitable records.

In the event the records provided by the taxpayer are considered by the Tax Collector to be inadequate or unsuitable to determine the amount of the tax for which such taxpayer is liable under the provisions of this Chapter, it is the responsibility of the taxpayer either:

- (a) to provide such other records required by this Chapter or Regulation; or
- (b) to correct or to reconstruct his records, to the satisfaction of the Tax Collector.

This change also eliminates the following Regulations, effective January 1, 2015:

~~Regulation 3.14-300.1. Who must apply for a license.~~

~~Regulation 3.14-300.2. (Reserved)~~

~~Regulation 3.14-310.1. (Reserved)~~

~~Regulation 3.14-310.2. (Reserved)~~

~~Regulation 3.14-310.3. (Reserved)~~

~~Regulation 3.14-350.1. Recordkeeping: income.~~

~~Regulation 3.14-350.2. Recordkeeping: expenditures.~~

~~Regulation 3.14-350.3. Recordkeeping: out-of-City and out-of-State sales.~~

~~Regulation 3.14-360.1. Proof of exemption: sale for resale; sale, rental, lease or license of rental equipment.~~

~~Regulation 3.14-360.2. Proof of exemption: exemption certificate.~~

Section V. Model City Tax Code Section 3.14-422, Local Option #LL is amended as follows to correct an obsolete reference, with an effective date of July 20, 2011.

Sec. 3.14-422. (Reserved)

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Section VI. Model City Tax Code Section 3.14-425 is amended as follows to eliminate Local Option #MM, which will no longer be used by any city or town, effective July 1, 2012. New subsection (7) is added with an effective date of September 21, 2006.

Sec. 3.14-425. Job printing.

- (a) The tax rate shall be at an amount equal to two and two-tenths percent (2.2%) of the gross income from the business activity upon every person engaging or continuing in the business of job printing, which includes engraving of printing plates, embossing, copying, micrographics, and photo reproduction.
- (b) The tax imposed by this Section shall not apply to:
 - (1) job printing purchased for the purpose of resale by the purchaser in the form supplied by the job printer.
 - (2) out-of-City sales.
 - (3) out-of-State sales.
 - (4) (Reserved)
 - (5) sales of job printing to a qualifying hospital, qualifying community health center or a qualifying health care organization, except when the property sold is for use in activities resulting in gross income from unrelated business income as that term is defined in 26 U.S.C. Section 512.
 - (6) (Reserved)
 - (7) SALES OF POSTAGE AND FREIGHT EXCEPT THAT THE AMOUNT DEDUCTED SHALL NOT EXCEED THE ACTUAL POSTAGE AND FREIGHT EXPENSE THAT IS PAID TO THE UNITED STATES POSTAL SERVICE OR A COMMERCIAL DELIVERY SERVICE AND THAT IS SEPARATELY ITEMIZED BY THE TAXPAYER ON THE CUSTOMER'S INVOICE AND IN THE TAXPAYER'S RECORDS.

Section VII. Model City Tax Code Section 3.14-445 is amended as follows, with an effective date of July 1, 2013.

Sec. 3.14-445. Rental, leasing, and licensing for use of real property.

- (a) The tax rate shall be at an amount equal to two and two-tenths percent (2.2%) of the gross income from the business activity upon every person engaging or continuing in the business of leasing or

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renting real property located within the City for a consideration, to the tenant in actual possession, or the licensing for use of real property to the final licensee located within the City for a consideration including any improvements, rights, or interest in such property; provided further that:

- (1) Payments made by the lessee to, or on behalf of, the lessor for property taxes, repairs, or improvements are considered to be part of the taxable gross income.
 - (2) Charges for such items as telecommunications, utilities, pet fees, or maintenance are considered to be part of the taxable gross income.
 - (3) However, if the lessor engages in telecommunication activity, as evidenced by installing individual metering equipment and by billing each tenant based upon actual usage, such activity is taxable under Section 3.14-470.
- (b) If individual utility meters have been installed for each tenant and the lessor separately charges each single tenant for the exact billing from the utility company, such charges are exempt.
- (c) Charges by a qualifying hospital, qualifying community health center or a qualifying health care organization to patients of such facilities for use of rooms or other real property during the course of their treatment by such facilities are exempt.
- (d) Charges for joint pole usage by a person engaged in the business of providing or furnishing utility or telecommunication services to another person engaged in the business of providing or furnishing utility or telecommunication services are exempt from the tax imposed by this Section.
- (e) Exempt from the tax imposed by this Section is gross income derived from the rental, leasing, or licensing for use of real property to a qualifying hospital, qualifying community health center or a qualifying health care organization, except when the property so rented, leased, or licensed is for use in activities resulting in gross income from unrelated business income as that term is defined in 26 U.S.C. Section 512.
- (f) A person who has less than two (2) apartments, houses, trailer spaces, or other lodging spaces rented, leased or licensed or available for rent, lease, or license within the State and no units of commercial property for rent, lease, or license within the State, is not deemed to be in the rental business, and is therefore exempt from the tax imposed by this Section on such income. However, a person who has one (1) or more units of commercial property is subject to the tax imposed by this Section on rental, lease and license income from all such lodging spaces and commercial units of real estate even though said person may have fewer than two (2) lodging spaces.
- (g) (Reserved)
- (h) (Reserved)
- (i) (Reserved)
- (j) Exempt from the tax imposed by this Section is gross income derived from the activities taxable under Section 3.14-444 of this Code.
- (k) (Reserved)
- (l) (Reserved)

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- (m) (Reserved)
- (n) Notwithstanding the provisions of Section 3.14-200(b), the fair market value of one (1) apartment, in an apartment complex provided rent free to an employee of the apartment complex is not subject to the tax imposed by this Section. For an apartment complex with more than fifty (50) units, an additional apartment provided rent free to an employee for every additional fifty (50) units is not subject to the tax imposed by this Section.
- (o) Income derived from incarcerating or detaining prisoners who are under the jurisdiction of the United States, this State or any other state or a political subdivision of this State or of any other state in a privately operated prison, jail or detention facility is exempt from the tax imposed by this Section.
- (p) Charges by any hospital, any licensed nursing care institution, or any kidney dialysis facility to patients of such facilities for the use of rooms or other real property during the course of their treatment by such facilities are exempt.
- (q) Charges to patients receiving "personal care" or "directed care", by any licensed assisted living facility, licensed assisted living center or licensed assisted living home as defined and licensed pursuant to Chapter 4 Title 36 Arizona Revised Statutes and Title 9 of the Arizona Administrative Code are exempt.
- (r) Income received from the rental of any "low-income unit" as established under Section 42 of the Internal Revenue Code, including the low-income housing credit provided by IRC Section 42, to the extent that the collection of tax on rental income causes the "gross rent" defined by IRC Section 42 to exceed the income limitation for the low-income unit is exempt. This exemption also applies to income received from the rental of individual rental units subject to statutory or regulatory "low-income unit" rent restrictions similar to IRC Section 42 to the extent that the collection of tax from the tenant causes the rental receipts to exceed a rent restriction for the low-income unit. This subsection also applies to rent received by a person other than the owner or lessor of the low-income unit, including a broker. This subsection does not apply unless a taxpayer maintains the documentation to support the qualification of a unit as a low-income unit, the "gross rent" limitation for the unit and the rent received from that unit.
- (s) ~~The gross proceeds of sales or gross income derived from a commercial lease in which a reciprocal insurer or a corporation leases real property to an affiliated corporation is exempt. For the purposes of this paragraph:~~
 - (1) ~~“Affiliated corporation” means a corporation that meets one of the following conditions:~~
 - (A) ~~The corporation owns or controls at least eighty percent of the lessor.~~
 - (B) ~~The corporation is at least eighty percent owned or controlled by the lessor.~~
 - (C) ~~The corporation is at least eighty percent owned or controlled by a corporation that also owns or controls at least eighty percent of the lessor.~~
 - (D) ~~The corporation is at least eighty percent owned or controlled by a corporation that is at least eighty percent owned or controlled by a reciprocal insurer.~~

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- (2) ~~For the purposes of subsection (1), ownership and control are determined by reference to the voting shares of a corporation.~~
- (3) ~~“Reciprocal insurer” has the same meaning as prescribed in A.R.S. Section 20-762.~~
- (S) THE GROSS PROCEEDS OF A COMMERCIAL LEASE OF REAL PROPERTY BETWEEN AFFILIATED COMPANIES, BUSINESSES, PERSONS OR RECIPROCAL INSURERS ARE EXEMPT. FOR THE PURPOSES OF THIS PARAGRAPH:
- (1) "AFFILIATED COMPANIES, BUSINESSES, PERSONS OR RECIPROCAL INSURERS" MEANS THE LESSOR HOLDS A CONTROLLING INTEREST IN THE LESSEE, THE LESSEE HOLDS A CONTROLLING INTEREST IN THE LESSOR, AN AFFILIATED ENTITY HOLDS A CONTROLLING INTEREST IN BOTH THE LESSOR AND THE LESSEE OR AN UNRELATED PERSON HOLDS A CONTROLLING INTEREST IN BOTH THE LESSOR AND LESSEE.
- (2) "CONTROLLING INTEREST" MEANS DIRECT OR INDIRECT OWNERSHIP OF AT LEAST EIGHTY PERCENT (80%) OF THE VOTING SHARES OF A CORPORATION OR OF THE INTERESTS IN A COMPANY, BUSINESS OR PERSON OTHER THAN A CORPORATION.
- (3) "RECIPROCAL INSURER" HAS THE SAME MEANING AS PRESCRIBED IN A.R.S. SECTION 20-762.

Section VIII. Model City Tax Code Section 3.14-450 is amended as follows, with an effective date of September 1, 2004.

Sec. 3.14-450. Rental, leasing, and licensing for use of tangible personal property.

- (a) The tax rate shall be at an amount equal to two and two-tenths percent (2.2%) of the gross income from the business activity upon every person engaging or continuing in the business of leasing, licensing for use, or renting tangible personal property for a consideration, including that which is semi-permanently or permanently installed within the City as provided by Regulation.
- (b) Special provisions relating to long-term motor vehicle leases. A lease transaction involving a motor vehicle for a minimum period of twenty-four (24) months shall be considered to have occurred at the location of the motor vehicle dealership, rather than the location of the place of business of the lessor, even if the lessor's interest in the lease and its proceeds are sold, transferred, or otherwise assigned to a lease financing institution; provided further that the city or town where such motor vehicle dealership is located levies a Privilege Tax or an equivalent excise tax upon the transaction.
- (c) Gross income derived from the following transactions shall be exempt from Privilege Taxes imposed by this Section:

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- (1) rental, leasing, or licensing for use of tangible personal property to persons engaged or continuing in the business of leasing, licensing for use, or rental of such property.
- (2) rental, leasing, or licensing for use of tangible personal property that is semi-permanently or permanently installed within another city or town that levies an equivalent excise tax on the transaction.
- (3) rental, leasing, or licensing for use of film, tape, or slides to a theater or other person taxed under Section 3.14-410, or to a radio station, television station, or subscription television system.
- (4) rental, leasing, or licensing for use of the following:
 - (A) prosthetics.
 - (B) income-producing capital equipment.
 - (C) mining and metallurgical supplies.

These exemptions include the rental, leasing, or licensing for use of tangible personal property which, if it had been purchased instead of leased, rented, or licensed by the lessee or licensee, would qualify as income-producing capital equipment or mining and metallurgical supplies.

- (5) rental, leasing, or licensing for use of tangible personal property to a qualifying hospital, qualifying community health center or a qualifying health care organization, except when the property so rented, leased, or licensed is for use in activities resulting in gross income from unrelated business income as that term is defined in 26 U.S.C. Section 512 or rental, leasing, or licensing for use of tangible personal property in this State by a nonprofit charitable organization that has qualified under Section 501(c)(3) of the United States Internal Revenue Code and that engages in and uses such property exclusively for training, job placement or rehabilitation programs or testing for mentally or physically handicapped persons.
- (6) separately billed charges for delivery, installation, repair, and/or maintenance as provided by Regulation.
- (7) charges for joint pole usage by a person engaged in the business of providing or furnishing utility or telecommunication services to another person engaged in the business of providing or furnishing utility or telecommunication services.
- (8) (Reserved)
- (9) rental, leasing, or licensing of aircraft that would qualify as aircraft acquired for use outside the State, as prescribed by Regulation, if such rental, leasing, or licensing had been a sale.
- (10) rental, leasing and licensing for use of an alternative fuel vehicle if such vehicle was manufactured as a diesel fuel vehicle and converted to operate on alternative fuel and equipment that is installed in a conventional diesel fuel motor vehicle to convert the vehicle to operate on an alternative fuel, as defined in A.R.S. Section 1-215.

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- (11) rental, leasing, and licensing for use of solar energy devices, for taxable periods beginning from and after July 1, 2008. The lessor shall register with the Department of Revenue as a solar energy retailer. By registering, the lessor acknowledges that it will make its books and records relating to leases of solar energy devices available to the Department of Revenue and City, as applicable, for examination.
- (12) LEASING OR RENTING CERTIFIED IGNITION INTERLOCK DEVICES INSTALLED PURSUANT TO THE REQUIREMENTS PRESCRIBED BY A.R.S. SECTION 28-1461. FOR THE PURPOSES OF THIS PARAGRAPH, "CERTIFIED IGNITION INTERLOCK DEVICE" HAS THE SAME MEANING PRESCRIBED IN A.R.S. SECTION 28-1301.

Section IX. Model City Tax Code Section 3.14-460 is amended as follows, with an effective date of October 1, 2007.

Sec. 3.14-460. Retail sales: measure of tax; burden of proof; exclusions.

- (a) The tax rate shall be at an amount equal to two and two-tenths percent (2.2%) of the gross income from the business activity upon every person engaging or continuing in the business of selling tangible personal property at retail.
- (b) The burden of proving that a sale of tangible personal property is not a taxable retail sale shall be upon the person who made the sale.
- (c) Exclusions. For the purposes of this Chapter, sales of tangible personal property shall not include:
- (1) sales of stocks, bonds, options, or other similar materials.
 - (2) sales of lottery tickets or shares pursuant to Article I, Chapter 5, Title 5, Arizona Revised Statutes.
 - (3) sales of platinum, bullion, or monetized bullion, except minted or manufactured coins transferred or acquired primarily for their numismatic value as prescribed by Regulation.
 - (4) gross income derived from the transfer of tangible personal property which is specifically included as the gross income of a business activity upon which another Section of this Article imposes a tax, shall be considered gross income of that business activity, and are not includable as gross income subject to the tax imposed by this Section.
 - (5) sales by professional or personal service occupations where such sales are inconsequential elements of the service provided.
 - (6) SALES OF CASH EQUIVALENTS. THE GROSS PROCEEDS OF SALES OR GROSS INCOME DERIVED FROM THE REDEMPTION OF ANY CASH EQUIVALENT BY THE HOLDER AS A MEANS OF PAYMENT FOR GOODS OR SERVICES THAT ARE TAXABLE UNDER THIS ARTICLE IS SUBJECT TO THE TAX. "CASH EQUIVALENTS" MEANS ITEMS OR INTANGIBLES, WHETHER OR NOT

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NEGOTIABLE, THAT ARE SOLD TO ONE OR MORE PERSONS, THROUGH WHICH A VALUE DENOMINATED IN MONEY IS PURCHASED IN ADVANCE AND MAY BE REDEEMED IN FULL OR IN PART FOR TANGIBLE PERSONAL PROPERTY, INTANGIBLES OR SERVICES. CASH EQUIVALENTS INCLUDE GIFT CARDS, STORED VALUE CARDS, GIFT CERTIFICATES, VOUCHERS, TRAVELER'S CHECKS, MONEY ORDERS OR OTHER INSTRUMENTS, ORDERS OR ELECTRONIC MECHANISMS, SUCH AS AN ELECTRONIC CODE, PERSONAL IDENTIFICATION NUMBER OR DIGITAL PAYMENT MECHANISM, OR ANY OTHER PREPAID INTANGIBLE RIGHT TO ACQUIRE TANGIBLE PERSONAL PROPERTY, INTANGIBLES OR SERVICES IN THE FUTURE, WHETHER FROM THE SELLER OF THE CASH EQUIVALENT OR FROM ANOTHER PERSON. CASH EQUIVALENTS DO NOT INCLUDE EITHER OF THE FOLLOWING:

- (A) ITEMS OR INTANGIBLES THAT ARE SOLD TO ONE OR MORE PERSONS, THROUGH WHICH A VALUE IS NOT DENOMINATED IN MONEY.
- (B) PREPAID CALLING CARDS OR PREPAID AUTHORIZATION NUMBERS FOR TELECOMMUNICATIONS SERVICES MADE TAXABLE BY SUBSECTION (g) OF THIS SECTION.

- (d) (Reserved)
- (e) When this City and another Arizona city or town with an equivalent excise tax could claim nexus for taxing a retail sale, the city or town where the permanent business location of the seller at which the order was received shall be deemed to have precedence, and for the purposes of this Chapter such city or town has sole and exclusive right to such tax.
- (f) The appropriate tax liability for any retail sale where the order is received at a permanent business location of the seller located in this City or in an Arizona city or town that levies an equivalent excise tax shall be at the tax rate of the city or town of such seller's location.
- (g) Retail sales of prepaid calling cards or prepaid authorization numbers for telecommunications services, including sales of reauthorization of a prepaid card or authorization number, are subject to tax under this Section.

Section X. Model City Tax Code Section 3.14-462 is added as follows, with an effective date of July 1, 2013.

SEC. 3.14-462. RETAIL SALES: FOOD FOR HOME CONSUMPTION.

- (a) THE TAX RATE SHALL BE AT AN AMOUNT EQUAL TO ZERO PERCENT (0%) OF THE GROSS INCOME FROM THE BUSINESS ACTIVITY UPON EVERY PERSON ENGAGING OR CONTINUING IN THE BUSINESS OF SELLING FOOD FOR HOME CONSUMPTION AT RETAIL.

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(b) FOR THE PURPOSES OF THIS SECTION ONLY, THE FOLLOWING DEFINITIONS SHALL BE APPLICABLE:

- (1) "ELIGIBLE GROCERY BUSINESS" MEANS AN ESTABLISHMENT WHOSE SALES OF FOOD ARE SUCH THAT IT IS ELIGIBLE TO PARTICIPATE IN THE FOOD STAMP PROGRAM ESTABLISHED BY THE FOOD STAMP ACT OF 1977 (P.L. 95-113; 91 STAT. 958.7 U.S.C. SECTION 2011 ET SEQ.), ACCORDING TO REGULATIONS IN EFFECT ON JANUARY 1, 1979. AN ESTABLISHMENT IS DEEMED ELIGIBLE TO PARTICIPATE IN THE FOOD STAMP PROGRAM IF IT IS AUTHORIZED TO PARTICIPATE IN THE PROGRAM BY THE UNITED STATES DEPARTMENT OF AGRICULTURE FOOD AND NUTRITION SERVICE FIELD OFFICE ON THE EFFECTIVE DATE OF THIS SECTION, OR IF, PRIOR TO A REPORTING PERIOD FOR WHICH THE RETURN IS FILED, SUCH RETAILER PROVES TO THE SATISFACTION OF THE TAX COLLECTOR THAT THE ESTABLISHMENT, BASED ON THE NATURE OF THE RETAILER'S FOOD SALES, COULD BE ELIGIBLE TO PARTICIPATE IN THE FOOD STAMP PROGRAM ESTABLISHED BY THE FOOD STAMP ACT OF 1977 ACCORDING TO REGULATIONS IN EFFECT ON JANUARY 1, 1979.**
- (2) "FACILITIES FOR THE CONSUMPTION OF FOOD" MEANS TABLES, CHAIRS, BENCHES, BOOTHS, STOOLS, COUNTERS, AND SIMILAR CONVENIENCES, TRAYS, GLASSES, DISHES, OR OTHER TABLEWARE AND PARKING AREAS FOR THE CONVENIENCE OF IN-CAR CONSUMPTION OF FOOD IN OR ON THE PREMISES ON WHICH THE RETAILER CONDUCTS BUSINESS.**
- (3) "FOOD FOR CONSUMPTION ON THE PREMISES" MEANS ANY OF THE FOLLOWING:**
 - (A) "HOT PREPARED FOOD" AS DEFINED BELOW.**
 - (B) HOT OR COLD SANDWICHES.**
 - (C) FOOD SERVED BY AN ATTENDANT TO BE EATEN AT TABLES, CHAIRS, BENCHES, BOOTHS, STOOLS, COUNTERS, AND SIMILAR CONVENIENCES AND WITHIN PARKING AREAS FOR THE CONVENIENCE OF IN-CAR CONSUMPTION OF FOOD.**
 - (D) FOOD SERVED WITH TRAYS, GLASSES, DISHES, OR OTHER TABLEWARE.**
 - (E) BEVERAGES SOLD IN CUPS, GLASSES, OR OPEN CONTAINERS.**
 - (F) FOOD SOLD BY CATERERS.**
 - (G) FOOD SOLD WITHIN THE PREMISES OF THEATRES, MOVIES, OPERAS, SHOWS OF ANY TYPE OR NATURE, EXHIBITIONS, CONCERTS, CARNIVALS, CIRCUSES, AMUSEMENT PARKS, FAIRS, RACES, CONTESTS, GAMES, ATHLETIC EVENTS, RODEOS, BILLIARD AND POOL PARLORS, BOWLING ALLEYS, PUBLIC DANCES, DANCE HALLS, BOXING, WRESTLING AND OTHER MATCHES, AND ANY BUSINESS**

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WHICH CHARGES ADMISSION, ENTRANCE, OR COVER FEES FOR EXHIBITION, AMUSEMENT, ENTERTAINMENT, OR INSTRUCTION.

- (H) ANY ITEMS CONTAINED IN SUBSECTIONS (b)(3)(A) THROUGH (G) ABOVE EVEN THOUGH THEY ARE SOLD ON A "TAKE-OUT" OR "TO GO" BASIS, AND WHETHER OR NOT THE ITEM IS PACKAGED, WRAPPED, OR IS ACTUALLY TAKEN FROM THE PREMISES.
- (4) "HOT PREPARED FOOD" MEANS THOSE PRODUCTS, ITEMS, OR INGREDIENTS OF FOOD WHICH ARE PREPARED AND INTENDED FOR CONSUMPTION IN A HEATED CONDITION. "HOT PREPARED FOOD" INCLUDES A COMBINATION OF HOT AND COLD FOOD ITEMS OR INGREDIENTS IF A SINGLE PRICE HAS BEEN ESTABLISHED.
- (5) "PREMISES" MEANS THE TOTAL SPACE AND FACILITIES IN OR ON WHICH A VENDOR CONDUCTS BUSINESS AND WHICH ARE OWNED OR CONTROLLED, IN WHOLE OR IN PART, BY A VENDOR OR WHICH ARE MADE AVAILABLE FOR THE USE OF CUSTOMERS OF THE VENDOR OR GROUP OF VENDORS, INCLUDING ANY BUILDING OR PART OF A BUILDING, PARKING LOT, OR GROUNDS.
- (6) "FOOD FOR HOME CONSUMPTION" MEANS ALL FOOD, EXCEPT FOOD FOR CONSUMPTION ON THE PREMISES, IF SOLD BY ANY OF THE FOLLOWING:
- (A) AN ELIGIBLE GROCERY BUSINESS.
- (B) A PERSON WHO CONDUCTS A BUSINESS WHOSE PRIMARY BUSINESS IS NOT THE SALE OF FOOD BUT WHO SELLS FOOD WHICH IS DISPLAYED, PACKAGED, AND SOLD IN A SIMILAR MANNER AS AN ELIGIBLE GROCERY BUSINESS.
- (C) A PERSON WHO SELLS FOOD AND DOES NOT PROVIDE OR MAKE AVAILABLE ANY FACILITIES FOR THE CONSUMPTION OF FOOD ON THE PREMISES.
- (D) A PERSON WHO CONDUCTS A DELICATESSEN BUSINESS EITHER FROM A COUNTER WHICH IS SEPARATE FROM THE PLACE AND CASH REGISTER WHERE TAXABLE SALES ARE MADE OR FROM A COUNTER WHICH HAS TWO CASH REGISTERS AND WHICH ARE USED TO RECORD TAXABLE AND TAX EXEMPT SALES, OR A RETAILER WHO CONDUCTS A DELICATESSEN BUSINESS WHO USES A CASH REGISTER WHICH HAS AT LEAST TWO TAX COMPUTING KEYS WHICH ARE USED TO RECORD TAXABLE AND TAX EXEMPT SALES.
- (E) VENDING MACHINES AND OTHER TYPES OF AUTOMATIC RETAILERS.
- (F) A PERSON'S SALES OF FOOD, DRINK AND CONDIMENT FOR CONSUMPTION WITHIN THE PREMISES OF ANY PRISON, JAIL OR OTHER INSTITUTION UNDER THE JURISDICTION OF THE STATE DEPARTMENT OF CORRECTIONS, THE DEPARTMENT OF PUBLIC

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SAFETY, THE DEPARTMENT OF JUVENILE CORRECTIONS OR A
COUNTY SHERIFF.

(c) INCOME DERIVED FROM THE FOLLOWING SOURCES IS EXEMPT FROM THE TAX
IMPOSED BY THIS SECTION:

- (1) SALES OF FOOD FOR HOME CONSUMPTION TO A PERSON REGULARLY
ENGAGED IN THE BUSINESS OF SELLING SUCH PROPERTY.
- (2) OUT-OF-CITY SALES OR OUT-OF-STATE SALES.
- (3) CHARGES FOR DELIVERY OR OTHER "DIRECT CUSTOMER SERVICES" AS
PRESCRIBED BY REGULATION.
- (4) FOOD PURCHASED WITH FOOD STAMPS PROVIDED THROUGH THE FOOD
STAMP PROGRAM ESTABLISHED BY THE FOOD STAMP ACT OF 1977 (P.L. 95-
113; 91 STAT. 958.7 U.S.C. SECTION 2011 ET SEQ.) OR PURCHASED WITH FOOD
INSTRUMENTS ISSUED UNDER SECTION 17 OF THE CHILD NUTRITION ACT
(P.L. 95-627; 92 STAT. 3603; AND P.L. 99-669; SECTION 4302; 42 UNITED STATES
CODE SECTION 1786) BUT ONLY TO THE EXTENT THAT FOOD STAMPS OR
FOOD INSTRUMENTS WERE ACTUALLY USED TO PURCHASE SUCH FOOD.
- (5) SALES OF FOOD PRODUCTS BY PRODUCERS AS PROVIDED FOR BY A.R.S.
SECTIONS 3-561, 3-562 AND 3-563.
- (6) SALES OF FOOD, BEVERAGES, CONDIMENTS AND ACCESSORIES TO A
PUBLIC EDUCATIONAL ENTITY, PURSUANT TO ANY OF THE PROVISIONS OF
TITLE 15, ARIZONA REVISED STATUTES, INCLUDING A REGULARLY
ORGANIZED PRIVATE OR PAROCHIAL SCHOOL THAT OFFERS AN
EDUCATIONAL PROGRAM FOR GRADE TWELVE (12) OR UNDER WHICH MAY
BE ATTENDED IN SUBSTITUTION FOR A PUBLIC SCHOOL PURSUANT TO
A.R.S. SECTION 15-802 ; TO THE EXTENT SUCH ITEMS ARE TO BE PREPARED
OR SERVED TO INDIVIDUALS FOR CONSUMPTION ON THE PREMISES OF A
PUBLIC EDUCATIONAL ENTITY DURING SCHOOL HOURS. FOR THE
PURPOSES OF THIS SUBSECTION, "ACCESSORIES" MEANS PAPER PLATES,
PLASTIC EATING UTENSILS, NAPKINS, PAPER CUPS, DRINKING STRAWS,
PAPER SACKS OR OTHER DISPOSABLE CONTAINERS, OR OTHER ITEMS
WHICH FACILITATE THE CONSUMPTION OF THE FOOD.
- (7) SALES OF FOOD, BEVERAGES, CONDIMENTS AND ACCESSORIES TO A
NONPROFIT CHARITABLE ORGANIZATION THAT HAS QUALIFIED AS AN
EXEMPT ORGANIZATION UNDER 26 U.S.C. SECTION 501(C)(3) AND
REGULARLY SERVES MEALS TO THE NEEDY AND INDIGENT ON A
CONTINUING BASIS AT NO COST. FOR THE PURPOSES OF THIS SUBSECTION,
"ACCESSORIES" MEANS PAPER PLATES, PLASTIC EATING UTENSILS,
NAPKINS, PAPER CUPS, DRINKING STRAWS, PAPER SACKS OR OTHER
DISPOSABLE CONTAINERS, OR OTHER ITEMS WHICH FACILITATE THE

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CONSUMPTION OF THE FOOD.

- (d) REPORTING. SUCH PERSONS WHO SELL FOOD FOR HOME CONSUMPTION SHALL, IN CONJUNCTION WITH THE RETURN REQUIRED PURSUANT TO SECTION 3.14-520, REPORT TO THE TAX COLLECTOR IN A MANNER PRESCRIBED BY THE TAX COLLECTOR ALL SALES OF FOOD FOR HOME CONSUMPTION EXEMPTED FROM TAXES IMPOSED BY THIS CHAPTER.
- (e) RECORDKEEPING.
- (1) RETAILERS SHALL MAINTAIN ACCURATE, VERIFIABLE, AND COMPLETE RECORDS OF ALL PURCHASES AND SALES OF TANGIBLE PERSONAL PROPERTY IN ORDER TO VERIFY EXEMPTIONS FROM TAXES IMPOSED BY THIS CHAPTER. A RETAILER MAY USE ANY METHOD OF REPORTING THAT PROPERLY REFLECTS ALL PURCHASES AND SALES OF FOOD FOR HOME CONSUMPTION, AS WELL AS ALL PURCHASES AND SALES OF ITEMS SUBJECT TO TAXES IMPOSED BY THIS CHAPTER, PROVIDED THAT SUCH RECORDS ARE MAINTAINED IN ACCORDANCE WITH ARTICLE III, AND REGULATIONS OF THE TAX COLLECTOR.
- (2) ANY PERSON WHO FAILS TO MAINTAIN RECORDS AS PROVIDED HEREIN SHALL BE DEEMED TO HAVE HAD NO SALES OF FOOD FOR HOME CONSUMPTION, AND IF UPON REQUEST BY THE TAX COLLECTOR, A PERSON CANNOT DEMONSTRATE TO THE TAX COLLECTOR THAT SUCH RECORDS AND REPORTS DO PROPERLY REFLECT ALL SALES OF FOOD FOR HOME CONSUMPTION, THE TAX COLLECTOR MAY RECOMPUTE THE AMOUNT OF TAX TO BE PAID AS PROVIDED IN SECTIONS 3.14-370 AND 3.14-545(B).

Section XI. Model City Tax Code Section 3.14-465 is amended as follows. All changes are effective July 1, 2013, except new subsection (mm), which is effective January 1, 2007.

Sec. 3.14-465. Retail sales: exemptions.

Income derived from the following sources is exempt from the tax imposed by Section 3.14-460:

- (a) sales of tangible personal property to a person regularly engaged in the business of selling such property.
- (b) out-of-City sales or out-of-State sales.
- (c) charges for delivery, installation, or other direct customer services as prescribed by Regulation.
- (d) charges for repair services as prescribed by Regulation, when separately charged and separately maintained in the books and records of the taxpayer.

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- (e) sales of warranty, maintenance, and service contracts, when separately charged and separately maintained in the books and records of the taxpayer.
- (f) sales of prosthetics.
- (g) sales of income-producing capital equipment.
- (h) sales of rental equipment and rental supplies.
- (i) sales of mining and metallurgical supplies.
- (j) sales of motor vehicle fuel and use fuel which are subject to a tax imposed under the provisions of Article I or II, Chapter 16, Title 28, Arizona Revised Statutes; or sales of use fuel to a holder of a valid single trip use fuel tax permit issued under A.R.S. Section 28-5739, or sales of natural gas or liquefied petroleum gas used to propel a motor vehicle.
- (k) sales of tangible personal property to a construction contractor who holds a valid Privilege Tax License for engaging or continuing in the business of construction contracting where the tangible personal property sold is incorporated into any structure or improvement to real property as part of construction contracting activity.
- (l) sales of motor vehicles to nonresidents of this State for use outside this State if the vendor ships or delivers the motor vehicle to a destination outside this State.
- (m) sales of tangible personal property which directly enters into and becomes an ingredient or component part of a product sold in the regular course of the business of job printing, manufacturing, or publication of newspapers, magazines, or other periodicals. Tangible personal property which is consumed or used up in a manufacturing, job printing, publishing, or production process is not an ingredient or component part of a product.
- (n) (Reserved)
 - (1) (Reserved)
 - (2) (Reserved)
- (o) sales to hotels, bars, restaurants, dining cars, lunchrooms, boarding houses, or similar establishments of articles consumed as food, drink, or condiment, whether simple, mixed, or compounded, where such articles are customarily prepared or served to patrons for consumption on or off the premises, where the purchaser is properly licensed and paying a tax under Section 3.14-455 or the equivalent excise tax upon such income.
- (p) sales of tangible personal property to a qualifying hospital, qualifying community health center or a qualifying health care organization, except when the property sold is for use in activities resulting in gross income from unrelated business income as that term is defined in 26 U.S.C. Section 512 or sales of tangible personal property purchased in this State by a nonprofit charitable organization that has qualified under Section 501(c)(3) of the United States Internal Revenue Code and that engages in and uses such property exclusively for training, job placement or rehabilitation programs or testing for mentally or physically handicapped persons.
- ~~(q) food purchased with food stamps provided through the food stamp program established by the Food Stamp Act of 1977 (P.L. 95-113; 91 Stat. 958.7 U.S.C. Section 2011 et seq.) or purchased with~~

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~~food instruments issued under Section 17 of the Child Nutrition Act (P.L. 95-627; 92 Stat. 3603; and P.L. 99-669; Section 4302; 42 United States Code Section 1786) but only to the extent that food stamps or food instruments were actually used to purchase such food. (RESERVED)~~

- (r) (Reserved)
 - (1) (Reserved)
 - (2) (Reserved)
 - (3) (Reserved)
 - (4) (Reserved)
- (s) sales of groundwater measuring devices required by A.R.S. Section 45-604.
- (t) (Reserved)
- (u) sales of aircraft acquired for use outside the State, as prescribed by Regulation.
- (v) sales of food products by producers as provided for by A.R.S. Sections 3-561, 3-562 and 3-563.
- (w) (Reserved)
- ~~(x) (Reserved) SALES OF FOOD AND DRINK TO A PERSON WHO IS ENGAGED IN BUSINESS THAT IS CLASSIFIED UNDER THE RESTAURANT CLASSIFICATION AND THAT PROVIDES SUCH FOOD AND DRINK WITHOUT MONETARY CHARGE TO ITS EMPLOYEES FOR THEIR OWN CONSUMPTION ON THE PREMISES DURING SUCH EMPLOYEES' HOURS OF EMPLOYMENT.~~
- (y) (Reserved)
- (z) (Reserved)
- (aa) the sale of tangible personal property used in remediation contracting as defined in Section 3.14-100 and Regulation 3.14-100.5.
- (bb) sales of materials that are purchased by or for publicly funded libraries including school district libraries, charter school libraries, community college libraries, state university libraries or federal, state, county or municipal libraries for use by the public as follows:
 - (1) printed or photographic materials.
 - (2) electronic or digital media materials.
- (cc) sales of food, beverages, condiments and accessories used for serving food and beverages to a commercial airline, as defined in A.R.S. Section 42-5061(A)(49), that serves the food and beverages to its passengers, without additional charge, for consumption in flight. For the purposes of this subsection, "accessories" means paper plates, plastic eating utensils, napkins, paper cups, drinking straws, paper sacks or other disposable containers, or other items which facilitate the consumption of the food.
- (dd) in computing the tax base in the case of the sale or transfer of wireless telecommunication equipment as an inducement to a customer to enter into or continue a contract for telecommunication services that are taxable under Section 3.14-470, gross proceeds of sales or

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gross income does not include any sales commissions or other compensation received by the retailer as a result of the customer entering into or continuing a contract for the telecommunications services.

- (ee) for the purposes of this Section, a sale of wireless telecommunication equipment to a person who holds the equipment for sale or transfer to a customer as an inducement to enter into or continue a contract for telecommunication services that are taxable under Section 3.14-470 is considered to be a sale for resale in the regular course of business.
- (ff) sales of alternative fuel as defined in A.R.S. Section 1-215, to a used oil fuel burner who has received a Department of Environmental Quality permit to burn used oil or used oil fuel under A.R.S. Sections 49-426 or 49-480.
- (gg) sales of food, beverages, condiments and accessories to a public educational entity, pursuant to any of the provisions of Title 15, Arizona Revised Statutes, INCLUDING A REGULARLY ORGANIZED PRIVATE OR PAROCHIAL SCHOOL THAT OFFERS AN EDUCATIONAL PROGRAM FOR GRADE TWELVE (12) OR UNDER WHICH MAY BE ATTENDED IN SUBSTITUTION FOR A PUBLIC SCHOOL PURSUANT TO A.R.S. SECTION 15-802; to the extent such items are to be prepared or served to individuals for consumption on the premises of a public educational entity during school hours. For the purposes of this subsection, "accessories" means paper plates, plastic eating utensils, napkins, paper cups, drinking straws, paper sacks or other disposable containers, or other items which facilitate the consumption of the food.
- (hh) sales of personal hygiene items to a person engaged in the business of and subject to tax under Section 3.14-444 of this Code if the tangible personal property is furnished without additional charge to and intended to be consumed by the person during his occupancy.
- (ii) for the purposes of this Section, the diversion of gas from a pipeline by a person engaged in the business of operating a natural or artificial gas pipeline, for the sole purpose of fueling compressor equipment to pressurize the pipeline, is not a sale of the gas to the operator of the pipeline.
- (jj) sales of food, beverages, condiments and accessories to a nonprofit charitable organization that has qualified as an exempt organization under 26 U.S.C. Section 501(c)(3) and regularly serves meals to the needy and indigent on a continuing basis at no cost. For the purposes of this subsection, "accessories" means paper plates, plastic eating utensils, napkins, paper cups, drinking straws, paper sacks or other disposable containers, or other items which facilitate the consumption of the food.
- (kk) sales of motor vehicles that use alternative fuel if such vehicle was manufactured as a diesel fuel vehicle and converted to operate on alternative fuel and sales of equipment that is installed in a conventional diesel fuel motor vehicle to convert the vehicle to operate on an alternative fuel, as defined in A.R.S. Section 1-215.
- (ll) sales of solar energy devices, for taxable periods beginning from and after July 1, 2008. The retailer shall register with the Department of Revenue as a solar energy retailer. By registering, the retailer acknowledges that it will make its books and records relating to sales of solar energy devices available to the Department of Revenue and City, as applicable, for examination.

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- (MM) SALES OR OTHER TRANSFERS OF RENEWABLE ENERGY CREDITS OR ANY OTHER UNIT CREATED TO TRACK ENERGY DERIVED FROM RENEWABLE ENERGY RESOURCES. FOR THE PURPOSES OF THIS PARAGRAPH, "RENEWABLE ENERGY CREDIT" MEANS A UNIT CREATED ADMINISTRATIVELY BY THE CORPORATION COMMISSION OR GOVERNING BODY OF A PUBLIC POWER UTILITY TO TRACK KILOWATT HOURS OF ELECTRICITY DERIVED FROM A RENEWABLE ENERGY RESOURCE OR THE KILOWATT HOUR EQUIVALENT OF CONVENTIONAL ENERGY RESOURCES DISPLACED BY DISTRIBUTED RENEWABLE ENERGY RESOURCES.
- (NN) SALES OF MAGAZINES OR OTHER PERIODICALS OR OTHER PUBLICATIONS BY THIS STATE TO ENCOURAGE TOURIST TRAVEL.
- (OO) SALES OF PAPER MACHINE CLOTHING, SUCH AS FORMING FABRICS AND DRYER FELTS, SOLD TO A PAPER MANUFACTURER AND DIRECTLY USED OR CONSUMED IN PAPER MANUFACTURING.
- (PP) SALES OF OVERHEAD MATERIALS OR OTHER TANGIBLE PERSONAL PROPERTY THAT IS USED IN PERFORMING A CONTRACT BETWEEN THE UNITED STATES GOVERNMENT AND A MANUFACTURER, MODIFIER, ASSEMBLER OR REPAIRER, INCLUDING PROPERTY USED IN PERFORMING A SUBCONTRACT WITH A GOVERNMENT CONTRACTOR WHO IS A MANUFACTURER, MODIFIER, ASSEMBLER OR REPAIRER, TO WHICH TITLE PASSES TO THE GOVERNMENT UNDER THE TERMS OF THE CONTRACT OR SUBCONTRACT.
- (QQ) SALES OF COAL, PETROLEUM, COKE, NATURAL GAS, VIRGIN FUEL OIL AND ELECTRICITY SOLD TO A QUALIFIED ENVIRONMENTAL TECHNOLOGY MANUFACTURER, PRODUCER OR PROCESSOR AS DEFINED IN A.R.S. SECTION 41-1514.02 AND DIRECTLY USED OR CONSUMED IN THE GENERATION OR PROVISION OF ON-SITE POWER OR ENERGY SOLELY FOR ENVIRONMENTAL TECHNOLOGY MANUFACTURING, PRODUCING OR PROCESSING OR ENVIRONMENTAL PROTECTION. THIS PARAGRAPH SHALL APPLY FOR TWENTY (20), FULL CONSECUTIVE CALENDAR OR FISCAL YEARS FROM THE DATE THE FIRST PAPER MANUFACTURING MACHINE IS PLACED IN SERVICE. IN THE CASE OF AN ENVIRONMENTAL TECHNOLOGY MANUFACTURER, PRODUCER OR PROCESSOR WHO DOES NOT MANUFACTURE PAPER, THE TIME PERIOD SHALL BEGIN WITH THE DATE THE FIRST MANUFACTURING, PROCESSING OR PRODUCTION EQUIPMENT IS PLACED IN SERVICE.
- (RR) SALES OR GROSS INCOME DERIVED FROM SALES OF MACHINERY, EQUIPMENT, MATERIALS AND OTHER TANGIBLE PERSONAL PROPERTY USED DIRECTLY AND PREDOMINANTLY TO CONSTRUCT A QUALIFIED ENVIRONMENTAL TECHNOLOGY MANUFACTURING, PRODUCING OR PROCESSING FACILITY AS DESCRIBED IN A.R.S. SECTION 41-1514.02. THIS SUBSECTION APPLIES FOR TEN (10), FULL CONSECUTIVE CALENDAR OR FISCAL YEARS AFTER THE START OF INITIAL CONSTRUCTION.

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Section XII. Model City Tax Code Section 3.14-480 is amended as follows, with an effective date of January 1, 2007, except new Local Option #PP which is available to be selected effective August 1, 2014.

Sec. 3.14-480. Utility services.

- (a) The tax rate shall be at an amount equal to two and two-tenths percent (2.2%) of the gross income from the business activity upon every person engaging or continuing in the business of producing, providing, or furnishing utility services, including electricity, electric lights, current, power, gas (natural or artificial), or water to:
 - (1) consumers or ratepayers who reside within the City.
 - (2) (Reserved)
- (b) Exclusion of certain sales of natural gas to a public utility. Notwithstanding the provisions of subsection (a) above, the gross income derived from the sale of natural gas to a public utility for the purpose of generation of power to be transferred by the utility to its ratepayers shall be considered a retail sale of tangible personal property subject to Sections 3.14-460 and 3.14-465, and not considered gross income taxable under this Section.
- (c) Resale utility services. Sales of utility services to another provider of the same utility services for the purpose of providing such utility services either to another properly licensed utility provider or directly to such purchaser's customers or ratepayers shall be exempt and deductible from the gross income subject to the tax imposed by this Section, provided that the purchaser is properly licensed by all applicable taxing jurisdictions to engage or continue in the business of providing utility services, and further provided that the seller maintains proper documentation, in a manner similar to that for sales for resale, of such transactions.
- (d) (Reserved)
- (e) The tax imposed by this Section shall not apply to sales of utility services to a qualifying hospital, qualifying community health center or a qualifying health care organization, except when sold for use in activities resulting in gross income from unrelated business income as that term is defined in 26 U.S.C. Section 512.
- (f) The tax imposed by this Section shall not apply to sales of natural gas or liquefied petroleum gas used to propel a motor vehicle.
- (g) The tax imposed by this Section shall not apply to:
 - (1) revenues received by a municipally owned utility in the form of fees charged to persons constructing residential, commercial or industrial developments or connecting residential, commercial or industrial developments to a municipal utility system or systems if the fees are segregated and used only for capital expansion, system enlargement or debt service of the utility system or systems.

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- (2) revenues received by any person or persons owning a utility system in the form of reimbursement or contribution compensation for property and equipment installed to provide utility access to, on or across the land of an actual utility consumer if the property and equipment become the property of the utility. This exclusion shall not exceed the value of such property and equipment.
- (h) The tax imposed by this Section shall not apply to sales of alternative fuel as defined in A.R.S. Section 1-215, to a used oil fuel burner who has received a Department of Environmental Quality permit to burn used oil or used oil fuel under A.R.S. Sections 49-426 or 49-480.
- (I) THE TAX IMPOSED BY THIS SECTION SHALL NOT APPLY TO SALES OR OTHER TRANSFERS OF RENEWABLE ENERGY CREDITS OR ANY OTHER UNIT CREATED TO TRACK ENERGY DERIVED FROM RENEWABLE ENERGY RESOURCES. FOR THE PURPOSES OF THIS PARAGRAPH, "RENEWABLE ENERGY CREDIT" MEANS A UNIT CREATED ADMINISTRATIVELY BY THE CORPORATION COMMISSION OR GOVERNING BODY OF A PUBLIC POWER UTILITY TO TRACK KILOWATT HOURS OF ELECTRICITY DERIVED FROM A RENEWABLE ENERGY RESOURCE OR THE KILOWATT HOUR EQUIVALENT OF CONVENTIONAL ENERGY RESOURCES DISPLACED BY DISTRIBUTED RENEWABLE ENERGY RESOURCES.
- (J) THE TAX IMPOSED BY THIS SECTION SHALL NOT APPLY TO THE PORTION OF GROSS PROCEEDS OF SALES OR GROSS INCOME ATTRIBUTABLE TO TRANSFERS OF ELECTRICITY BY ANY RETAIL ELECTRIC CUSTOMER OWNING A SOLAR PHOTOVOLTAIC ENERGY GENERATING SYSTEM TO AN ELECTRIC DISTRIBUTION SYSTEM, IF THE ELECTRICITY TRANSFERRED IS GENERATED BY THE CUSTOMER'S SYSTEM.
- (K) (RESERVED)

Section XIII. Model City Tax Code Section 3.14-485 is amended as follows, with an effective date of July 1, 2013.

Sec. 3.14-485. WASTEWATER REMOVAL SERVICES

- (a) THE TAX RATE SHALL BE AN AMOUNT EQUAL TO ZERO PERCENT (0%) OF THE GROSS INCOME FROM THE BUSINESS ACTIVITY UPON EVERY PERSON ENGAGING OR CONTINUING IN THE BUSINESS OF PROVIDING WASTEWATER REMOVAL SERVICES BY MEANS OF SEWER LINES OR SIMILAR PIPELINES TO:
- (1) CONSUMERS OR RATEPAYERS WHO RESIDE WITHIN THE CITY.
- (2) CONSUMERS OR RATEPAYERS OF THIS CITY, WHETHER WITHIN THE CITY OR WITHOUT, TO THE EXTENT THAT THIS CITY PROVIDES SUCH PERSONS WASTEWATER REMOVAL SERVICES, EXCLUDING CONSUMERS OR RATEPAYERS WHO ARE RESIDENTS OF ANOTHER CITY OR TOWN WHICH

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LEVIES AN EQUIVALENT EXCISE TAX UPON THIS CITY FOR PROVIDING
SUCH WASTEWATER REMOVAL SERVICES TO SUCH PERSONS.

- (b) THE TAX IMPOSED BY THIS SECTION SHALL NOT APPLY TO GROSS INCOME
RELATING TO THE PROVIDING OF WASTEWATER REMOVAL SERVICES FROM A
QUALIFYING HOSPITAL, QUALIFYING COMMUNITY HEALTH CENTER OR A
QUALIFYING HEALTH CARE ORGANIZATION.

**Section XIV. Model City Tax Code, Appendix IV, Section 3.14-570 is amended as follows to
conform the Appendix language with prior changes made to Section 3.14-570 of the Model
language, with an effective date of July 1, 2008.**

**Sec. 3.14-570. Administrative review; petition for hearing or for redetermination; finality of order.
(State Administration and Audits)**

- (a) Closing agreements between the Tax Collector and a taxpayer have no force of law unless made in accordance with the provisions of A.R.S. Section 42-1113.
- (b) Administrative review.
- (1) Petitions of appeal shall be made to, and hearings shall be conducted by, the Arizona Department of Revenue, in accordance with the provisions of A.R.S. Section 42-1251, as modified by Section 3.14-571.
 - (2) (Reserved)
 - (3) (Reserved)
 - (4) (Reserved)
 - (5) Hearings shall be held by the Arizona Department of Revenue in accordance with the provisions of A.R.S. Section 42-1251. The Department's decision may be appealed to the State Board of Tax Appeals, in accordance with the provisions of A.R.S. Section 42-1253.
 - (6) (Reserved)
 - (7) (Reserved)
 - (8) (Reserved)
- (c) (Reserved)
- (d) (Reserved)
- (e) Taxpayers shall be subject to the State Taxpayer Bill of Rights (A.R.S. Section 42-2051 et. seq.).

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Sec. 3.14-570. Administrative review; petition for hearing or for redetermination; finality of order. (Local Audits)

For the purposes of this section, "Municipal Tax Hearing Office" means the administrative offices of the ~~miniepal~~ MUNICIPAL Tax Hearing Officer.

- (a) Informal Conference. A taxpayer shall have the right to discuss any proposed assessment with the auditor prior to the issuance of any assessment, but any such informal conference is not required for the taxpayer to file a petition for administrative review.
- (b) Administrative Review.
 - (1) Filing a Petition. Other than in the case of a jeopardy assessment, a taxpayer may contest the applicability or amount of tax, penalty, or interest imposed upon or paid by him pursuant to this Chapter by filing a petition for a hearing or for redetermination with the Tax Collector as set forth below:
 - (A) within forty-five (45) days of receipt by the taxpayer of notice of a determination by the Tax Collector that a tax, penalty, or interest amount is due, or that a request for refund or credit has been denied; or
 - (B) by voluntary payment of any contested amount when accompanied by a timely filed return and a petition requesting a refund of the protested portion of said payment; or
 - (C) by petition accompanying a timely filed return contesting an amount reported but not paid; or
 - (D) by petition requesting review of denial of waiver of penalty as provided in subsection 3.14-540(g).
 - (2) Extension to file a petition. In all cases, the taxpayer may request ~~only one~~ AN extension from the Tax Collector. Such request must be in writing, state the reasons for the requested delay ~~and time of delay requested~~, and must be filed with the Tax Collector within the period allowed above for originally filing a petition. The Tax Collector shall allow ~~such A~~ FORTY-FIVE (45) DAY extension to file a petition, when such written request has been properly and timely made by the taxpayer, ~~but such extension shall not exceed forty-five (45) days beyond the time provided for originally filing a petition. THE TAX COLLECTOR MAY GRANT AN ADDITIONAL EXTENSION AND MAY DETERMINE THE CORRESPONDING TIME OF ANY SUCH EXTENSION AT HIS SOLE DISCRETION.~~
 - (3) Requirements for petition.
 - (A) The petition shall be in writing and shall set forth the reasons why any correction, abatement, or refund should be granted, and the amount of reduction or refund requested. The petition may be amended at any time prior to the time the taxpayer rests his case at the hearing or such time as the Hearing Officer allows for submitting of amendments in cases of redeterminations without hearings. The Hearing Officer may require that amendments be in writing, and in that case, he

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shall provide a reasonable period of time to file the amendment. The Hearing Officer shall provide a reasonable period of time for the Tax Collector to review and respond to the petition and to any written amendments.

- (B) The taxpayer, as part of the petition, may request a hearing which shall be granted by the Hearing Officer. If no request for hearing is made the petition shall be considered to be submitted for decision by the Hearing Officer on the matters contained in the petition and in any reply made by the Tax Collector.
 - (C) The provisions of this Section are exclusive, and no petition seeking any correction, abatement, or refund shall be considered unless the petition is timely and properly filed under the Section.
- (4) Transmittal to Hearing Officer. The City shall designate a Hearing Officer, who may be other than an employee of the City. The Tax Collector, if designated to receive petitions, shall forward any petition to the Municipal Tax Hearing Officer within twenty (20) days after receipt, accompanied by documentation as to timeliness. In cases where the Hearing Officer determines that the petition is not timely or not in proper form, he shall notify both the taxpayer and the Tax Collector; and in cases of petitions not in proper form only, the Hearing Officer shall provide the taxpayer with an extension up to forty-five (45) days to correct the petition.
 - (5) Hearings shall be conducted by a Hearing Officer and shall be continuous until the Hearing Officer closes the record. The taxpayer may be heard in person or by his authorized representative at such hearing. Hearings shall be conducted informally as to the order of proceeding and presentation of evidence. The Hearing Officer shall admit evidence over hearsay objections where the offered evidence has substantial probative value and reliability. Further, copies of records and documents prepared in the ordinary course of business may be admitted, without objection as to foundation, but subject to argument as to weight, admissibility, and authenticity. Summary accounting records may be admitted subject to satisfactory proof of the reliability of the summaries. In all cases, the decision of the Hearing Officer shall be made solely upon substantial and reliable evidence. All expenses incurred in the hearing shall be paid by the party incurring the same.
 - (6) Redeterminations upon a "petition for redetermination" shall follow the same conditions, except that no oral hearing shall be held.
 - (7) Hearing Ruling. In either case, the Hearing Officer shall issue his ruling not later than forty-five (45) days after the close of the record by the Hearing Officer.
 - (8) Notice of Refund or Adjusted Assessment. Within sixty (60) days of the issuance of the Hearing Officer's decision, the Tax Collector shall issue to the taxpayer either a notice of refund or an adjusted assessment recalculated to conform to the Hearing Officer's decision.
- (c) Stipulations that future tax is also protested. A taxpayer may enter into a stipulation with the Tax Collector that future taxes of similar nature are also at issue in any protest or appeal. However, unless such stipulation is made, it is presumed that the protest or appeal deals solely and exclusively with the tax specifically protested and no other. When a taxpayer enters into such a stipulation with the Tax Collector that future taxes of similar nature will be included in any redetermination,

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hearing, or court case, it is the burden of that taxpayer to identify, segregate, and keep record of such income or protested taxable amount in his books and records in the same manner as the taxpayer is required to segregate exempt income.

- (d) When an assessment is final.
 - (1) If a request for administrative review and petition for hearing or redetermination of an assessment made by the Tax Collector is not filed within the period required by subsection (b) above, such person shall be deemed to have waived and abandoned the right to question the amount determined to be due and any tax, interest, or penalty determined to be due shall be final as provided in subsections 3.14-545(a) and 3.14-555(f).
 - (2) The decision made by the Hearing Officer upon administrative review by hearing or redetermination shall become final thirty (30) days after the taxpayer receives the notice of refund or adjusted assessment required by subsection (b)(8) above, unless the taxpayer appeals the order or decision in the manner provided in Section 3.14-575.
- (e) The provisions of the State Taxpayer Bill of Rights (A.R.S. Section 42-2051 et. seq.) shall not apply.

Section XV. Model City Tax Code Section 3.14-660 is amended as follows. All changes are effective July 1, 2013, except new subsection (mm), which is effective January 1, 2007, and new Local Option #PP which is available to be selected effective August 1, 2014.

Sec. 3.14-660. Use tax: exemptions.

The storage or use in this City of the following tangible personal property is exempt from the Use Tax imposed by this Article:

- (a) tangible personal property brought into the City by an individual who was not a resident of the City at the time the property was acquired for his own use, if the first actual use of such property was outside the City, unless such property is used in conducting a business in this City.
- (b) tangible personal property, the value of which does not exceed the amount of one thousand dollars (\$1,000) per item, acquired by an individual outside the limits of the City for his personal use and enjoyment.
- (c) charges for delivery, installation, or other customer services, as prescribed by Regulation.
- (d) charges for repair services, as prescribed by Regulation.
- (e) separately itemized charges for warranty, maintenance, and service contracts.
- (f) prosthetics.
- (g) income-producing capital equipment.
- (h) rental equipment and rental supplies.

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- (i) mining and metallurgical supplies.
- (j) motor vehicle fuel and use fuel which are used upon the highways of this State and upon which a tax has been imposed under the provisions of Article I or II, Chapter 16, Title 28, Arizona Revised Statutes.
- (k) tangible personal property purchased by a construction contractor, but not an owner-builder, when such person holds a valid Privilege License for engaging or continuing in the business of construction contracting, and where the property acquired is incorporated into any structure or improvement to real property in fulfillment of a construction contract.
- (l) sales of motor vehicles to nonresidents of this State for use outside this State if the vendor ships or delivers the motor vehicle to a destination outside this State.
- (m) tangible personal property which directly enters into and becomes an ingredient or component part of a product sold in the regular course of the business of job printing, manufacturing, or publication of newspapers, magazines or other periodicals. Tangible personal property which is consumed or used up in a manufacturing, job printing, publishing, or production process is not an ingredient nor component part of a product.
- (n) rental, leasing, or licensing for use of film, tape, or slides by a theater or other person taxed under Section 3.14-410, or by a radio station, television station, or subscription television system.
- (o) food served to patrons for a consideration by any person engaged in a business properly licensed and taxed under Section 3.14-455, but not food consumed by owners, agents, or employees of such business.
- (p) tangible personal property acquired by a qualifying hospital, qualifying community health center or a qualifying health care organization, except when the property is in fact used in activities resulting in gross income from unrelated business income as that term is defined in 26 U.S.C. Section 512.
- (q) ~~(RESERVED) food for home consumption.~~
- (r) (Reserved)
 - (1) (Reserved)
 - (2) (Reserved)
 - (3) (Reserved)
 - (4) (Reserved)
- (s) groundwater measuring devices required by A.R.S. Section 45-604.
- (t) (Reserved)
- (u) aircraft acquired for use outside the State, as prescribed by Regulation.
- (v) sales of food products by producers as provided for by A.R.S. Sections 3-561, 3-562 and 3-563.
- (w) (Reserved)

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- (x) ~~(Reserved)~~ FOOD AND DRINK PROVIDED BY A PERSON WHO IS ENGAGED IN BUSINESS THAT IS CLASSIFIED UNDER THE RESTAURANT CLASSIFICATION WITHOUT MONETARY CHARGE TO ITS EMPLOYEES FOR THEIR OWN CONSUMPTION ON THE PREMISES DURING SUCH EMPLOYEES' HOURS OF EMPLOYMENT.
- (y) (Reserved)
- (z) (Reserved)
- (aa) tangible personal property used in remediation contracting as defined in Section 3.14-100 and Regulation 3.14-100.5.
- (bb) materials that are purchased by or for publicly funded libraries including school district libraries, charter school libraries, community college libraries, state university libraries or federal, state, county or municipal libraries for use by the public as follows:
 - (1) printed or photographic materials.
 - (2) electronic or digital media materials.
- (cc) food, beverages, condiments and accessories used for serving food and beverages by a commercial airline, as defined in A.R.S. Section 42-5061(A)(49), that serves the food and beverages to its passengers, without additional charge, for consumption in flight. For the purposes of this subsection, "accessories" means paper plates, plastic eating utensils, napkins, paper cups, drinking straws, paper sacks or other disposable containers, or other items which facilitate the consumption of the food.
- (dd) wireless telecommunication equipment that is held for sale or transfer to a customer as an inducement to enter into or continue a contract for telecommunication services that are taxable under Section 3.14-470.
- (ee) (Reserved)
- (ff) alternative fuel as defined in A.R.S. Section 1-215, by a used oil fuel burner who has received a Department of Environmental Quality permit to burn used oil or used oil fuel under A.R.S. Section 49-426 or Section 49-480.
- (gg) food, beverages, condiments and accessories purchased by or for a public educational entity, pursuant to any of the provisions of Title 15, Arizona Revised Statutes, INCLUDING A REGULARLY ORGANIZED PRIVATE OR PAROCHIAL SCHOOL THAT OFFERS AN EDUCATIONAL PROGRAM FOR GRADE TWELVE (12) OR UNDER WHICH MAY BE ATTENDED IN SUBSTITUTION FOR A PUBLIC SCHOOL PURSUANT TO A.R.S. SECTION 15-802; to the extent such items are to be prepared or served to individuals for consumption on the premises of a public educational entity during school hours. For the purposes of this subsection, "accessories" means paper plates, plastic eating utensils, napkins, paper cups, drinking straws, paper sacks or other disposable containers, or other items which facilitate the consumption of the food.

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- (hh) personal hygiene items purchased by a person engaged in the business of and subject to tax under Section 3.14-444 of this Code if the tangible personal property is furnished without additional charge to and intended to be consumed by the person during his occupancy.
- (ii) the diversion of gas from a pipeline by a person engaged in the business of operating a natural or artificial gas pipeline, for the sole purpose of fueling compressor equipment to pressurize the pipeline, is not a sale of the gas to the operator of the pipeline.
- (jj) food, beverages, condiments and accessories purchased by or for a nonprofit charitable organization that has qualified as an exempt organization under 26 U.S.C. Section 501(c)(3) and regularly serves meals to the needy and indigent on a continuing basis at no cost. For the purposes of this subsection, "accessories" means paper plates, plastic eating utensils, napkins, paper cups, drinking straws, paper sacks or other disposable containers, or other items which facilitate the consumption of the food.
- (kk) sales of motor vehicles that use alternative fuel if such vehicle was manufactured as a diesel fuel vehicle and converted to operate on alternative fuel and sales of equipment that is installed in a conventional diesel fuel motor vehicle to convert the vehicle to operate on an alternative fuel, as defined in A.R.S. Section 1-215.
- (ll) The storage, use or consumption of tangible personal property in the City by a school district or charter school.
- (mm) RENEWABLE ENERGY CREDITS OR ANY OTHER UNIT CREATED TO TRACK ENERGY DERIVED FROM RENEWABLE ENERGY RESOURCES. FOR THE PURPOSES OF THIS PARAGRAPH, "RENEWABLE ENERGY CREDIT" MEANS A UNIT CREATED ADMINISTRATIVELY BY THE CORPORATION COMMISSION OR GOVERNING BODY OF A PUBLIC POWER UTILITY TO TRACK KILOWATT HOURS OF ELECTRICITY DERIVED FROM A RENEWABLE ENERGY RESOURCE OR THE KILOWATT HOUR EQUIVALENT OF CONVENTIONAL ENERGY RESOURCES DISPLACED BY DISTRIBUTED RENEWABLE ENERGY RESOURCES.
- (nn) MAGAZINES OR OTHER PERIODICALS OR OTHER PUBLICATIONS BY THIS STATE TO ENCOURAGE TOURIST TRAVEL.
- (oo) PAPER MACHINE CLOTHING, SUCH AS FORMING FABRICS AND DRYER FELTS, SOLD TO A PAPER MANUFACTURER AND DIRECTLY USED OR CONSUMED IN PAPER MANUFACTURING.
- (pp) OVERHEAD MATERIALS OR OTHER TANGIBLE PERSONAL PROPERTY THAT IS USED IN PERFORMING A CONTRACT BETWEEN THE UNITED STATES GOVERNMENT AND A MANUFACTURER, MODIFIER, ASSEMBLER OR REPAIRER, INCLUDING PROPERTY USED IN PERFORMING A SUBCONTRACT WITH A GOVERNMENT CONTRACTOR WHO IS A MANUFACTURER, MODIFIER, ASSEMBLER OR REPAIRER, TO WHICH TITLE PASSES TO THE GOVERNMENT UNDER THE TERMS OF THE CONTRACT OR SUBCONTRACT.
- (qq) COAL, PETROLEUM, COKE, NATURAL GAS, VIRGIN FUEL OIL AND ELECTRICITY SOLD TO A QUALIFIED ENVIRONMENTAL TECHNOLOGY MANUFACTURER,

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PRODUCER OR PROCESSOR AS DEFINED IN A.R.S. SECTION 41-1514.02 AND DIRECTLY USED OR CONSUMED IN THE GENERATION OR PROVISION OF ON-SITE POWER OR ENERGY SOLELY FOR ENVIRONMENTAL TECHNOLOGY MANUFACTURING, PRODUCING OR PROCESSING OR ENVIRONMENTAL PROTECTION. THIS PARAGRAPH SHALL APPLY FOR TWENTY FULL CONSECUTIVE CALENDAR OR FISCAL YEARS FROM THE DATE THE FIRST PAPER MANUFACTURING MACHINE IS PLACED IN SERVICE. IN THE CASE OF AN ENVIRONMENTAL TECHNOLOGY MANUFACTURER, PRODUCER OR PROCESSOR WHO DOES NOT MANUFACTURE PAPER, THE TIME PERIOD SHALL BEGIN WITH THE DATE THE FIRST MANUFACTURING, PROCESSING OR PRODUCTION EQUIPMENT IS PLACED IN SERVICE.

(RR) MACHINERY, EQUIPMENT, MATERIALS AND OTHER TANGIBLE PERSONAL PROPERTY USED DIRECTLY AND PREDOMINANTLY TO CONSTRUCT A QUALIFIED ENVIRONMENTAL TECHNOLOGY MANUFACTURING, PRODUCING OR PROCESSING FACILITY AS DESCRIBED IN A.R.S. SECTION 41-1514.02. THIS SUBSECTION APPLIES FOR TEN FULL CONSECUTIVE CALENDAR OR FISCAL YEARS AFTER THE START OF INITIAL CONSTRUCTION.

(SS) (RESERVED)

Section XVI. Model City Tax Code Regulation 3.14-120.1 is repealed, with an effective date of July 1, 2013.

Reg. 3.14-120.1. (Reserved)

Section XVII. Model City Tax Code Regulation 3.14-270.1 is amended as follows, with an effective date of July 1, 2013.

Reg. 3.14-270.1. Proprietary activities of municipalities are not considered activities of a governmental entity.

The following activities, when performed by a municipality, are considered to be activities of a person engaged in business for the purposes of this Chapter, and not excludable by reason of Section 3.14-270:

- (a) rental, leasing, or licensing for use of real property to other than another department or agency of the municipality.
- (b) producing, providing, or furnishing electricity, electric lights, current, power, gas (natural or artificial), or water to consumers or ratepayers.

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- (c) sale of tangible personal property to the public, when similar tangible personal property is available for sale by other persons, as, for example, at police or surplus auctions.
- (d) ~~(Reserved)~~ PROVIDING WASTEWATER REMOVAL SERVICES TO CONSUMERS OR RATEPAYERS BY MEANS OF SEWER LINES OR SIMILAR PIPELINES.

Section XVIII. Model City Tax Code Regulation 3.14-460.1 is amended as follows, with an effective date of July 1, 2013.

Reg. 3.14-460.1. Distinction between retail sales and certain other transfers of tangible personal property.

- (a) Charges for transfer of tangible personal property included in the gross income of the business activity of persons engaged in the following business activities shall be deemed only as gross income from such business activity and not sales at retail taxed by Section 3.14-460:
 - (1) tangible personal property incorporated into real property as part of reconstruction or construction contracting, per Sections 3.14-415 through 3.14-418.
 - (2) sales of feed at wholesale, per Section 3.14-420.
 - (3) job printing, per Section 3.14-425.
 - (4) mining, timbering, and other extraction, per Section 3.14-430.
 - (5) publication of newspapers, magazines, and other periodicals, per Section 3.14-435.
 - (6) rental, leasing, and licensing of real or tangible personal property, per Sections 3.14-445 or 3.14-450.
 - (7) restaurants and bars, per Section 3.14-455.
 - ~~(7)(8)~~ FOOD FOR HOME CONSUMPTION, PER SECTION 3.14-462.
 - ~~(9)~~ telecommunications services, per Section 3.14-470.
 - ~~(10)~~ utility services, per Section 3.14-480.
 - ~~(11)~~ WASTEWATER REMOVAL SERVICES, PER SECTION 3.14-485.
- (b) Distinction between construction contracting, retail, and certain direct customer service activities.
 - (1) When an item is attached or installed on real property, it is a construction contracting activity and any subsequent repair, removal, or replacement of that item is construction contracting.
 - (2) Items attached or installed on tangible personal property are retail sales.
 - (3) Transactions where no tangible personal property is attached or installed are considered direct customer service activities (for example: carpet cleaning, lawn mowing, and landscape maintenance).

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- (4) Demolition, earth moving, and wrecking activities are considered construction contracting.
- (c) The sale of sand, rock, and gravel extracted from the ground shall be deemed a sale of tangible personal property and not mining or metallurgical activity.
- (d) Sale of consumable goods incorporated into or applied to real property is considered a retail sale and not construction contracting. Examples of consumable goods are lubricants, faucet washers, and air conditioning coolant, but not paint.
- (e) Installation or removal of tangible personal property which has independent functional utility is considered a retail activity.
 - (1) "Tangible personal property which has independent functional utility" must be able to substantially perform its function(s) without attachment to real property. "Attachment to real property" must include more than connection to water, power, gas, communication, or other service.
 - (2) Examples of tangible personal property which has independent functional utility include artwork, furnishings, "plug-in" kitchen equipment, or similar items installed by bolts or similar fastenings.
 - (3) Examples of tangible personal property which does not have independent functional utility include wall-to-wall carpeting, flooring, wallpaper, kitchen cabinets, or "built-in" dishwashers or ranges.
 - (4) The installation of window coverings (drapes, mini-blinds, etc.) is always a retail activity.

SUMMARY OF CHANGES TO MODEL CITY TAX CODE

The attached Ordinance and Resolution incorporate into the local tax code all of the Model City Tax Code changes approved by the Municipal Tax Code Commission from 2012 through 2014, as described below by Resolution Section number.

Section 1

Section 100 adds language to the existing definitions of "Business" and "Prosthetic". This change excludes the sale of electricity generated by consumer equipment from the definition of "Business". Adding this exclusion means persons that make such sales (e.g. residential solar energy sales) are not deemed to be in the business of providing Utilities, and thus are not required to have a Privilege Tax License to make such sales. The additional language that adds Orthodontics to the definition of "Prosthetic" is a change intended to conform the Code to State statute. These changes are effective retroactively from and after January 1, 2007 for "Business," and October 1, 2007 for "Prosthetic."

Section 2

Section 120 is repealed, eliminating the definition of "Food for Home Consumption." The elements of this definition are incorporated in new Section 462, creating a separate "Food for Home Consumption" tax classification apart from the Retail classification. This section is effective from and after July 1, 2013.

Section 3

Section 200 is amended to add conforming language under the determination of gross income that is related to nuclear fuel sales as found in State statute. This section is effective from and after July 1, 2013.

Section 4

This section repeals and replaces all of Article III – Licensing and Recordkeeping. This is a critical step in TPT Simplification that has the effect of making licensing as uniform as possible across all cities and towns. Note that this section completely replaces the entirety of Article III in every city and town's tax code. This change also eliminates all Regulations numbered in the 300's, as well as eliminating all Green Sheet items related to tax licensing. This section also eliminates the use of the tax license as a means to regulate business for any purpose other than tax collection. From now on, all licensing and enforcement of a regulatory nature such as zoning, use permits, special events, inspections, etc., must be accomplished by a separate business license. This section is effective from and after January 1, 2015.

Section 5

Section 422 is amended to remove an obsolete code reference related to Jet Fuel Sales. This section is effective retroactively from and after September 21, 2006.

Section 6

Section 425 is amended to add an exemption from tax on Job Printing for sales of postage and freight in conformity with State statute. This element is effective retroactively from and after September 21, 2006. Also, Local Option #MM is eliminated effective July 1, 2012, also in conformity with State statute.

Section 7

Section 445 is amended to adopt the final version of a new exemption for Real Property Leases between Affiliated Entities. This section is effective retroactively from and after July 1, 2013.

Section 8

Section 450 is amended to conform to the new State exemption and city preemption that makes the leasing of certified ignition interlock devices required under DUI laws exempt from tax under Tangible Personal Property Rental. This section is effective retroactively from and after September 1, 2004.

SUMMARY OF CHANGES TO MODEL CITY TAX CODE

Section 9

Section 460 is amended in conformity with a new clarifying State exemption and matching city preemption that makes the retail sale of gift cards and other cash equivalents exempt from the tax under the Retail classification. This section is effective retroactively from and after October 1, 2007.

Section 10

Section 462, Retail Sales: Food for Home Consumption is added to the standard Model Code language. This section incorporates all of the definitions and Regulations related to grocery sales that were previously included only in those communities that selected Model Option #2. With this change and standardization, Model Option #2 is eliminated from the Code. Cities and towns are now free to set a distinct tax rate for grocery sales, which can be higher, lower, or zero, as the community sees fit. This section is effective from and after July 1, 2013.

Section 11

Section 465, Retail Sales: Exemptions has undergone significant changes, largely in name of conformity with State statute. A major goal of TPT Simplification was making conforming changes to the Retail classification of the MCTC that aligned with State statute wherever possible, with the intention of preparing for passage of the Marketplace Fairness Act. On the State tax side, the only change enacted was elimination of an exemption for in-store sales to non-residents that are shipped out of State (excluding vehicles). On the municipal side, this movement resulted in the elimination of Model Option #2, related to food for home consumption creating a separate classification; eliminating Local Option #AA, allowing tax exempt employee drinks and meals; and adding charter schools to the list that qualify for a food sale exemption. Also, wholly new conforming exemptions were adopted, including one for the sale of “renewable energy credits”; sale of periodicals to encourage tourism; sale of paper machine clothing to a paper manufacturer; sales of overhead materials used in performing government contracts; and the sale of fuels and sale of equipment to qualified environmental technology manufacturers. All of these changes are effective July 1, 2013, with the exception of the sale of “renewable energy credits” which is effective retroactively from and after January 1, 2007.

Section 12

Changes to this section include adding in a specific exemption from the Utilities classification for sales of excess energy produced by a consumer’s photovoltaic system to a utility distributor, along with language that removes the sale of renewable energy credits (REC) from the Utilities classification. This provides the exemption under the Utilities classification to clarify that when the meter spins backward, the taxable measure is the net charge to the consumer, and that REC sales are not part of the gross receipts under Utilities. This section shall be effective from and after January 1, 2007.

Section 13

Section 485 is added to the standard Code language, creating a new classification that imposes tax on Wastewater Removal Services. This section was formerly a Green Page in several cities. This conversion to standard Code language is part of the ongoing effort to eliminate the Green Pages by either eliminating or adopting exception items. This section shall be effective from and after July 1, 2013. Fountain Hills has chosen to maintain its previous exemption in this area through the application of a zero percent tax rate for this classification.

Section 14

Section 570 is amended to grant the Tax Collector greater latitude in allowing extensions to taxpayers that are making a good faith effort to produce additional information during the audit protest process. Previously the Code technically allowed only one 45-day extension to taxpayers protesting audit results, so actual practice resulted in many “unofficial” extensions. This change allows the Tax Collector to grant additional extension at their discretion. This section is deemed effective from and after July 1, 2008.

SUMMARY OF CHANGES TO MODEL CITY TAX CODE

Section 15

Section 660, Use Tax: Exemptions has undergone significant changes which mirror the changes to the Retail Exemptions noted above in Code Section 465. Again, these are being done in the name of conformity with State statute. This movement resulted in the elimination of the food for home consumption exemption; adding an exemption for employee drinks and meals; and adding charter schools to the list that qualify for a food exemption. Also, wholly new conforming exemptions were adopted, including one for the purchase of “Renewable Energy Credits” or RECs; periodicals to encourage tourism; paper machine clothing to a paper manufacturer; overhead materials used in performing government contracts; and the purchase of fuels and sale of equipment to qualified environmental technology manufacturers. All of these changes are effective July 1, 2013, with the exception of “Renewable Energy Credits” which is effective retroactively from and after January 1, 2007.

Section 16

This section repeals Regulation 120.1 related to the definition of Food for Home Consumption, which has been incorporated in the text of new Section 462 noted above. This section shall be effective from and after July 1, 2013.

Section 17

This section amends Regulation 270.1, adding the provision of wastewater removal services to the list of activities that are considered proprietary and therefore taxable when engaged in by a city or town. This section shall be effective from and after July 1, 2013.

Section 18

This section amends Regulation 460.1, adding the distinction from Retail for activities that fall under the two new classifications: Food for Home Consumption in Section 462, and Wastewater Removal Services in Section 485. This means that an exchange of tangible personal property that occurs under the activity described in Sections 462 or 485, is specifically NOT considered a Retail transaction. This section shall be effective from and after July 1, 2013.



THE 2012-2014 AMENDMENTS TO THE TAX CODE OF THE CITY OF SURPRISE

Finance Department

AMENDMENTS TO THE TAX CODE OF THE CITY OF SURPRISE

- The Model City Tax Code (MCTC) is a state-wide, uniform set of local tax laws designed to ensure consistent privilege (sales) tax laws among all Arizona cities and towns, and is maintained by the Arizona Department of Revenue (DOR).
- The Taxation Chapter (46) of the City of Surprise's Municipal Code is for informational purposes only.

What Changes Were Included in the Updates

- Section 4 Repeals and replaces all of Article III – Licensing and Recordkeeping. This is a critical step in TPT Simplification and ensures that licensing is as uniform as possible across all cities and towns.
- Section 11 Section 465, Retail Sales: Exemptions - changes were adopted to achieve conformity to State statute. A major goal of TPT Simplification was aligning the retail classification of the MCTC with State statute whenever possible, in preparation for passage of the Marketplace Fairness Act.



SURPRISE
ARIZONA

QUESTIONS OR COMMENTS?

Thank You



CITY OF SURPRISE Regular City Council Meeting

Council Meeting Date: November 17, 2020 Contact Person: Robert Kuhfuss
Submitting Department: Community Development District: District 1
Staff Recommendations: None

Consent: No Regular: No Public Hearing: Yes Report/Discussion: No

Agenda Wording:

Consideration and action pertaining to approval of a rezone for the Enclave at Paloma Creek, an approximately 5 acre property generally located south of the Frontier Road and west of the 155th Ave alignments, from Residential Ranch (RR) to Residential Medium Density with a Planned Unit Development Overlay (RM-9 PUD), amending development standards, and limiting residential density to 4.01 dwelling units per acre; Ordinance # 2020-36.

Motion:

I move to approve Ordinance # 2020-36 subject to stipulations “a” through “c” contained therein.

Background:

Kent Xander of Xander Lander LLC, et. al. seeks approval of a rezone of approximately 4.98 acres from Residential Ranch (RR) to Medium Density Residential (RM-9) with a Planned Unit Development (PUD) Overlay. The PUD Overlay will amend certain development standards, while limiting the maximum density to 4.01 dwelling units per acre. The subject site is adjacent to the recently approved Paloma Creek zoning and preliminary plat requests.

Objective Analysis:

The subject Zone Change request anticipates the future development of 20 lots on approximately 5 acres, and includes a PUD overlay intended to grant relief from certain development standards. The Project will include 23.5% open space and will join the Paloma Creek HOA and have access to those amenities. All city reviewing departments have reviewed the request and expressed no concerns.

Policy Compliant:

The Surprise General Plan 2035 shows the subject property as lying within the Neighborhood Character Area, which supports residential development of up to 8 DU/Ac or more, provided appropriate transitions are made between the various Neighborhood types included within the character area. At 4.01 DU/Ac, the project most closely aligns with the Suburban Neighborhood type and is consistent with the General Plan in this regard.

Financial Impact:

While this item does not have an immediate or direct financial impact, ongoing development activity in the City will inevitably have a future financial impact as additional resources are needed to provide city services.

Budget Impact:

There is no anticipated budget impact related to this item.

FTE Impact:

This item does not have an impact on current staff levels.

ATTACHMENTS:

1. 00 FS20-421 Enclave at Paloma Creek Rezone 11-17-20 Staff Report
 2. 01 FS20-421 Enclave at Paloma Creek Rezone Vicinity Map
 3. 02 FS20-421 Enclave at Paloma Creek Rezone Case Map
 4. 03 FS20-421 Enclave at Paloma Creek Zone Change Narrative
 5. 04 FS20-421 Citizen Participation Plan Final
 6. FS20-421 Enclave at Paloma Creek Rezone Presentation for 11-17-20 CC
 7. 20.11.05 EVR Ord 2020-36 Enclave at Paloma Creek Rezone w Exhibits
-

ZONE CHANGE

REPORT TO THE CITY COUNCIL

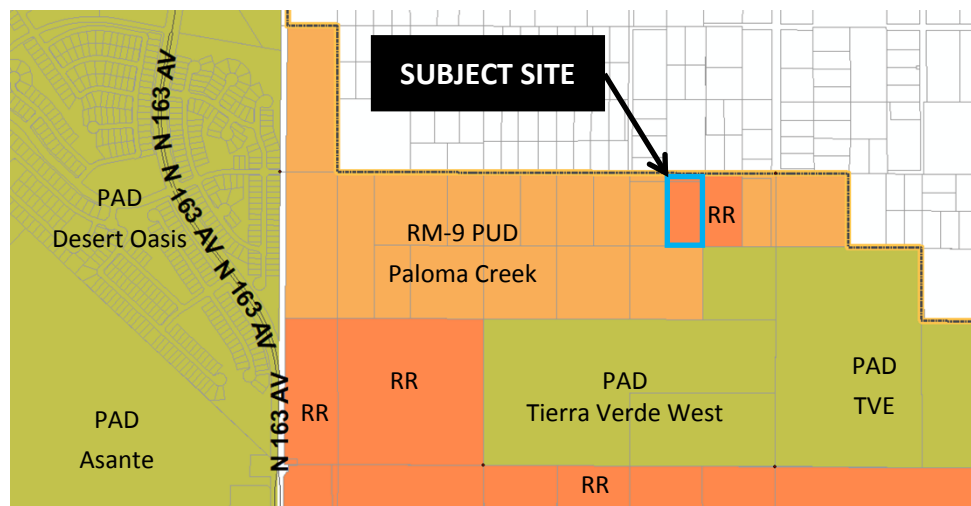
1 **Case:** FS20-421
2
3 **Project Name:** Enclave at Paloma Creek Rezone
4
5 **Council District:** 1 - Acacia
6
7 **Meeting Date:** November 17, 2020
8
9 **Planner:** Robert H. Kuhfuss, AICP
10
11
12 **Owner:** Xander Lander, LLC et. al.
13
14 **Applicant:** Kent Xander
15
16 **Request:** Rezone from Residential Ranch (RR) to Residential Medium Density
17 with a Planned Unit Development Overlay (RM-9 PUD) amending
18 development standards and limiting residential density to 4.01
19 dwelling units per acre
20
21 **Site Location:** Generally located south of the Frontier Road alignment and west of
22 the 155th Avenue alignment
23
24 **Area:** 4.98 acres (approx.)
25
26 **Density:** 4.01 DU/Ac. (approx.)
27
28 **General Plan Conformance:** The proposal is consistent with the Surprise General Plan 2035
29
30 **Support/Opposition:** None known
31
32 **Staff Recommendation:** Approve subject to stipulations "a" through "c"
33
34 **Commission**
35 **Recommendation:** Unknown as of the writing of this report
36
37
38
39
40
41
42

PROJECT DESCRIPTION:

Kent Xander of Xander Lander LLC, et. al. seeks approval of a rezone of approximately 4.98 acres from Residential Ranch (RR) to Medium Density Residential (RM-9) with a Planned Unit Development (PUD) Overlay. The PUD Overlay will amend certain development standards, while limiting the maximum density to 4.01 dwelling units per acre. The subject site is adjacent to the recently approved Paloma Creek zoning and preliminary plat requests.

