



CITY OF SURPRISE
Regular City Council Meeting
16000 N. Civic Center Plaza
Surprise, AZ 85374
Tuesday, February 5, 2019 @ 6:00 PM
COUNCIL CHAMBERS

- A. Call To Order
- B. Roll Call
- C. Pledge of Allegiance
- D. Proclamation and Community Acknowledgements
Mayor's proclamation for February as Career and Technical Education Month
- E. City Manager Report
- F. City Clerk Report

- 1. Consideration and Action to appoint James Conner to the Public Safety Personnel Retirement Board with a term expiration of June 30, 2021. None
Sherry Aguilar
City Clerk

G. Call To The Public

INSTRUCTIONS: In order to address the City Council, you will need to fill out a Call to the Public Form available at the front counter, and then turn it in to the City Clerk before the meeting begins.

[Download the Call to the Public form](#) (PDF download requires Adobe Acrobat Reader)

[Fill out the Call to the Public form online](#) If submitting form electronically, please submit to City Clerk at least one hour before the meeting start time.

The Call to the Public form is also available at the front counter.

Note: A.R.S. 38-431.01(H)- During this time members of the public may address City Council only on issues within the jurisdiction of the City Council which are not an item on the agenda. At the conclusion of the open call, City Council may respond to criticism, may ask staff to review the matter or may ask that the matter be put on a future agenda. No discussion or action shall take place on any item raised.

Approval of items on the Consent Agenda – all items with an asterisk (*) are considered to be routine matters and will be enacted by one motion and one roll call vote to the City Council. There will be no separate discussion on these items unless a Councilmember requests, in which event the item will be removed from the consent agenda and considered in its normal sequence on the agenda.

H. Regular City Council Meeting Agenda

CONSENT AGENDA:

- 2. District 1 Consideration and action on ownership change None
Addendum 1, Assignment Form of Altamira Development
Agreement; Resolution # 2019-10. Lloyd Abrams
Community
Development

- | | | | |
|----|------------|--|--|
| 3. | District 1 | Consideration and action pertaining to ownership change Addendum 1, Assignment of Verdugo Development Agreement to Fulton Homes; Resolution # 2019-09. | None

Lloyd Abrams
Community
Development |
| 4. | District 1 | Consideration and action declaring the City's intention to create the SU-Fulton Homes at Escalante 154 Street Lighting Improvement District pursuant to A.R.S. 48-616; Resolution # 2019-06. | None

Mike Gent
Public Works |
| 5. | Citywide | Consideration and action pertaining to approval of an amendment to the FY19 Budget by reallocating appropriations from capital project P71230 SPA 1 Rancho Gabriela WSF-Arsenic to capital project P71260 Circle City Water Acquisition for ongoing legal expenses associated with the condemnation process; Resolution # 2019-16. | None

Terry Lowe
Water Resource
Management |
| 6. | Citywide | Consideration and action on the minutes of the Special City Council Meeting of January 10, 2019 and the Regular City Council Meeting and Executive Session of January 15, 2019. | None

Sherry Aguilar
City Clerk |
| 7. | District 4 | Consideration and action on a Class "A" Bingo License for Sierra Dawn Bingo located at Rose Garden - 11596 W. Sierra Dawn Boulevard, Surprise, AZ 85378. | None

Sherry Aguilar
City Clerk |
| 8. | Internal | Consideration and action pertaining to the acceptance of the Victims' Right Program (VRP) grant in the amount of \$2,200 and amending the FY19 budget by reallocating appropriations from grant contingency to the FY19 VRP Grant Fund to account for the grant; Resolution # 2019-08. | Legal |
| 9. | Internal | Consideration and action pertaining to approval of an amendment to the Fiscal Year 2019 Operating List of Items Over \$50,000 to account for costs associated with Workers' Compensation Premiums; Resolution #2019-18. | None

Human Resources |

REGULAR AGENDA ITEM - PUBLIC HEARING:

- | | | | |
|-----|----------|--|---|
| 10. | Citywide | Public hearing pertaining to the Land Use Assumptions (LUA) and Infrastructure Improvement Plan (IIP). | None

Andrea Davis
Holly Osborn
Finance |
|-----|----------|--|---|

REGULAR AGENDA ITEM - NON-PUBLIC HEARING:

- I. Other Business and Future Agenda Items
- J. City Council Reports
- K. Executive Session

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

SHERRY ANN AGUILAR, CITY CLERK, MMC

POSTED: January 31, 2019 at 11:30 AM

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: February 5, 2019
Submitting Department: City Clerk
Staff Recommendations: None

Contact Person: Sherry Aguilar, City Clerk
District: Internal

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

Agenda Wording:

Consideration and Action to appoint James Conner to the Public Safety Personnel Retirement Board with a term expiration of June 30, 2021.

Motion:

I move to approve appoint James Conner to the Public Safety Personnel Retirement Board with a term expiration of June 30, 2021.

Background:

This vacancy has occurred due to resignation of Mr. Kenneth Broadfoot.

This action is in compliance with the City of Surprise City Code Section 2-297.

Objective Analysis:

Policy Compliant:

Financial Impact:

Budget Impact:

FTE Impact:

ATTACHMENTS:

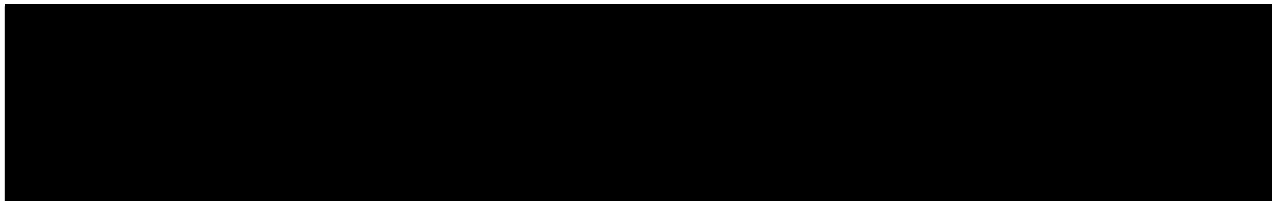
1. PSPRS CONNER_Redacted
-

City of Surprise

APPOINTMENT APPLICATION FOR ALL SURPRISE COMMISSIONS

Name: James Conner

Date Submitted: January 11, 2019



Resident of Surprise: ☒ Yes ☐ No Number of Years: 25 (Snowbird); 5 full-time

Board/Commission(s) you are applying for? Public Safety Personnel Retirement Board

Education: University of Oregon BS Physical Education

San Francisco State University M Labor Economics/Collective Bargaining

EMPLOYMENT BACKGROUND:

Present Employer/Position: Retired

Previous Employer(s)/Position (Last 5 Years): Retired; part-time Labor Arbitrator

Special Qualifications (Include list of Surprise activities or organizations you have participated in and dates):

Member, Boy/Girl Club Steering Committee 2014 & 2015

PRESIDENT, Surprise Youth Foundation 2016 to present; participation in MLK day activities

(Continued on Reverse Side)

Do you currently serve, or have you previously served on any other City of Surprise Commissions? If yes, which one(s):

Personnel Appeals Board 2015 to present

Statement as to why you want to serve as a Commission Member for the City of Surprise:

Asked to apply by Mayor Hall. I have
background, experience, and interest in area.
Enjoy being active and making positive
contributions to my City.

Additional Information/Comments:

Have served as trustee on several private
sector health and welfare or pension boards.
Thank you for your consideration

I, James Couner certify that to the best of my knowledge, all information given herewith is true and correct. I understand that any falsification or misrepresentation of facts will be cause for dismissal from the position if I am appointed by the City Council.

James Couner
Applicant's Signature

Please return to:



CITY OF SURPRISE Regular City Council Meeting

Council Meeting Date: February 5, 2019 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 on ownership change Addendum 1, Assignment Form of Altamira Development Agreement; Resolution # 2019-10.

Motion:

I move to approve Resolution # 2019-10.

Background:

The Altamira property is generally located at 163rd and Pinnacle Peak Road east of the Verdugo Development. On February 3, 2015 City Council approved the Altamira Development Agreement. On November 30, 2018 a special warranty deed was recorded conveying the property from 371 on 163, LLC (Altamira) to Fulton Homes Corporation. On December 6, 2018 the city received a written assignment request in accordance with section 15.2 of the development agreement requesting the ownership assignment be transferred from 371 on 163, LLC to Fulton Homes Corporation.

Objective Analysis:

The request is in compliance with section 15.2 of the Altamira Development Agreement.

Policy Compliant:

This action is compliant with Council policy relative to growth paying for itself.

Financial Impact:

All activity related to ongoing development of the City of Surprise has an economic and fiscal impact on the city and the region.

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. 19.01.11 EVR Res. 2019-10 Altamira assignment
2. Exhibit 1 Special Warranty Deed Altamira

3. Exhibit 2 Addendum No 1 Altamira

RESOLUTION # 2019-10

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF SURPRISE, ARIZONA, APPROVING ADDENDUM NO. 1 TO THE ALTAMIRA DEVELOPMENT AGREEMENT FOR ASSIGNMENT OF THE SUBJECT PROPERTY AND AGREEMENT BY 371 ON 163, LLC TO FULTON HOMES CORPORATION

WHEREAS, on February 3, 2015 the Mayor and City Council approved the Altamira Development Agreement, which was recorded with the Office of the Maricopa County, Arizona, Recorder as Doc. No. 20150084882 on February 10, 2015; and,

WHEREAS, on November 30, 2018, a Special Warranty Deed was recorded with the Office of the Maricopa County, Arizona, Recorder as Doc. No. 20180884516 conveying the property from 371 on 163, LLC to Fulton Homes Corporation, which property ("Property") is legally described in Schedule A to the Special Warranty Deed, a copy of which is attached hereto as Exhibit 1; and,

WHEREAS, on December 6, 2018, the City received a written assignment request, in accordance with Section 15.2 of the Altamira Development Agreement, requesting the City to approve the ownership transfer of the Property and all right, title, and interest in the Agreement from 371 on 163, LLC to Fulton Homes Corporation, a copy of which is attached hereto as Exhibit 2 (Addendum No. 1 to Altamira Development Agreement).

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

Section 1. The Addendum No. 1 to Altamira Development Agreement, attached hereto as Exhibit 2, is approved.

Section 2. The City Manager, or his designee, is hereby authorized to execute Addendum No. 1 to the Altamira Development Agreement and execute and submit all other documents desirable or necessary to effect the assignment.

APPROVED AND ADOPTED this ____ day of _____, 2019.

Skip Hall, Mayor

Attest:

Approved as to form:

Sherry Aguilar, City Clerk

Robert Wingo, City Attorney

20180884516 11/30/2018 03:21
ELECTRONIC RECORDING

RECORDED ELECTRONICALLY
BY SECURITY TITLE AGENCY

26180154-5-4-1--
henrya

When recorded, return to:
Lake & Cobb, PLC
1095 W. Rio Salado Pkwy, Suite 206
Tempe, Arizona 85281
Attention: J. Gregory Lake

26180154
10P3

SPECIAL WARRANTY DEED

For the consideration of Ten Dollars (\$10.00) and other good and valuable consideration, 371 on 163, L.L.C., an Arizona limited liability company ("Grantor"), hereby conveys to Fulton Homes Corporation, an Arizona corporation ("Grantee"), that real property located in Maricopa County, Arizona, and legally described in Schedule A attached hereto and incorporated herein by this reference, together with all interests, privileges and easements appurtenant thereto and any and all improvements located thereon (collectively, the "Property").

SUBJECT ONLY TO all general and special real property taxes and other assessments; reservations in patents; easements, rights-of-way, encumbrances, liens, covenants, conditions, restrictions, obligations, liabilities and other matters as may appear of record; all matters that would be disclosed by an accurate ALTA/NSPS survey and/or inspection of the Property, and the applicable zoning and use regulations of any municipality, county, state or the United States affecting the Property.

Notwithstanding any warranty which may otherwise be implied from the use of any word, phrase or clause herein, Grantor warrants title to the Property, subject to the matters referred to above, only against its own acts, but not the acts of any others.

[Signatures on following page]

DATED as of this 30th day of November 2018.