EXISTING ZONING:

The following map depicts the existing zoning of the subject site and its surrounds.



BACKGROUND:

September 5, 2019: The City Council approved the annexation of the subject property under case FS18-149.

September 12, 2019: Staff reviewed the subject request at a Concept Review meeting under CR19-594.

February 14, 2020: The applicant filed the subject request under Case FS20-421.

October 7, 2020: The applicant held a Citizen Outreach meeting for this request.

November 5, 2020: The subject request is scheduled for review by the Planning and Zoning Commission.

CITIZEN OUTREACH:

The applicant held their Citizen Outreach meeting in a virtual format on October 7, 2020. One individual attended the meeting and offered no objections after having his questions answered by the applicant. The Outreach meeting, along with the Planning and Zoning Commission and City Council hearings, were advertised in accordance with state and local requirements.

ANALYSIS AND DISCUSSION:

The subject rezone case anticipates the development of approximately 5 acres of currently undeveloped desert into a single-family residential subdivision consisting of 20 lots. The request also seeks a Planned Unit Development (PUD) overlay for the purpose of amending certain development standards and limiting the residential density to 4.01 DU/Ac. The proposed development standards follow:

DEVELOPMENT STANDARDS FOR ENCLAVE AT PALOMA CREEK		
Development Standard:	RM-9 Base Zoning:	RM-9 PUD Zoning:
Maximum Density	9.0 DU/Ac.	4.01 DU/Ac.
Minimum Lot Area:	4,500 sq. ft.	4,500 sq. ft.
Minimum Lot Width:	40'	45'
Minimum Lot Depth:	100'	100'
Minimum Front Setback (livable):	12'	12' ¹
Minimum Front Setback (garage):	20'	20' ¹
Minimum Side Yard Setback:	TBD	5'
Minimum Rear Yard Setback:	20'	20' ²
Maximum Building Height:	35'	35'
Street Side Corner Setback:	N/A	5' ³
Driveway Width:	30%	40%
Driveway Area:	30%	40%
Minimum Open Space (%NRA)	20%	23.5%
Footnotes:		
¹ Measured from property line		
² Porches and patios may encroach 2.5' into the rear yard setback		

The subject property will include 23.5% open space, which exceeds the minimum requirement of the SUDC. The subject property will also join the Paloma Creek HOA and will have access to those amenities. The applicant also proposes an increase in the percent of lot width and front yard area to be occupied by the individual driveways. The SUDC currently limits the width of the driveway to not more than 30% of the lot width. With a proposed lot width of 45', the width of the driveway could not exceed 13.5', which is too narrow to serve a two-car garage. Rather, the applicant proposes an increase to 40%, which would allow for a typical 18' driveway. Similarly, the SUDC limits the driveway area to not more than 30% of the front yard area. A 45' lot width combined with a 20' front setback generates 900 square feet of front yard area, which would only accommodate a 15' deep driveway, based on 18' driveway width. By increasing the area limitation to 40%, a full 18' by 20' driveway may be achieved.

UTILITY AND SERVICES TABLE:

Water:	City of Surprise
Wastewater:	City of Surprise
Refuse:	City of Surprise
Schools:	Dysart USD

CONFORMANCE WITH ADOPTED PLANS:

Surprise General Plan 2035: The Surprise General Plan 2035 shows the subject property as lying within the Neighborhood Character Area, which supports residential development of up to 8 DU/Ac or more, provided appropriate transitions are made between the various Neighborhood types included within the character area. At 4.01 DU/Ac, the project most closely aligns with the Suburban Neighborhood type and is consistent with the General Plan in this regard.

REVIEWING AGENCIES:

The subject request was routed to the standard internal and external reviewing agencies, who indicated no objections to the request.

SUMMARY:

The subject Zone Change request anticipates the future development of 20 lots on approximately 5 acres, and includes a PUD overlay intended to grant relief from certain development standards. The Project will include 23.5% open space and will join the Paloma Creek HOA and have access to those amenities. All city reviewing departments have reviewed the request and expressed no concerns.

FINDINGS:

- The proposed Zone Change is consistent with the surrounding area.
- The proposed Zone Change is consistent with the Surprise General Plan.
- The reviewing agencies have indicated no objections.

Staff Recommendation:

Based on the findings noted above, staff recommended the Commission move to recommend **approval** of the subject Rezone request to the City Council, subject to stipulations ‘a’ through ‘c’ as outlined below:

- a. Development and use of the site shall be consistent with the rezone narrative entitled “Enclave at Paloma Creek”, prepared by Kent A. Xander and stamped received August 20, 2020.

b. Prior to the City approving a final plat, site plan, or building permit within the property, the applicant shall provide the City with a Notice of Payment from William Lyon Homes, Inc. that the Happy Valley West ("HVW") Buy-in Fee, the Happy Valley East ("HVE") Buy-in Fee, and the Water Buy-in Fee, as applicable, all as described in the Rancho Mercado Supplemental Development Agreement (Regional Improvements Overlay Agreement), as amended, have been paid.

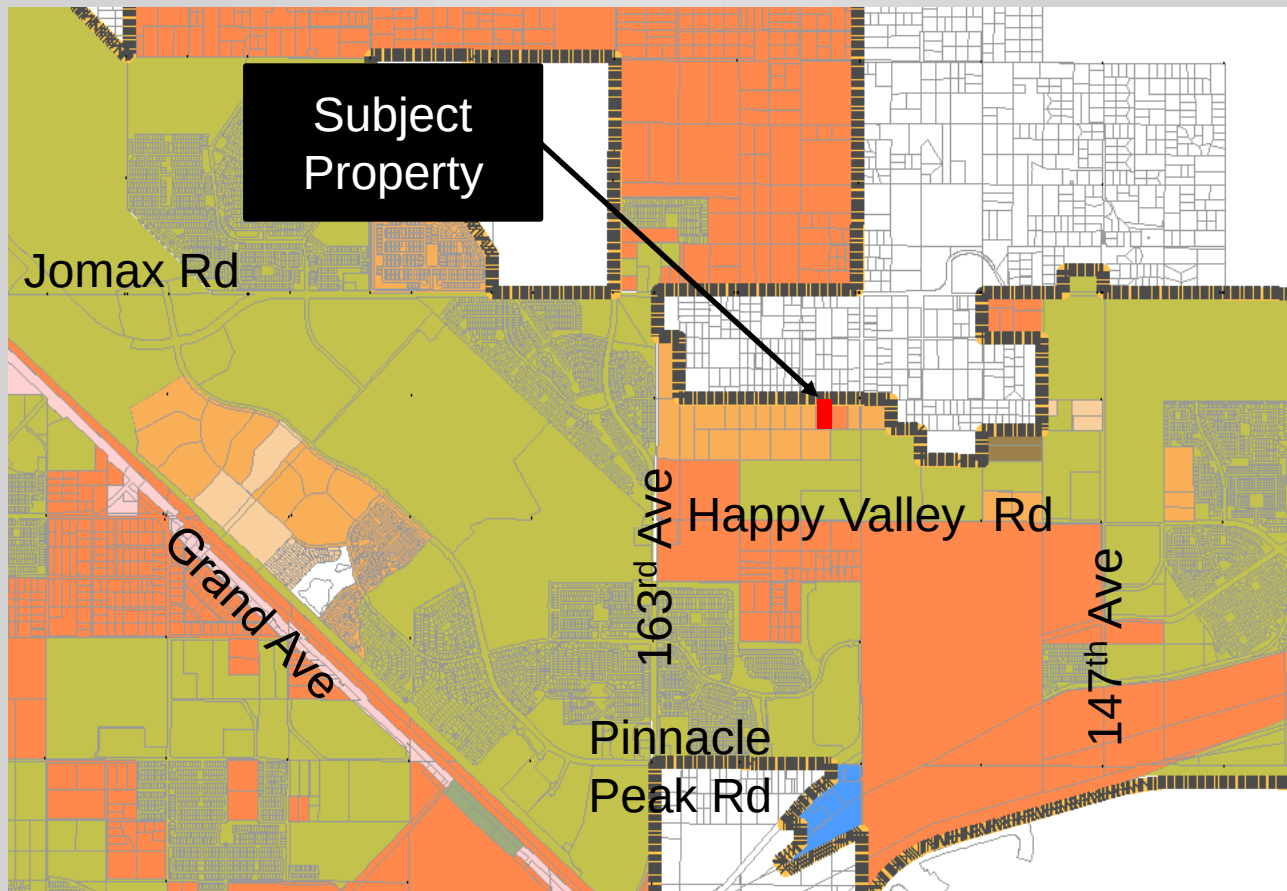
c. Non-compliance with the stipulations of approval of this case will be treated as a violation in accordance with the provisions of Article XIV of the Surprise Unified Development Code.

Commission Recommendation: Unknown as of the writing of this report

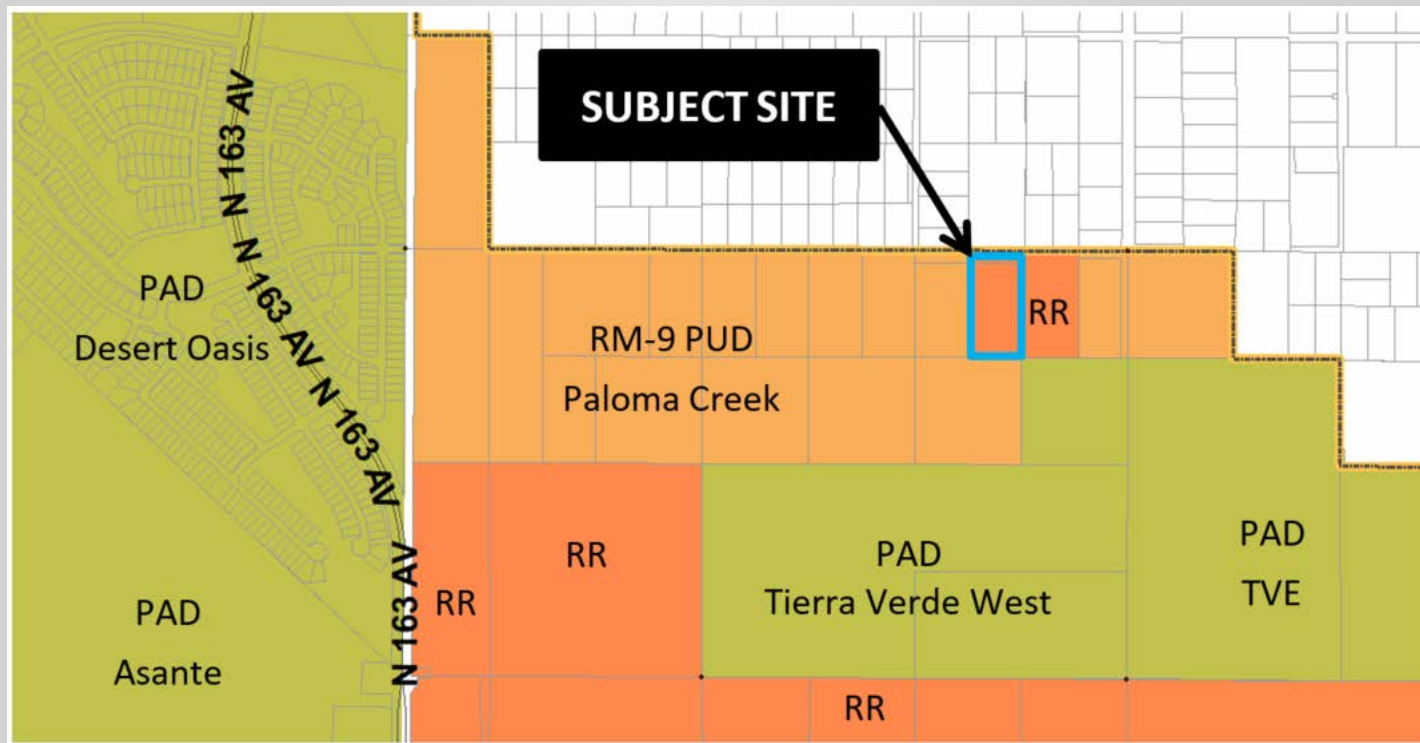
However, should the Council wish to deny the request, the Council should make its own findings and base its decision on those alternative findings.

Attachments:

- 01 Enclave at Paloma Creek Vicinity Map
- 02 Enclave at Paloma Creek Case Map
- 03 Enclave at Paloma Creek Zone Change Narrative
- 04 Enclave at Paloma Creek Citizen Outreach Report
- 05 Ordinance



FS20-421 Vicinity Map



RECEIVED
08/20/2020

ENCLAVE AT PALOMA CREEK REZONE

Case No. FS20-421

Rezone from Residential Ranch (RR) to
RM-9 (Residential Medium Density) with a (PUD) Overlay

4.98 Gross Acres

660 feet west of Southwest corner W. Frontier Dr. and 155th Avenue
Surprise, Arizona

Prepared by: KAX Group, LLC

Submitted To: City of Surprise, Arizona

Dated: June 25, 2020

Revised: August 18, 2020

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Proposed Zoning Map.....	Exhibit B
Legal Description and Map.....	Exhibit C
Conceptual Development Plan	Exhibit D
General Plan 2035 Land Use Map.....	Exhibit E
Enclave at Paloma Relationship to Surrounding Property.....	Exhibit F

Enclave at Paloma Creek Team:

Applicant:

KAX Group, LLC

kxander@kaxgroup.com

Land Planning:

Walsh Design Group

Joe Walsh landoc@cox.net

Location and Introduction:

A **Vicinity Map** on page 4 illustrates Enclave at Paloma Creek location - 660 feet west of southwest corner W. Frontier Dr. and 155th Avenue.

Enclave at Paloma Creek PUD is a 4.98-acre proposed residential subdivision adjacent to approved Paloma Creek PUD Case # FS18-150 zoned for a density of 4 units per acre. The subject property is also adjacent to unincorporated vacant land and homes to the north zoned RU-43 and vacant land within the City of Surprise to the east which is zoned Rural Residential (RR). This project includes working with and the cooperation with Paloma Creek PUD to the west and south and Tierra Verde West PAD to the south to formulate a cohesive development plan working out vehicle circulation, utilities, and drainage issues. The Development Conceptual Plan shown in **Exhibit D**, shows a conceptual plan for Enclave at Paloma Creek PUD.

The 4 north lots adjacent to W. Frontier Dr. shall be 70' x 140', setback 55 feet from the north property line as shown on page 3 of 3 on Exhibit C. A 50-foot open space tract will be landscaped along the Northeast lot adjacent to the east rural property. Per the approved Preliminary Plat for Paloma Creek PUD, the existing 40' right-of-way along Frontier Road alignment will be vacated at approval of the Final Plat. The landscape improvements shall be consistent with approved Paloma Creek PUD Case # FS18-150 plan for W. Frontier Dr. No access or vehicle traffic will be connected to W. Frontier Dr to the north and two points of access to Enclave at Paloma Creek PUD will be provided west to Paloma Creek PUD. A pedestrian trail shall be constructed between the north side of the north lot lines and the dedicated right of way on W. Frontier Dr. The pedestrian trail will extend west to Paloma Creek PUD and connect with Paloma Creek PUD pedestrian Trail system. Enclave at Paloma Creek PUD will become part of the adjacent Paloma Creek PUD HOA that will maintain all common community amenities, including signage, parks, trails, open space tracts, and other common areas within the development. Both Paloma Creek PUD and Enclave at Paloma Creek PUD will have reciprocal access to all amenities and the trail system within their respective projects.

Exhibit A depicts a map of the existing zoning of the subject property and the adjacent PAD's, vacant land, and homes. The adjacent specific zoning and land uses are as follows:

West and South

- Paloma Creek (RM-9) PUD 150.68 Acres 600 lots

East

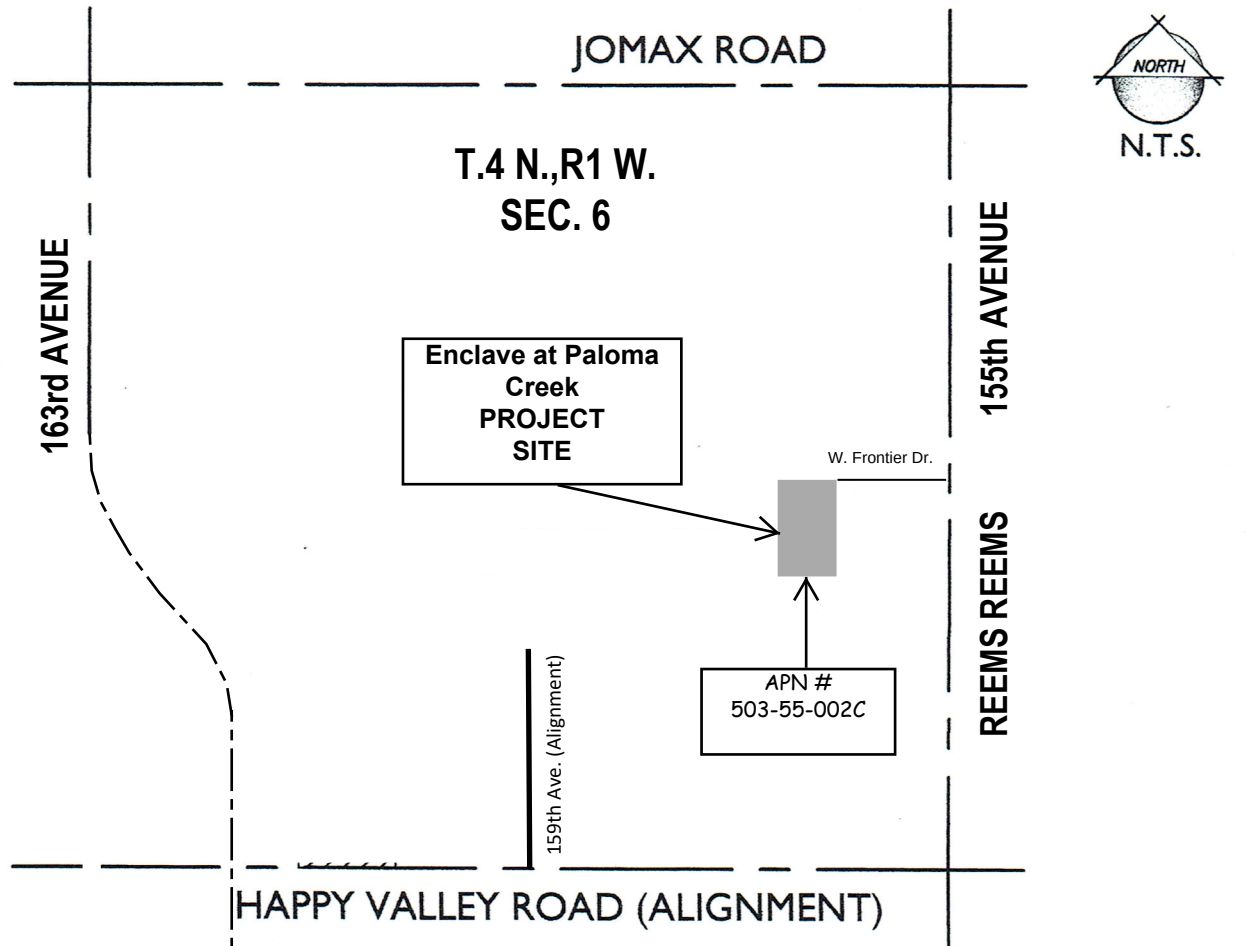
- Rural residential (RR) Vacant Land

North

- Maricopa County (RU-43) Existing Single-Family Land and Homes

Exhibit E shows the relationship of the Subject Property to adjacent property.

VICINITY MAP



Description of Request:

Applicant, on behalf of the Owner requests approval of a Zone Change (Case# FS20-413) for 4.98 acres from Residential Ranch (RR) to Residential Medium Density (RM-9) with a PUD Overlay. See **Exhibit B** for Proposed Zoning Map. See **Exhibit C** for Legal Description and Map Exhibit. Approval of this zone change is consistent with adjacent Paloma Creek PUD recently approved by City of Surprise Council.

Base zoning RM-9 allows up to 9 dwelling units per acre (DU/Ac); however, through the PUD Overlay, the subject property proposes not more than 20 dwelling units over approximately 4.98 gross acres for a maximum gross density of 4.01 DU/Ac.

With a cap on density, the applicant believes the development standards associated with the RM-9 with a PUD Overlay zoning district are in line with those of the adjacent PAD's to the subject property, with certain deviations as articulated in **Table A** of the Enclave at Paloma Creek PUD Narrative.

Enclave at Paloma Creek PUD Development Concept Plan shown on **Exhibit D** shows the lot sizes located along the north side of the subject property to be a minimum lot size of 70' x 140' (9,800 sq. ft.) and a 50-foot landscape open space tract with a pedestrian trail that connects to W. Frontier Dr. and west to Paloma Creek PUD. The remaining standard minimum lot size will be 45' x 115' to match approved Paloma Creek PUD.

The SUDC requires that not less than 20% of the "Net Residential Acreage" be set aside as open space. The Net Residential Acreage ("NRA") is calculated by the total amount of land taken up by the individual lots ("Lot Area") combined with the total Open Space. This development will provide 23.50%.

Dedicated Right of Way	56,628 SF	1.30 acres
Open Space	37,670 SF	0.88 acres
Cumulative Lot Area	<u>122,630 SF</u>	<u>2.80 acres</u>
Gross Area	216,928 SF	4.98 Acres
NRA = Open Space + Cumulative Lot Area	160,300 SF	3.68 Acres

Open Space as % of NRA (Open Space / NRA) 23.50%

The amenity area will include a ramada, seating area, and tot lot providing play and gathering opportunities for all ages with a shaded seating area. The landscaping plan will develop pedestrian connections to adjacent land and use the same landscaping quantity, quality, and materials as used for adjacent Paloma Creek PUD. Enclave at Paloma Creek PUD will become part of the adjacent Paloma Creek PUD HOA that will maintain all common community amenities, including signage, parks, trails, open space tracts, and other common areas within the development. Both Paloma Creek PUD and Enclave at Paloma Creek PUD will have reciprocal access to all amenities and the trail system within their respective projects. Final design will meet the requirements of the SUDC.

Development Standards:

It is the intent of Enclave at Paloma Creek PUD to amend the RM-9 Residential Zoning District Development Standards as follows: The 4 lots backing to the north property line shall be a minimum 70' x 140' equaling 9,800 sq. ft. each. A 50-foot open space tract will be landscaped along the Northeast lot of the 4 lots adjacent to the east rural property. The lots along the northern boundary of the Enclave at Paloma Creek PUD development will be limited to single-story homes. The Development Standards depicted in Table A will be consistent the approved Preliminary Plat Development Standards for Paloma Creek PUD.

Table A**Residential Medium Density RM-9 PUD Overlay Development Standards**

Development Standard	City Base RM-9 Development Standards	Proposed RM-9 PUD Development Standards
Net Residential Acreage Open Space	20%	23.50%
Maximum Density	9.0	4.01
Minimum Lot Area	4,500 Sq. Ft.	4,500 Sq. Ft.
Minimum Lot Width	40'	45'
Minimum Lot Depth	100'	100'
Front Setback (Livable	12'	12'
Front Setback (Garage)	20'	20' (1) (2)
Minimum Side Yard Setback	— (3)	5'
Minimum Rear Yard Setback	20'	20' (5)
Maximum Building Height	35'	35'
Driveway Width Percentage	30%	40%
Driveway Area Percentage	30%	40%
Street Side/Corner Lot	— (4)	5'

- (1) Front facing garages shall have a minimum 20-foot front yard setback measured from the front Lot Line.
- (2) 12-foot livable front setback is measured from the front Lot Line.
- (3) To be determined at Site Plan or Preliminary Plat Review.
- (4) There is not a street side setback requirement in the SUDC.
- (5) Porches/patios may encroach 2.5' into the rear yard setbacks.

The result of the Enclave at Paloma Creek PUD zone change with a PUD Overlay would be:

- Enclave at Paloma Creek PUD will be in conformance with the adopted Surprise General Plan 2035 as noted below.
- The development of Enclave at Paloma Creek PUD will occur in a manner that is consistent with the surrounding PUD's and PAD's. The development will be seamlessly integrated and aligned with Paloma Creek PUD zoning, open space, pedestrian trails, drainage tracts, roads, and utilities.
- Enclave at Paloma Creek PUD will provide an open space tract on the north side of the subject property for incidental drainage control, pedestrian trail, and open space transition to buffer between the subject property and the adjacent single-family homes to the north.
- Unless specified in this Zoning Narrative Document, all development shall comply with the development standards and design guidelines set in the Surprise Municipal Code at the time of Preliminary Plat.

Conformance with the adopted Surprise General Plan 2035:

The Surprise General Plan 2035 shows the subject property as lying within the Neighborhood Land Use Character Area, which in a Suburban Neighborhood supports residential development of 2 to 8 DU/Acre, provided appropriate transitions are made between the various Neighborhood types included within the character area. At 4.1 DU/Ac, the project is consistent with the General Plan in this regard. The General plan seeks appropriate buffers and transitions between the various Character Areas. To meet this guideline, the 4 north lots adjacent to W. Frontier Dr. shall be 70' x 140', setback 55 feet from the north property line as shown on page 3 of 3 on Exhibit C. A 50-foot open space tract will be landscaped along the Northeast lot adjacent to the east rural property.

Ingress/Egress/Access:

The ingress/egress access to Enclave at Paloma Creek PUD will be:

1. Through Paloma Creek PUD to 155th Avenue and 163rd Avenue.
2. Through Tierra Verde West PAD to 155th Avenue and 159th Avenue.
3. Through Paloma Creek PUD to 159th Avenue.

Transportation/Traffic and Utilities

- Upon development of Enclave at Paloma Creek PUD, all necessary utilities for Enclave at Paloma Creek PUD will be extended from adjacent Paloma Creek PUD.
- Onsite public streets shall be constructed to meet City standards widths and cross sections based on approval of the Preliminary Plat.
- Per the approved Preliminary Plat for Paloma Creek PUD (FS18-150), the existing 40' right-of-way along Frontier Road alignment will be vacated at approval of the Final Plat.

EXHIBIT A

Existing Zoning Map

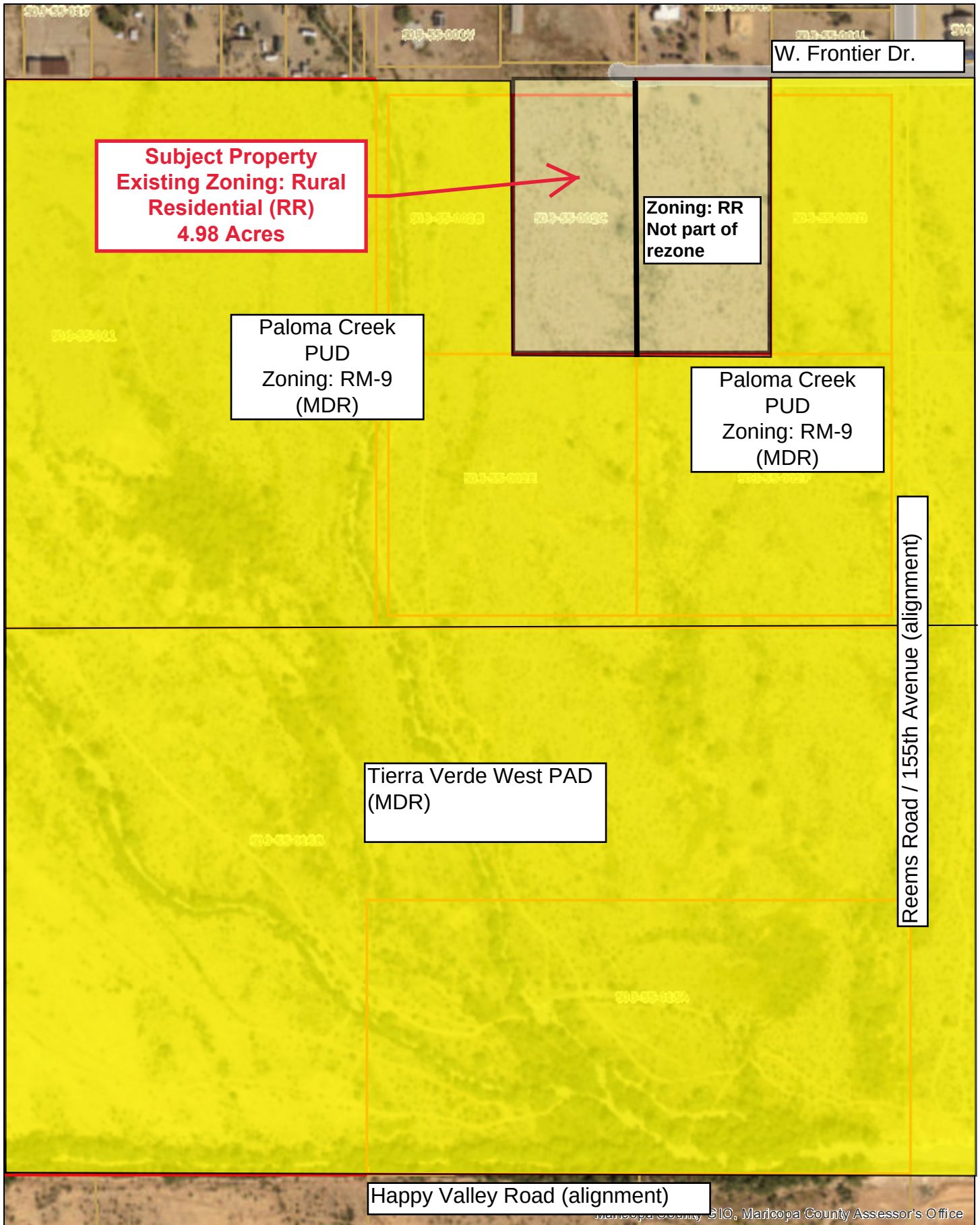
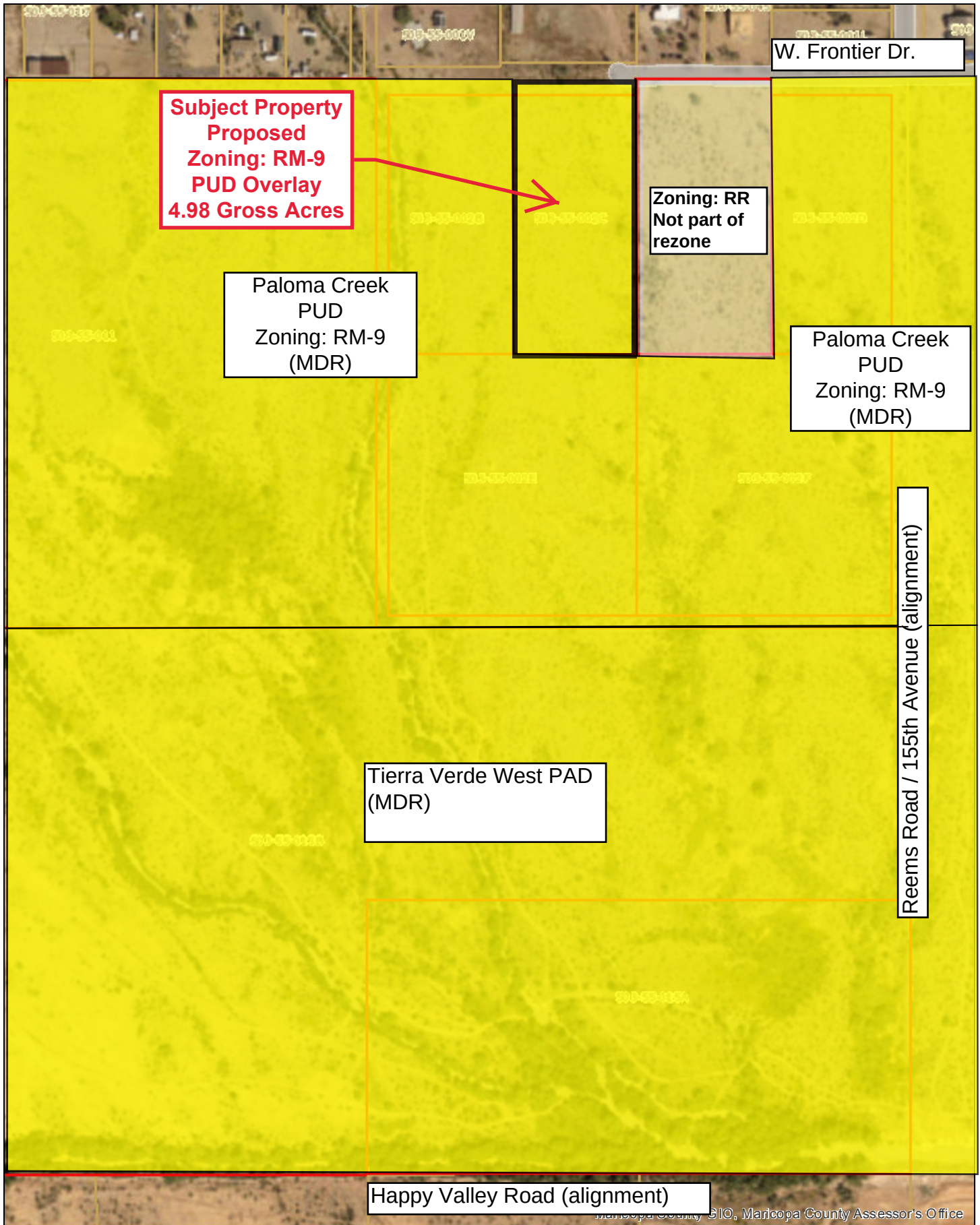


EXHIBIT B

Proposed Zoning Map



LEGAL DESCRIPTION

The East half of the Northwest quarter of the Northeast quarter of the Southeast quarter of Section 6, Township 4 North, Range 1 West of the Gila and Salt River Base and Meridian, Maricopa County, Arizona described by metes and bounds as follows:

Commencing at the East quarter corner of Said Section 6;
Thence North 89° 48' 24" West along the East-West mid-section line of Section 6 a distance of 658.20 feet to the **POINT OF BEGINNING**;
Thence South 00° 06' 30" West a distance of 659.68 feet;
Thence North 89° 47' 36" West a distance of 328.88 feet;
Thence North 00° 05' 22" East a distance of 659.61 feet to said East-West mid-section line;
Thence South 89° 48' 24" West along said line a distance of 329.10 feet to the **POINT OF BEGINNING**.

Containing 4.9819 acres



Land Survey Services PLC
20651 W. Pasadena Ave
Buckeye, AZ 85396-1255

Job No. 10019

Parcel Map Check Report

Prepared by:

Thomas Rope
Land Survey Services, PLC
Date: 3/10/2020 8:50:08 AM

Parcel Name: Paloma Creek
Description: E1/2, NW1/4, NE1/4, SE1/4 SEC 6, T4N, R1W
Process segment order counterclockwise: False
Enable mapcheck across chord: False
North: 989,278.5118' East: 554,022.6612'

Segment# 1: Line
Course: S0°06'30"W Length: 659.68'
North: 988,618.8330' East: 554,021.4139'

Segment# 2: Line
Course: N89°47'36"W Length: 328.88'
North: 988,620.0193' East: 553,692.5360'

Segment# 3: Line
Course: N0°05'22"E Length: 659.61'
North: 989,279.6285' East: 553,693.5657'

Segment# 4: Line
Course: S89°48'24"E Length: 329.10'
North: 989,278.5180' East: 554,022.6639'

Perimeter: 1,977.27' Area: 4.9819Acre
Error Closure: 0.0067 Course: N23°28'30"E
Error North : 0.00617 East: 0.00268

Precision 1: 295,114.93



Land Survey Services PLC
20651 W. Pasadena Ave
Buckeye, AZ 85396-1255

Job No. 10019

A PART OF THE SOUTHEAST QUARTER OF SECTION 6
T4N, R1W, G.&S.R.B.M., MARICOPA COUNTY, ARIZONA

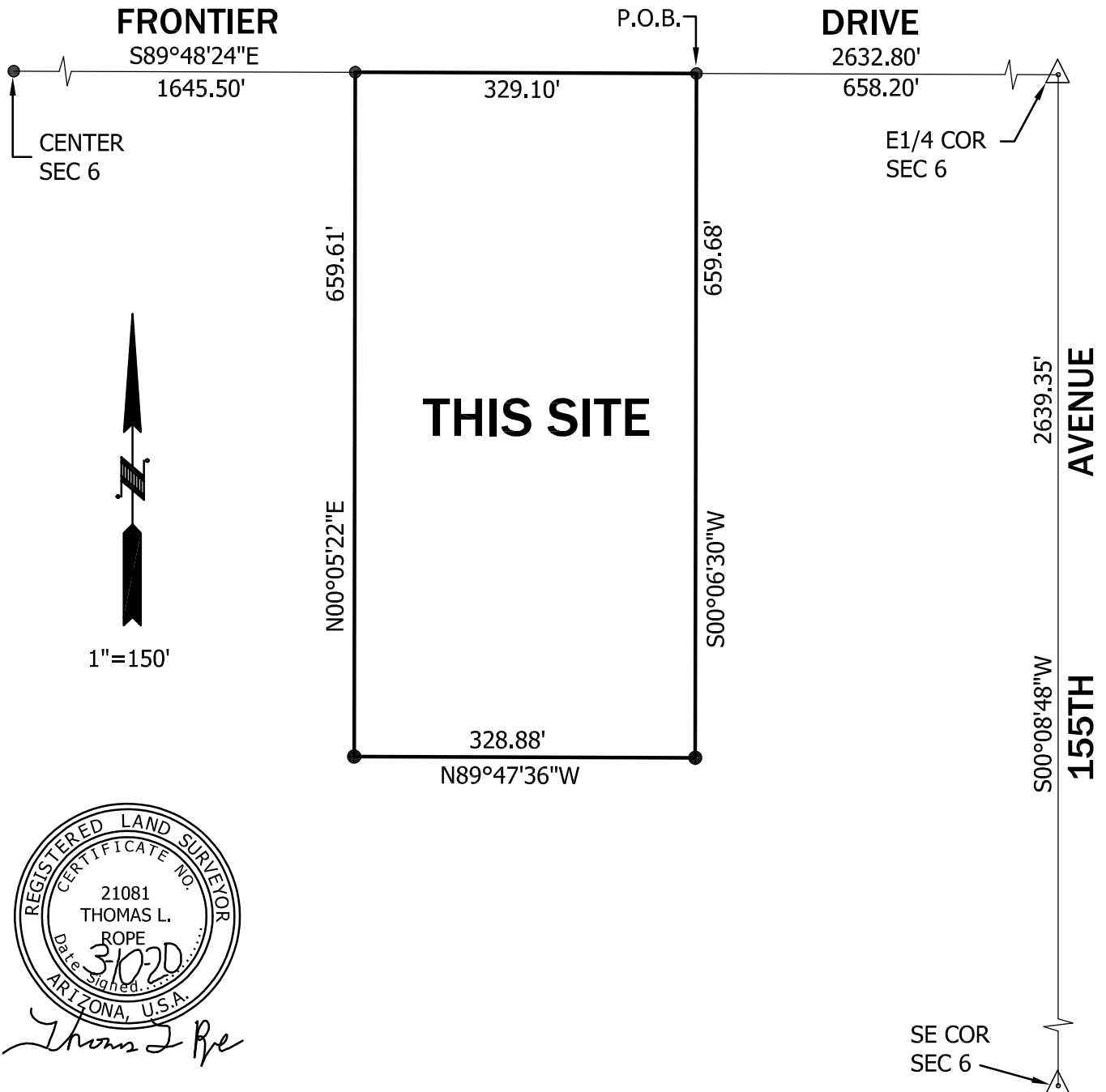
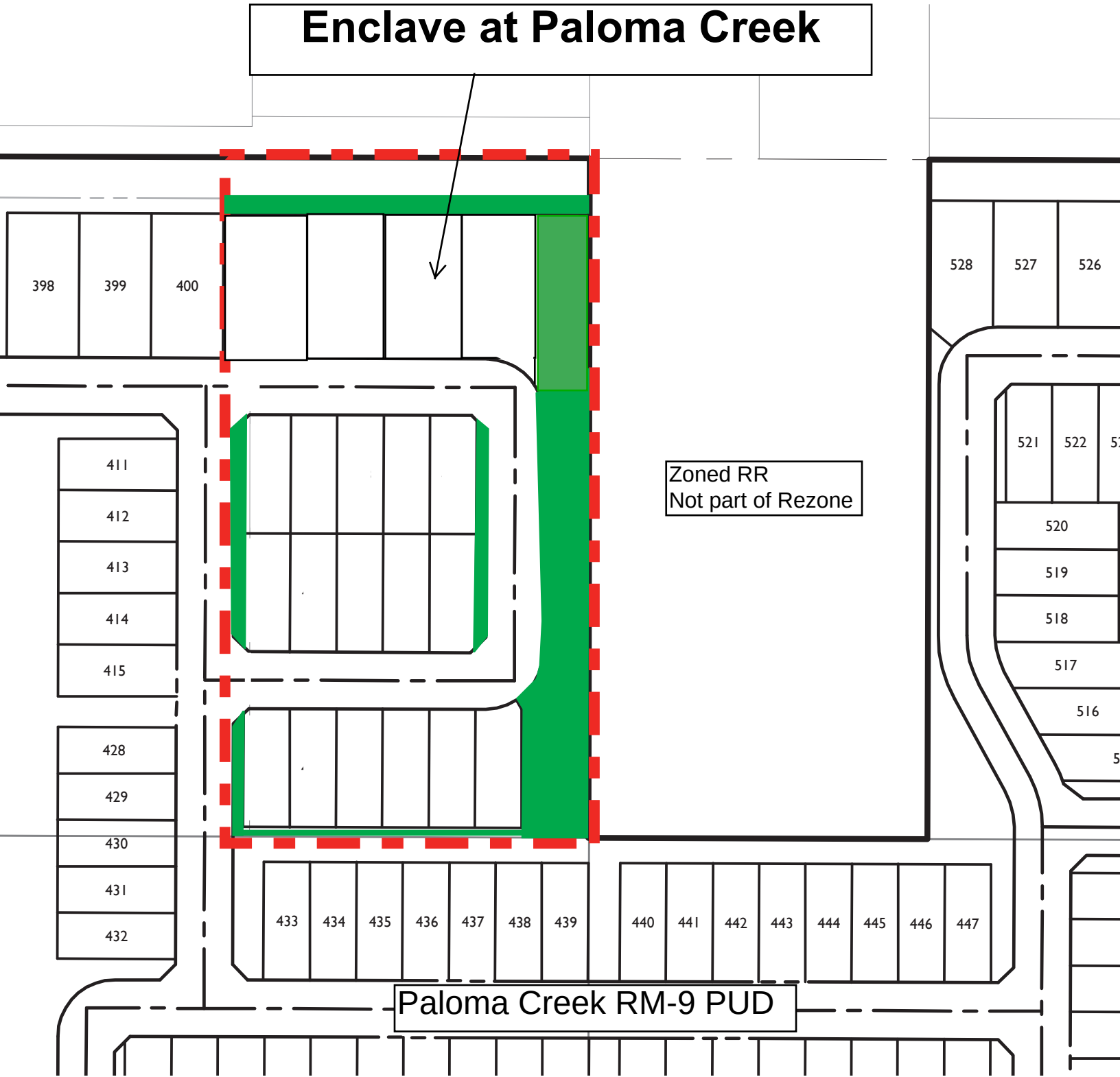


Exhibit D

Conceptual Development Plan



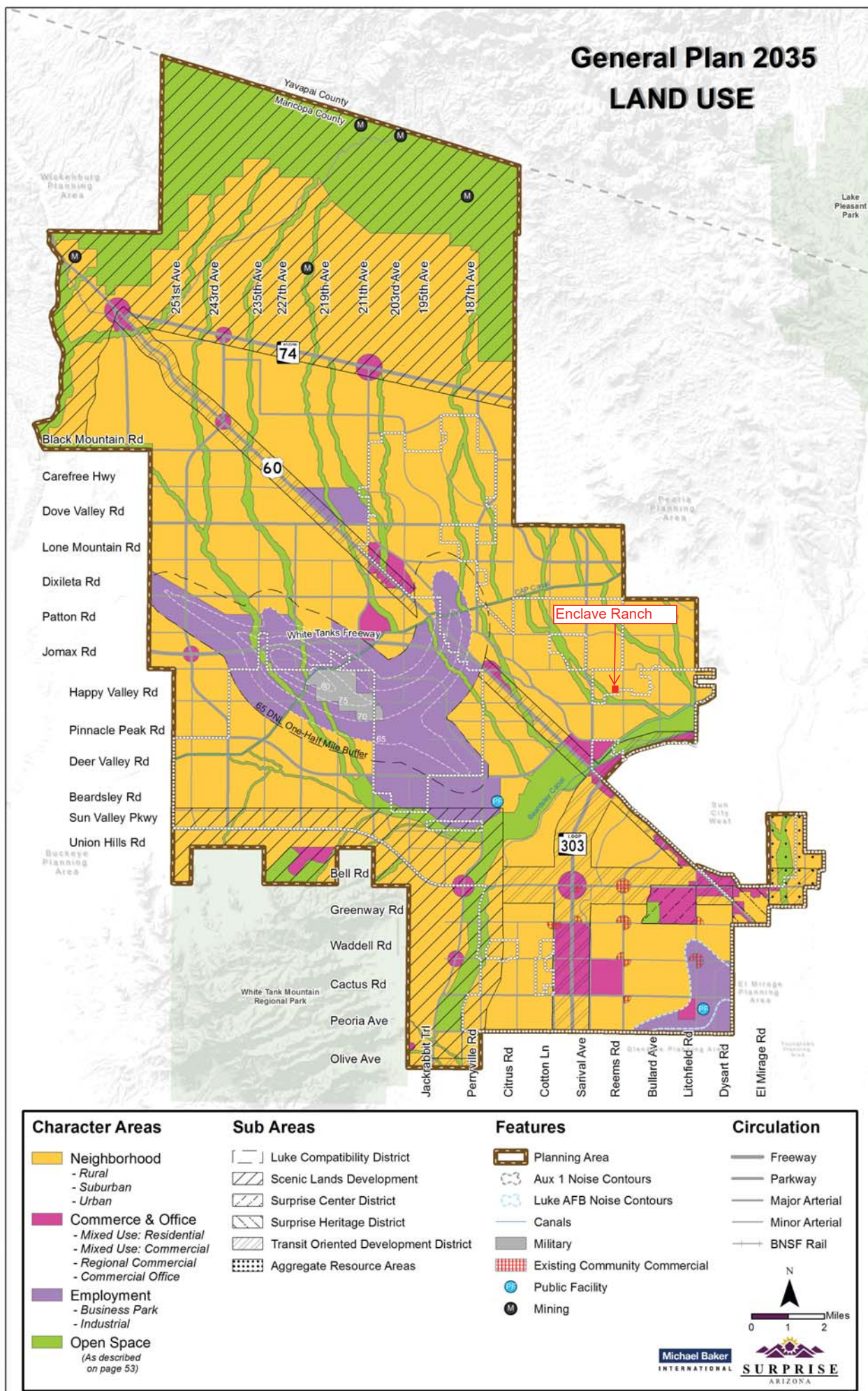
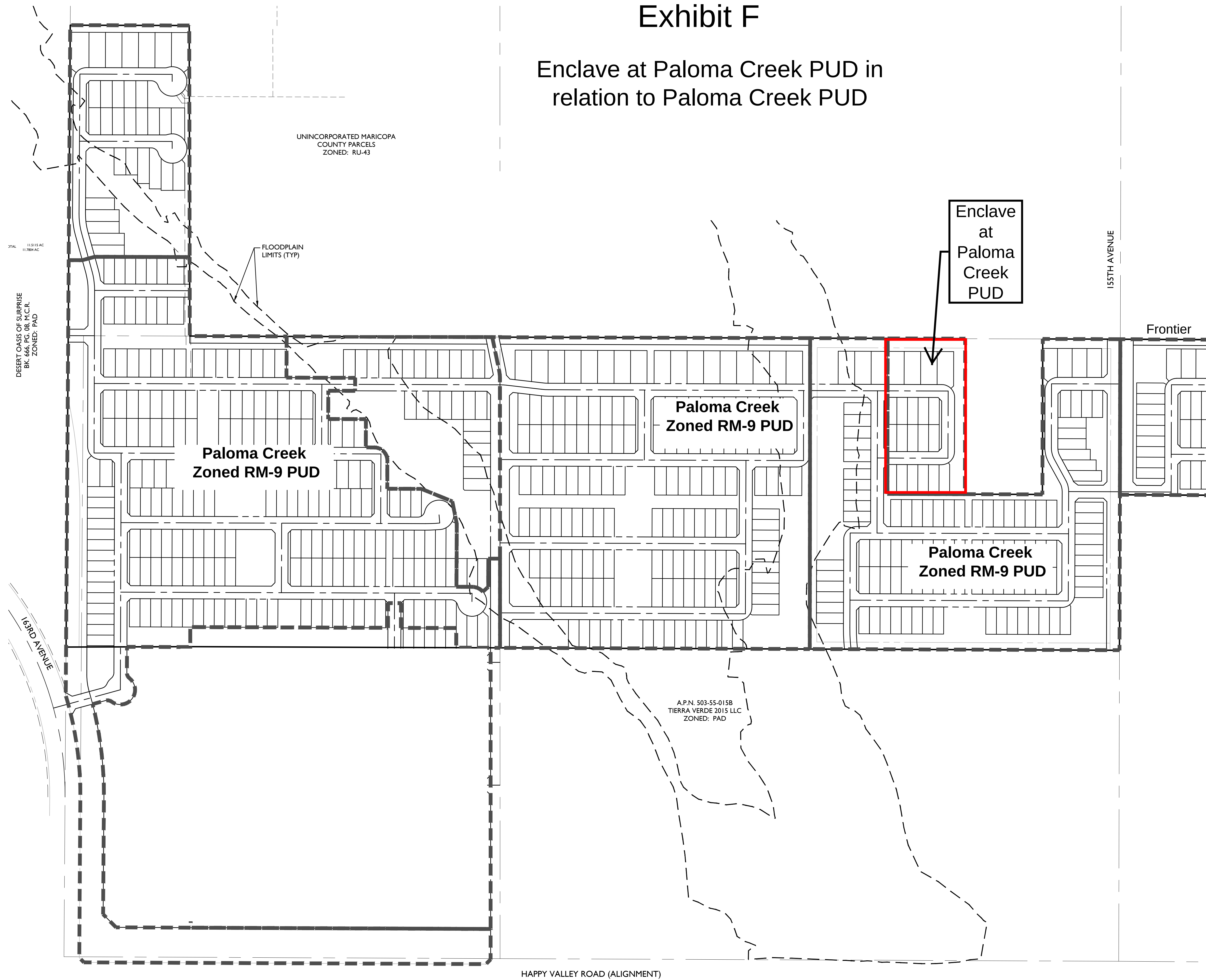


Exhibit F

Enclave at Paloma Creek PUD in relation to Paloma Creek PUD





Enclave at Paloma Creek Rezone

Citizen Participation Plan

October 8, 2020

Background

The City of Surprise (City) requires a citizen participation process and report for applications such as this PAD amendment. The purpose of the citizen review process is to:

Ensure that applicants pursue early and effective citizen participation in conjunction with their applications, giving them the opportunity to understand and try to mitigate any real or perceived impacts their application may have on the community;

Ensure that the citizens and property owners of the city have an adequate opportunity to learn about applications that may affect them and to work with applicants to resolve concerns at an early stage of the process; and

Facilitate ongoing communication between the applicant, interested citizens and property owners, city staff, and elected officials throughout the application review process.

The citizen review process is not intended to produce complete consensus on all applications, but to encourage applicants to be good neighbors and to allow for informed decision making.

Enclave at Paloma Creek Citizen Participation Plan & Report

Enclave at Paloma Creek location is located 660 feet west of southwest corner W. Frontier Dr. and 155th Avenue. Enclave at Paloma Creek PUD is a 4.98-acre proposed residential subdivision adjacent to approved Paloma Creek PUD Case # FS18-150 zoned for a density of 4 units per acre.

As part of the rezone process, adjacent property owners and stakeholders in the area were notified by the City staff to our proposed application and open house to inform the public of this rezoning request. We met the City's notification requirements, which are:

- Notice of the citizen review meeting shall be provided by the planning and zoning division in the form of a public notice to the following, when applicable:
 - o The notice shall be published at least once in a newspaper of general circulation published or circulated in the municipality at least 15 days prior to the meeting date.



City initiated.

- o For applications involving rezoning of land which abuts other municipalities or unincorporated areas of the county or a combination thereof, copies of the notice shall be transmitted to the planning agency of such governmental unit butting such land. **City initiated.**
- o For applications involving rezoning, subdividing, planned unit developments, site plans with uses permitted on a conditional basis, and legislative matters, all real property owners within a 200-foot or 300-foot radius, the city shall send copies of the notice by first class mail, no less than seven days prior to the hearing. We noticed at 300 feet. **City initiated.**
- o Any village committee or special community group which is located in the area of the proposed public hearing request or has considerable interest in the nature of the application; **See City initiated list.**
- o The head of any homeowners association or registered neighborhood within the public notice area established in item (3) indicated above. **See City initiated list.**

Site Posting

The site was posted on September 21, 2020 to alert interested citizens and stakeholders of our upcoming virtual open house on October 7, 2020. The photographs of the signs and affidavit are attached at **Tab 1**. The signs have the anticipated Planning & Zoning Commission and City Council hearings dates on the signs for November 5, 2020 and November 17, 2020 respectively. The attached affidavit documents those public hearing dates.

Participation Report.

After the notices were sent by staff and the site was posted, we did not field any telephone calls or emails of concern regarding the rezoning case. We held the virtual open house on Go-to-Meetings on October 7, 2020 from 5:30 pm to 6:30 pm. During the virtual open house, there was one (1) neighbor who discussed the project with the applicant, the applicant's representative and City staff present in the meeting. This neighbor lives in one of the County properties to the north and wanted to understand the water and sewer proposal for this rezoning case. After explaining to him that the property will be on City water and City sewer and not affecting his well or septic system, he was satisfied with our dialogue and had no issues with our rezoning proposal. There were no other members of the public in attendance during the virtual open house.

There is no known opposition to this rezoning case.

We have been working cooperatively with City staff on the rezone request and are ready for public hearings on the proposed rezoning request. If we are contacted by any neighbors or stakeholders after we have submitted this citizen participation report to the City, we will provide updates to the City staff with an amended report.

TAB 1



AFFIDAVIT OF POSTING

Application No: FS20-421

Applicant Name:

Location: West of Southwest corner of 155th ave and Frontier Dr.

Date Site Posted: September, 21st, 2020

In order to assist in providing adequate notice to interested parties, the applicant for any type of public hearing in the City of Surprise shall erect two (2) signs giving notice of the date, time and place of the scheduled hearings. These signs must be erected not less than **fifteen (15) days prior** to the date of the first hearing. The signs shall also include the nature of the request as contained on the formal zoning application. The size and format of this sign shall meet requirements established by the Planning and Zoning Department (see page 2).

Such notice shall be clearly legible and placed at a prominent location on the site – Generally adjacent and perpendicular to the public right-of-way. It shall be the responsibility of the applicant to erect and to maintain the sign on the subject property and to maintain the hearing information on the sign until final disposition of the case.

It shall also be the responsibility of the applicant to remove the signs within one week after the final disposition of the case.

I confirm that the site has been posted as required above, for the case noted above. A picture of the site posting, and photos of any subsequent changes/updates made to the sign, have also been submitted.

Maria Hitt
Applicant/Representative Signature

9-21-2020
Date

This instrument was acknowledged before me on this 21st day of September, 2020, and by Maria Hitt. I witness whereof I hereunto

set my hand and official seal.

Marybeth Conrad
Notary Public

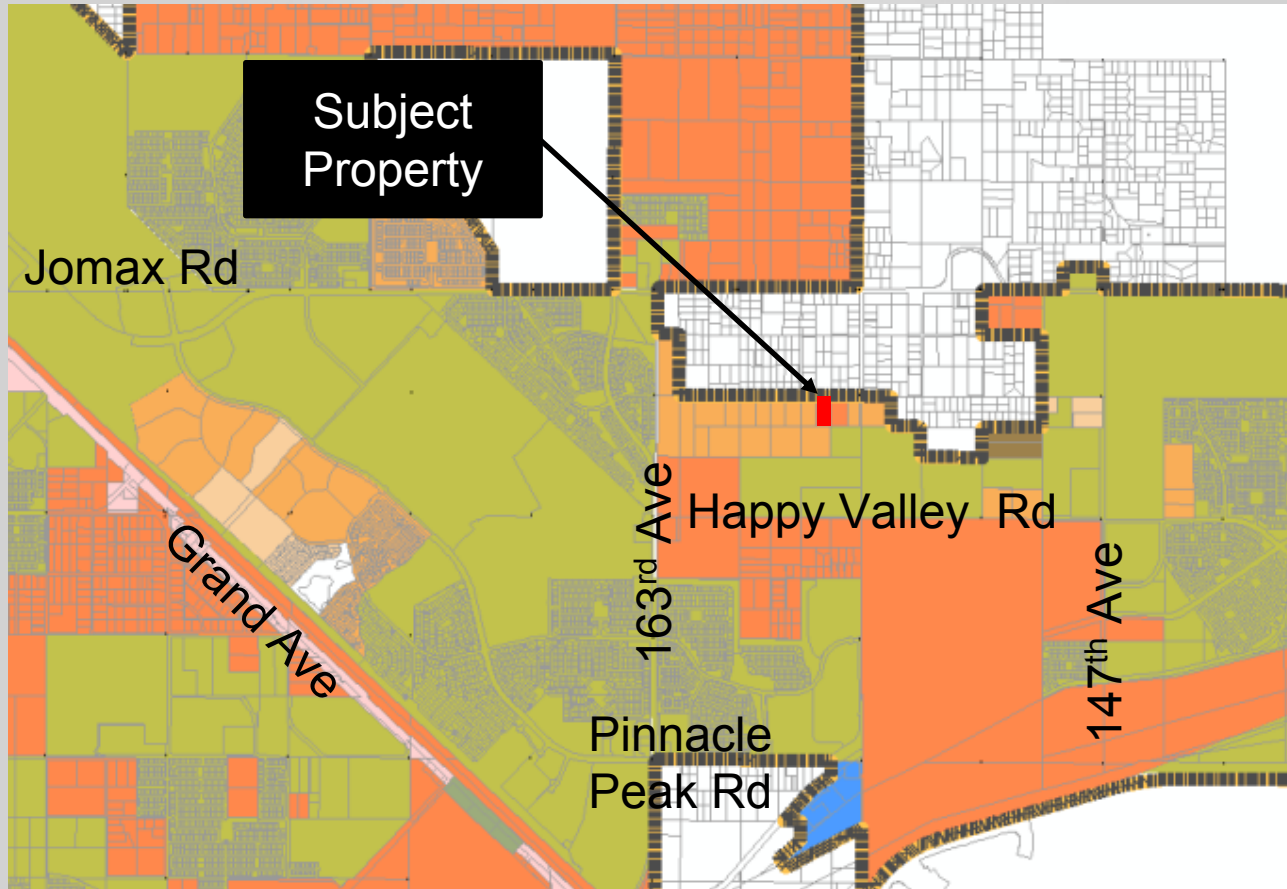
10-28-20
My commission expires



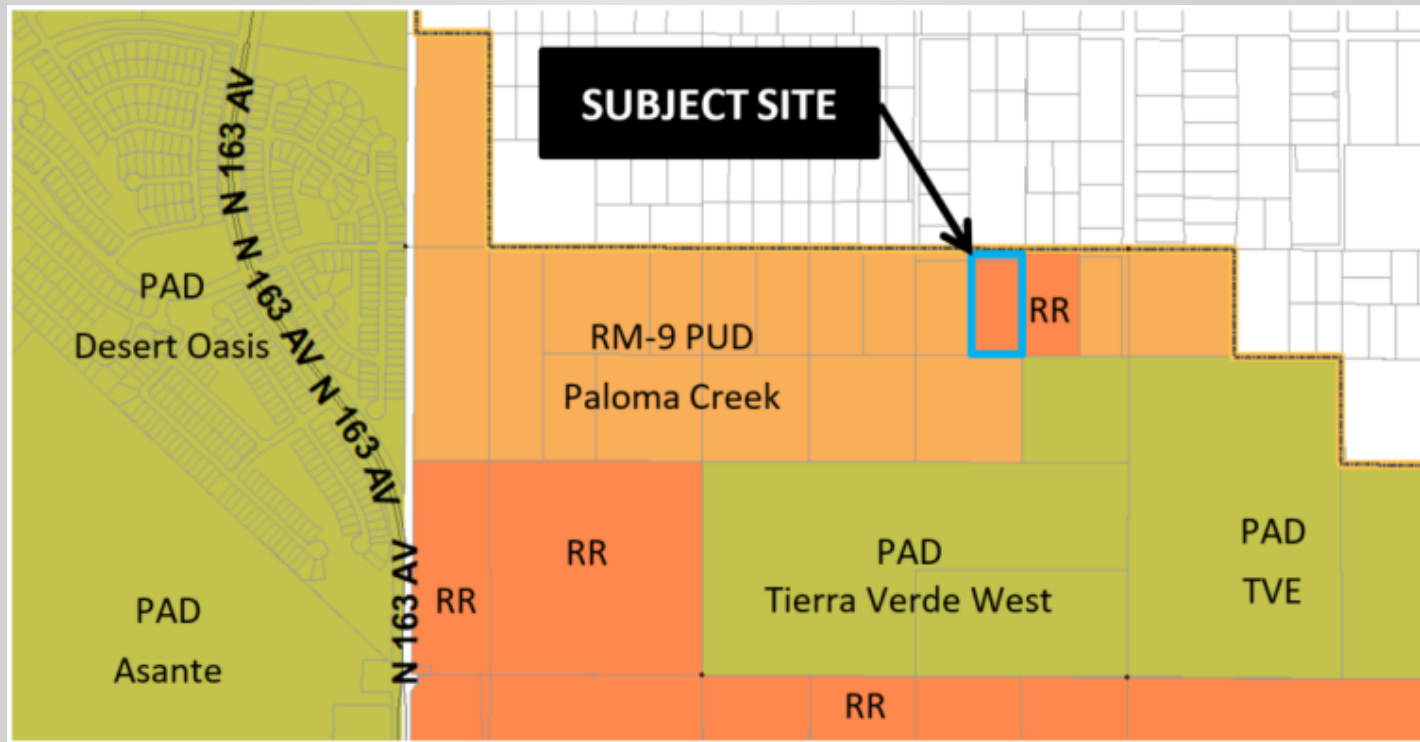


City Council
November 17, 2020

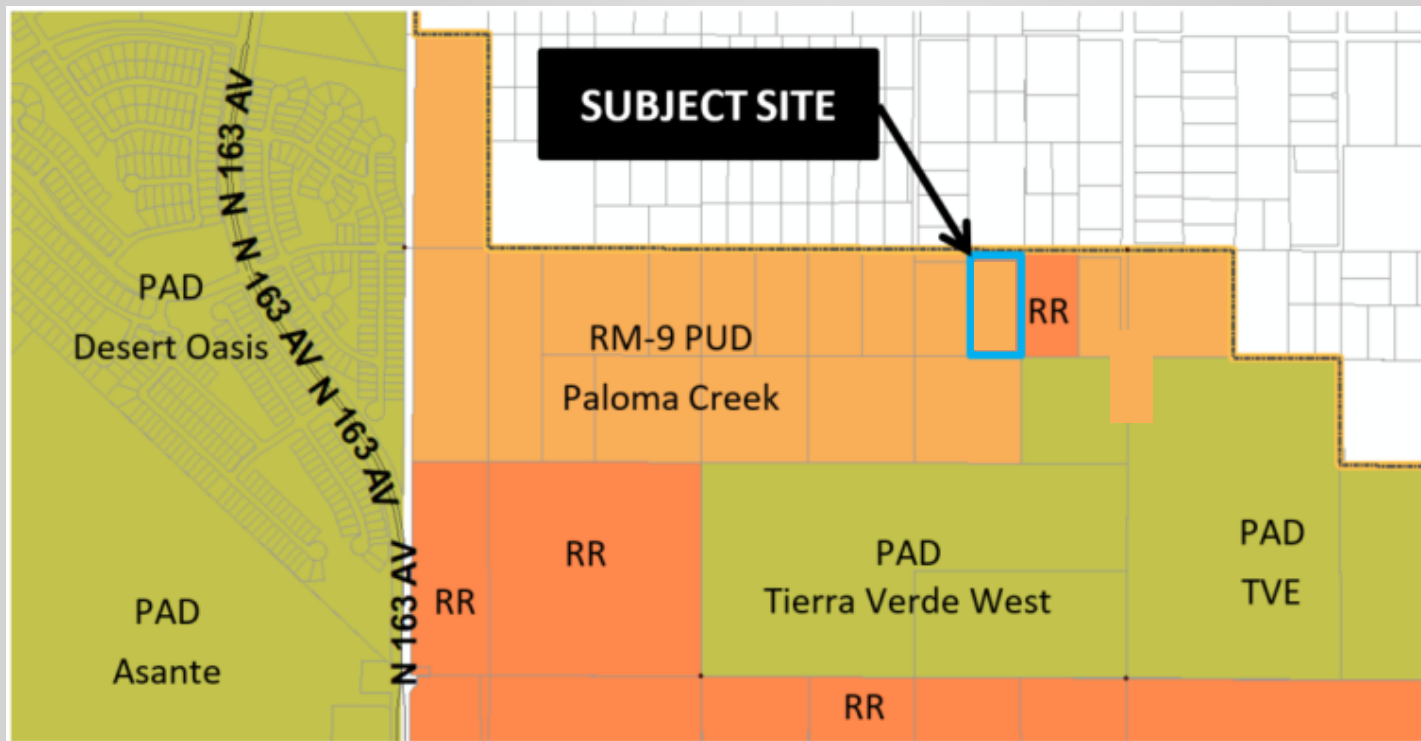
Enclave at Paloma Creek Rezone
FS20-421



FS20-421 Vicinity Map



FS20-421 Case Map



FS20-421 Proposed Zoning

Exhibit F

Enclave at Paloma Creek PUD in
relation to Paloma Creek PUD

UNINCORPORATED MARICOPA
COUNTY PARCELS
ZONED: RU-43

FLOODPLAIN
LIMITS (TYP)

Paloma Creek
Zoned RM-9 PUD

Paloma Creek
Zoned RM-9 PUD

Enclave
at
Paloma
Creek
PUD

Paloma Creek
Zoned RM-9 PUD

15TH AVENUE

Frontier

FS20-421 Context

Residential Medium Density RM-9 PUD Overlay Development Standards

Development Standard	City Base RM-9 Development Standards	Proposed RM-9 PUD Development Standards
Net Residential Acreage Open Space	20%	23.50%
Maximum Density	9.0	4.01
Minimum Lot Area	4,500 Sq. Ft.	4,500 Sq. Ft.
Minimum Lot Width	40'	45'
Minimum Lot Depth	100'	100'
Front Setback (Livable	12'	12'
Front Setback (Garage)	20'	20' (1) (2)
Minimum Side Yard Setback	- (3)	5'
Minimum Rear Yard Setback	20'	20' (5)
Maximum Building Height	35'	35'
Driveway Width Percentage	30%	40%
Driveway Area Percentage	30%	40%
Street Side/Corner Lot	- (4)	5'

Increase

Decrease

No Change

Increase

No Change

No Change

No Change

Added

No Change

No Change

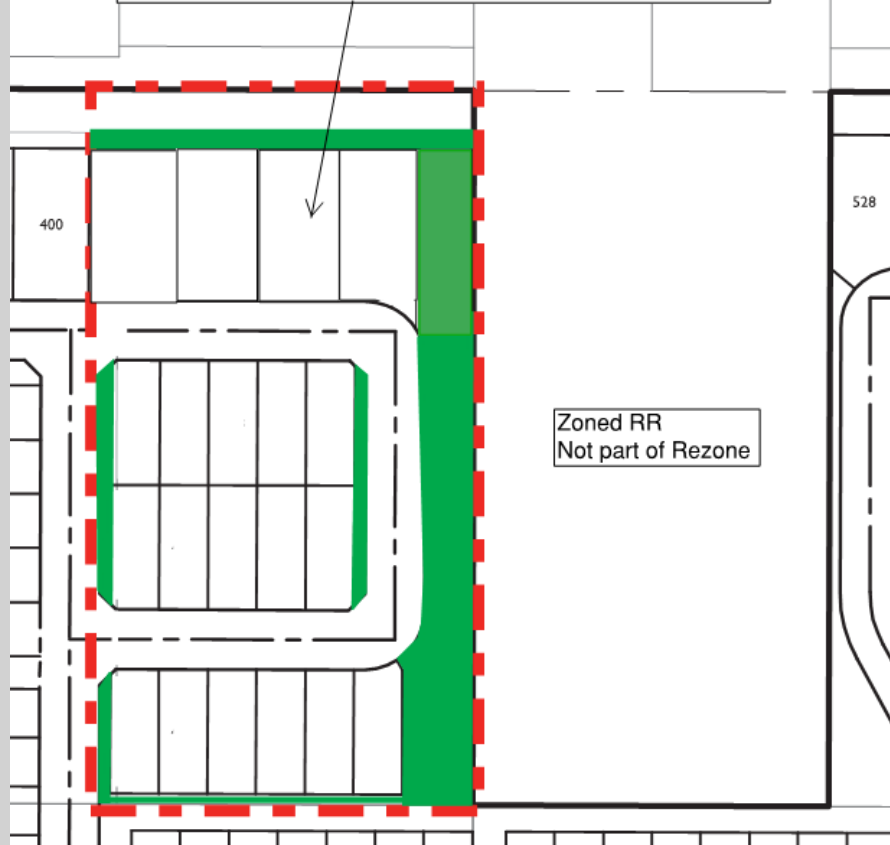
Increase

Increase

Added

FS20-421 Development Standards

Enclave at Paloma Creek



Open Space:

- 20% Required
- 23.5% Proposed
 - Passive

Staff Recommendation:

Approve subject to stipulations 'a' through 'c'



QUESTIONS OR COMMENTS?

Thank You

ORDINANCE # 2020-36

AN ORDINANCE OF THE MAYOR AND COUNCIL OF THE CITY OF SURPRISE, ARIZONA, APPROVING A REZONE FROM RESIDENTIAL RANCH (RR) TO RESIDENTIAL MEDIUM DENSITY WITH A PLANNED UNIT DEVELOPMENT OVERLAY (RM-9 PUD) AMENDING DEVELOPMENT STANDARDS AND LIMITING RESIDENTIAL DENSITY TO 4.01 DWELLING UNITS PER ACRE FOR ENCLAVE AT PALOMA CREEK, A PROPERTY GENERALLY LOCATED SOUTH OF THE FRONTIER ROAD ALIGNMENT AND WEST OF THE HAPPY VALLEY ROAD AND THE 163rd AVENUE ALIGNMENT.

WHEREAS, this Ordinance was properly noticed for public hearing and the necessary hearings and opportunity for public input were completed;

WHEREAS, the subject site is located generally north of Happy Valley Road and east of 163rd Avenue;

WHEREAS, the subject site is zoned Residential Ranch (RR);

WHEREAS, the proposed use of the subject site requires modification of the applicable zoning regulations;

WHEREAS, the proposed Rezone to Residential Medium Density with a Planned Unit Development Overlay (RM-9 PUD), amending development standards, and limiting residential density to 4.01 dwelling units per acre, satisfies the requirements set forth in Chapter 122 of the Surprise Municipal Code;

WHEREAS, the subject property is located within the “Benefited Area” as described in the Rancho Mercado Supplemental Development, between the City of Surprise and William Lyon Homes, Inc., as recorded with the Maricopa County Recorder’s Office on July 19, 2017, as MCR 20170526362, and as amended by the First Amendment to the Rancho Mercado Supplemental Development Agreement, as recorded with the Maricopa County Recorder’s Office on September 17, 2020, as MCR 20200875257;

WHEREAS, this Rezone is in harmony with the purposes and intent of the zoning ordinance and the Surprise General Plan; and

WHEREAS, on November 5, 2020, the Planning and Zoning Commission recommended approval of the Enclave at Paloma Creek Rezone.

NOW, THEREFORE, BE IT ORDAINED by the Mayor and Council of the City of Surprise, Arizona, as follows:

Section 1. *Rezoning.* The parcel legally described on Exhibit A and depicted on Exhibit B, known as “Enclave at Paloma Creek” is rezoned from Residential Ranch (RR) to Residential Medium Density with a Planned Unit Development Overlay (RM-9 PUD) amending development standards and limiting residential density to 4.01 dwelling units per acre, subject to the following stipulations:

- a. Development and use of the site shall be consistent with the rezone narrative entitled “Enclave at Paloma Creek”, prepared by Kent A. Xander and stamped received August 20, 2020.
- b. Prior to the City approving a final plat, site plan or building permit within the property, the applicant shall provide the City with a Notice of Payment from William Lyon Homes, Inc. that the Happy Valley East Buy-in Fee, the Happy Valley West Buy-in Fee, and the Water Buy-in Fee, as applicable, all as described in the Rancho Mercado Supplemental Development Agreement (Regional Improvements Overlay Agreement), as amended, have been paid.
- c. Non-compliance with the stipulations of approval of this case will be treated as a violation in accordance with the provisions of Article XIV of the Surprise Unified Development Code.

Section 2. *Amendment of Zoning Map.* The City of Surprise zoning map is herewith amended to reflect the change in districts referred to in Section 1 above.

Section 3. *Codification.* This Ordinance is not of a general nature and shall not be codified.

Section 4. *Repeal of Conflicting Ordinances.* All ordinances or parts of ordinances in conflict with the provisions of this ordinance or any part of the code adopted herein by reference are hereby repealed, upon the effective date of this Ordinance.

Section 5. *Severability.* If any section, subsection, sentence, clause, phrase or portion of this ordinance is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions thereof.

Section 6. *Effective Date.* This ordinance shall become effective at the time and in the manner prescribed by law.

[SIGNATURES TO FOLLOW ON NEXT PAGE]

PASSED AND ADOPTED this _____ day of _____ 2020.

Skip Hall, Mayor

Attest:

Approved as to form:

Sherry Aguilar, City Clerk

Robert Wingo, City Attorney

EXHIBIT "A"

DESCRIPTION

REZONE FROM RESIDENTIAL RANCH (RR) to RESIDENTIAL MEDIUM DENSITY with a PLANNED UNIT DEVELOPMENT OVERLAY (RM-9 PUD)

The East Half of the Northwest Quarter of the Northeast Quarter of the Southeast Quarter of Section 6, Township 4 North, Range 1 West of the Gila and Salt River Base and Meridian, Maricopa County, Arizona, described by metes and bounds as follows:

Commencing at the East Quarter Corner of said Section 6;
Thence North 89°48'24" West along the East-West mid-section line of said Section 6 a distance of 658.20 feet to the POINT OF BEGINNING;
Thence South 00°06'30" West 659.68 feet;
Thence North 89°47'36" West 328.88 feet;
Thence North 00°05'22" East 659.61 feet to said East-West mid-section line;
Thence South 89°48'24" West along said line 329.10 feet to the POINT OF BEGINNING.

Containing 4.9819 acres, more or less.

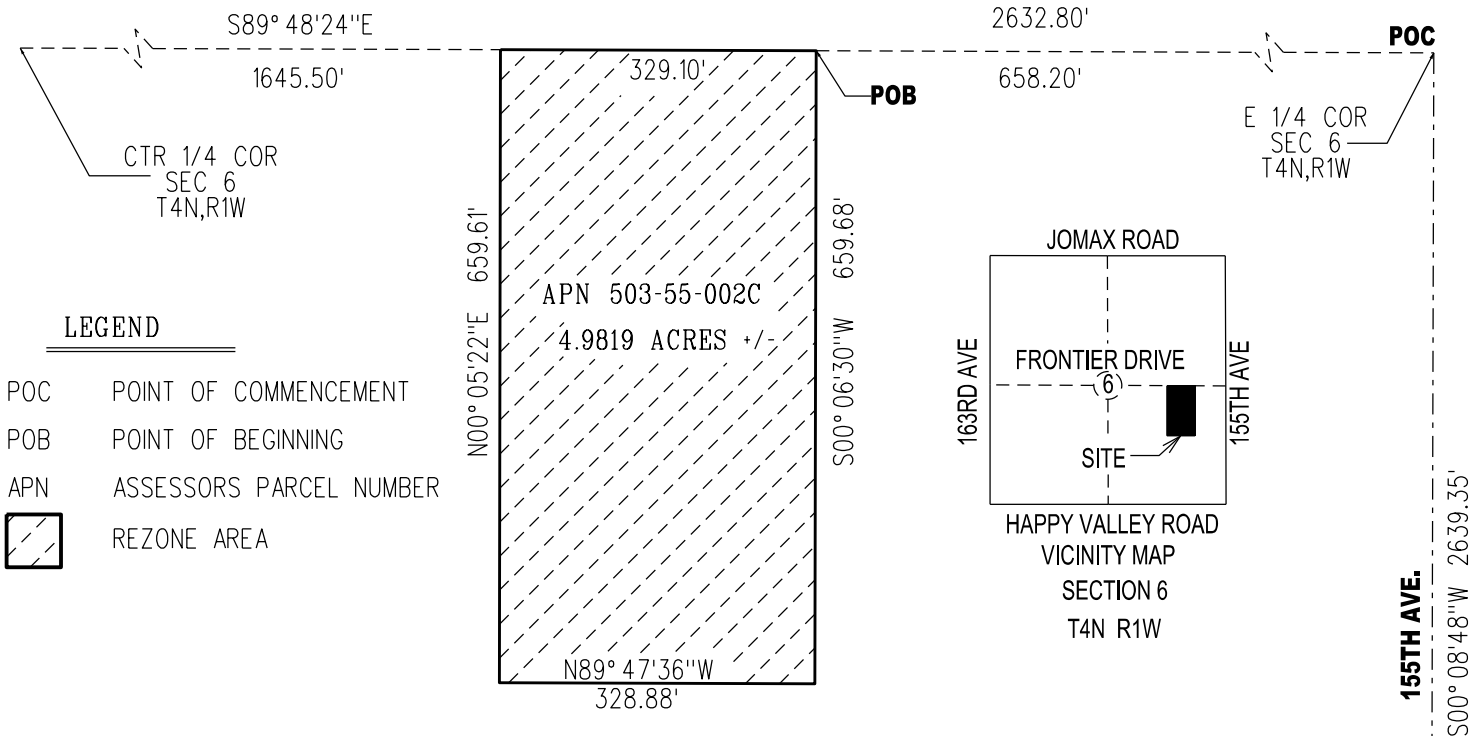
Attached is EXHIBIT "B" and by this reference is made a part hereof.

End of description



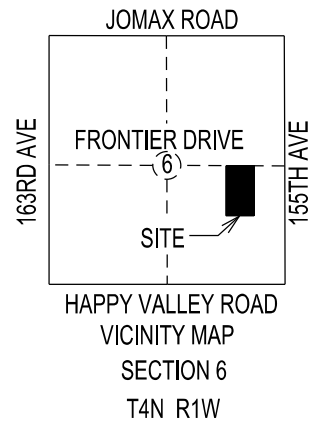
EXHIBIT "B"

FRONTIER DRIVE



LEGEND

- POC POINT OF COMMENCEMENT
- POB POINT OF BEGINNING
- APN ASSESSORS PARCEL NUMBER
- REZONE AREA



SCALE: 1"=200'



0 50 100 150 200



REZONE from RESIDENTIAL RANCH (RR) to RESIDENTIAL MEDIUM DENSITY with a PLANNED UNIT DEVELOPMENT OVERLAY (RM-9 PUD)



CITY OF SURPRISE
LAND SURVEY DEPARTMENT

PROJECT # 20041

DRAWN BY RCD

DATE 10-23-2020

SHEET 1 OF 1



CITY OF SURPRISE Regular City Council Meeting

Council Meeting Date: November 17, 2020
Submitting Department: Water Resource
Management
Staff Recommendations:

Contact Person:
District: Citywide

Consent: No	Regular: Yes	Public Hearing: No	Report/Discussion: No
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Agenda Wording:

Consideration and action pertaining to approval of the SPA 2 East Water, Water Recharge and Wastewater Development Agreement with Paloma Creek Water Coordinator, LLC; Resolution # 2020-141.

Motion:

I move to approve Resolution # 2020-141.

Background:

The SPA 2 East Water, Water Recharge, and Wastewater Development Agreement provides a water and wastewater solution for the benefited properties generally located in eastern SPA 2, bounded by 163rd Avenue on the West, Litchfield Road alignment on the East, State Route 303 to the South, and Jomax Road to the North. This agreement specifies the regional infrastructure eligible for impact fee credits and buy-in fees from adjacent developments. With the execution of this agreement, the City in coordination with the Paloma Creek Water Coordinator, LLC will be developing a second well within this pressure zone of the city. The agreement also identifies the dedication of 25 acres of property to the City for water recharge basins allowing the city to recharge water proximate to our water recovery wells.

Objective Analysis:

This item will provide the city with a secondary well in the SPA 2 east region, provide the ability to collect impact fees for future infrastructure, and dedicate 25 acres of property for water recharge basins.

Policy Compliant:

This item is consistent with City and City Council Policy, specifically related to water acquisition policies and the City's Council approved 2008 Integrated Water Masterplan.

Financial Impact:

The operational costs associated with the additional well and the recharge basins have been included in the current utility rate study.

Budget Impact:

This item is budget neutral for the Fiscal Year 2021 budget. The water well improvements are included as part of Project P71390.

FTE Impact:

There are no FTE's associated with this item.

ATTACHMENTS:

1. 20.10.26 EVR Res 2020-141 Paloma Creek FINAL
 2. 11022020 SPA 2 East- Paloma Creek DA Executable
-

RESOLUTION # 2020-141

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF SURPRISE, ARIZONA, APPROVING THE SPA 2 EAST WATER, WATER RECHARGE, AND WASTEWATER DEVELOPMENT AGREEMENT WITH PALOMA CREEK WATER COORDINATOR, LLC.

WHEREAS, the City of Surprise is authorized to enter into development agreements pursuant to Ariz. Rev. Stat. § 9-500.05;

WHEREAS, Paloma Creek Water Coordinator, LLC (“PC”), an Arizona limited liability company, will be constructing regional infrastructure improvements to serve its properties located in the Paloma Creek Planned Unit Development, Rancho Del Rey Development, and Kamarata Ranch Development (collectively, “Paloma Creek Property”) generally bounded by 163rd Avenue on the West, the Litchfield Road alignment on the East, and State Route 303 and Grand Avenue/US 60 on the South;

WHEREAS, PC seeks reimbursement from those properties in the area of the Paloma Creek Property that will benefit from the regional infrastructure to be constructed by PC;

WHEREAS, the City has agreed to enter into the SPA 2 East Water, Water Recharge, and Wastewater Development Agreement (“Agreement”), attached hereto as **Exhibit A**, pursuant to which the City will be responsible to notify PC each time a development application is received by the City for property located within the “Benefited Area,” as defined in the Agreement, so that “Buy-In Fees” may be collected and remitted to PC; and;

WHEREAS, pursuant to the Agreement, the City will not approve a final plat, site plan, or building permit for a property located within the “Benefited Area” until a Notice of Payment has been received.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the City of Surprise, Arizona, as follows.

Section 1. That the City of Surprise approves the SPA 2 East Water, Water Recharge, and Wastewater Development Agreement with Paloma Creek Water Coordinator, LLC, attached hereto as **Exhibit A**, which is incorporated by reference.

Section 2. That the Mayor is hereby authorized to execute the Agreement on behalf of the City and to take all further actions necessary to implement the Agreement.

SIGNATURES ON THE FOLLOWING PAGE

APPROVED AND ADOPTED this ____ day of _____, 2020.

Skip Hall, Mayor

Attest:

Approved as to form:

Sherry Aguilar, City Clerk

Robert Wingo, City Attorney

When recorded, return to:

City Clerk
City of Surprise, Arizona
16000 N. Civic Center Plaza
Surprise, Arizona 85374-7470

With a copy to:

**SPA 2 EAST WATER, WATER RECHARGE, AND WASTEWATER
DEVELOPMENT AGREEMENT
(Regional Improvements Overlay Agreement)**

THIS **SPA 2 EAST WATER, WATER RECHARGE, AND WASTEWATER AGREEMENT** (“**Overlay Agreement**”) is entered into by and between the City of Surprise, an Arizona municipal corporation (“**City**”) and PALOMA CREEK WATER COORDINATOR, LLC, an Arizona limited liability company (“**PC**”), as of the date the last party signs and dates this Overlay Agreement (“**Effective Date**”).

RECITALS:

A. The City and PC desire to enter into this Overlay Agreement to address, among other things, the design and construction of various regional infrastructure improvements necessary to facilitate the development of the Benefited Properties (as defined below), as well as the reimbursement mechanisms for these Regional Improvements (as defined below).

B. Because PC will be the party responsible for designing, constructing, and installing the Regional Improvements, initially only the City and PC are parties to this Overlay Agreement.

C. A legal description of the properties benefited by these Regional Improvements is attached hereto as Exhibit A-1 (Rancho Del Ray), Exhibit A-2 (Paloma Creek), and Exhibit A-3 (Kamarata Ranch) (collectively, the “**Benefited Properties**”).

D. A map of the properties that can be annexed and become additional Benefited Properties under this Overlay Agreement and benefit from these Regional Improvements is attached hereto as Exhibit B (“**Annexable Properties**”). All Benefited Properties and Annexable Properties (collectively “**Benefited Owners**”) shall execute consents attached hereto as Exhibit G to become third party beneficiaries to this Overlay Agreement.

E. The City and PC desire to enter into this Overlay Agreement for the purpose of providing a “wet water” solution so PC and the Benefited Owners are able to obtain final plats by paying a buy-in fee for a “wet water” solution equal to \$2,836 per lot for Regional Improvements, or payment of the then current water impact fee, as more particularly described below.

F. The City agrees that the Benefited Owners have no obligations with respect to the construction of the Regional Improvements other than payment of such buy-in fee to PC, or payment of the then current water impact fee to the City of Surprise. The Benefited Owners shall have no rights to receive refunds of the buy-ins set forth in this Overlay Agreement.

G. The City and PC desire to enter into this Overlay Agreement for the purpose of outlining and setting forth certain obligations and commitments relative to the timing of construction of the Regional Improvements, intending this document to be a “Development Agreement” within the meaning of ARS § 9-500.05 and a “Repayment Agreement” within the meaning of Chapter 42, Article 1 of the City of Surprise Municipal Code.

H. The Benefited Owners may be subject to the following: (i) SPA 2 Sewer Interceptor Agreement, recorded at Document No. 2009-0350621, Official Records of Maricopa County, Arizona; (ii) SPA 2 Water Reclamation Facility Capacity Allocation Agreement, recorded at Document No. 2015-0354865, Official Records of Maricopa County, Arizona; (iii) Rancho Mercado Supplemental Development Agreement (Regional Improvements Overlay Agreement), recorded at Document No. 2017-0526362, Official Records of Maricopa County, Arizona, as amended by the First Amendment to the Rancho Mercado Supplemental Development Agreement (Regional Improvements Overlay Agreement) recorded at Document No. 2020-0875257, Official Records of Maricopa County, Arizona; and (iv) Tierra Verde West Development Agreement, recorded at Document No. 2018-0887890, Official Records of Maricopa County, Arizona (collectively, the “**Other Development Agreements**”).

AGREEMENT:

NOW, THEREFORE, in consideration of the foregoing premises and mutual promises set forth in this Overlay Agreement, the City and PC state, confirm, and agree as follows:

1. **Regional Improvements.** Subject to Section 28 below, PC shall be responsible for designing, constructing, and installing the following regional improvements (referred to herein individually as a “**Regional Improvement**” and collectively as the “**Regional Improvements**”) and depicted in Exhibit C.

- a. Rancho Mercado Wellsite A-3 Purchase
- b. Rancho Mercado A-3 Well Drill and Case
- c. Kamarata Recharge Permitting & Design
- d. Kamarata Recharge Grading

2. **Design and Construction Costs.** The term “**Design and Construction Costs**” shall mean all actual costs, expenses, and fees relating to the Regional Improvements, including, without limitation, the costs of labor, materials and supplies, architectural, engineering, design and consultant fees and costs, blue printing services, construction, drilling, construction staking, demolition, soil amendments or compaction, right-of-way acquisition costs (including costs

associated with purchasing right-of-way from the Arizona State Land Department), legal and engineering services required to obtain permits, costs of insurance and bonds, warranty costs, any corrections, changes or additions to work required by the City or necessitated by site conditions, state, county and City sales taxes imposed in connection with the construction, City permit, plan review and inspection fees, and wellsite parcel acquisition costs (including costs associated with purchasing the wellsite parcel).

3. **Regional Improvements.**

3.1 **Budget.** The estimated budget for the Design and Construction Costs is attached hereto as Exhibit D. The budget has been reviewed and approved by the City and includes a more comprehensive description of the estimated Design and Construction Costs. The budget may be amended from time to time by PC, subject to the review and approval of the City (such review and approval not to be unreasonably conditioned, delayed or withheld), and shall thereafter be deemed to have been incorporated into this Overlay Agreement.

3.2 **City Contribution.** The City agrees to design and construct all wellsite improvements after the conveyance of the wellsite pursuant to Section 3.7 below, other than the drilling, casing, and the permanent wall and gates. Furthermore, City agrees to pay to PC to permit, design, and grade the Kamarata Ranch Recharge Facility, as defined below. Said payment will be wired to an escrow account and used to pay for construction, provided, however, the City's aggregate payment obligation under this Section 3.2 will not exceed \$1,800,000, paid from the Water Resource fee account for SPA 2 once collected, unless reviewed and approved by the City prior to construction commencing.

3.3 **Buy-In Fee.** The City agrees to require the first 1,000 Equivalent Dwelling Units (each an “**EDU**”), as such term is defined in the SPA 2 Water Reclamation Facility Capacity Allocation Agreement, recorded at Document No. 2015-0354865, Official Records of Maricopa County, Arizona, developing property within the Benefited Owners during the Term of this Agreement to pay a buy-in fee of \$2,836 per lot for the portion of the Regional Improvements being used or to be used by such Benefited Owner's development (“**Buy-in Fee**”). The Buy-in Fee is based upon the estimated budget for the Design and Construction Costs. If no portion of the construction of the Regional Improvements has been approved by the City during the Term, no Buy-in Fee may be assessed against any property within the Benefited Properties or Annexable Properties. After the first 1000 EDU's have paid the Buy-in fee to PC, all future residential units in the Benefited Properties and the Annexable Properties shall pay the then current impact fee for water to the City at time of building permit.

3.4 **Capacity Allocation:** The parties acknowledge and agree the Buy-in Fee is for 1,000 EDU's, with PC collecting the Buy-In Fee. PC shall update a list of Benefited Owners as they consent to this Overlay Agreement.

3.5 **Water Related Development Fees.** The parties acknowledge and agree that the water system development impact fee shall not be collected from or assessed on the Benefited Owners, as the list is amended by PC pursuant to Section 3.4 above, provided the Benefited Owners have paid the Buy-in Fee required by Section 3.3. PC and the Benefited Owners agree to pay the then current water resource impact fee.

3.7 Conveyance. Upon completion of the Regional Improvements by PC, payment by the City to PC of all amounts owed under Section 3.2 above, and the City's delivery of a completed tax form 8283 to PC, PC will convey via a special warranty deed and bill of sale to the City the Regional Improvements (including, without limitation, the land upon which the Regional Improvements are located). PC shall be responsible for the cost of the appraisal, phase 1 environmental site assessment and preparation of IRS tax form 8283. If after any payment from the City to PC made pursuant to Section 3.2 above, PC defaults on any obligation under this Overlay Agreement or does not complete the required Regional Improvements, PC will convey upon written demand via a special warranty deed to the City the Regional Improvements (including, without limitation, the land upon which the Regional Improvements are located), except for that water capacity for which Benefited Owners had previously paid a Buy-in Fee.

3.8 Kamarata Ranch Recharge Facility. Concurrently with the conveyance in 3.7 above, PC shall donate approximately 25 acres for a water recharge facility depicted in Exhibit F ("Kamarata Ranch Recharge Facility"). The City shall allow the parcel 1A and 2B as depicted on Exhibit F, as the donated area, to count toward the Kamarata Ranch Project (as depicted on Exhibit A3) open space requirements. Drainage retention assumptions, such as allowance of first flush, will be determined at the time of engineering construction document review.

4. Sewer.

4.1 Sale of Benefited Owners' Capacity. Each of the Benefited Owners will be required to obtain sewer capacity pursuant to the SPA 2 Water Reclamation Facility Capacity Allocation Agreement, recorded at Document No. 2015-0354865, Official Records of Maricopa County, Arizona (the "**SPA 2 Agreement**"). Notwithstanding the foregoing, if the Owners under the SPA 2 Agreement are unwilling or unable to sell sewer capacity to a Benefited Owner, then the City agrees that such Benefited Owner will have the right to satisfy all requirements hereunder relating to sewer by paying to the City the then current sewer impact fee at time of building permit.

4.2 Sewer Related Development Fees. The Parties acknowledge and agree that the wastewater development impact fee shall not be collected or assessed against the Benefited Owners, provided the Benefited Owners have obtained sewer capacity pursuant to the SPA 2 Agreement.

5. City Duties and Obligations. The City shall be responsible for the following duties and obligations, to the extent permitted by law.

- a. Notifying PC each time an application is received by the City within the Benefited Properties or Annexable Properties for annexation, zoning, platting, site planning, or a building permit. The notification shall include the name, address, phone number, and email address of the applicant, as well as a general description of the project, including but not limited to its location and size.
- b. Including as a condition of approval for any annexation or zoning application for the first 1,000 units within the Benefited Properties and Annexable Properties that have consented to this Overlay Agreement, a

stipulation that requires the applicant to connect to the Regional Improvements and show evidence of payment of all applicable Buy-in Fees. The following is a sample stipulation: “Prior to the City approving a final plat, site plan, or building permit within the property, applicant shall provide the City with a Notice of Payment from PC that the Buy-in Fee, as described in the **SPA 2 EAST WATER, WATER RECHARGE AND WASTEWATER AGREEMENT** (Regional Improvements Overlay Agreement), have been paid.”

- c. Requiring a Notice of Payment, a sample of which is attached hereto as Exhibit E, of all applicable Buy-in Fees by any person developing property in the Benefited Properties and Annexable Properties prior to approving such Benefited Owner’s final plat, site plan, or building permit.
- d. Reviewing and approving the Design and Construction Costs for each Regional Improvement. The City shall have sixty (60) days to review and approve the Design and Construction Costs for each Regional Improvement. Failure by the City to approve or provide PC with any written feedback on the Design and Construction Costs for a Regional Improvement within the sixty (60) day period shall be deemed the City’s approval of such Design and Construction Costs. If the City has an issue or concern with the Design and Construction Costs, the City shall immediately notify PC, and the City and PC agree to work in good faith to resolve the issue or concern. If the issue or concern cannot in good faith be resolved by the City and PC, then the unresolved issue or concern shall be submitted to a qualified engineer for a final determination. Any costs associated with employing a qualified engineer to make a final determination shall be borne equally by the City and PC.
- e. City approves PC purchasing wellsite known as wellsite A3 from William Lyon Homes pursuant to the Rancho Mercado Supplemental Development Agreement, as amended, recorded at Document No. 2017-0526362, Official Records of Maricopa County, Arizona (“Mercado Agreements”). Furthermore, City releases William Lyon Homes, its successors and assigns from any additional obligations related to wellsite A3 under the Mercado Agreements.

6. **Reserved.**

7. **Partial Release Upon Sale of Public Lots.** The Parties acknowledge and agree that this Agreement is not intended to and shall not create conditions or exceptions to title or covenants, obligations or liabilities running with a Public Lot (hereinafter defined) when such Public Lot is leased (for a period of longer than one (1) year) or sold to the end purchaser or user. Upon the sale of a Public Lot, and without the execution or recordation of any further document or installment, such Public Lot shall be released from and no longer be subject to or burdened by the provisions of this Agreement. As used herein, the term “**Public Lot**” means a lot located within the Benefited

Property which has been finally subdivided and individually (and not in “bulk”) leased (for a period of longer than one (1) year) or sold to the end purchaser or user.

8. Buy-in Fee.

8.1 Amount of Buy-in Fee. The Buy-In Fee is a fixed amount of \$2,836, unless amended per lot, as amended by Section 3.3. Prior to executing this Overlay Agreement, the City reviewed and approved the Buy-in Fee.

8.2 Collecting the Buy-in Fee. For the first 1,000 units, PC shall provide each Benefited Owner with an invoice showing the Buy-in Fee such Benefited Owner is required to pay as a condition of developing property in the Benefited Properties during the Term of this Overlay Agreement. PC shall direct each Benefited Owner to remit payment of its Buy-in Fee directly to PC. Upon receipt of a Benefited Owner’s Buy-in Fee, PC shall provide such Benefited Owner with a Notice of Payment.

8.2.1 Timing of Collection. During the Term of this Agreement, the Buy-in Fee shall be collected from each Benefited Owner upon approval of a final plat for such Benefited Owner’s property, or at the time such Benefited Owner begins utilizing any of the Regional Improvements, whichever is the first to occur. PC shall collect the Buy-in Fee for all Regional Improvements, even Regional Improvements that have not yet been completed by PC. The parties acknowledge that PC intends to utilize the Buy-in Fees collected from the Benefited Owners to construct the Regional Improvements. The Buy-in Fee for a Regional Improvement that has not yet been completed by PC shall be the initial Buy-in Fee identified in this Overlay Agreement, which is based on the estimated budget for such Regional Improvement.

8.2.1.1 Holding Buy-in Fees. Any Buy-in Fee collected by PC during the Term of this Agreement for Regional Improvements that have been completed and accepted by the City may be deposited into PC’s general account. Any Buy-in Fee collected by PC for Regional Improvements not yet completed or accepted by the City shall be held by PC in an interest-bearing escrow account to be opened by PC with First American Title. Any Buy-in Fee deposited into an escrow account may be withdrawn by PC once construction has begun on the associated Regional Improvement.

8.2.2 Repayment Term. The repayment term for the Buy-in Fee shall be the Term of this Agreement, as defined in Section 9, provided the City has approved the construction of some portion of the associated Regional Improvement.

8.2.3 Notification to City. During the Term of this Agreement, PC shall notify the City and provide the City with a copy of the Notice of Payment each time a Benefited Owner pays its Buy-in Fee. The Notice of Payment shall include a statement of whether or not all Buy-in Fees have been paid. The City shall promptly acknowledge receipt of each Notice of Payment and return a signed copy to PC. PC shall promptly forward an updated copy of the Notice of Payment with the City’s signature to the applicable Benefited Owner.

8.3 Updating Costs. Upon completion of each Regional Improvement during the Term of this Agreement, PC shall promptly provide the City with written evidence of the Design and Construction Costs incurred by PC to complete each Regional Improvement. PC shall provide

an update to the number of units up or down based on the actual costs divided by \$2,836 per unit. All Buy-In fees collected in excess of the cost of the Regional Improvements shall be promptly paid to the City.

9. **Capacity; Final Plat; Water/Sewer Service.** Upon payment of the applicable Buy-in Fee (as evidenced by the Notice of Payment) and all other fees owed by a Benefited Property or Annexable Property under the Other Development Agreements, the City agrees: (i) to allow such Benefited Owner to move forward with a final plat ; (ii) that, after approval of a final plat, such Benefited Owner will have the right to use capacity in the Regional Improvements as necessary to satisfy any City requirements; and (iii) following approval of a final plat and other required development permits, to provide water and sewer service to such Benefited Owner's property. The City acknowledges that each Benefited Owner is an intended third-party beneficiary of this Overlay Agreement.

10. **Term.** This Overlay Agreement shall become effective upon signature by the City and PC and recordation and shall automatically terminate ten (10) years after the first Buy-in Fee has been paid on behalf of any Benefited Owner as required by Surprise Unified Development Code Section 42-7(C).

11. **Public Bidding.** PC shall be required to publicly bid or comply with the requirements of Arizona Revised Statutes, Title 34, and Surprise City Code Section 42-5(d) for any Regional Improvements for which PC will be seeking reimbursement through either crediting of on-site impact fees or remittance of off-site impact fees; however, PC shall not be required to publicly bid in order to be reimbursed for Regional Improvements if the reimbursement mechanism is solely through the collection of a Buy-in Fee.

12. **Indemnification and Defense of the City by PC.** To the fullest extent permitted by law, PC shall indemnify, defend (with counsel acceptable to the City), protect, and hold harmless the City, and its elected officials, appointed officials, employees and agents for, from, and against any and all liability, loss, damage, expense, and legal fees or costs, arising from or related to any claim or action, including but not limited to, claims or actions for takings or constitutionally impermissible exactions, brought by any person or entity in connection with the parties', parties' performance of the duties imposed and the rights granted by this Overlay Agreement and its amendments. The scope of this duty to indemnify, defend, protect, and hold harmless shall include, but not be limited to, any claim or cause of action that may be asserted by any original party or successor party to the Development Agreement, Benefited Owner, or successor property owner of any within the Benefited Property or Annexable Property Area. Additionally, PC shall defend the validity of this Overlay Agreement and its amendments in the event of any proceeding or litigation arising from its terms or implementation that names the City as a party and which challenges the validity of the Overlay Agreement or the authority of the City to enter into or perform any of its obligations under this Overlay Agreement. PC's and its amendment. PC's obligations and liabilities under this Section 12 shall survive the termination of this Overlay Agreement.

13. **Takings/Exactions.** Nothing in this Overlay Agreement shall require the City to effect a taking, administrative or otherwise, or constitutionally impermissible exaction. To the extent that any provision of this Overlay Agreement is held to be a taking, a constitutionally impermissible

exaction, or otherwise unlawful by a court of competent jurisdiction, that provision shall be void and the City shall be released from performance of any obligation under that provision.

14. **Intentionally Deleted.**

15. **Notices and Filings.** All notices, filings, consents, approvals, and other communications provided for herein or given in connection herewith shall be validly given, filed, made, delivered or served if in writing and delivered personally, emailed or sent by first-class United States Mail to:

City: City of Surprise
16000 N. Civic Center Plaza
Surprise, AZ 85374
Attn: Community Development Director
Email: Chris.Boyd@surpriseaz.gov
Phone: 623.222.3230

With Copy to: City of Surprise
16000 N. Civic Center Plaza
Surprise, AZ 85374
Attn: City Attorney
Email: Robert.wingo@surpriseaz.gov
Phone: 623.222.1124

PC: Paloma Creek Water Coordinator, LLC
Attn: John Wittrock
18835 North Thompson Peak Parkway, Suite 215
Scottsdale, AZ 85255
Email: John@Marbellacustomhomes.com

With Copy to: Fennemore Craig, P.C.
2394 E. Camelback Road, Suite 600
Phoenix, AZ 85016
Attn: James Bond
Email: jbond@fclaw.com

or to such other address or addresses as may hereafter be specified by notice given by any of the above for itself to the others. Any notice or other communication directed to either party shall become effective upon the earliest of the following: (a) actual receipt by that party; or (b) thirty-six (36) hours after deposit with the United States Postal Service, addressed to the party.

16. **Default.** Failure or unreasonable delay by either party to perform or otherwise act in accordance with any term or provision hereof shall constitute a breach of this Overlay Agreement. Any breach not cured within thirty (30) days after written notice is received from a non-breaching party, shall constitute a default under this Overlay Agreement; provided, however, that if the failure is such that more than thirty (30) days would reasonably be required to perform such action

or comply with any term or provision hereof, then the breaching party shall have such additional time as may be necessary to perform or comply so long as the breaching party commences performance or compliance within said thirty (30) day period and diligently proceeds to complete such performance or fulfill such obligation. Any notice of a breach shall specify the nature of the alleged breach and the manner in which said breach may be satisfactorily cured, if possible. The thirty (30) day period shall not apply where an ordinance or statute requires City to perform or otherwise act in a period in excess of thirty (30) days. In the event a breach remains uncured following the thirty (30) day period, the only remedy permitted shall be specific performance, except as specifically allowed within this Overlay Agreement.

17. **Dispute Resolution.** In the event that there is a dispute hereunder which the parties cannot resolve between themselves, the parties agree that there shall be a forty-five (45) day moratorium on litigation during which time the parties agree to attempt to settle the dispute by nonbinding mediation before commencement of litigation. The mediation shall be held under the commercial mediation rules of the American Arbitration Association. The matter in dispute shall be submitted to a mediator mutually selected by the parties. In the event that the parties cannot agree upon the selection of a mediator within seven (7) days, then within three (3) days thereafter, the parties shall request the presiding judge of the Superior Court in and for the County of Maricopa, Arizona, to appoint an independent mediator. The mediator selected shall have at least five (5) years' experience in mediating or arbitrating disputes relating to development. The cost of any such mediation shall be divided equally between the parties. The results of the mediation shall be nonbinding on the parties, and either party shall be free to initiate litigation subsequent to the moratorium.

18. **Choice of Law, Venue and Attorneys' Fees.** Any dispute, controversy, claim or cause of action arising out of or related to this Overlay Agreement shall be governed by Arizona law. The venue for any such dispute shall be Maricopa County, Arizona, and each party waives the right to object to venue in Maricopa County for any reason. No party shall be entitled to recover any of its attorneys' fees nor other costs from any other party incurred in any such dispute, controversy, claim or cause of action, but each party shall bear its own attorneys' fees and costs, whether the same is resolved through mediation, arbitration, litigation in a court, or otherwise.

19. **Good Standing and Authority.** The parties represent and warrant that each is duly formed and validly existing under applicable law and that the individuals executing this Overlay Agreement on behalf of their respective party are authorized and empowered to bind the party on whose behalf each such individual is signing.

20. **Assignment.** The provisions of this Overlay Agreement are binding upon and shall inure to the benefit of the parties, and all of their successors in interest and assigns. This Overlay Agreement may be assigned in whole or in part by PC with written notice of the assignment provided to the City. In the event of a complete or partial assignment by PC, all or a portion of PC's rights and obligations hereunder shall terminate effective upon the assumption by PC's assignee of such rights and obligations, provided written notice of the partial or entire assignment has been provided to the City.

21. **Third Parties.** It is not intended by this Overlay Agreement to, and nothing contained in this Overlay Agreement shall, create any partnership, joint venture or other agreement between the

parties. This Overlay Agreement is intended to benefit the Benefited Owners, who are hereby declared as intended third-party beneficiaries of this Overlay Agreement. Except with respect to the Benefited Owners, no term or provision of this Overlay Agreement is intended to, or shall be for the benefit of any person or entity not a party hereto, and no such other person or entity shall have any right or cause of action hereunder.

22. **Waiver.** No delay in exercising any right or remedy shall constitute a waiver thereof; and no waiver of any breach shall be construed as a waiver of any preceding or succeeding breach of the same or any other covenant, or condition of this Overlay Agreement. No waiver shall be effective unless it is in writing and is signed by the party asserted to have granted such waiver.

23. **Further Documentation.** The parties agree in good faith to execute such further or additional instruments and documents and to take such further acts as may be necessary or appropriate to fully carry out the intent and purpose of this Overlay Agreement.

24. **Fair Interpretation.** The parties have been represented by counsel in the negotiation and drafting of this Overlay Agreement and this Overlay Agreement shall be construed according to the fair meaning of its language. The rule of construction that ambiguities shall be resolved against the party who drafted a provision shall not be employed in interpreting this Overlay Agreement.

25. **Headings.** The headings of this Overlay Agreement are for purposes of reference only and shall not limit or define the meaning of any provision of this Overlay Agreement.

26. **Counterparts.** This Overlay Agreement may be executed in any number of counterparts, each of which shall be an original but all of which shall constitute one and the same instrument. The signature pages from one or more counterparts may be removed from such counterparts and such signature pages all attached to a single instrument so that the signatures of all parties may be physically attached to a single document.

27. **Computation of Time.** Any reference to a “day” in this Overlay Agreement shall mean City of Surprise business day unless otherwise noted. In computing any period of time under this Overlay Agreement, the date of the act or event from which the designated period of time begins to run shall not be included. The last day of the period so completed shall be included unless it is a Saturday, Sunday or legal holiday, in which event the period shall run until the end of the next day which is not a Saturday, Sunday or legal holiday. The time for performance of any obligation or taking any action under this Overlay Agreement shall be deemed to expire at 5:00 p.m. (Arizona time) on the last day of the applicable time period provided herein.

28. **Conflict of Interest.** This Overlay Agreement is subject to the terms of ARS § 38-511.

29. **No Obligation to Develop.** Nothing contained herein shall be deemed to obligate PC to complete any part of the development of any portion of the Regional Improvements.

30. **Entire Agreement.** This Overlay Agreement, together with the following Exhibits attached hereto (which are incorporated herein by this reference) constitutes the entire Overlay Agreement between the parties.

- a. Exhibit A1 Rancho Del Ray Legal description
- Exhibit A2 Paloma Creek Legal description
- Exhibit A-3 Kamarata Ranch Legal description
- b. Exhibit B: Map of the Annexable Properties
- c. Exhibit C: Regional Improvements
- d. Exhibit D: Design and Construction Cost Budget
- e. Exhibit E: Sample Notice of Payment
- f. Exhibit F: Kamarata Ranch Recharge Property
- g. Exhibit G: Benefited Owner Consent

IN WITNESS WHEREOF, the parties have executed this Overlay Agreement on the date(s) written below.

[SIGNATURES APPEAR ON THE FOLLOWING PAGES]

CITY:
CITY OF SURPRISE, an Arizona municipal corporation

By: _____
Skip Hall, Mayor

ATTEST:

Sherry Ann Aguilar, City Clerk

APPROVED AS TO FORM:

Robert Wingo, City Attorney

STATE OF ARIZONA
County of Maricopa

On this _____ day of _____ 2020 before me personally appeared Skip Hall, the Mayor of the City of Surprise, an Arizona municipal corporation, for and on behalf thereof, whose identity was proven to me on the basis of satisfactory evidence to be the person who she claims to be, and acknowledged that she signed the above/attached document.

[Affix notary seal here]

Notary Public

IN WITNESS WHEREOF, PC has executed this Overlay Agreement as of the date first above written.

PC:

Paloma Creek Water Coordinator, LLC,
an Arizona limited liability company

By: [Signature]

Name: John Wittlock

Title: Manager

STATE OF ARIZONA)

) ss.

County of MARICOPA)

The foregoing instrument was acknowledged before me this 29 day of OCT 2020,
by JOHN WITTLCK, as the MANAGER of **Paloma Creek Water
Coordinator LLC**, an Arizona limited liability company, on behalf of the company.

[Signature]
Notary Public

My Commission Expires:

8/1/2022



Exhibit A-1 Legal Description of Rancho Del Ray – Page 1

That part of the West half of the East half of the Southwest quarter of Section 4, Township 4 North, Range 1 West of the Gila and Salt River Base and Meridian, Maricopa County, Arizona, described as follows:

COMMENCING at the Southwest corner of said Section 4;
Thence North 89° 57' 09" East (Basis of Bearings) along the South line of the Southwest quarter of Section 4 a distance of 1315.77 feet to the Southwest corner of the West half of the East half of the Southwest quarter of said Section 4 and the **POINT OF BEGINNING**;
THENCE North 00° 22' 53" seconds West, along the West line thereof a distance of 1652.71 feet to a point from which the Northwest corner of the West half of the East half of the Southwest quarter of said Section 4 bears North 00° 22' 53" West, a distance of 991.71 feet;
THENCE North 89° 57' 50" East a distance of 657.32 feet to the East line of the West half of the East half of the Southwest quarter of Section 4;
THENCE South 00° 24' 02" East along said East line a distance of 1652.58 feet to the South line of the Southwest quarter of Section 4;
THENCE South 89° 57' 09" East along said South line a distance of 657.89 feet to the **POINT OF BEGINNING**.

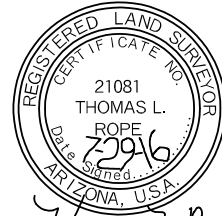
Containing 24.9487 acres



ZONING EXHIBIT

A PORTION OF THE SOUTHWEST QUARTER OF SECTION 4,
T4N, R1W, G.&S.R.B.M., MARICOPA COUNTY, ARIZONA

PREPARED BY:
LAND SURVEY SERVICES, PLC
3160 N. 302ND LANE
BUCKEYE, AZ 85396
PHONE 602.703.7010



Expires 3/31/2019

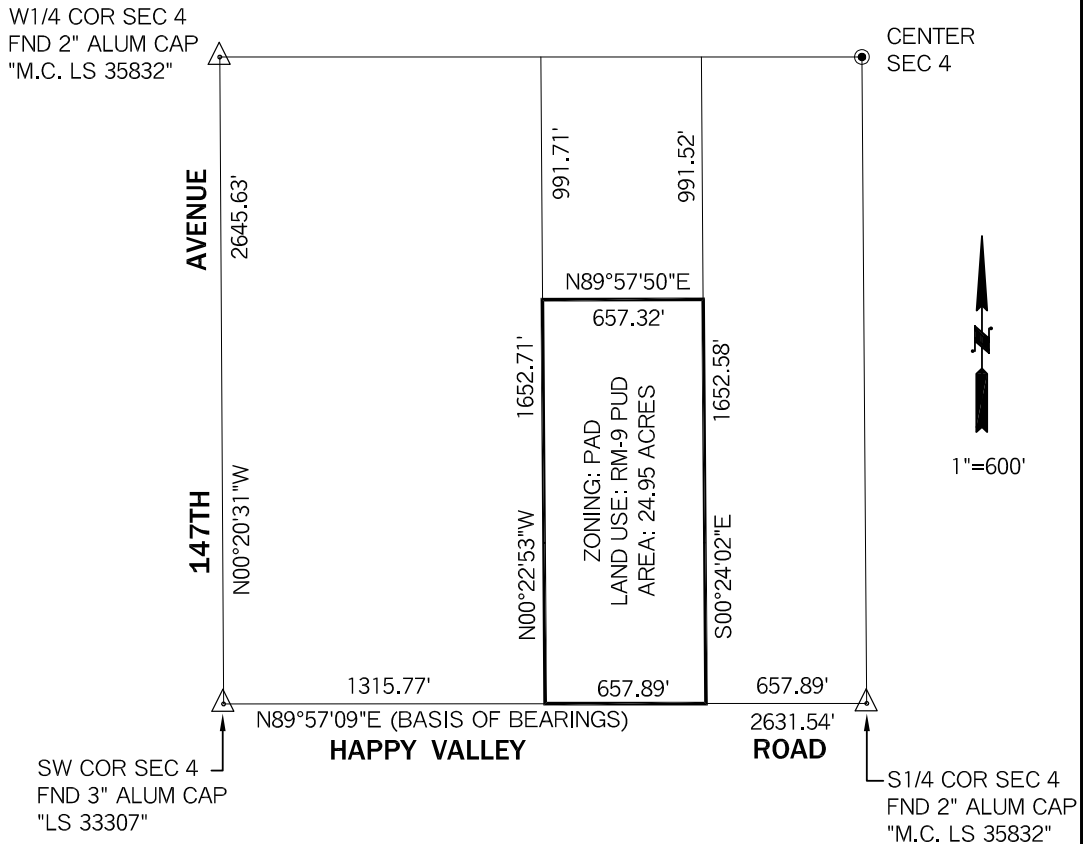


Exhibit A-2 Legal Description of Paloma Creek – Page 1

That portion of Sections 5 and 6, Township 4 North, Range 1 West of the Gila and Salt River Base and Meridian, Maricopa County, Arizona, described as follows:

BEGINNING at the West quarter corner of said Section 5;

Thence South 89° 41' 02" East along the North line of the Southwest quarter of Section 5 a distance of 654.57 feet to the West line of the East 655.08 feet of the North half of Northwest quarter of the Southwest quarter of the Section 5;

Thence South 00° 05' 23" West along said West line a distance of 660.04 feet to the South line of the North half of the Northwest quarter of the Southwest quarter of the Section 5 and the North line of that Parcel Annexed by the City of Surprise per Ordinance 05-60 as recorded in Document No. 2006-104870, Official Records;

Thence North 89° 39' 59" West along said line a distance of 655.22 feet to the common line between Sections 5 and 6;

Thence North 89° 47' 36" West along the South line of the Northeast quarter of the Northeast quarter of the Southeast quarter of Section 6 and the North line of said Annexation Parcel a distance of 657.76 feet;

Thence South 00° 06' 30" West along the East line of the Southwest quarter of the Northeast quarter of the Southeast quarter of Section 6 and the West line of said Annexation Parcel a distance of 659.68 feet;

Thence North 89° 46' 48" West along the North line of the South half of the Southeast quarter of Section 6 and the North line of said Annexation Parcel a distance of 1971.96 feet;

Thence South 00° 00' 23" East along the North-South mid-section line of Section 6 and the West line of said Annexation Parcel a distance of 1318.45 feet to the South quarter corner of Section 6;

Thence North 89° 45' 13" West along the South line of Section 6 and the North line of said Annexation Parcel a distance of 1795.95 feet to the East line of the West 55.00 feet of the Southwest quarter of Section 6 and the East line of that Parcel Annexed by the City of Surprise per Ordinance 88-24 as recorded in Document No. 1988-594510, Official Records;

Thence North 00° 23' 29" East along said East line a distance of 2635.25 feet to the East-West mid-section line of Section 6;

Thence North 00° 22' 45" East along the East line of the West 55.00 feet of the Northwest quarter of Section 6 and the East line of said Annexation Parcel a distance of 1317.51 feet to the North line of Lot 5 of Section 6;

Thence South 89° 50' 48" East along said North line a distance of 450.04 feet to the Northeast corner of said Lot 5;

Exhibit A-2 Legal Description of Paloma Creek – Page 2

Thence South 00° 06' 11" East along the East line thereof a distance of 1317.84 feet to the East-West mid-section line of Section 6;
Thence South 89° 48' 24" East along said mid-section line a distance of 1316.52 feet to the Center of Section 6;
Thence continuing South 89° 48' 24" East along said mid-section line a distance of 2632.80 feet to the **POINT OF BEGINNING**.

Containing 201.54 acres



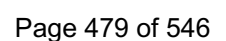


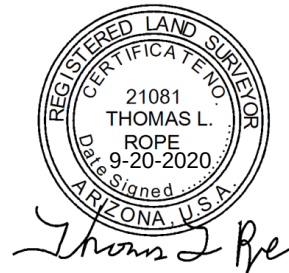
Exhibit A-3 Legal Description of Kamarata Ranch – Page 1

PARCEL A-3

That portion of the East half of the Northeast quarter of Section 8, Township 4 North, Range 1 West of the Gila and Salt River Base and Meridian, Maricopa County, Arizona, described as follows:

Commencing at the Northeast quarter corner of said Section 8;
Thence South 00° 06' 47" East (Basis of Bearings) along the East line of Section 8 a distance of 2058.75 feet to the North line of the Beardsley Canal according to Book 584 of Maps, page 19, records of Maricopa County, Arizona, from which point the East quarter corner of Section 8 bears South 00° 06' 47" East a distance of 586.78 feet;
Thence South 73° 30' 58" West along said North line a distance of 41.69 feet to the West line of the East 40.00 feet of the Northeast quarter of Section 8;
Thence North 00° 06' 47" West along said West line a distance of 167.16 feet to the **POINT OF BEGINNING**;
Thence South 89° 53' 13" West a distance of 1072.30 feet to the East line of the West 200.00 feet of the East half of the Northeast quarter of Section 8;
Thence North 00° 08' 44" West along said East line a distance of 1844.99 feet to the South line of the North 68.00 feet of the Northeast quarter of Section 8;
Thence South 89° 36' 59" East along said South line a distance of 1073.39 feet to the West line of the East 40.00 feet of the Northeast quarter of Section 8;
Thence South 00° 06' 47" East along said West line a distance of 1835.68 feet to the **POINT OF BEGINNING**.

Containing 45.3250 acres



Land Survey Services PLC
20651 W. Pasadena Avenue
Buckeye, AZ 85396-1255

Job No. 19048

Exhibit A-3 Legal Description of Kamarata Ranch – Page 2

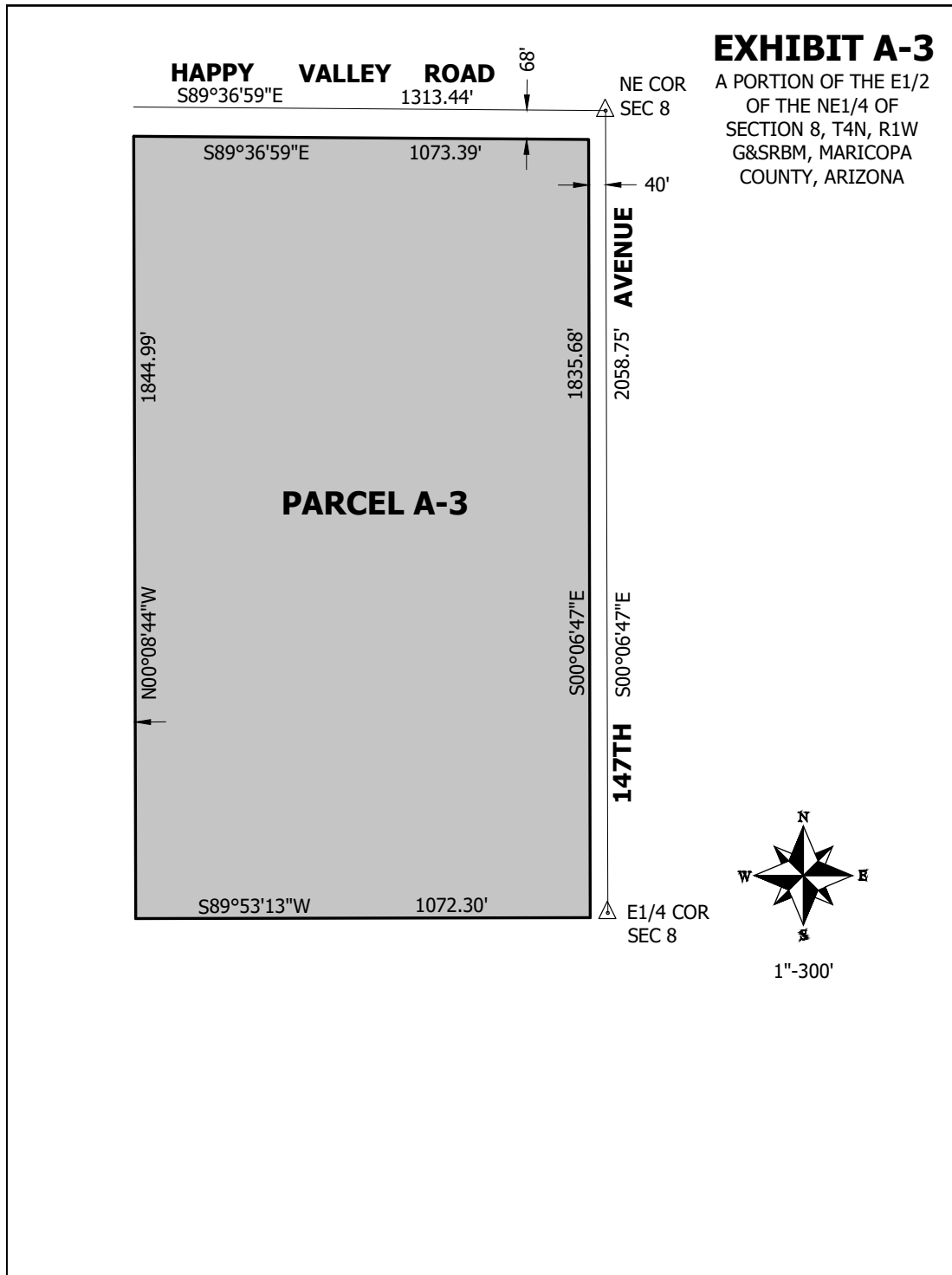


Exhibit B Map of Annexable Properties

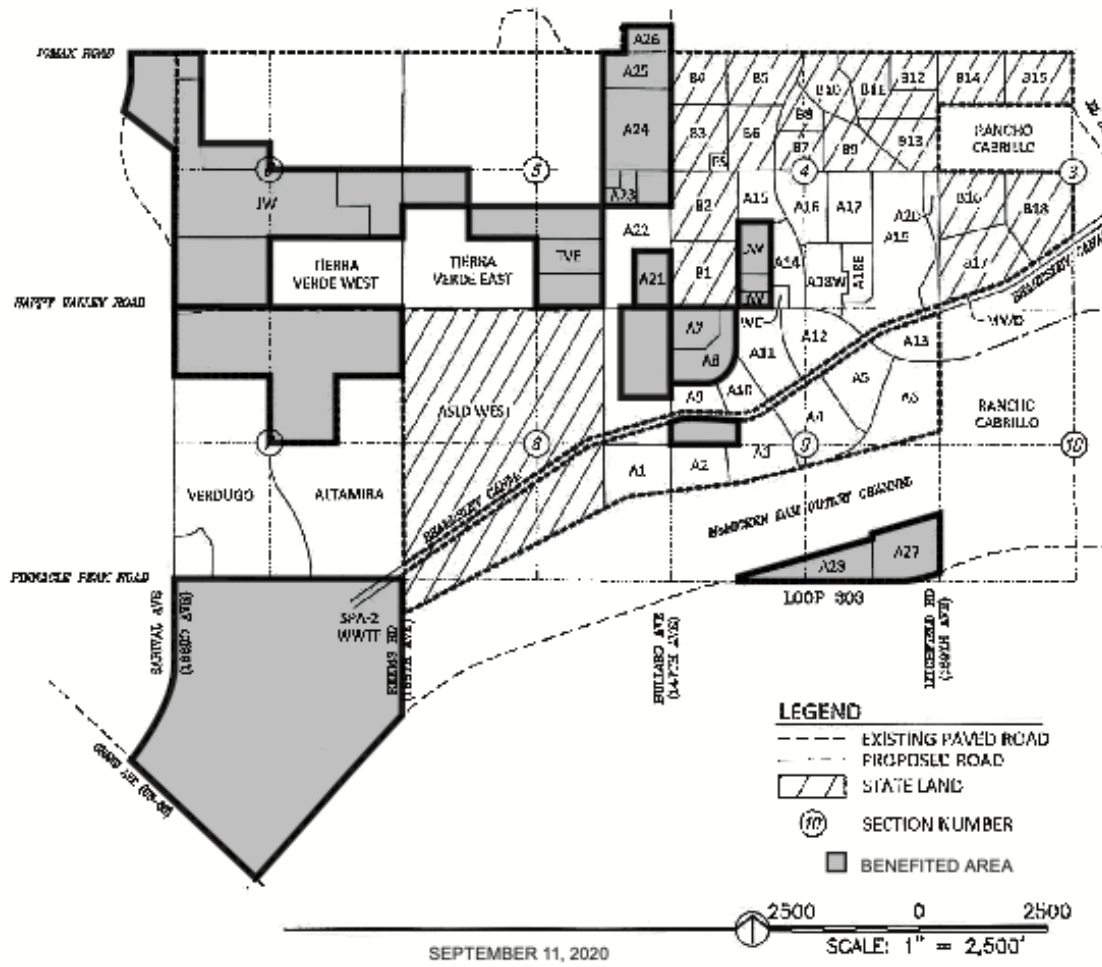


Exhibit C Regional Improvements

Rancho Mercado Wellsite A-3 purchase

Rancho Mercado Wellsite A-3 drill and casing install

Rancho Mercado Wellsite A-3 testing

Kamarata Ranch Recharge Engineering

Kamarata Ranch Excavation and placement earthwork

Kamarata Ranch Earthwork testing and as-builts

Exhibit D Design and Construction Cost Budget

ITEM	Responsible Party	Subcontractor	QTY	UNIT	UNIT PRICE	EXTENSION
Wellsite purchase from William Lyon Homes	PC	None	1	EA	\$ 856,000	\$ 856,000
Wellsite A-3 Drill and Case	PC	Beeman Drilling	1	EA	\$ 450,000	\$ 450,000
Well Testing	PC	Matrix New World	1	EA	\$ 100,000	\$ 100,000
Build 8 FT block wall, including gates	PC	Taylor Morrison	1	EA	\$ 100,000	\$ 100,000
Third Party construction management fee	PC	PC	3.5%	%	\$ 600,000	\$ 21,000
City of Surprise Payment	SOS	None	1	EA	\$ 1,309,000	\$ 1,309,000
TOTAL REGIONAL IMPROVEMENTS PHASE 1						\$ 2,836,000 *
* \$2,836,000 / 1000 EDUs = \$2836. This number of EDUs may change per section 3.3						
ITEM			QTY	UNIT	UNIT PRICE	EXTENSION
Engineering for Kamarata Ranch Recharge	PC	EPS	1	EA	\$ 100,000	\$ 100,000
USF & APP Permitting	PC	Matrix New World	1	EA	\$ 300,000	\$ 300,000
Excavation and placement earthwork	PC	TBD	200,000	CY	\$ 5.50	\$ 1,100,000
Earthwork Testing	PC	TBD	1	EA	\$ 50,000	\$ 50,000
Permanent Chain-link Fencing if required	PC	TBD	1	EA	\$ 100,000	\$ 100,000
Gunnite stabilization next to canal if required	PC	TBD	1	EA	\$ 100,000	\$ 100,000
Third Party construction management fee	PC	PC	3.5%	%	\$ 1,428,000	\$ 49,980
TOTAL REGIONAL IMPROVEMENTS PHASE 2						\$ 1,799,980

Exhibit E Notice of Payment

(2) _____ (“Benefited Properties”) has paid Paloma Creek Water Coordinator the Following buy-in Fee:

(3)

\$_____ Per equivalent residential units

_____ Residential units

\$_____ Total

Funds received on _____

Paloma Creek Water Coordinator LLC: _____

Name

Date

City Acknowledgement: _____

Name

Date

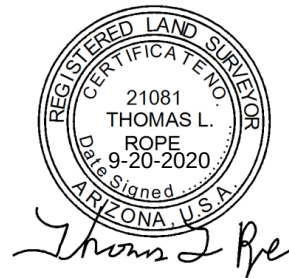
Exhibit F Legal Description of Kamarata Ranch Recharge Property – Page 1

PARCEL 1B

That portion of the East half of the Northeast quarter of Section 8, Township 4 North, Range 1 West of the Gila and Salt River Base and Meridian, Maricopa County, Arizona, described as follows:

Commencing at the Northeast quarter corner of said Section 8;
Thence South 00° 06' 47" East (Basis of Bearings) along the East line of Section 8 a distance of 2058.75 feet to the North line of the Beardsley Canal according to Book 584 of Maps, page 19, records of Maricopa County, Arizona, from which point the East quarter corner of Section 8 bears South 00° 06' 47" East a distance of 586.78 feet;
Thence South 73° 30' 58" West along said North line a distance of 41.69 feet to the West line of the East 40.00 feet of the Northeast quarter of Section 8 and the **POINT OF BEGINNING**;
Thence continuing South 73° 30' 58" West along said North line a distance of 1325.74 feet to the West line of the East half of the Northeast quarter of Section 8;
Thence North 00° 08' 44" West along said West line a distance of 2387.54 feet to the South line of the North 68.00 feet of the Northeast quarter of Section 8;
Thence South 89° 36' 59" East along said South line a distance of 200.01 feet to the East line of the West 200.00 feet of the East half of the Northeast quarter of Section 8;
Thence South 00° 08' 44" East along said East line a distance of 1844.99 feet;
Thence North 89° 53' 13" East a distance of 1072.30 feet to the West line of the East 40.00 feet of the Northeast quarter of Section 8;
Thence South 00° 06' 47" East along said West line a distance of 167.16 feet to the **POINT OF BEGINNING**.

Containing 18.8137 acres



Land Survey Services PLC
20651 W. Pasadena Avenue
Buckeye, AZ 85396-1255

Job No. 19048

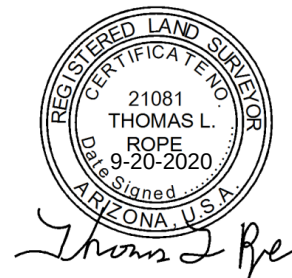
Exhibit F Legal Description of Kamarata Ranch Recharge Property – Page 2

PARCEL 2B

That portion of the East half of the Northeast quarter of Section 8, Township 4 North, Range 1 West of the Gila and Salt River Base and Meridian, Maricopa County, Arizona, described as follows:

Commencing at the East quarter corner of said Section 8 from whence the Northeast corner of Section 8 bears North 00° 06' 47" West (Basis of Bearings) a distance of 2645.52 feet;
Thence North 89° 32' 31" West along the South line of said Northeast quarter a distance of 40.00 feet to the **POINT OF BEGINNING**;
Thence continuing North 89° 32' 31" West along said South line a distance of 1271.95 feet to the Southwest corner of the East half of the Northeast quarter of Section 8;
Thence North 00° 08' 44" West along the West line of said East half of the Northeast quarter of Section 8 a distance of 43.44 feet to the South line of the Beardsley Canal according to Book 584 of Maps, page 19, records of Maricopa County, Arizona;
Thence North 73° 30' 58" East along said South line a distance of 1325.66 feet to the West line of the East 40.00 feet of the Northeast quarter of Section 8;
Thence South 00° 06' 47" East along said West line a distance of 429.75 feet to the **POINT OF BEGINNING**.

Containing 6.9083 acres.



Land Survey Services PLC
20651 W. Pasadena Avenue
Buckeye, AZ 85396-1255

Job No. 19048

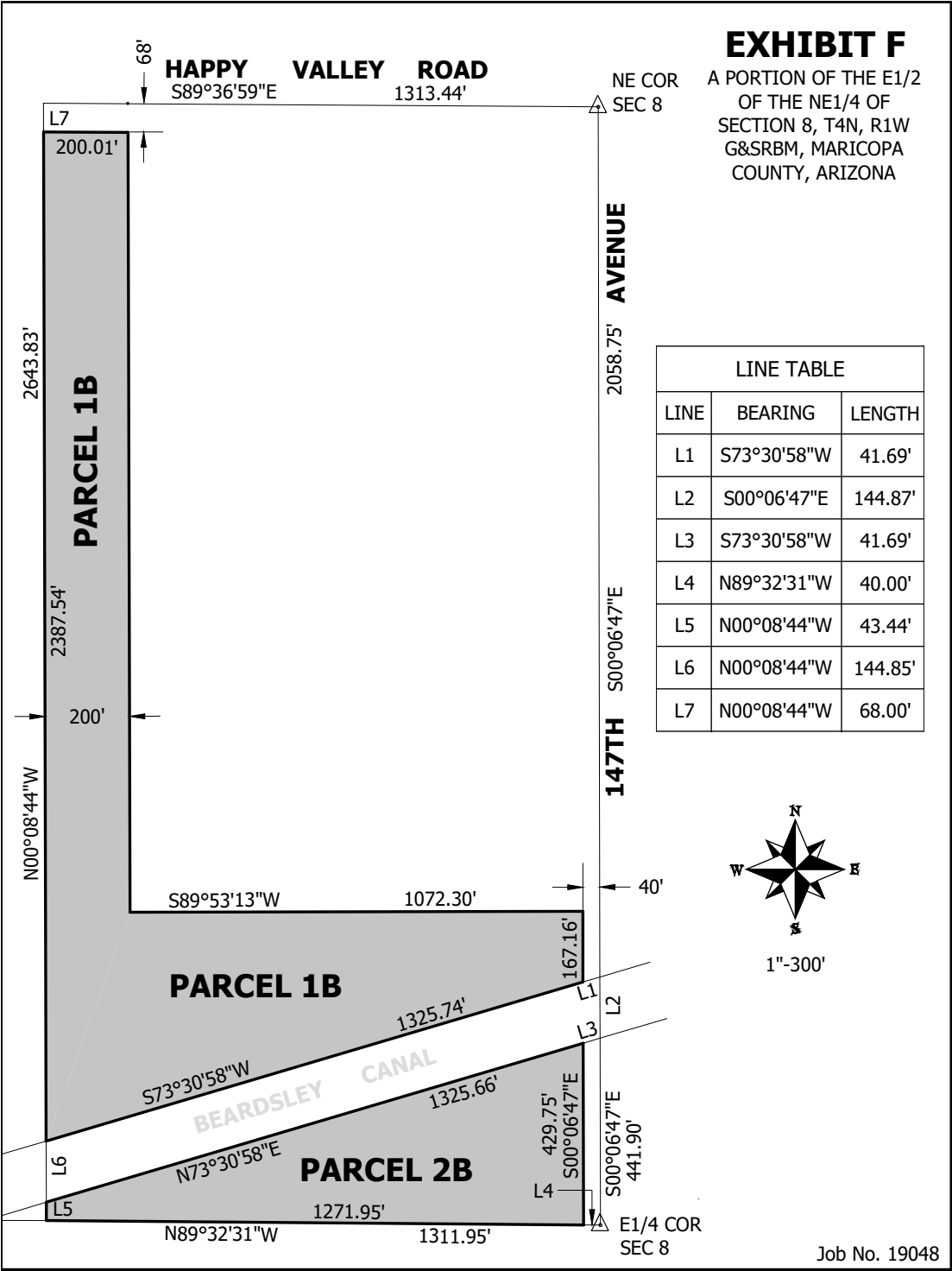


Exhibit G Form of Benefited Property Consent

[see attached]

BENEFITED PROPERTY CONSENT

The undersigned _____ (“**Benefited Owner**”) is the fee owner of the real property described on Exhibit A attached hereto (the “**Property**”), which Property is one of the Benefited Properties under the Overlay Agreement. Benefited Owner hereby consents to the annexation of the Property into the Overlay Agreement solely for the purpose of benefiting from the Regional Improvements in accordance with the Overlay Agreement. By executing this consent, Benefited Owner does not consent to or assume any obligation other than the payment of the Buy-In Fee or the City’s then-current impact fee for water, as applicable in accordance with Section 3.3 of the Overlay Agreement, for each lot within the Property as and when required by the Overlay Agreement.

BENEFITED OWNER:

By: _____

Name: _____

Title: _____

STATE OF _____)
) ss.

County of _____)

The foregoing instrument was acknowledged before me this _____ day of _____ 2020, by _____, as the _____ of _____, on behalf thereof.

Notary Public

My Commission Expires:

[see following page for PC's consent]

PC CONSENT

Paloma Creek Water Coordinator, LLC, hereby approves and accepts the annexation of the Property into the Overlay Agreement and agrees that _____ shall be a third-party beneficiary of the Overlay Agreement.

PALOMA CREEK WATER COORDINATOR, LLC,
an Arizona limited liability company

By: Taproot Consulting, LLC,
an Arizona limited liability company, its Manager

By: _____
Name: _____
Title: _____

STATE OF _____)
) ss.
County of _____)

The foregoing instrument was acknowledged before me this _____ day of _____ 20____, by _____, as the _____ of Taproot Consulting, LLC, an Arizona limited liability company, the Manager of PALOMA CREEK WATER COORDINATOR, LLC, an Arizona limited liability company, on behalf thereof.

Notary Public

My Commission Expires:



CITY OF SURPRISE Regular City Council Meeting

Council Meeting Date: November 17, 2020 Contact Person: Shirley Phan
Submitting Department: Community Development District: District 1
Staff Recommendations: None

Consent: Yes Regular: No Public Hearing: No Report/Discussion: No

Agenda Wording:

Consideration and action pertaining to conditional approval of the Final Plat entitled, "Rancho Del Rey" an approximately 24.94 acre property generally located north of Happy Valley Road and east of 145th Avenue; Resolution # 2020-146.

Motion:

I move to approve Resolution #2020-146.

Background:

On June 5, 2019, EPS Group, Inc. submitted a request for a Final Plat for Rancho Del Rey, generally located north of Happy Valley Road and east of 145th Avenue. Rancho Del Rey is within the Benefited Area defined by the Rancho Mercado Supplemental Development Agreement, as amended, and therefore is required to pay the Buy-in Fees required by that Agreement for Happy Valley East, Happy Valley West, and/or Water, as a condition to City approval of any final plat, site plan, or building permit. Staff has been advised that the owner of Rancho Del Rey will be selling the property to a homebuilder, and the homebuilder will then pay the Buy-in Fees and post subdivision financial assurances after the City Council approves this final plat. However, recording of the approved final plat will not occur until after the Buy-in Fees have been paid and the financial assurances have been posted. This is why conditional approval of the final plat is being proposed by Resolution # 2020-146.

Objective Analysis:

Approval of the proposed Final Plat will allow the applicant the ability to subdivide the property as proposed after the conditions for approval in Resolution 2020-146 have been satisfied and the plat has been recorded.

Policy Compliant:

The proposed Final Plat is consistent with the policies of the General Plan and the Surprise Municipal Code.

Financial Impact:

While this item does not have an immediate or direct financial impact, ongoing development activity in the City will inevitably have a future financial impact as additional resources are needed to provide city services.

Budget Impact:

There is no anticipated budget impact related to this item.

FTE Impact:

This item does not have an impact on current staff levels.

ATTACHMENTS:

1. 20.11.09 EVR Rancho Del Rey- CC Staff Report
 2. 01- FS19-395- Rancho Del Rey- Vicinity Map
 3. 02- FS19-395- Rancho Del Rey- Case Map
 4. 03- FS19-395- Rancho Del Rey- Final Plat
 5. 04- FS19-395- Rancho Del Rey- Landscape Plan
 6. 20.11.09 Res 2020-146 Rancho Del Ray Final Plat FS19-395
 7. 05- FS19-395- Rancho Del Rey- Luke Comments.msg
 8. FS19-395-CC Presentation 11172020
-

Final Plat

REPORT TO THE CITY COUNCIL

Case: FS19-395

Project Name: Rancho Del Rey

Council District: 1 - Acacia

City Council Date: November 17, 2020

Planner: Shirley Phan

Owner: John Wittrock, HV20, LLC

Applicant: Joe Petrucci, EPS Group INC

Request: Final Plat for a 117-lot single-family residential subdivision in the Rancho Del Rey RM-9-PUD zoning district.

Site Location: Generally located north of Happy Valley Road and east of 145th Avenue

Site Size: 24.94 acres (approx.)

Density: 4.69 DU/Ac

General Plan Conformance: The proposal is consistent with the Surprise General Plan 2035

Support/Opposition: None known

Analysis: Rancho Del Rey is within the Benefited Area subject to the Rancho Mercado Supplemental Development Agreement (Regional Improvements Overlay Agreement), as amended by the First Amendment approved by the City Council on September 15, 2020. Thus, the developer of Rancho Del Rey is required to pay the applicable buy-in fees for Happy Valley Road West, Happy Valley Road East, and Water to William Lyon Homes and submit a Notice of Payment to the City as a condition for approval and recordation of this final plat. An additional condition to plat approval and recordation is the posting of required financial assurances.

41 It is necessary to approve this plat by Resolution because the
42 current owner has not yet paid the Rancho Mercado Buy-In fees
43 and has not posted the financial assurances, because the property
44 is being sold to a homebuilder. Payment of the Buy-in Fees and
45 posting the assurances will be done by the homebuilder under
46 contract to purchase Rancho Del Rey.
47

48 Per Resolution 2020-146, the Rancho Del Rey plat, if approved by
49 the City Council, will not be recorded until after the property has
50 been sold to the homebuilder, the City has received a Notice of
51 Payment for the Rancho Mercado Buy-in Fees from the
52 homebuilder, and the homebuilder has posted the required
53 financial assurances.
54

55 **Findings:**

- 56
- 57 • The proposed Final Plat demonstrates compliance with the General Plan 2035.
 - 58 • The proposed Final Plat is consistent with the zone change as approved under FS16-516.
 - 59 • The proposed Final Plat is consistent with the Preliminary Plat approved under FS17-568.
 - 60 • The proposed Final Plat is consistent with the Surprise Municipal Code.
 - 61 • The reviewing agencies have indicated no concerns.
62

63 **Alternative Actions:**

Approve – Approval of the proposed Final Plat will allow the applicant
64 the ability to subdivide the property as proposed, after the Buy-in Fees
65 have been paid and financial assurances have been posted, and the
66 plat has been recorded with the Maricopa County Recorder.

Deny – Denial of the requested Final Plat will prevent the applicant
67 from subdividing the property as proposed.
68

69 **Additional Information:**

70

71 EPS Group INC on behalf of HV20 LLC, seeks approval of a Final Plat to create 117 residential lots on
72 24.94 acres for a density of 4.69 dwelling units per acre (DU/Ac). The plat will provide:

73 • Lots: 117 lots on 13.99 acres (net)

74 • Right- Of- Way: 6.29 acres

75 • Tracts: 9 tracts on 4.66 acres

76

77 **Attachments:**

78

79 01 Vicinity Map

80 02 Case Map

81 03 Final Plat

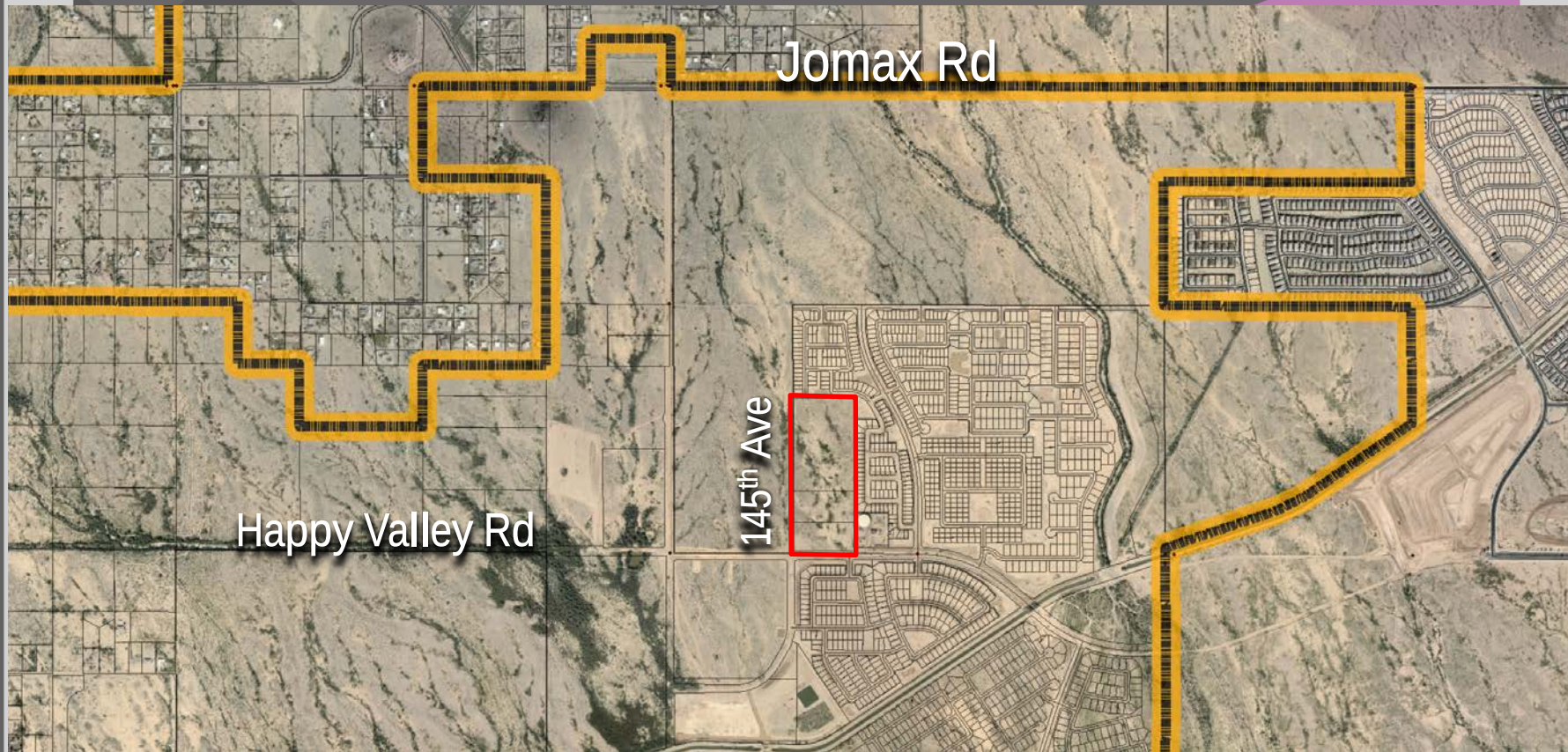
82 04 Landscape Plans

83 05 Luke AFB comments

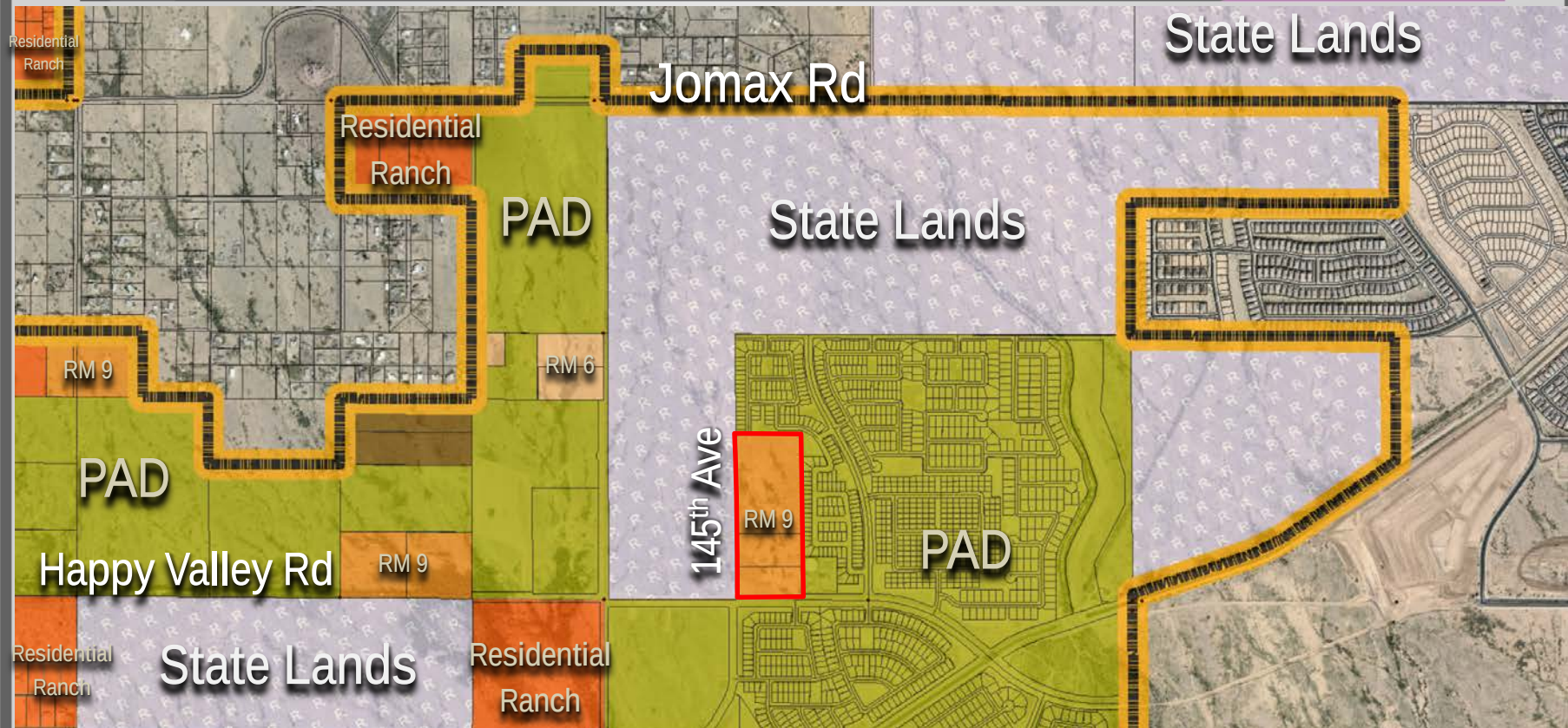
84 06 Resolution

FS19-395- Rancho Del Rey

Vicinity MAP



Case Map



rmunoz Oct 14, 2020 3:12pm S:\Projects\2016\16-226\Legal Survey\Draws\Final Plat\16-226 - Plat.dwg

DEDICATION

STATE OF ARIZONA }
COUNTY OF MARICOPA } SS

KNOW ALL PERSONS BY THESE PRESENTS: HV 20 LLC, AN ARIZONA LIMITED LIABILITY COMPANY AND Y&M RAYS TRUST, AS "OWNERS", HEREBY PUBLISH THIS FINAL PLAT OF "RANCHO DEL REY", A PORTION THE WEST HALF OF THE EAST HALF OF THE SOUTHWEST QUARTER OF SECTION 4, TOWNSHIP 4 NORTH, RANGE 1 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA AND HEREBY DECLARE THAT SAID PLAT SETS FORTH THE LOCATION AND GIVES THE DIMENSIONS OF EACH LOT, TRACT AND EASEMENT, AND THAT EACH LOT AND TRACT SHALL BE KNOWN BY THE NUMBER, AND LETTER GIVEN TO EACH RESPECTIVELY. THE PURPOSES OF THE EASEMENTS ARE SHOWN HEREON.

OWNERS HEREBY DEDICATE TO THE CITY OF SURPRISE FEE TITLE TO ALL PUBLIC RIGHTS-OF-WAY AS SHOWN ON THE PLAT.

ALL IMPROVEMENTS, FOR STREETS AND PUBLIC UTILITIES OWNED AND OPERATED BY THE CITY, INSTALLED OR CONSTRUCTED BY OWNERS WITHIN THE PUBLIC RIGHTS-OF-WAY, THE EASEMENTS, OR ANY TRACTS OR PARCELS HEREBY DEDICATED TO THE CITY OF SURPRISE SHALL BE DEEMED TO HAVE BEEN DEDICATED BY OWNER TO THE CITY UPON THEIR COMPLETION; HOWEVER, SUCH TRANSFER SHALL NOT OCCUR UNTIL THE CITY COUNCIL FOR THE CITY OF SURPRISE MANIFESTS ITS ACCEPTANCE BY SEPARATE FORMAL COUNCIL ACTION.

OWNERS HEREBY GRANT TO THE PUBLIC A PERPETUAL NON-EXCLUSIVE EASEMENT IN, UPON, OVER, UNDER, THROUGH AND ACROSS THE AREAS DESIGNATED AS PUBLIC UTILITY EASEMENTS AS SHOWN ON THE PLAT FOR THE PURPOSE OF INSTALLING, CONSTRUCTING, MAINTAINING, REPAIRING, REPLACING AND UTILIZING PUBLIC UTILITIES.

OWNERS HEREBY GRANT TO THE UNITED STATES OF AMERICA DEPARTMENT OF THE AIR FORCE ("USAF") AN AVGATION EASEMENT OVER AND ACROSS THIS PLAT AND EVERY LOT AND PARCEL THEREOF, WHICH EASEMENT SHALL INCLUDE, BUT NOT BE LIMITED TO, THE RIGHT OF FLIGHT OF AIRCRAFT OVER THIS PLAT, TOGETHER WITH ITS ATTENDANT NOISE, VIBRATIONS, FUMES, DUST, FUEL AND LUBRICANT PARTICLES, AND ALL OTHER EFFECTS THAT MAY BE CAUSED BY THE OPERATION OF AIRCRAFT LANDING AT, OR TAKING OFF FROM, OR OPERATING AT OR ON LUKE AIR FORCE BASE AND AUXILIARY FIELD.

OWNERS HEREBY GRANT TO THE CITY OF SURPRISE AN ODOR EASEMENT OVER, UPON AND ACROSS THIS PLAT AND EVERY LOT AND PARCEL THEREOF, WHICH EASEMENT SHALL INCLUDE, BUT NOT BE LIMITED TO, THE RIGHT TO INVADE WITH ODORS, FUMES, SMELLS, AND PHYSICAL AIRBORNE PARTICULATES CAUSED BY THE OPERATION AND MAINTENANCE OF THE CITY'S WATER RECLAMATION FACILITIES.

THE EASEMENTS GRANTED WITHIN THIS DEDICATION ARE PERMANENT AND PERPETUAL AND SHALL RUN WITH THE LAND AND BE BINDING UPON OWNERS AND THEIR HEIRS, ASSIGNS, AND SUCCESSORS IN INTEREST TO THIS PLAT OR ANY PARCEL OR LOT THEREOF.

OWNERS HEREBY WARRANT AND REPRESENT TO THE CITY OF SURPRISE THAT THEY ARE THE SOLE OWNERS OF THE PROPERTY COVERED BY THIS FINAL PLAT, AND THAT EVERY LENDER, EASEMENT HOLDER OR OTHER PERSON OR ENTITY HAVING ANY INTEREST THAT IS ADVERSE TO OR INCONSISTENT WITH THE FOREGOING DEDICATION, OR ANY OTHER REAL PROPERTY INTEREST CREATED OR TRANSFERRED BY THIS FINAL PLAT, HAS CONSENTED TO OR JOINED IN THIS FINAL PLAT AS EVIDENCED BY INSTRUMENTS WHICH ARE RECORDED WITHIN THE MARICOPA COUNTY RECORDER'S OFFICE OR WHICH OWNER WILL RECORD NOT LATER THAN THE DATE ON WHICH THIS FINAL PLAT IS RECORDED.

OWNERS HEREBY GRANT TO THE CITY OF SURPRISE A PERPETUAL NON-EXCLUSIVE EASEMENT OVER, UPON AND ACROSS THE AREAS DESIGNATED AS SIGHT VISIBILITY TRIANGLES FOR THE PURPOSE OF ENSURING THAT THESE AREAS REMAIN FREE OF SIGHT VISIBILITY OBSTRUCTIONS.

THE VEHICULAR NON ACCESS EASEMENTS "VNAE" ARE HEREBY DEDICATED TO THE RANCHO DEL REY COMMUNITY ASSOCIATION, ITS SUCCESSORS AND ASSIGNS AND IS INTENDED TO PREVENT VEHICULAR TRAFFIC BETWEEN TRACTS AND LOTS WITH THE EXCEPTION OF PUBLIC UTILITY USES. SAID "VNAE" AS DEDICATED HEREON WILL CROSS PUBLIC UTILITY EASEMENTS "PUE" ALSO GRANTED HEREON, IN MULTIPLE LOCATIONS. THESE "VNAE" ARE NOT INTENDED TO PREVENT AUTHORIZED AGENTS OF THE PUBLIC UTILITY COMPANIES FROM CROSSING SAID "VNAE" DURING THE COURSE OF INSTALLATION, USE, MAINTENANCE AND REPAIR OF THE UTILITIES LOCATED IN SAID PUBLIC UTILITY EASEMENT "PUE".

ALL TRACTS ARE NOT DEDICATED TO THE PUBLIC, BUT ARE PLATTED AS COMMON PROPERTY DEDICATED TO THE RANCHO DEL REY COMMUNITY ASSOCIATION FOR THE USE AND ENJOYMENT OF THE RANCHO DEL REY COMMUNITY ASSOCIATION, AS MORE FULLY SET FORTH IN THE DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS.

TRACTS PLATTED HEREON ARE DEDICATED FOR THE PURPOSES AS NOTED IN THE TRACT TABLE ON THIS FINAL PLAT AND SHALL BE MAINTAINED BY RANCHO DEL REY COMMUNITY ASSOCIATION.

OWNERS HEREBY GRANT TO THE CITY OF SURPRISE A PERPETUAL CROSS ACCESS EASEMENT ACROSS THE PLAT INCLUDING ROADS AND STREETS, OPEN SPACES, COMMUNITY FACILITIES, TRACTS, SIDEWALKS, DRAINAGE BASINS AND ANY PROPERTY WITHIN THE PLAT OWNED BY THE HOMEOWNERS ASSOCIATION FOR THE PURPOSE OF PROVIDING CONTINUOUS AND UNINTERRUPTED INGRESS AND EGRESS FOR EMERGENCY VEHICLES.

OWNERS HEREBY GRANT TO THE CITY OF SURPRISE, A PUBLIC RECREATION/TRAIL EASEMENT FOR PEDESTRIAN ACCESS, EQUINE ACCESS, BICYCLING, AND OTHER NON-MOTORIZED FORMS OF ACCESS OVER AND ACROSS OWNER'S PROPERTY, INCLUDING THE RIGHT OF INGRESS AND EGRESS ALONG AND ACROSS THE EASEMENT PREMISES, AS SHOWN ON THIS PLAT.

OWNERS HEREBY GRANT TO THE PUBLIC AN EASEMENT FOR RECREATION OVER, UPON, AND ACROSS THOSE AREAS DESIGNATED AS RECREATION TRAILS OR AREAS FOR THE PURPOSE OF ALLOWING THE PUBLIC ACCESS TO THE TRAIL SYSTEM.

LANDSCAPING MAINTENANCE OF THE MEDIANS WITHIN THE PUBLIC RIGHT-OF-WAY WITHIN ANY ARTERIAL OR PARKWAY STREET CLASSIFICATION SHALL BE RESPONSIBILITY OF THE CITY OF SURPRISE AFTER ACCEPTANCE.

IN WITNESS WHEREOF, OWNERS HAVE HEREUNTO CAUSED THEIR NAMES TO BE SIGNED BY THE UNDERSIGNED, DULY AUTHORIZED OFFICER THIS ____ DAY OF _____, 2020.

BY: HV 20, LLC, AN ARIZONA LIMITED LIABILITY COMPANY BY: Y&M RAYS TRUST
BY: _____ DATE: _____ BY: _____ DATE: _____
ITS: _____ ITS: _____

RELEASE OF LIABILITY

HV 20 LLC, AN ARIZONA LIMITED LIABILITY COMPANY AND Y&M RAYS TRUST, AS "OWNERS" DO HEREBY (1) RELEASE AND DISCHARGE THE CITY OF SURPRISE, AND (2) INDEMNIFY, DEFEND, AND HOLD HARMLESS THE CITY OF SURPRISE, OF AND FROM ANY LIABILITY FOR ANY AND ALL CLAIMS FOR DAMAGES OF ANY KIND TO PERSONS OR PROPERTY THAT MAY ARISE AT ANY TIME IN THE FUTURE OVER, OR IN CONNECTION WITH THE AREAS LOCATED WITHIN THE NEWLY DEDICATED RIGHT-OF-WAY AS DEPICTED ON THIS PLAT UNTIL SUCH TIME THE RIGHT-OF-WAY IS IMPROVED TO CITY STANDARDS AND THOSE IMPROVEMENTS ARE APPROVED AND ACCEPTED BY THE CITY COUNCIL. THE MAINTENANCE OF THE AREA WITHIN ANY NEWLY DEDICATED RIGHT-OF-WAY AS SHOWN ON THIS PLAT SHALL BE THE RESPONSIBILITY OF THE ADJACENT OWNER/OR SUBSEQUENT ADJACENT OWNERS WITHIN THE BOUNDARY OF SAID PLAT UNTIL SUCH TIME THAT THE AREA WITHIN THE RIGHT-OF-WAY IS IMPROVED TO CITY STANDARD AND ACCEPTED BY THE CITY OF SURPRISE.

RELEASE OF LIABILITY

HV 20 LLC, AN ARIZONA LIMITED LIABILITY COMPANY AND Y&M RAYS TRUST, AS "OWNERS" DO HEREBY (1) RELEASE AND DISCHARGE THE UNITED STATES OF AMERICA DEPARTMENT OF THE AIR FORCE (USAF) AND THE CITY OF SURPRISE, AND (2) INDEMNIFY, DEFEND, AND HOLD HARMLESS THE USAF AND THE CITY OF SURPRISE, OF AND FROM ANY LIABILITY FOR ANY AND ALL CLAIMS FOR DAMAGES OF ANY KIND TO PERSONS OR PROPERTY THAT MAY ARISE AT ANY TIME IN THE FUTURE OVER, OR IN CONNECTION WITH AIR CRAFT OVER FLIGHTS FROM AIRCRAFT UTILIZING LUKE AIR FORCE BASE, WHETHER SUCH DAMAGE SHALL ORIGINATE FROM NOISE, VIBRATION, FUMES, DUST, FUEL AND LUBRICANT PARTICLES, AND ALL OTHER EFFECTS THAT MAY BE CAUSED BY THE OPERATION OF AIRCRAFT LANDING AT, OR TAKING OFF FROM, OR OPERATING AT OR ON LUKE AIR FORCE BASE AND ITS AUXILIARY FIELDS. THIS INSTRUMENT SHALL RUN WITH THE LAND AND BE BINDING UPON OWNER AND ITS HEIRS, ASSIGNS, AND SUCCESSORS IN INTEREST TO THIS PLAT OR ANY PARCEL OR LOT THEREOF. THIS INSTRUMENT DOES NOT RELEASE THE USAF FROM LIABILITY FOR DAMAGE OR INJURY TO PERSON OR PROPERTY CAUSED BY FALLING AIRCRAFT OR FALLING PHYSICAL OBJECTS FROM AIRCRAFT, EXCEPT AS STATED HEREIN WITH RESPECT TO NOISE, FUMES, DUST, FUEL, AND LUBRICANT PARTICLES.

PUBLIC NOTICE

THE LOTS DEPICTED ON THIS PLAT ARE LOCATED WITHIN THE VICINITY OF LUKE AIR FORCE BASE AND MAY BE SUBJECT TO OVERFLIGHTS BY JET AIRCRAFT. ALL STRUCTURES WITHIN THIS PLAT SHALL BE CONSTRUCTED IN COMPLIANCE WITH THE SOUND ATTENUATION STANDARDS ADOPTED BY THE CITY OF SURPRISE. A MAP DEPICTING THE MOST CURRENT ADOPTED MAG NOISE CONTOURS IN RELATION TO THIS PLAT SHALL BE DISPLAYED IN ALL SALES OFFICES. ADDITIONAL INFORMATION MAY BE OBTAINED BY CONTACTING THE CITY OF SURPRISE COMMUNITY DEVELOPMENT DEPARTMENT.

FINAL PLAT
RANCHO DEL REY

A PORTION THE WEST HALF OF THE EAST HALF OF THE SOUTHWEST QUARTER OF SECTION 4,
TOWNSHIP 4 NORTH, RANGE I WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN,
MARICOPA COUNTY, ARIZONA;

ACKNOWLEDGMENT

STATE OF ARIZONA }
COUNTY OF MARICOPA } SS

ON THIS ____ DAY OF _____, 2020 BEFORE ME, THE UNDERSIGNED NOTARY PUBLIC, PERSONALLY APPEARED _____ WHO ACKNOWLEDGED THEMSELF TO BE _____ OF HV 20, LLC, AN ARIZONA LIMITED LIABILITY COMPANY, AND BEING DULY AUTHORIZED DO TO DO, EXECUTED THE FOREGOING INSTRUMENT FOR THE PURPOSES THEREIN CONTAINED.

IN WITNESS WHEREOF, I HAVE HEREUNTO SET MY HAND AND OFFICIAL SEAL.