371 ON 163, L.L.C.,
an Arizona limited liability company

By: *Keith J. Miller*

Name: *Keith J. Miller*

Title: *MANAGER*

STATE OF ARIZONA)
) ss.
COUNTY OF MARICOPA) _____

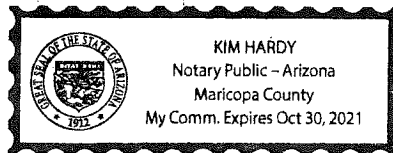
On this 30th day of November, 2018, before me, *Kim Hardy* a Notary Public in and for said County and State, personally appeared *Keith J. Miller* personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that s/he executed the same in his/her authorized capacity; and that by her/his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

TN WITNESS WHEREOF, I hereunto set my hand and official seal.

My Commission Expires:

10/30/21

Kim Hardy
NOTARY PUBLIC



Schedule A

Legal description of Property

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF SURPRISE, IN THE COUNTY OF MARICOPA, STATE OF ARIZONA, AND IS DESCRIBED AS FOLLOWS:

PARCEL 1:

A portion of Section 7, Township 4 North, Range 1 West of the Gila and Salt River Base and Meridian, Maricopa County, Arizona, more particularly described as follows:

COMMENCING at the South quarter corner of said Section 7;

THENCE South 89 degrees 55 minutes 12 seconds East, along the South line of said Section 7, a distance of 533.69 feet to the TRUE POINT OF BEGINNING;

THENCE North 00 degrees 04 minutes 45 seconds East, a distance of 786.42 feet;

THENCE North 00 degrees 27 minutes 21 seconds West, a distance of 36.19 feet;

THENCE North 02 degrees 40 minutes 08 seconds West, a distance of 113.42 feet;

THENCE North 06 degrees 01 minutes 27 seconds West, a distance of 113.42 feet;

THENCE North 09 degrees 49 minutes 48 seconds West, a distance of 143.85 feet to the beginning of a non-tangent curve;

THENCE Westerly along said curve, having a radius of 480.00 feet concave Southerly, whose radius bears South 08 degrees 36 minutes 31 seconds East, through a central angle of 01 degrees 04 minutes 36 seconds, a distance of 9.02 feet;

THENCE North 09 degrees 41 minutes 07 seconds West, a distance of 40.00 feet;

THENCE North 14 degrees 46 minutes 20 seconds West, a distance of 108.76 feet;

THENCE North 17 degrees 57 minutes 09 seconds West, a distance of 105.48 feet;

THENCE North 21 degrees 05 minutes 03 seconds West, a distance of 105.48 feet;

THENCE North 24 degrees 12 minutes 57 seconds West, a distance of 105.48 feet;

THENCE North 27 degrees 20 minutes 51 seconds West, a distance of 105.48 feet;

THENCE North 30 degrees 28 minutes 45 seconds West, a distance of 105.48 feet;

THENCE North 33 degrees 36 minutes 39 seconds West, a distance of 105.48 feet;

THENCE North 36 degrees 44 minutes 33 seconds West, a distance of 106.11 feet;

THENCE North 33 degrees 31 minutes 38 seconds West, a distance of 121.44 feet;
 THENCE North 23 degrees 52 minutes 01 seconds West a distance of 148.00 feet;
 THENCE North 08 degrees 11 minutes 01 seconds West, a distance of 151.36 feet;
 THENCE North 00 degrees 01 minutes 29 seconds East, a distance of 60.00 feet;
 THENCE North 89 degrees 58 minutes 31 seconds West, a distance of 19.81 feet;
 THENCE North 00 degrees 22 minutes 47 seconds West, a distance of 164.41 feet;
 THENCE North 44 degrees 49 minutes 14 seconds East, a distance of 56.37 feet to the center of said Section 7;
 THENCE South 89 degrees 58 minutes 44 seconds East, a distance of 657.68 feet;
 THENCE South 89 degrees 58 minutes 31 seconds East, a distance of 176.82 feet;
 THENCE South 89 degrees 59 minutes 00 seconds East, a distance of 151.91 feet;
 THENCE South 89 degrees 57 minutes 40 seconds East, a distance of 328.93 feet;
 THENCE North 00 degrees 25 minutes 42 seconds West, a distance of 659.44 feet;
 THENCE North 00 degrees 21 minutes 05 seconds West, a distance of 659.77 feet;
 THENCE South 89 degrees 59 minutes 51 seconds East, a distance of 1313.10 feet to the East line of said Section 7;
 THENCE South 00 degrees 28 minutes 27 seconds East, along the East line of said Section 7, a distance of 659.96 feet;
 THENCE South 00 degrees 29 minutes 58 seconds East, a distance of 659.57 feet to the East quarter corner of said Section 7;
 THENCE South 00 degrees 28 minutes 48 seconds East, along the East line of said Section 7, a distance of 2638.86 feet;
 THENCE North 89 degrees 55 minutes 12 seconds West, along the South line of said Section 7, a distance of 2101.30 feet to the TRUE POINT OF BEGINNING.

EXCEPT all oil and gas as reserved to the United States of America, in the patent of said land and subject to the provisions and limitation of the act of June 17, 1914 (39 STAT. 509) and

EXCEPT all the mineral, gas and oil rights as granted in Deed recorded in Recording No. 1983-23170 and in Recording No. 1983-187997.

PARCEL 2:

A portion of the Southwest quarter of Section 7, Township 4 North, Range 1 West of the Gila and Salt River Meridian, Maricopa County, Arizona, more particularly described as follows:

Commencing at the southwest corner of said Section 7, from which the South quarter corner bears South 89 degrees 54 minutes 10 Seconds East, a distance of 1893.31 feet;

THENCE along the west line of said southwest quarter, North 00 Degrees 04 minutes 45 seconds East, a distance of 976.17 feet;

THENCE departing said west line, South 89 degrees 55 minutes 15 Seconds East, a distance of 40.00 feet to the east right-of-way of Sarival Road (163rd Avenue) per Docket 10260, page 1332, Maricopa County records, and the POINT OF BEGINNING;

THENCE departing said right-of-way line and continuing, South 89 degrees 55 minutes 15 seconds East, a distance of 95.00 feet;

THENCE South 00 degrees 04 minutes 45 seconds West, a distance of 811.22 feet;

THENCE South 44 degrees 54 minutes 43 seconds East, a distance of 70.72 Feet;

THENCE South 89 degrees 54 minutes 10 seconds East, a distance of 580.00 feet;

THENCE South 00 degrees 04 minutes 45 seconds West, a distance of 75.00 Feet to the north right-of-way line of Pinnacle Peak Road per Docket 10260, page 1332, Maricopa County Records;

THENCE along said right-of-way, North 89 degrees 54 minutes 10 Seconds West, a distance of 725.00 feet to the east right-of-way of Sarival Road;

THENCE departing said north right-of-way and along said east right-of-way, North 00 degrees 04 minutes 45 seconds East to the POINT OF BEGINNING.

After recording, return to:

Gammage & Burnham, P.L.C.
Attn: Jonathan A. Bennett, Esq.
2 N. Central Avenue, 15th Floor
Phoenix, AZ 85004

ADDENDUM TO ALTAMIRA DEVELOPMENT AGREEMENT

This Addendum to Altamira Development Agreement (“**Addendum**”) is made and entered into by and between 371 on 163, L.L.C., an Arizona limited liability company (“**Owner**”), and FULTON HOMES CORPORATION, an Arizona corporation (“**New Owner**”) with respect to that certain Altamira Development Agreement recorded in the Official Records of Maricopa County, Arizona on February 10, 2015 as Document No. 2015-084882 (as amended, the “**Agreement**”) between the City of Surprise, an Arizona municipal corporation (the “**City**”).

When this Addendum is countersigned below by City Manager on behalf of City, it shall become an addendum to the Agreement for all purposes, and shall thereafter be construed to be integrated into such document.

Pursuant to Section 15.2 of the Agreement, Owner and the City hereby approve the following assignment (attach a copy of the title report as Exhibit “A”).

“Owner” (Assignor)

371 on 163, L.L.C.,
an Arizona limited liability company

“New Owner” (Assignee)

FULTON HOMES CORPORATION,
an Arizona corporation
9140 S. Kyrene, Suite 202
Tempe, Arizona 85284
Attn: Norman L. Nicholls
Fax No.: (480) 753-5554
Email: nnicholls@fultonhomes.com

“Affected Property” (attach a depiction of the property transferred)

See attached legal description

The definition of Owner and Parties within the Agreement shall now include New Owner instead of the original Owner identified therein, and New Owner shall be entitled to all rights, and responsible for all obligations, of Owner within the Agreement.

Unless otherwise separately defined in this Addendum, all capitalized terms contained herein shall be given the meaning set forth for such terms in the Agreement. All of the terms,

provisions and conditions of the Agreement that are not expressly modified, amended or clarified by this Addendum (or which, in context, must be deemed modified, amended or clarified hereby) shall remain in full force and effect.

[Signature Pages Follow]

OWNER:

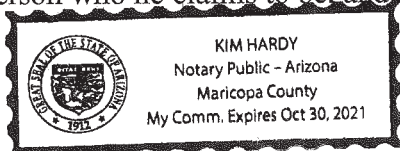
371 on 163, L.L.C., an Arizona
limited liability company

By: 
Keith Miller, Manager

Date: 11/28/18

STATE OF ARIZONA
County of Maricopa

On this 28th day of November, 2018, before me personally appeared
Keith Miller, Manager, for 371 on 163, L.L.C., an Arizona limited liability company, for and on
behalf thereof, whose identity was proven to me on the basis of satisfactory evidence to be the
person who he claims to be, and acknowledged that he signed the above/attached document.



[Affix notary seal here]


Notary Public

NEW OWNER:

FULTON HOMES CORPORATION,
an Arizona corporation

By: *Norman P. Nichols*

Its: PRESIDENT

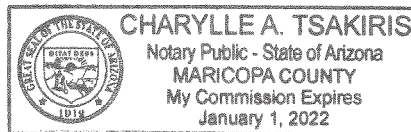
Date: 11-28-18

STATE OF ARIZONA
County of Maricopa

On this 28 day of November, 2018, before me personally appeared Norman Nichols, President, of Fulton Homes Corporation for and on behalf thereof, whose identity was proven to me on the basis of satisfactory evidence to be the person who he claims to be, and acknowledged that he signed the above/attached document.

Charylle A. Tsakiris
Notary Public

[Affix notary seal here]



CITY:

City of Surprise, an Arizona municipal
corporation

By: _____
City Manager

Date: _____

STATE OF ARIZONA
County of Maricopa

On this ____ day of _____, 2018, before me personally appeared
_____, _____, of _____,
for and on behalf thereof, whose identity was proven to me on the basis of satisfactory evidence
to be the person who he claims to be, and acknowledged that he signed the above/attached
document.

Notary Public

[Affix notary seal here]

Legal Description

PARCEL 1:

A portion of Section 7, Township 4 North, Range 1 West of the Gila and Salt River Base and Meridian, Maricopa County, Arizona, more particularly described as follows:

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PARCEL 2:

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THENCE South 00 degrees 04 minutes 45 seconds West, a distance of 75.00 Feet to the north right-of-way line of Pinnacle Peak Road per Docket 10260, page 1332, Maricopa County Records;

THENCE along said right-of-way, North 89 degrees 54 minutes 10 Seconds West, a distance of 725.00 feet to the east right-of-way of Sarival Road;

THENCE departing said north right-of-way and along said east right-of-way, North 00 degrees 04 minutes 45 seconds East to the POINT OF BEGINNING.

EXHIBIT A

Title Report

[See attached]



CITY OF SURPRISE Regular City Council Meeting

Council Meeting Date: February 5, 2019 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 ownership change Addendum 1, Assignment of Verdugo Development Agreement to Fulton Homes; Resolution # 2019-09.

Motion:

I move to approve Resolution # 2019-09.

Background:

The Verdugo property is generally located at 163rd and Pinnacle Peak Road. On February 3, 2015 City Council approved the Verdugo Development Agreement. On July 16, 2018 a special warranty deed was recorded conveying the property from Verdugo Land LLC to Fulton Homes Corporation. On December 6, 2018 the city received a written assignment request in accordance with section 15.2 of the development agreement requesting the ownership assignment be transferred from Verdugo Land, LLC to Fulton Homes Corporation.

Objective Analysis:

The request is in compliance with section 15.2 of the Verdugo Development Agreement.