NOTARY PUBLIC DATE

MY COMMISSION EXPIRES: _____

ACKNOWLEDGMENT

STATE OF ARIZONA }
COUNTY OF MARICOPA } SS

ON THIS ____ DAY OF _____, 2020 BEFORE ME, THE UNDERSIGNED NOTARY PUBLIC, PERSONALLY APPEARED _____ WHO ACKNOWLEDGED THEMSELF TO BE _____ OF Y&M RAYS TRUST, AND BEING DULY AUTHORIZED DO TO DO, EXECUTED THE FOREGOING INSTRUMENT FOR THE PURPOSES THEREIN CONTAINED.

IN WITNESS WHEREOF, I HAVE HEREUNTO SET MY HAND AND OFFICIAL SEAL.

NOTARY PUBLIC DATE

MY COMMISSION EXPIRES: _____

COMMUNITY ASSOCIATION RATIFICATION

KNOW ALL PERSONS BY THESE PRESENTS: THAT RANCHO DEL REY COMMUNITY ASSOCIATION, AN ARIZONA NON-PROFIT CORPORATION, HEREBY RATIFIES, AFFIRMS AND APPROVES THIS PLAT FOR "RANCHO DEL REY" AND THE RESPONSIBILITIES IMPOSED UPON IT UNDER THIS PLAT.

IN WITNESS WHEREOF, _____ HAS CAUSED ITS NAME TO BE AFFIXED BY THE UNDERSIGNED, DULY AUTHORIZED OFFICER THIS ____ DAY OF _____, 2020.

RANCHO DEL REY COMMUNITY ASSOCIATION,
AN ARIZONA NON-PROFIT CORPORATION

BY: _____

ITS: _____

ACKNOWLEDGMENT

STATE OF ARIZONA }
COUNTY OF MARICOPA } SS

ON THIS ____ DAY OF _____, 2020 BEFORE ME, THE UNDERSIGNED, PERSONALLY APPEARED _____, WHO ACKNOWLEDGED HERSELF TO BE THE PERSON WHOSE NAME IS SUBSCRIBED TO THE INSTRUMENT WITHIN, AND WHO EXECUTED THE FOREGOING INSTRUMENT FOR THE PURPOSES THEREIN CONTAINED.

IN WITNESS WHEREOF, I HAVE HEREUNTO SET MY HAND AND OFFICIAL SEAL.

NOTARY PUBLIC DATE

MY COMMISSION EXPIRES: _____

100 YEAR ASSURED WATER SUPPLY

THE AREA PLATTED HEREON LIES WITHIN THE DOMESTIC WATER SERVICE AREA OF CITY OF SURPRISE DESERT OF OASIS PUBLIC WATER SYSTEM 04-07-523 WHICH IS DESIGNATED AS HAVING AN ASSURED WATER SUPPLY PURSUANT A.R.S. § 45-576.

CITY OF SURPRISE ENGINEER APPROVAL

DATA ON THIS PLAT WAS REVIEWED AND APPROVED THIS ____ DAY OF _____, 2020, BY THE CITY ENGINEER OF SURPRISE, ARIZONA.

APPROVED _____
CITY ENGINEER DATE

CITY OF SURPRISE COUNCIL APPROVAL

APPROVED BY THE CITY COUNCIL OF THE CITY OF SURPRISE, ARIZONA THIS ____ DAY OF _____, 2020

ATTEST:

MAYOR DATE

CITY CLERK DATE

AREA SUMMARY TABLE		
DESCRIPTION	AREA (SF)	AREA (ACRES)
LOTS 1 – 117	609,438	13.9908
TRACTS A – I	203,105	4.6626
RIGHT-OF-WAY	274,219	6.2952
GROSS AREA	1,086,762	24.9486

SHEET INDEX

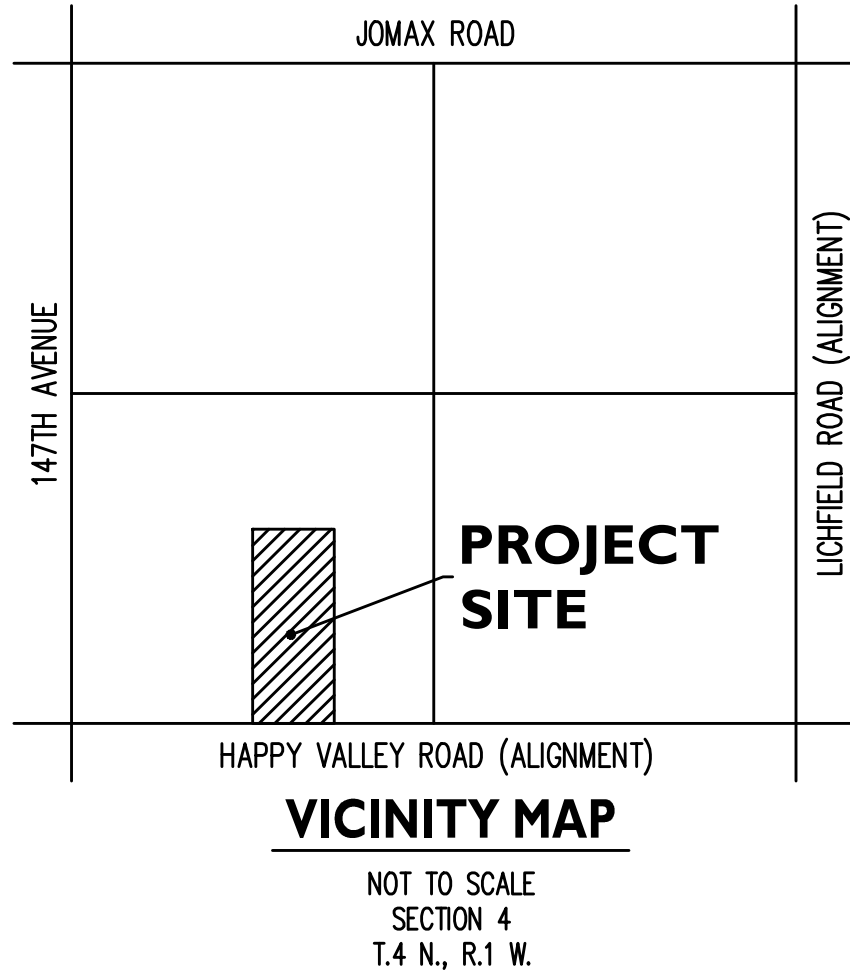
SHEET 1 COVER SHEET
SHEET 2 LINE TABLE, CURVE TABLE, LOT TABLE AND TRACT USE TABLE
SHEET 3-4 FINAL PLAT

OWNER(S)

HV 20, LLC Y & M RAYS TRUST
6064 E JENAN DR 12925 N 95TH WAY
SCOTTSDALE, AZ 85254 SCOTTSDALE, AZ 85260

ENGINEER

EPS GROUP, INC.
1130 N. ALMA SCHOOL RD
SUITE 120
MESA, AZ 85201
TEL: 480-503-2250
CONTACT: DAN "OX" AUXIER, P.E.



ZONING

CITY OF SURPRISE – MEDIUM DENSITY RESIDENTIAL (RM-9) WITH A PLANNED UNIT DEVELOPMENT (PUD)

LEGAL DESCRIPTION

A PORTION OF THE EAST HALF OF THE SOUTHWEST QUARTER OF SECTION 4, TOWNSHIP 4 NORTH, RANGE 1 WEST OF THE GILA AND SALT RIVER MERIDIAN, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF SAID SECTION 4, FROM WHICH THE SOUTH QUARTER CORNER OF SAID SECTION 4 BEARS NORTH 89 DEGREES 57 MINUTES 09 SECONDS EAST, 2631.54 FEET;

THENCE ALONG THE SOUTH LINE OF SAID SOUTHWEST QUARTER, NORTH 89 DEGREES 57 MINUTES 09 SECONDS EAST, 1315.77 FEET TO THE POINT OF BEGINNING;

THENCE ALONG THE WEST LINE OF THE EAST HALF OF SAID SOUTHWEST QUARTER, NORTH 0 DEGREES 22 MINUTES 53 SECONDS WEST, 1652.71 FEET;

THENCE NORTH 89 DEGREES 57 MINUTES 50 SECONDS EAST, 657.32 FEET;

THENCE ALONG THE EAST LINE OF THE WEST HALF OF THE EAST HALF OF SAID SOUTHWEST QUARTER, SOUTH 0 DEGREES 24 MINUTES 04 SECONDS EAST, 1652.58 FEET;

THENCE ALONG THE SOUTH LINE OF SAID SOUTHWEST QUARTER, SOUTH 89 DEGREES 57 MINUTES 09 SECONDS WEST, 657.89 FEET TO THE POINT OF BEGINNING.

BASIS OF BEARING

THE WEST LINE OF THE EAST HALF OF THE SOUTHWEST QUARTER OF SECTION 4, TOWNSHIP 4 NORTH, RANGE 1 WEST, OF THE GILA AND SALT RIVERBASE AND MEDIAN, MARICOPA COUNTY, ARIZONA, AS RECORDED IN DOCUMENT 2015-0652453, M.C.R.

BEARING: NORTH 00 DEGREE 22 MINUTES 53 SECONDS WEST

GENERAL NOTES

- SPRINKLERS ARE REQUIRED IN ALL ONE AND TWO FAMILY DWELLINGS BUILT IN AREAS WHICH DO NOT HAVE AN ADEQUATE WATER SUPPLY OF 2000 GPM @ 20 PSI RESIDUAL.
- NO ONSITE GRADING OR EXCAVATION SHALL OCCUR WITHOUT FIRST OBTAINING A PERMIT FROM THE CITY OF SURPRISE.
- THE PROPERTY IS LOCATED IN FLOOD ZONE "SHADED" "X" WHICH IS IDENTIFIED ON THE FEMA FIRM #04013C1210L AND #04013C1205L AS AREAS OF THE 0.2% ANNUAL CHANCE FLOOD; AREAS OF 1% ANNUAL CHANCE FLOOD WITH AVERAGE DEPTHS OF LESS THAN 1 FOOT OR WITH DRAINAGE AREAS LESS THAN 1 SQUARE MILE; AND AREAS PROTECTED BY LEVEES FROM 1% ANNUAL CHANCE FLOOD, EFFECTIVE DATE OF OCTOBER 16, 2013.
- IN ACCORDANCE WITH ARS § 9-461.07, THE CITY OF SURPRISE HAS DETERMINED THAT ALL DEDICATIONS OCCURRING WITH THIS PLAT ARE IN CONFORMANCE WITH THE SURPRISE GENERAL PLAN.
- PURSUANT TO A.R.S. § 42-11102, THE CITY OF SURPRISE, A POLITICAL SUBDIVISION OF THE STATE OF ARIZONA, IS EXEMPT FROM ALL TAXES AND ASSESSMENTS BASED ON ASSESSED VALUE EXCEPT FOR SPECIAL DISTRICTS #14751 AND 14710, WHEN APPLICABLE.
- THIS FINAL PLAT IS IN SUBSTANTIAL CONFORMANCE WITH THE PRELIMINARY PLAT APPROVED BY THE CITY OF SURPRISE UNDER CASE FS16-516.
- THE MAINTENANCE OF LANDSCAPING WITHIN THE OPEN SPACES, LANDSCAPED TRACTS, RETENTION BASINS AND PARKS SHALL BE THE RESPONSIBILITY OF THE RANCHO DEL REY COMMUNITY ASSOCIATION, AN ARIZONA NONPROFIT CORPORATION.
- THE MAINTENANCE OF LANDSCAPING WITHIN THE ADJACENT PUBLIC RIGHTS-OF-WAY, INCLUDING LANDSCAPED MEDIANS WITHIN COLLECTORS AND LOCAL STREETS AND LANDSCAPED AREAS BETWEEN THE CURB AND THE DETACHED SIDEWALK, SHALL BE THE RESPONSIBILITY OF THE ADJACENT PROPERTY OWNER OR THE PROPERTY ASSOCIATION FORMED BY THE ADJACENT PROPERTY.

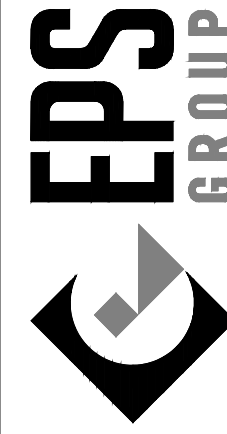
CERTIFICATION

I, RAYMOND S. MUNOZ III, HEREBY CERTIFY THAT I AM A REGISTERED LAND SURVEYOR IN THE STATE OF ARIZONA; THAT THIS PLAT CORRECTLY REPRESENTS A SURVEY MADE UNDER MY DIRECTION DURING THE MONTH OF APRIL 2019; THAT THE SURVEY IS TRUE AND CORRECT TO MY KNOWLEDGE AND BELIEF; THAT ALL MONUMENTS ACTUALLY EXIST OR WILL BE SET AS SHOWN; THAT SAID MONUMENTS ARE SUFFICIENT TO ENABLE THE SURVEY TO BE RETRACED.

RAYMOND S. MUNOZ III, R.L.S. 53160
EPS GROUP, INC.
1130 N. ALMA SCHOOL ROAD, SUITE 120
MESA, AZ 85201

DATE OF PREPARATION: REVISED JULY 20, 2020

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Rancho Del Rey
SURPRISE, ARIZONA
Final Plat

Project:

Revisions:			



Drawn by: AG
Reviewed by: RM



Job No.
16-226
FP01
Sheet No.
I
of 4

TRACT USE TABLE			
TRACT	USE	AREA (SF)	AREA (AC)
Tract A	LANDSCAPE / OPEN SPACE / RETENTION	17,653	0.4053
Tract B	LANDSCAPE / OPEN SPACE / RETENTION	49,132	1.1279
Tract C	LANDSCAPE / OPEN SPACE / RETENTION	49,636	1.1395
Tract D	LANDSCAPE / OPEN SPACE	8,276	0.1900
Tract E	LANDSCAPE / OPEN SPACE	950	0.0218
Tract F	LANDSCAPE / OPEN SPACE / RETENTION	13,909	0.3193
Tract G	LANDSCAPE / OPEN SPACE	3,244	0.0745
Tract H	LANDSCAPE / OPEN SPACE / RETENTION	56,935	1.3071
Tract I	LANDSCAPE / OPEN SPACE	3,371	0.0774

LOT AREA TABLE		
PARCEL	AREA (SF)	AREA (AC)
Lot 1	5,191	0.1192
Lot 2	5,179	0.1189
Lot 3	5,166	0.1186
Lot 4	5,154	0.1183
Lot 5	5,141	0.1180
Lot 6	5,129	0.1177
Lot 7	5,116	0.1175
Lot 8	5,104	0.1172
Lot 9	5,091	0.1169
Lot 10	5,079	0.1166
Lot 11	5,066	0.1163
Lot 12	5,046	0.1158
Lot 13	5,033	0.1155
Lot 14	5,021	0.1153
Lot 15	5,008	0.1150
Lot 16	4,996	0.1147
Lot 17	5,031	0.1155
Lot 18	5,349	0.1228
Lot 19	6,196	0.1422
Lot 20	6,191	0.1421
Lot 21	5,254	0.1206
Lot 22	5,044	0.1158
Lot 23	5,030	0.1155
Lot 24	5,017	0.1152

LOT AREA TABLE		
PARCEL	AREA (SF)	AREA (AC)
Lot 25	5,004	0.1149
Lot 26	4,991	0.1146
Lot 27	4,977	0.1143
Lot 28	4,810	0.1104
Lot 29	5,248	0.1205
Lot 30	4,800	0.1102
Lot 31	4,953	0.1137
Lot 32	4,954	0.1137
Lot 33	4,954	0.1137
Lot 34	4,954	0.1137
Lot 35	4,954	0.1137
Lot 36	4,954	0.1137
Lot 37	5,451	0.1251
Lot 38	5,305	0.1218
Lot 39	4,954	0.1137
Lot 40	4,950	0.1136
Lot 41	5,321	0.1222
Lot 42	5,458	0.1253
Lot 43	4,950	0.1136
Lot 44	5,489	0.1260
Lot 45	5,007	0.1379
Lot 46	6,525	0.1498
Lot 47	4,900	0.1125
Lot 48	4,950	0.1136

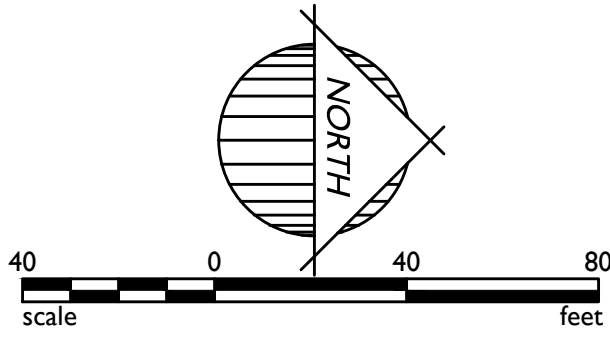
LOT AREA TABLE		
PARCEL	AREA (SF)	AREA (AC)
Lot 49	4,950	0.1136
Lot 50	4,950	0.1136
Lot 51	4,950	0.1136
Lot 52	4,950	0.1136
Lot 53	6,255	0.1436
Lot 54	6,137	0.1409
Lot 55	5,959	0.1368
Lot 56	4,950	0.1136
Lot 57	4,950	0.1136
Lot 58	4,950	0.1136
Lot 59	4,950	0.1136
Lot 60	4,950	0.1136
Lot 61	5,850	0.1343
Lot 62	4,950	0.1136
Lot 63	4,950	0.1136
Lot 64	4,950	0.1136
Lot 65	4,950	0.1136
Lot 66	5,850	0.1343
Lot 67	4,950	0.1136
Lot 68	4,950	0.1136
Lot 69	4,950	0.1136
Lot 70	4,950	0.1136
Lot 71	4,950	0.1136
Lot 72	4,950	0.1136

LOT AREA TABLE		
PARCEL	AREA (SF)	AREA (AC)
Lot 73	4,950	0.1136
Lot 74	4,950	0.1136
Lot 75	4,950	0.1136
Lot 76	6,670	0.1531
Lot 77	6,342	0.1456
Lot 78	4,950	0.1136
Lot 79	4,950	0.1136
Lot 80	4,950	0.1136
Lot 81	4,950	0.1136
Lot 82	4,950	0.1136
Lot 83	4,950	0.1136
Lot 84	4,950	0.1136
Lot 85	4,950	0.1136
Lot 86	4,950	0.1136
Lot 87	4,950	0.1136
Lot 88	4,950	0.1136
Lot 89	4,849	0.1113
Lot 90	7,981	0.1832
Lot 91	10,595	0.2432
Lot 92	6,360	0.1460
Lot 93	4,944	0.1135
Lot 94	4,950	0.1136
Lot 95	4,950	0.1136
Lot 96	4,950	0.1136

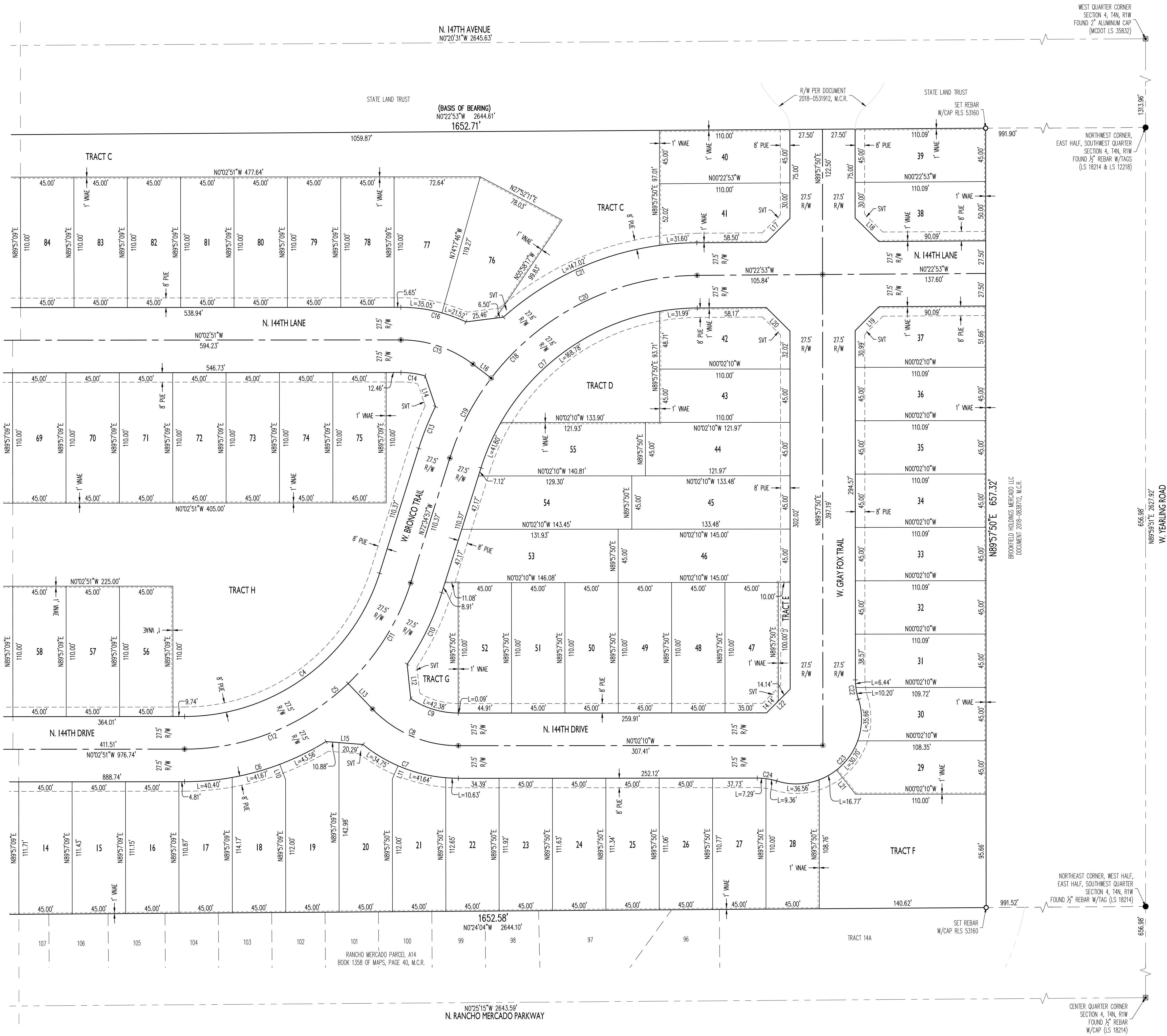
LOT AREA TABLE		
PARCEL	AREA (SF)	AREA (AC)
Lot 97	4,950	0.1136
Lot 98	5,300	0.1217
Lot 99	5,300	0.1217
Lot 100	4,950	0.1136
Lot 101	4,950	0.1136
Lot 102	4,950	0.1136
Lot 103	4,950	0.1136
Lot 104	4,950	0.1136
Lot 105	4,950	0.1136
Lot 106	4,950	0.1136
Lot 107	4,950	0.1136
Lot 108	4,950	0.1136
Lot 109	4,950	0.1136
Lot 110	4,950	0.1136
Lot 111	4,950	0.1136
Lot 112	4,950	0.1136
Lot 113	4,950	0.1136
Lot 114	4,950	0.1136
Lot 115	4,950	0.1136
Lot 116	4,950	0.1136
Lot 117	5,300	0.1217

CURVE TABLE					
CURVE	LENGTH	RADIUS	DELTA	CHORD	CHORD BRG
C1	16.65'	55.00'	1720'29"	16.58'	S81°16'54"W
C2	119.69'	55.00'	12440'58"	97.43'	S45°02'51"E
C3	16.65'	55.00'	1720'29"	16.58'	N08°37'24"E
C4	218.38'	172.50'	723'206"	204.09'	N36°18'54"W
C5	253.20'	200.00'	723'206"	236.62'	N36°18'54"W
C6	125.63'	200.00'	31'38"25"	124.04'	N15°52'04"W
C7	87.02'	127.50'	39°06'15"	85.34'	N19°30'57"E
C8	80.93'	100.00'	46°22'01"	78.74'	N23°08'50"E
C9	42.47'	72.50'	33°33'58"	41.87'	N16°44'49"E
C10	67.23'	227.50'	16°55'54"	66.99'	N64°07'00"W
C11	100.93'	200.00'	28°54'48"	99.86'	N58°07'33"W
C12	152.27'	200.00'	43°37'18"	148.62'	N21°51'30"W
C13	38.02'	72.50'	8°48'08"	37.99'	S08°01'53"E
C14	20.73'	247.50'	16°22'44"	20.65'	S08°08'31"W
C15	65.18'	100.00'	37°02'44"	64.03'	S18°37'30"E
C16	56.57'	127.50'	25°25'20"	56.11'	S12°39'49"W
C17	242.58'	192.50'	72°12'04"	226.84'	S36°28'55"E
C18	277.23'	220.00'	72°12'04"	259.25'	S36°28'55"E
C19	76.33'	220.00'	19°52'48"	75.95'	S62°39'33"E
C20	200.90'	220.00'	52°19'16"	193.99'	S26°32'31"E
C21	178.62'	247.50'	14°02'58"	174.77'	S21°17'32"E
C22	16.65'	55.00'	1720'29"	16.58'	N80°33'25"E
C23	119.69'	55.00'	12441'02"	97.43'	N45°02'08"W
C24	16.65'	55.00'	1720'33"	16.58'	S08°38'06"W

LINE TABLE		
LINE	BEARING	LENGTH
L1	N45°02'51"W	28.28'
L2	N44°57'09"E	28.28'
L3	N45°02'51"W	28.28'
L4	N44°57'09"E	28.28'
L5	N45°12'52"W	28.37'
L6	N44°47'08"E	28.20'
L7	N45°02'51"W	28.28'
L8	N44°57'09"E	28.28'
L9	S45°02'51"E	28.28'
L10	N69°17'02"E	13.85'
L11	N66°32'59"W	12.05'
L12	N84°00'54"E	29.32'
L13	N69°19'51"E	29.69'
L14	S71°23'51"W	27.21'
L15	N04°35'45"E	31.17'
L16	N37°17'51"E	19.48'
L17	N45°12'31"W	28.37'
L18	N44°47'29"E	28.20'
L19	N45°12'31"W	28.20'
L20	N44°47'29"E	28.20'
L21	N51°45'24"E	25.99'
L22	S45°02'10"E	28.28'

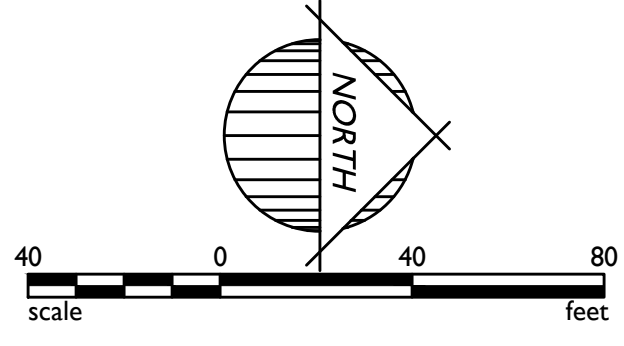


MATCH LINE SEE SHEET 3



LEGEND

- FOUND SECTION CORNER AS NOTED
 - FOUND MONUMENT AS NOTED
 - SET REBAR W/CAP RLS 53160
 - SET MONUMENT PER MAG STANDARDS DETAIL 120, TYPE "B" AT TIME OF CONSTRUCTION
- R/W RIGHT OF WAY
PUE PUBLIC UTILITY EASEMENT
WAE VEHICLE NON-ACCESS EASEMENT
SVT SIGHT VISIBILITY TRIANGLE
M.C.R. MARICOPA COUNTY RECORDS
MCDOT MARICOPA COUNTY DEPARTMENT OF TRANSPORTATION
RLS REGISTERED LAND SURVEYOR
LS LAND SURVEYOR



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EPS
GROUP

Project:
Revisions:

Drawn by: AG
Reviewed by: RM

53160
RAYMOND S.
MUNOZ III
REGISTERED LAND SURVEYOR
ARIZONA, U.S.A.
Expires 3/31/2021

Job No.
16-226
FP01
Sheet No.
4
of 4

Rancho Del Rey
SURPRISE, ARIZONA
Final Plat

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CITY OF SURPRISE GENERAL NOTES

- CONTRACTOR TO OBTAIN PERMITS FROM LOCAL AGENCIES AND UTILITY COMPANIES HAVING JURISDICTION OVER THE SITE.
- CONTRACTOR SHALL PROVIDE ALL LABOR, MATERIALS, AND EQUIPMENT NECESSARY TO INSTALL THE WORK INDICATED ON THE LANDSCAPE DOCUMENTS. HE SHALL BE RESPONSIBLE FOR CAREFUL SITE INSPECTION, DETAILED REVIEW OF PLANS AND COORDINATION WITH OTHER CONTRACTORS ON-SITE PRIOR TO ANY INSTALLATION. ANY DISCREPANCIES SHALL IMMEDIATELY BE BROUGHT TO THE ATTENTION OF THE ONWNER'S AGENT.
- ALL QUANTITIES PROVIDED ARE FOR BIDDING PURPOSES ONLY. LANDSCAPE CONTRACTOR SHALL VERIFY ALL QUANTITIES PRIOR TO CONSTRUCTION.
- THE CONTRACTOR SHALL BE RESPONSIBLE FOR ALL FINISH GRADES IN LANDSCAPE AREAS. HE SHALL DETERMINE, WITH THE GENERAL CONTRACTOR, THE EXTENT OF ROUGH GRADING AND/OR FINE GRADING TO BE ESTABLISHED BY OTHERS.
- ALL GRADING AND DRAINAGE SHALL BE IN ACCORDANCE WITH THE PLANS PREPARED BY THE PROJECT CIVIL ENGINEER OR AS DIRECTED BY THE OWNER'S AGENT. PROVIDE POSITIVE DRAINAGE AWAY FROM ANY BUILDINGS IN ALL CONDITIONS. CONTRACTOR TO MEET ALL EXISTING GRADES AT PROJECT BOUNDARIES. FINISH GRADE OF LANDSCAPE AREAS SHALL BE 3" BELOW THE TOP OF ADJACENT WALKS AND CURBS PRIOR TO RECEIVING DECOMPOSED GRANITE OF GRASS SEED/SOD.
- ALL SIGNS AND SIGNAGE REQUIRE A CITY OF SURPRISE SEPARATE PERMIT.
- SIGHT DISTANCE REQUIREMENTS ON ARTERIALS AND COLLECTORS WILL ADHERE TO SURPRISE DETAIL 4-01 AND 4-02. SIGHT VISIBILITY WITHIN THE UNOBSTRUCTED VIEW EASEMENT AREA AND IN FRONT OF STOP SIGNS MUST MEET OR EXCEED REQUIREMENTS IN SUPRISE DETAILS 4-01 AND 4-02.

LANDSCAPE NOTES

- PROVIDE LANDSCAPE ARCHITECT A SAMPLE OF DECOMPOSED GRANITE FOR APPROVAL PRIOR TO DELIVERY TO THE SITE.
- PREPARED BACKFILL FOR PLANTING PITS SHALL BE 4 PARTS NATIVE SOIL TO 1 PART NITROGEN STABILIZED MULCH. MIX MULCH AND SOIL BACKFILL THOROUGHLY TO CREATE BACKFILL PRIOR TO PLACING IN PIT.
- TOPSOIL TO CONFORM TO THE REQUIREMENTS OF MAG SPECIFICATION, SECTION 795. PROVIDE A WRITTEN DESCRIPTION OF CERTIFICATION OF ORIGINAL ORIGIN OF TOPSOIL TO LANDSCAPE ARCHITECT PRIOR TO DELIVERY TO THE SITE.
- PLANT TABLETS TO BE AGRIFORM 21 GRAM, 20-10-5 FERTILIZER TABLETS.
- CONTRACTORS RESPONSIBILITY TO FIELD ESTIMATED DECOMPOSED GRANITE QUANTITIES. INDICATE THE UNIT PRICE ONLY AT THE TIME OF BIDDING.
- ALL PLANTS MUST BE INSPECTED AND APPROVED BY LANDSCAPE ARCHITECT PRIOR TO PLANTING.
- PLANT QUANTITIES ON THE PLANT LIST ARE PROVIDED AS A CONVENIENCE TO THE CONTRACTOR, PLANS TAKE PRECEDENCE.
- LANDSCAPE CONTRACTOR SHALL DETERMINE THE LOCATION OF ALL UNDERGROUND UTILITIES FOR PROTECTION PRIOR TO CONSTRUCTION. CONTACT BLUE STAKE AT 602-263-1100 OR 1-800-782-5348.
- PRIOR TO BIDDING, THE LANDSCAPE SUPERINTENDENT AND WALK THE SITE TO DETERMINE THE FULL EXTENT OF DEMOLITION WORK REQUIRED.
- THE LANDSCAPE CONTRACTOR SHALL WARRANTY THE WORK FOR A PERIOD OF ONE YEAR.
- CLARIFICATION OF DISCREPANCIES BETWEEN THE CONSTRUCTION DOCUMENTS AND THE SITE SHOULD BE BROUGHT TO THE ATTENTION OF THE LANDSCAPE ARCHITECT.
- BEFORE WORK BEGINS ON THE PROJECT, THE LANDSCAPE CONTRACTOR SHALL REVIEW THE PROJECT WITH THE ARCHITECT AND/OR OWNERS REPRESENTATIVE.
- THE LANDSCAPE ARCHITECT, OWNER'S REPRESENTATIVE, AND THE CITY OF SURPRISE IS TO APPROVE ANY AND ALL SUBSTITUTIONS.
- THE LANDSCAPE ARCHITECT AND /OR OWNER'S REPRESENTATIVE RESERVES THE RIGHT TO REFUSE ANY PLANT MATERIAL DEEMED UNACCEPTABLE. ALL PLANT MATERIAL SHALL BE INSPECTED PRIOR TO INSTALLATION.
- UNLESS OTHERWISE NOTED ON PLANS, DECOMPOSED GRANITE SHALL EXTEND UNDER SHRUBS AND RAKED UNIFORMLY ALONG WALLS, SIDEWALKS, AND CURBS.
- SEE ENGINEERING OR ARCHITECTURAL DRAWINGS FOR DRAINAGE FLOWS. THE LANDSCAPE CONTRACTOR SHALL BE RESPONSIBLE THAT THESE ARE PROVIDED AND ARE NOT IMPAIRED WITH OBSTRUCTIONS.
- DOUBLE STAKE ALL TREES OUTSIDE ROOTBALL.
- LANDSCAPE CONTRACTOR TO PROVIDE BARRICADES ALONG PUBLIC STREETS IF REQUIRED DURING INSTALLATION.
- LANDSCAPE CONTRACTOR SHALL INSPECT WITH OWNER'S REPRESENTATIVE ALL SIDEWALK AND CURB DEFECTS PRIOR TO BEGINNING WORK. ALL HARDSCAPE TO BE REINSPECTED DURING FINAL WALK THRU. ANY DAMAGED AREAS TO BE REPAIRED AT CONTRACTOR'S EXPENSES.
- PLANTS TOBE LOCATED AWAY FROM OBSTACLES SUCH AS FIRE HYDRANTS, TRANSFORMERS, POWER POLES, AND LIGHT FIXTURES AS NECESSARY.
- LANDSCAPE CONTRACTOR TO CONTACT ARCHITECT AND/OR OWNER'S REPRESENTATIVE BEFORE EACH APPLICATION OFFRE-EMERGENT FOR VERIFICATION. MINIMUM 2 APPLICATIONS REQUIRED.
- LANDSCAPE PLANS MUST CONFORM TO CIVIL DRAWINGS.

NOTES:

OWNER HEREBY GRANTS TO THE CITY OF SURPRISE, A PUBLIC RECREATION/TRAIL EASEMENT FOR PEDESTRIAN ACCESS, EQUINE ACCESS, BICYCLING, AND OTHER NON-MOTORIZED FORMS OF ACCESS OVER AND ACROSS OWNER'S PROPERTY, INCLUDING THE RIGHT OF INGRESS AND EGRESS ALONG AND ACROSS THE EASEMENT PREMISES, AS SHOWN ON THIS PLAT.

OWNER HEREBY GRANTS TO THE PUBLIC AN EASEMENT FOR RECREATION OVER, UPON, AND ACROSS THOSE AREAS DESIGNATED AS RECREATION TRAILS OR AREAS FOR THE PURPOSE OF ALLOWING THE PUBLIC ACCESS TO THE TRAIL SYSTEM.

LANDSCAPING MAINTENANCE OF THE MEDIANS WITHIN THE PUBLIC RIGHT-OF-WAY WITHIN ANY ARTERIAL OR PARKWAY STREET CLASSIFICATION SHALL BE RESPONSIBILITY OF THE CITY OF SURPRISE AFTER ACCEPTANCE.

OWNER HEREBY GRANTS TO THE CITY OF SURPRISE A PERPETUAL CROSS ACCESS EASEMENT ACROSS THE PLAT INCLUDING ROADS AND STREETS, OPEN SPACES, COMMUNITY FACILITIES, TRACTS, SIDEWALK S, DRAINAGE, BASINS AND ANY PROPERTY WITHIN THE PLAT OWNED BY THE HOMEOWNERS ASSOCIATION FOR THE PURPOSE OF PROVIDING CONTINUOUS AND UNINTERRUPTED INGRESS AND EGRESS FOR EMERGENCY VEHICLES.

CIVIL ENGINEER

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MESA, AZ 85201
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dan.auxier@espgroup.com

LANDSCAPE ARCHITECT

MCGOUGH ADAMSON
535 E. MCKELLIPS RD., SUITE 131
MESA, AZ 85203
(602) 997-9093
CONTACT: NICK ADAMSON, RLA
nicka@mg-az.com

RECEIVED
05/07/2020

IRRIGATION NOTES

- ALL IRRIGATION TO UTILIZE AN AUTOMATIC CLOCK AS SPECIFIED. LOCATE POWER SOURCE IN THE FIELD.
- USE COMMON TRENCHES WHERE POSSIBLE
- USE PEN-TITES AND SEALER FOR ALL LOW VOLTAGE WIRING WITH ELECTRICAL VALVES
- ALL MAINLINE TO BE BURIED A MINIMUM OF 18" BELOW FINISH GRADE. ALL LATERALS TO BE BURIED A MINIMUM OF 12" BELOW FINISH GRADE.
- INSTALL ELECTRIC VALVES IN PLASTIC VALVE BOXES FLUSH WITH GRADE. VALVE BOX LOCATION TO BE APPROVED BY LANDSCAPE ARCHITECT.
- VACUUM BREAKER TO BE ASSEMBLE WITH ALL HARD COPPER PIPE AND FITTINGS. A UNION SHALL BE INSTALLED ON BOTH INLET AND OUTLET SIDES OF PIPE ABOVE GRADE.
- MAINTAIN IRRIGATION AS-BUILTS AND TURN OVER TO OWNER PRIOR TO INSTALLATION ACCEPTANCE. AS-BUILT PLANS TO BE AVAILABLE FOR REVIEW AT THE TIME OF FINAL WALK THRU.
- ALL IRRIGATION EQUIPMENT TO BE LOCATED IN LANDSCAPE AREAS. ALL LINES AND EQUIPMENT LOCATIONS ARE SCHEMATIC.
- IRRIGATION AND ELECTRICAL SLEEVES TO BE SCH. 40 PVC. ALL SLEEVES TO EXTEND AT LEAST 1" BEYOND CONCRETE STRUCTURES, ALLOW 4-6" FROM END OF SLEEVES TO FIRST FITTING ON IRRIGATION LINE. ALL SLEEVES TO BE 24" BELOW GRADE AND/OR AS PER OWNER'S SPECIFICATIONS.
- LANDSCAPE CONTRACTOR RESPONSIBLE FOR ALL REQUIRED IRRIGATION SLEEVING. COORDINATE INSTALLATION WITH GENERAL CONTRACTOR. VERIFY ANY EXISTING SLEEVES INSTALLED BY OTHER CONTRACTORS.
- LOCATE EMITTERS ON UPHILL SIDE OF PLANTS ON SLOPED PLANTING AREA OR PER APPROVAL BY ARCHITECT OR OWNER'S REPRESENTATIVE.
- ALL PEA GRAVEL IN VALVE BOXES TO BE CLEANED FROM TOP OF VALVE SO THAT VALVE IS COMPLETELY VISIBLE, LIP OF VALVE BOX SHALL ALSO BE FREE OF DEBRIS.
- ALL MATERIAL USED SHALL BE INSTALLED AS PER PLAN AND AS PER MANUFACTURERS SPECIFICATIONS. ANY DEVIATIONS FROM DRAWINGS OR MATERIAL USED SHALL BE APPROVED BY OWNER'S REPRESENTATIVE AND/OR ARCHITECT.
- LOCATE PRESSURE REGULATOR AND 'Y' STRAINER IN A VALVE BOX AS REQUIRED. REMOTE CONTROL VALVES TO BE LOCATED IN A SEPARATE, ADJACENT VALVE BOX OR A JUMBO VALVE BOX MAY BE USED IN LIEU OF TWO SEPARATE BOXES. ALL BOXES TO BE LOCATED IN PLANTING AREAS AND INSTALLED FLUSH W/GRADE.
- ALL DRIP SYSTEMS TO BE FLUSHED THROUGH FLUSH CAPS. FLUSH CAPS TO BE LOCATED IN 10" ROUND ECONOMY BOXES. (SEE NOTE #11)
- ALL PLANTS REQUIRING MORE THAN ONE DRIP EMITTER SHALL HAVE EMITTERS DISTRIBUTED EVENLY AROUND THE EDGE OF THE ROOTBALL.
- PRIOR TO OWNERS APPROVAL, AN IRRIGATION "TUNE-UP" MUST BE PERFORMED AS FOLLOWS:
 - ALL IRRIGATION EQUIPMENT (INCLUDING ALL PIPELINES AND SLEEVES) TO BE DOCUMENTED FROM TWO STATIONARY POINTS.
 - ALL DRIP SYSTEMS TO BE FLUSHED BEGINNING WITH THE 'Y' STRAINER, AND WORKING AWAY FROM PRESSURE REGULATOR.
 - IRRIGATION VALVES TO BE LABELED ON A SHEET OF PAPER WITH STATIONS CORRESPONDING TO MARKED LABELS ON TOP OF VALVE BOXES. THIS SHEET TO BE PLACED IN A PLASTIC POUCH AND ATTACHED TO THE INSIDE OF THE CONTROLLER.
 - ALL IRRIGATION SPRAY HEADS ARE TO BE FLUSHED OF DEBRIS AND FLOW CONTROLS ADJUSTED IN ORDER TO ACHIEVE 100% COVERAGE. AVOID SPRAY INTO ALL STREETS, CURBS, SIDEWALKS OR ANY OTHER HARDSCAPE AREA OR STRUCTURE.
 - ALL IRRIGATION HEADS TO BE ADJUSTED TO PROPER HEIGHT.
- CONTRACTOR IS RESPONSIBLE FOR SUPPLYING MATERIALS AND LABOR TO PROVIDE SPECIFIED ELECTRICAL SERVICE TO ALL CONTROLLER LOCATIONS. ALL ELECTRICAL WORK TO BE PER MANUFACTURER'S SPECIFICATIONS AND PER LOCAL CODE.
- IRRIGATION PLAN IS SCHEMATIC. ACTUAL BACKFLOW PREVENTOR LOCATION TO BE SCREENED FROM VIEW BY PLANT MATERIAL. REFER TO PLANTING PLAN FOR SCREENING.
- CONTROLLER WIRE SHALL BE A DIFFERENT COLOR FOR TREE LINES AND DRIP LINES. AT LEAST ONE EXTRA CONTROL WIRE TO BE RUN TO THE FARTHEST VALVE LOCATION OF THE SYSTEM.
- ALL IRRIGATION LINES ARE SCHEMATIC. THE CONTRACTOR IS RESPONSIBLE FOR RUNNING IRRIGATION LINES TO ALL TREES, SHRUBS, AND GROUND COVER ON THE PROJECT. ALL IRRIGATION EQUIPMENT SHALL BE LOCATED IN LANDSCAPE AREAS AND WITHIN THE LIMITS OF WORK.
- IRRIGATION LINES SHALL RUN PARALLEL TO THE HIGH SIDE OF SLOPES WHEREVER POSSIBLE.
- TREES ARE TO BE VALVED SEPARATELY FROM SHRUBS AND GROUND COVER.
- CONTRACTOR IS RESPONSIBLE FOR SUPPLYING AND INSTALLING ALL SLEEVING NECESSARY TO RUN IRRIGATION LINES AND CONTROL WIRE UNDER ANY REQUIRED HARDSCAPE AREAS, WALLS, ETC.
- CONTRACTOR SHALL ADJUST ALL SPRAY HEADS AS NECESSARY TO AVOID OVER SPRAY ONTO ALL WALKS, CURBS, OR ANY OTHER HARDSCAPE AREAS AND TO ACHIEVE 100% COVERAGE.
- CONTRACTOR TO PROVIDE EMITTERS TO ALL TREES IN TURF AREAS. EMITTERS TO TREES IN TURF AREAS SHALL BE BURIED IN PLASTIC BOXES. TOP OF BOXES TO BE FLUSH WITH GRADE.
- EXISTING CITY OF SURPRISE IRRIGATION SHALL BE MODIFIED IN RIGHT OF WAY AND CONNECTED TO THE NEW SYSTEM. MAINTAIN ANY THROUGH IRRIGATION REQUIREMENTS CONTRACTOR TO CAP OFF OR ABANDON EXISTING IRRIGATION TO PLANT MATERIAL AND PROVIDE NEW IRRIGATION FRO PROJECT TO EXISTING RIGHT OF WAY LANDSCAPING.

LANDSCAPE WATER DEMAND :

-PEAK DAILY DEMAND : 13,202 GALLONS

-YEARLY DEMAND: 2,083,817 GALLONS

SITE DATA

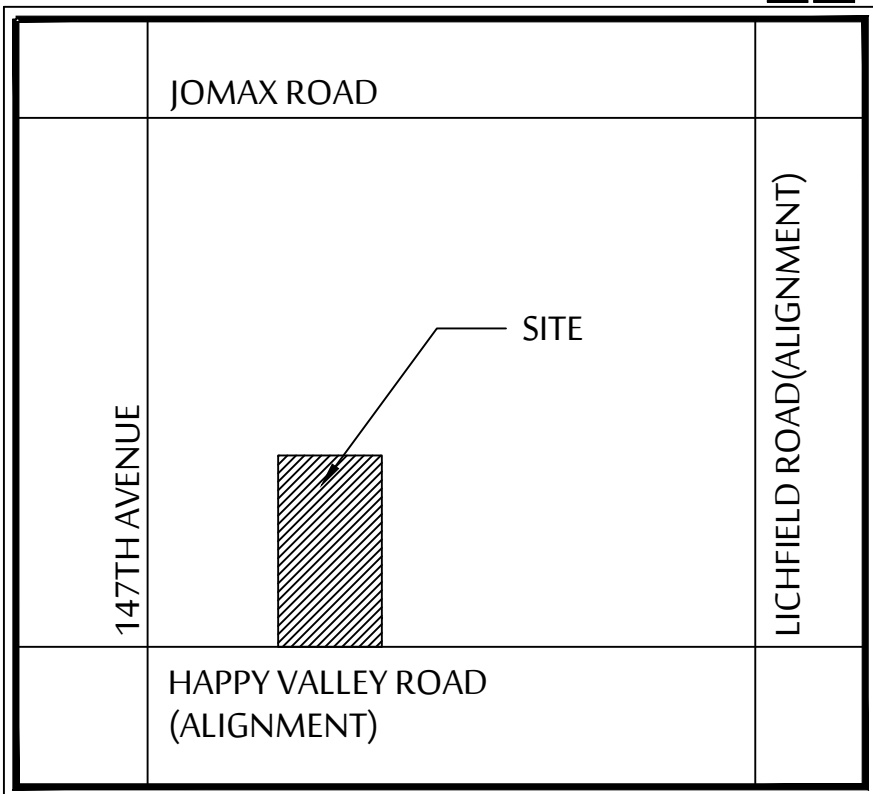
GROSS SITE AREA: 1,086,822 - 24.95 ACRES
NET SITE AREA: 1,041,519 - 23.91 ACRES
LANDSCAPE PERCENTAGE: 193,997 / 1,041,519 = 18%
TURF PERCENTAGE: 25,351 / 1,041,519 - 2%

SHEET INDEX

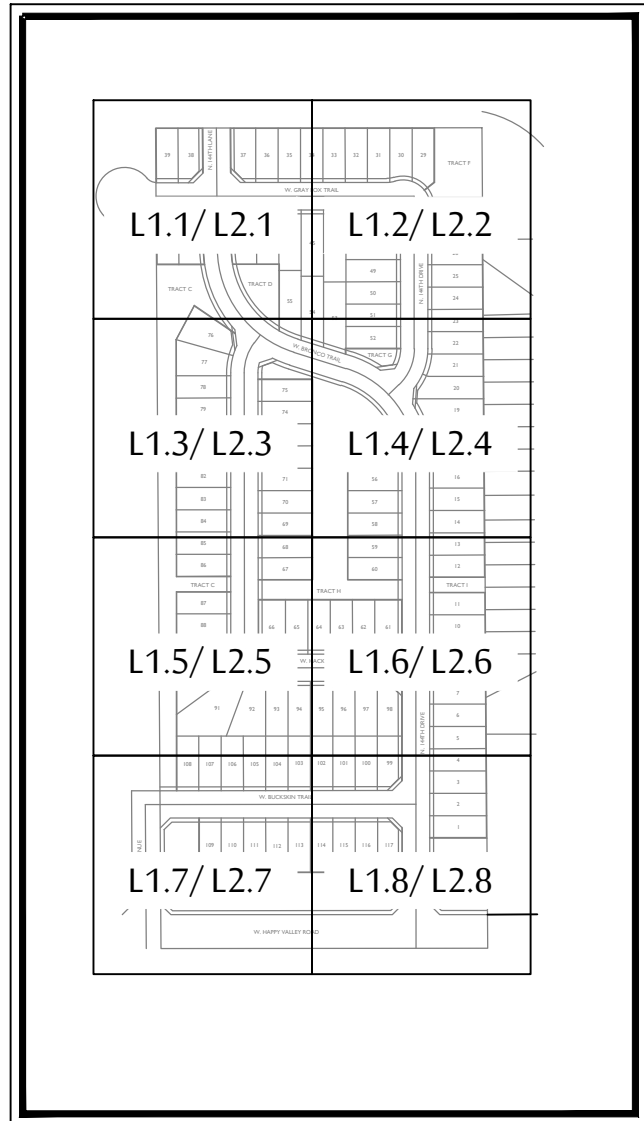
L0.1 COVER SHEET
L1.1-1.8 PLANTING PLAN
L2.1-2.8 IRRIGATION PLAN
L3.1 WALL PLAN
L4.1 AMENITIES SCHEDULE
L5.1-15.3 DETAILS

SYMBOL	BOTANICAL NAME - COMMON NAME	QTY.	SIZE	COMMENTS
TREES				
	QUERCUS VIRGINIANA 'HERITAGE' / 'HERITAGE' LIVE OAK	80	24" BOX	STANDARD
	CHITALPA X TASHKENTENSIS / CHITALPA TREE	16	24" BOX	STANDARD
	PARKINSONIA HYBRID / THORNLESS PALO VERDE	28	24" BOX	STANDARD
	PISTACIA LENTISCUS / MASTIC TREE	39	24" BOX	STANDARD
	PROSOPIS HYBRID 'RIO SALADO' 'RIO SALADO' MESQUITE	72	24" BOX	STANDARD
	CHILOPSIS LINEARIS / DESERT WILLOW	40	24" BOX	STANDARD
	SALVAGE/REMAIN IN PLACE TREES SEE INVENTORY PLANS	4		
SHRUBS				
	CAESALPINIA PULCHERRIMA / RED BIRD OF PARADISE	97	5 GAL	CAN FULL
	CALLIANDRA CALIFORNICA / BAJA FAIRY DUSTER	75	5 GAL	CAN FULL
	DURANTA REPENS / BRAZILIAN SKY FLOWER	93	5 GAL	CAN FULL
	LEUCOPHYLLUM sp. 'HEAVENLY CLOUD' / 'HEAVENLY CLOUD' SAGE	176	5 GAL	CAN FULL
	LEUCOPHYLLUM CANDIDUM / VIOLET SILVERLEAF SAGE	116	5 GAL	CAN FULL
	RUELLIA PENINSULARIS / BAJA RUELLIA	73	5 GAL	CAN FULL
	TECOMA sp. 'BELLS OF FIRE' / BELLS OF FIRE	82	5 GAL	CAN FULL
	TECOMA sp. 'LYDIA' / 'LYDIA' YELLOW BELLS	79	5 GAL	CAN FULL
	TECOMARIA CAPENSIS / CAPE HONEYSUCKLE	106	5 GAL	CAN FULL
	EREMOPHILA HYGROPHANA / 'BLUE BELLS' EMU	141	5 GAL	CAN FULL
ACCENTS				
	YUCCA RIGIDA / BLUE YUCCA	10	24" BOX	UNIFORM
	AGAVE PARRYI TRUNCATA / ARTICHOKE AGAVE	77	5 GAL	CAN FULL
	AGAVE WEBERI / WEBER'S AGAVE	24	5 GAL	CAN FULL
	HESPERALOE FUNIFERA / GIANT HESPERALOE	117	5 GAL	CAN FULL
	HESPERALOE PARVIFOLIA / RED YUCCA	175	5 GAL	CAN FULL
	MUHLENBERGIA CAPILLARIS / PINK MUHLY GRASS	115	5 GAL	CAN FULL
	MUHLENBERGIA RIGENS / DEER GRASS	87	5 GAL	CAN FULL
GROUND COVER				
	LANTANA sp. 'NEW GOLD' / 'NEW GOLD' LANTANA	390	5 GAL	CAN FULL
	TEUCRIUM CHAMAEDRYS / GERMANDER	321	5 GAL	CAN FULL
	LANTANA MONTEVIDENSIS / PURPLE TRAILING LANTANA	298	5 GAL	CAN FULL
	DECOMPOSED GRANITE - 3/4" SCREENED 'MOUNTAIN VISTA BROWN', BY KILAUEA CRUSHERS	200,589 SQ.FT.		
	RIP-RAP - 2"-4" 'PALOMINO GOLD' - BY KILAUEA CRUSHERS	1,877 SQ. FT.		
	MID-IRON BERMUDA TURF	25,351 SQ.FT.		

VICINITY MAP



KEY MAP



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COVER PAGE

RANCHO DEL REY

NEC OF 147TH AVE AND HAPPY VALLEY ROAD
SURPRISE, ARIZONA

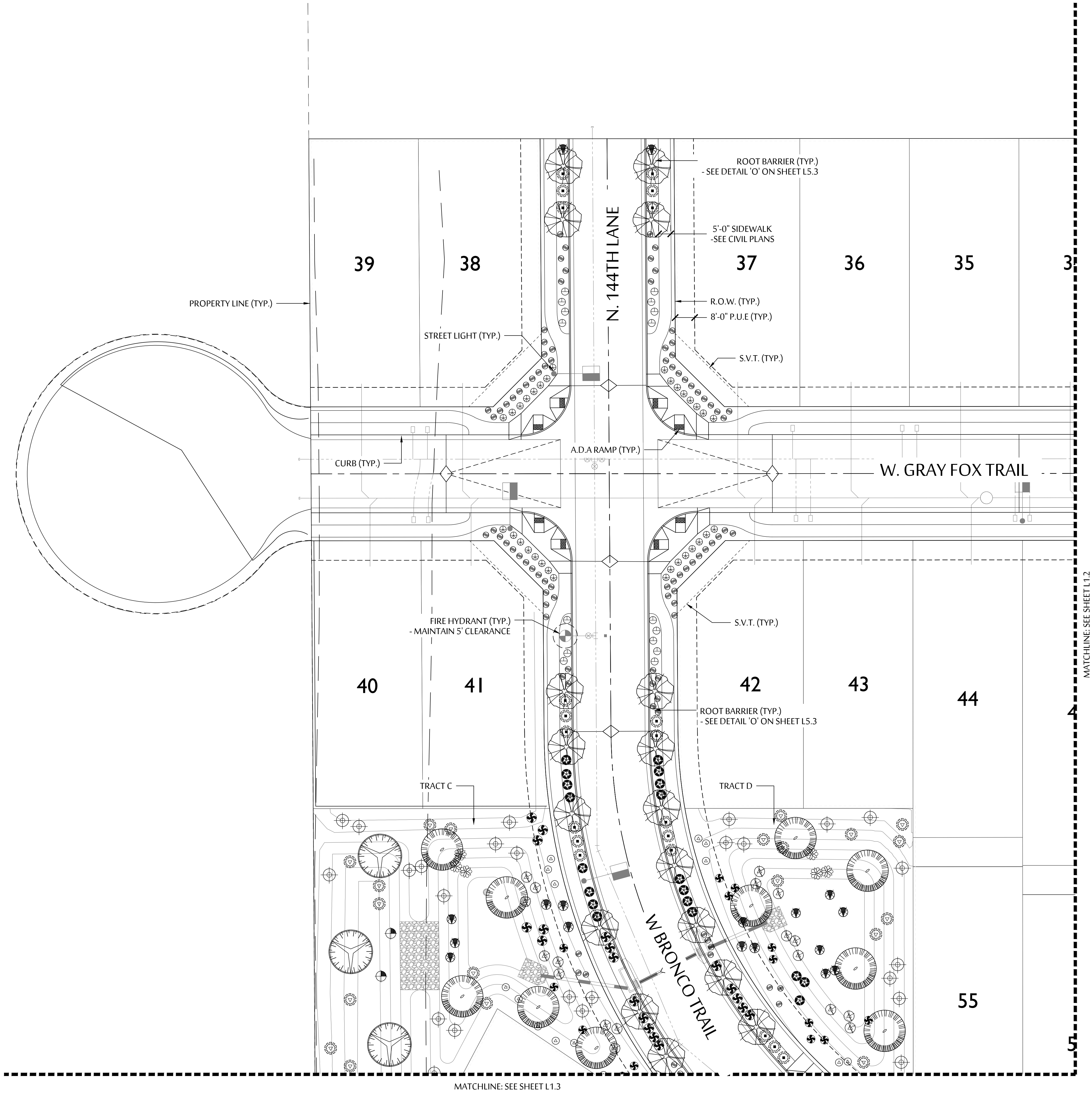
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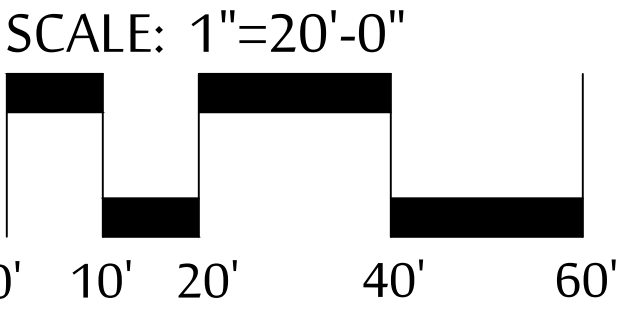
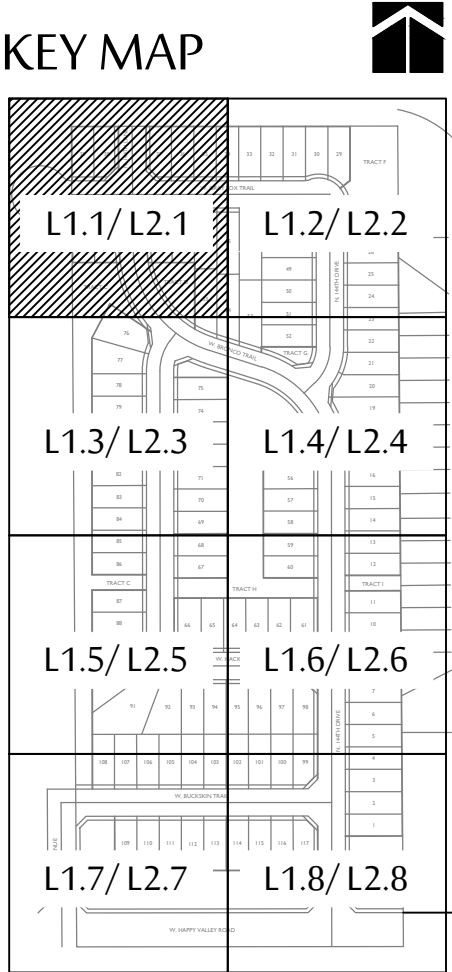
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SYMBOL	BOTANICAL NAME - COMMON NAME
TREES	
	QUERCUS VIRGINIANA 'HERITAGE' / 'HERITAGE' LIVE OAK
	CHITALPA X TASHKENTENSIS / CHITALPA TREE
	PARKINSONIA HYBRID / THORNLESS PALO VERDE
	PISTACIA LENTISCUS / MASTIC TREE
	PROSOPIS HYBRID 'RIO SALADO' 'RIO SALADO' MESQUITE
	CHILOPSIS LINEARIS / DESERT WILLOW
	SALVAGE/REMAIN IN PLACE TREES SEE INVENTORY PLANS
	#
SHRUBS	
	CAESALPINIA PULCHERRIMA/ RED BIRD OF PARADISE
	CALLIANDRA CALIFORNICA/ BAJA FAIRY DUSTER
	DURANTA REPENS/ BRAZILIAN SKY FLOWER
	LEUCOPHYLLUM sp. 'HEAVENLY CLOUD'/'HEAVENLY CLOUD' SAGE
	LEUCOPHYLLUM CANDIDUM/ VIOLET SILVERLEAF SAGE
	RUELLIA PENINSULARIS/ BAJA RUELLIA
	TECOMA sp. 'BELLS OF FIRE'/ BELLS OF FIRE
	TECOMA sp. 'LYDIA'/'LYDIA' YELLOW BELLS
	TECOMARIA CAPENSIS/ CAPE HONEYSUCKLE
	EREMOPHILA HYGROPHANA/ 'BLUE BELLS' EMU
ACCENTS	
	YUCCA RIGIDA / BLUE YUCCA
	AGAVE PARRYI TRUNCATA/ ARTICHOKE AGAVE
	AGAVE WEBERI/ WEBER'S AGAVE
	HESPERALOE FUNIFERA/ GIANT HESPERALOE
	HESPERALOE PARVIFOLIA/ RED YUCCA
	MUHLENBERGIA CAPILLARIS/ PINK MUHLY GRASS
	MUHLENBERGIA RIGENS/ DEER GRASS
GROUND COVER	
	LANTANA sp. 'NEW GOLD'/'NEW GOLD' LANTANA
	TEUCRIUM CHAMAEDRYS/ GERMANDER
	LANTANA MONTEVIDENSIS/ PURPLE TRAILING LANTANA
	DECOMPOSED GRANITE - 3/4" SCREENED 'MOUNTAIN VISTA BROWN', BY KILAUEA CRUSHERS
	RIP-RAP - 2" -4" "PALOMINO GOLD" - BY KILAUEA CRUSHERS
	MID-IRON BERMUDA TURF



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PLANTING PLAN

RANCHO DEL REY

NEC OF 147TH AVE AND HAPPY VALLEY ROAD
SURPRISE, ARIZONA

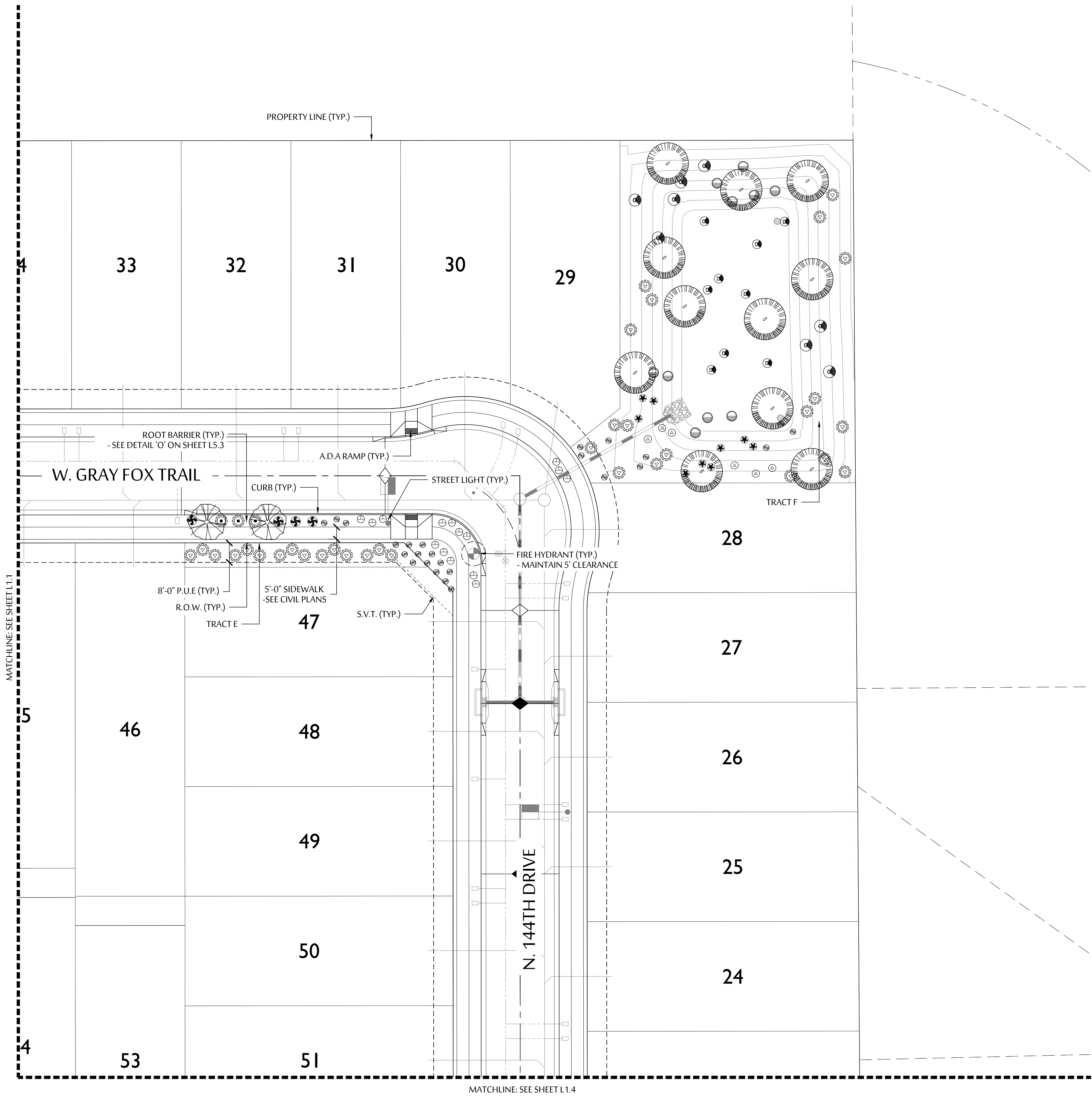
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SYMBOL	BOTANICAL NAME - COMMON NAME
TREES	
	QUERCUS VIRGINIANA 'HERITAGE' / 'HERITAGE' LIVE OAK
	CHITALPA X TASHKENTENSIS / CHITALPA TREE
	PARKINSONIA HYBRID / THORNLESS PALO VERDE
	PISTACIA LENTISCUS / MASTIC TREE
	PROSOPIS HYBRID 'RIO SALADO' 'RIO SALADO' MESQUITE
	CHILOPSIS LINEARIS / DESERT WILLOW
	SALVAGE/REMAIN IN PLACE TREES SEE INVENTORY PLANS
#	
SHRUBS	
	CAESALPINIA PULCHERRIMA / RED BIRD OF PARADISE
	CALLIANDRA CALIFORNICA / BAJA FAIRY DUSTER
	DURANTA REPENS / BRAZILIAN SKY FLOWER
	LEUCOPHYLLUM sp. 'HEAVENLY CLOUD' / 'HEAVENLY CLOUD' SAGE
	LEUCOPHYLLUM CANDIDUM / VIOLET SILVERLEAF SAGE
	RUELLIA PENINSULARIS / BAJA RUELLIA
	TECOMA sp. 'BELLS OF FIRE' / BELLS OF FIRE
	TECOMA sp. 'LYDIA' / 'LYDIA' YELLOW BELLS
	TECOMARIA CAPENSIS / CAPE HONEYSUCKLE
	EREMOPHILA HYGROPHANA / 'BLUE BELLS' EMU
ACCENTS	
	YUCCA RIGIDA / BLUE YUCCA
	AGAVE PARRYI TRUNCATA / ARTICHOKE AGAVE
	AGAVE WEBERI / WEBER'S AGAVE
	HESPERALOE FUNIFERA / GIANT HESPERALOE
	HESPERALOE PARVIFOLIA / RED YUCCA
	MUHLENBERGIA CAPILLARIS / PINK MUHLY GRASS
	MUHLENBERGIA RIGENS / DEER GRASS
GROUND COVER	
	LANTANA sp. 'NEW GOLD' / 'NEW GOLD' LANTANA
	TEUCRIUM CHAMAEDRYS / GERMANDER
	LANTANA MONTEVIDENSIS / PURPLE TRAILING LANTANA
	DECOMPOSED GRANITE - 3/4" SCREENED 'MOUNTAIN VISTA BROWN', BY KILAUEA CRUSHERS
	RIP-RAP - 2" -4" "PALOMINO GOLD" - BY KILAUEA CRUSHERS
	MID-IRON BERMUDA TURF

KEY MAP

SCALE: 1"=20'-0"

NORTH

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Expires: 6-30-2021

PLANTING PLAN

RANCHO DEL REY

NEC OF 147TH AVE AND HAPPY VALLEY ROAD
SURPRISE, ARIZONA

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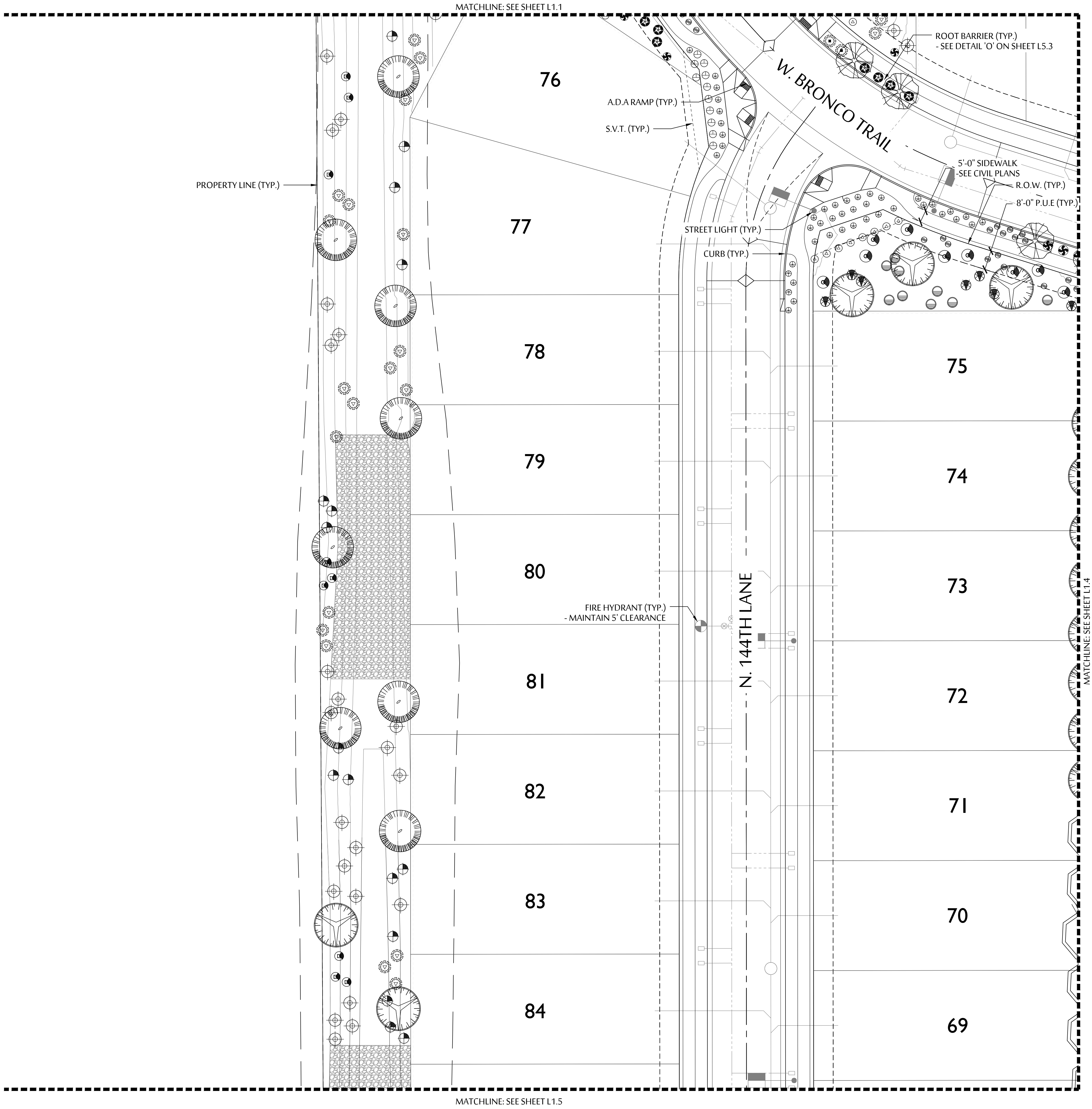
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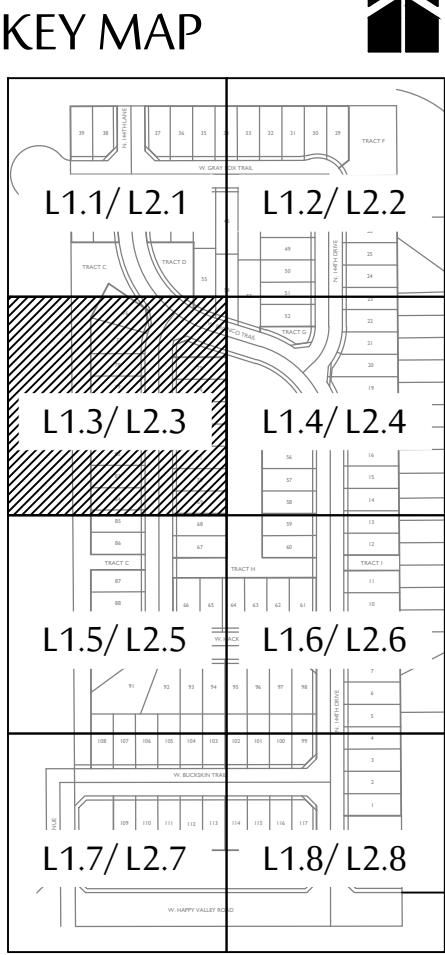
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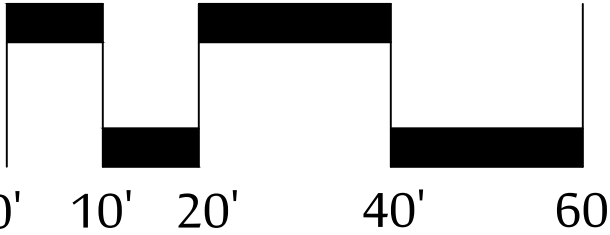
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SYMBOL	BOTANICAL NAME - COMMON NAME
TREES	
	QUERCUS VIRGINIANA 'HERITAGE' / 'HERITAGE' LIVE OAK
	CHITALPA X TASHKENTENSIS / CHITALPA TREE
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	RUELLIA PENINSULARIS/ BAJA RUELLIA
	TECOMA sp. 'BELLS OF FIRE' / BELLS OF FIRE
	TECOMA sp. 'LYDIA' / 'LYDIA' YELLOW BELLS
	TECOMARIA CAPENSIS/ CAPE HONEYSUCKLE
	EREMOPHILA HYGROPHANA/ 'BLUE BELLS' EMU
ACCENTS	
	YUCCA RIGIDA / BLUE YUCCA
	AGAVE PARRYI TRUNCATA/ ARTICHOKE AGAVE
	AGAVE WEBERI/ WEBER'S AGAVE
	HESPERALOE FUNIFERA/ GIANT HESPERALOE
	HESPERALOE PARVIFOLIA/ RED YUCCA
	MUHLENBERGIA CAPILLARIS/ PINK MUHLY GRASS
	MUHLENBERGIA RIGENS/ DEER GRASS
GROUND COVER	
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	MID-IRON BERMUDA TURF



SCALE: 1"=20'-0"