Policy Compliant:

This action is compliant with Council policy relative to growth paying for itself.

Financial Impact:

All activity related to ongoing development of the City of Surprise has an economic and fiscal impact on the city and the region.

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. 19.01.11 EVR Res. 2019-09 Verdugo assignment
2. Exhibit 1 Special Warranty Deed Verdugo

3. Exhibit 2 Addendum No 1 Verdugo

RESOLUTION # 2019-09

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF SURPRISE, ARIZONA, APPROVING ADDENDUM NO. 1 TO THE VERDUGO DEVELOPMENT AGREEMENT FOR ASSIGNMENT OF THE SUBJECT PROPERTY AND AGREEMENT BY VERDUGO LAND, LLC TO FULTON HOMES CORPORATION

WHEREAS, on February 3, 2015 the Mayor and City Council approved the Verdugo Development Agreement, which was recorded with the Office of the Maricopa County, Arizona, Recorder as Doc. No. 20150085625 on February 10, 2015; and,

WHEREAS, on July 16, 2018, a Special Warranty Deed was recorded with the Office of the Maricopa County, Arizona Recorder as Doc. No. 20180537762 conveying the property from Verdugo Land LLC to Fulton Homes Corporation, which property ("Property") is legally described in Schedule A to the Special Warranty Deed, a copy of which is attached hereto as Exhibit 1 ; and,

WHEREAS, on December 6, 2018, the City received a written assignment request, in accordance with Section 15.2 of the Verdugo Development Agreement, requesting the City to approve the ownership transfer of the Property and all right, title, and interest in the Agreement from Verdugo Land, LLC to Fulton Homes Corporation, a copy of which is hereto as Exhibit 2 (Addendum No. 1 to Verdugo Development Agreement).

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

Section 1. The Addendum No. 1 to Verdugo Development Agreement, attached hereto as Exhibit 2, is approved.

Section 2. The City Manager, or his designee, is hereby authorized to execute Addendum No. 1 to the Verdugo Development Agreement and execute and submit all other documents desirable or necessary to effect the assignment.

APPROVED AND ADOPTED this ____ day of _____, 2019.

Skip Hall, Mayor

Attest:

Approved as to form:

Sherry Aguilar, City Clerk

Robert Wingo, City Attorney

FIRST AMERICAN TITLE

When recorded, return to:
Gallagher & Kennedy, P.A.
2575 East Camelback Road
Phoenix, Arizona 85016-9225
Attn: James B. Connor, Esq.

1531779006012-2-8-2--
Yorkm

217 890084

SPECIAL WARRANTY DEED

For the consideration of Ten Dollars (\$10.00) and other good and valuable consideration, VERDUGO LAND, LLC, an Arizona limited liability company ("Grantor"), hereby conveys to FULTON HOMES CORPORATION, an Arizona corporation ("Grantee"), that real property located in Maricopa County, Arizona, and legally described in Schedule A attached hereto and incorporated herein by this reference, together with all interests, privileges and easements appurtenant thereto and any and all improvements located thereon (collectively, the "Property").

SUBJECT ONLY TO those matters of record or which an accurate ALTA/NSPS survey would disclose.

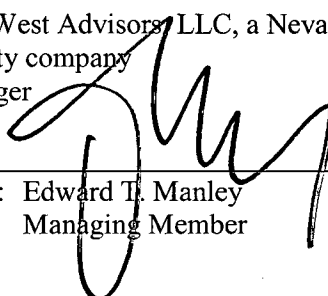
Notwithstanding any warranty which may otherwise be implied from the use of any word, phrase or clause herein, Grantor warrants title to the Property, subject to the matters referred to above, only against its own acts, but not the acts of any others.

DATED as of this 16TH day of July, 2018.

VERDUGO LAND, LLC, an Arizona limited liability company

By: New West Advisors LLC, a Nevada limited liability company

Its: Manager

By: 

Name: Edward T. Manley

Its: Managing Member

STATE OF NV)
COUNTY OF Clark) ss.

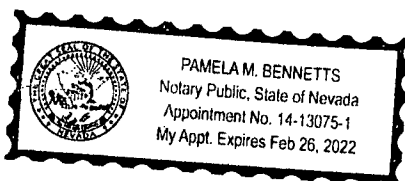
On 7-11-18, before me, Pamela M. Bennett, a Notary Public in and for said County and State, personally appeared Edward T. Manley, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument and acknowledged to me that s/he executed the same in his/her authorized capacity; and that by her/his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

My Commission Expires:

2-26-22

Pamela M. Bennett
NOTARY PUBLIC



Schedule A

Legal description of Property

PARCEL I:

PARCELS 1 THROUGH 5, INCLUSIVE, OF VERDUGO - MASTER PLAT, ACCORDING TO THE PLAT OF RECORD IN THE OFFICE OF THE COUNTY RECORDER OF MARICOPA COUNTY, ARIZONA, RECORDED IN BOOK 1362 OF MAPS, PAGE 45, AND INSTRUMENT NO. 20180027559, ON JANUARY 11, 2018.

PARCEL II:

Grantor conveys all of its rights, titles and interests in and to the following Parcel II, but subject to the interests held by Evergreen-163rd & Pinnacle Peak, L.L.C., an Arizona limited liability company and 371 ON 163, L.L.C., an Arizona limited liability company, as their interests appear of record as to Tracts A and B of Parcel II.

TRACTS A THROUGH G OF VERDUGO - MASTER PLAT, RECORDED AT BOOK 1362 OF MAPS, PAGE 45, AND INSTRUMENT NO. 20180027559, ON JANUARY 11, 2018, RECORDED IN THE OFFICE OF THE COUNTY RECORDER OF MARICOPA COUNTY, ARIZONA.

After recording, return to:

Lake & Cobb, PLC
Attn: J. Gregory Lake, Esq.
1095 W. Rio Salado Pkwy, Suite 206
Tempe, AZ 85281

ADDENDUM NO. 1 TO VERDUGO DEVELOPMENT AGREEMENT

This Addendum No. 1 to Verdugo Development Agreement (“**Addendum**”) is made and entered into by and between VERDUGO LAND, LLC an Arizona limited liability company (“**Owner**”), and FULTON HOMES CORPORATION, an Arizona corporation (“**New Owner**”) with respect to that certain Verdugo Development Agreement recorded in the Official Records of Maricopa County, Arizona on February 10, 2015 as Document No. 2015-0085625 (as amended, the “**Agreement**”) between the City of Surprise, an Arizona municipal corporation (the “**City**”).

When this Addendum is countersigned below by City Manager on behalf of City, it shall become an addendum to the Agreement for all purposes, and shall thereafter be construed to be integrated into such document.

Pursuant to Section 15.2 of the Agreement, Owner and the City hereby approve the following assignment (attach a copy of the title report as Exhibit “A”).

“Owner” (Assignor)

“New Owner” (Assignee)

VERDUGO LAND, LLC
an Arizona limited liability company

FULTON HOMES CORPORATION,
an Arizona corporation

“Affected Property” (attach a depiction of the property transferred)

See attached legal description

The definition of Owner and Parties within the Agreement shall now include New Owner instead of the original Owner identified therein, and New Owner shall be entitled to all rights, and responsible for all obligations, of Owner within the Agreement.

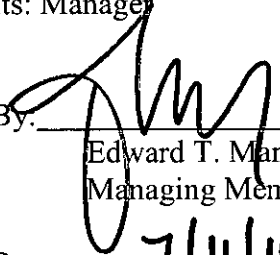
Unless otherwise separately defined in this Addendum, all capitalized terms contained herein shall be given the meaning set forth for such terms in the Agreement. All of the terms, provisions and conditions of the Agreement that are not expressly modified, amended or clarified by this Addendum (or which, in context, must be deemed modified, amended or clarified hereby) shall remain in full force and effect.

[Signature Pages Follow]

OWNER:

Verdugo Land, LLC, an Arizona
limited liability company

By: New West Advisors, LLC, a Nevada
limited liability company
Its: Manager

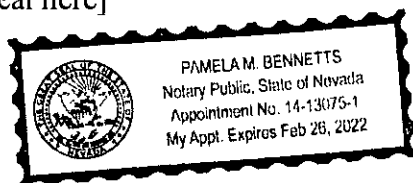
By: 
Edward T. Manley
Managing Member
Date: 7/11/18

STATE OF ARIZONA
County of Maricopa

On this 11 day of July, 2018, before me personally appeared Edward T. Manley, Managing Member of New West Advisors, LLC, a Nevada limited liability company, Manager of Verdugo Land, LLC an Arizona limited liability company, for and on behalf thereof, whose identity was proven to me on the basis of satisfactory evidence to be the person who he claims to be, and acknowledged that he signed the above/attached document.


Notary Public

[Affix notary seal here]



NEW OWNER:

FULTON HOMES CORPORATION,
an Arizona corporation

By: *Norman L. Nicholls*

Its: PRESIDENT

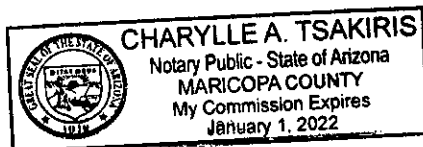
Date: July 12, 2018

STATE OF ARIZONA
County of Maricopa

On this 12 day of July, 2018, before me personally appeared Noman L. Nicholls, President, of Fulton Homes Corporation, for and on behalf thereof, whose identity was proven to me on the basis of satisfactory evidence to be the person who he claims to be, and acknowledged that he signed the above/attached document.

Charylle A. Tsakiris
Notary Public

[Affix notary seal here]



CITY:

City of Surprise, an Arizona municipal
corporation

By: _____
City Manager

Date: _____

STATE OF ARIZONA
County of Maricopa

On this ____ day of _____, 2018, before me personally appeared _____, of _____, for and on behalf thereof, whose identity was proven to me on the basis of satisfactory evidence to be the person who he claims to be, and acknowledged that he signed the above/attached document.

Notary Public

[Affix notary seal here]

Legal Description

PARCELS 1 THROUGH 5, INCLUSIVE, OF VERDUGO - MASTER PLAT, ACCORDING TO THE PLAT OF RECORD IN THE OFFICE OF THE COUNTY RECORDER OF MARICOPA COUNTY, ARIZONA, RECORDED IN BOOK 1362 OF MAPS, PAGE 45, AND INSTRUMENT NO. 20180027559, ON JANUARY 11, 2018.

TRACTS A THROUGH G OF VERDUGO - MASTER PLAT, RECORDED AT BOOK 1362 OF MAPS, PAGE 45, AND INSTRUMENT NO. 20180027559, ON JANUARY 11, 2018, RECORDED IN THE OFFICE OF THE COUNTY RECORDER OF MARICOPA COUNTY, ARIZONA.

Title Report

[See attached]



OWNER'S POLICY OF TITLE INSURANCE

ISSUED BY

First American Title Insurance Company

Any notice of claim and any other notice or statement in writing required to be given to the Company under this policy must be given to the Company at the address shown in Section 18 of the Conditions.

COVERED RISKS

SUBJECT TO THE EXCLUSIONS FROM COVERAGE, THE EXCEPTIONS FROM COVERAGE CONTAINED IN SCHEDULE B AND THE CONDITIONS, FIRST AMERICAN TITLE INSURANCE COMPANY, a Nebraska corporation (the "Company") insures, as of Date of Policy and, to the extent stated in Covered Risks 9 and 10, after Date of Policy, against loss or damage, not exceeding the Amount of Insurance, sustained or incurred by the Insured by reason of:

1. Title being vested other than as stated in Schedule A.
2. Any defect in or lien or encumbrance on the Title. This Covered Risk includes but is not limited to insurance against loss from
 - (a) A defect in the Title caused by
 - (i) forgery, fraud, undue influence, duress, incompetency, incapacity, or impersonation;
 - (ii) failure of any person or Entity to have authorized a transfer or conveyance;
 - (iii) a document affecting Title not properly created, executed, witnessed, sealed, acknowledged, notarized, or delivered;
 - (iv) failure to perform those acts necessary to create a document by electronic means authorized by law;
 - (v) a document executed under a falsified, expired, or otherwise invalid power of attorney;
 - (vi) a document not properly filed, recorded, or indexed in the Public Records including failure to perform those acts by electronic means authorized by law; or
 - (vii) a defective judicial or administrative proceeding.
 - (b) The lien of real estate taxes or assessments imposed on the Title by a governmental authority due or payable, but unpaid.
 - (c) Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land. The term "encroachment" includes encroachments of existing improvements located on the Land onto adjoining land, and encroachments onto the Land of existing improvements located on adjoining land.
3. Unmarketable Title.
4. No right of access to and from the Land.
5. The violation or enforcement of any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
 - (a) the occupancy, use, or enjoyment of the Land;
 - (b) the character, dimensions, or location of any improvement erected on the Land;
 - (c) the subdivision of land; or
 - (d) environmental protectionif a notice, describing any part of the Land, is recorded in the Public Records setting forth the violation or intention to enforce, but only to the extent of the violation or enforcement referred to in that notice.
6. An enforcement action based on the exercise of a governmental

police power not covered by Covered Risk 5 if a notice of the enforcement action, describing any part of the Land, is recorded in the Public Records, but only to the extent of the enforcement referred to in that notice.