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NEC OF 147TH AVE AND HAPPY VALLEY ROAD
SURPRISE, ARIZONA

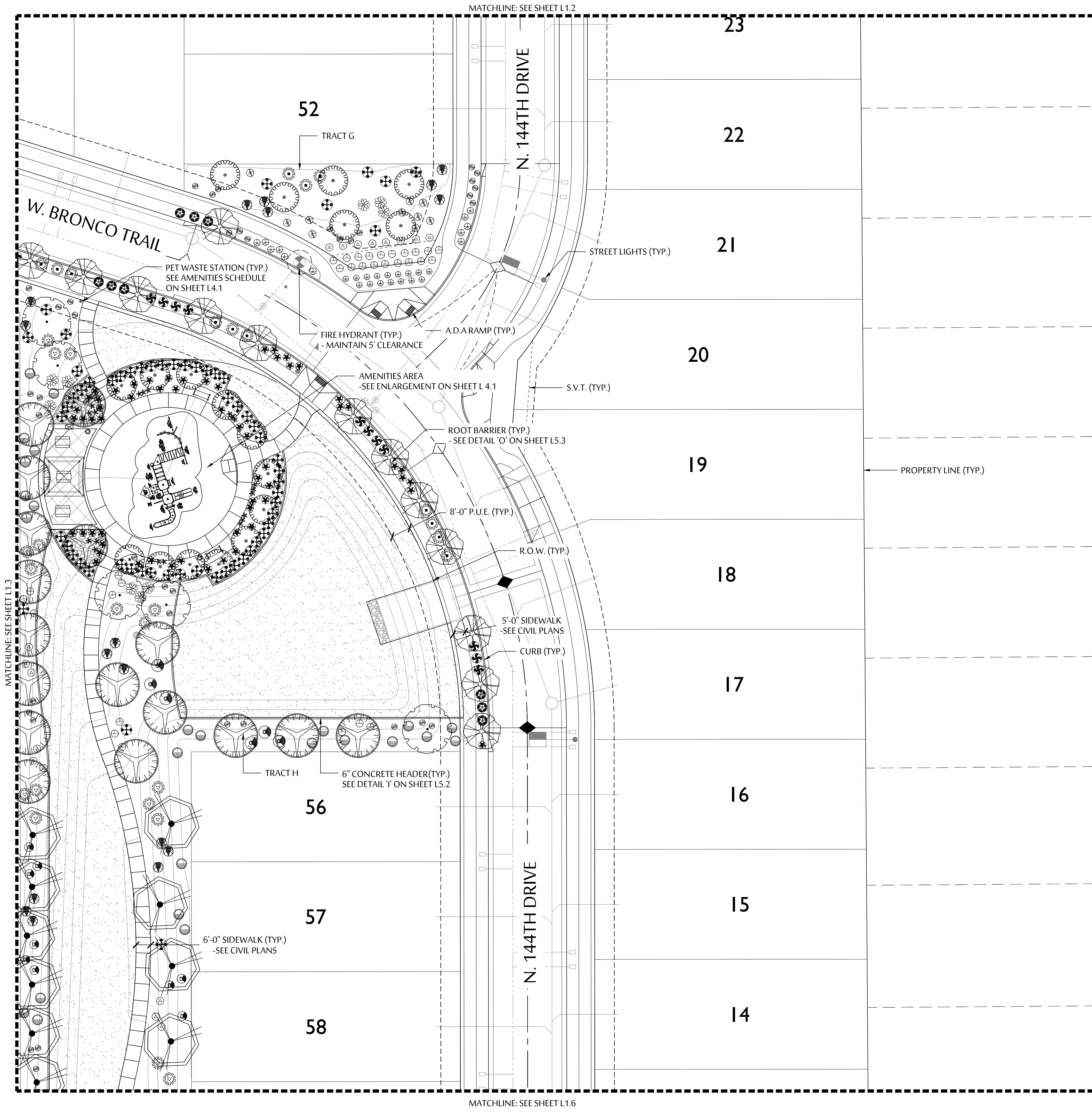
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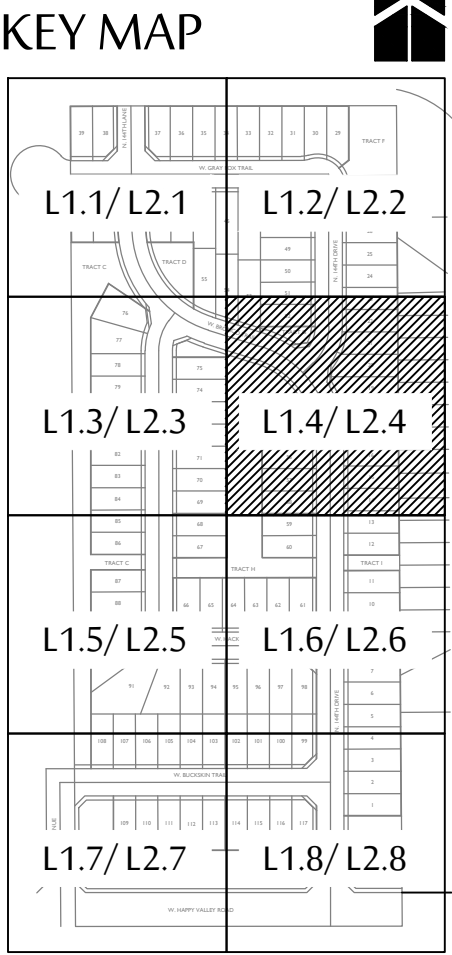
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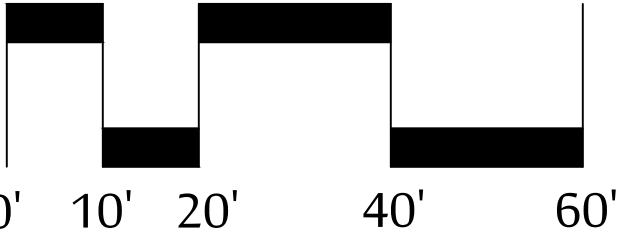
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SYMBOL	BOTANICAL NAME - COMMON NAME
TREES	
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	CHITALPA X TASHKENTENSIS / CHITALPA TREE
	PARKINSONIA HYBRID / THORNLESS PALO VERDE
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	SALVAGE/REMAIN IN PLACE TREES SEE INVENTORY PLANS
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	LEUCOPHYLLUM CANDIDUM / VIOLET SILVERLEAF SAGE
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	TECOMA sp. 'BELLS OF FIRE' / BELLS OF FIRE
	TECOMA sp. 'LYDIA' / 'LYDIA' YELLOW BELLS
	TECOMARIA CAPENSIS / CAPE HONEYSUCKLE
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	YUCCA RIGIDA / BLUE YUCCA
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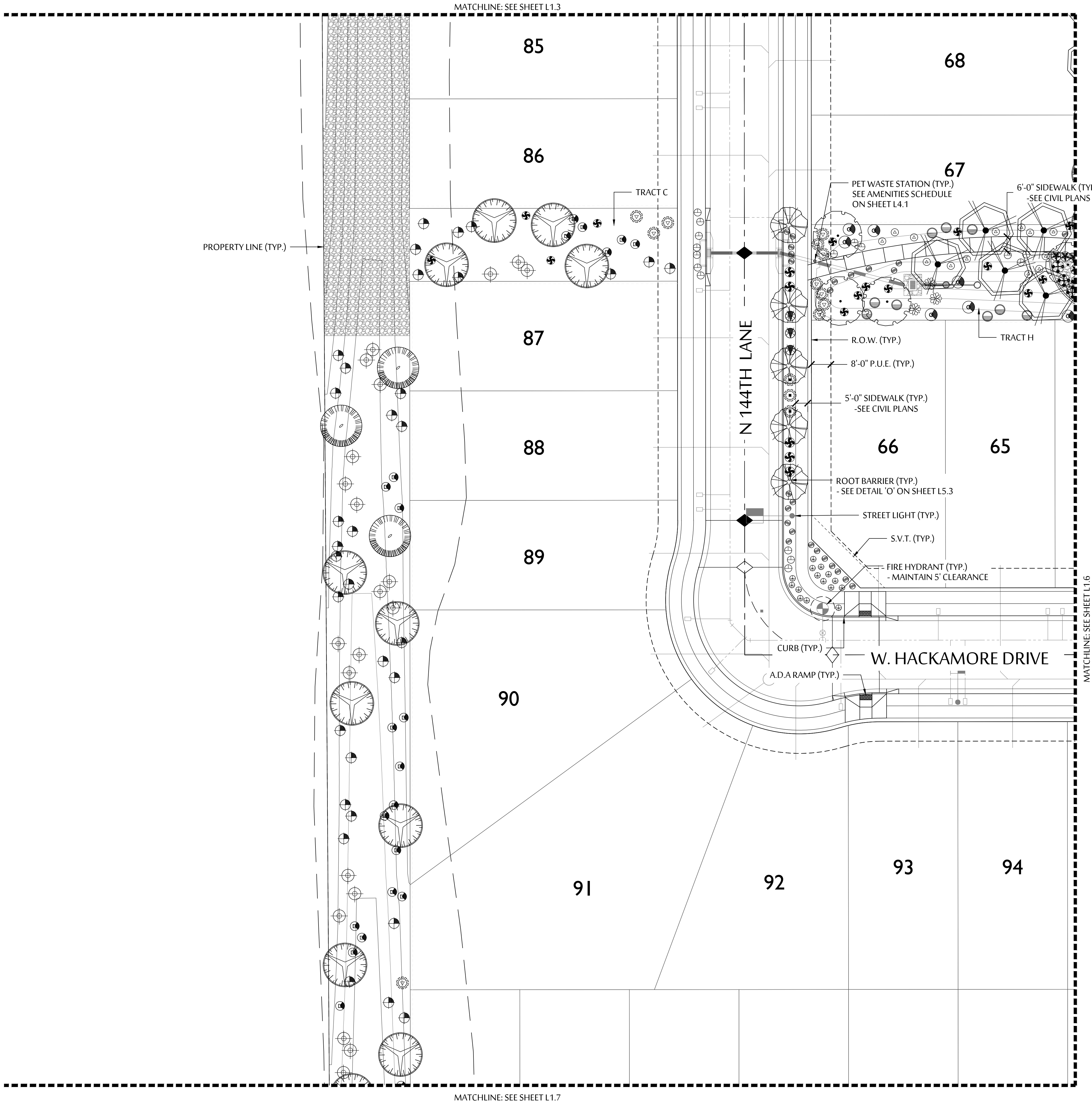
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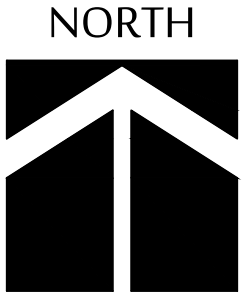
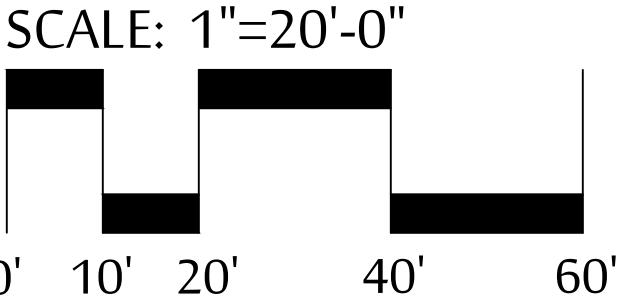
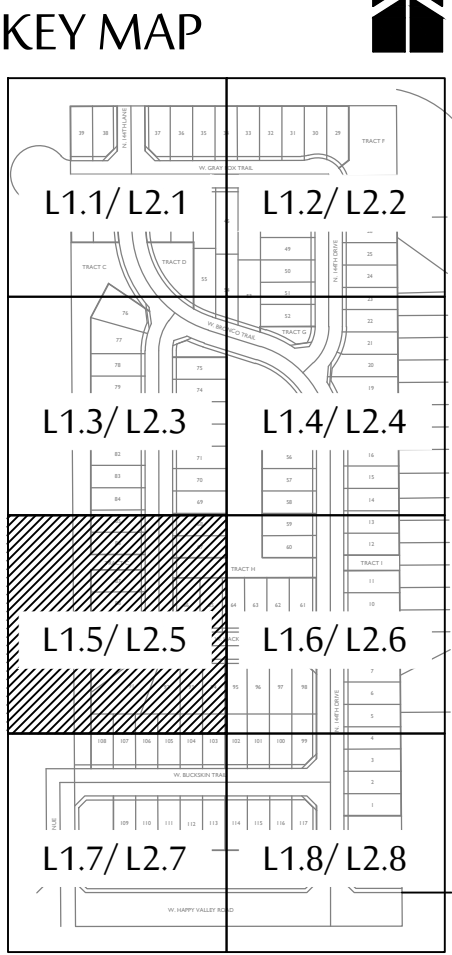
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SYMBOL	BOTANICAL NAME - COMMON NAME
TREES	
	QUERCUS VIRGINIANA 'HERITAGE' / 'HERITAGE' LIVE OAK
	CHITALPA X TASHKENTENSIS / CHITALPA TREE
	PARKINSONIA HYBRID / THORNLESS PALO VERDE
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	SALVAGE/REMAIN IN PLACE TREES SEE INVENTORY PLANS
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SHRUBS	
	CAESALPINIA PULCHERRIMA / RED BIRD OF PARADISE
	CALLIANDRA CALIFORNICA / BAJA FAIRY DUSTER
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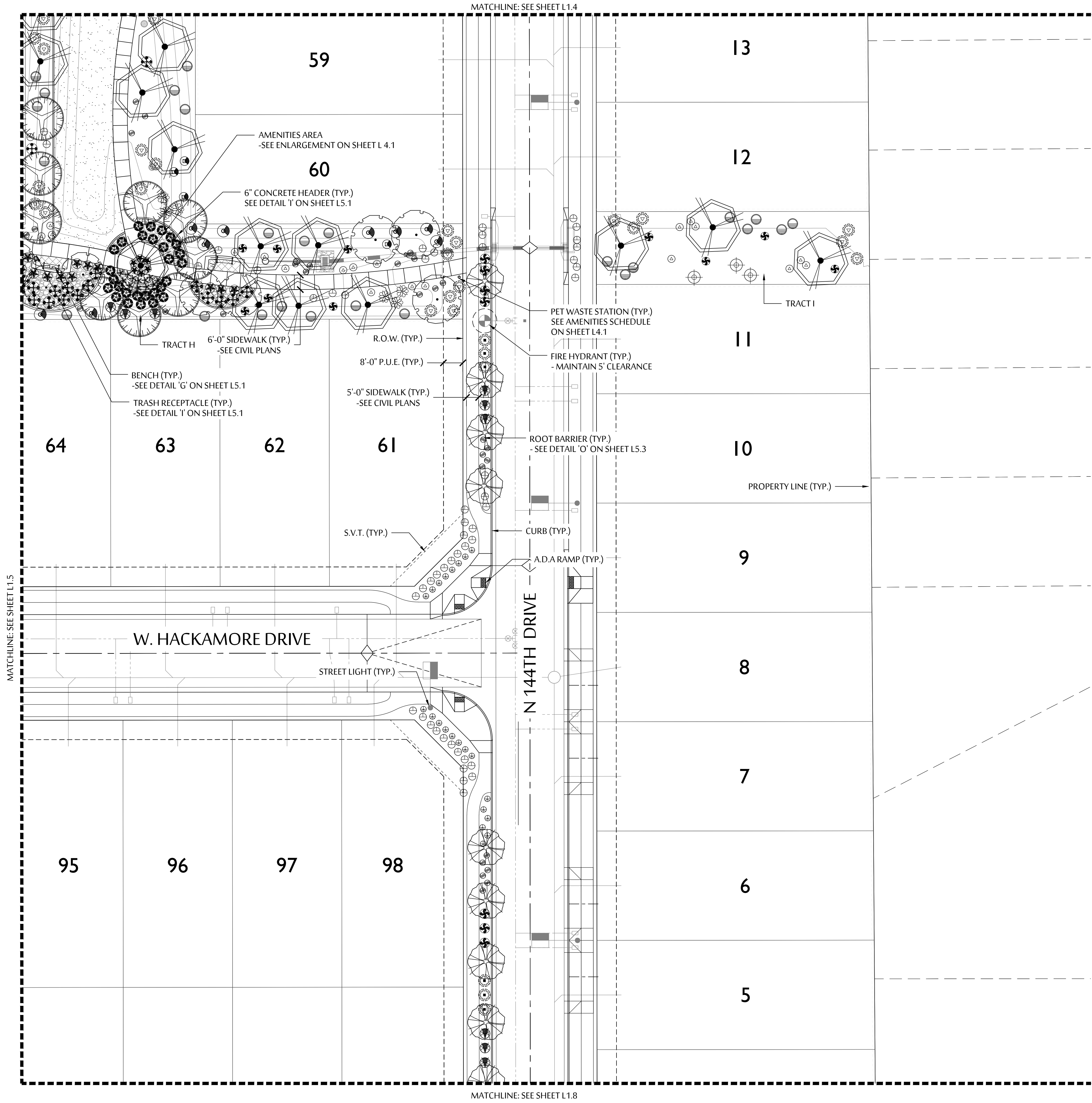
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DATE:	05-05-20
DRAWN BY:	JT, BD
CHECKED BY:	NA

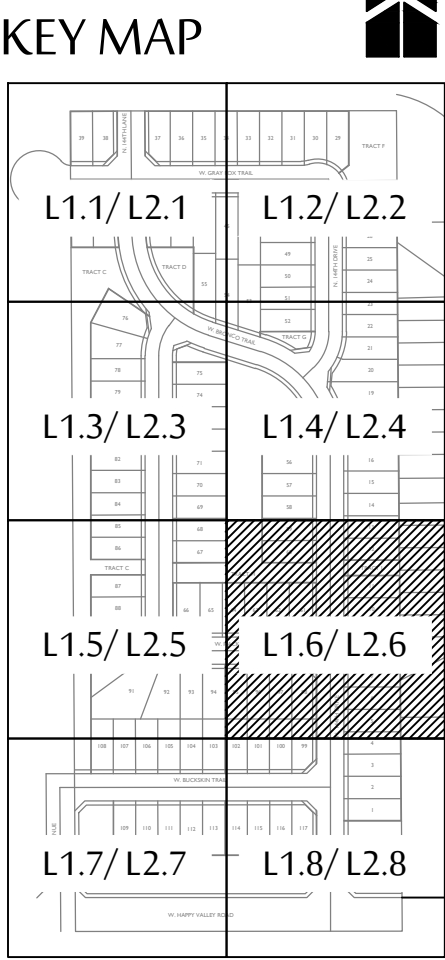
REVISIONS:	

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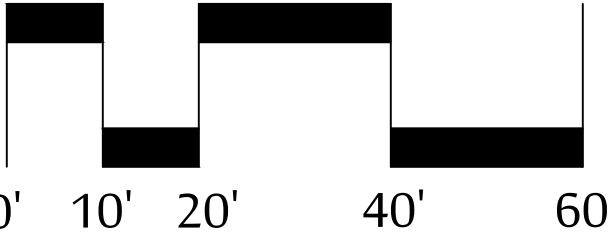
L 1.5



SYMBOL	BOTANICAL NAME - COMMON NAME
TREES	
	QUERCUS VIRGINIANA 'HERITAGE' / 'HERITAGE' LIVE OAK
	CHITALPA X TASHKENTENSIS / CHITALPA TREE
	PARKINSONIA HYBRID / THORNLESS PALO VERDE
	PISTACIA LENTISCUS / MASTIC TREE
	PROSOPIS HYBRID 'RIO SALADO' 'RIO SALADO' MESQUITE
	CHILOPSIS LINEARIS / DESERT WILLOW
	SALVAGE/REMAIN IN PLACE TREES SEE INVENTORY PLANS
#	
SHRUBS	
	CAESALPINIA PULCHERRIMA/ RED BIRD OF PARADISE
	CALLIANDRA CALIFORNICA/ BAJA FAIRY DUSTER
	DURANTA REPENS/ BRAZILIAN SKY FLOWER
	LEUCOPHYLLUM sp. 'HEAVENLY CLOUD' / 'HEAVENLY CLOUD' SAGE
	LEUCOPHYLLUM CANDIDUM/ VIOLET SILVERLEAF SAGE
	RUELLIA PENINSULARIS/ BAJA RUELLIA
	TECOMA sp. 'BELLS OF FIRE' / BELLS OF FIRE
	TECOMA sp. 'LYDIA' / 'LYDIA' YELLOW BELLS
	TECOMARIA CAPENSIS/ CAPE HONEYSUCKLE
	EREMOPHILA HYGROPHANA/ 'BLUE BELLS' EMU
ACCENTS	
	YUCCA RIGIDA / BLUE YUCCA
	AGAVE PARRYI TRUNCATA/ ARTICHOKE AGAVE
	AGAVE WEBERI/ WEBER'S AGAVE
	HESPERALOE FUNIFERA/ GIANT HESPERALOE
	HESPERALOE PARVIFOLIA/ RED YUCCA
	MUHLENBERGIA CAPILLARIS/ PINK MUHLY GRASS
	MUHLENBERGIA RIGENS/ DEER GRASS
GROUND COVER	
	LANTANA sp. 'NEW GOLD' / 'NEW GOLD' LANTANA
	TEUCRIUM CHAMAEDRYS/ GERMANDER
	LANTANA MONTEVIDENSIS/ PURPLE TRAILING LANTANA
	DECOMPOSED GRANITE - 3/4" SCREENED 'MOUNTAIN VISTA BROWN', BY KILAUEA CRUSHERS
	RIP-RAP - 2" - 4" "PALOMINO GOLD" - BY KILAUEA CRUSHERS
	MID-IRON BERMUDA TURF



SCALE: 1"=20'-0"



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PLANTING PLAN

RANCHO DEL REY

NEC OF 147TH AVE AND HAPPY VALLEY ROAD
SURPRISE, ARIZONA

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JOB NO. 17-82

DATE: 05-05-20

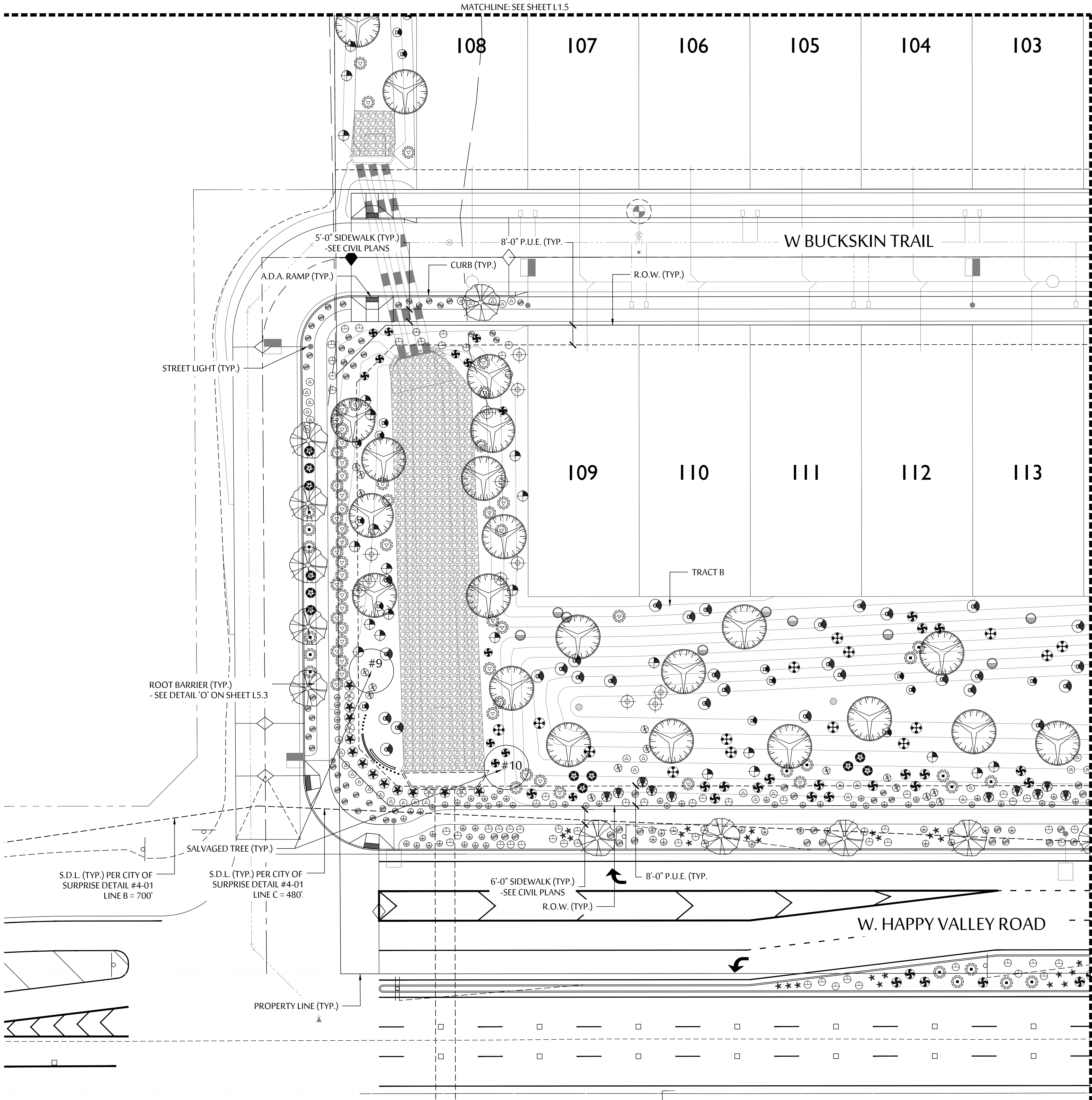
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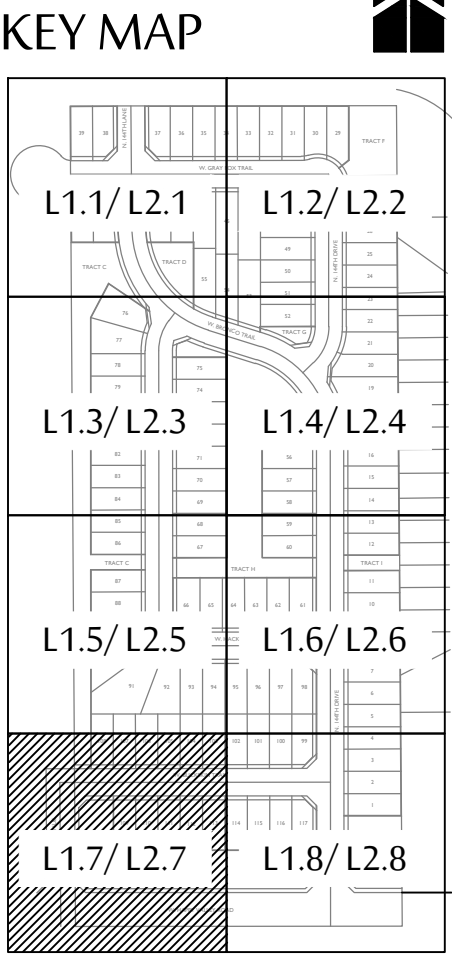
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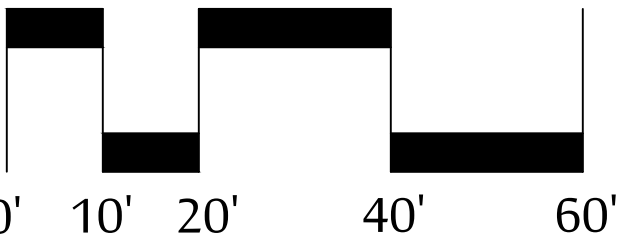
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SYMBOL	BOTANICAL NAME - COMMON NAME
TREES	
	QUERCUS VIRGINIANA 'HERITAGE' / 'HERITAGE' LIVE OAK
	CHITALPA X TASHKENTENSIS / CHITALPA TREE
	PARKINSONIA HYBRID / THORNLESS PALO VERDE
	PISTACIA LENTISCUS / MASTIC TREE
	PROSOPIS HYBRID 'RIO SALADO' / 'RIO SALADO' MESQUITE
	CHILOPSIS LINEARIS / DESERT WILLOW
	SALVAGE/REMAIN IN PLACE TREES SEE INVENTORY PLANS
#	
SHRUBS	
	CAESALPINIA PULCHERRIMA / RED BIRD OF PARADISE
	CALLIANDRA CALIFORNICA / BAJA FAIRY DUSTER
	DURANTA REPENS / BRAZILIAN SKY FLOWER
	LEUCOPHYLLUM sp. 'HEAVENLY CLOUD' / 'HEAVENLY CLOUD' SAGE
	LEUCOPHYLLUM CANDIDUM / VIOLET SILVERLEAF SAGE
	RUELLIA PENINSULARIS / BAJA RUELLIA
	TECOMA sp. 'BELLS OF FIRE' / BELLS OF FIRE
	TECOMA sp. 'LYDIA' / 'LYDIA' YELLOW BELLS
	TECOMARIA CAPENSIS / CAPE HONEYSUCKLE
	EREMOPHILA HYGROPHANA / 'BLUE BELLS' EMU
ACCENTS	
	YUCCA RIGIDA / BLUE YUCCA
	AGAVE PARRYI TRUNCATA / ARTICHOKE AGAVE
	AGAVE WEBERI / WEBER'S AGAVE
	HESPERALOE FUNIFERA / GIANT HESPERALOE
	HESPERALOE PARVIFOLIA / RED YUCCA
	MUHLENBERGIA CAPILLARIS / PINK MUHLY GRASS
	MUHLENBERGIA RIGENS / DEER GRASS
GROUND COVER	
	LANTANA sp. 'NEW GOLD' / 'NEW GOLD' LANTANA
	TEUCRIUM CHAMAEDRYS / GERMANDER
	LANTANA MONTEVIDENSIS / PURPLE TRAILING LANTANA
	DECOMPOSED GRANITE - 3/4" SCREENED 'MOUNTAIN VISTA BROWN', BY KILAUEA CRUSHERS
	RIP-RAP - 2" - 4" "PALOMINO GOLD" - BY KILAUEA CRUSHERS
	MID-IRON BERMUDA TURF



SCALE: 1"=20'-0"



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PLANTING PLAN

RANCHO DEL REY

NEC OF 147TH AVE AND HAPPY VALLEY ROAD
SURPRISE, ARIZONA

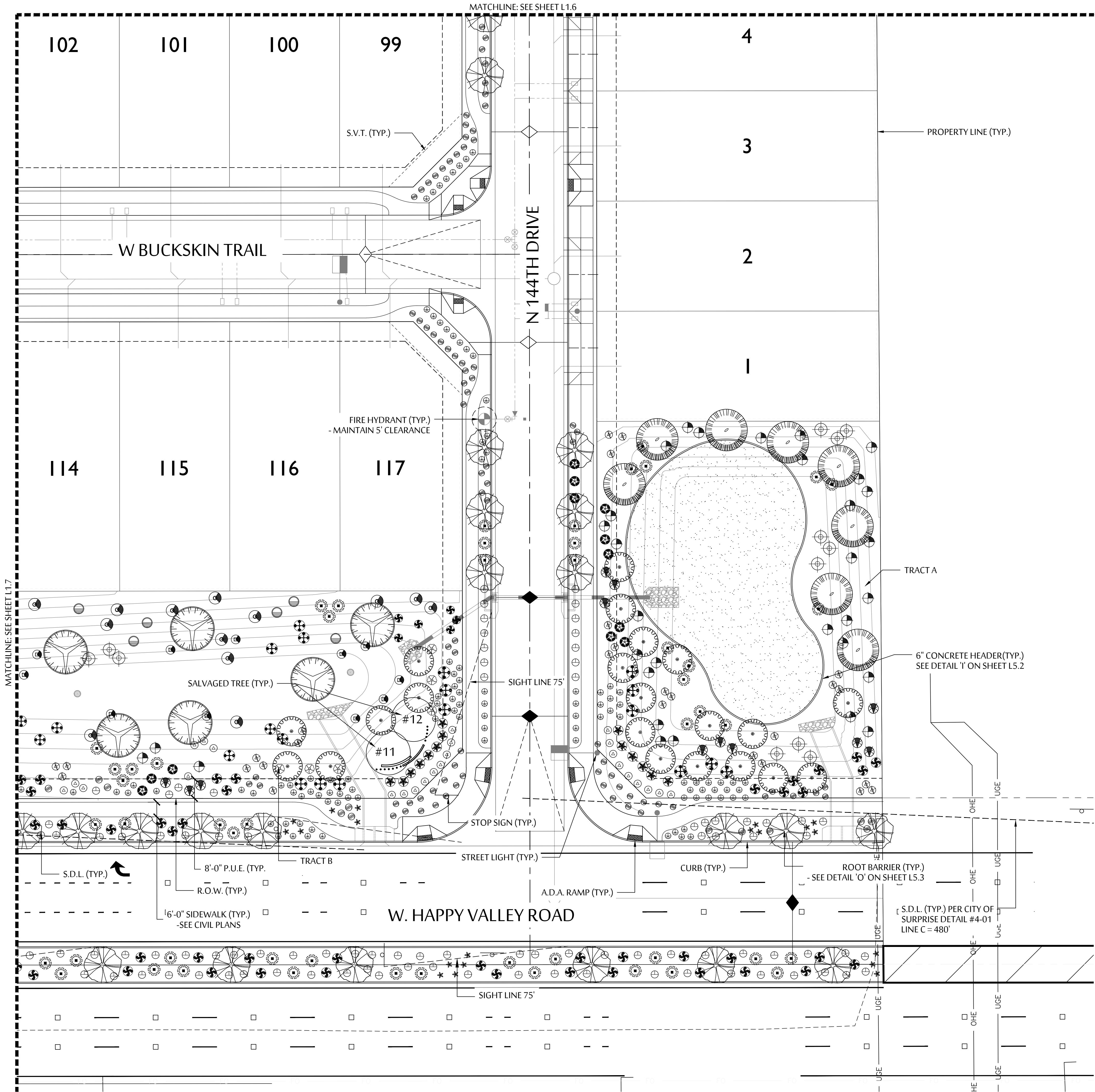
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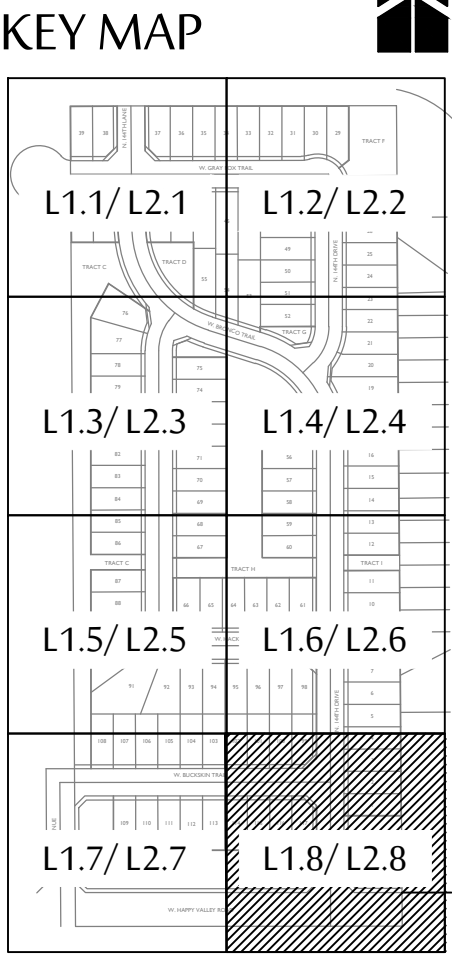
JOB NO. 17-82
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DRAWN BY: JT, BD
CHECKED BY: NA

REVISIONS:

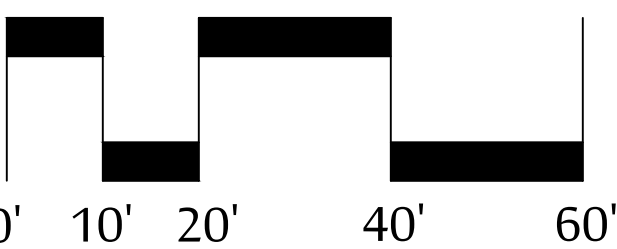
SHEET NO.
L 1.7



SYMBOL	BOTANICAL NAME - COMMON NAME
TREES	
	QUERCUS VIRGINIANA 'HERITAGE' / 'HERITAGE' LIVE OAK
	CHITALPA X TASHKENTENSIS / CHITALPA TREE
	PARKINSONIA HYBRID / THORNLESS PALO VERDE
	PISTACIA LENTISCUS / MASTIC TREE
	PROSOPIS HYBRID 'RIO SALADO' 'RIO SALADO' MESQUITE
	CHILOPSIS LINEARIS / DESERT WILLLOW
	SALVAGE/REMAIN IN PLACE TREES SEE INVENTORY PLANS
#	
SHRUBS	
	CAESALPINIA PULCHERRIMA / RED BIRD OF PARADISE
	CALLIANDRA CALIFORNICA / BAJA FAIRY DUSTER
	DURANTA REPENS / BRAZILIAN SKY FLOWER
	LEUCOPHYLLUM sp. 'HEAVENLY CLOUD' / 'HEAVENLY CLOUD' SAGE
	LEUCOPHYLLUM CANDIDUM / VIOLET SILVERLEAF SAGE
	RUELLIA PENINSULARIS / BAJA RUELLIA
	TECOMA sp. 'BELLS OF FIRE' / BELLS OF FIRE
	TECOMA sp. 'LYDIA' / 'LYDIA' YELLOW BELLS
	TECOMARIA CAPENSIS / CAPE HONEYSUCKLE
	EREMOPHILA HYGROPHANA / 'BLUE BELLS' EMU
ACCENTS	
	YUCCA RIGIDA / BLUE YUCCA
	AGAVE PARRYI TRUNCATA / ARTICHOKE AGAVE
	AGAVE WEBERI / WEBER'S AGAVE
	HESPERALOE FUNIFERA / GIANT HESPERALOE
	HESPERALOE PARVIFOLIA / RED YUCCA
	MUHLENBERGIA CAPILLARIS / PINK MUHLY GRASS
	MUHLENBERGIA RIGENS / DEER GRASS
GROUND COVER	
	LANTANA sp. 'NEW GOLD' / 'NEW GOLD' LANTANA
	TEUCRIUM CHAMAEDRYS / GERMANDER
	LANTANA MONTEVIDENSIS / PURPLE TRAILING LANTANA
	DECOMPOSED GRANITE - 3/4" SCREENED 'MOUNTAIN VISTA BROWN', BY KILAUEA CRUSHERS
	RIP-RAP - 2" - 4" "PALOMINO GOLD" - BY KILAUEA CRUSHERS
	MID-IRON BERMUDA TURF



SCALE: 1"=20'-0"



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PLANTING PLAN

RANCHO DEL REY

NEC OF 147TH AVE AND HAPPY VALLEY ROAD
SURPRISE, ARIZONA

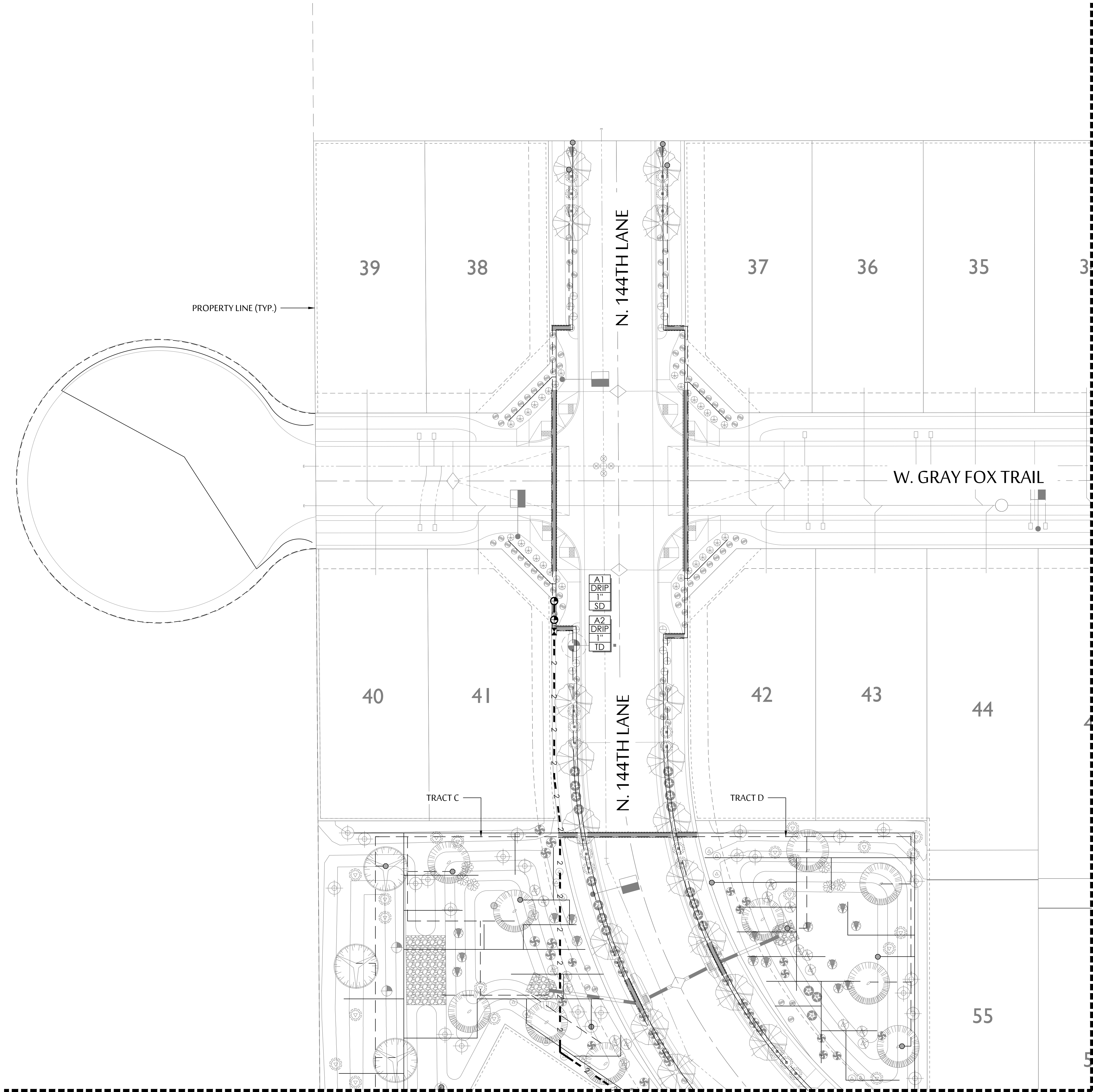
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DATE:	05-05-20
DRAWN BY:	JT, BD
CHECKED BY:	NA

REVISIONS:	

SHEET NO.	L 1.8
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IRRIGATION SCHEDULE	
SYMBOL	SPECIFICATION
	WATER METER - SIZE PER PLANS; COORDINATE LOCATION AND INSTALLATION W/ OWNER'S REPRESENTATIVE OF METER. SEE CIVIL PLANS FOR EXACT LOCATIONS.
	FEBCO 825YA REDUCED PRESSURE BACKFLOW PREVENTOR - SIZE PER PLANS.
	HUNTER IC-600-SS, PLUS DUAL 48M. USE DUAL DECODER & SURGE ARRESTORS. ADD SOLAR TO SYNC (WSS-SEN.)
	HUNTER XC HYBRID CONTROLLER, WITH SOLAR PANEL (XCH-600-SSP). ADD WIRED RAIN/FREEZE CLICK (RFC.) VALVES REQ. DC LATCHING SOLENOIDS
	MAINLINE: SIZE AS PER PLAN- SCH. 40 PVC.
	PVC LATERAL (TREES) - CLASS 200 PVC MIN. SEE EMITTER SCHEDULE FOR TREE/EMITTER APPLICATION
	PVC LATERAL (SHRUBS, ACCENTS, GROUNDCOVERS). CLASS 200 PVC MIN. SEE EMITTER SCHEDULE FOR EMITTER APPLICATION
	PVC LATERAL (TURF) - SCH. 40 PVC MIN.
	HAMMOND 667 GATE VALVE- SAME SIZE AS MAINLINE.
	HUNTER ICZ-101 - ELEC. REMOTE CONTROL DRIP VALVE ASSEMBLY; SIZE AS NOTED ON PLAN.
	HUNTER ICV-101G GLOBE VALVE ASSEMBLY; SIZE AS NOTED ON PLAN.
	HUNTER HQ-44LRC LOCKING QUICK COUPLER
	FLUSH VALVE ASSEMBLY. HUNTER HQ-44LRC LOCKING QUICK COUPLER
	SCHEDULE SCH 40 PVC SLEEVE. SEE SLEEVING SCH.
	ADD 2" SCHEDULE SCH 40 PVC SLEEVE FOR CONTROL WIRE WHERE NECESSARY.
	CONTROLLER AND STATION. FLOW - GALLONS PER MINUTE (SEE PIPE SIZING SCH.) VALVE SIZE VALVE I.D. - SD=SHRUB DRIP, TD=TREE DRIP, T = TURF, P = PALM, PL = PLANTER POTS
SEE SHEET L5.3 FOR ALL IRRIGATION DETAILS	
CONTRACTOR MUST HAVE OWNER/LANDSCAPE ARCHITECT APPROVAL FOR ALL IRRIGATION EQUIPMENT ALTERNATES/EQUIVALENTS	

EMITTER SCHEDULE

TREES: ALL TREES TO RECEIVE (2) HUNTER RZWS-36 ROOT WATERING TUBES. EACH TUBE TO BE SET UP AS SPECIFIED BELOW.

- USE RZWS, 4" DIAMETER X 36" DEPTH TUBES.
- USE MPE-10 MULTI-PORT EMITTERS IN EACH TUBE.
- (4) PORTS ARE TO REMAIN IN THE RZWS TREE TUBE.
- (2) PORTS ARE TO RUN TO THE SURFACE, EQUALLY SPACED AROUND THE TRUNK.

SHRUBS/GROUND COVERS:

- USE HUNTER MPE-20 MULTI-PORT EMITTERS
- (1) PORT PER SHRUB/GROUND COVER

ACCENTS:

- USE HUNTER MPE-10 MULTI-PORT EMITTERS
- (1) PORT PER ACCENT PLANT

* MULTI-PORT EMITTERS TO BE INSTALLED IN 6" ECONOMY BOXES.
** MAXIMUM ¼" POLY TUBE RUN TO BE 5' IN LENGTH.

POP UP ROTOR/SPRAY HEAD SCHEDULE
ALL HEADS TO BE HUNTER PRESSURE REGULATED SPRAYS (PROS-04-PRS40-CV)
ALL NOZZLES TO BE HUNTER MP ROTATORS

1 MP1000-360
2 MP3000-360

* ALL TURF SPRAYS AND ROTORS HAVE BEEN DESIGNED TO OPERATE AT 40 PSI.
CONTRACTOR TO CONTACT LANDSCAPE ARCHITECT IF PRESSURE IN THE FIELD IS NOT SUFFICIENT.

KEY MAP

SCALE: 1"=20'-0"

NORTH

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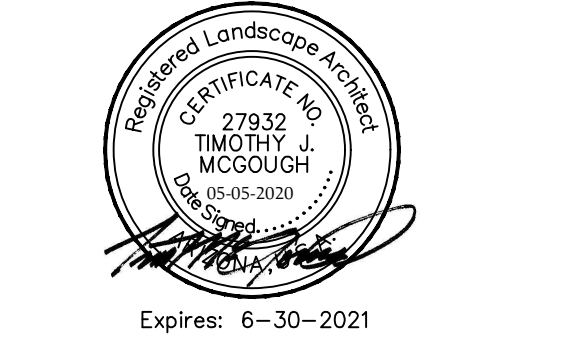
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IRRIGATION PLAN

RANCHO DEL REY

NEC OF 147TH AVE AND HAPPY VALLEY ROAD
SURPRISE, ARIZONA

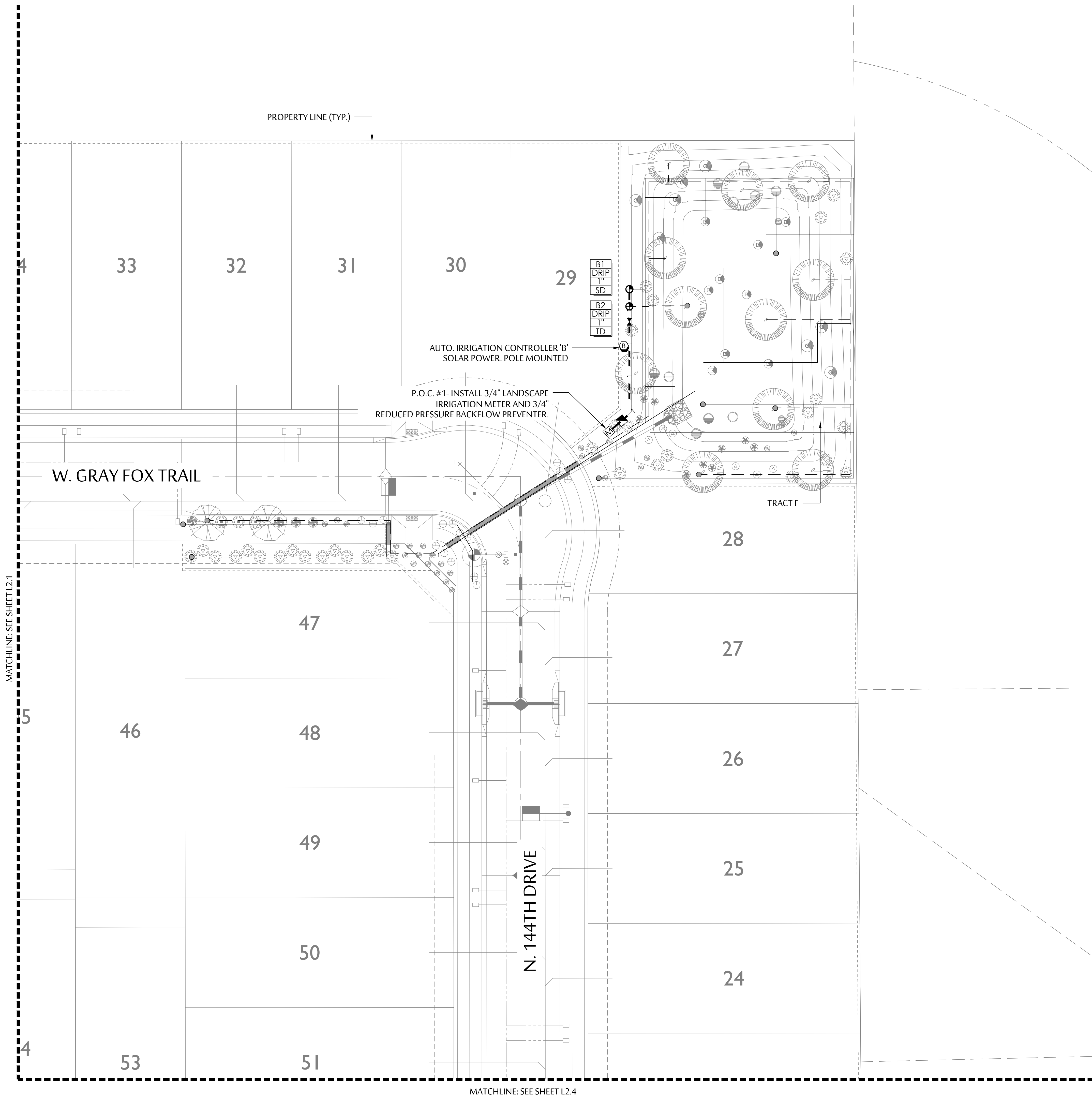
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JOB NO. 17-82
DATE: 05-05-20
DRAWN BY: JT, BD
CHECKED BY: NA

REVISIONS:

SHEET NO.
L 2.1



IRRIGATION SCHEDULE	
SYMBOL	SPECIFICATION
	WATER METER - SIZE PER PLANS; COORDINATE LOCATION AND INSTALLATION W/ OWNER'S REPRESENTATIVE OF METER. SEE CIVIL PLANS FOR EXACT LOCATIONS.
	FEBCO 825YA REDUCED PRESSURE BACKFLOW PREVENTOR - SIZE PER PLANS.
	HUNTER IC-600-SS, PLUS DUAL 48M. USE DUAL DECODER & SURGE ARRESTORS. ADD SOLAR TO SYNC (WSS-SEN.)
	HUNTER XC HYBRID CONTROLLER, WITH SOLAR PANEL (XCH-600-SSP). ADD WIRED RAIN/FREEZE CLICK (RFC.) VALVES REQ. DC LATCHING SOLENOIDS
	MAINLINE: SIZE AS PER PLAN- SCH. 40 PVC.
	PVC LATERAL (TREES) - CLASS 200 PVC MIN. SEE EMITTER SCHEDULE FOR TREE/EMITTER APPLICATION
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	PVC LATERAL (TURF) - SCH. 40 PVC MIN.
	HAMMOND 667 GATE VALVE- SAME SIZE AS MAINLINE.
	HUNTER ICZ-101 - ELEC. REMOTE CONTROL DRIP VALVE ASSEMBLY; SIZE AS NOTED ON PLAN.
	HUNTER ICV-101G GLOBE VALVE ASSEMBLY; SIZE AS NOTED ON PLAN.
	HUNTER HQ-44LRC LOCKING QUICK COUPLER
	FLUSH VALVE ASSEMBLY. HUNTER HQ-44LRC LOCKING QUICK COUPLER
	SCHEDULE SCH 40 PVC SLEEVE. SEE SLEEVING SCH.
	ADD 2" SCHEDULE SCH 40 PVC SLEEVE FOR CONTROL WIRE WHERE NECESSARY.
	CONTROLLER AND STATION. FLOW - GALLONS PER MINUTE (SEE PIPE SIZING SCH.) VALVE SIZE VALVE I.D. - SD=SHRUB DRIP, TD=TREE DRIP, T= TURF, P= PALM, PL= PLANTER POTS
SEE SHEET L5.3 FOR ALL IRRIGATION DETAILS	
CONTRACTOR MUST HAVE OWNER/LANDSCAPE ARCHITECT APPROVAL FOR ALL IRRIGATION EQUIPMENT ALTERNATES/EQUIVALENTS	

EMITTER SCHEDULE

TREES: ALL TREES TO RECEIVE (2) HUNTER RZWS-36 ROOT WATERING TUBES. EACH TUBE TO BE SET UP AS SPECIFIED BELOW.

- USE RZWS, 4" DIAMETER X 36" DEPTH TUBES.
- USE MPE-10 MULTI-PORT EMITTERS IN EACH TUBE.
- (4) PORTS ARE TO REMAIN IN THE RZWS TREE TUBE.
- (2) PORTS ARE TO RUN TO THE SURFACE, EQUALLY SPACED AROUND THE TRUNK.

SHRUBS/GROUND COVERS:

- USE HUNTER MPE-20 MULTI-PORT EMITTERS
- (1) PORT PER SHRUB/GROUND COVER

ACCENTS:

- USE HUNTER MPE-10 MULTI-PORT EMITTERS
- (1) PORT PER ACCENT PLANT

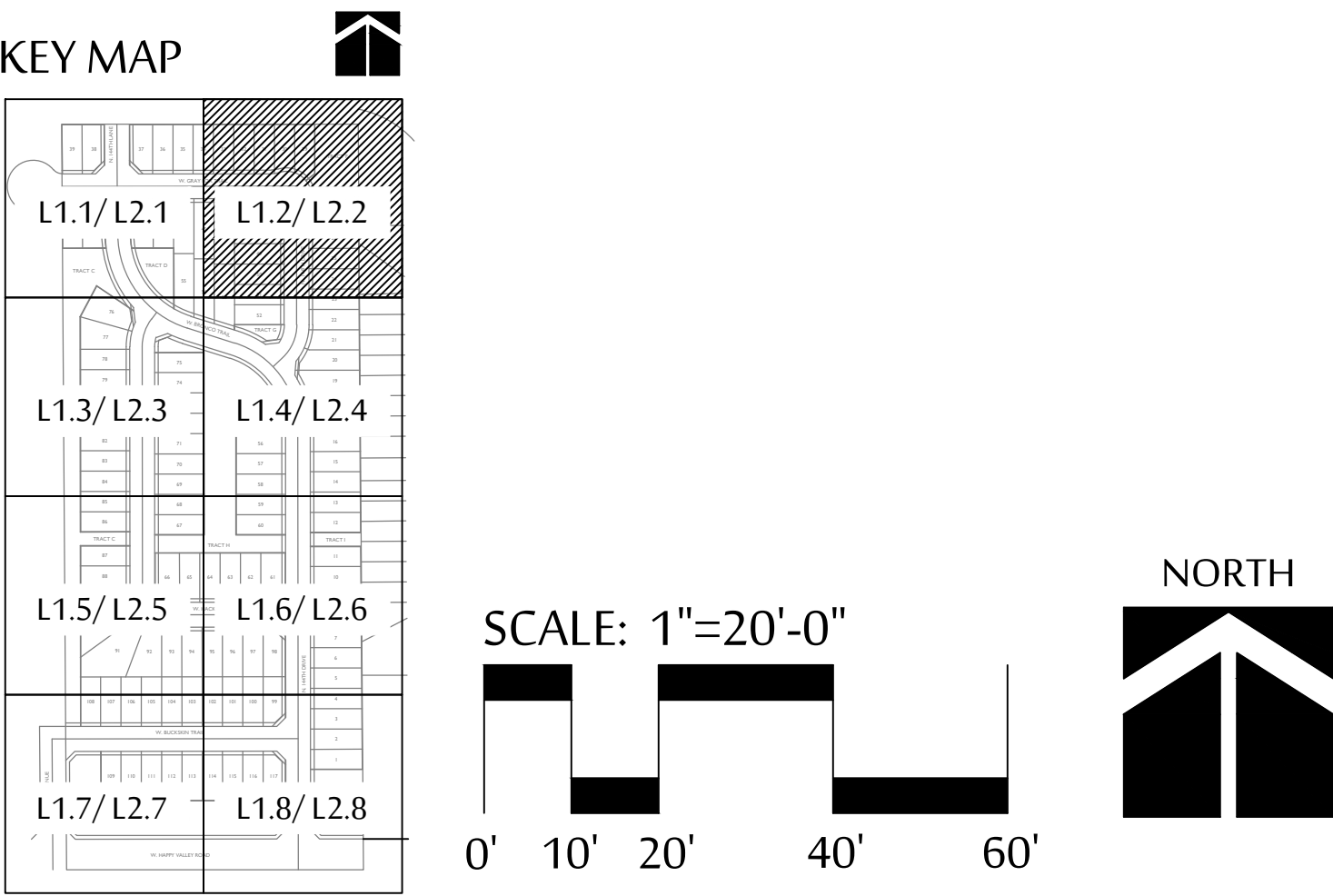
* MULTI-PORT EMITTERS TO BE INSTALLED IN 6" ECONOMY BOXES.
** MAXIMUM ¼" POLY TUBE RUN TO BE 5' IN LENGTH.

POP UP ROTOR/SPRAY HEAD SCHEDULE

ALL HEADS TO BE HUNTER PRESSURE REGULATED SPRAYS (PROS-04-PRS40-CV)
ALL NOZZLES TO BE HUNTER MP ROTATORS

1 MP1000-360
2 MP3000-360

* ALL TURF SPRAYS AND ROTORS HAVE BEEN DESIGNED TO OPERATE AT 40 PSI.
CONTRACTOR TO CONTACT LANDSCAPE ARCHITECT IF PRESSURE IN THE FIELD IS NOT SUFFICIENT.



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IRRIGATION PLAN

RANCHO DEL REY

NEC OF 147TH AVE AND HAPPY VALLEY ROAD
SURPRISE, ARIZONA

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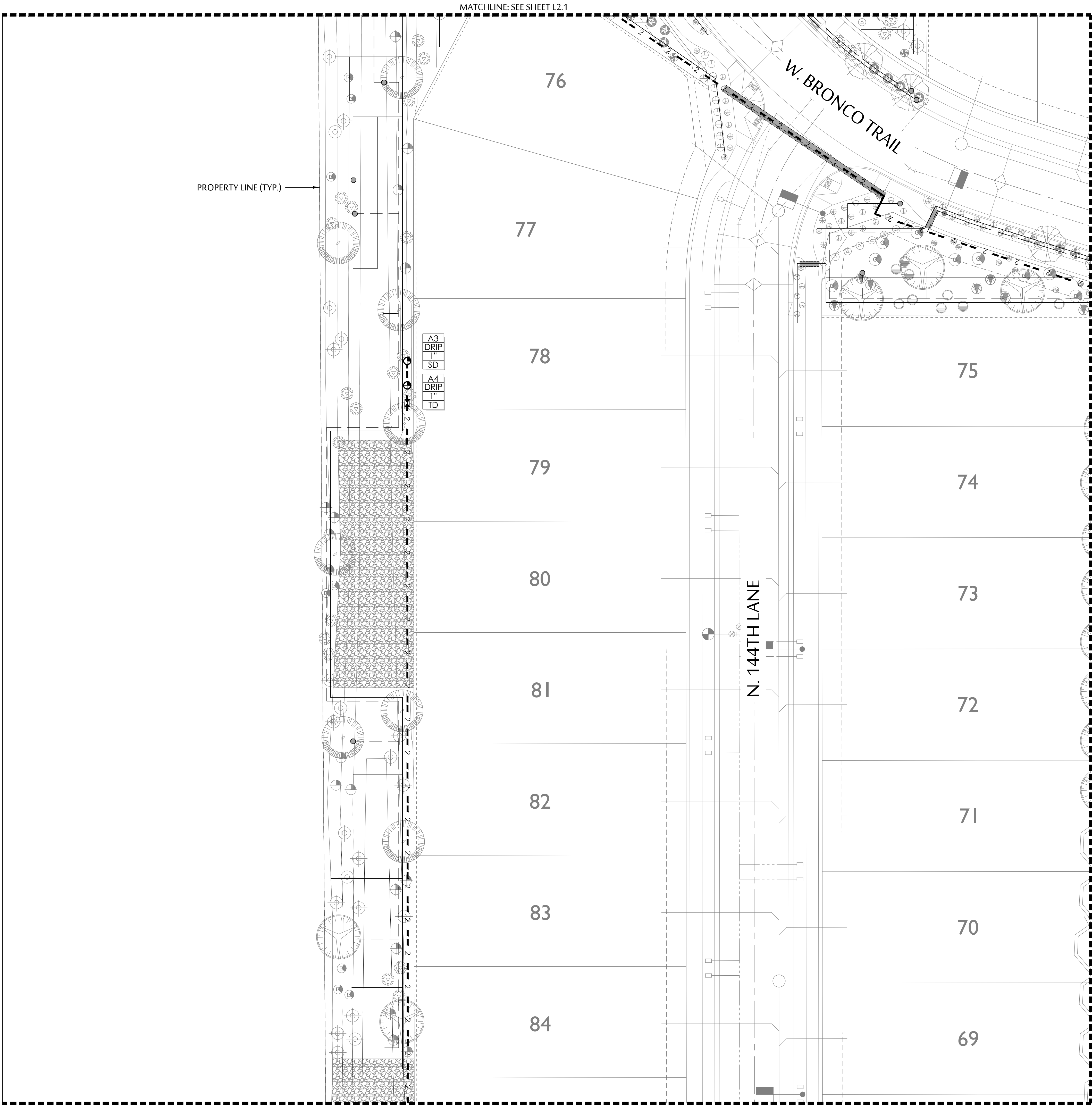
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REVISIONS:

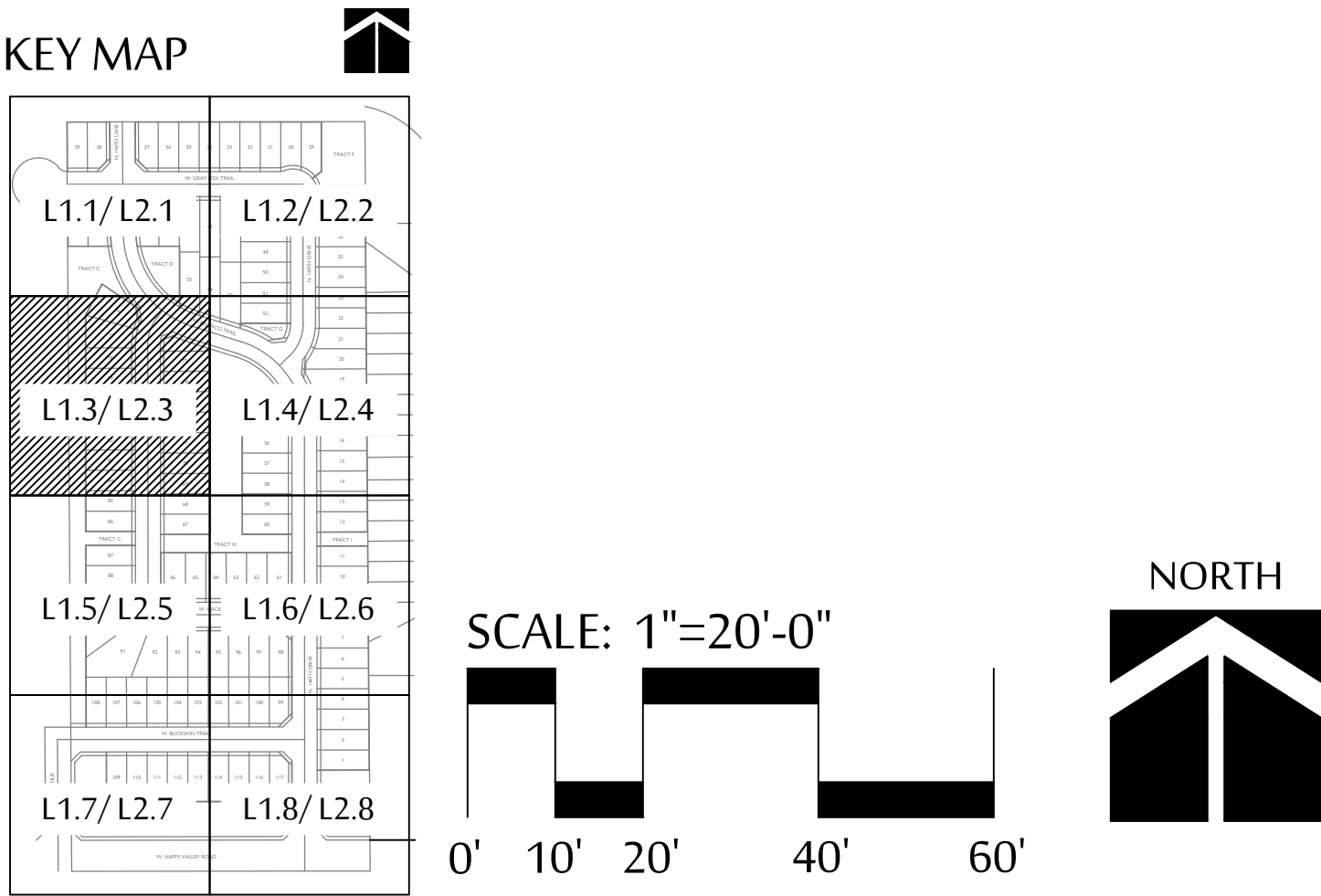
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L 2.2



IRRIGATION SCHEDULE	
SYMBOL	SPECIFICATION
	WATER METER - SIZE PER PLANS; COORDINATE LOCATION AND INSTALLATION W/ OWNER'S REPRESENTATIVE OF METER. SEE CIVIL PLANS FOR EXACT LOCATIONS.
	FEBCO 825YA REDUCED PRESSURE BACKFLOW PREVENTOR - SIZE PER PLANS.
	HUNTER IC-600-SS, PLUS DUAL 48M. USE DUAL DECODER & SURGE ARRESTORS. ADD SOLAR TO SYNC (WSS-SEN.)
	HUNTER XC HYBRID CONTROLLER, WITH SOLAR PANEL (XCH-600-SSP). ADD WIRED RAIN/FREEZE CLICK (RFC.) VALVES REQ, DC LATCHING SOLENOIDS
	MAINLINE: SIZE AS PER PLAN- SCH. 40 PVC.
	PVC LATERAL (TREES) - CLASS 200 PVC MIN. SEE EMITTER SCHEDULE FOR TREE/EMITTER APPLICATION
	PVC LATERAL (SHRUBS, ACCENTS, GROUNDCOVERS). CLASS 200 PVC MIN. SEE EMITTER SCHEDULE FOR EMITTER APPLICATION
	PVC LATERAL (TURF) - SCH. 40 PVC MIN.
	HAMMOND 667 GATE VALVE- SAME SIZE AS MAINLINE.
	HUNTER ICZ-101 - ELEC. REMOTE CONTROL DRIP VALVE ASSEMBLY; SIZE AS NOTED ON PLAN.
	HUNTER ICV-101G GLOBE VALVE ASSEMBLY; SIZE AS NOTED ON PLAN.
	HUNTER HQ-44LRC LOCKING QUICK COUPLER
	FLUSH VALVE ASSEMBLY. HUNTER HQ-44LRC LOCKING QUICK COUPLER
	SCHEDULE SCH 40 PVC SLEEVE. SEE SLEEVING SCH. ADD 2" SCHEDULE SCH 40 PVC SLEEVE FOR CONTROL WIRE WHERE NECESSARY.
	CONTROLLER AND STATION. FLOW - GALLONS PER MINUTE (SEE PIPE SIZING SCH.) VALVE SIZE VALVE I.D. - SD=SHRUB DRIP, TD=TREE DRIP, T= TURF, P= PALM, PL= PLANTER POTS
SEE SHEET L5.3 FOR ALL IRRIGATION DETAILS	
CONTRACTOR MUST HAVE OWNER/LANDSCAPE ARCHITECT APPROVAL FOR ALL IRRIGATION EQUIPMENT ALTERNATES/EQUIVALENTS	

EMITTER SCHEDULE	
TREES: ALL TREES TO RECEIVE (2) HUNTER RZWS-36 ROOT WATERING TUBES. EACH TUBE TO BE SET UP AS SPECIFIED BELOW. - USE RZWS, 4" DIAMETER X 36" DEPTH TUBES. - USE MPE-10 MULTI-PORT EMITTERS IN EACH TUBE. - (4) PORTS ARE TO REMAIN IN THE RZWS TREE TUBE. - (2) PORTS ARE TO RUN TO THE SURFACE, EQUALLY SPACED AROUND THE TRUNK.	
SHRUBS/GROUND COVERS: - USE HUNTER MPE-20 MULTI-PORT EMITTERS - (1) PORT PER SHRUB/GROUND COVER	
ACCENTS: - USE HUNTER MPE-10 MULTI-PORT EMITTERS - (1) PORT PER ACCENT PLANT	
* MULTI-PORT EMITTERS TO BE INSTALLED IN 6" ECONOMY BOXES. ** MAXIMUM ¼" POLY TUBE RUN TO BE 5' IN LENGTH.	
POP UP ROTOR/SPRAY HEAD SCHEDULE	
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IRRIGATION PLAN

RANCHO DEL REY

NEC OF 147TH AVE AND HAPPY VALLEY ROAD
SURPRISE, ARIZONA

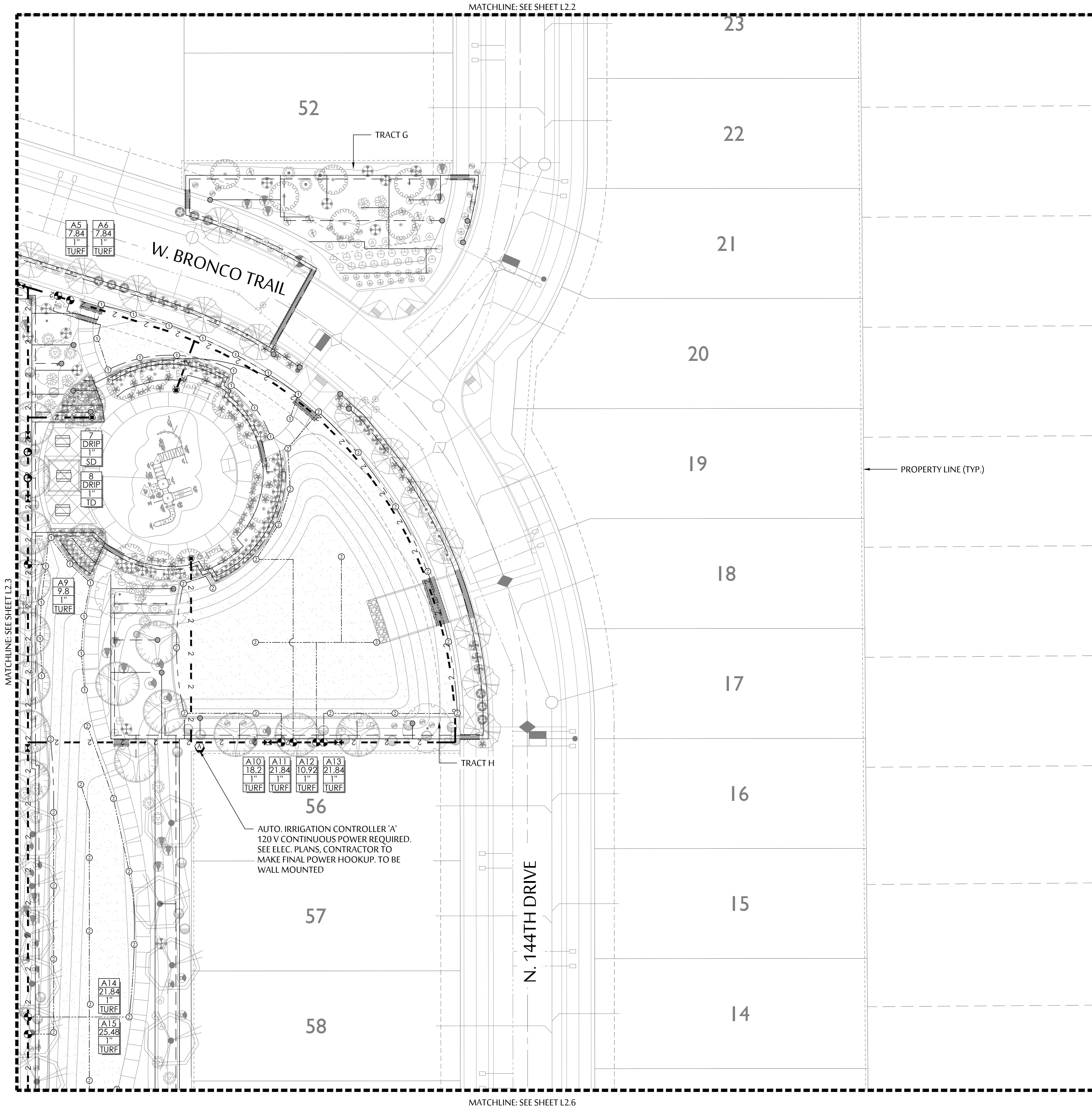
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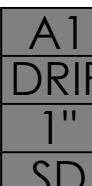
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DRAWN BY:	JT, BD
CHECKED BY:	NA

REVISIONS:	

SHEET NO.	L 2.3
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SYMBOL	SPECIFICATION
	WATER METER - SIZE PER PLANS; COORDINATE LOCATION AND INSTALLATION W/ OWNER'S REPRESENTATIVE OF METER. SEE CIVIL PLANS FOR EXACT LOCATIONS.
	FEBCO 825YA REDUCED PRESSURE BACKFLOW PREVENTOR - SIZE PER PLANS.
	HUNTER IC-600-SS, PLUS DUAL 48M. USE DUAL DECODER & SURGE ARRESTORS. ADD SOLAR TO SYNC (WSS-SEN.)
	HUNTER XC HYBRID CONTROLLER, WITH SOLAR PANEL (XCH-600-SSP). ADD WIRED RAIN/FREEZE CLICK (RFC.) VALVES REQ, DC LATCHING SOLENOIDS
	MAINLINE: SIZE AS PER PLAN- SCH. 40 PVC.
	PVC LATERAL (TREES) - CLASS 200 PVC MIN. SEE EMITTER SCHEDULE FOR TREE/EMITTER APPLICATION
	PVC LATERAL (SHRUBS, ACCENTS, GROUNDCOVERS). CLASS 200 PVC MIN. SEE EMITTER SCHEDULE FOR EMITTER APPLICATION
	PVC LATERAL (TURF) - SCH. 40 PVC MIN.
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	CONTROLLER AND STATION. FLOW - GALLONS PER MINUTE (SEE PIPE SIZING SCH.) VALVE SIZE VALVE I.D. - SD=SHRUB DRIP, TD=TREE DRIP, T= TURF, P= PALM, PL= PLANTER POTS
SEE SHEET L5.3 FOR ALL IRRIGATION DETAILS	
CONTRACTOR MUST HAVE OWNER/LANDSCAPE ARCHITECT APPROVAL FOR ALL IRRIGATION EQUIPMENT ALTERNATES/EQUIVALENTS	

EMITTER SCHEDULE

TREES: ALL TREES TO RECEIVE (2) HUNTER RZWS-36 ROOT WATERING TUBES. EACH TUBE TO BE SET UP AS SPECIFIED BELOW.

- USE RZWS, 4" DIAMETER X 36" DEPTH TUBES.
- USE MPE-10 MULTI-PORT EMITTERS IN EACH TUBE.
- (4) PORTS ARE TO REMAIN IN THE RZWS TREE TUBE.
- (2) PORTS ARE TO RUN TO THE SURFACE, EQUALLY SPACED AROUND THE TRUNK.

SHRUBS/GROUND COVERS:

- USE HUNTER MPE-20 MULTI-PORT EMITTERS
- (1) PORT PER SHRUB/GROUND COVER

ACCENTS:

- USE HUNTER MPE-10 MULTI-PORT EMITTERS
- (1) PORT PER ACCENT PLANT

* MULTI-PORT EMITTERS TO BE INSTALLED IN 6" ECONOMY BOXES.
** MAXIMUM ¼" POLY TUBE RUN TO BE 5' IN LENGTH.

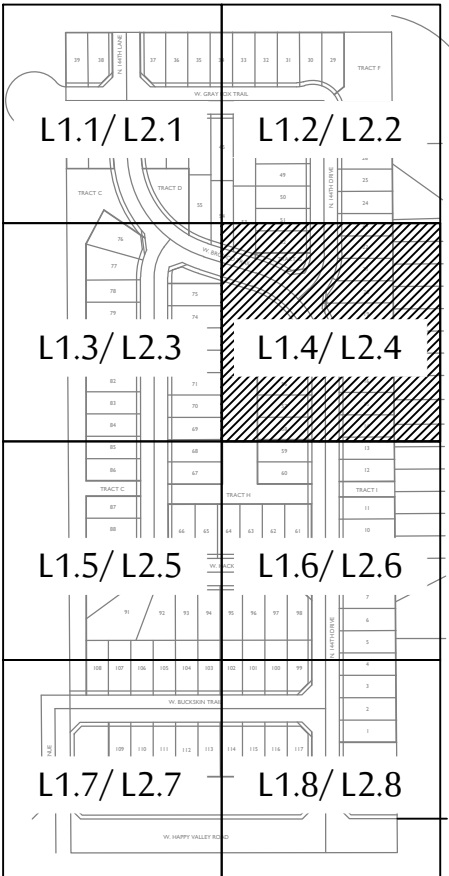
POP UP ROTOR/SPRAY HEAD SCHEDULE

ALL HEADS TO BE HUNTER PRESSURE REGULATED SPRAYS (PROS-04-PRS40-CV)
ALL NOZZLES TO BE HUNTER MP ROTATORS

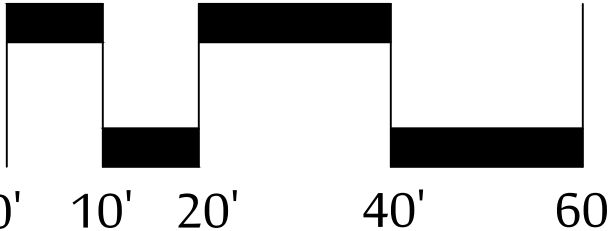
1 MP1000-360
2 MP3000-360

* ALL TURF SPRAYS AND ROTORS HAVE BEEN DESIGNED TO OPERATE AT 40 PSI.
CONTRACTOR TO CONTACT LANDSCAPE ARCHITECT IF PRESSURE IN THE FIELD IS NOT SUFFICIENT.

KEY MAP



SCALE: 1"=20'-0"



NORTH



535 E. MCKELLIPS RD. SUITE 131
MESA, ARIZONA 85203
PHONE: (602) 997-9093



IRRIGATION PLAN

RANCHO DEL REY

NEC OF 147TH AVE AND HAPPY VALLEY ROAD
SURPRISE, ARIZONA

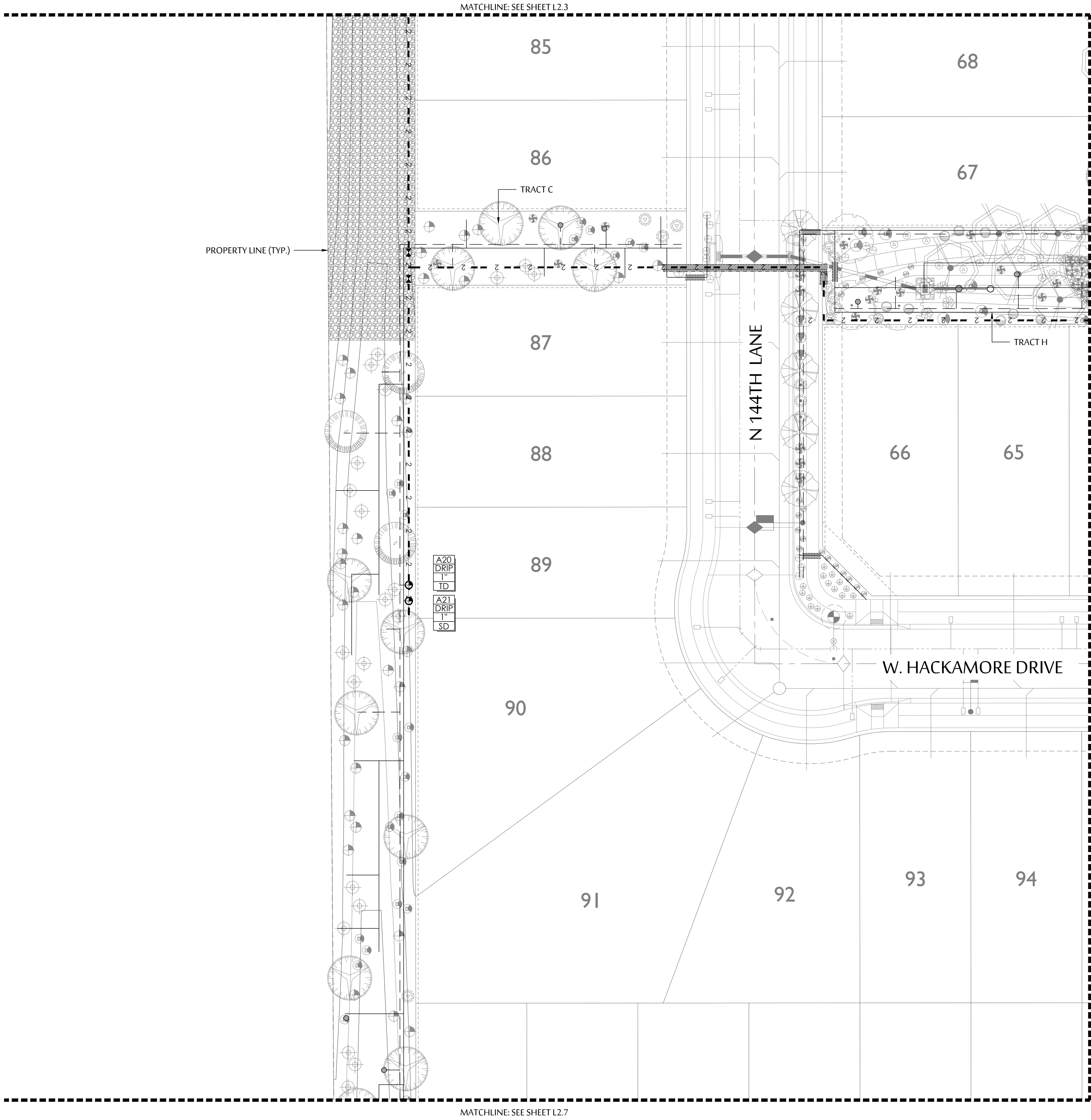
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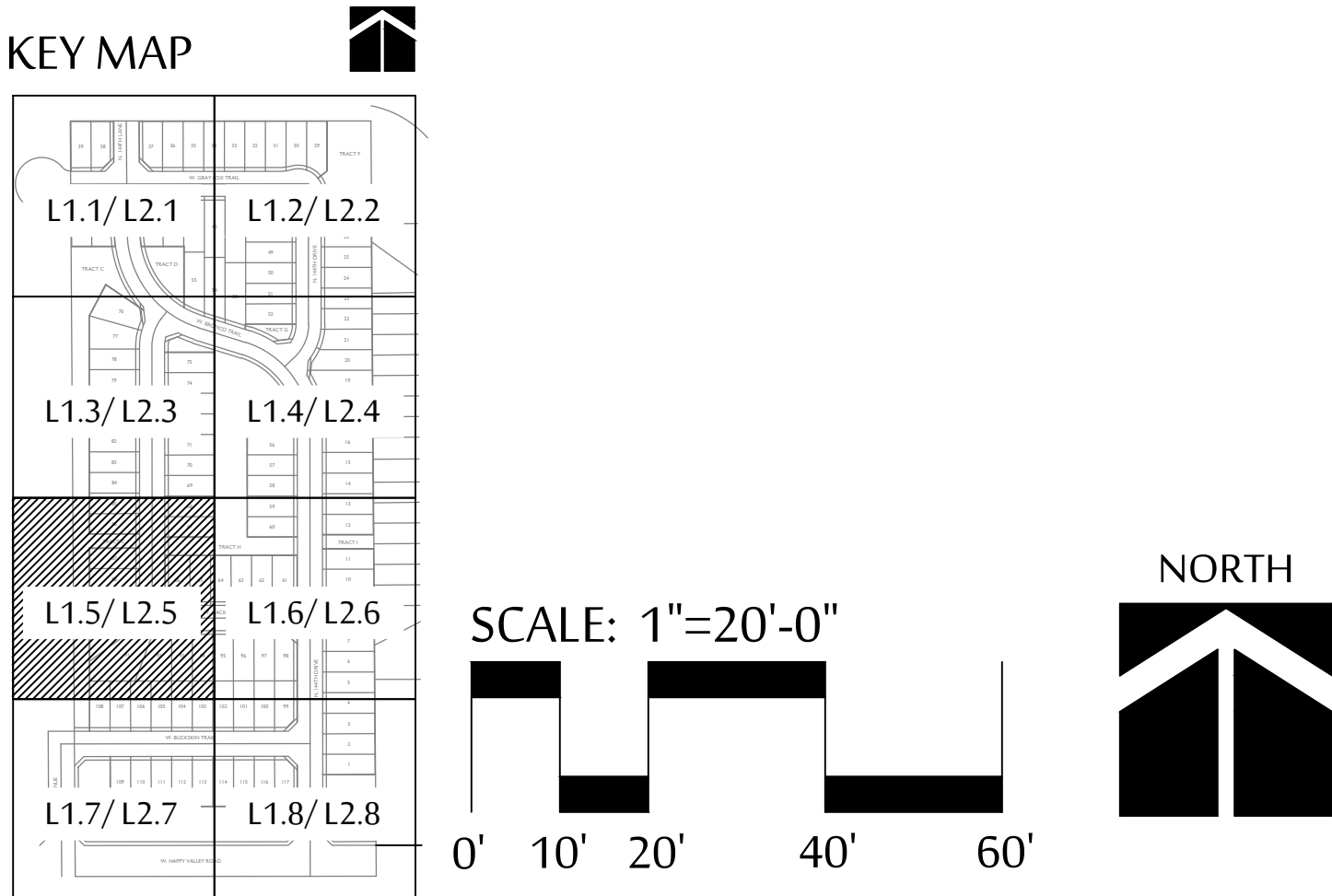
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IRRIGATION SCHEDULE	
SYMBOL	SPECIFICATION
	WATER METER - SIZE PER PLANS; COORDINATE LOCATION AND INSTALLATION W/ OWNER'S REPRESENTATIVE OF METER. SEE CIVIL PLANS FOR EXACT LOCATIONS.
	FEBCO 825YA REDUCED PRESSURE BACKFLOW PREVENTOR - SIZE PER PLANS.
	HUNTER IC-600-SS, PLUS DUAL 48M. USE DUAL DECODER & SURGE ARRESTORS. ADD SOLAR TO SYNC (WSS-SEN.)
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SEE SHEET L5.3 FOR ALL IRRIGATION DETAILS	
CONTRACTOR MUST HAVE OWNER/LANDSCAPE ARCHITECT APPROVAL FOR ALL IRRIGATION EQUIPMENT ALTERNATES/EQUIVALENTS	

EMITTER SCHEDULE	
TREES: ALL TREES TO RECEIVE (2) HUNTER RZWS-36 ROOT WATERING TUBES. EACH TUBE TO BE SET UP AS SPECIFIED BELOW. - USE RZWS, 4" DIAMETER X 36" DEPTH TUBES. - USE MPE-10 MULTI-PORT EMITTERS IN EACH TUBE. - (4) PORTS ARE TO REMAIN IN THE RZWS TREE TUBE. - (2) PORTS ARE TO RUN TO THE SURFACE, EQUALLY SPACED AROUND THE TRUNK.	
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	MP1000-360
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IRRIGATION PLAN

RANCHO DEL REY

NEC OF 147TH AVE AND HAPPY VALLEY ROAD
SURPRISE, ARIZONA

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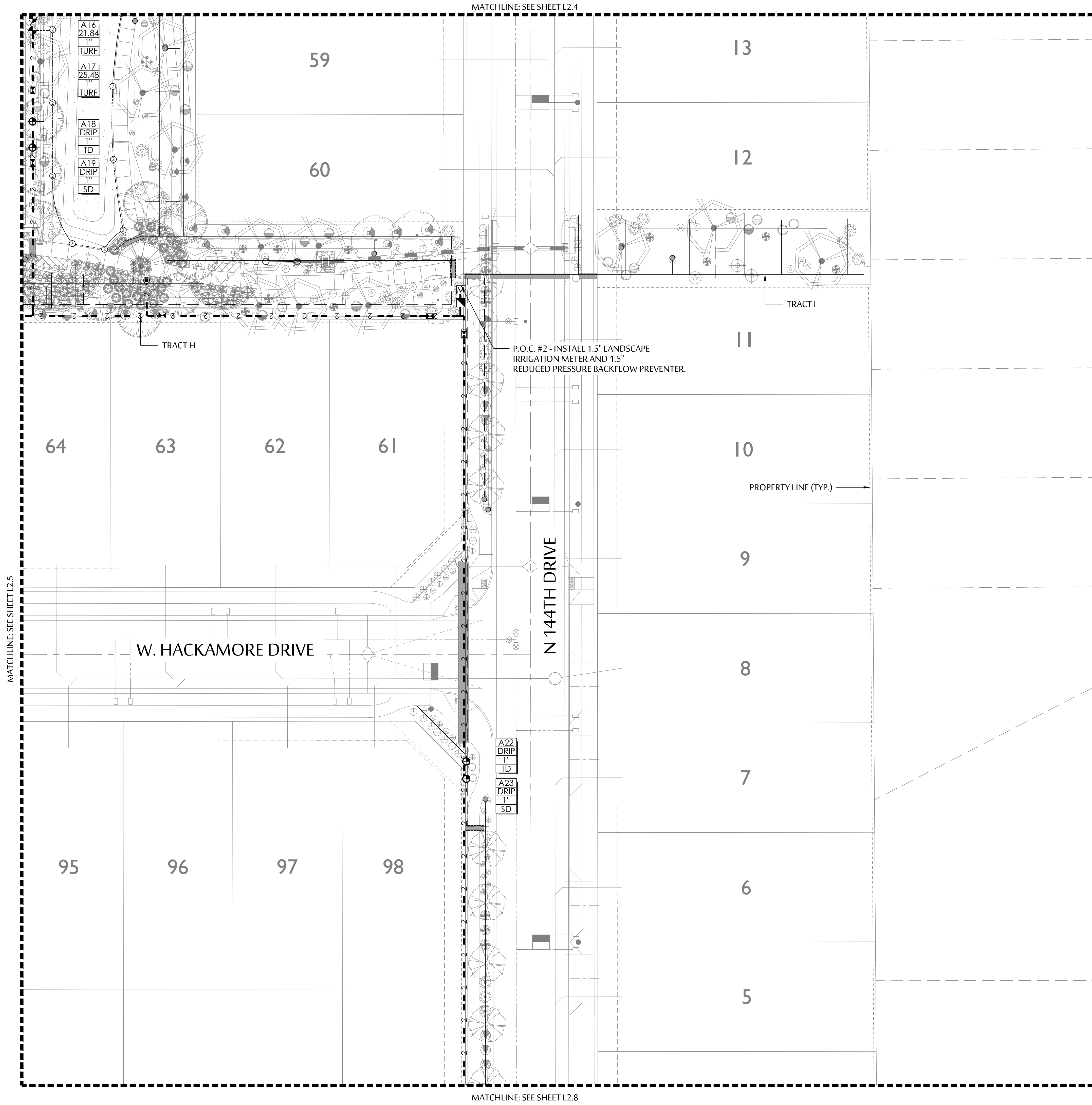
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REVISIONS:	

SHEET NO.