7. The exercise of the rights of eminent domain if a notice of the exercise, describing any part of the Land, is recorded in the Public Records.
8. Any taking by a governmental body that has occurred and is binding on the rights of a purchaser for value without Knowledge.
9. Title being vested other than as stated in Schedule A or being defective
 - (a) as a result of the avoidance in whole or in part, or from a court order providing an alternative remedy, of a transfer of all or any part of the title to or any interest in the Land occurring prior to the transaction vesting Title as shown in Schedule A because that prior transfer constituted a fraudulent or preferential transfer under federal bankruptcy, state insolvency, or similar creditors' rights laws; or
 - (b) because the instrument of transfer vesting Title as shown in Schedule A constitutes a preferential transfer under federal bankruptcy, state insolvency, or similar creditors' rights laws by reason of the failure of its recording in the Public Records
 - (i) to be timely, or
 - (ii) to impart notice of its existence to a purchaser for value or to a judgment or lien creditor.
10. Any defect in or lien or encumbrance on the Title or other matter included in Covered Risks 1 through 9 that has been created or attached or has been filed or recorded in the Public Records subsequent to Date of Policy and prior to the recording of the deed or other instrument of transfer in the Public Records that vests Title as shown in Schedule A.

The Company will also pay the costs, attorneys' fees, and expenses incurred in defense of any matter insured against by this policy, but only to the extent provided in the Conditions.

First American Title Insurance Company

Dennis J. Gilmore
President

Jeffrey S. Robinson
Secretary

EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy, and the Company will not pay loss or damage, costs, attorneys' fees, or expenses that arise by reason of:

1. (a) Any law, ordinance, permit, or governmental regulation (including those relating to building and zoning) restricting, regulating, prohibiting, or relating to
 - (i) the occupancy, use, or enjoyment of the Land;
 - (ii) the character, dimensions, or location of any improvement erected on the Land;
 - (iii) the subdivision of land; or
 - (iv) environmental protection;or the effect of any violation of these laws, ordinances, or governmental regulations. This Exclusion 1(a) does not modify or limit the coverage provided under Covered Risk 5.
- (b) Any governmental police power. This Exclusion 1(b) does not modify or limit the coverage provided under Covered Risk 6.
2. Rights of eminent domain. This Exclusion does not modify or limit the coverage provided under Covered Risk 7 or 8.
3. Defects, liens, encumbrances, adverse claims, or other matters
 - (a) created, suffered, assumed, or agreed to by the Insured Claimant;
 - (b) not known to the Company, not recorded in the Public Records at Date of Policy, but known to the Insured Claimant and not disclosed in writing to the Company by the Insured Claimant prior to the date the Insured Claimant became an Insured under this policy;
 - (c) resulting in no loss or damage to the Insured Claimant;
 - (d) attaching or created subsequent to Date of Policy (however, this does not modify or limit the coverage provided under Covered Risks 9 and 10); or
 - (e) resulting in loss or damage that would not have been sustained if the Insured Claimant had paid value for the Title.
4. Any claim, by reason of the operation of federal bankruptcy, state insolvency, or similar creditors' rights laws, that the transaction vesting the Title as shown in Schedule A, is
 - (a) a fraudulent conveyance or fraudulent transfer; or
 - (b) a preferential transfer for any reason not stated in Covered Risk 9 of this policy.
5. Any lien on the Title for real estate taxes or assessments imposed by governmental authority and created or attaching between Date of Policy and the date of recording of the deed or other instrument of transfer in the Public Records that vests Title as shown in Schedule A.

CONDITIONS

1. DEFINITION OF TERMS

The following terms when used in this policy mean:

- (a) "Amount of Insurance": The amount stated in Schedule A, as may be increased or decreased by endorsement to this policy, increased by Section 8(b), or decreased by Sections 10 and 11 of these Conditions.
- (b) "Date of Policy": The date designated as "Date of Policy" in Schedule A.
- (c) "Entity": A corporation, partnership, trust, limited liability company, or other similar legal entity.
- (d) "Insured": The Insured named in Schedule A.
 - (i) The term "Insured" also includes
 - (A) successors to the Title of the Insured by operation of law as distinguished from purchase, including heirs, devisees, survivors, personal representatives, or next of kin;
 - (B) successors to an Insured by dissolution, merger, consolidation, distribution, or reorganization;
 - (C) successors to an Insured by its conversion to another kind of Entity;
 - (D) a grantee of an Insured under a deed delivered without payment of actual valuable consideration conveying the Title
 - (1) if the stock, shares, memberships, or other equity interests of the grantee are wholly-owned by the named Insured,
 - (2) if the grantee wholly owns the named Insured,
 - (3) if the grantee is wholly-owned by an affiliated Entity of the named Insured, provided the affiliated Entity and the named Insured are both wholly-owned by the same person or Entity, or
 - (4) if the grantee is a trustee or beneficiary of a trust created by a written instrument established by the Insured named in Schedule A for estate planning purposes.

- (ii) With regard to (A), (B), (C), and (D) reserving, however, all rights and defenses as to any successor that the Company would have had against any predecessor Insured.
- (e) "Insured Claimant": An Insured claiming loss or damage.
- (f) "Knowledge" or "Known": Actual knowledge, not constructive knowledge or notice that may be imputed to an Insured by reason of the Public Records or any other records that impart constructive notice of matters affecting the Title.
- (g) "Land": The land described in Schedule A, and affixed improvements that by law constitute real property. The term "Land" does not include any property beyond the lines of the area described in Schedule A, nor any right, title, interest, estate, or easement in abutting streets, roads, avenues, alleys, lanes, ways, or waterways, but this does not modify or limit the extent that a right of access to and from the Land is insured by this policy.
- (h) "Mortgage": Mortgage, deed of trust, trust deed, or other security instrument, including one evidenced by electronic means authorized by law.
- (i) "Public Records": Records established under state statutes at Date of Policy for the purpose of imparting constructive notice of matters relating to real property to purchasers for value and without Knowledge. With respect to Covered Risk 5(d), "Public Records" shall also include environmental protection liens filed in the records of the clerk of the United States District Court for the district where the Land is located.
- (j) "Title": The estate or interest described in Schedule A.
- (k) "Unmarketable Title": Title affected by an alleged or apparent matter that would permit a prospective purchaser or lessee of the Title or lender on the Title to be released from the obligation to purchase, lease, or lend if there is a contractual condition requiring the delivery of marketable title.

2. CONTINUATION OF INSURANCE

The coverage of this policy shall continue in force as of Date of Policy in favor of an Insured, but only so long as the Insured retains an estate or interest in the Land, or holds an obligation secured by a purchase money Mortgage given by a purchaser from the Insured, or only so long as the Insured shall have liability by reason of warranties in any transfer or conveyance of the Title. This policy shall not continue in force in favor of any purchaser from the Insured of either (i) an estate or interest in the Land, or (ii) an obligation secured by a purchase money Mortgage given to the Insured.

3. NOTICE OF CLAIM TO BE GIVEN BY INSURED CLAIMANT

The Insured shall notify the Company promptly in writing (i) in case of any litigation as set forth in Section 5(a) of these Conditions, (ii) in case Knowledge shall come to an Insured hereunder of any claim of title or interest that is adverse to the Title, as insured, and that might cause loss or damage for which the Company may be liable by virtue of this policy, or (iii) if the Title, as Insured, is rejected as Unmarketable Title. If the Company is prejudiced by the failure of the Insured Claimant to provide prompt notice, the Company's liability to the Insured Claimant under the policy shall be reduced to the extent of the prejudice.

4. PROOF OF LOSS

In the event the Company is unable to determine the amount of loss or damage, the Company may, at its option, require as a condition of payment that the Insured Claimant furnish a signed proof of loss. The proof of loss must describe the defect, lien, encumbrance, or other matter insured against by this policy that constitutes the basis of loss or damage and shall state, to the extent possible, the basis of calculating the amount of the loss or damage.

5. DEFENSE AND PROSECUTION OF ACTIONS

- (a) Upon written request by the Insured, and subject to the options contained in Section 7 of these Conditions, the Company, at its own cost and without unreasonable delay, shall provide for the defense of an Insured in litigation in which any third party asserts a claim covered by this policy adverse to the Insured. This obligation is limited to only those stated causes of action alleging matters insured against by this policy. The Company shall have the right to select counsel of its choice (subject to the right of the Insured to object for reasonable cause) to represent the Insured as to those stated causes of action. It shall not be liable for and will not pay the fees of any other counsel. The Company will not pay any fees, costs, or expenses incurred by the Insured in the defense of those causes of action that allege matters not insured against by this policy.
- (b) The Company shall have the right, in addition to the options contained in

Section 7 of these Conditions, at its own cost, to institute and prosecute any action or proceeding or to do any other act that in its opinion may be necessary or desirable to establish the Title, as insured, or to prevent or reduce loss or damage to the Insured. The Company may take any appropriate action under the terms of this policy, whether or not it shall be liable to the Insured. The exercise of these rights shall not be an admission of liability or waiver of any provision of this policy. If the Company exercises its rights under this subsection, it must do so diligently.

- (c) Whenever the Company brings an action or asserts a defense as required or permitted by this policy, the Company may pursue the litigation to a final determination by a court of competent jurisdiction, and it expressly reserves the right, in its sole discretion, to appeal any adverse judgment or order.

6. DUTY OF INSURED CLAIMANT TO COOPERATE

- (a) In all cases where this policy permits or requires the Company to prosecute or provide for the defense of any action or proceeding and any appeals, the Insured shall secure to the Company the right to so prosecute or provide defense in the action or proceeding, including the right to use, at its option, the name of the Insured for this purpose. Whenever requested by the Company, the Insured, at the Company's expense, shall give the Company all reasonable aid (i) In securing evidence, obtaining witnesses, prosecuting or defending the action or proceeding, or effecting settlement, and (ii) in any other lawful act that in the opinion of the Company may be necessary or desirable to establish the Title or any other matter as insured. If the Company is prejudiced by the failure of the Insured to furnish the required cooperation, the Company's obligations to the Insured under the policy shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation, with regard to the matter or matters requiring such cooperation.
- (b) The Company may reasonably require the Insured Claimant to submit to examination under oath by any authorized representative of the Company and to produce for examination, inspection, and copying, at such reasonable times and places as may be designated by the authorized representative of the Company, all records, in whatever medium maintained, including books, ledgers, checks, memoranda, correspondence, reports, e-mails, disks, tapes, and videos whether bearing a date before or after Date of Policy, that reasonably pertain to the loss or damage. Further, if requested by any authorized representative of the Company, the Insured Claimant shall grant its permission, in writing, for any authorized representative of the Company to examine, inspect, and copy all of these records in the custody or control of a third party that reasonably pertain to the loss or damage. All information designated as confidential by the Insured Claimant provided to the Company pursuant to this Section shall not be disclosed to others unless, in the reasonable judgment of the Company, it is necessary in the administration of the claim. Failure of the Insured Claimant to submit for examination under oath, produce any reasonably requested information, or grant permission to secure reasonably necessary information from third parties as required in this subsection, unless prohibited by law or governmental regulation, shall terminate any liability of the Company under this policy as to that claim.

7. OPTIONS TO PAY OR OTHERWISE SETTLE CLAIMS; TERMINATION OF LIABILITY

In case of a claim under this policy, the Company shall have the following additional options:

- (a) To Pay or Tender Payment of the Amount of Insurance.
To pay or tender payment of the Amount of Insurance under this policy together with any costs, attorneys' fees, and expenses incurred by the Insured Claimant that were authorized by the Company up to the time of payment or tender of payment and that the Company is obligated to pay. Upon the exercise by the Company of this option, all liability and obligations of the Company to the Insured under this policy, other than to make the payment required in this subsection, shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation.
- (b) To Pay or Otherwise Settle With Parties Other Than the Insured or With the Insured Claimant.
- (i) To pay or otherwise settle with other parties for or in the name of an Insured Claimant any claim insured against under this policy. In addition, the Company will pay any costs, attorneys' fees, and expenses incurred by the Insured Claimant that were authorized by the Company up to the time of payment and that the Company is obligated to pay; or
- (ii) To pay or otherwise settle with the Insured Claimant the loss or damage provided for under this policy, together with any costs,

attorneys' fees, and expenses incurred by the Insured Claimant that were authorized by the Company up to the time of payment and that the Company is obligated to pay.

Upon the exercise by the Company of either of the options provided for in subsections (b)(i) or (ii), the Company's obligations to the Insured under this policy for the claimed loss or damage, other than the payments required to be made, shall terminate, including any liability or obligation to defend, prosecute, or continue any litigation.

8. DETERMINATION AND EXTENT OF LIABILITY

This policy is a contract of indemnity against actual monetary loss or damage sustained or incurred by the Insured Claimant who has suffered loss or damage by reason of matters insured against by this policy.

- (a) The extent of liability of the Company for loss or damage under this policy shall not exceed the lesser of
- (i) the Amount of Insurance; or
- (ii) the difference between the value of the Title as insured and the value of the Title subject to the risk insured against by this policy.
- (b) If the Company pursues its rights under Section 5 of these Conditions and is unsuccessful in establishing the Title, as insured,
- (i) the Amount of Insurance shall be increased by 10%, and
- (ii) the Insured Claimant shall have the right to have the loss or damage determined either as of the date the claim was made by the Insured Claimant or as of the date it is settled and paid.
- (c) In addition to the extent of liability under (a) and (b), the Company will also pay those costs, attorneys' fees, and expenses incurred in accordance with Sections 5 and 7 of these Conditions.

9. LIMITATION OF LIABILITY

- (a) If the Company establishes the Title, or removes the alleged defect, lien, or encumbrance, or cures the lack of a right of access to or from the Land, or cures the claim of Unmarketable Title, all as insured, in a reasonably diligent manner by any method, including litigation and the completion of any appeals, it shall have fully performed its obligations with respect to that matter and shall not be liable for any loss or damage caused to the Insured.
- (b) In the event of any litigation, including litigation by the Company or with the Company's consent, the Company shall have no liability for loss or damage until there has been a final determination by a court of competent jurisdiction, and disposition of all appeals, adverse to the Title, as insured.
- (c) The Company shall not be liable for loss or damage to the Insured for liability voluntarily assumed by the Insured in settling any claim or suit without the prior written consent of the Company.

10. REDUCTION OF INSURANCE; REDUCTION OR TERMINATION OF LIABILITY

All payments under this policy, except payments made for costs, attorneys' fees, and expenses, shall reduce the Amount of Insurance by the amount of the payment.

11. LIABILITY NONCUMULATIVE

The Amount of Insurance shall be reduced by any amount the Company pays under any policy insuring a Mortgage to which exception is taken in Schedule B or to which the Insured has agreed, assumed, or taken subject, or which is executed by an Insured after Date of Policy and which is a charge or lien on the Title, and the amount so paid shall be deemed a payment to the Insured under this policy.

12. PAYMENT OF LOSS

When liability and the extent of loss or damage have been definitely fixed in accordance with these Conditions, the payment shall be made within 30 days.

13. RIGHTS OF RECOVERY UPON PAYMENT OR SETTLEMENT

- (a) Whenever the Company shall have settled and paid a claim under this policy, it shall be subrogated and entitled to the rights of the Insured Claimant in the Title and all other rights and remedies in respect to the claim that the Insured Claimant has against any person or property, to the extent of the amount of any loss, costs, attorneys' fees, and expenses paid by the Company. If requested by the Company, the Insured Claimant shall execute documents to evidence the transfer to the Company of these rights and remedies. The Insured Claimant shall permit the Company to sue, compromise, or settle in the name of the Insured Claimant and to use the name of the Insured Claimant in any transaction or litigation involving these rights and remedies.
- If a payment on account of a claim does not fully cover the loss of the Insured Claimant, the Company shall defer the exercise of its right to recover until after the Insured Claimant shall have recovered its loss.

- (b) The Company's right of subrogation includes the rights of the Insured to indemnities, guaranties, other policies of insurance, or bonds, notwithstanding any terms or conditions contained in those instruments that address subrogation rights.

14. ARBITRATION

Either the Company or the Insured may demand that the claim or controversy shall be submitted to arbitration pursuant to the Title Insurance Arbitration Rules of the American Land Title Association ("Rules"). Except as provided in the Rules, there shall be no joinder or consolidation with claims or controversies of other persons. Arbitrable matters may include, but are not limited to, any controversy or claim between the Company and the Insured arising out of or relating to this policy, any service in connection with its issuance or the breach of a policy provision, or to any other controversy or claim arising out of the transaction giving rise to this policy. All arbitrable matters when the Amount of Insurance is \$2,000,000 or less shall be arbitrated at the option of either the Company or the Insured. All arbitrable matters when the Amount of Insurance is in excess of \$2,000,000 shall be arbitrated only when agreed to by both the Company and the Insured. Arbitration pursuant to this policy and under the Rules shall be binding upon the parties. Judgment upon the award rendered by the Arbitrator(s) may be entered in any court of competent jurisdiction.

15. LIABILITY LIMITED TO THIS POLICY; POLICY ENTIRE CONTRACT

- (a) This policy together with all endorsements, if any, attached to it by the Company is the entire policy and contract between the Insured and the Company. In interpreting any provision of this policy, this policy shall be construed as a whole.
- (b) Any claim of loss or damage that arises out of the status of the Title or by any action asserting such claim shall be restricted to this policy.
- (c) Any amendment of or endorsement to this policy must be in writing and authenticated by an authorized person, or expressly incorporated by Schedule A of this policy.

- (d) Each endorsement to this policy issued at any time is made a part of this policy and is subject to all of its terms and provisions. Except as the endorsement expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsement, (iii) extend the Date of Policy, or (iv) increase the Amount of Insurance.

16. SEVERABILITY

In the event any provision of this policy, in whole or in part, is held invalid or unenforceable under applicable law, the policy shall be deemed not to include that provision or such part held to be invalid, but all other provisions shall remain in full force and effect.

17. CHOICE OF LAW; FORUM

- (a) Choice of Law: The Insured acknowledges the Company has underwritten the risks covered by this policy and determined the premium charged therefore in reliance upon the law affecting interests in real property and applicable to the interpretation, rights, remedies, or enforcement of policies of title insurance of the jurisdiction where the Land is located. Therefore, the court or an arbitrator shall apply the law of the jurisdiction where the Land is located to determine the validity of claims against the Title that are adverse to the Insured and to interpret and enforce the terms of this policy. In neither case shall the court or arbitrator apply its conflicts of law principles to determine the applicable law.
- (b) Choice of Forum: Any litigation or other proceeding brought by the Insured against the Company must be filed only in a state or federal court within the United States of America or its territories having appropriate jurisdiction.

18. NOTICES, WHERE SENT

Any notice of claim and any other notice or statement in writing required to be given to the Company under this policy must be given to the Company at 1 First American Way, Santa Ana, CA 92707, Attn: Claims Department.

POLICY OF TITLE INSURANCE



SCHEDULE A

First American Title Insurance Company

Name and Address of the issuing Title Insurance Company:

First American Title Insurance Company
2425 E. Camelback Road, Suite 300
Phoenix, AZ 85016

File No.: **NCS-890084-PHX1**

Policy No.: **890084**

Amount of Insurance: \$12,250,000.00

Date of Policy: Date of Recording to and include _____

1. Name of Insured:

Fulton Homes Corporation, an Arizona corporation as to Parcel No. 1, and Tracts C, D, E, F, and G and Fulton Homes Corporation, an Arizona corporation, Evergreen-163rd & Pinnacle Peak, L.L.C., an Arizona limited liability company, and 371 ON 163, L.L.C., an Arizona limited liability company, as their interests appear of record as to Tracts A and B of Parcel II

2. The estate or interest in the Land that is insured by this policy is:

Fee Simple

3. Title is vested in:

Fulton Homes Corporation, an Arizona corporation as to Parcel No. 1, and Tracts C, D, E, F, and G and Fulton Homes Corporation, an Arizona corporation, Evergreen-163rd & Pinnacle Peak, L.L.C., an Arizona limited liability company, and 371 ON 163, L.L.C., an Arizona limited liability company, as their interests appear of record as to Tracts A and B of Parcel II

4. The Land referred to in this policy is described as follows:

Real property in the City of Surprise, County of Maricopa, State of Arizona, described as follows:

PARCEL I:

PARCELS 1 THROUGH 5, INCLUSIVE, OF VERDUGO - MASTER PLAT, ACCORDING TO THE PLAT OF RECORD IN THE OFFICE OF THE COUNTY RECORDER OF MARICOPA COUNTY, ARIZONA, RECORDED IN BOOK 1362 OF MAPS, PAGE 45, AND INSTRUMENT NO. 20180027559, ON JANUARY 11, 2018.

PARCEL II:

TRACTS A THROUGH G OF VERDUGO - MASTER PLAT, RECORDED AT BOOK 1362 OF MAPS, PAGE 45, AND INSTRUMENT NO. 20180027559, ON JANUARY 11, 2018, RECORDED IN THE OFFICE OF THE COUNTY RECORDER OF MARICOPA COUNTY, ARIZONA.

SCHEDULE B

File No.: **NCS-890084-PHX1**

Policy No.: **890084**

EXCEPTIONS FROM COVERAGE

This Policy does not insure against loss or damage, and the Company will not pay costs, attorneys' fees, or expenses that arise by reason of:

1. Taxes for the full year of 2018.
(The first half is due October 1, 2018 and is delinquent November 1, 2018. The second half is due March 1, 2019 and is delinquent May 1, 2019 .)

(Affects all parcels)
2. Reservations or Exceptions in Patents, or in Acts authorizing the issuance thereof.
3. A plat recorded in Book 20, Page 1 of Road Maps, purporting to show a county roadway.

(Affects Tract(s) B, Parcel II)
4. A plat recorded in Book 30, Page 46 of Road Maps, purporting to show a county roadway.

(Affects Tract(s) B, Parcel II)
5. All matters as set forth in Resolution No. 03-151, recorded as 2003-1466794 of Official Records.

(Affects all parcels)
6. All matters as set forth in Record of Survey, recorded as Book 1019 of Maps, Page 26.

(Affects all parcels)
7. All matters as set forth in Record of Survey, recorded as Book 1022 of Maps, Page 31.

(Affects all parcels)
8. An easement for roadway and utility and incidental purposes in the document recorded as 2009-787485 of Official Records.

(Affects Tract(s) A, Parcel II)
9. The terms and provisions contained in the document entitled "Verdugo Development Agreement" recorded February 10, 2015 as 2015-0085625 of Official Records.

(Affects all parcels)
10. The terms and provisions contained in the document entitled "SPA 2 Water Reclamation Facility Capacity Allocation Agreement" recorded May 20, 2015 as 2015-0354865 of Official Records.

(Affects all parcels)

11. An easement for drainage and incidental purposes in the document recorded as 2015-0714779 of Official Records.

(Affects Parcel No. 1)

12. The terms and provisions contained in the document entitled "Verdugo/Altamira Joint Development Agreement" recorded October 05, 2015 as 2015-0715884 of Official Records and First Amendment recorded as 2016-0522357 of Official Records.

(Affects all parcels)

13. The terms and provisions contained in the document entitled "Memorandum of Well Development and Sharing Agreement and Escrow Agreement" recorded August 25, 2016 as 2016-0611273 of Official Records.

(Affects all parcels)

14. Restrictions, dedications, conditions, reservations, easements and other matters shown on the plat of Verdugo - Master Plat, as recorded in Plat Book 1362 of Maps, Page(s) 45, but deleting any covenant, condition or restriction indicating a preference, limitation or discrimination based on race, color, religion, sex, handicap, familial status or national origin to the extent such covenants, conditions or restrictions violate 42 USC 3604(c).

(Affects all parcels)

15. Water rights, claims or title to water, whether or not shown by the public records.

NOTICE: This is a pro-forma policy furnished to or on behalf of the party to be insured. It neither reflects the present status of title, nor is it intended to be a commitment to insure. The inclusion of endorsements as part of the pro-forma policy in no way evidences the willingness of the Company to provide any affirmative coverage shown therein.

There are Requirements which must be met before a final policy can be issued in the same form as this pro-forma policy. A commitment to insure setting forth these requirements should be obtained from the Company.



First American

POLICY AUTHENTICATION ENDORSEMENT

Issued by

First American Title Insurance Company

Attached to Policy No.: 890084

File No.: NCS-890084-PHX1

When the policy is issued by the Company with a policy number and Date of Policy, the Company will not deny liability under the policy or any endorsements issued with the policy solely on the grounds that the policy or endorsements were issued electronically or lack signatures in accordance with the Conditions.

This endorsement is issued as part of the policy. Except as it expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsements, (iii) extend the Date of Policy, or (iv) increase the Amount of Insurance. To the extent a provision of the policy or a previous endorsement is inconsistent with an express provision of this endorsement, this endorsement controls. Otherwise, this endorsement is subject to all of the terms and provisions of the policy and of any prior endorsements.

Date:

First American Title Insurance Company

Dennis J. Gilmore
President

Jeffrey S. Robinson
Secretary



First American

SAME AS SURVEY ENDORSEMENT

Issued by

First American Title Insurance Company

Attached to Policy No.: 890084

File No.: NCS-890084-PHX1

The Company insures against loss or damage sustained by the Insured by reason of the failure of the Land as described in Schedule A to be the same as that identified on the survey made by Coe & Van Loo Consultants, Inc. dated February 23, 2018 last revised _____, 2018, and designated Job No. 01-0251105.

This endorsement is issued as part of the policy. Except as it expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsements, (iii) extend the Date of Policy, or (iv) increase the Amount of Insurance. To the extent a provision of the policy or a previous endorsement is inconsistent with an express provision of this endorsement, this endorsement controls. Otherwise, this endorsement is subject to all of the terms and provisions of the policy and of any prior endorsements.

Date:

First American Title Insurance Company

Dennis J. Gilmore
President

Jeffrey S. Robinson
Secretary

Form 50-10059 (7-1-14)	Page 9 of 10	ALTA 25-06 Same as Survey (10-16-08) CLTA 116.1-06 (10-16-08)
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Endorsement: Contiguity

ENDORSEMENT

Attached to Policy No. 890084

Issued By

First American Title Insurance Company

The provisions of said Policy are hereby modified and amended as of the date hereof as to the following matters and none other:

The Company insures the Insured that the land described in Schedule A taken as a whole constitutes one parcel of land without gaps, gores or hiatuses.

The Company hereby insures said Insured against loss which said Insured shall sustain in the event that the assurances herein shall prove to be incorrect.

This endorsement is issued as part of the policy. Except as it expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsements, (iii) extend the Date of Policy, or (iv) increase the Amount of Insurance. To the extent a provision of the policy or a previous endorsement is inconsistent with an express provision of this endorsement, this endorsement controls. Otherwise, this endorsement is subject to all of the terms and provisions of the policy and of any prior endorsements.

Date:

L.T.A.A. Endorsement No. 7
(Policy Modification)

Patent Deletion

ENDORSEMENT

Attached to Policy No. 890084

Issued By

First American Title Insurance Company

The provisions of said policy are hereby modified and amended as of the date hereof as to the following matters and none other:

The exception relating to the Patent to the land shown as Exception 2 of Schedule B is hereby deleted.

This endorsement is issued as part of the policy. Except as it expressly states, it does not (i) modify any of the terms and provisions of the policy, (ii) modify any prior endorsements, (iii) extend the Date of Policy, or (iv) increase the Amount of Insurance. To the extent a provision of the policy or a previous endorsement is inconsistent with an express provision of this endorsement, this endorsement controls. Otherwise, this endorsement is subject to all of the terms and provisions of the policy and of any prior endorsements.

Date:



First American Title

Privacy Information

We Are Committed to Safeguarding Customer Information

In order to better serve your needs now and in the future, we may ask you to provide us with certain information. We understand that you may be concerned about what we will do with such information - particularly any personal or financial information. We agree that you have a right to know how we will utilize the personal information you provide to us. Therefore, together with our subsidiaries we have adopted this Privacy Policy to govern the use and handling of your personal information.

Applicability

This Privacy Policy governs our use of the information that you provide to us. It does not govern the manner in which we may use information we have obtained from any other source, such as information obtained from a public record or from another person or entity. First American has also adopted broader guidelines that govern our use of personal information regardless of its source. First American calls these guidelines its Fair Information Values.

Types of Information

Depending upon which of our services you are utilizing, the types of nonpublic personal information that we may collect include:

- Information we receive from you on applications, forms and in other communications to us, whether in writing, in person, by telephone or any other means;
- Information about your transactions with us, our affiliated companies, or others; and
- Information we receive from a consumer reporting agency.

Use of Information

We request information from you for our own legitimate business purposes and not for the benefit of any nonaffiliated party. Therefore, we will not release your information to nonaffiliated parties except: (1) as necessary for us to provide the product or service you have requested of us; or (2) as permitted by law. We may, however, store such information indefinitely, including the period after which any customer relationship has ceased. Such information may be used for any internal purpose, such as quality control efforts or customer analysis. We may also provide all of the types of nonpublic personal information listed above to one or more of our affiliated companies. Such affiliated companies include financial service providers, such as title insurers, property and casualty insurers, and trust and investment advisory companies, or companies involved in real estate services, such as appraisal companies, home warranty companies and escrow companies. Furthermore, we may also provide all the information we collect, as described above, to companies that perform marketing services on our behalf, on behalf of our affiliated companies or to other financial institutions with whom we or our affiliated companies have joint marketing agreements.

Former Customers

Even if you are no longer our customer, our Privacy Policy will continue to apply to you.

Confidentiality and Security

We will use our best efforts to ensure that no unauthorized parties have access to any of your information. We restrict access to nonpublic personal information about you to those individuals and entities who need to know that information to provide products or services to you. We will use our best efforts to train and oversee our employees and agents to ensure that your information will be handled responsibly and in accordance with this Privacy Policy and First American's Fair Information Values. We currently maintain physical, electronic, and procedural safeguards that comply with federal regulations to guard your nonpublic personal information.

Information Obtained Through Our Web Site

First American Financial Corporation is sensitive to privacy issues on the Internet. We believe it is important you know how we treat the information about you we receive on the Internet.

In general, you can visit First American or its affiliates' Web sites on the World Wide Web without telling us who you are or revealing any information about yourself. Our Web servers collect the domain names, not the e-mail addresses, of visitors. This information is aggregated to measure the number of visits, average time spent on the site, pages viewed and similar information. First American uses this information to measure the use of our site and to develop ideas to improve the content of our site.

There are times, however, when we may need information from you, such as your name and email address. When information is needed, we will use our best efforts to let you know at the time of collection how we will use the personal information. Usually, the personal information we collect is used only by us to respond to your inquiry, process an order or allow you to access specific account/profile information. If you choose to share any personal information with us, we will only use it in accordance with the policies outlined above.

Business Relationships

First American Financial Corporation's site and its affiliates' sites may contain links to other Web sites. While we try to link only to sites that share our high standards and respect for privacy, we are not responsible for the content or the privacy practices employed by other sites.

Cookies

Some of First American's Web sites may make use of "cookie" technology to measure site activity and to customize information to your personal tastes. A cookie is an element of data that a Web site can send to your browser, which may then store the cookie on your hard drive.

FirstAm.com uses stored cookies. The goal of this technology is to better serve you when visiting our site, save you time when you are here and to provide you with a more meaningful and productive Web site experience.

Fair Information Values

Fairness We consider consumer expectations about their privacy in all our businesses. We only offer products and services that assure a favorable balance between consumer benefits and consumer privacy.

Public Record We believe that an open public record creates significant value for society, enhances consumer choice and creates consumer opportunity. We actively support an open public record and emphasize its importance and contribution to our economy.

Use We believe we should behave responsibly when we use information about a consumer in our business. We will obey the laws governing the collection, use and dissemination of data.

Accuracy We will take reasonable steps to help assure the accuracy of the data we collect, use and disseminate. Where possible, we will take reasonable steps to correct inaccurate information. When, as with the public record, we cannot correct inaccurate information, we will take all reasonable steps to assist consumers in identifying the source of the erroneous data so that the consumer can secure the required corrections.

Education We endeavor to educate the users of our products and services, our employees and others in our industry about the importance of consumer privacy. We will instruct our employees on our fair information values and on the responsible collection and use of data. We will encourage others in our industry to collect and use information in a responsible manner.

Security We will maintain appropriate facilities and systems to protect against unauthorized access to and corruption of the data we maintain.



CITY OF SURPRISE Regular City Council Meeting

Council Meeting Date: February 5, 2019
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 intention to create the SU-Fulton Homes at Escalante 154 Street Lighting Improvement District pursuant to A.R.S. 48-616; Resolution # 2019-06.

Motion:

I move to approve Resolution No. 2019-06

Background:

The City has verified that the Petition for the proposed street light improvement district contains the signatures of all of the real property owners in the district, exclusive of mortgages and other lien holders. The City and Arizona Public Service Company ("APS") have approved the street layout and facilities design. The electric rates are established by APS tariff. The lighting improvements are more than local or ordinary public benefit and the expenses of the district will be paid for by the levy and collection of equal apportionment taxes based on the number and classification of properties within the district

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 form the SLID boundary for the SU-Fulton Homes at Escalante 154 development.

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 Developer and District will be bearing the costs and expenses of the District and street light improvement facilities.

Budget Impact:

Funding was not included as part of the FY2019 adopted budget. A separate fund will be created to track revenue and expenses once the city starts receiving electric bills from APS for this particular SLID. If the SLID incurs expenses during FY2019, staff will return to request a budget amendment to appropriate the new fund. Regardless, the city will be unable to collect property taxes for this SLID until FY2020, at the earliest.

FTE Impact:

This action does not change the full time equivalent count.

ATTACHMENTS:

1. 01 Res. 2019-06 SLID for Escalante 154-FINAL
 2. 02 SLID PETITION -2018 12 19
 3. 03 Street Light Layout - Parcel 5
 4. 03 16266 - 05 - SL - Parcel 3
 5. 03 16266 - 04 - SL - Parcel 2
 6. 03 16266 - 03 - SL - Parcel 1
 7. 03 16266 - 01 - SL - Asante
 8. 03 016266 - 02 - SL - Pinnacle Peak
 9. 04 Council Map
-

RESOLUTION # 2019-06

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF SURPRISE, ARIZONA, DECLARING ITS INTENTION TO ESTABLISH A STREET LIGHT IMPROVEMENT DISTRICT TO PURCHASE ENERGY FOR LIGHTING THE PUBLIC STREETS AND PARKS IN THE AREA WITHIN THE CORPORATE LIMITS OF THE CITY OF SURPRISE, ARIZONA DESCRIBED ON EXHIBIT A, ATTACHED HERETO; DECLARING SUCH IMPROVEMENTS TO BE OF MORE THAN LOCAL OR ORDINARY PUBLIC BENEFIT AND THAT THE EXPENSES THEREOF BE PAID FOR BY THE LEVY AND COLLECTION OF EQUAL APPORTIONMENT OF TAXES BASED ON THE NUMBER AND CLASSIFICATION OF PROPERTIES WITHIN THE DISTRICT TO BE KNOWN AS "CITY OF SURPRISE, ARIZONA, *SU-FULTON HOMES AT ESCALANTE 154* LIGHTING IMPROVEMENT DISTRICT"; AND ORDERING THAT SUCH IMPROVEMENTS BE PROVIDED FOR UNDER THE PROVISIONS OF SECTION 48-572, ARIZONA REVISED STATUTES.