L 2.5



IRRIGATION SCHEDULE	
SYMBOL	SPECIFICATION
	WATER METER - SIZE PER PLANS; COORDINATE LOCATION AND INSTALLATION W/ OWNER'S REPRESENTATIVE OF METER. SEE CIVIL PLANS FOR EXACT LOCATIONS.
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SEE SHEET L5.3 FOR ALL IRRIGATION DETAILS	
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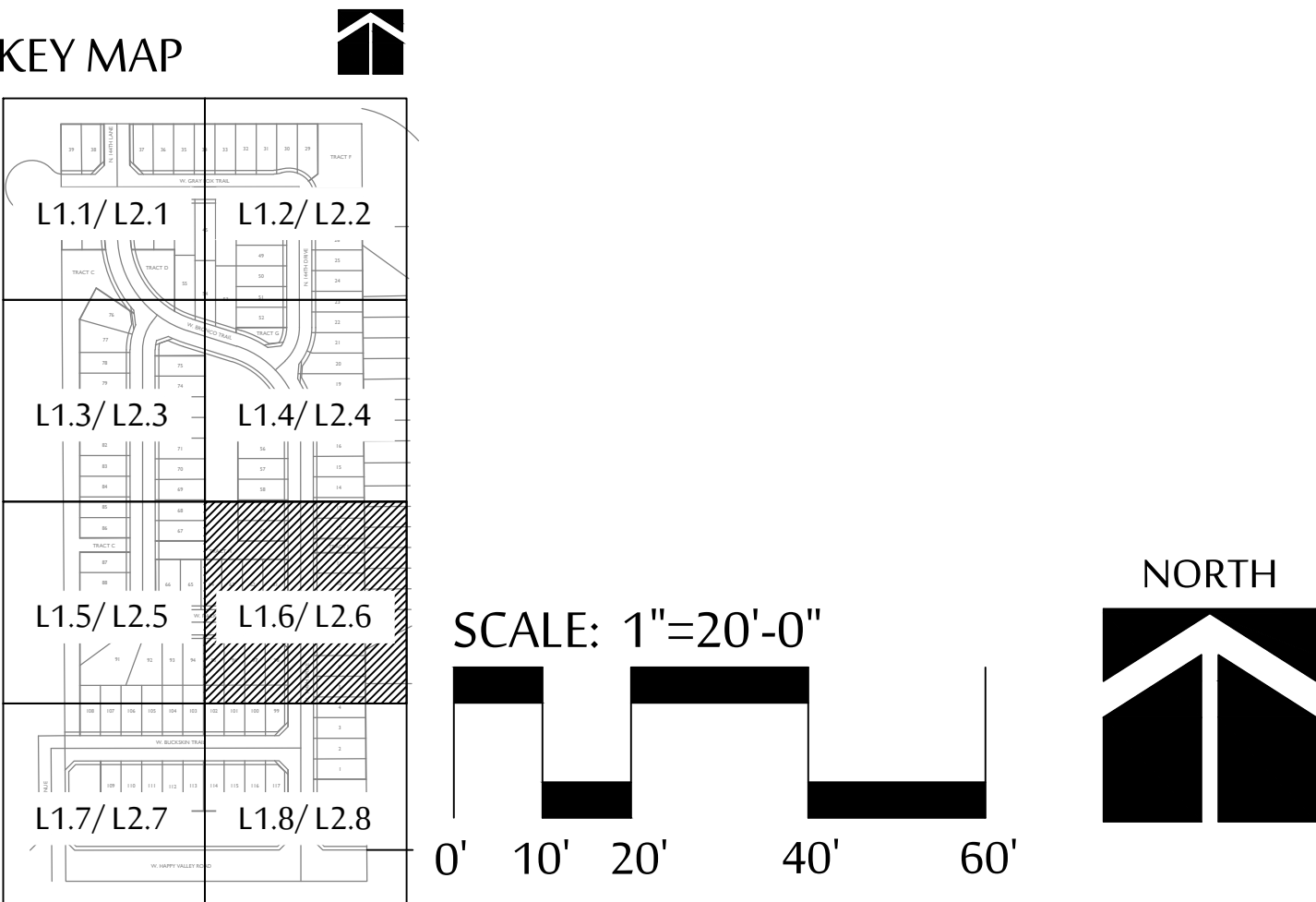
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IRRIGATION PLAN

RANCHO DEL REY

NEC OF 147TH AVE AND HAPPY VALLEY ROAD
SURPRISE, ARIZONA

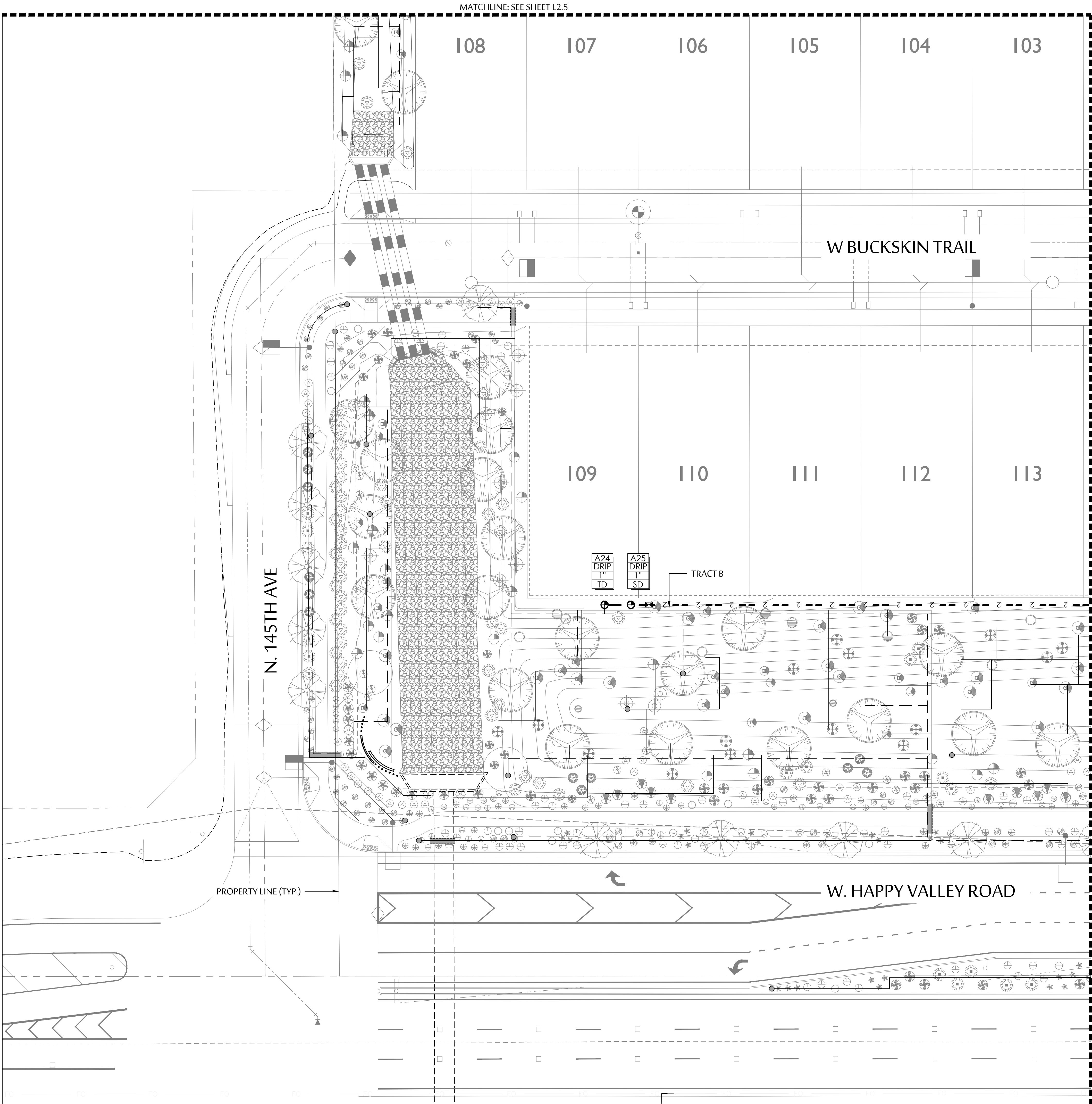
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DRAWN BY: JT, BD
CHECKED BY: NA

REVISIONS:

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L 2.6



IRRIGATION SCHEDULE	
SYMBOL	SPECIFICATION
	WATER METER - SIZE PER PLANS; COORDINATE LOCATION AND INSTALLATION W/ OWNER'S REPRESENTATIVE OF METER. SEE CIVIL PLANS FOR EXACT LOCATIONS.
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SEE SHEET L5.3 FOR ALL IRRIGATION DETAILS	
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EMITTER SCHEDULE	
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KEY MAP

SCALE: 1"=20'-0"

NORTH

MCGOUGH ADAMSON

Landscape Architects
Land Planning
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MESA, ARIZONA 85203
PHONE: (602) 997-9093

Registered Landscape Architect

CERTIFICATE NO. 27932

TIMOTHY J. MCGOUGH

05-05-2020

Expires: 6-30-2021

IRRIGATION PLAN

RANCHO DEL REY

NEC OF 147TH AVE AND HAPPY VALLEY ROAD

SURPRISE, ARIZONA

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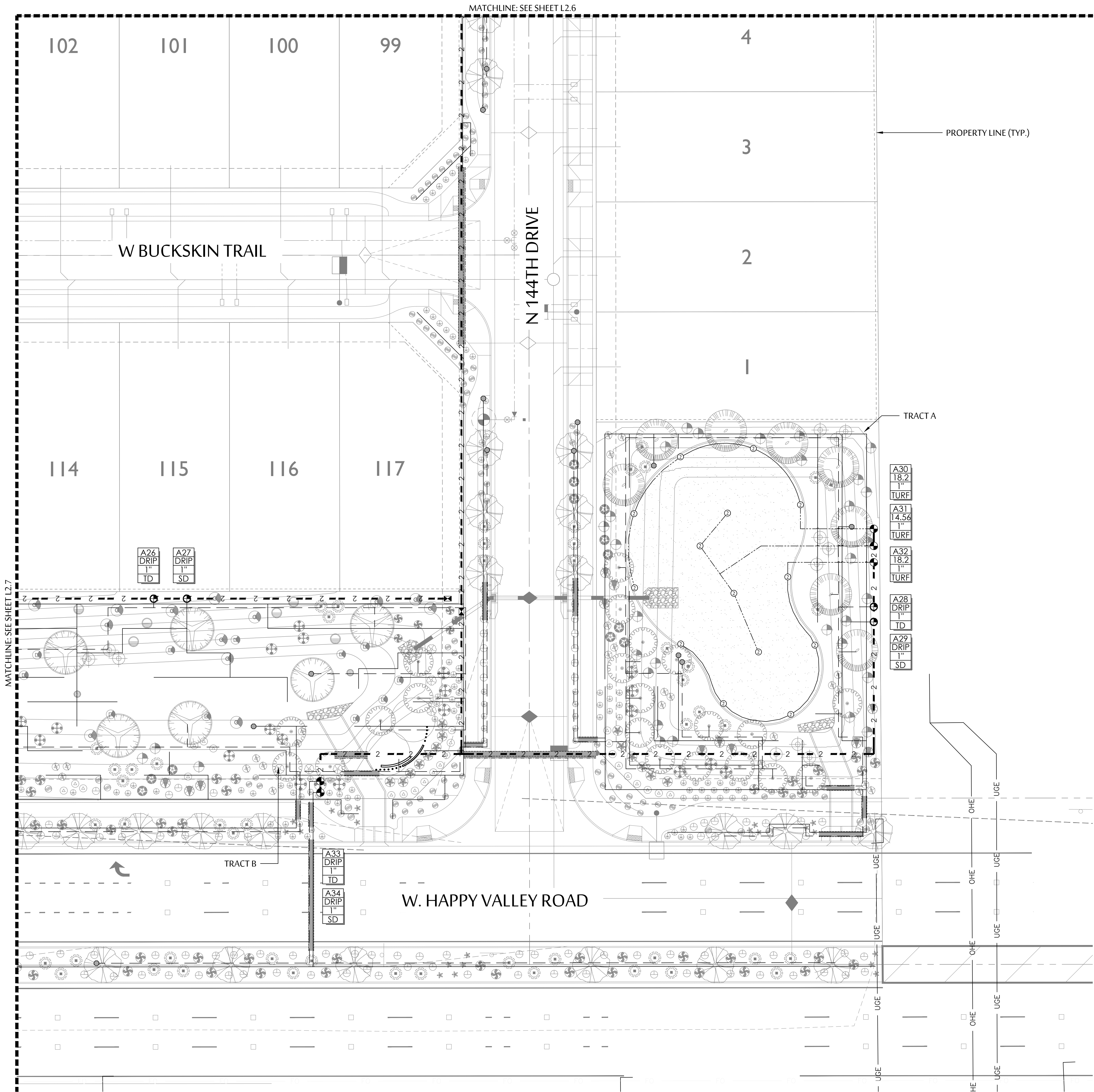
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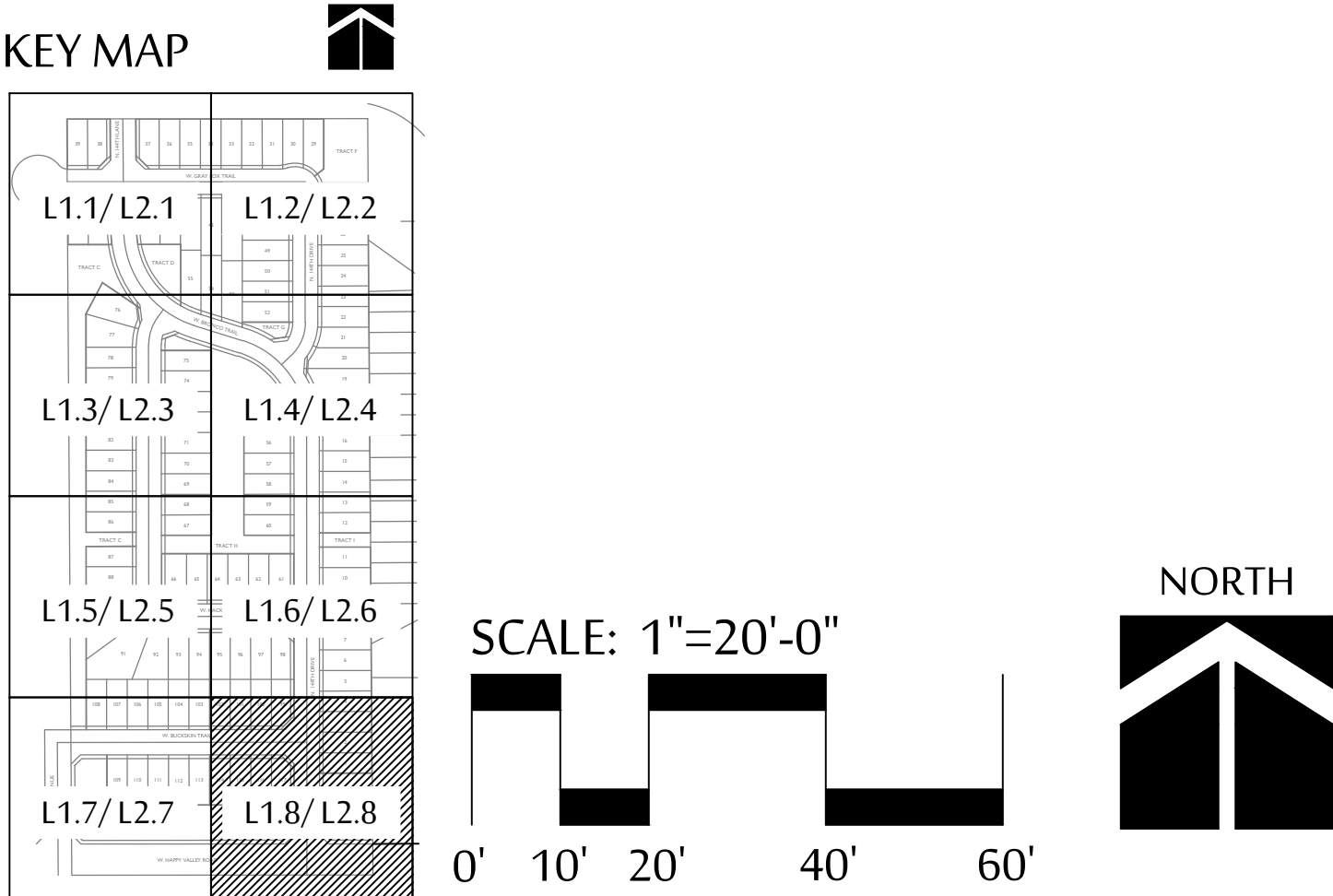
16 OF 22

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IRRIGATION SCHEDULE	
SYMBOL	SPECIFICATION
	WATER METER - SIZE PER PLANS; COORDINATE LOCATION AND INSTALLATION W/ OWNER'S REPRESENTATIVE OF METER. SEE CIVIL PLANS FOR EXACT LOCATIONS.
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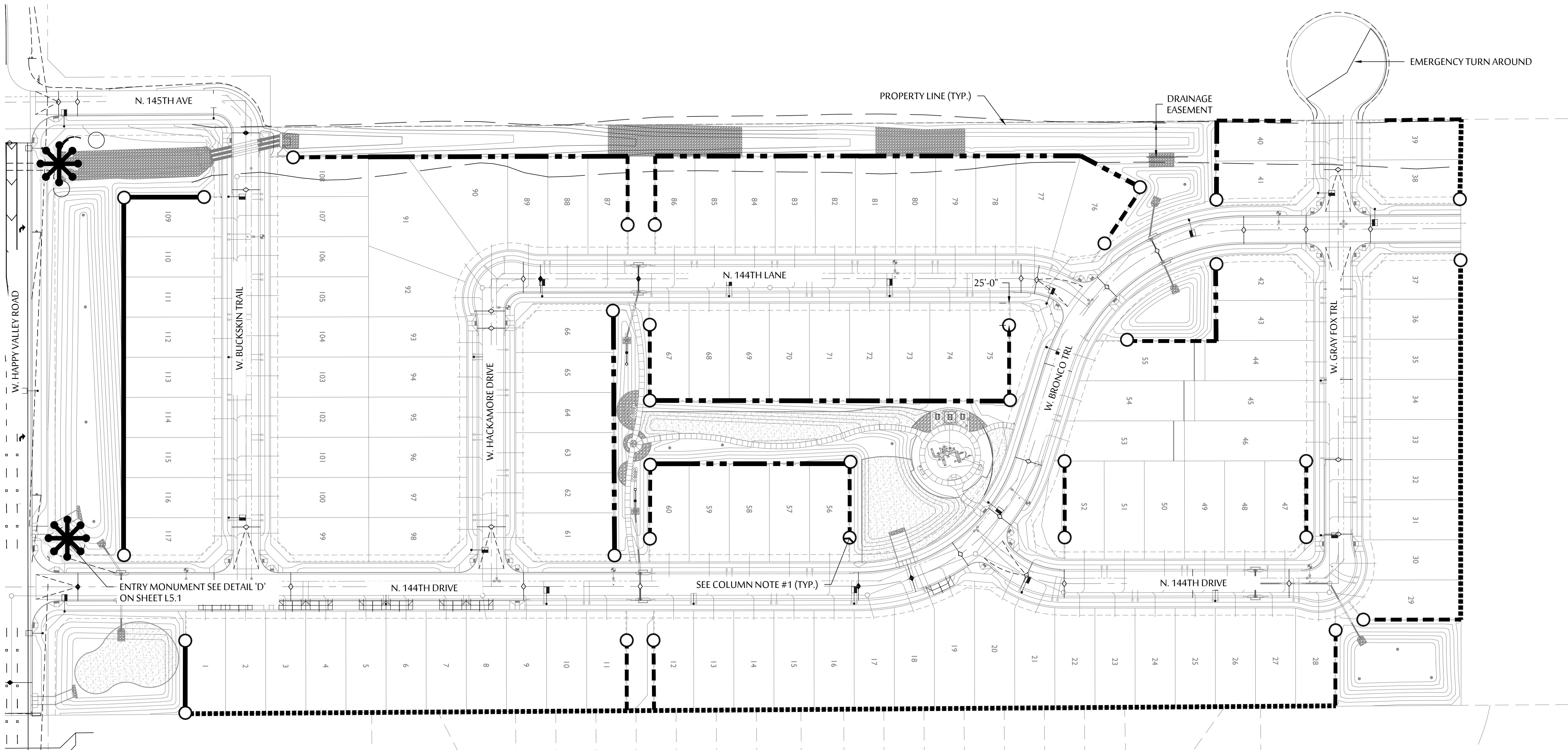


IRRIGATION PLAN

RANCHO DEL REY

NEC OF 147TH AVE AND HAPPY VALLEY ROAD
SURPRISE, ARIZONA

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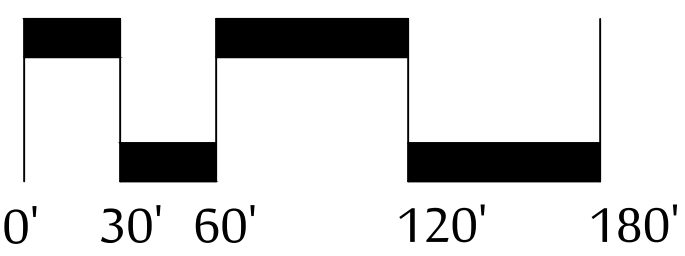
WALL PLAN LEGEND

	PRIMARY THEME WALL -SEE DETAIL 'A' ON SHEET 5.1
	SECONDARY THEME WALL -SEE DETAIL 'B' ON SHEET 5.1
	VIEW FENCE -SEE DETAIL 'C' ON SHEET 5.1
	BUILDER WALL -SEE DETAIL 'H' ON SHEET 5.1
	PROJECT THEME COLUMNS (84 TOTAL) -SEE DETAIL 'A' ON SHEET 5.1
	PRIMARY ENTRY MONUMENT -SEE DETAIL 'D' ON SHEET 5.1

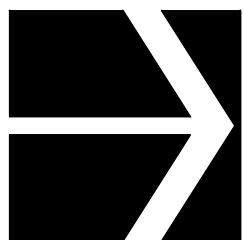
COLUMN LOCATION NOTE:

- COLUMNS LOCATED IN THE FRONT YARD OF LOTS ARE TO BE LOCATED A MINIMUM OF 25' BEHIND THE R.O.W.
- ADJACENT TO STREET FRONTAGES WHERE NO SIDE YARD WALLS ARE PRESENT, COLUMNS ALONG THE BACK OF THE LOTS ARE TO BE CONSTRUCTED BEHIND THE P.U.E. THEME WALLS, VIEW WALLS AND BUILDER WALLS TO TERMINATE AT THESE COLUMNS.
- QUANTITIES FOR CONVENIENCE ONLY. CONTRACTOR TO USE FOR SITE PLAN TO VERIFY ALL QUANTITIES.

SCALE: 1"=60'-0"



NORTH



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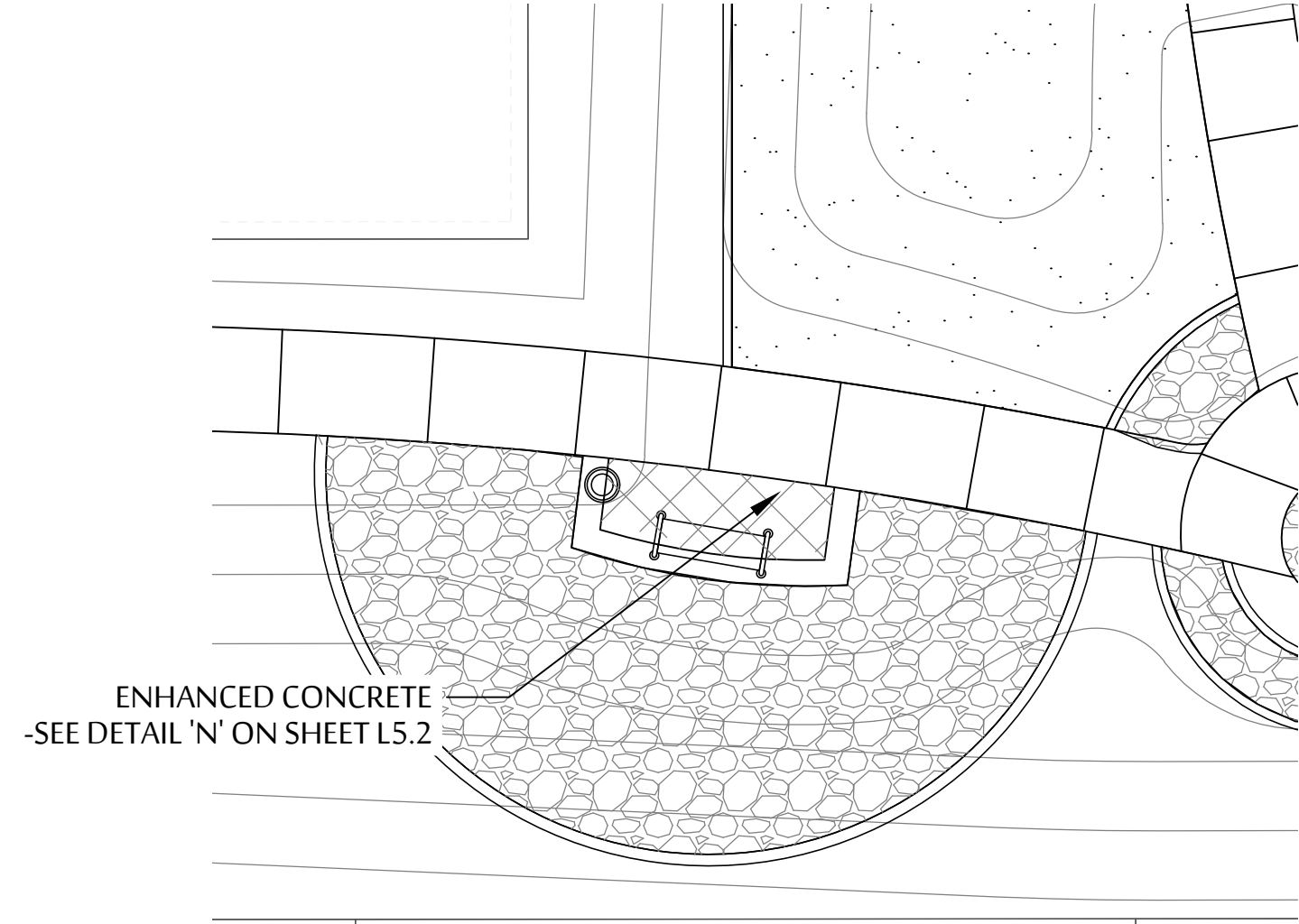
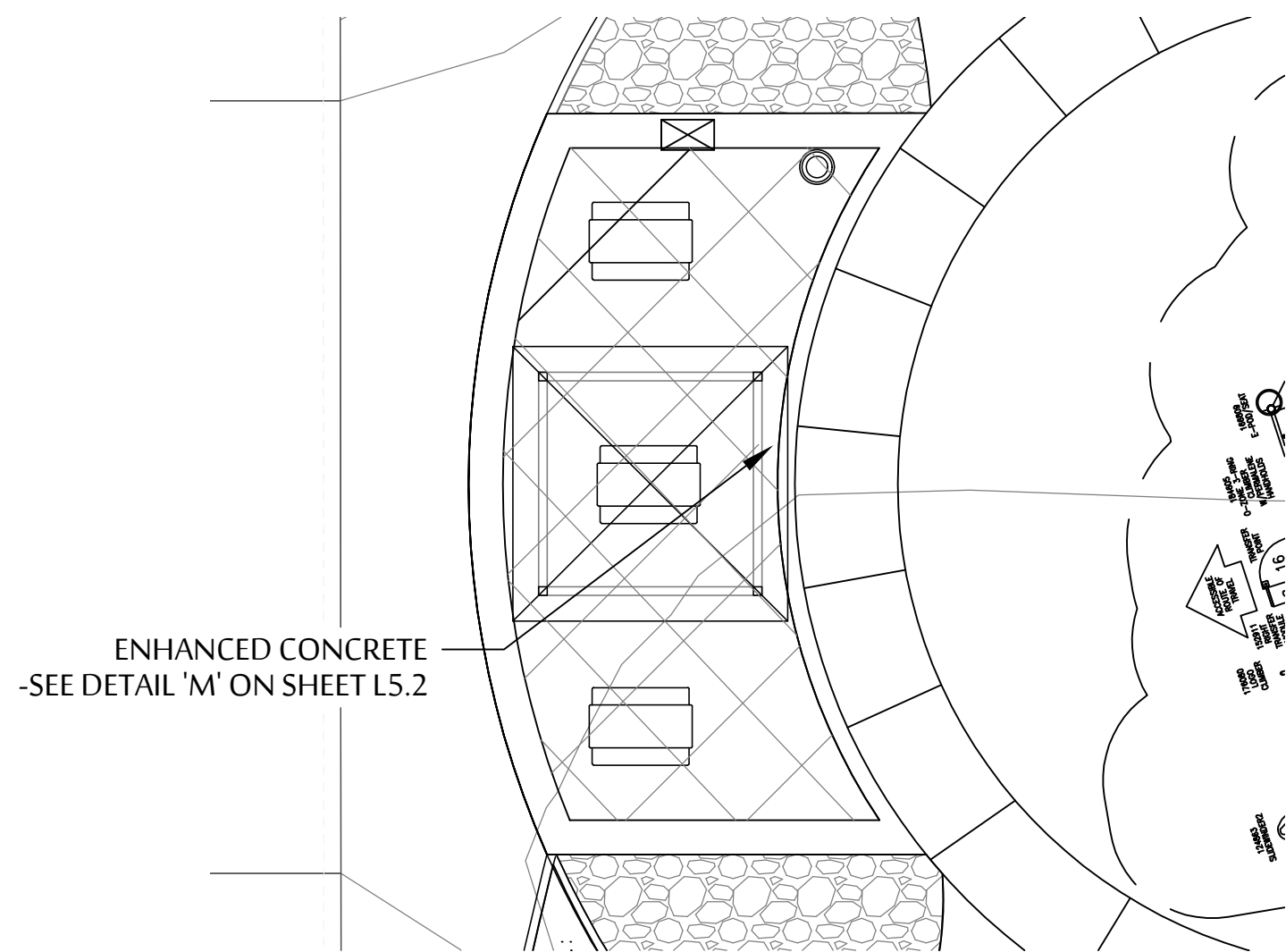
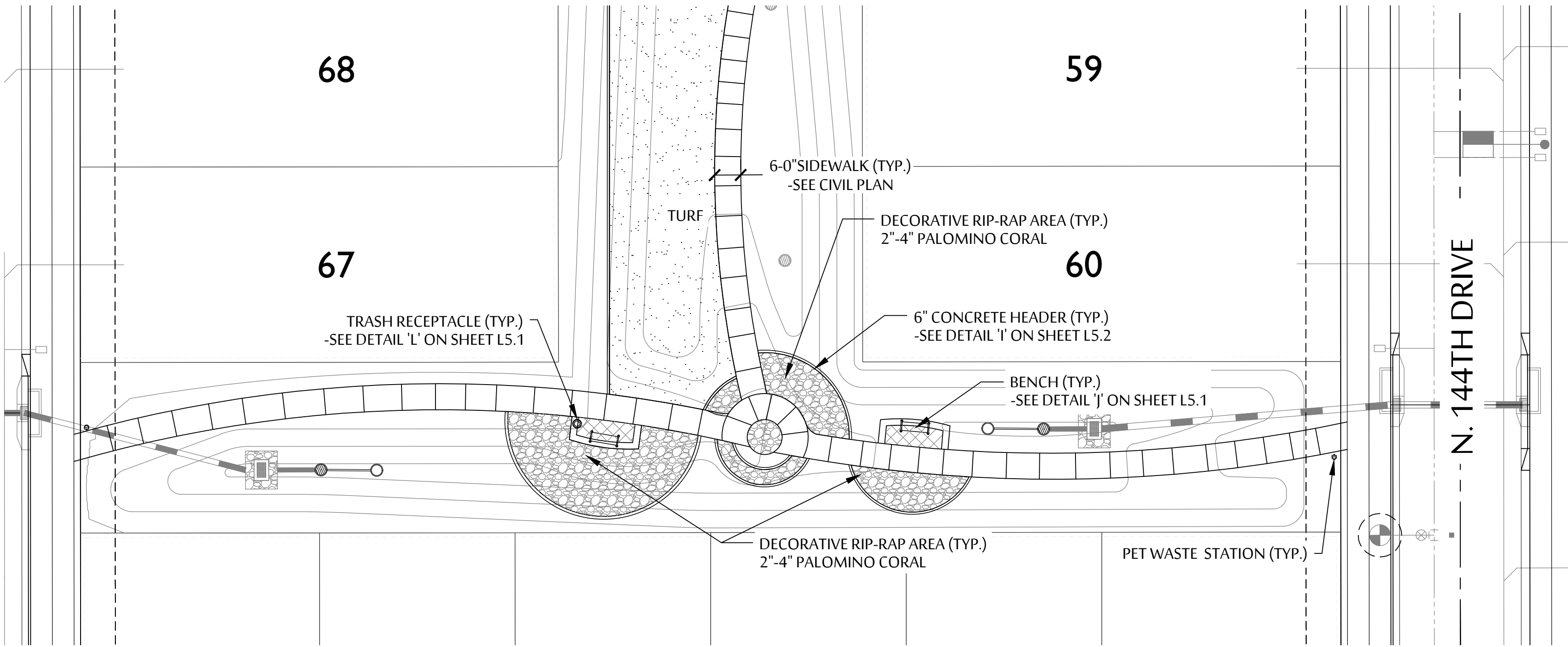
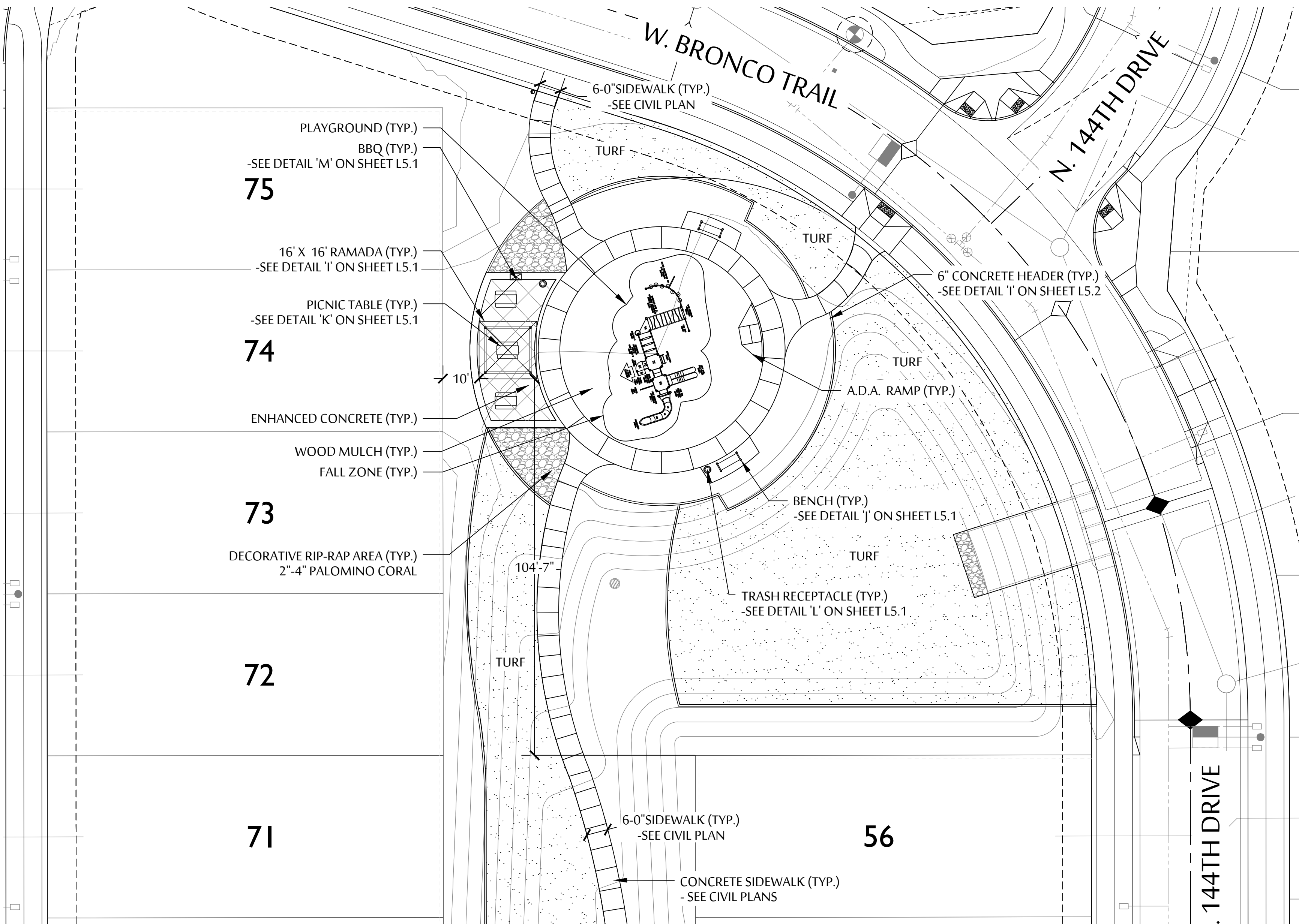
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NEC OF 147TH AVE AND HAPPY VALLEY ROAD
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REVISIONS:	

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L 3.1



AMENITIES SCHEDULE

6' BENCH (QUANTITY: 4)
MANUFACTURER: ANOVA FURNISHINGS
CONTACT: EXERPLAY (480) 323 - 0337
MODEL# L1360 - SEE DETAIL 'G' ON SHEET 5.1
(SURFACE MOUNT ON 3'X8' CONCRETE
SLAB, 4" THICKNESS MIN. SEE DETAIL 'L' ON SHEET 5.2).
COLOR: TEXTURED GRAY

PICNIC TABLES (QUANTITY: 3)
MANUFACTURER: ANOVA FURNISHINGS
CONTACT: EXERPLAY (480) 323 - 0337
MODEL# D2003 PINICH TABLE - SEE DETAIL 'H' ON SHEET
L5.1
SURFACE MOUNT - SEE DETAIL 'L' ON SHEET 5.2
COLOR: TEXTURED BRONZE

TRASH RECEPTACLE (QUANTITY: 3)
MANUFACTURER: ANOVA FURNISHINGS
CONTACT: EXERPLAY (480) 323 - 0337
MODEL# L1378CT - SEE DETAIL 'I' ON SHEET L5.1
SURFACE MOUNT - SEE DETAIL 'L' ON SHEET 5.2
COLOR: TEXTURED BRONZE

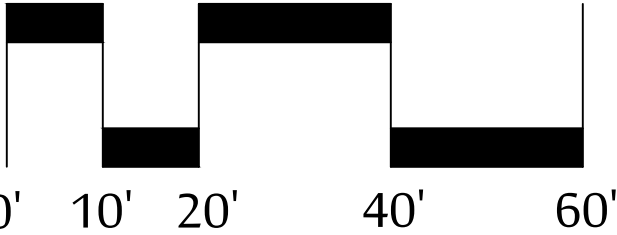
PET WASTE STATION (QUANTITY: 3)
MANUFACTURER: DOG-ON-IT PARKS
CONTACT: EXERPLAY (480) 323-0337
MODEL# 7408S (COMPLETE STATION ONE-PUL)
COLOR: GREEN

16' X 16' RAMADA (QUANTITY: 3)
MANUFACTURER: CLASSIC RECREATION
CONTACT: EXERPLAY - (480) 323 - 0337
MODEL: ORLANDO (STANDING SEAM ROOF)
FRAME COLOR: RAL7013 (BROWN GREY)
ROOF COLOR: COOL DARK BRONZE
- SEE DETAIL 'H' ON SHEET L5.1

BBQ GRILL (QUANTITY 1)
MANUFACTURER: PW ATHLETIC
CONTACT: DAVE BANG ASSOCIATES (480) 892-2266
MODEL# 1140-00 (IN GROUND)
COLOR: BLACK
- SEE DETAIL 'J' ON SHEET L5.1

PLAYGROUND EQUIPMENT
MANUFACTURER: EXERPLAY
CONTACT: EXERPLAY, INC (800)--457-5444
MODEL #: 4303
COLOR PALETTE: T.B.D.

SCALE: 1"=20'-0"



535 E. MCKELLIPS RD. SUITE 131
MESA, ARIZONA 85203
PHONE: (602) 997-9093



Expires: 6-30-2021

AMENITIES SCHEDULE
RANCHO DEL REY
NEC OF 147TH AVE AND HAPPY VALLEY ROAD
SURPRISE, ARIZONA

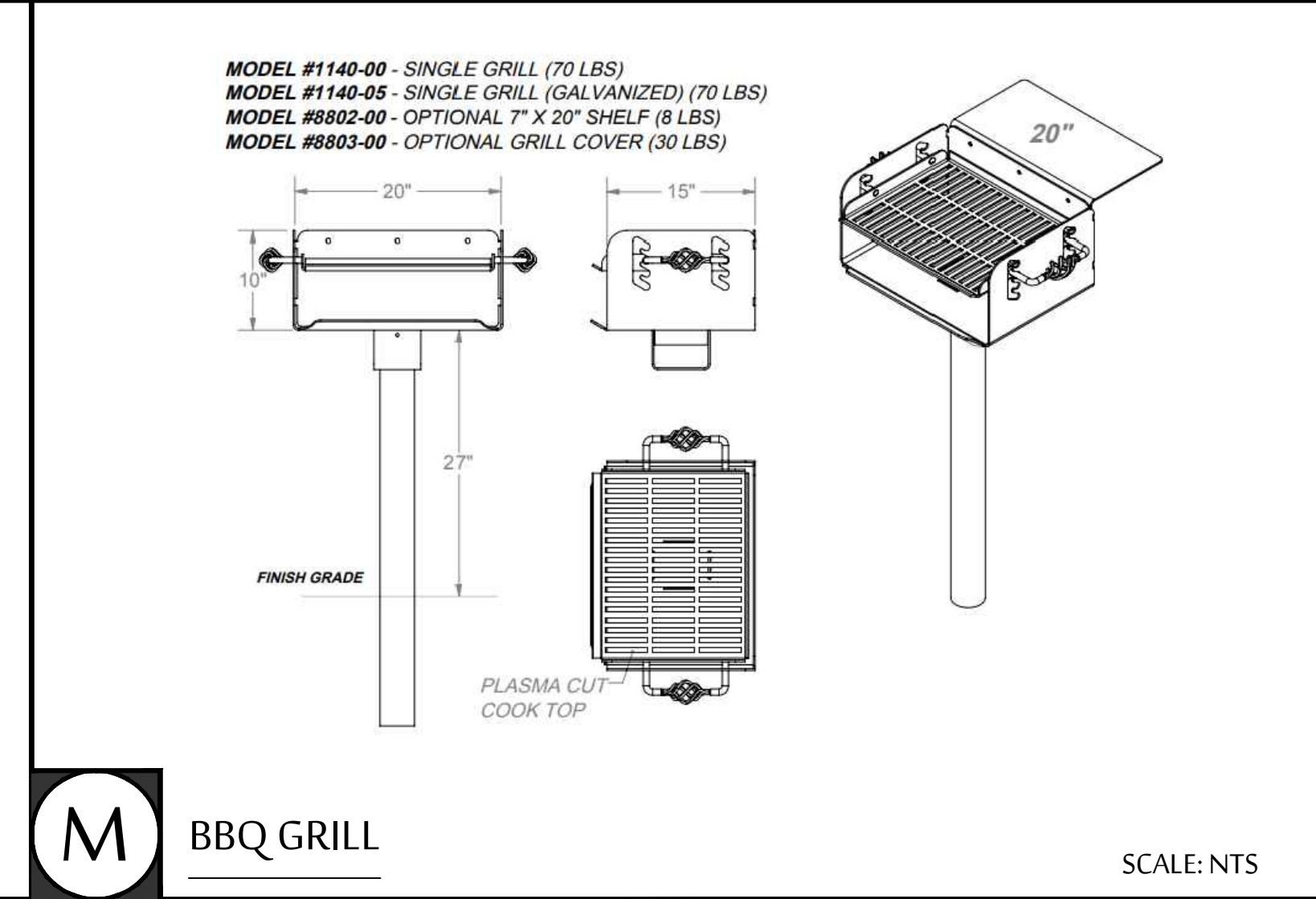
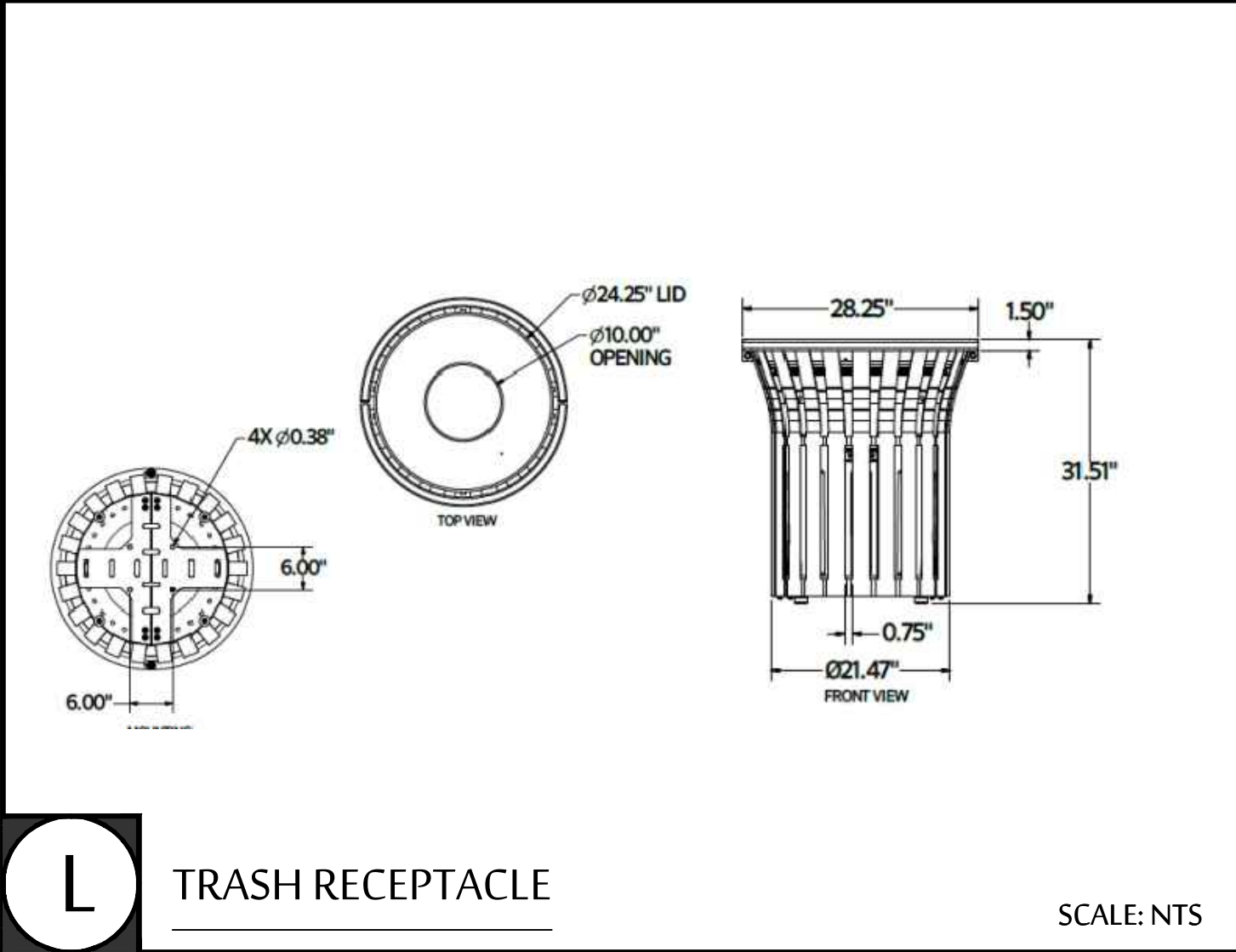
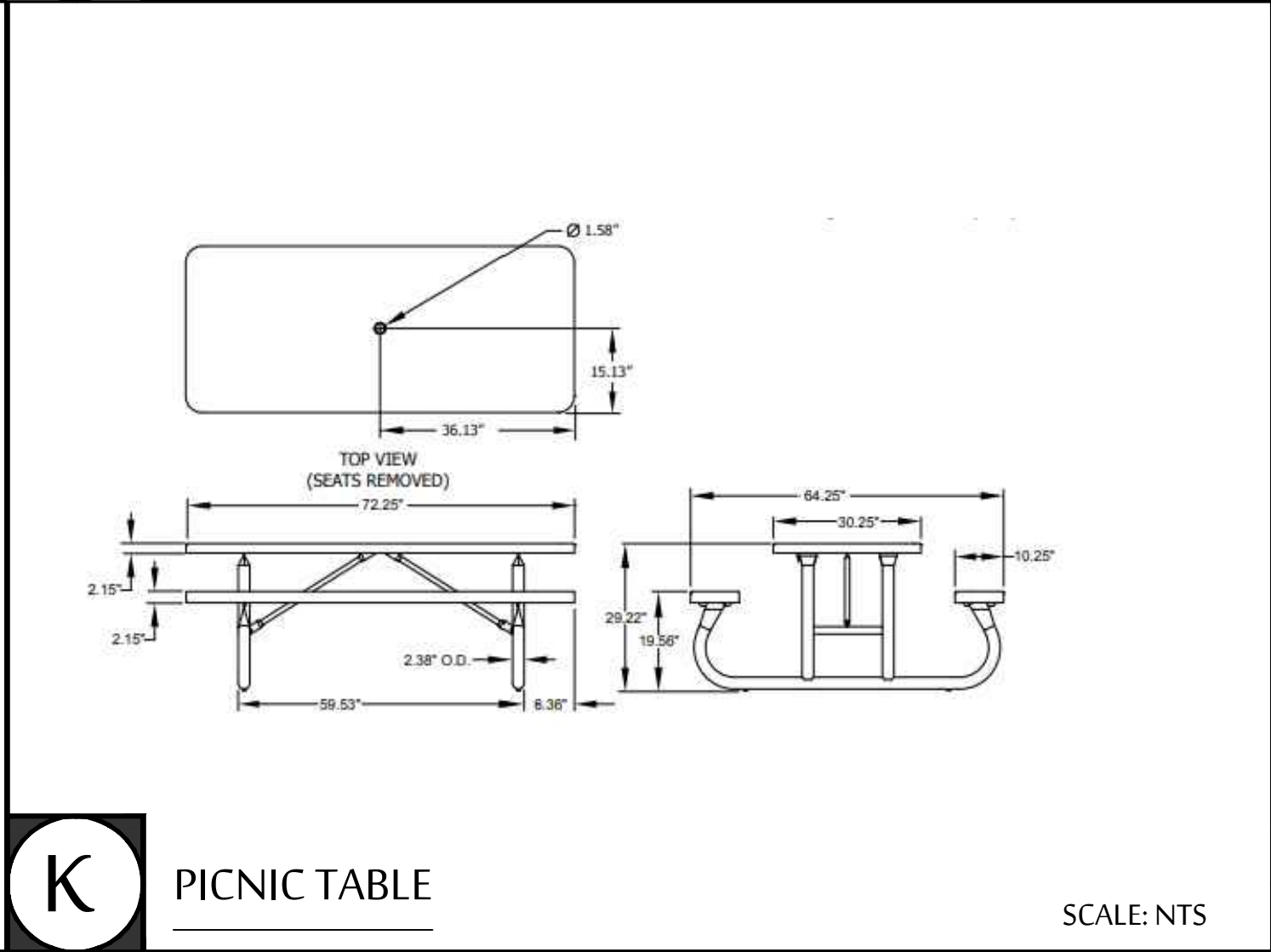
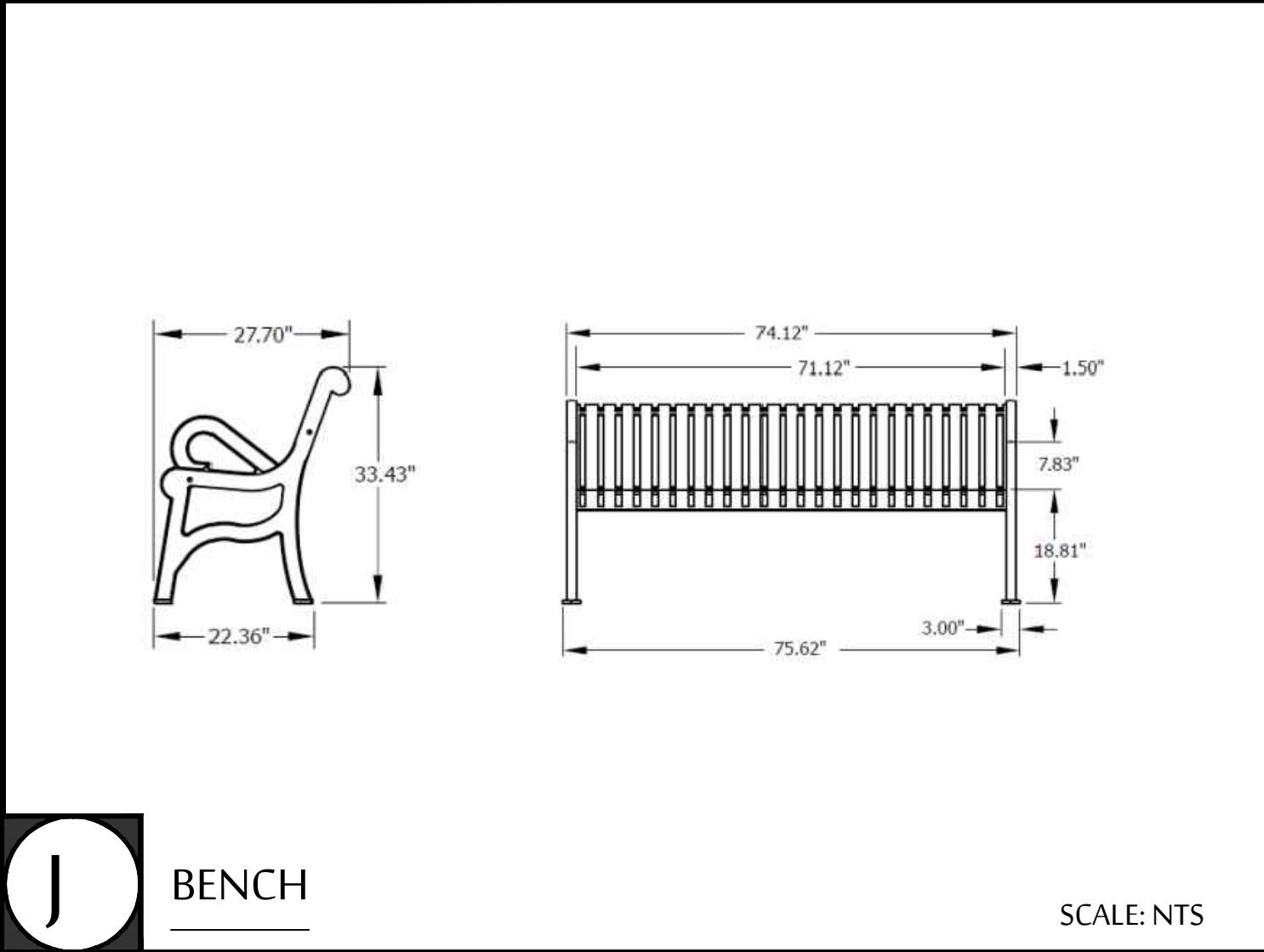
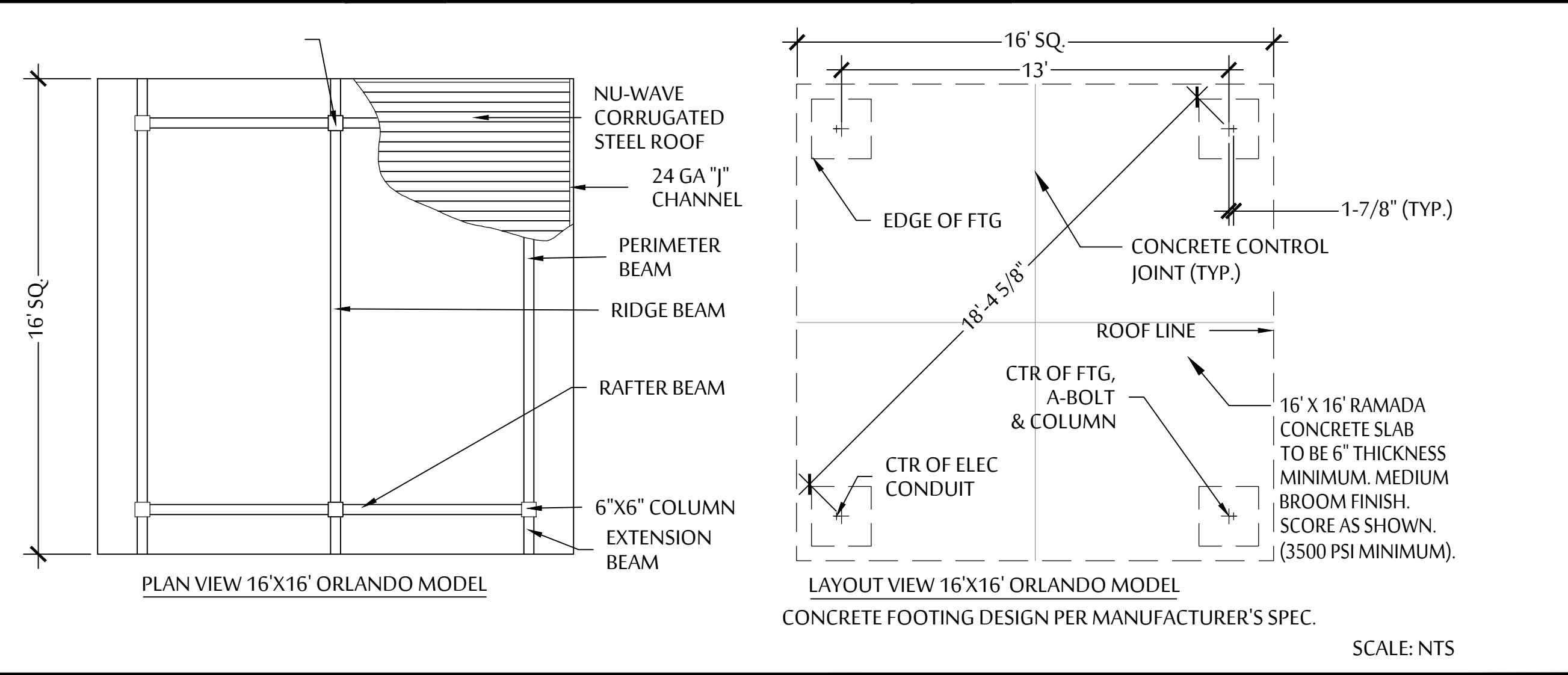
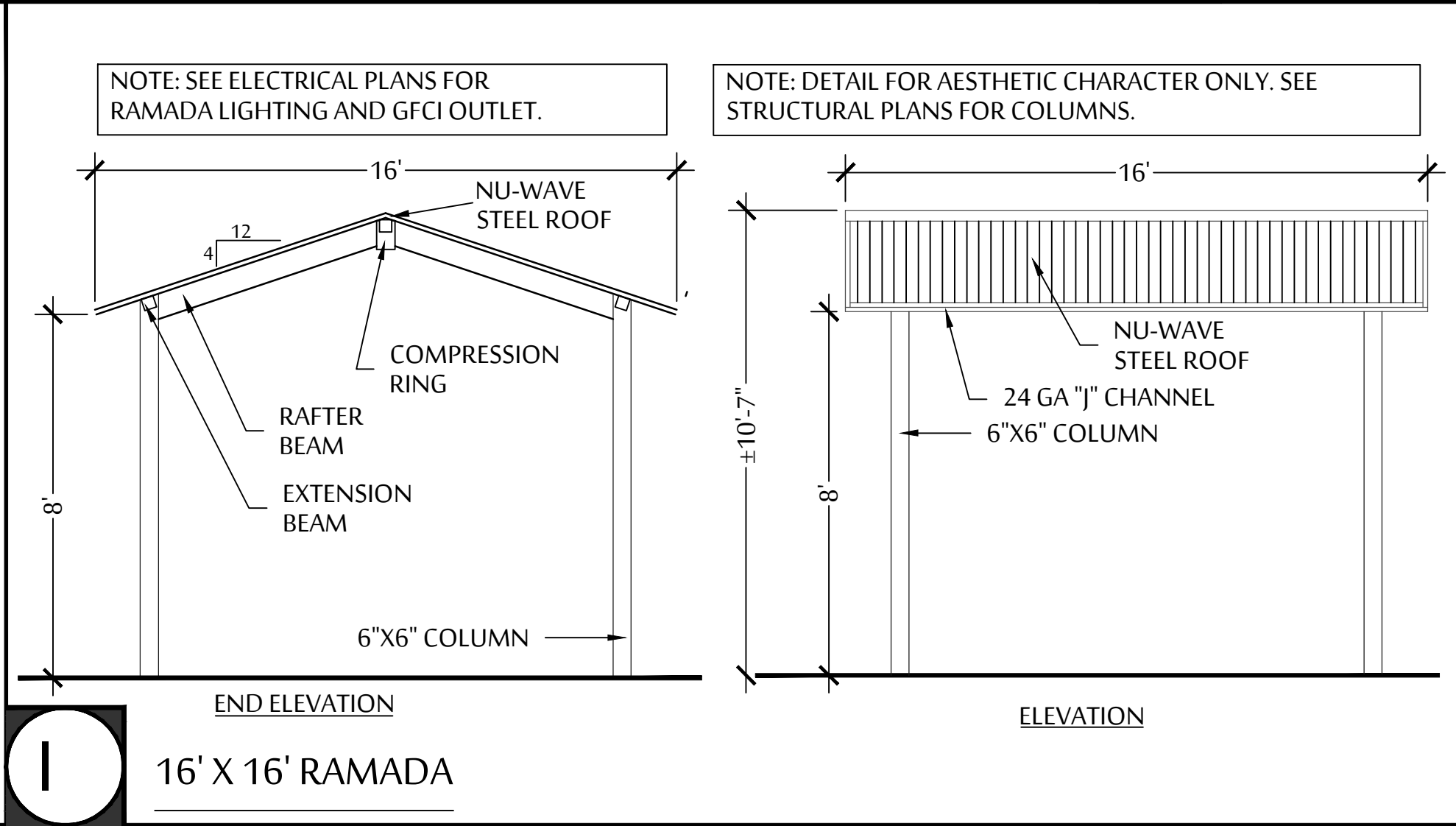
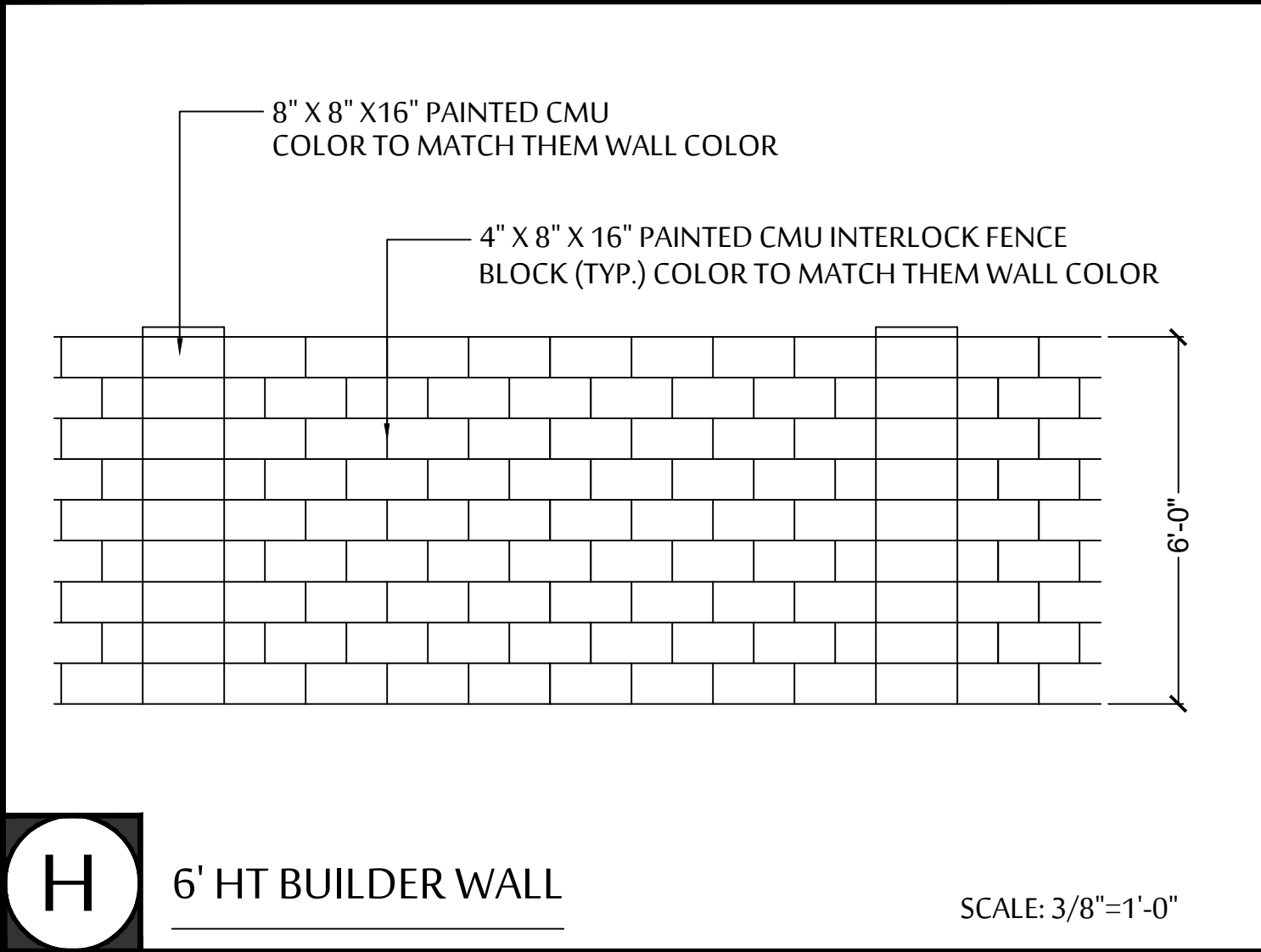
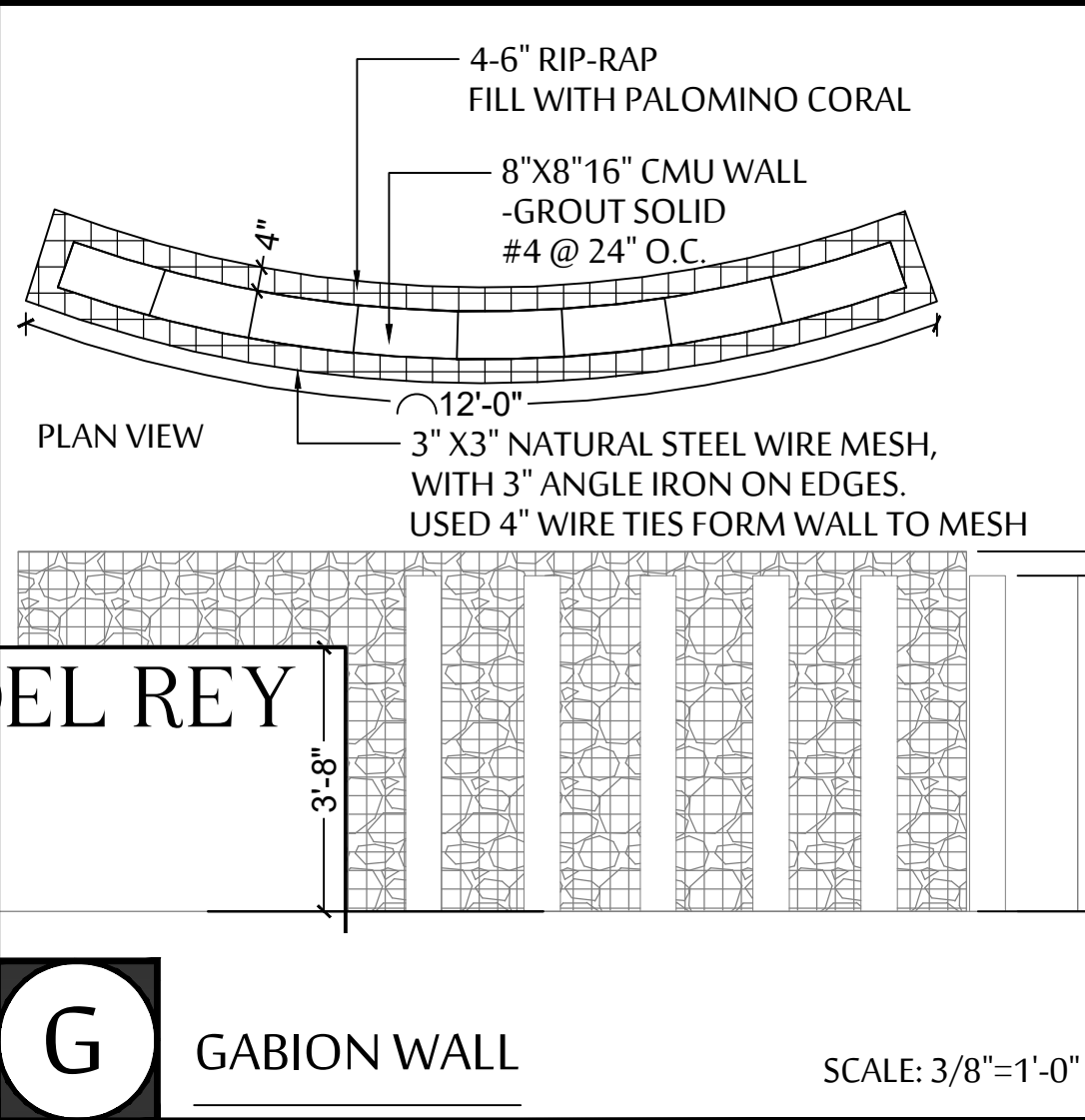
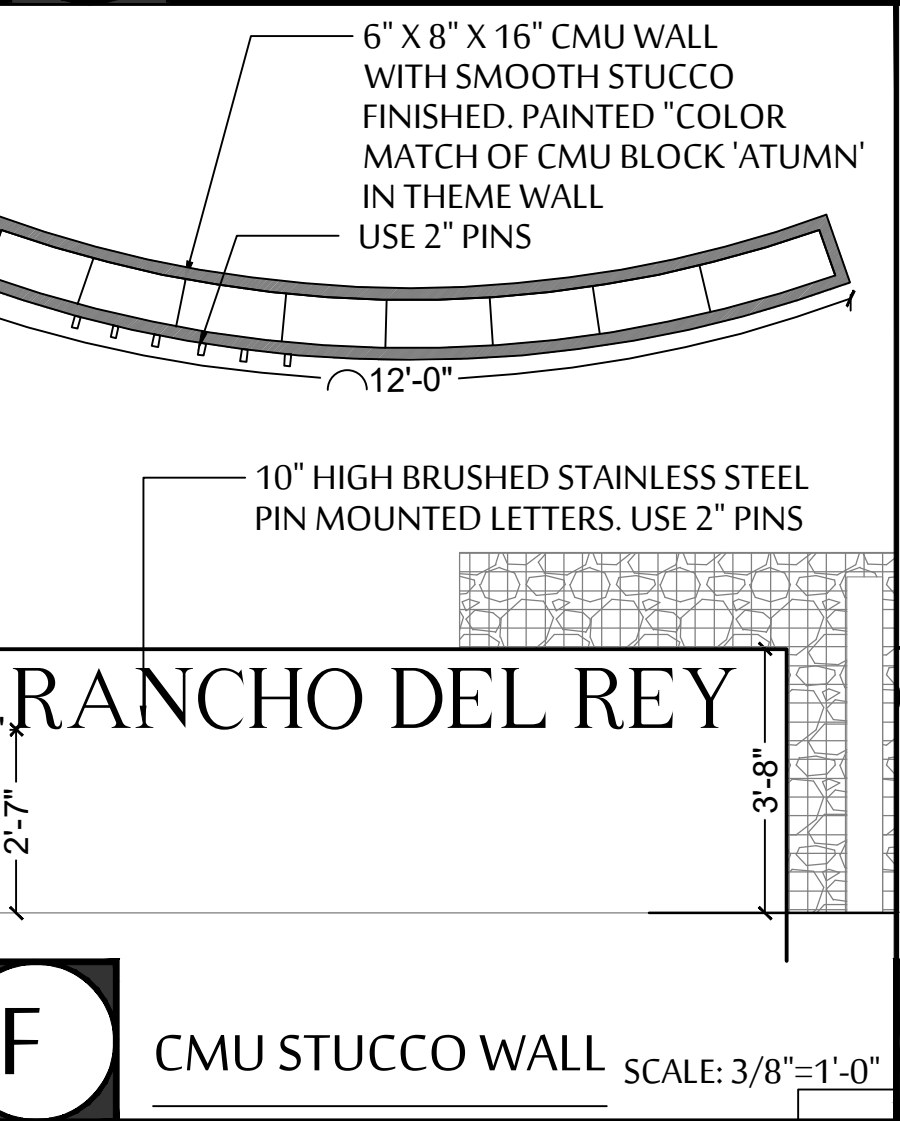
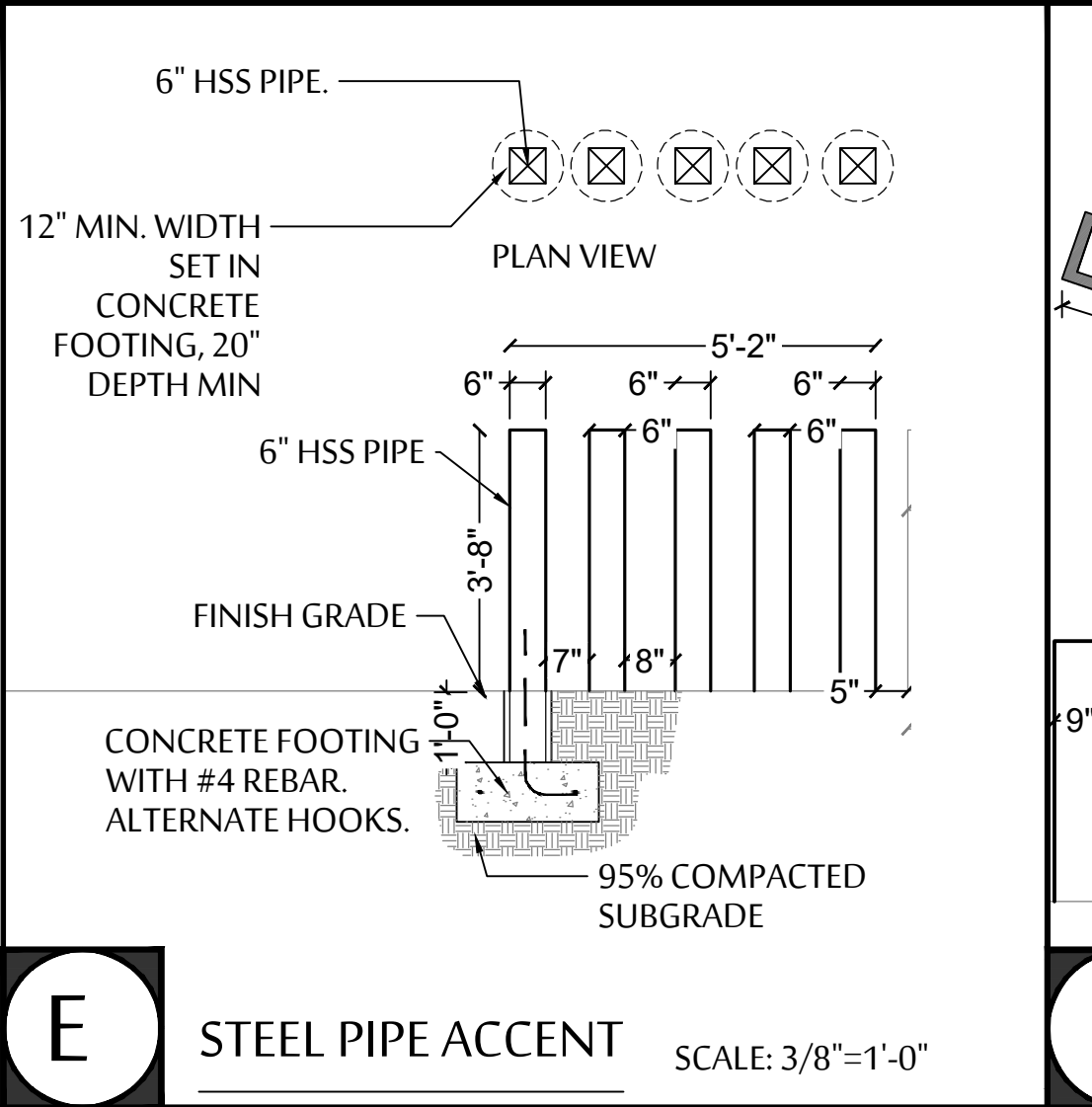
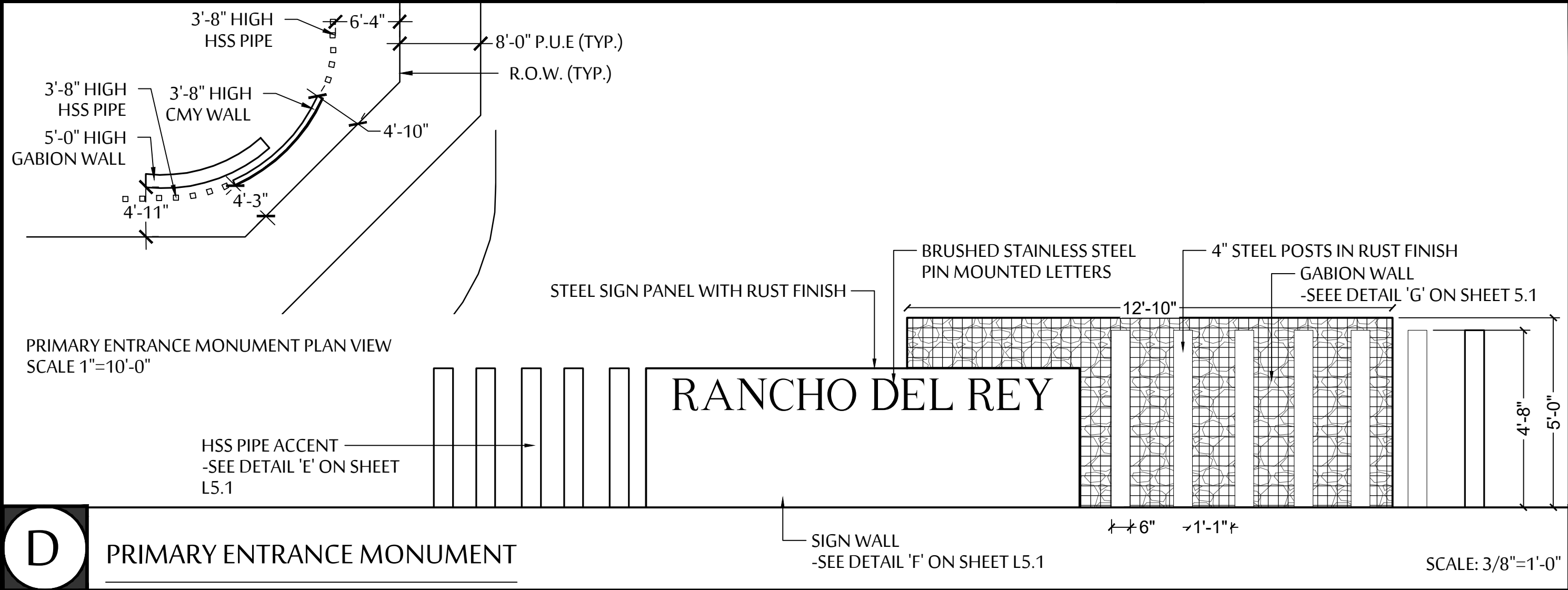
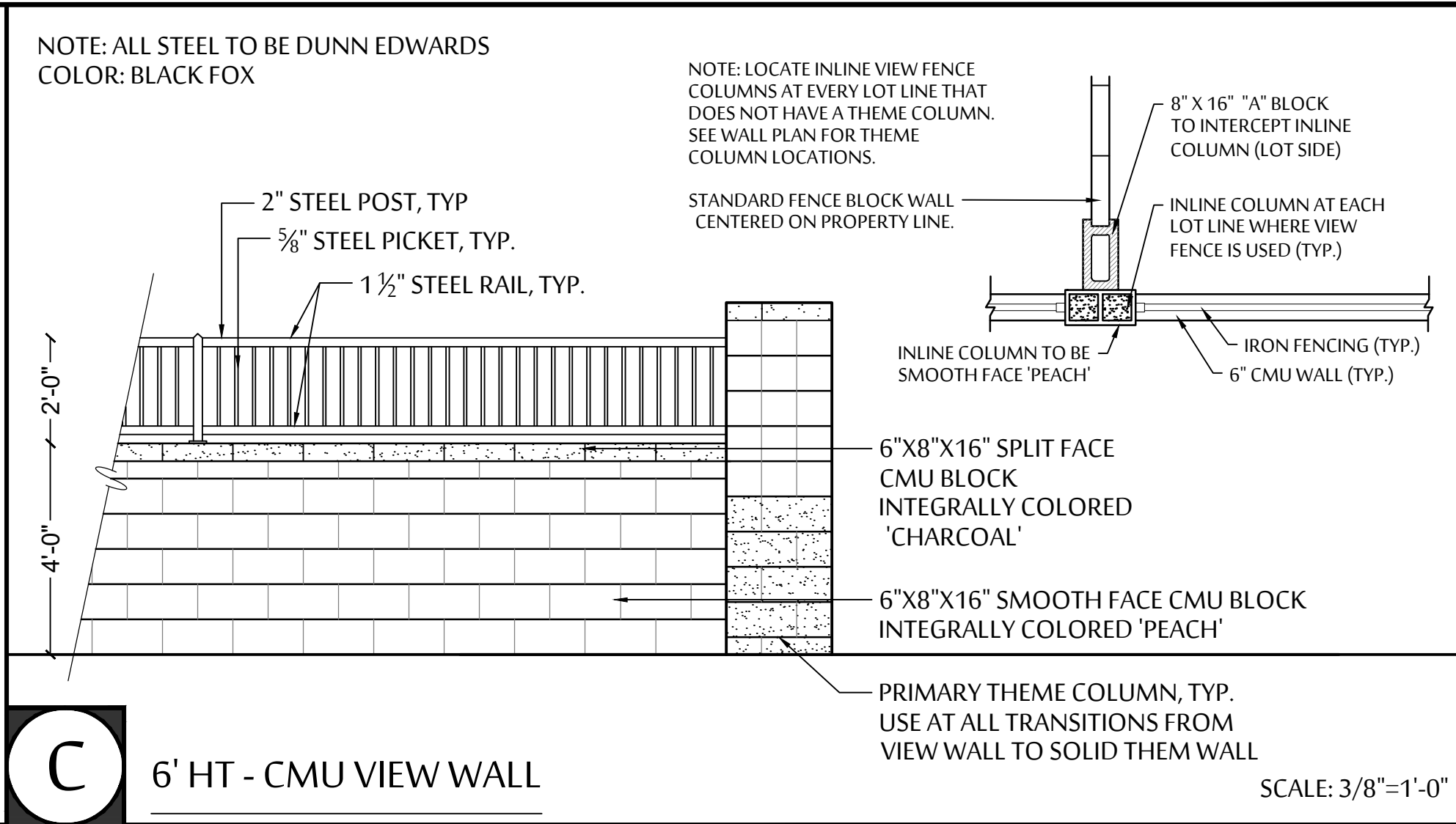
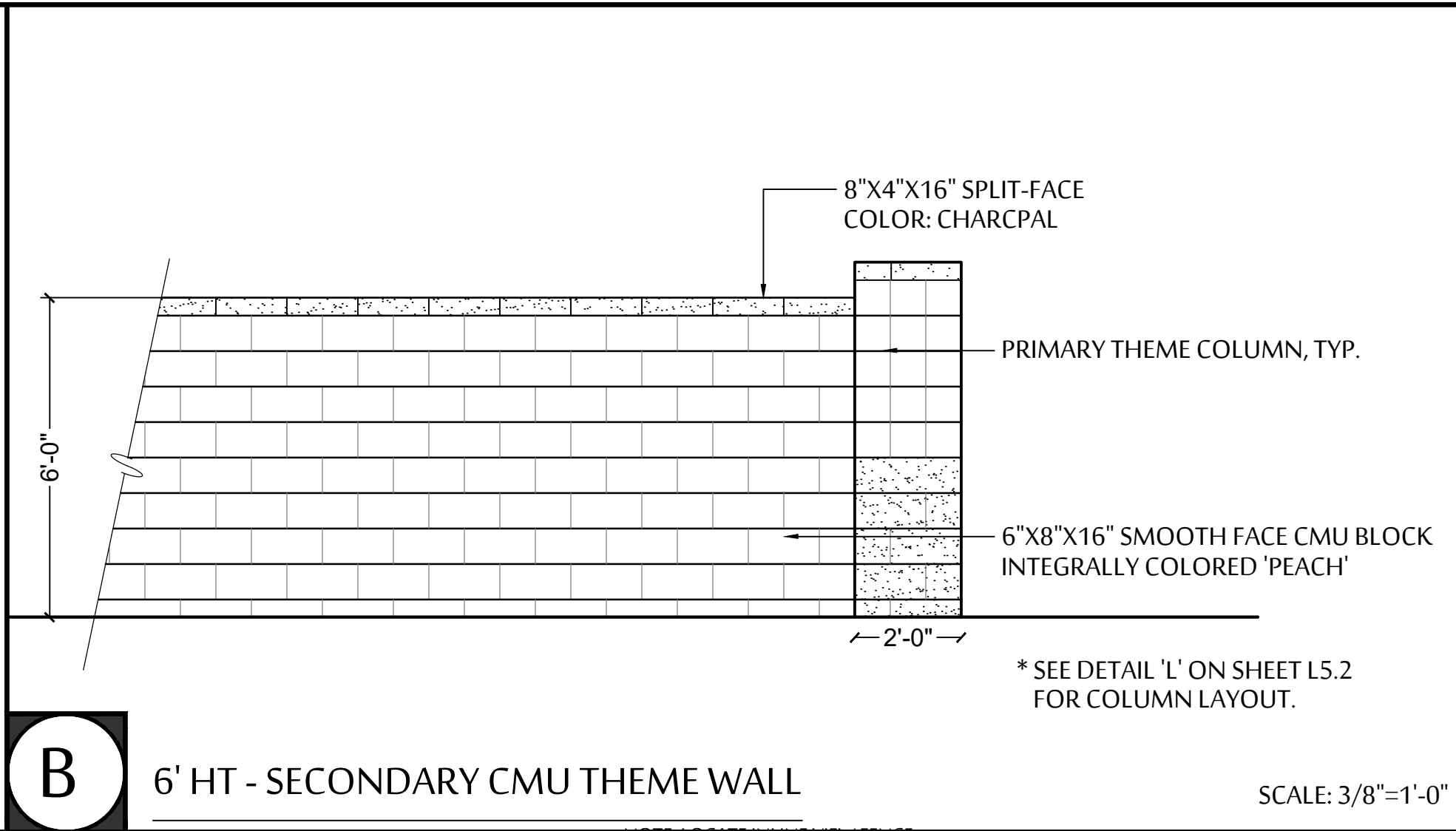
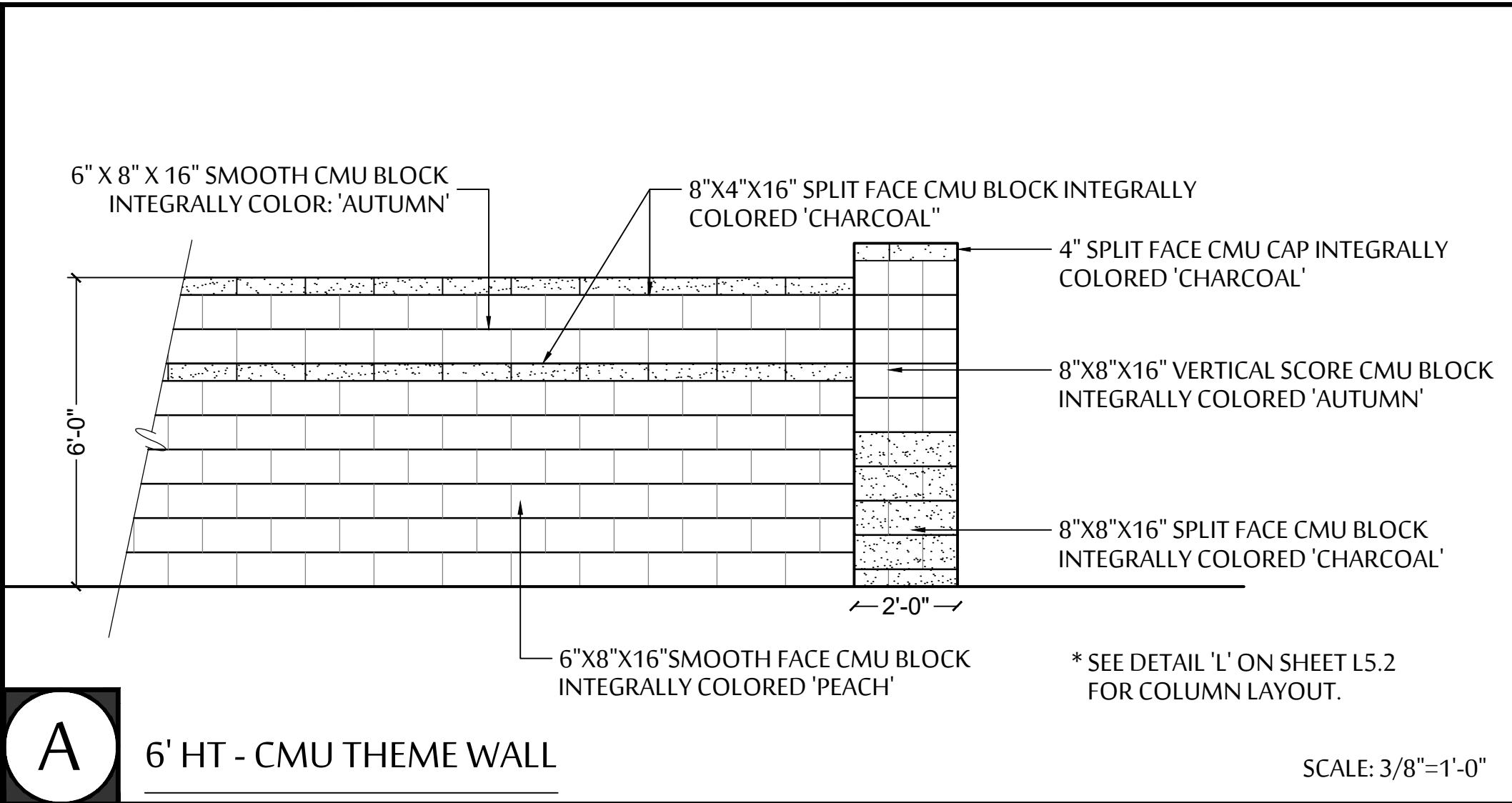
These drawings, as legal instruments
of professional services are, and
shall remain the property of the
landscape architect.

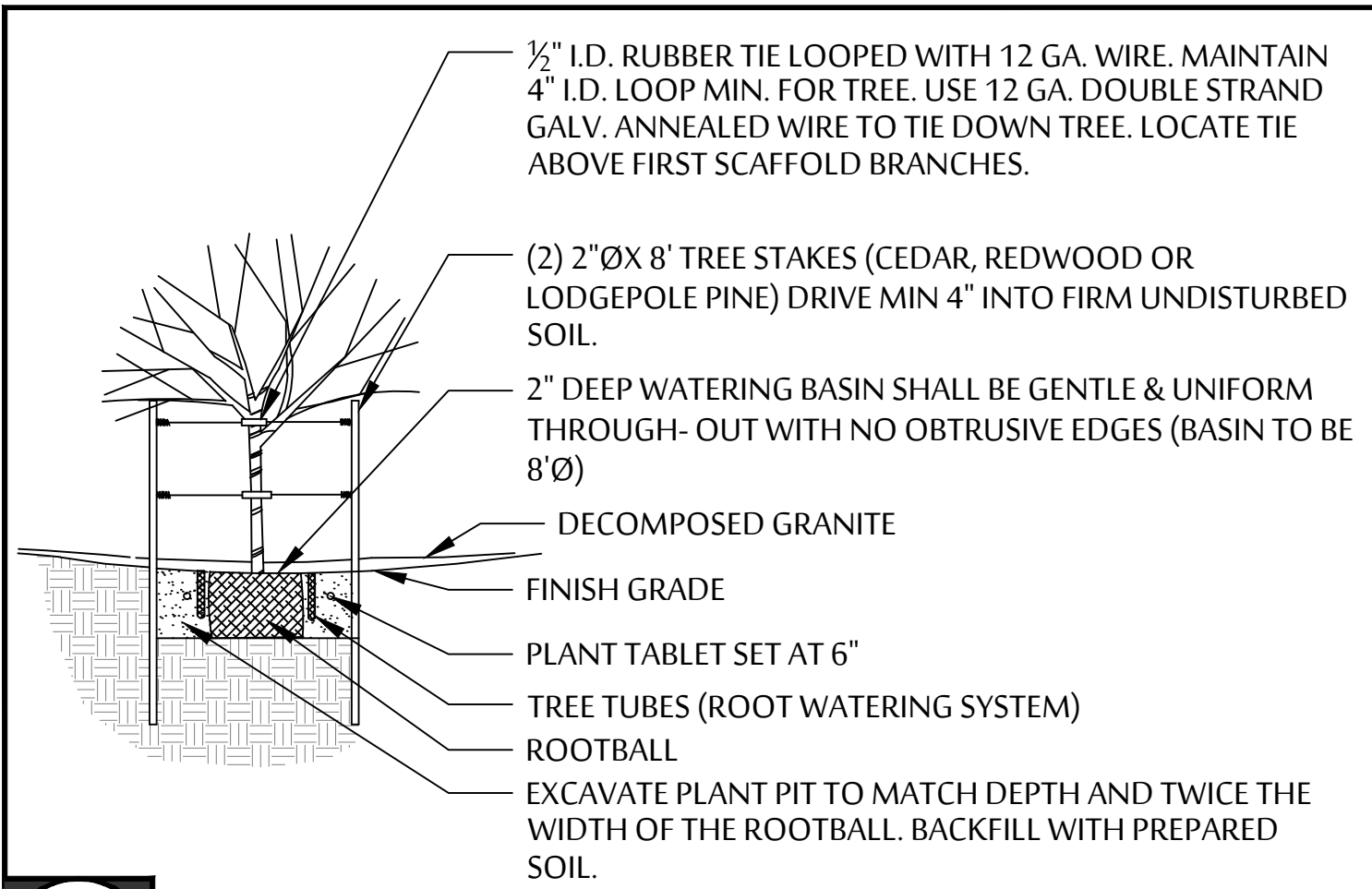
These drawings shall not be used on
other projects or for additions to
this project except by written
agreement from the landscape architect.

JOB NO.	17-82
DATE:	05-05-20
DRAWN BY:	JT, BD
CHECKED BY:	NA

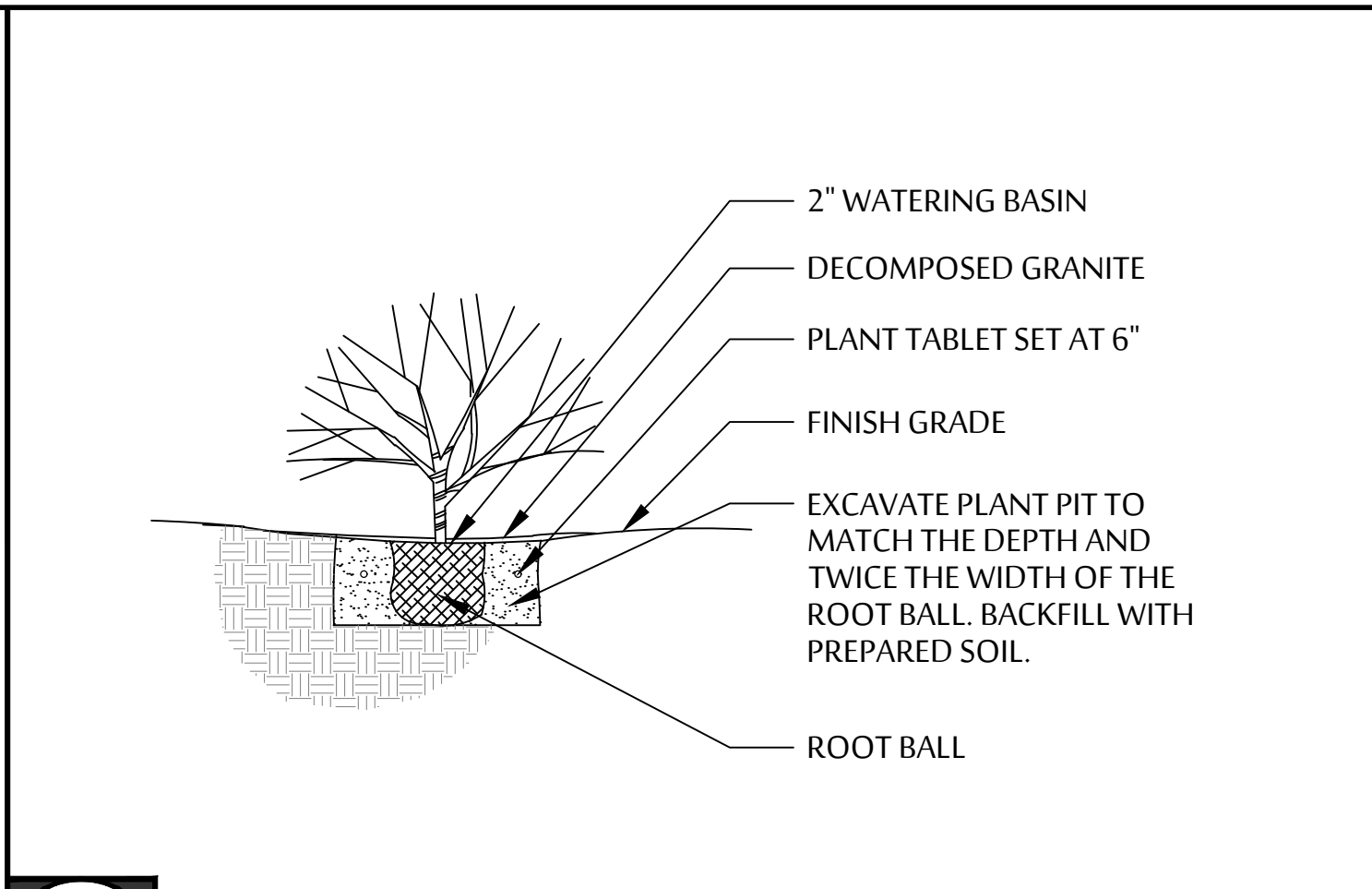
REVISIONS:	

SHEET NO.
L 4.1

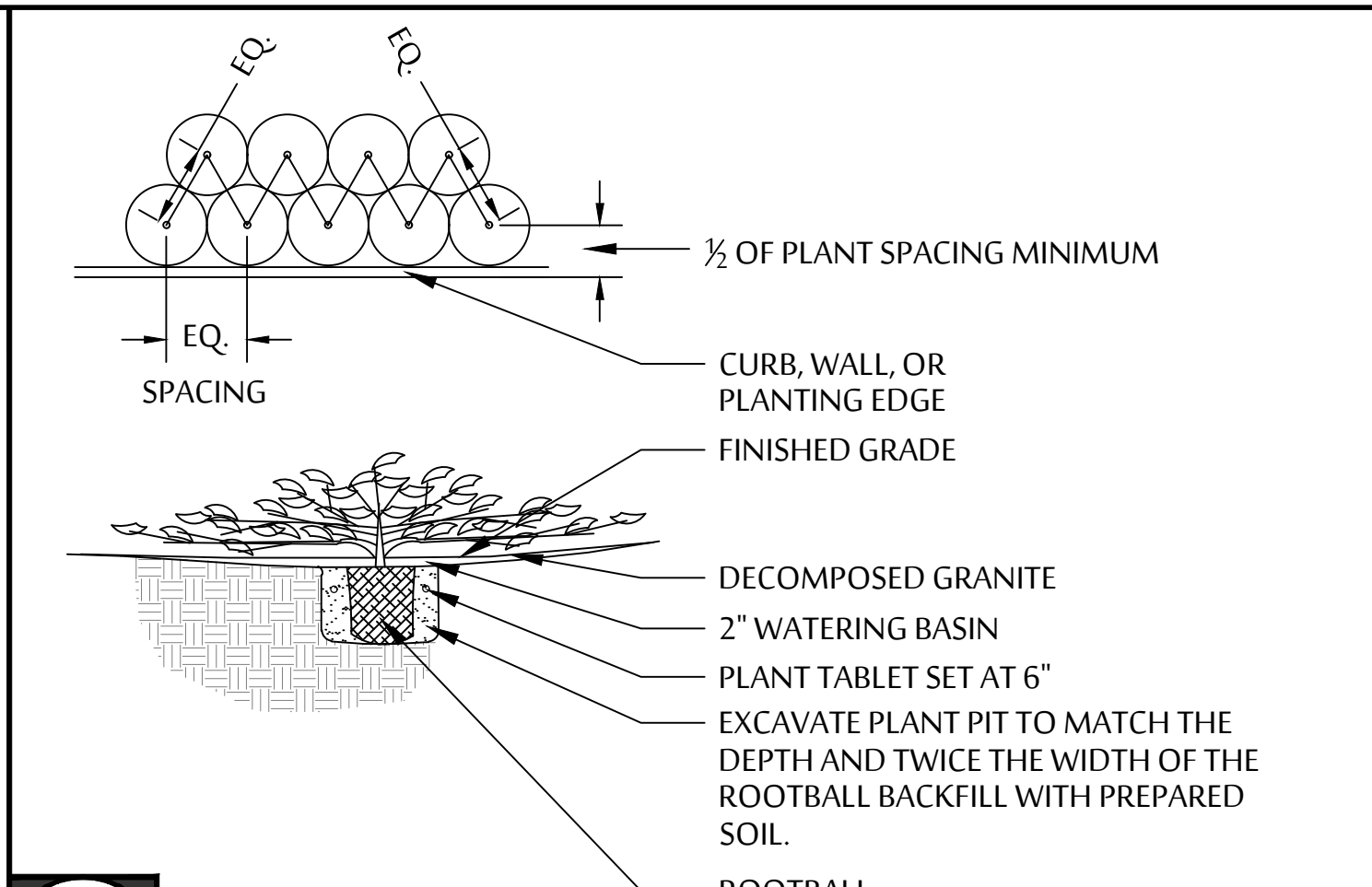




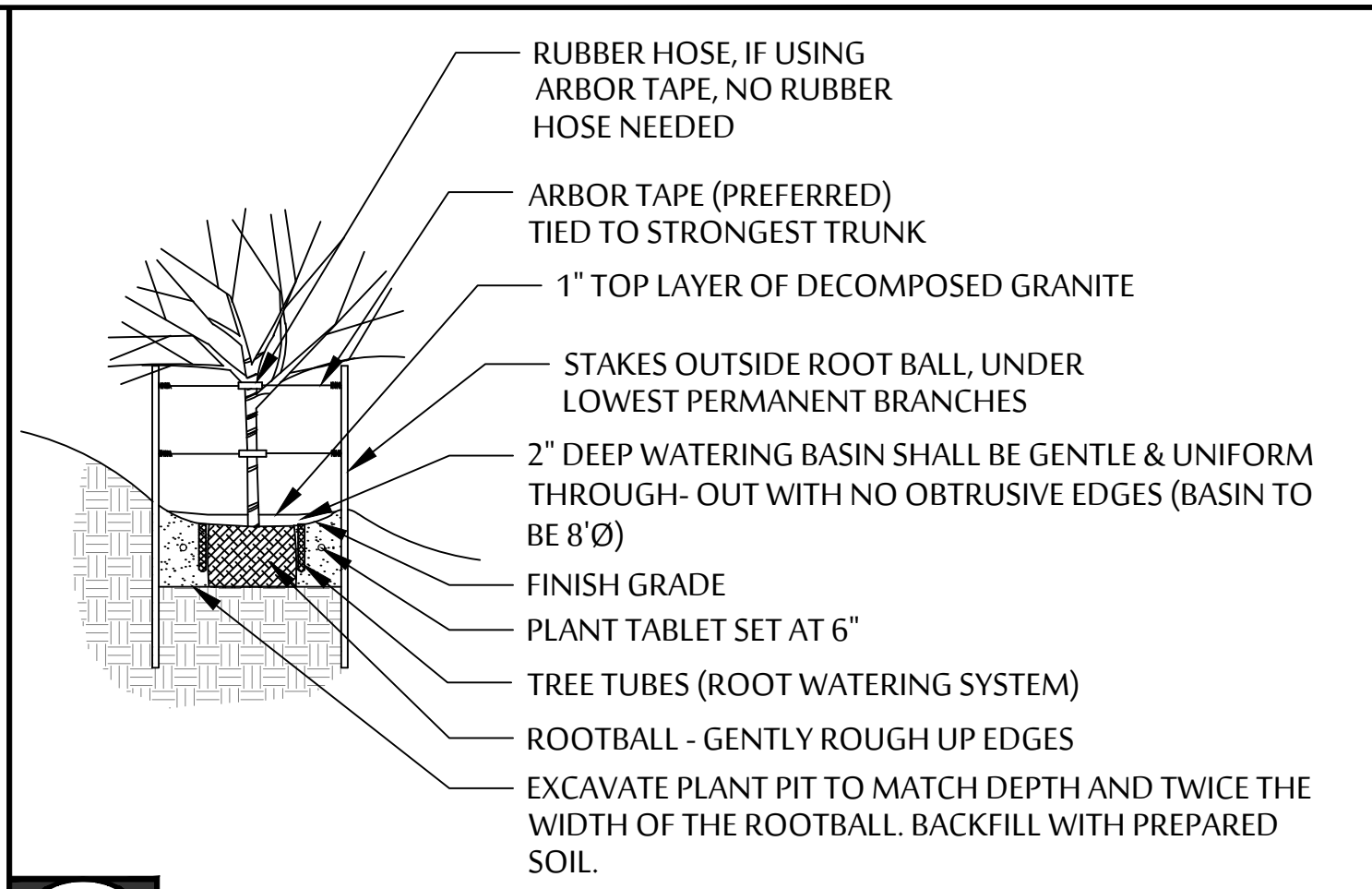
A TREE PLANTING SCALE: NTS



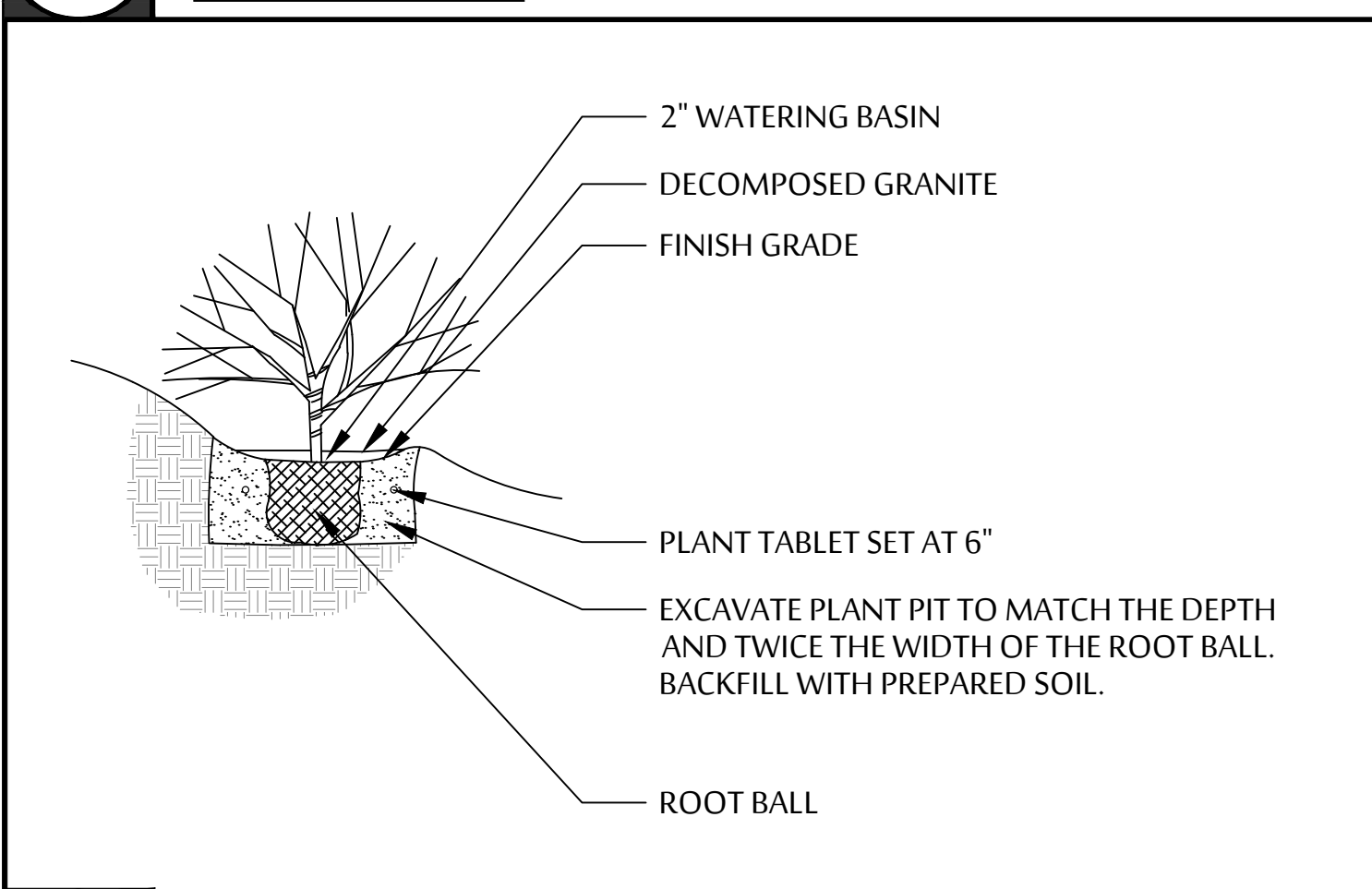
B SHRUB PLANTING SCALE: NTS



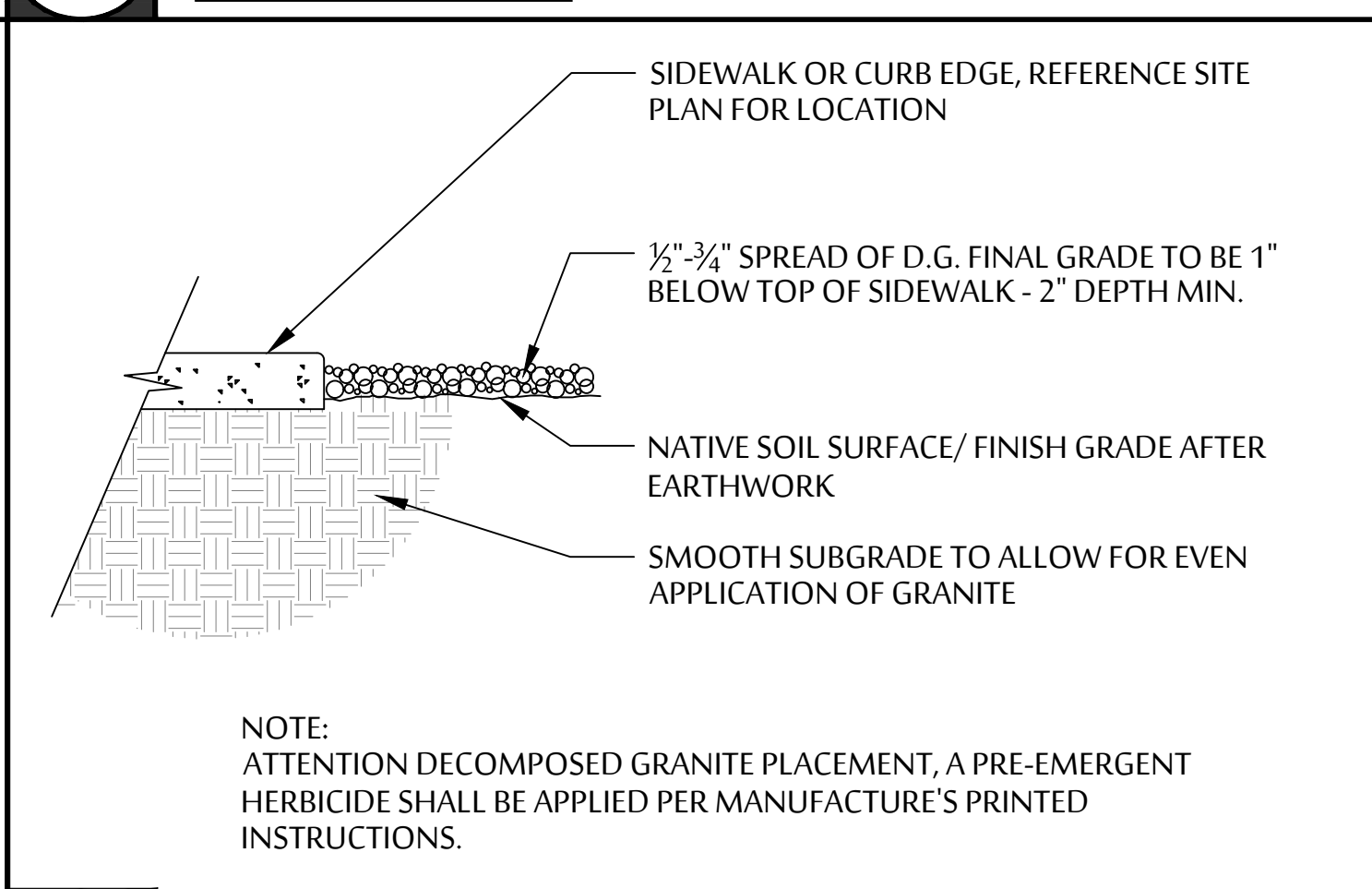
C GROUND COVER PLANTING SCALE: NTS



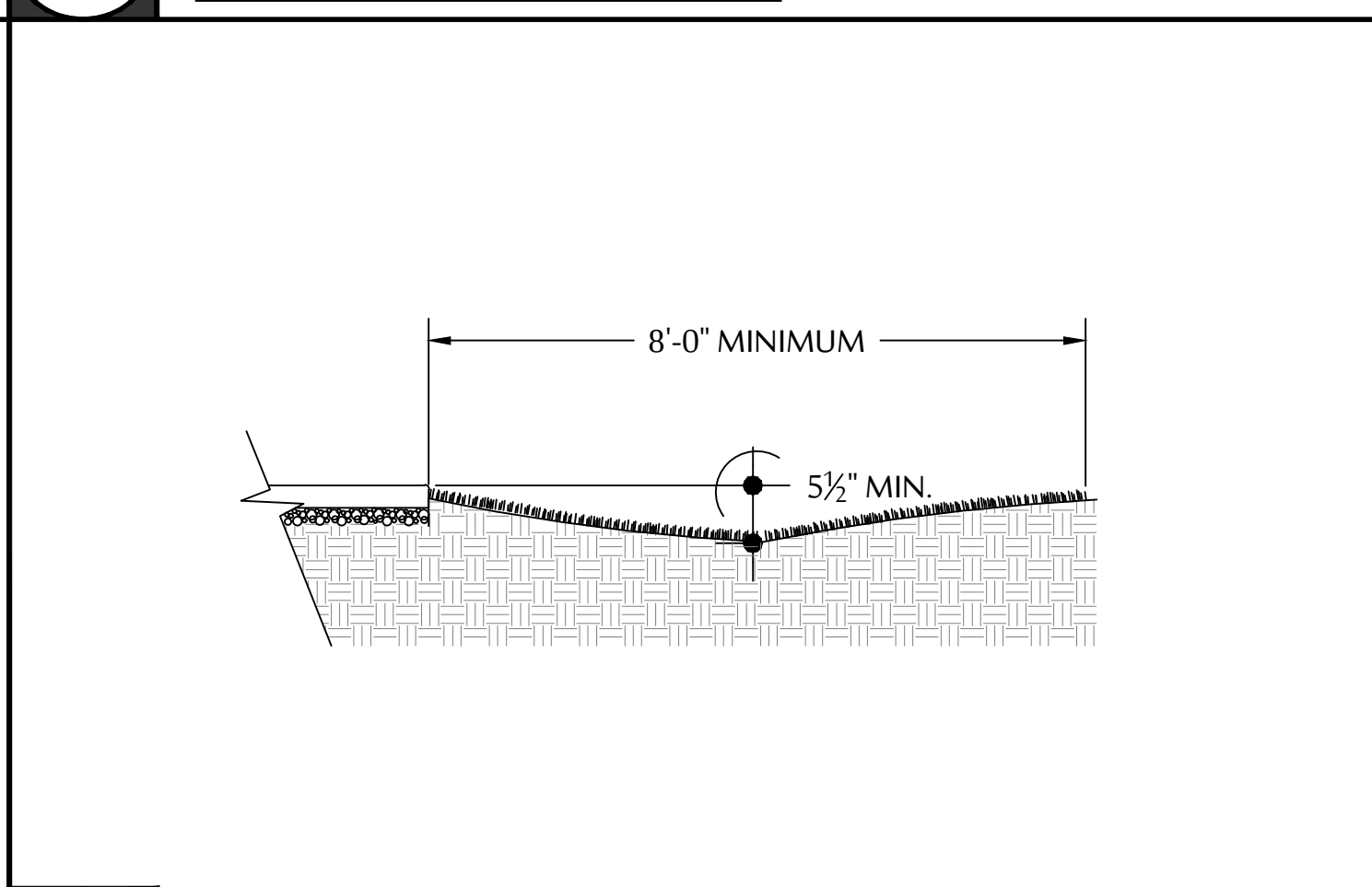
D TREE PLANTING ON SLOPE SCALE: NTS



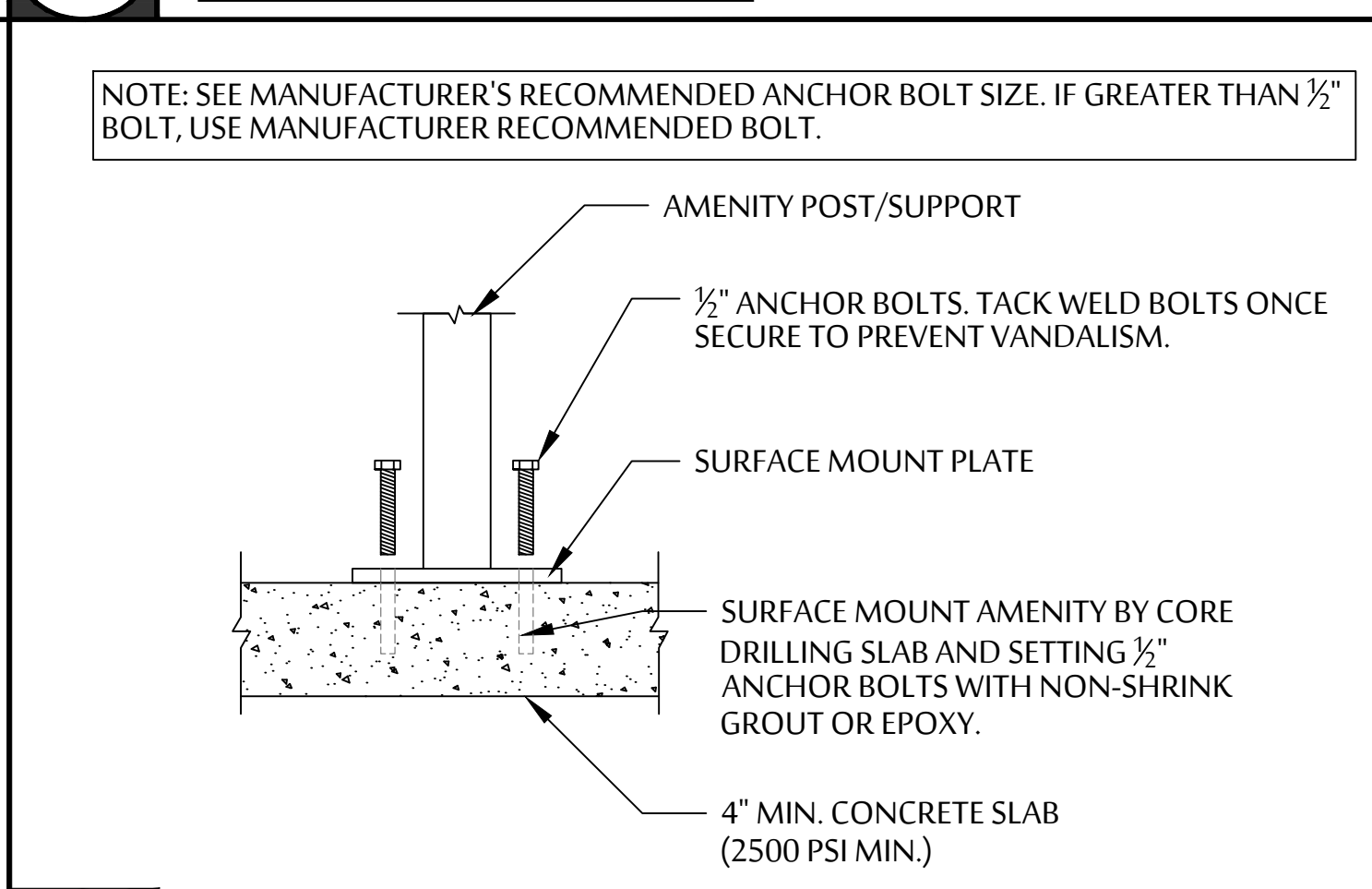
E SHRUB PLANTING ON SLOPE SCALE: NTS



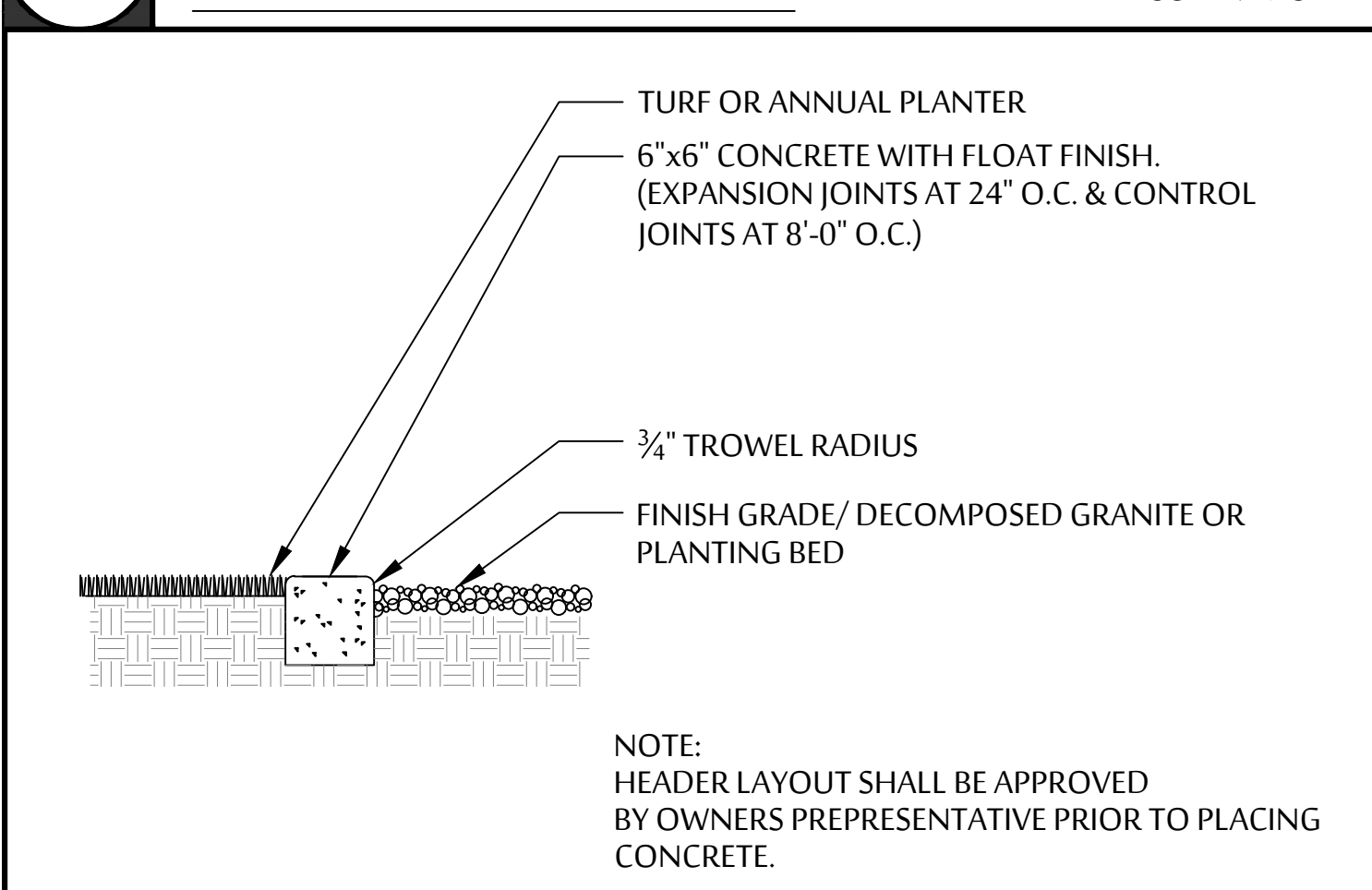
F DECOMPOSED GRANITE SCALE: NTS



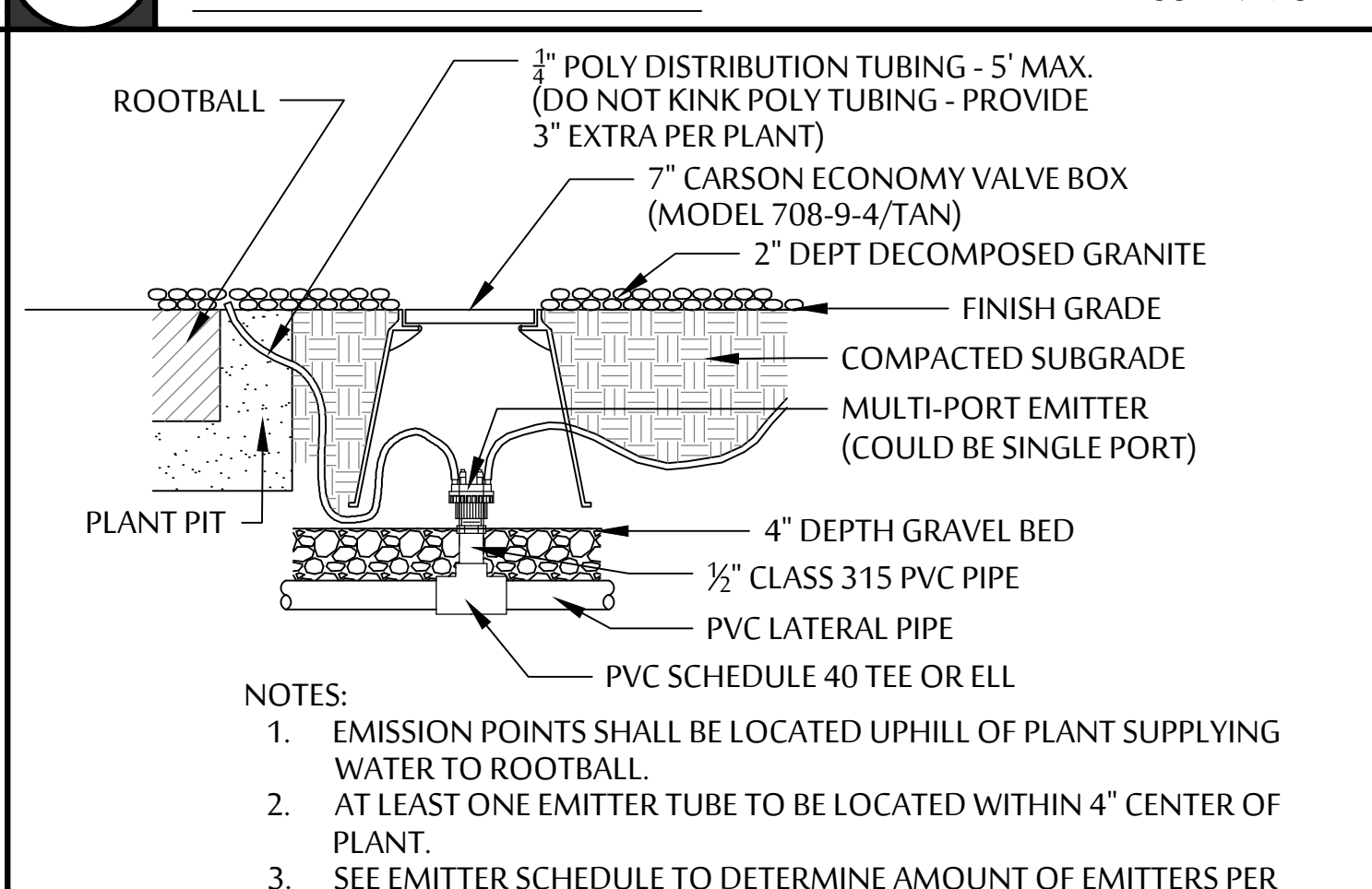
G SWALE DETAIL SCALE: NTS



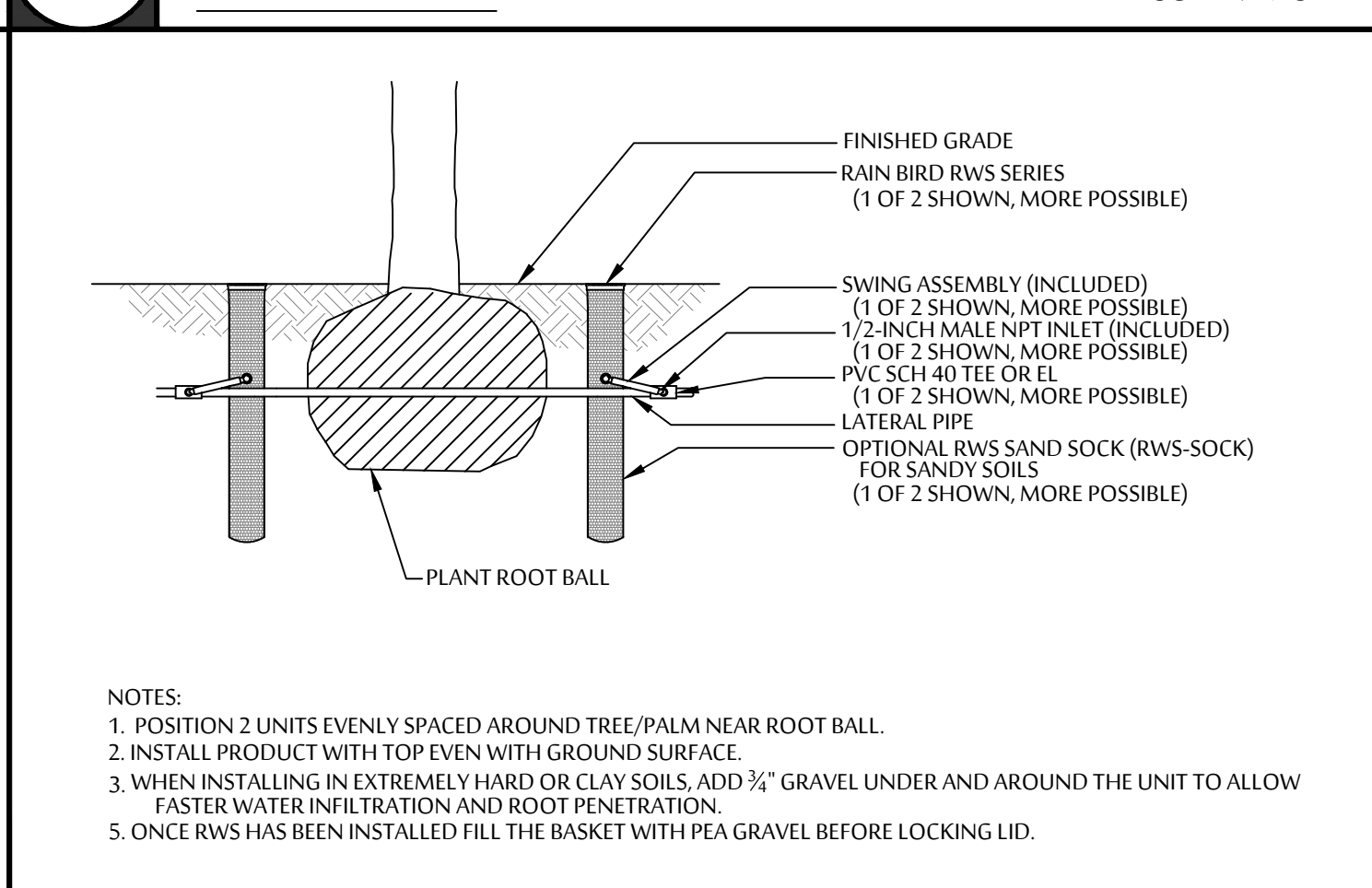
H SURFACE MOUNT DETAIL SCALE: NTS



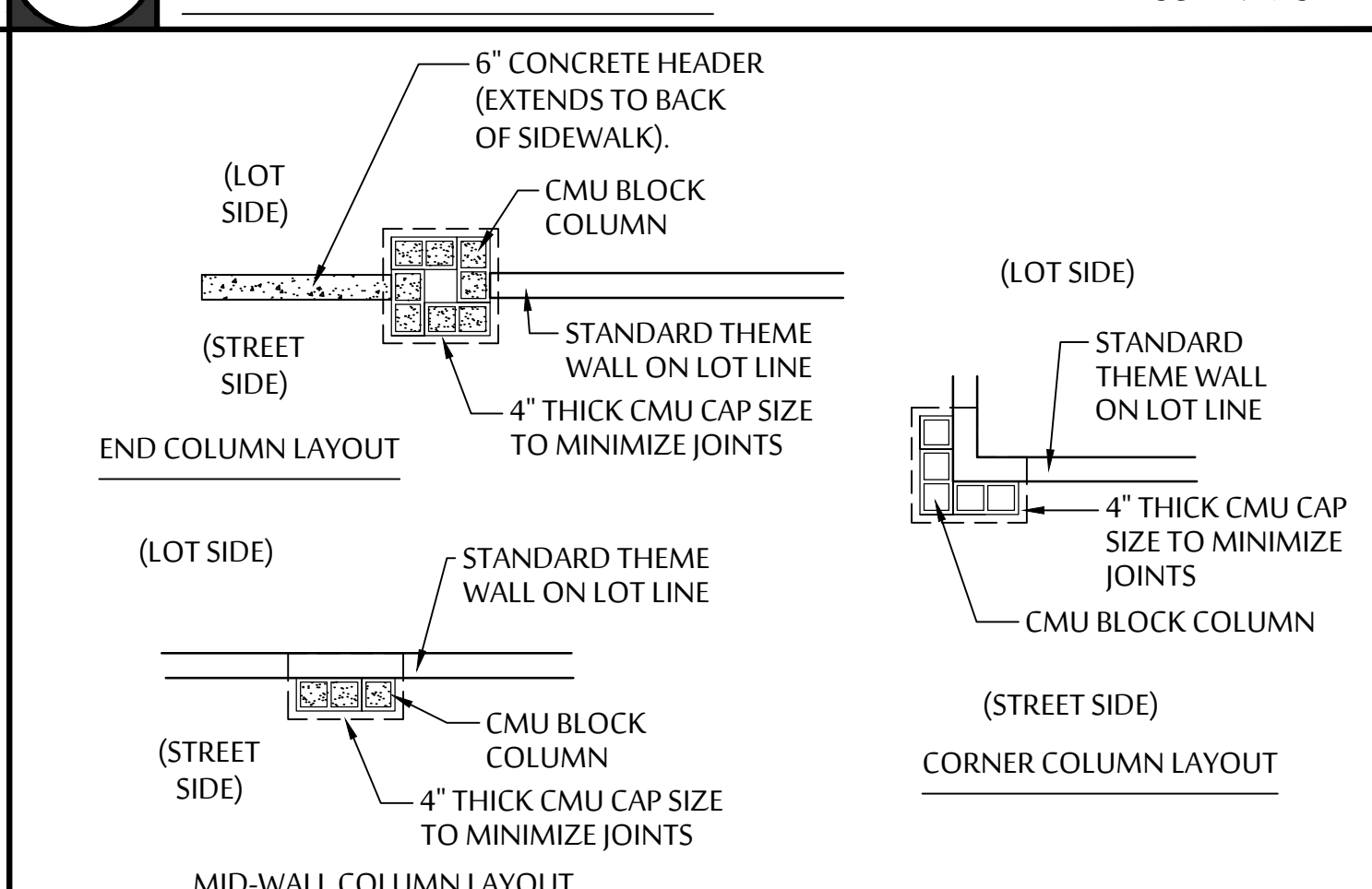
I 6" CONCRETE HEADER SCALE: NTS



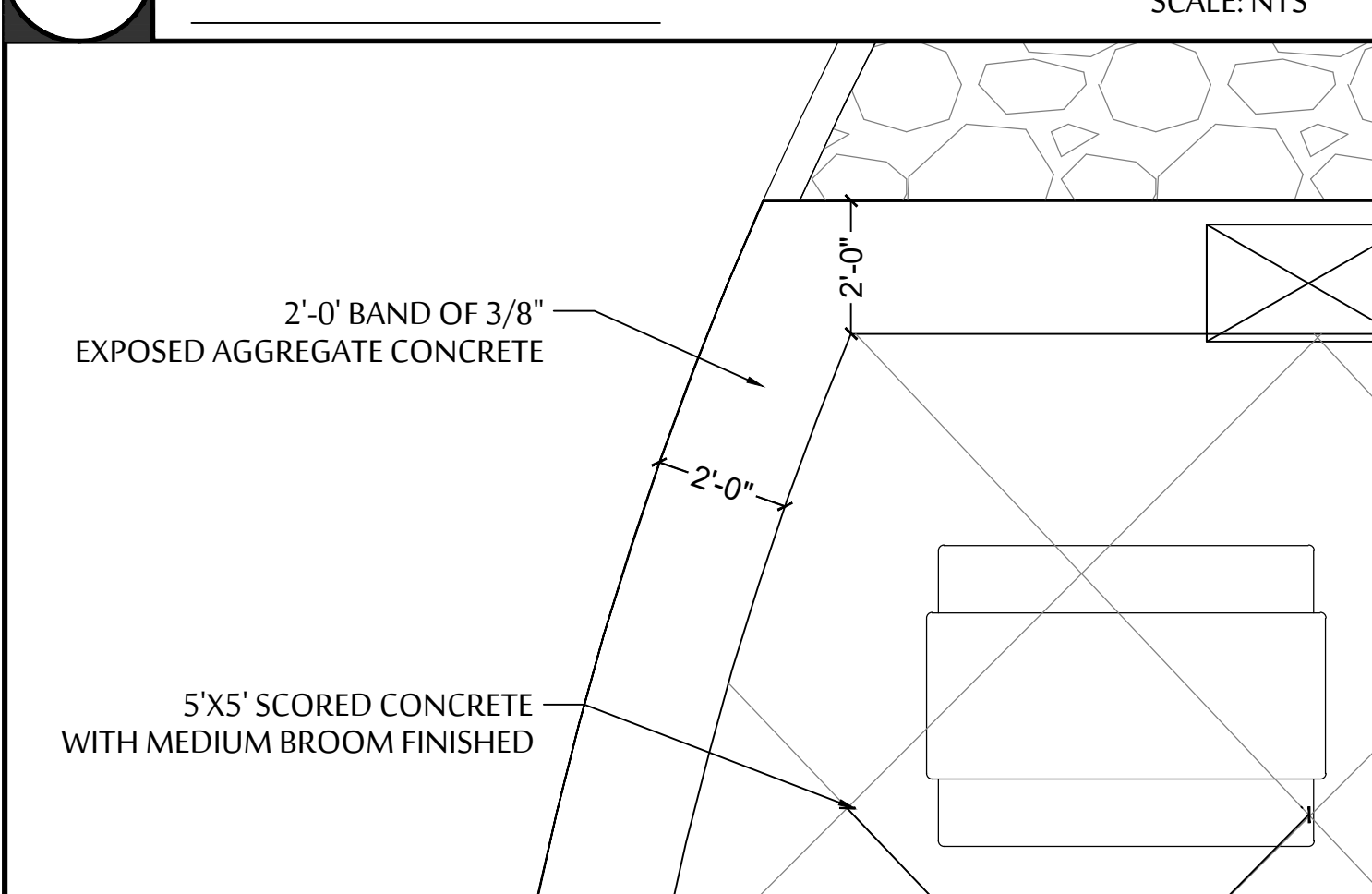
J MULTI-PORT EMITTER DETAIL SCALE: NTS



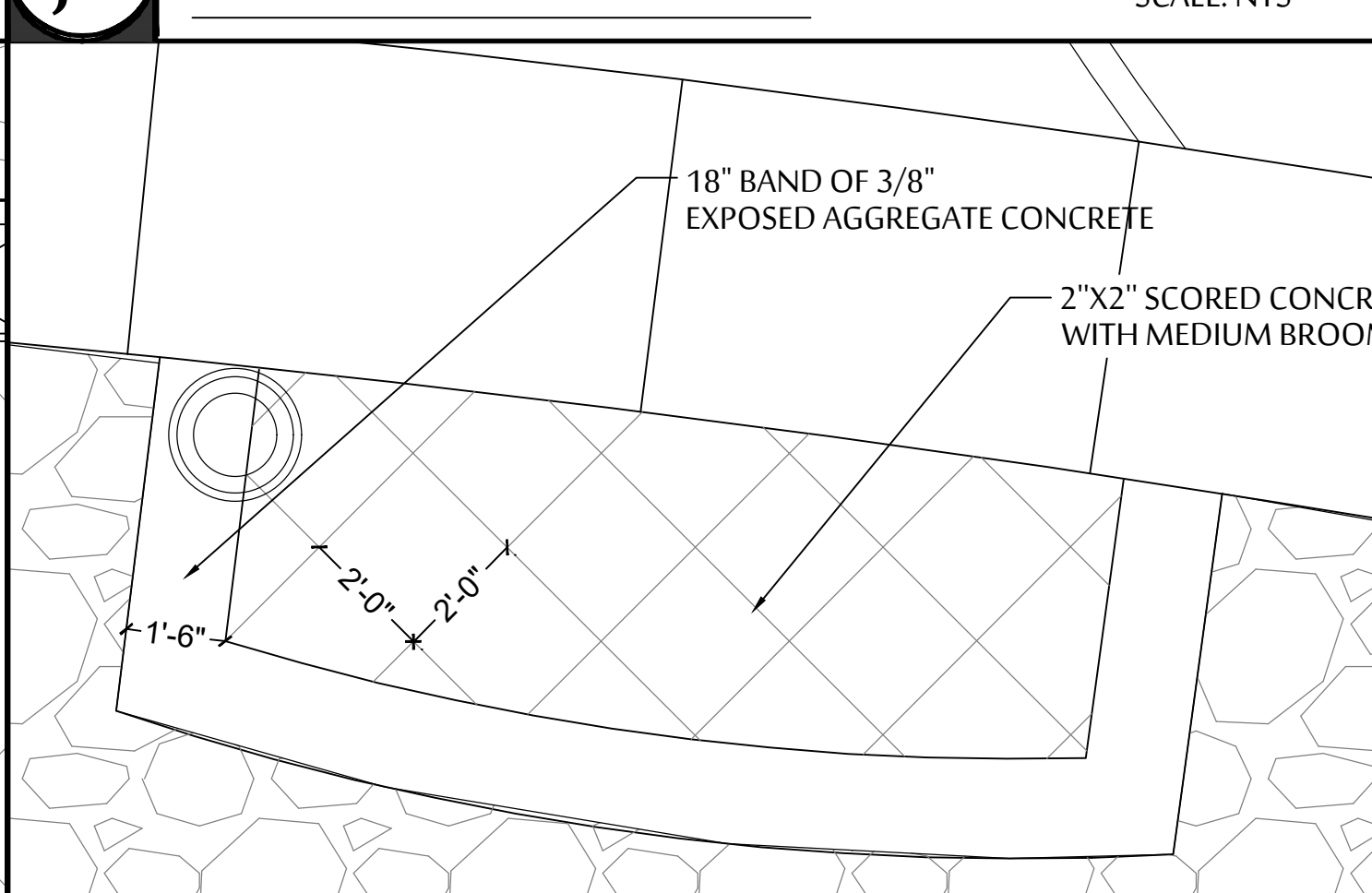
K ROOT WATERING SYSTEM SCALE: NTS



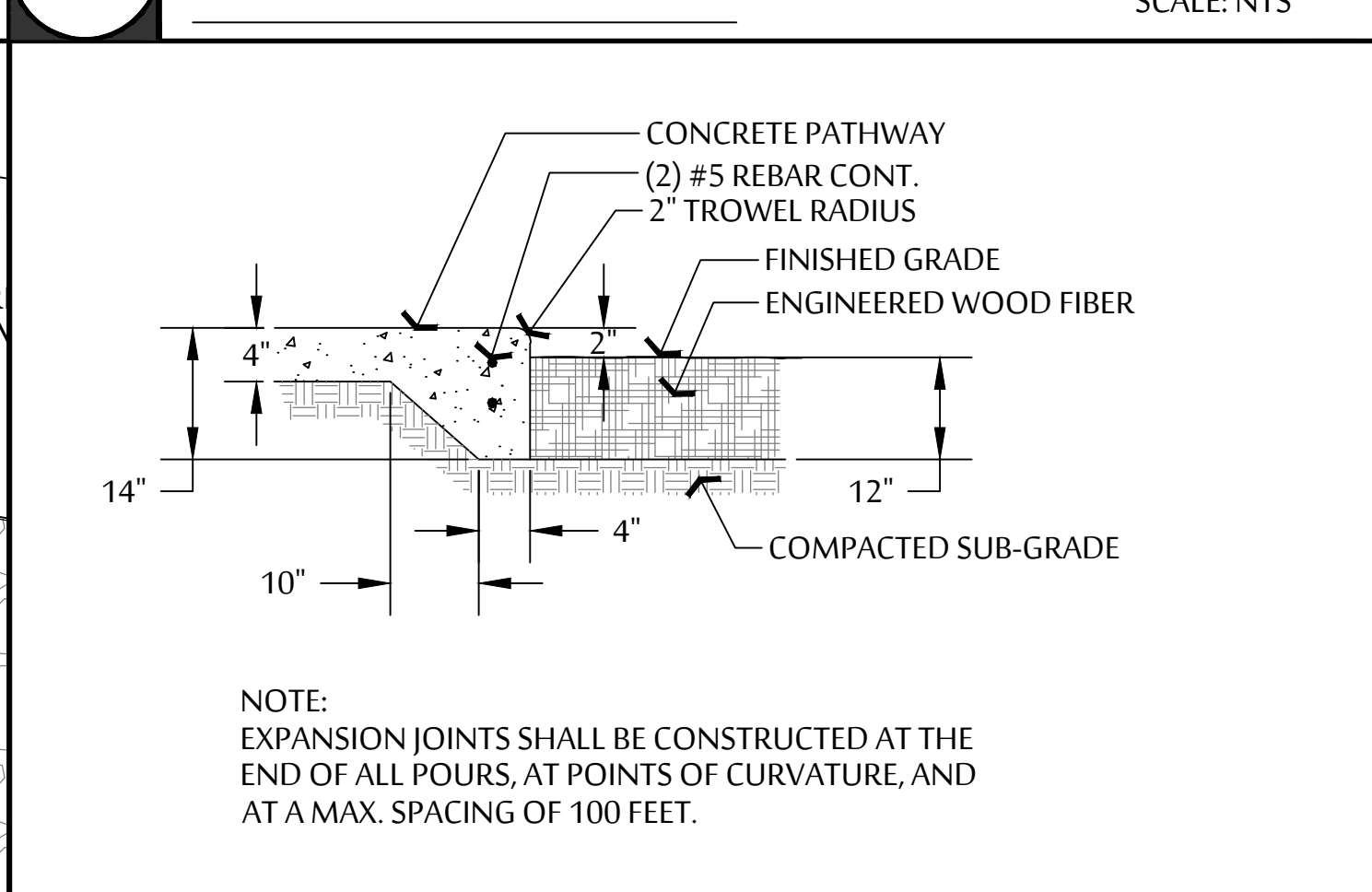
L THEME COLUMN LAYOUT SCALE: NTS



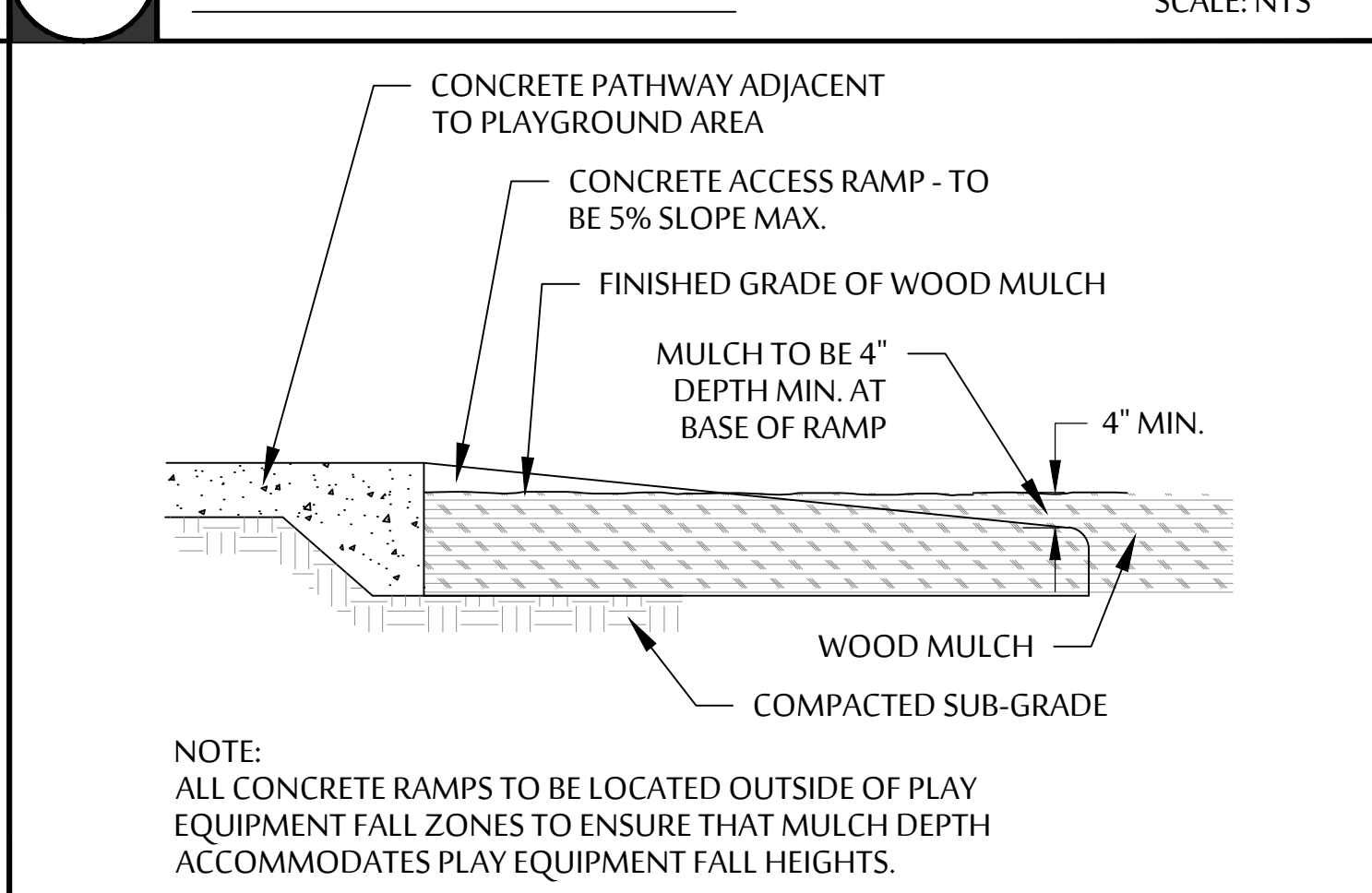
M ENHANCED CONCRETE SCALE: 3/8"=1'-0"



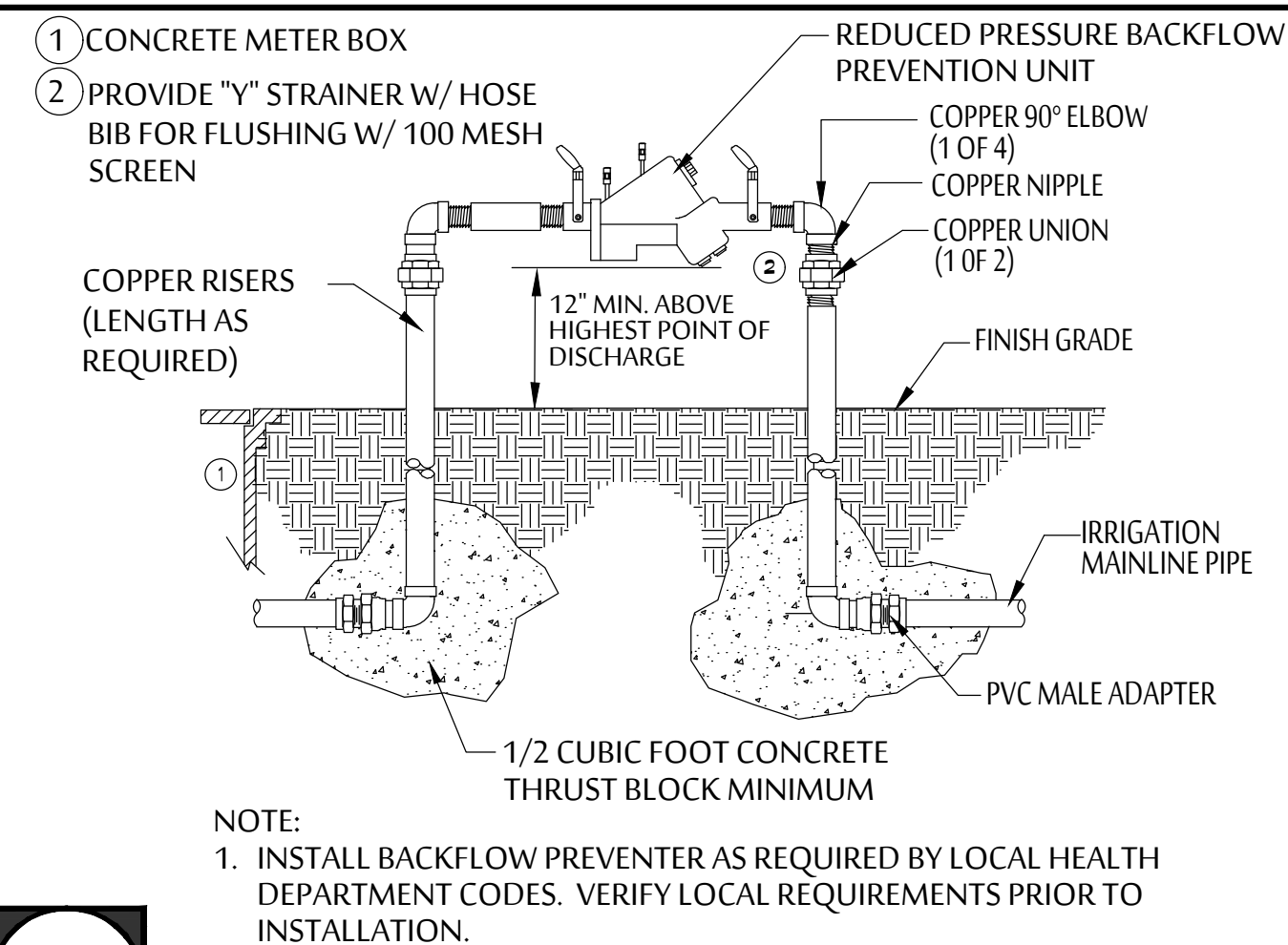
N ENHANCED CONCRETE SCALE: 3/8"=1'-0"