WHEREAS, the owners, exclusive of mortgagees and other lienholders, of all of the real property (hereinafter referred to as "Petitioner") in the hereinafter described District, acting pursuant to the provisions of Sections 48-615(A) and 48-617(A), Arizona Revised Statutes, have petitioned the Mayor and Council of the City of Surprise, Arizona (hereinafter referred to as "City"), to adopt a resolution of intention (hereinafter referred to as "Resolution") ordering the purchase of energy for the lighting of the public streets and parks (hereinafter referred to as "Improvements") for the real property legally described in Exhibit A (such area hereinafter referred to as the "District") with such boundaries as shown in the map in Exhibit B attached hereto pursuant to the provisions of Section 48-576, Arizona Revised Statutes, giving the City immediate jurisdiction to order the Improvements pursuant to the provisions of Section 48-581, Arizona Revised Statutes, without the necessity of the publications or posting of this Resolution provided for in Sections 48-578, Arizona Revised Statutes;

WHEREAS, the City has verified that Petitioner is the owner, exclusive of mortgagees and other lienholders, of all of the real property included within the boundaries of the District, and;

WHEREAS, the Mayor and Council of the City hereby find and determine that they have jurisdiction to adopt this Resolution to order the Improvements pursuant to the provisions of Section 48-576, Arizona Revised Statutes, and have immediate jurisdiction to adopt this Resolution ordering the Improvements pursuant to the provisions of Section 48-581, Arizona Revised Statutes without the necessity of publications and posting of this Resolution as provided for in Section 48-578, Arizona Revised Statutes;

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

Section 1. The City, after verifying ownership of the real property included within the boundaries of the District, hereby finds the Petitioner is the owner, exclusive of mortgagees and other lienholders, of all of the real property included within the boundaries of the District.

Section 2. The name of the District shall be "CITY OF SURPRISE, ARIZONA, *SU-FULTON HOMES AT ESCALANTE 154* LIGHTING IMPROVEMENT DISTRICT."

Section 3. The District is formed, and shall exist, pursuant to the provisions of Title 48, Chapter 4, Article 2, Arizona Revised Statutes, and Section 48-616, Arizona Revised Statutes.

Section 4. The public interest or convenience requires, and it is the intention of the Mayor and Council of the City to order the Improvements as so described above.

Section 5. The Improvements, in the opinion of the Mayor and Council of the City, are of more than local or ordinary public benefit and are of special benefit to the respective lots, pieces and parcels of real property in the District, and the Mayor and Council of the City hereby make and order the expense of the Improvements payable from the levying and collection of an equal apportionment of taxes based on the number and classification of properties within the District to be known and designated as "City of Surprise, Arizona *SU-Fulton Homes at Escalante 154* Lighting Improvement District" and hereby declare that the District is as legally described on Exhibit A attached hereto with the boundaries as shown in the map in Exhibit B attached hereto. Any public street or alley within the District shall be omitted from the assessment. Any lot belonging to the United States, the State, a county, city, school district or political subdivision or institution of the state or county within the District shall be omitted from the assessment.

Section 6. The Superintendent of Streets or equivalent of the City shall not be required to post or cause to be posted notices of the Resolution of Intention. The Clerk of the City shall certify to the passage of this Resolution of Intention but shall not be required to cause the same to be published in a newspaper published and of general circulation in the City.

Section 7. The Mayor and Council of the City shall make annual statements and estimates of the expenses of the district, which shall be provided for by the levy and collection of equal apportionment of taxes based on the number and classification of properties within the District; shall publish notice thereof; shall have hearings thereon; and shall adopt them at the times and in the manner provided for incorporated cities and towns by the applicable portions of Section 42-17101, et seq., 42-17152, Arizona Revised Statutes. The Mayor and Council of the City shall, on or before the third Monday in August of each year, fix, levy and assess the amount to be raised by an equal apportionment of taxes based on the number and classification of the properties within the District and collect, as Maricopa County, Arizona (the "County") taxes are collected, the amounts shown by the statements and estimates as adopted by the Mayor and Council of the City. All statutes providing for the levy and collection of State of Arizona and County taxes, shall be applicable to District taxes as provided to be levied under Section 48-616, Arizona Revised Statutes.

Section 8. The District shall not be authorized to issue bonds and no assessment for District purposes against the property within the District shall exceed One Dollar and Twenty Cents (\$1.20) per each hundred dollars of taxable valuation thereof in any year.

Section 9. The District shall not engage in any activity other than as provided in Section 48-616, Arizona Revised Statutes, i.e., contracting for and purchasing of energy for street and public park lighting.

Section 10. The formation of the District shall not be considered as preventing the subsequent establishment of improvement districts for any other purpose authorized by law, including improvement districts for the purpose of construction street lighting facilities within any part or all of the same territory as the District.

Section 11. The type of lighting facilities to be installed in the District and the locations thereof shall consist of those lighting facilities and locations described in the petition submitted by Petitioner, or as may be approved by the City.

Section 12. The rate to be paid for purchasing the energy for the District shall be the rate described in the petition submitted by Petitioner, or as may be approved by the Arizona Public Service Company.

Section 13. Any resolutions or parts of resolutions in conflict with the provisions of this Resolution are hereby repealed.

APPROVED AND ADOPTED this __day of _____, 2019.

Skip Hall, Mayor

Attest:

Approved as to form:

Sherry Aguilar, City Clerk

Robert Wingo, City Attorney

EXHIBIT A

**SU-Fulton Homes at Escalante 154
Street Light Improvement District
Legal Description**

A portion of Section 7, Township 4 North, Range 1 West, of the Gila and Salt River Meridian, Maricopa County, Arizona, said portion also being comprised of Parcel 1, Parcel 2, Parcel 3, Parcel 4, Parcel 5, Parcel 6, Tract A, Tract B, Tract C, Tract D, Tract E, Tract F and Tract G of Verdugo Master Plat as recorded in Book 1362 of Maps, Page 45 of Official Records of the Maricopa County Recorder's Office and more particularly described as follows:

BEGINNING at the Southwest Corner of said Section 7, said Southwest Corner also being the Southwest Corner of said Tract B, from which the South Quarter Corner of said Section 7 bears North 89°37'50" West 1893.34 feet, and from which the West Quarter Corner of said Section 7 bears as the BASIS OF BEARINGS North 00°21'11" East 2634.04 feet.

Thence along the West Line of said Tract B the following two courses:

1. North 00°21'11" East, 2634.04 feet to the West Quarter Corner of said Section 7;
2. North 00°20'48" East, 1317.10 feet to the Northwest Corner of said Tract B;

Thence South 89°43'33" East along the North Line of said Tract B, 68.00 feet to the Northwest Corner of said Tract D;

Thence South 89°43'33" East along the North Line of said Tract D, 1793.22 feet to the Northeast Corner of said Tract D;

Thence South 00°07'00" East along the East Line of said Tract D, 27.50 feet to the Northeast Corner of said Tract E;

Thence along the eastern Lines of said Tract E the following fourteen courses:

1. South 00°07'00" East, 1290.62 feet;
2. South 45°02'20" West, 56.36 feet;
3. South 00°03'41" East, 164.35 feet;
4. South 89°38'19" East, 19.82 feet;
5. South 00°15'23" West, 60.09 feet;
6. South 07°54'47" East, 151.35 feet;
7. South 23°35'26" East, 148.04 feet;
8. South 33°13'12" East, 121.34 feet;
9. South 36°30'31" East, 106.11 feet;
10. South 33°20'42" East, 105.47 feet;
11. South 30°10'41" East, 105.48 feet;
12. South 27°04'20" East, 105.49 feet;
13. South 23°56'19" East, 105.61 feet;

14. South 20°49'00" East, 9.08 feet to the Northeast Corner of said Tract G;

Thence along the eastern Lines of said Tract G the following ten courses:

1. South 20°49'00" East, 96.25 feet;
2. South 17°40'11" East, 105.57 feet;
3. South 14°31'26" East, 108.72 feet;
4. South 09°27'10" East, 39.94 feet to the beginning of a non-tangent curve concave to the South and having a radius point which bears South 09°12'37" East 480.00 feet and a central angle of 01°04'45";
5. Easterly along the arc of said curve, 9.04 feet;
6. South 09°33'40" East, 143.86 feet;
7. South 05°43'43" East, 113.45 feet;
8. South 02°23'34" East, 113.41 feet;
9. South 00°12'16" East, 36.17 feet;
10. South 00°21'39" West, 731.48 feet to the Northeast Corner of said Tract A;

Thence along the East Line and South Lines of said Tract A the following three courses:

1. South 00°21'39" West, 55.00 feet;
2. North 89°38'52" West, 533.54 feet to the South Quarter Corner of said section 7;
3. North 89°37'50" West, 1825.34 feet to the Southeast Corner of said Tract B;

Thence North 89°37'50" West along the South Line of said Tract B, 68.00 feet to the POINT OF BEGINNING.

The approximate area of said portion is 8,333,620 square feet or 191.314 acres more or less.

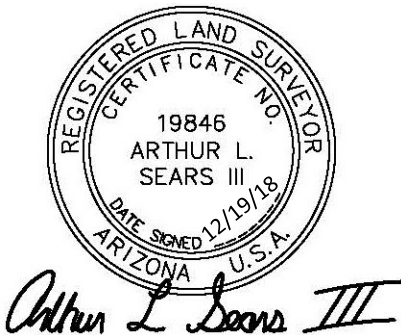
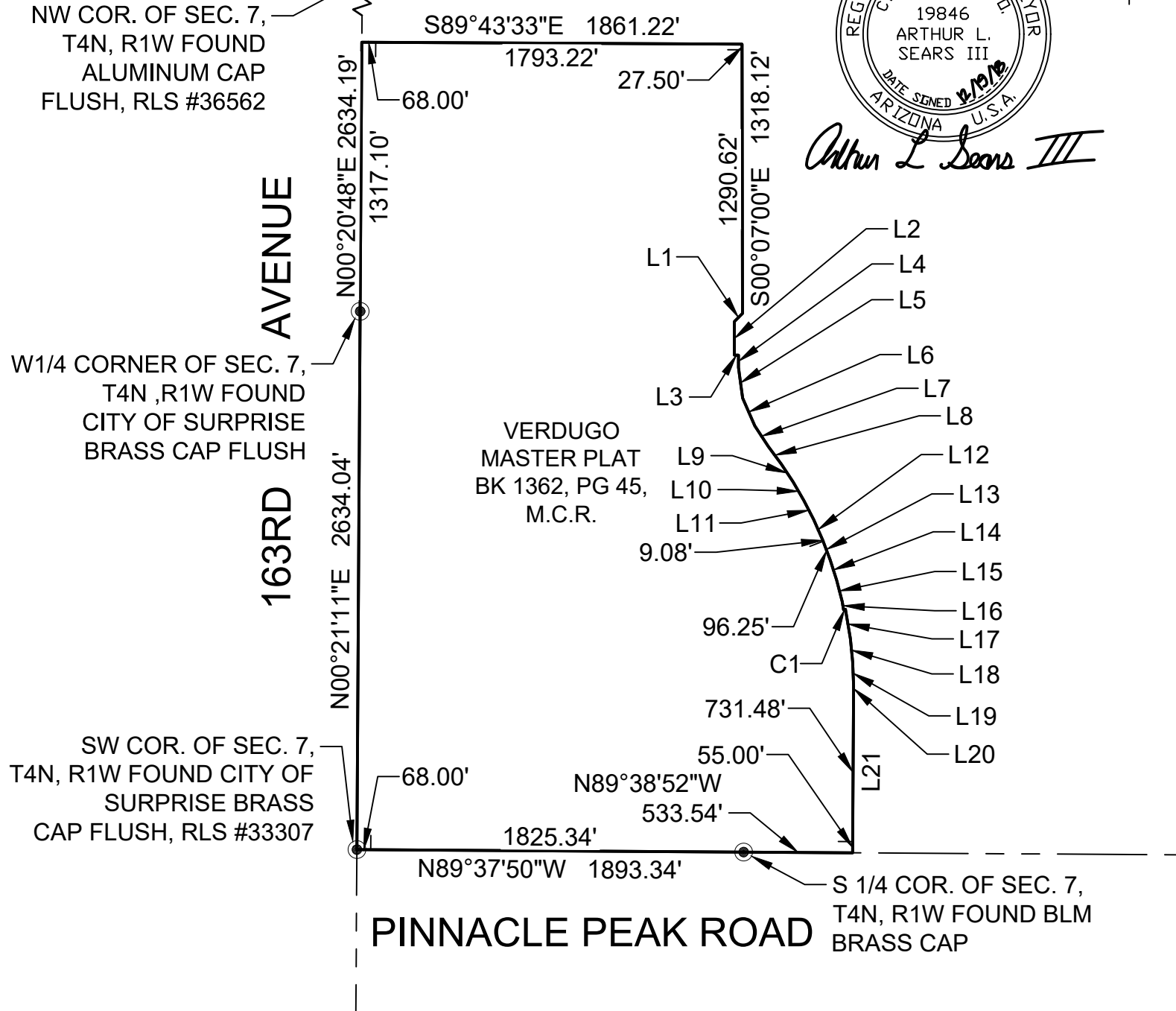
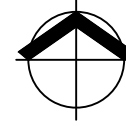
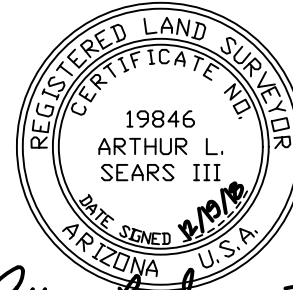


EXHIBIT B



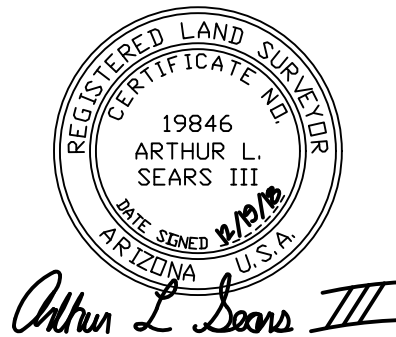
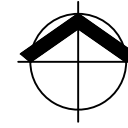
PROJECT NO. 4161214000
DATE: 12/19/18
BY: RDC
SCALE: 1" = 700'
SHEET NO. 1 OF 2

Cardno Shaping the Future
SU-FULTON HOMES AT ESCALANTE 154
SEE SHEET 2 FOR
LINE & CURVE TABLES
19621 N. 23RD DRIVE, STE 150, STREET LIGHT IMPROVEMENT EXHIBIT
PHOENIX, AZ 85027
TEL: (602) 977-8000
FAX: (602) 977-8099

LINE TABLE		
NO.	BEARING	LENGTH
L1	S45°02'20"W	56.36'
L2	S00°03'41"E	164.35'
L3	S89°38'19"E	19.82'
L4	S00°15'23"W	60.09'
L5	S07°54'47"E	151.35'
L6	S23°35'26"E	148.04'
L7	S33°13'12"E	121.34'
L8	S36°30'31"E	106.11'
L9	S33°20'42"E	105.47'
L10	S30°10'41"E	105.48'
L11	S27°04'20"E	105.49'
L12	S23°56'19"E	105.61'
L13	S20°49'00"E	105.33'
L14	S17°40'11"E	105.57'
L15	S14°31'26"E	108.72'
L16	S09°27'10"E	39.94'
L17	S09°33'40"E	143.86'
L18	S05°43'43"E	113.45'
L19	S02°23'34"E	113.41'
L20	S00°12'16"E	36.17'

LINE TABLE		
NO.	BEARING	LENGTH
L21	S00°21'39"W	786.48'

CURVE TABLE			
NO.	DELTA	RADIUS	LENGTH
C1	1°04'45"	480.00'	9.04'



Cardno Shaping the Future

19621 N. 23RD DRIVE, STE 150, **STREET LIGHT IMPROVEMENT EXHIBIT**
 PHOENIX, AZ 85027
 TEL: (602) 977-8000
 FAX: (602) 977-8099

PROJECT NO. 4161214000
 DATE: 12/19/18
 BY: RDC
 SCALE: 1" = 700'
 SHEET NO. 2 OF 2

SEE SHEET 1 FOR
EXHIBIT

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, within the district named below. We petition the City Council of the City of Surprise, Arizona, to establish a street light improvement district under Arizona Revised Statutes (A.R.S.) §48-571 to 48-622, and any amendments, and specifically A.R.S. §48-615 to 48-617, to purchase electricity for lighting the public streets and/or parks within the district whose boundaries and area is described in Exhibits A and 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 order the proposed improvements, 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.

Expenses of the District shall be paid by the levy and collection of an equal apportionment of taxes based on the number and classification of properties within the District.

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 form 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 proposed street light improvements district shall be:

SU-Fulton Homes at Escalante 154

PETITIONERS: Please print and sign your name

PRINT BUSINESS/ PETITIONER'S NAME	ADDRESS OF PROPERTY OWNED WITHIN DISTRICT	ASSESSOR PARCEL #	SIGNATURE
Fulton Homes Corporation Tom Abraham	NEC of 163 rd Ave and Pinnacle Peak	503-56-126 through 503-56- 138	<i>Tom Abraham</i>



**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.

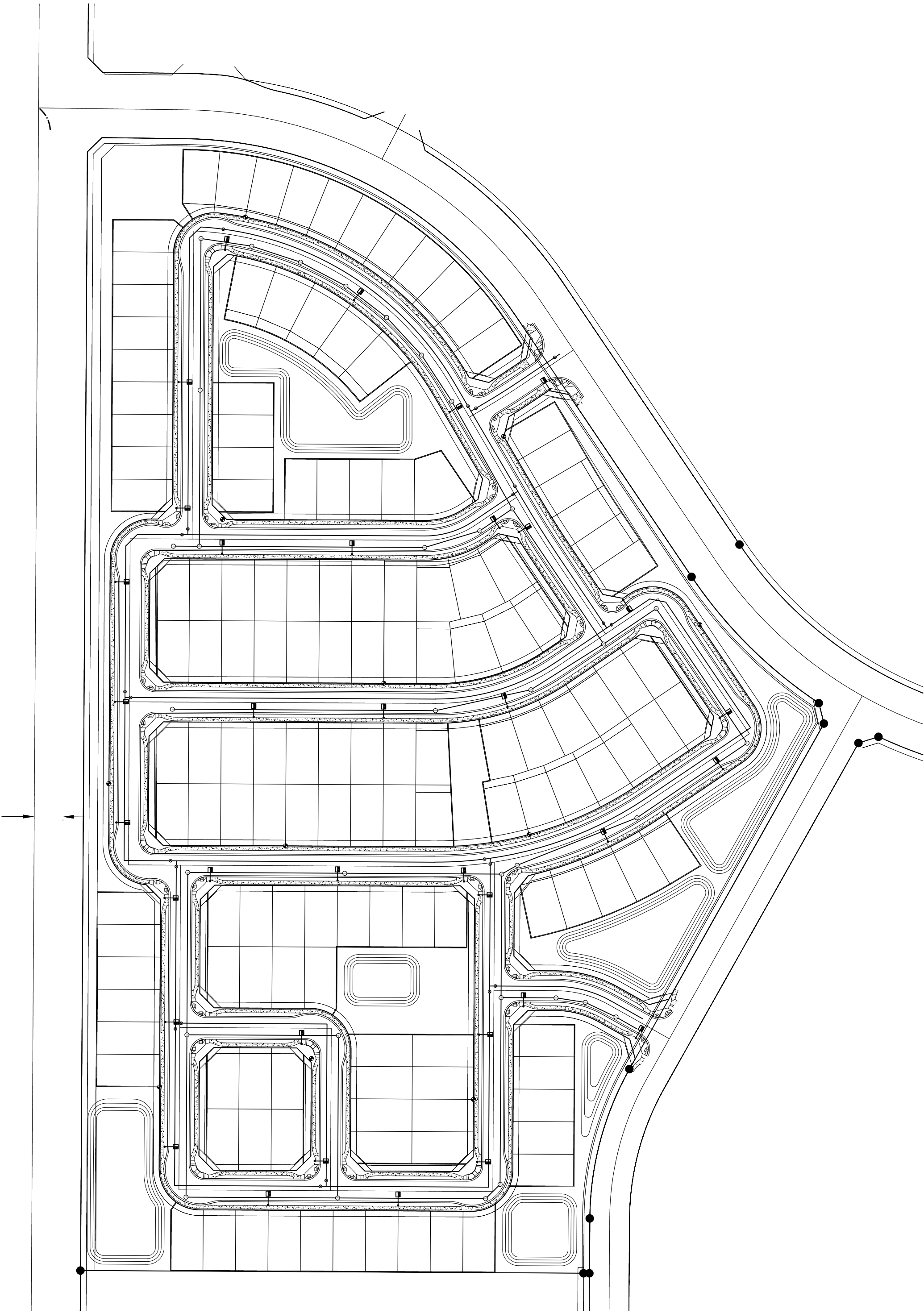
SERVICE DETAILS

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.



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MATCHLINE "A" - SEE SHEET SL3

LEGEND

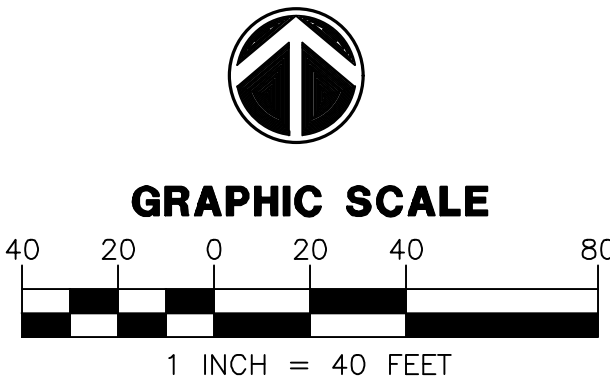
- 41W (4800 LUMEN) LED STREET LIGHT
- 88W (8200 LUMEN) LED STREET LIGHT
- STREET LIGHT TO BE BUILT PER WEC JOB #16266-06
- STREET LIGHT TO BE BUILT PER WEC JOB #16266-01
- PULL BOX
- NEW CONDUIT RUN
- FIRE HYDRANT

CONSTRUCTION NOTES

- 41W LED (4,800 LUMEN) LUMINAIRE (GE CAT# ERL1004B130ADKBZRGX) WITH PHOTOELECTRIC CONTROL ON A 34'-0" DIRECT BURIED POLE (1940.34) WITH A 2' MAST ARM (S2) PER APS DETAIL 8030 (SEE SHEET SL5). INSTALL (2) #14 THHN/THWN FROM LUMINAIRE TO FUSE HOLDER IN POLE. ALL WIRING, FUSING, AND GROUNDING PER APS DETAILS AND SPECIFICATIONS.
- 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.
- 88W LED (8,200 LUMEN) LUMINAIRE (GE CAT# ERL1008E130ADKBZRGX) WITH PHOTOELECTRIC CONTROL ON A 34'-0" DIRECT BURIED POLE (1940.34) WITH A 2' MAST ARM (S2) PER APS DETAIL 8030 (SEE SHEET SL5). INSTALL (2) #14 THHN/THWN FROM LUMINAIRE TO FUSE HOLDER IN POLE. ALL WIRING, FUSING, AND GROUNDING PER APS DETAILS AND SPECIFICATIONS.
- PROPOSED STREET LIGHT TO BE BUILT PER WEC JOBS #16266-01 AND #16266-06.

STREET DIMENSIONS

LOCAL:
SIDEWALK 5'-0"
P.U.E. 8'-0"
CENTERLINE TO:
RIGHT OF WAY 27'-6"
BACK OF CURB 16'-0"
FACE OF CURB 14'-0"
WATER 6'-0" N & W
SEWER 10'-0" S & E

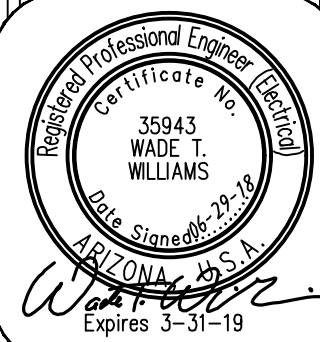


WRIGHT ENGINEERING
PROJECT NO:
16266-05
DESIGN BY: DST
DRAWN BY: DST
CHECKED BY: WTW

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:
FULTON HOMES ESCALANTE - PARCEL 3
PINNACLE PEAK AND 163RD AVENUE
STREET LIGHT PLAN