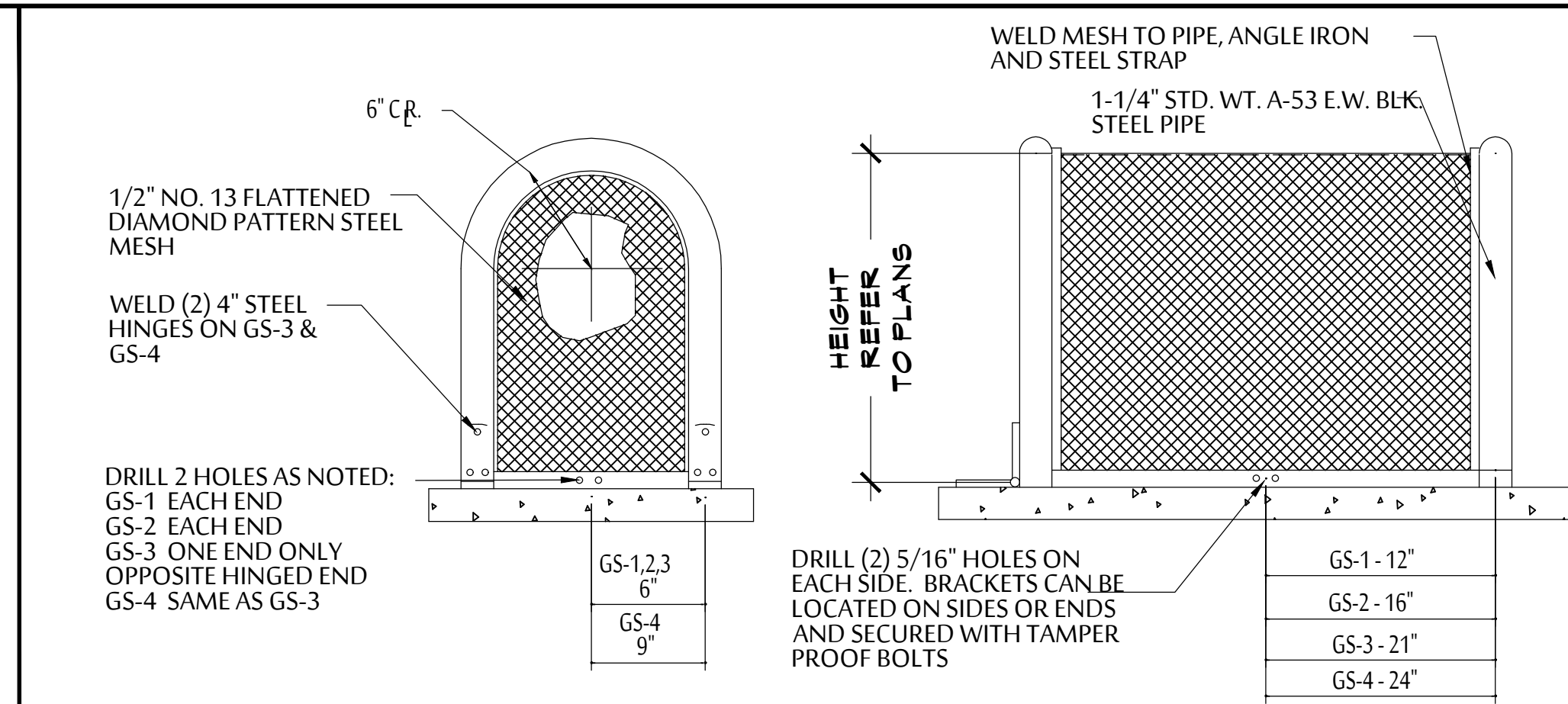
O CONCRETE TURNDOWN DETAIL SCALE: NTS



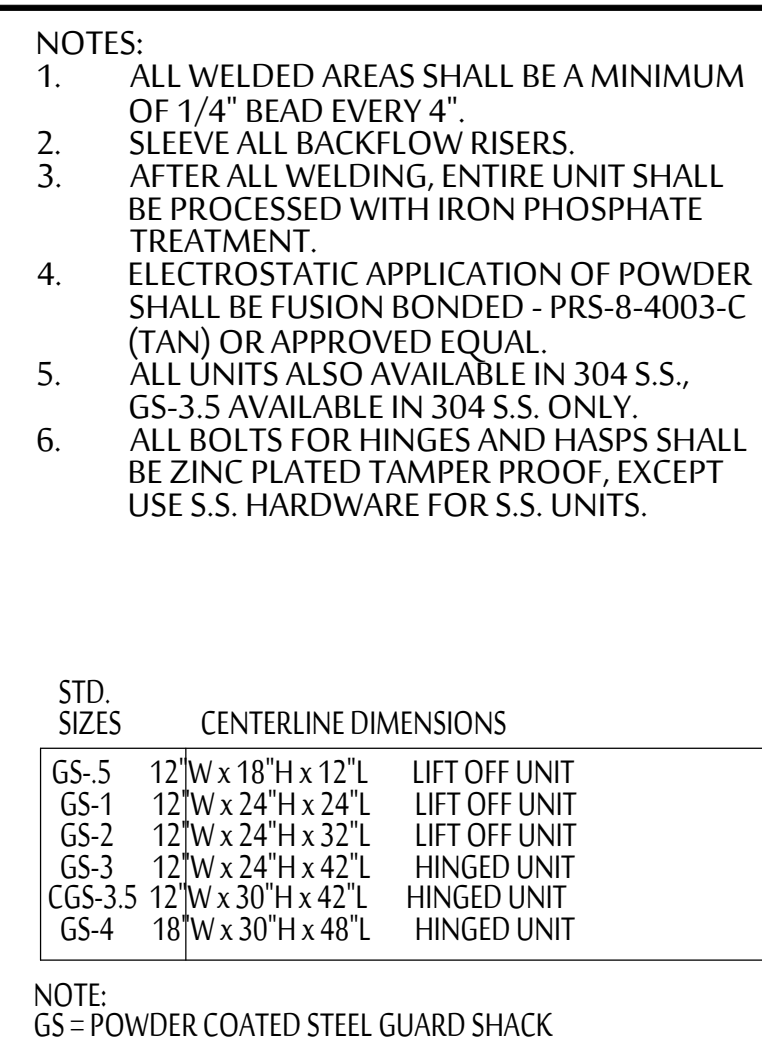
P CONCRETE PLAYGROUND RAMP SCALE: NTS



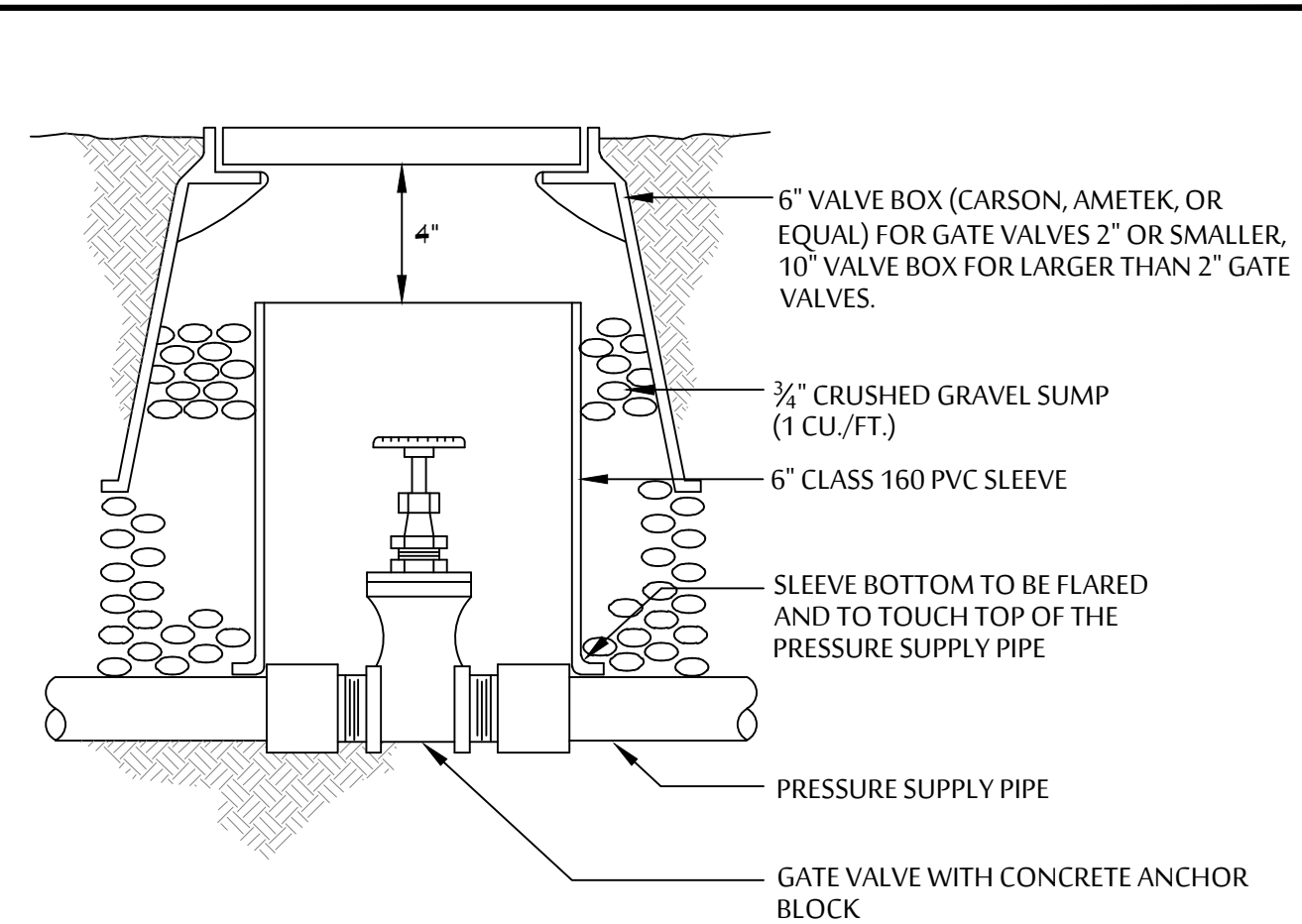
A INSTALLATION. BACKFLOW PREVENTOR



B BACKFLOW PREVENTOR PROTECTIVE CAGE

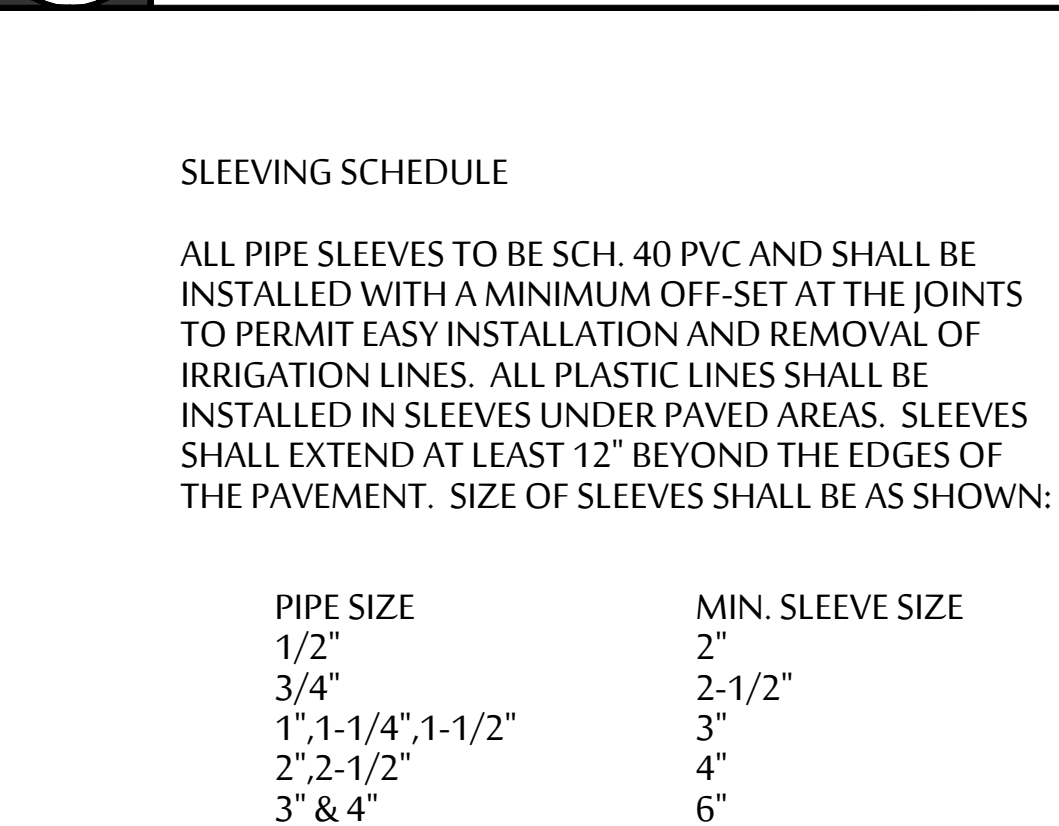


NOTE:
GS = POWDER COATED STEEL GUARD SHACK

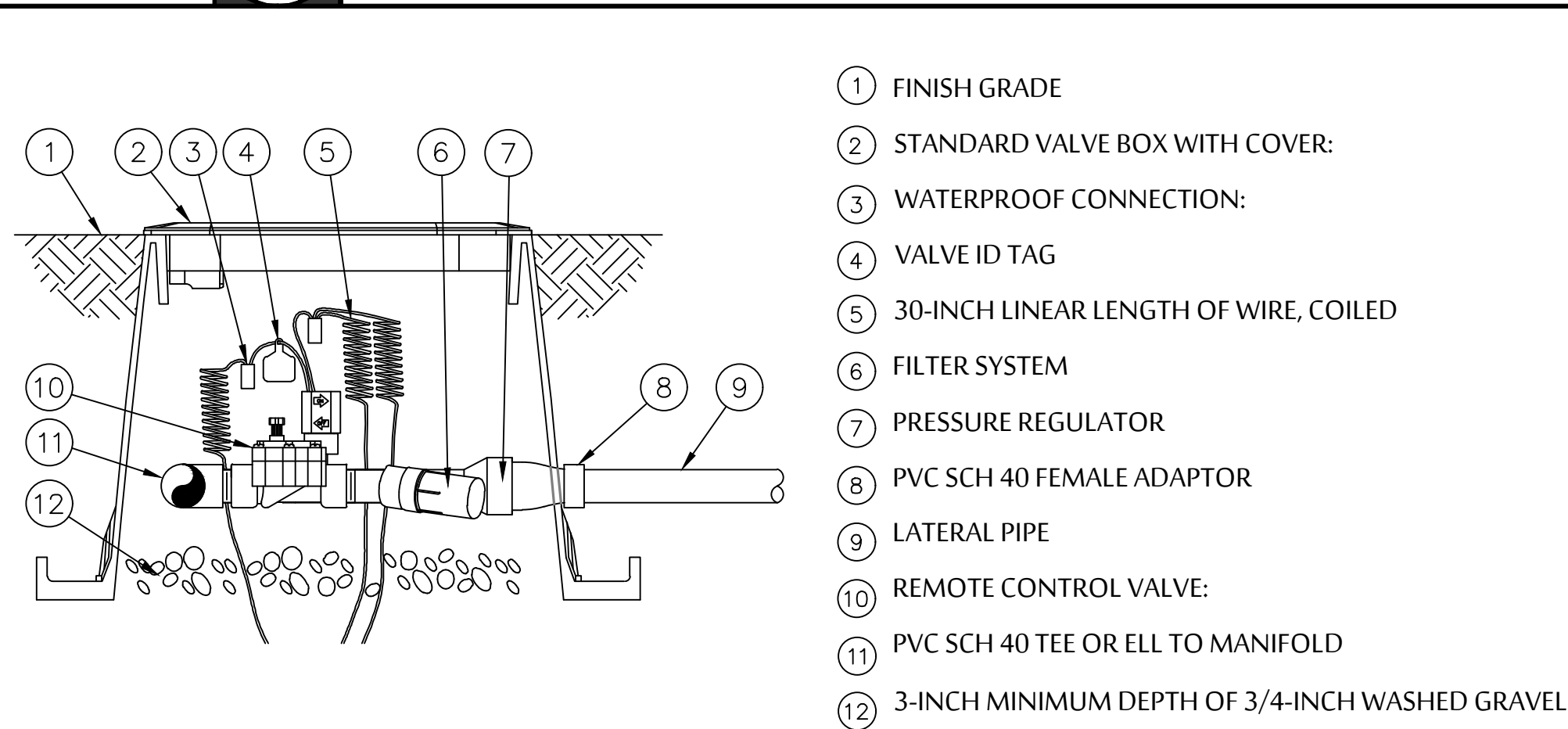


GATE VALVE DETAIL

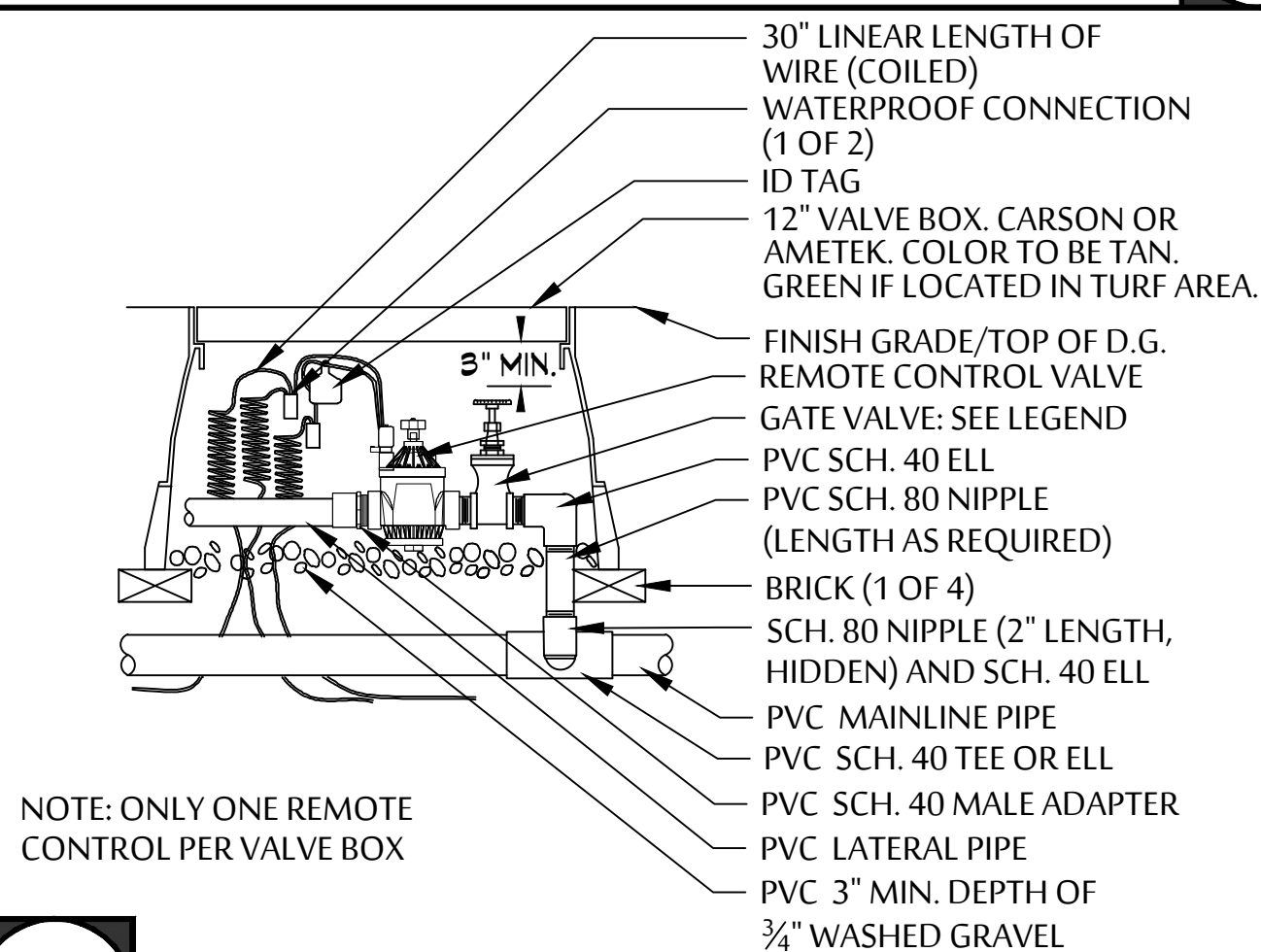
SCALE: NTS



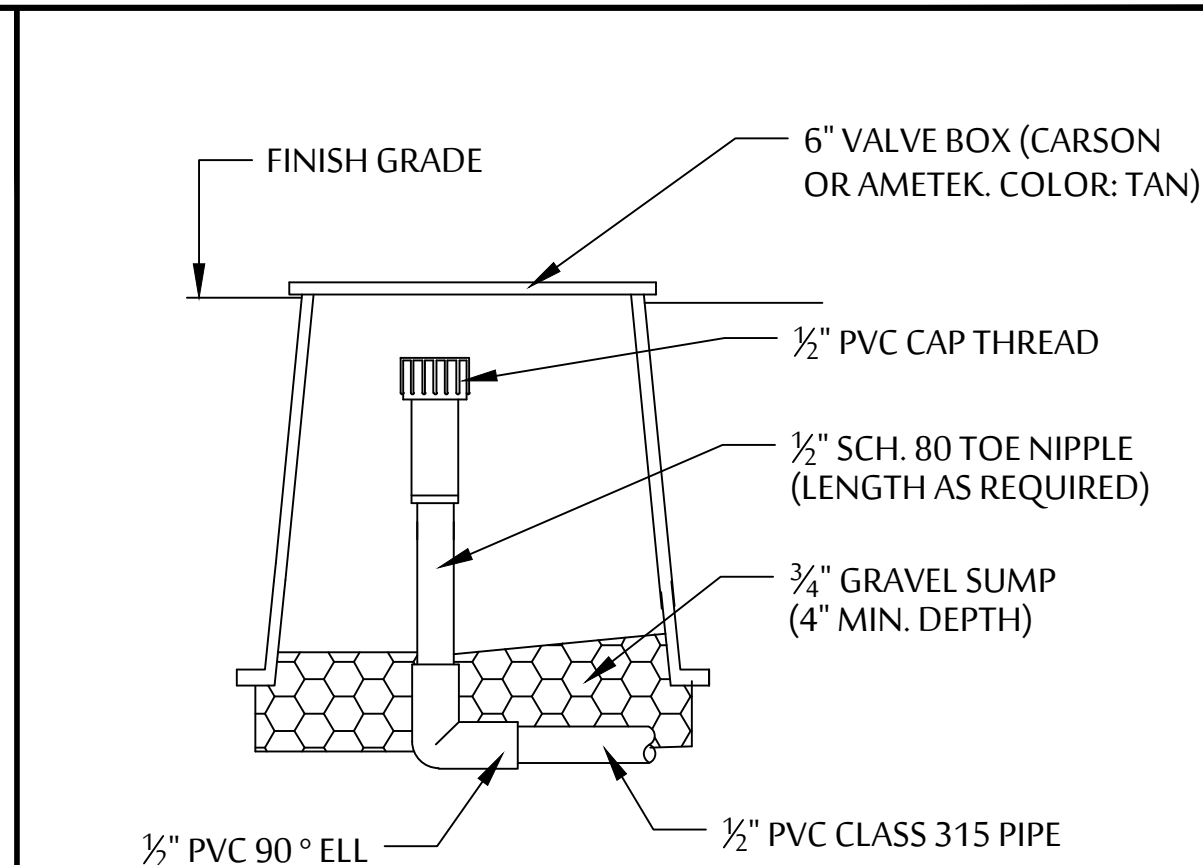
D SLEEVE SCHEDULE



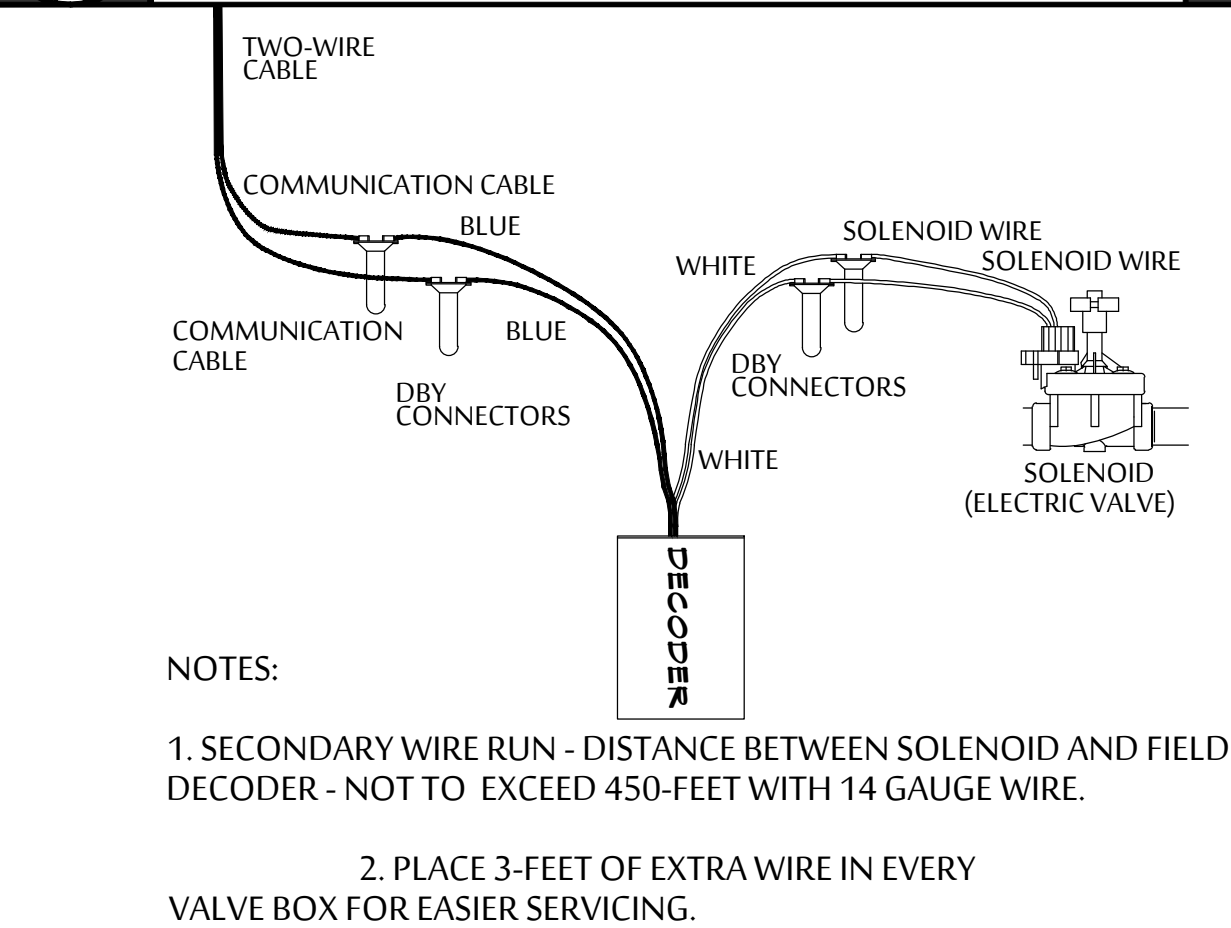
E ELECTRIC VALVE DRIP KIT ASSEMBLY



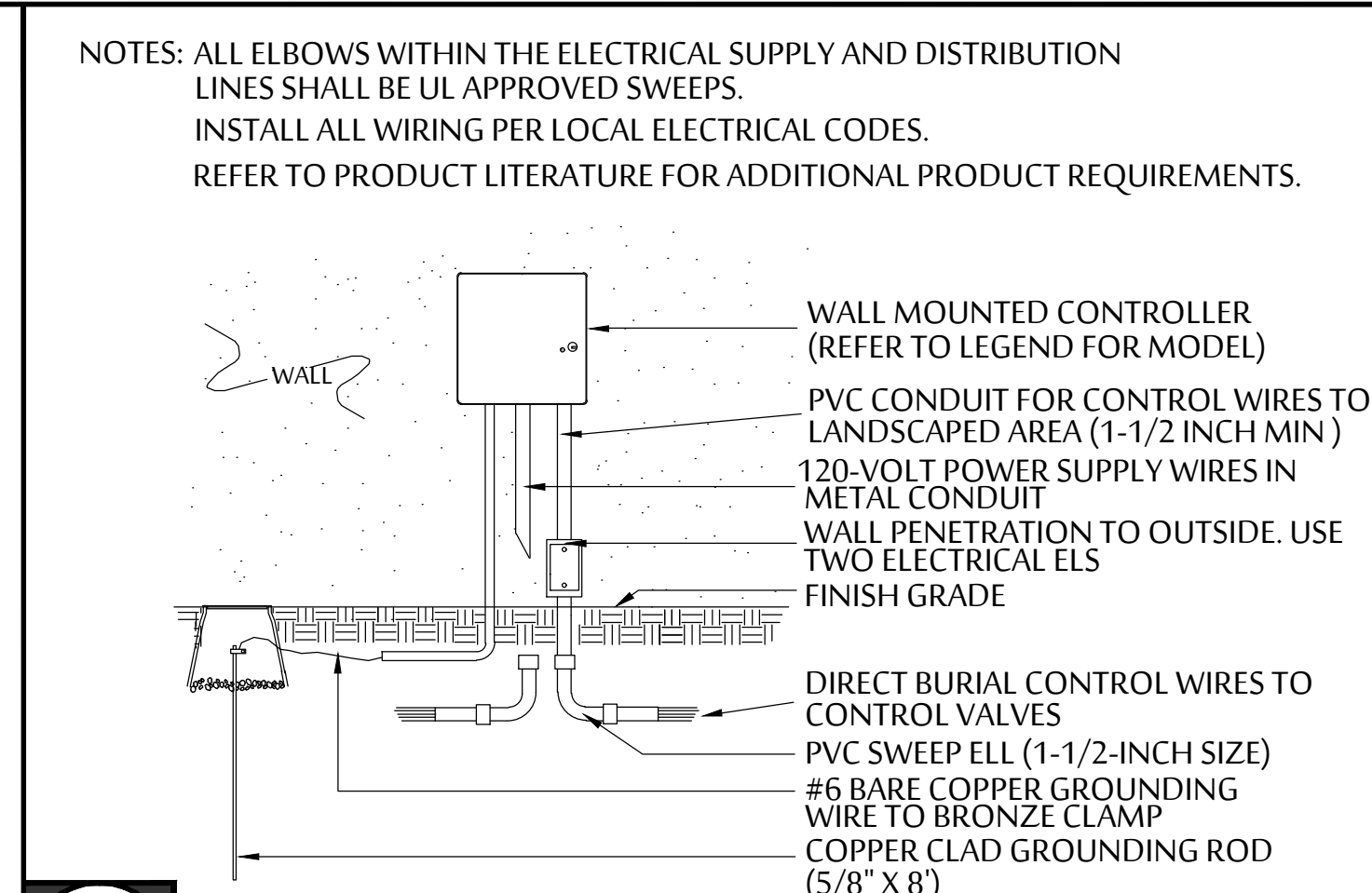
F ELECTRIC VALVE ASSEMBLY



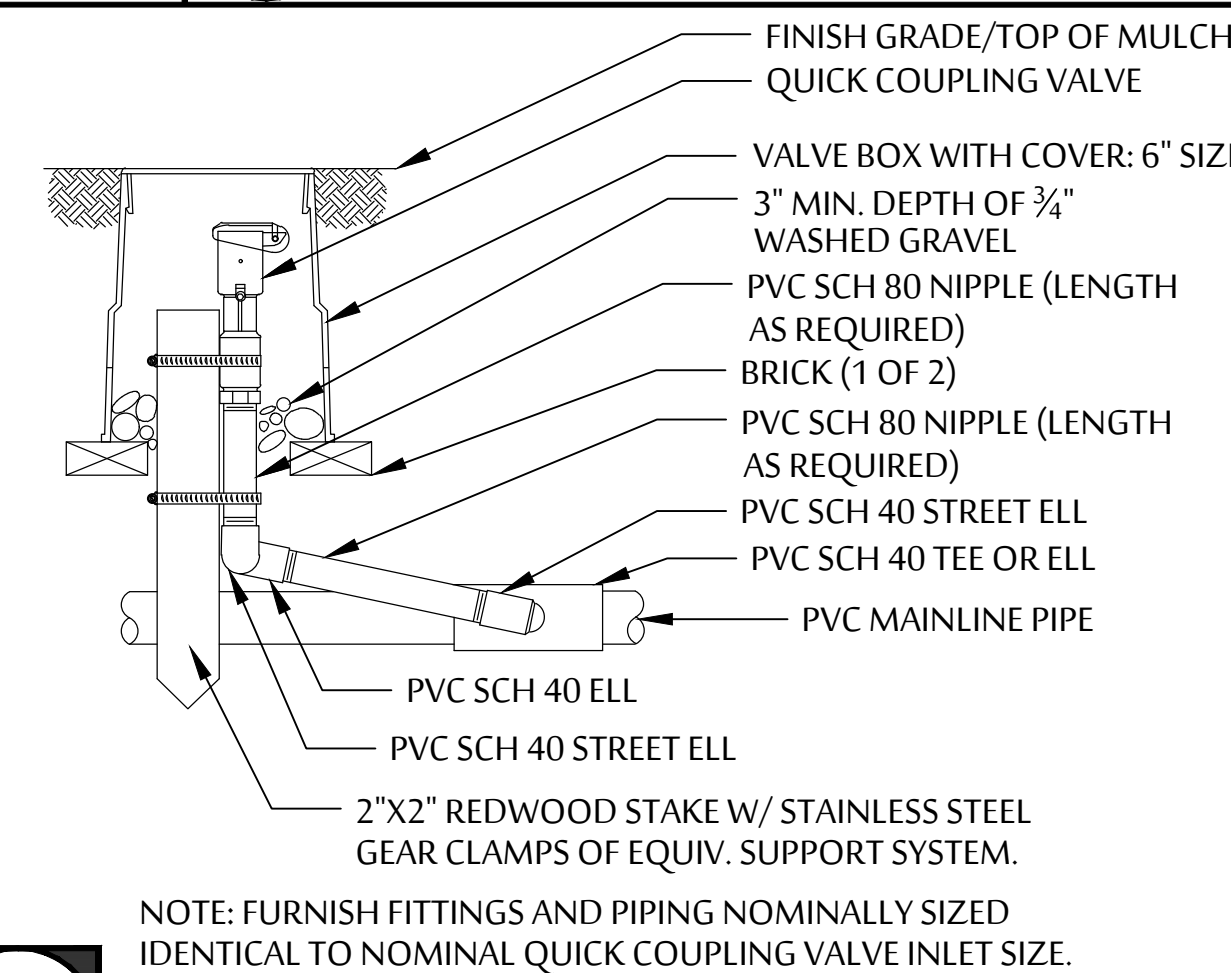
G FLUSH CAP ASSEMBLY SCALE: NTS



H 2-WIRE CONNECTIONS



WALL MOUNTED CONTROLLER DETAIL



IDENTICAL TO NOMINAL QUICK COUPLING VALVE INLET SIZE.

QUICK COUPLER DETAIL

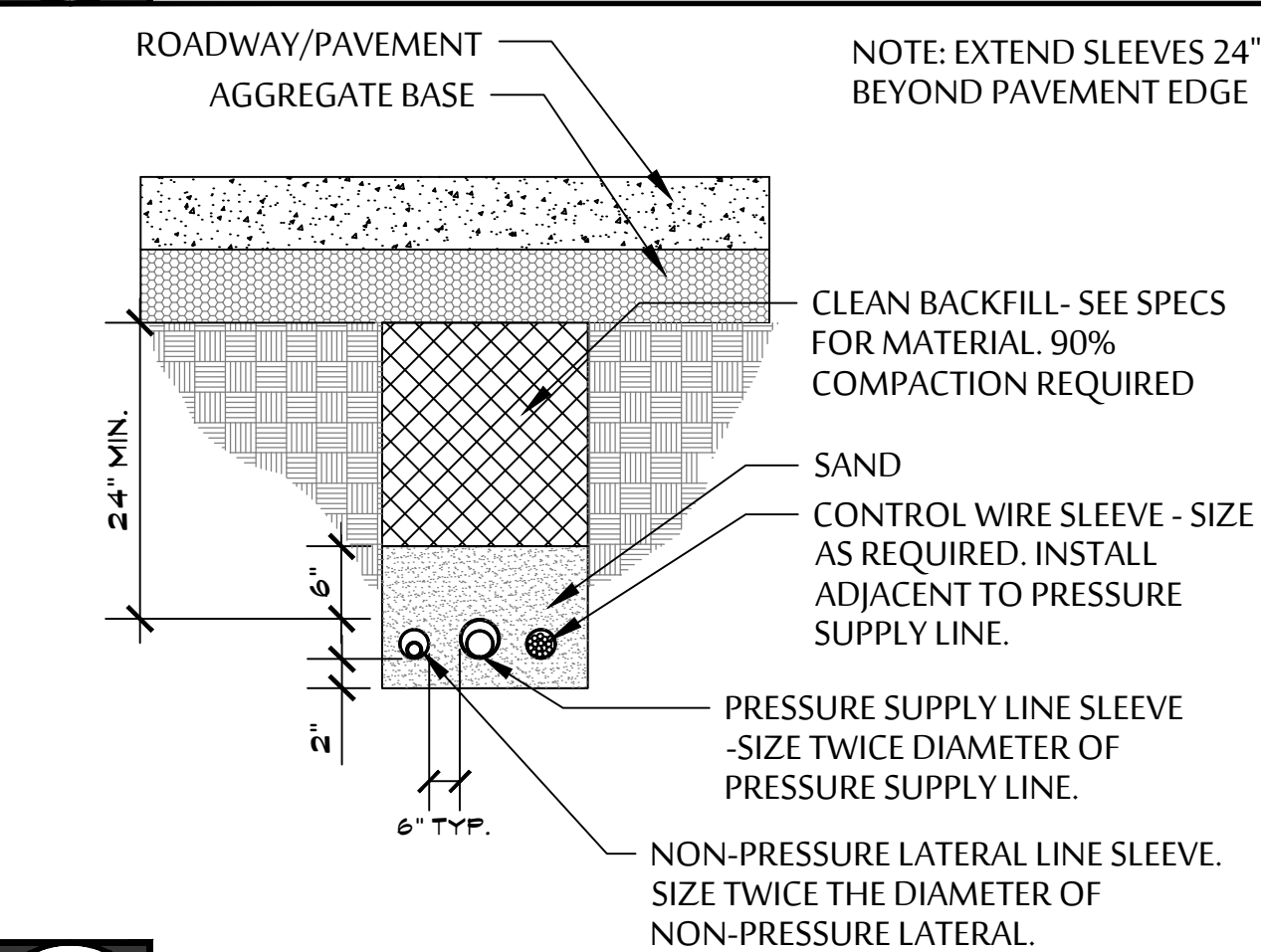
SCALE: NTS

PIPE SIZE	FLOW (GPM)
½"	0-5
¾"	6-10
1"	11-15
1-1/4"	16-25
1-1/2"	26-35
2"	36-60
2-1/2"	61-80
3"	81-120
4"	121-200

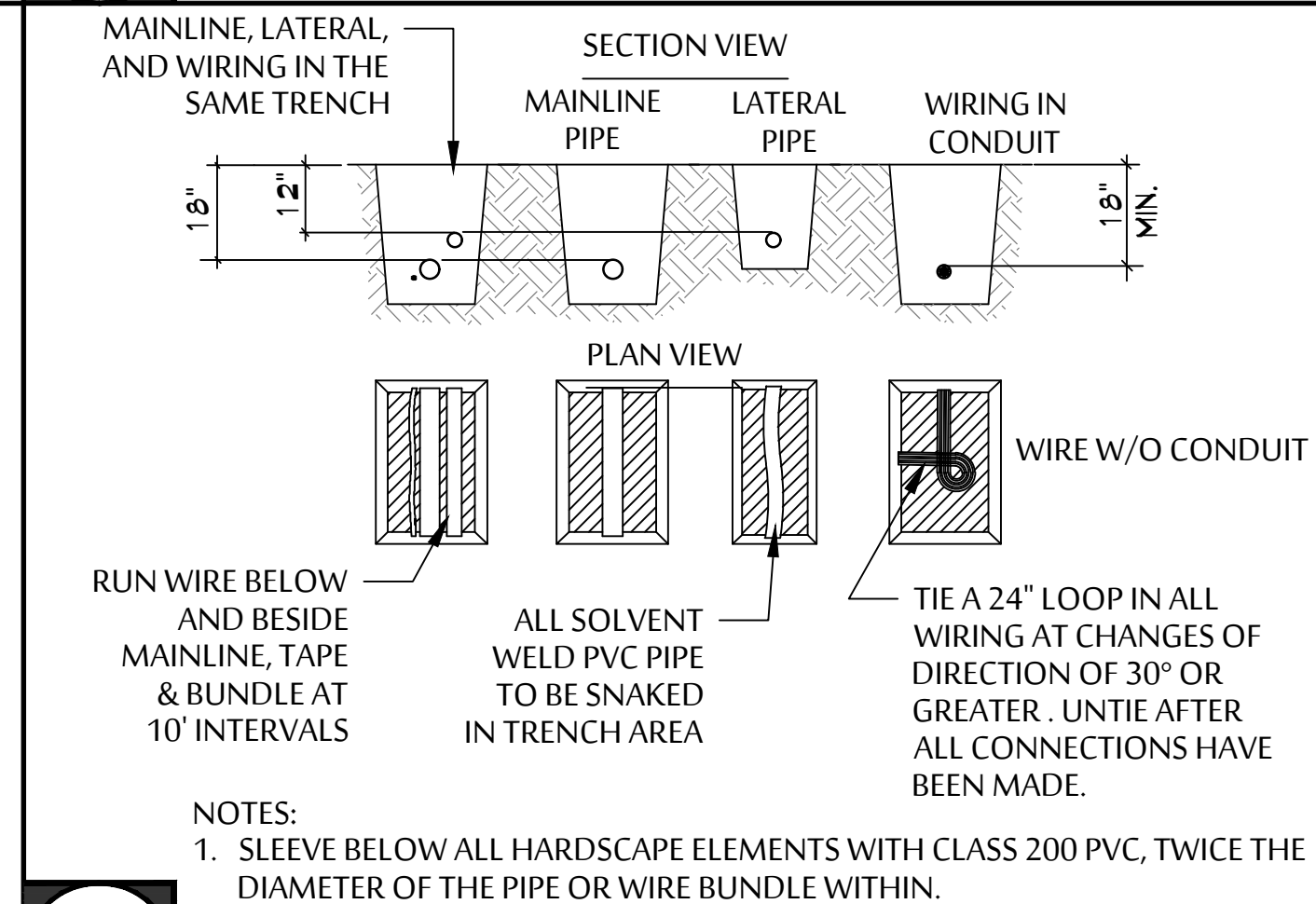
ALL VALVE BOXES TO BE CARSON, AMETEK, OR EQUAL. ALL ½" LATERAL PIPE TO BE CLASS 315. ALL LATERAL PIPE ABOVE ½" TO BE MIN. CLASS 200. ALL MAINLINE PIPE 4" AND LARGER TO BE A MINIMUM CLASS 200 RINGTITE PIPE. MAINLINE PIPE LESS THAN 4" TO BE MINIMUM SCH. 40 PVC.

PE SIZING SCHEDULE

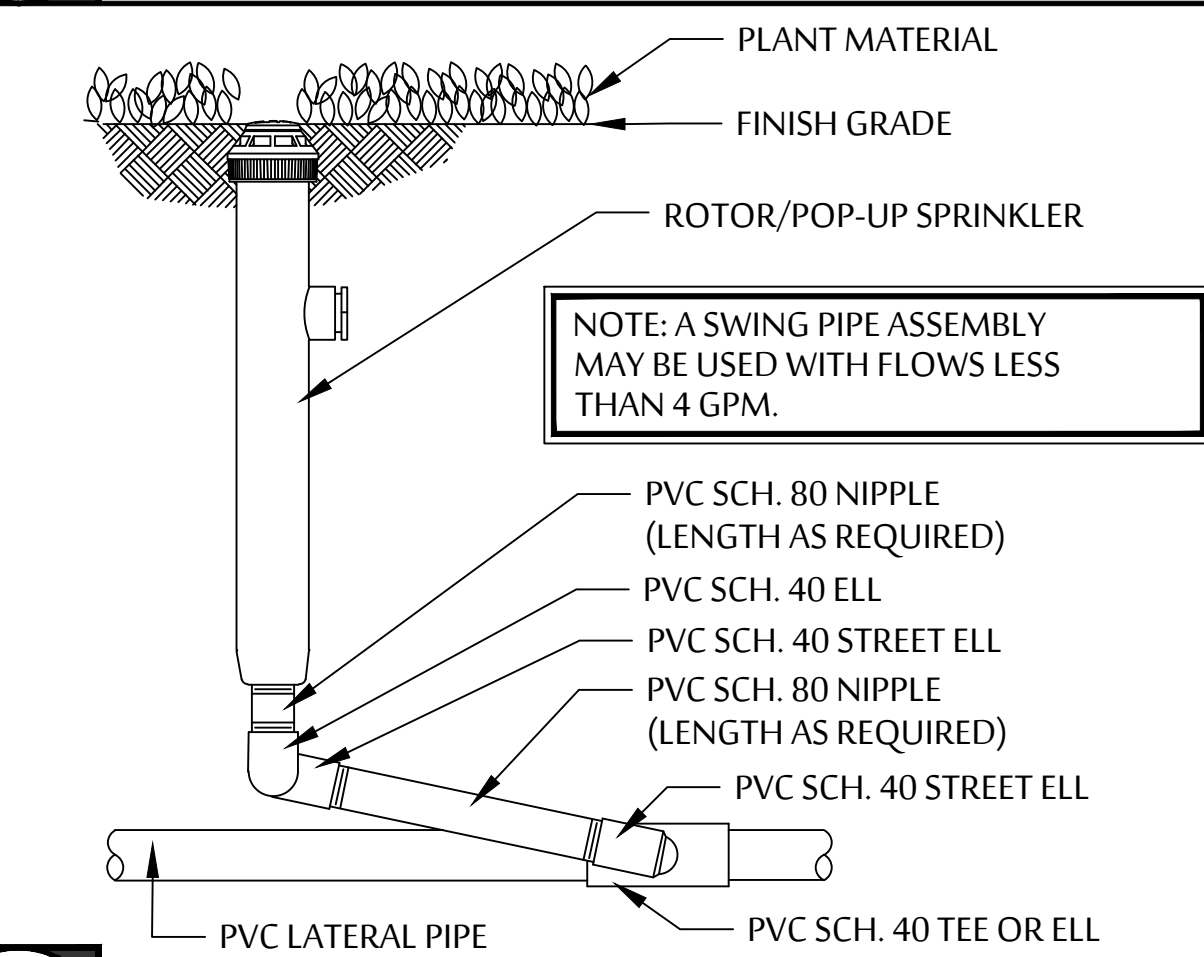
SCALE: NTS



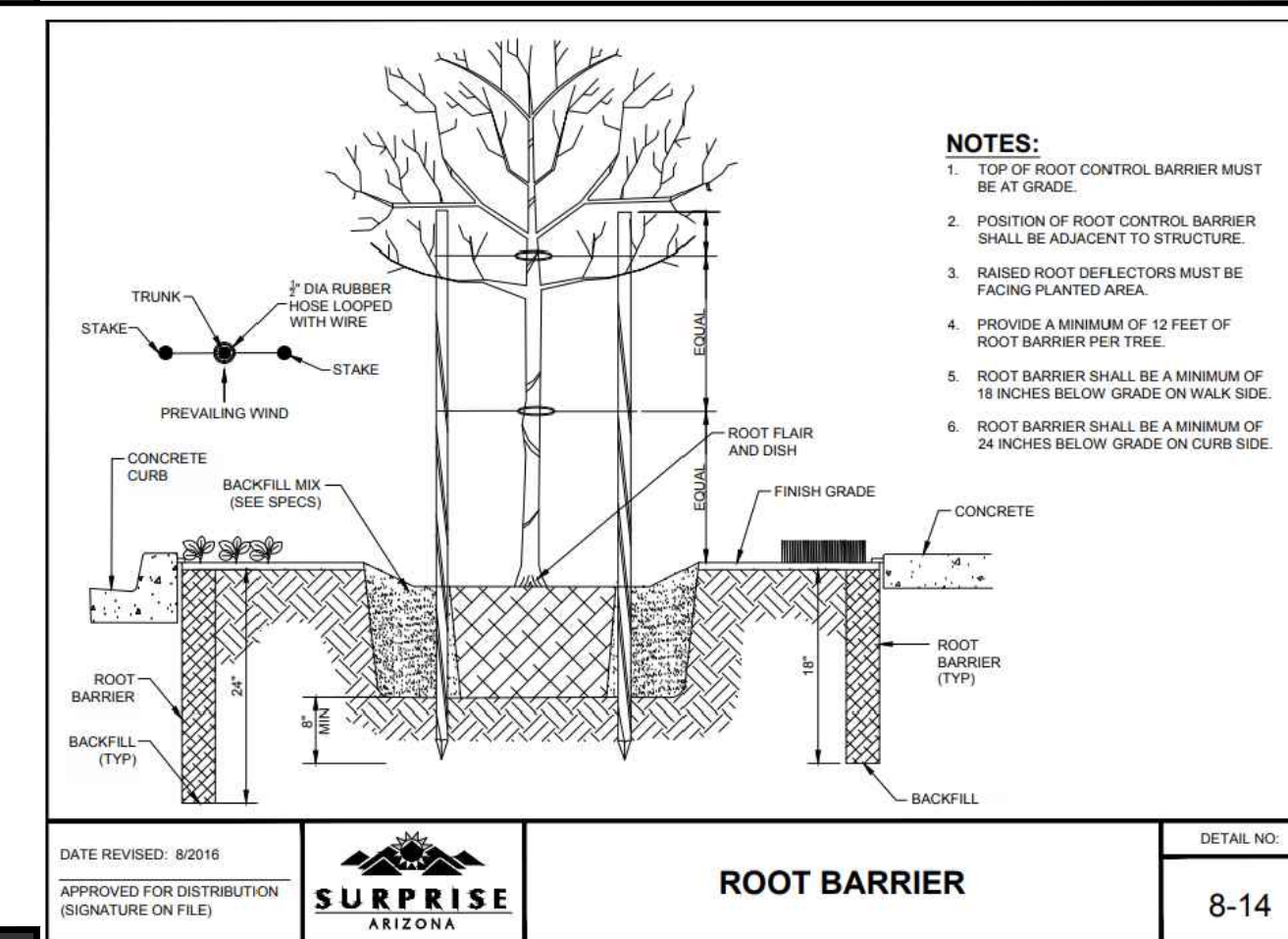
L SLEEVE INSTALLATION DETAIL



M TRENCHING DETAIL SCALE: NTS



N TURF POP-UP/ROTOR DETAIL SCALE: NTS



TREE ROOT BARRIER DETAIL

SCALE: NTS

RESOLUTION # 2020-146

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF SURPRISE, ARIZONA, CONDITIONALLY APPROVING A FINAL PLAT ENTITLED “RANCHO DEL REY,” GENERALLY LOCATED NORTH OF HAPPY VALLEY ROAD AND EAST OF 145TH AVENUE.

WHEREAS, on June 6, 2016, the Mayor and City Council approved the Zone Change for Rancho Del Rey;

WHEREAS, on July 19, 2017, the Rancho Mercado Supplemental Development Agreement was recorded with the office of the Recorder for Maricopa County, Arizona;

WHEREAS, on March 20, 2018, the Mayor and City Council approved the Rancho Del Rey Preliminary Plat;

WHEREAS, on September 15, 2020, the Mayor and City Council approved the First Amendment to the Rancho Mercado Supplemental Development Agreement, pursuant to which properties located within the defined “Benefited Area” are required to pay certain buy-in fees for infrastructure improvements constructed by William Lyons Homes, Inc. (Happy Valley East, Happy Valley West, and Water) as a condition for final plat, site plat, and/or building permit approval by the City;

WHEREAS, Rancho Del Rey is located within the Benefited Area and is required to pay the Happy Valley West, Happy Valley East, and Water Buy-in Fees, as applicable, as defined in the First Amendment to the Rancho Mercado Supplemental Agreement, as a condition to City Council approval and then recordation of this Final Plat;

WHEREAS, an additional condition to approval and recordation of this Final Plat is the posting of required financial assurances for the completion of certain subdivision improvements pursuant to the Surprise City Code;

WHEREAS, the proposed Final Plat conforms to the Rancho Del Rey Preliminary Plat approved by City Council, on March 20, 2018;

WHEREAS, the proposed Final Plat does not create any substandard or nonconforming lots; and

WHEREAS, the proposed Final Plat complies with the Surprise General Plan and Municipal Code.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Council of the City of Surprise, Arizona, as follows:

Section 1. The Final Plat entitled “Rancho Del Rey” dated October 14, 2020 is approved subject to the following conditions:

- A. The Final Plat for Rancho Del Rey will not be recorded until the owner of the property has posted with the City the financial assurances for completion of subdivision improvements required by the Surprise City Code.
- B. The Final Plat for Rancho Del Rey will not be recorded until the City has received from the owner of the property a Notice of Payment executed by William Lyon Homes, Inc. that all Buy-in Fees (Happy Valley East, Happy Valley West, and/or Water) required to be paid by the Rancho Mercado Supplemental Development Agreement have been paid.

APPROVED AND ADOPTED this _____ day of _____ 2020.

Skip Hall, Mayor

Attest:

Approved as to form:

Sherry Aguilar, City Clerk

Robert Wingo, City Attorney

Shirley Phan

From: CHRISTIANSON, REGGIE A GS-12 USAF AETC 56 FW/CVE <reggie.christianson.1@us.af.mil>
Sent: Tuesday, June 11, 2019 12:10 PM
To: Allysa Robinson
Cc: CHRISTIANSON, REGGIE A GS-12 USAF AETC 56 FW/CVE; TOALE, CHRISTOPHER P GS-13 USAF AETC 56 FW/CVE
Subject: RE: OUTSIDE AGENCIES FS19-395 Rancho Del Rey Final Plat New Submittal 060619 (APNs 503-54-003D, 503-54-003E, 503-54-003F)
Attachments: smime.p7s; ATT00001.txt; ATT00002.htm

Allysa,

Thank you for the opportunity to provide comments on the Rancho Del Rey. The site is located on 24.95 acres at 145th Ave and West Happy Valley Rd in Surprise AZ. The application is a final plat for 117 lot single-family residential community. The site is located 5.7 miles outside the 1988 JLUS 65 LDN, "high noise or accident potential zone" as identified by A.R.S. § 28-8461 and is within the "territory in the vicinity of a military airport" also defined by A.R.S. § 28-8461.

As described, this project should not negatively impact the flying operations at Luke AFB. Since the site will be located within the "territory in the vicinity of a military airport," it will be subjected to approximately 170 over flights per day. We also recommend a strong notification program on the part of the applicant to inform any potential tenants about Luke AFB operations.

Respectfully,
Reg

Reggie A Christianson

Strategic Planning Manager, Community Initiatives Team
Luke AFB AZ 85309
Office: 623-856-6115
DSN: 896-6115

From: TOALE, CHRISTOPHER P GS-13 USAF AETC 56 FW/CVE
Sent: Friday, June 7, 2019 7:55 AM
To: CHRISTIANSON, REGGIE A GS-12 USAF AETC 56 FW/CVE
Subject: FW: OUTSIDE AGENCIES FS19-395 Rancho Del Rey Final Plat New Submittal 060619

From: Allysa Robinson <Allysa.Robinson@surpriseaz.gov>
Sent: Thursday, June 6, 2019 4:39 PM
To: 'Bob Woodring - TEMPX' <Bob.Woodring@mail.maricopa.gov>; 'Chris Cain - MWD' <chrisc@mwdaz.com>; TOALE, CHRISTOPHER P GS-13 USAF AETC 56 FW/CVE <christopher.toale.1@us.af.mil>; Christina Betz <Christina.Betz@surpriseaz.gov>; Daniel Trujillo <Daniel.Trujillo@surpriseaz.gov>; 'Debbie Trasancos - MWD' <debbiet@mwdaz.com>; 'Don Romero - USPS' <Primitivo.D.Romero@usps.gov>; Donna Miller <Donna.Miller@surpriseaz.gov>; 'Ernest (USPS)' <Ernest.L.James@usps.gov>; Greg Welch <greg.welch@surpriseaz.gov>; 'Ibeth - USPS' <Ibeth.L.Roman@usps.gov>; Joseline Castaneda <joselinecastaneda@mail.maricopa.gov>; 'Kevin Shipman'

<kevin.shipman@dysart.org>; 'Leslie - MWD' <lesliej@mwdaz.com>; 'Mark Frago' <fragom@mail.maricopa.gov>; 'Mary Orta - Surprise Chamber' <mary.orta@surpriseregionalchamber.com>; 'Peter Hughes - FCDX' <PeterHughes@mail.maricopa.gov>; 'Project Coordinator' <redletter@azdot.gov>; 'Raoul Sada - Surprise Chamber' <raoul@surpriseregionalchamber.com>; 'Richard Hammitt' <Richard.Hammitt@aps.com>; Sandy Simmons <Sandy.Simmons@surpriseaz.gov>; 'Vern Wolfley - MAG' <vwolfley@azmag.gov>; 'Victor.Schaum' <Victor.Schaum@cox.com>; 'Yvonne Aguirre' <yvonne.aguirre@swgas.com>

Cc: Lorraine Nevarez <Lorraine.Nevarez@surpriseaz.gov>

Subject: [Non-DoD Source] OUTSIDE AGENCIES FS19-395 Rancho Del Rey Final Plat New Submittal 060619

Attached please find the **application** and **final plat** for the above referenced project.

Please feel free to contact us with any questions.

Best regards,

Allysa Robinson
Project Coordinator
City of Surprise | Community Development
16000 N. Civic Center Plaza | Surprise AZ | 85374
www.surpriseaz.gov
Phone: 623-222-3099
Fax: 623-222-3001
Allysa.Robinson@surpriseaz.gov

City of Surprise offices open at 8 a.m. and close at 5 p.m. Monday through Friday. More info at www.surpriseaz.gov.

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0.1

06 Jun 2019 23:38:37 -0000



FS19-395

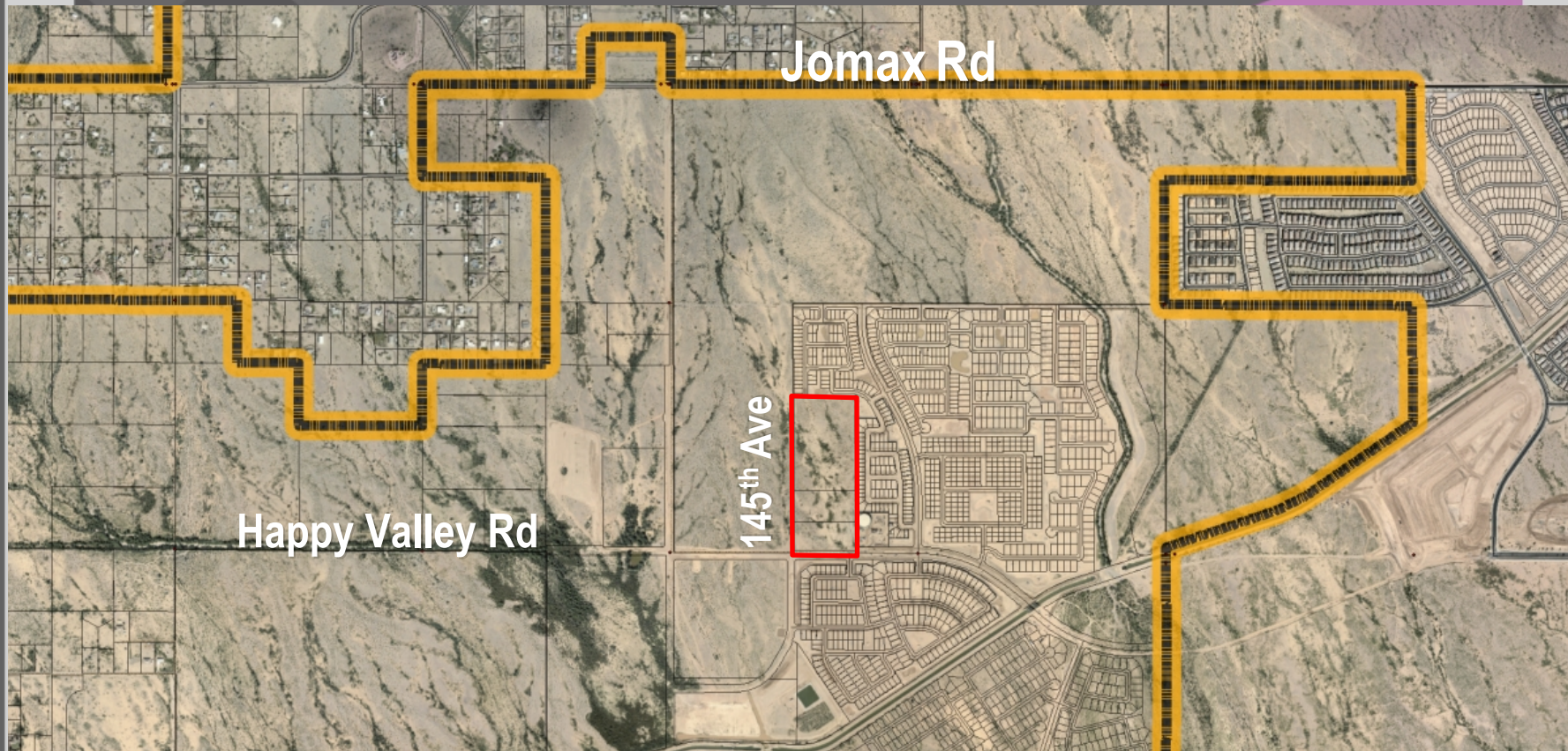
Rancho Del Rey

City Council
November 17, 2020



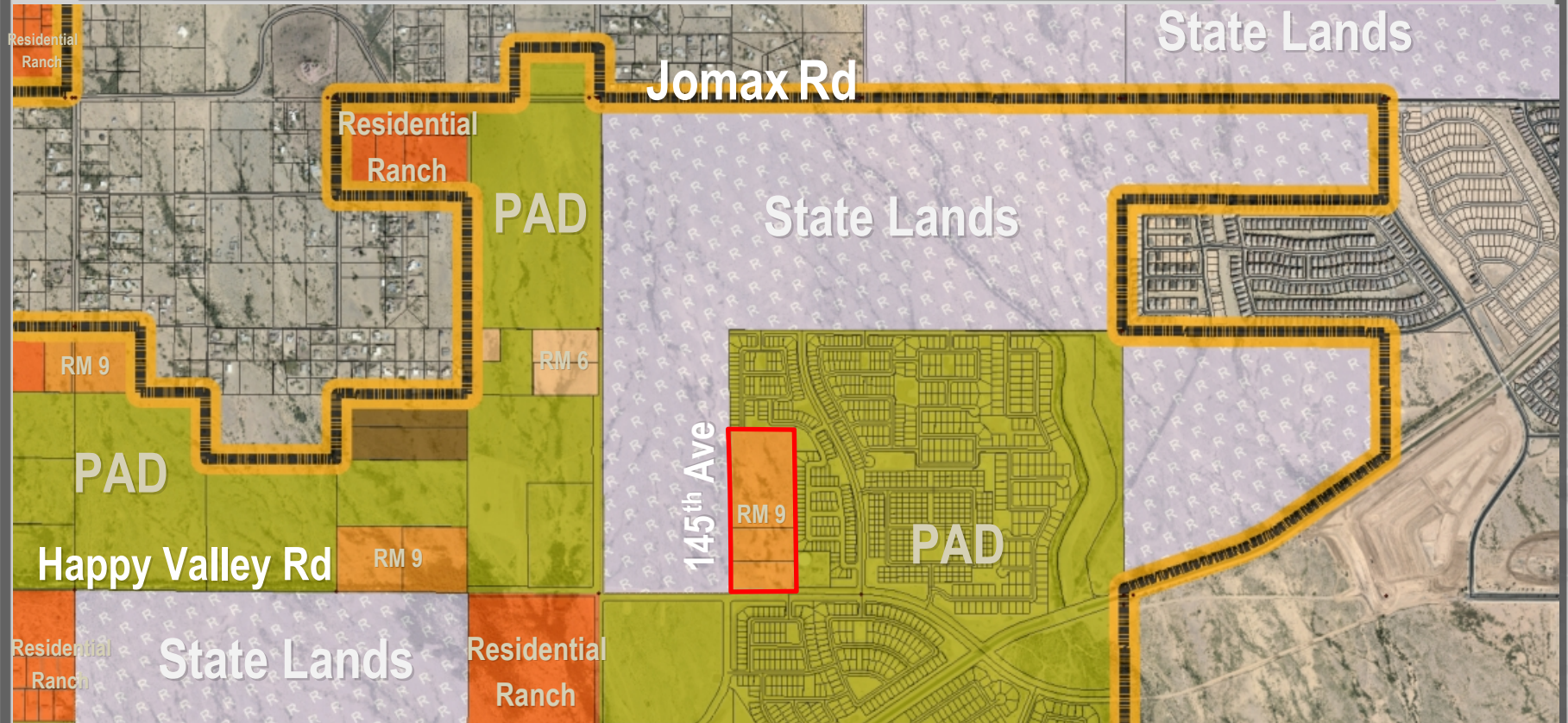
FS19-395- Rancho Del Rey

Vicinity MAP

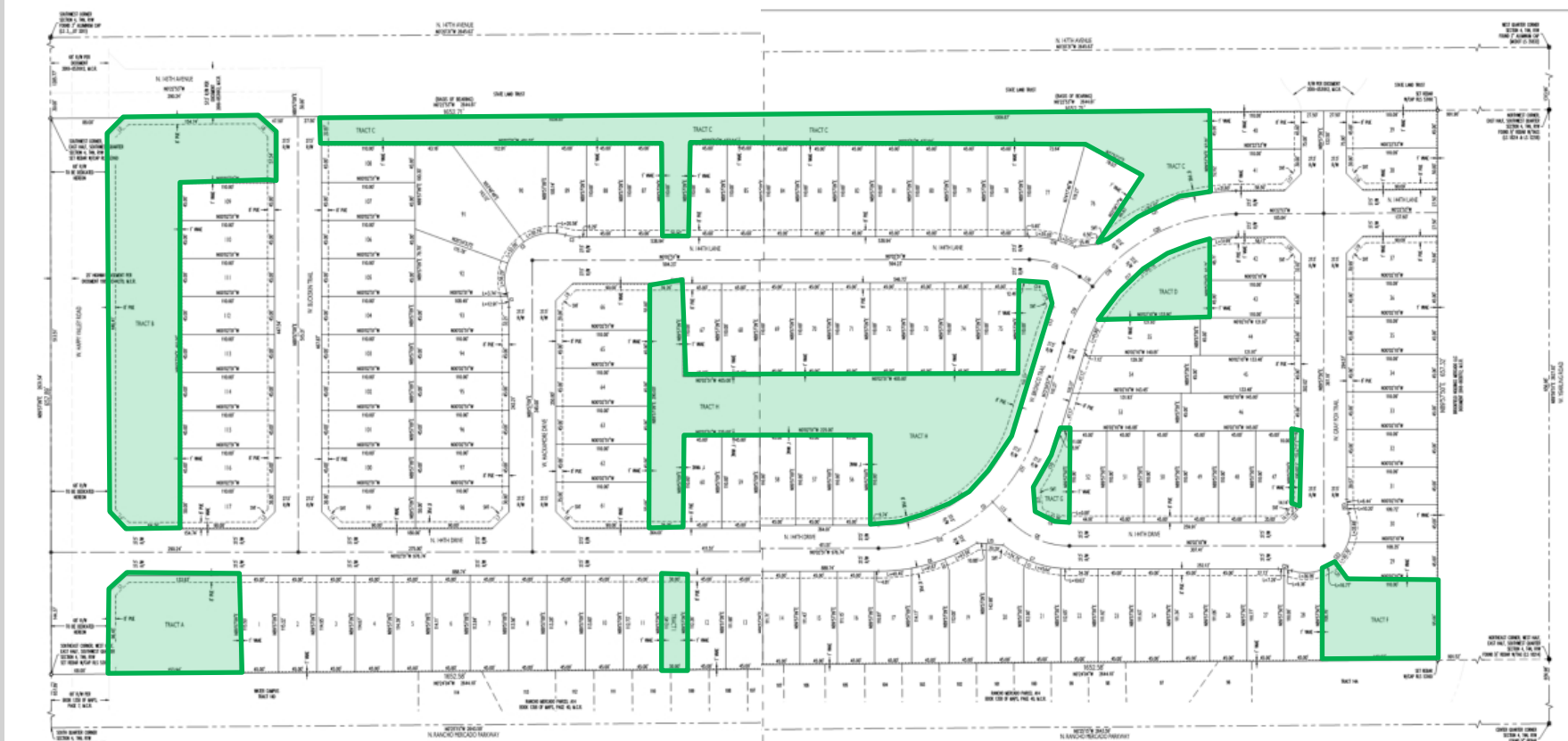


Case Map

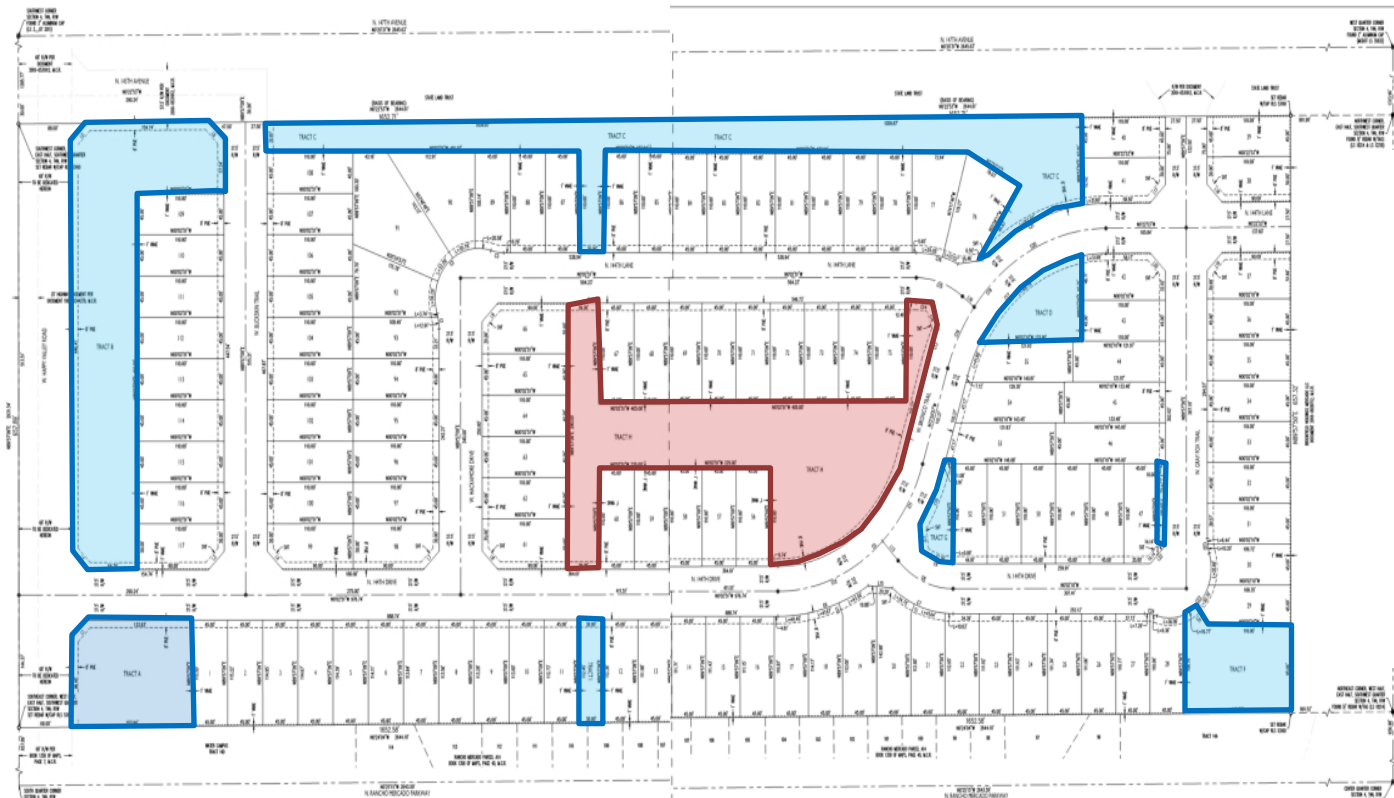
FS19-395- Rancho Del Rey



Open Space



Open Space



Active Open Space

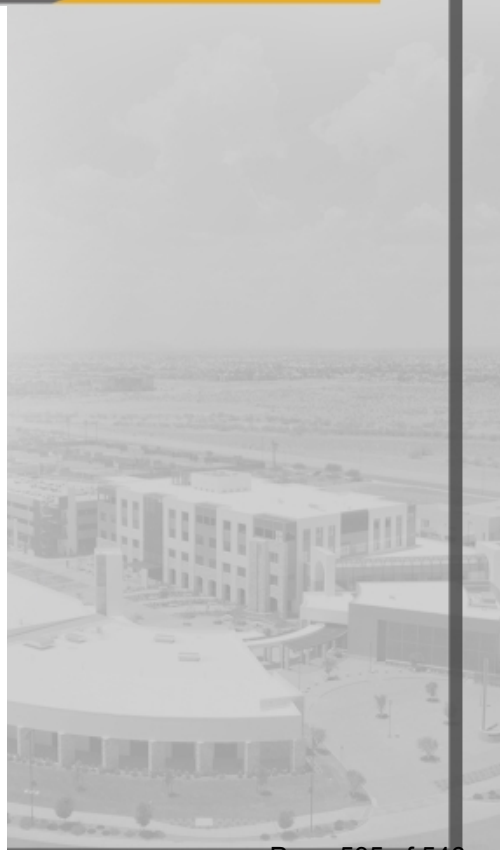
- 1.3 acres
- 28.19%

Passive Open Space

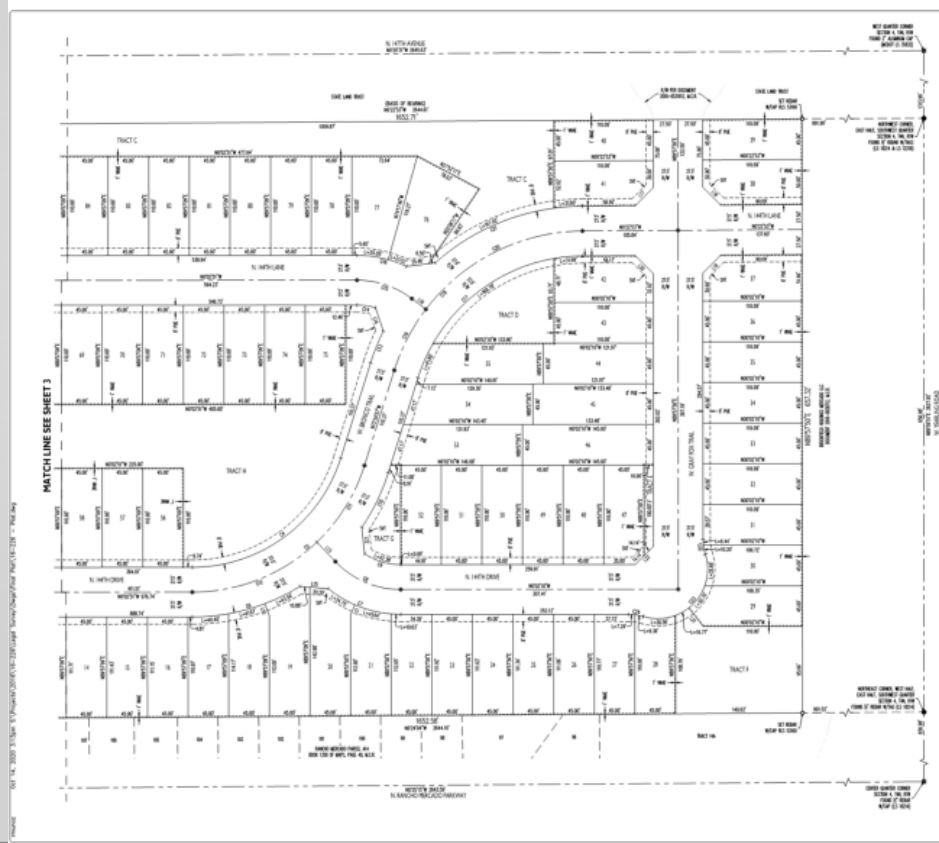
- 3.31 acres
- 71.80 %

Total Open Space

- 4.61 acres
- 18 %



Final Plat





QUESTIONS OR COMMENTS?

Thank You



CITY OF SURPRISE Regular City Council Meeting

Council Meeting Date: November 17, 2020
Submitting Department: Legal
Staff Recommendations:

Contact Person:
District: Citywide

Consent: No	Regular: Yes	Public Hearing: No	Report/Discussion: No
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Agenda Wording:

Consideration and action pertaining to approval of an amendment to Chapter 34 of the Surprise Municipal Code (SMC) by adding Article VIII *Recreational Marijuana*, prohibitions on marijuana on or in city property, open spaces, and public property; and prohibiting marijuana establishments and testing facilities; Ordinance # 2020-37.

Motion:

I move to approve Ordinance #2020-37.

Background:

At the November 3, 2020, general election, Arizona voters approved the Smart and Safe Arizona Act ("Act"), which generally legalized recreational marijuana. While the Act generally decriminalizes the possession, use, and retail sale of recreational marijuana, the Act authorizes local jurisdictions to regulate the possession and use of marijuana on city owned or controlled property, as well as the use of marijuana in open spaces and public places. Furthermore, the Act authorizes local jurisdictions to prohibit marijuana retail establishments and testing facilities within their respective jurisdictions.

Objective Analysis:

The proposed ordinance prohibits the use and sale of marijuana in Surprise to the greatest extent allowed under the Act by:

- 1) making it unlawful to possess, smoke, consume, sell or distribute, store, cultivate, manufacture, or produce marijuana or marijuana products on or in property that is occupied, owned, controlled, or operated by the City;
- 2) making it unlawful to smoke or consume marijuana in open spaces within the City;
- 3) making it unlawful to smoke marijuana in public spaces as defined by the Smoke-Free Arizona Act.

Furthermore, the proposed ordinance prohibits the retail sale and testing of recreational marijuana within the City, without exception, by prohibiting marijuana establishments and testing facilities. It should be noted that this prohibition does not apply to medical marijuana dispensaries allowed under the City's current zoning ordinance.

The proposed ordinance preserves, to the the greatest extent possible, local control afforded under the Act, which is a logical place to begin City Council's discussion and consideration of how City Council desires to regulate recreational marijuana.

Policy Compliant:

The proposed ordinance is in accordance with the authority granted by the Act and other state law. This item provides City Council with the opportunity to consider what the City's policy will be pertaining to recreational marijuana. The Act authorizes a range of local regulation from retail sale/testing prohibition (as this proposed ordinance provides) to allowing retail sales and testing per a zoning ordinance. As the previous Workshop presentation explained, City Council has discretion on the amount of regulation that will be established pertaining to sales and testing.

If after consideration, City Council determines that recreational marijuana sales and testing should be allowed, to some extent, within the City of Surprise, Council may use this opportunity to provide direction to staff and staff will initiate the zoning process to allow for the retail sale and or testing of marijuana.

Financial Impact:

The prohibition on retail sales may impact transaction privilege and use tax revenue. The Act provides that the sale of recreational marijuana is subject to transaction privilege tax under the retail classification and use tax.

Budget Impact:

None.

FTE Impact:

None.

ATTACHMENTS:

1. 20.11.06 Surprise Recreational Marijuana Ord v4 (002) (002)
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ORDINANCE NO. 2020-37

AN ORDINANCE OF THE MAYOR AND COUNCIL OF THE CITY OF SURPRISE, ARIZONA, AMENDING CHAPTER 34, *OFFENSES AND MISCELLANEOUS PROVISIONS*, OF THE SURPRISE MUNICIPAL CODE, BY ADOPTING A NEW ARTICLE VIII RELATING TO THE REGULATION OF RECREATIONAL MARIJUANA AND SETTING FORTH VIOLATIONS, ENFORCEMENT, AND PENALTIES; REPEALING CONFLICTING ORDINANCES; PROVIDING FOR SEVERABILITY; AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, marijuana contains tetrahydrocannabinol (“THC”), which remains on Schedule I of the Controlled Substances Act pursuant to 21 U.S.C. § 811 et al. and any possession and use is a violation of federal law pursuant to 21 U.S.C. § 841 et. al.;

WHEREAS, the Arizona Medical Marijuana Act, Arizona Revised Statutes Sections § 36-2801 et al., and Title 9, Chapter 17 of the Arizona Administrative Code allow the establishment and operation of nonprofit medical marijuana dispensaries in the City according to a prescribed statutory and regulatory process;

WHEREAS, the statewide ballot measure I-23-2020, known as the “Smart and Safe Arizona Act,” was certified as Proposition 207 and placed on the November 3, 2020 general election ballot, where it was approved by a majority of the votes cast at the November 3, 2020 general election;

WHEREAS, Proposition 207 contains provisions authorizing the possession, consumption, purchase, processing, manufacturing or transporting of marijuana by an individual who is at least twenty-one (21) years of age; authorizing possession, transport, cultivation or processing of marijuana plants in a primary residence by adults over 21 years of older; allowing a nonprofit medical marijuana dispensary or other non-dispensary applicant to apply to the Department of Health Services to become a licensed marijuana establishment authorized to engage in the retail sale, cultivation, and manufacturing of marijuana; and allowing the Department, or another entity designated by the Department, to become a marijuana testing facility to test the potency of marijuana and detect any harmful contaminants;

WHEREAS, the City finds that Proposition 207 authorizes marijuana establishments and testing facilities to use chemical extraction or chemical synthesis, including butane and other flammable gases, to extract marijuana concentrate, which poses a threat to the health, safety, and security of the community and increases the responsibilities of law enforcement and other City departments to respond to violations of state and local laws, including building, electrical, plumbing, and fire codes; and

WHEREAS, the City seeks to protect the public health, safety, and welfare of the City of Surprise by prohibiting marijuana establishments and/or marijuana testing facilities in the City.

NOW THEREFORE, BE IT ORDAINED by the Mayor and Council of the City of Surprise, Arizona, as follows:

Section 1. Surprise Municipal Code, Chapter 34 *Offenses and Miscellaneous Offenses*, is hereby amended by adding a new Article VIII *Recreational Marijuana* to read as follows:

Article VIII Recreational Marijuana

Sec. 34-301.-Purpose.

Sec. 34-302.-Definitions.

Sec. 34-303.-Marijuana Prohibited on Public Property.

Sec. 34-304.-Marijuana Establishment Prohibited.

Sec. 34-305.-Marijuana Testing Facility Prohibited.

Secs. 34-306 – 34-320.-Reserved.

Sec. 34-321.-Violations; Enforcement; Penalties.

Sec. 34-301 Purpose

This Article is adopted to protect the health, safety, and welfare of the community. Except as allowed by law for personal, private use, the City prohibits the retail sale, cultivation, storage, and manufacturing of marijuana or marijuana products in the City. Nothing in this Article is intended to promote or condone the sale, cultivation, manufacture, transport, production, distribution, possession, storage, or use of marijuana or marijuana products in violation of any applicable law.

Sec. 34-302 Definitions.

The below words and phrases, wherever used in this Article, shall be construed as defined in this section unless, clearly from the context, a different meaning is intended. Words used in the present tense include the future tense, words in the plural number include the singular number, and words in the singular number include the plural number.

“*Chemical Extraction*” means the process of removing a particular component of a mixture from others present, including removing resinous tetrahydrocannabinol from marijuana.

“*Chemical Synthesis*” means production of a new particular molecule by adding to, subtracting from, or changing the structure of a precursor molecule

“*Consume*,” “*Consuming*,” and “*Consumption*” mean the act of ingesting, inhaling, or otherwise introducing marijuana into the human body.

“*Consumer*” means an individual who is at least twenty-one years of age and who purchases marijuana or marijuana products.

“*Cultivate*” and “*Cultivation*” mean to propagate, breed, grow, prepare, and package marijuana.

“*Department*” means the State of Arizona Department of Health Services or its successor agency.

“*Dual Licensee*” means an entity that holds both a nonprofit medical marijuana dispensary registration and a marijuana establishment license.

“*Extraction*” means the process of extracting or separating resin from marijuana to produce or process any form of marijuana concentrates using water, lipids, gases, solvents, or other chemicals or chemical processes.

“*Manufacture*” and “*Manufacturing*” means to compound, blend, extract, infuse, or otherwise make or prepare a marijuana product.

“*Marijuana:*”

1. Means all parts of the plant of the genus *cannabis*, whether growing or not, as well as the seeds from the plant, the resin extracted from any part of the plant, and every compound, manufacture, salt, derivative, mixture, or preparation of the plant or its seeds or resin.
2. Includes *cannabis* as defined in A.R.S. § 13-3401.
3. Does not include industrial hemp, the fiber produced from the stalks of the plant of the genus *cannabis*, oil, or cake made from the seeds of the plant, sterilized seeds of the plant that are incapable of germination, or the weight of any other ingredient combined with marijuana to prepare topical or oral administrations, food, drink, or other products.

“*Marijuana Concentrate:*”

1. Means resin extracted from any part of a plant of the genus *cannabis* and every compound, manufacture, salt, derivative, mixture, or preparation of that resin or tetrahydrocannabinol.
2. Does not include industrial hemp or the weight of any other ingredient combined with *cannabis* to prepare topical or oral administrations, food, drink, or other products.

“*Marijuana Establishment*” means an entity licensed by the Department to operate all of the following:

1. A single retail location at which the licensee may sell marijuana and marijuana products to consumers, cultivate marijuana, and manufacture marijuana products.
2. A single off-site cultivation location at which the licensee may cultivate marijuana, process marijuana, and manufacture marijuana products, but from which marijuana and marijuana products may not be transferred or sold to consumers.

3. A single off-site location at which the licensee may manufacture marijuana products and package and store marijuana and marijuana products, but from which marijuana and marijuana products may not be transferred or sold to consumers.

“*Marijuana Products*” means marijuana concentrate and products that are composed of marijuana and other ingredients and that are intended for use or consumption, including edible products, ointments, and tinctures.

“*Marijuana Testing Facility*” means the Department or another entity that is licensed by the Department to analyze the potency of marijuana and test marijuana for harmful contaminants.

“*Nonprofit Medical Marijuana Dispensary*” means a non-profit entity as defined in A.R.S. § 36-2801(12).

“*Open Space*” means a public park, public sidewalk, public walkway, public trail, preserve, public pedestrian thoroughfare, or public rights-of-way.

“*Person*” means an individual, partnership, corporation, association, or any other entity of whatever kind or nature.

“*Process*” and “*Processing*” means to harvest, dry, cure, trim, or separate parts of the marijuana plant.

“*Public Place*” has the same meaning prescribed in the Smoke-Free-Arizona Act, A.R.S. § 36-601.01.

“*Smoke*” means to inhale, exhale, burn, carry, or possess any lighted marijuana or lighted marijuana products, whether natural or synthetic.

Sec. 34-303 Marijuana Prohibited on Public Property.

A. To the fullest extent allowable by law, it is unlawful to:

1. possess, smoke, consume, sell or distribute, store, cultivate, manufacture, or produce marijuana or marijuana products on or in property that is occupied, owned, controlled, or operated by the City;
2. smoke marijuana or consume marijuana products in an open space in the City;
3. smoke marijuana in a public place in the City.

B. Reserved.

Sec. 34-304 Marijuana Establishment Prohibited.

To the fullest extent allowable by law, the operation of a marijuana establishment, including the operation of a marijuana establishment by a dual licensee, is prohibited in the City.

Sec. 34-305 Marijuana Testing Facility Prohibited.

To the fullest extent allowable by law, the operation of a marijuana testing facility is prohibited in the City.

Sec. 34-306 -- 34-320 Reserved.

Sec. 34-321 Violations; Enforcement; Penalties.

- A. It is unlawful and a violation of this Article for a person to sell, cultivate, process, manufacture, store, or transport marijuana or marijuana products if the person fails to meet all the requirements in this Article or state law, including the Department's rules.
- B. Each day any violation of any provision of this Article shall continue shall constitute a separate offense.
- C. Except as otherwise provided in A.R.S. § 36-2853, any violation of this Article shall be a violation of Section 1-7 of this Code.
- D. Violations of this Article are in addition to any other violation enumerated within the City ordinances or the City Code and in no way limits the penalties, actions, or abatement procedures which may be taken by the City for any violation of this Article, which is also a violation of any other ordinance or Code provision of the City or federal or state law. Conviction and punishment of judgment and civil sanction against any person under this Article shall not relieve such person from the responsibility of correcting prohibited conditions, or removing prohibited structures or improvements, and shall not prevent the enforced correction or removal thereof.
- E. The remedies provided in this Article shall be cumulative and in addition to any other federal, state, or local remedy, which may be available. Nothing contained herein shall be construed to preclude prosecution under any other applicable statute, ordinance, rule, order, or regulation.

Section 2. All ordinances, resolutions, or codes in conflict with the provisions of this Ordinance or any part of the Code adopted by this Ordinance are hereby repealed.

Section 3. The recitals above are fully incorporated in this Ordinance by reference.

Section 4. In accordance with Article II, Sections 1 and 2, Constitution of Arizona, the City Council has considered the individual property rights and personal liberties of the residents of the City before adopting this Ordinance.

Section 5. If any section, subsection, sentence, clause, phrase, or portion of this Ordinance or any part of the Code adopted herein by reference, is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions thereof.

Section 6. This Ordinance shall not become effective until the Governor's proclamation declaring Proposition 207 to be law or as otherwise prescribed by applicable law.

ADOPTED AND APPROVED this ____ day of _____, 2020.

Skip Hall, Mayor

ATTEST:

Sherry Aguilar, City Clerk

APPROVED AS TO FORM:

Robert Wingo, City Attorney



CITY OF SURPRISE
Regular City Council Meeting

Council Meeting Date: November 17, 2020

Contact Person: Robert Wingo, CITY
ATTORNEY

Submitting Department: Legal
Staff Recommendations: None

District: Internal

Consent: No	Regular: No	Public Hearing: No	Report/Discussion: No
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Agenda Wording:

Consideration and action to recess into executive session for discussion and consultation with the City Attorney for legal advice, and to consider and instruct the City Attorney regarding the City Council's position pertaining to opioid litigation pursuant to A.R.S. 38-431.03(A)(3) and (4).

Motion:

I move to recess into executive session for the purpose noticed.

Background:

Objective Analysis:

Policy Compliant:

Financial Impact:

Budget Impact:

FTE Impact:

ATTACHMENTS:
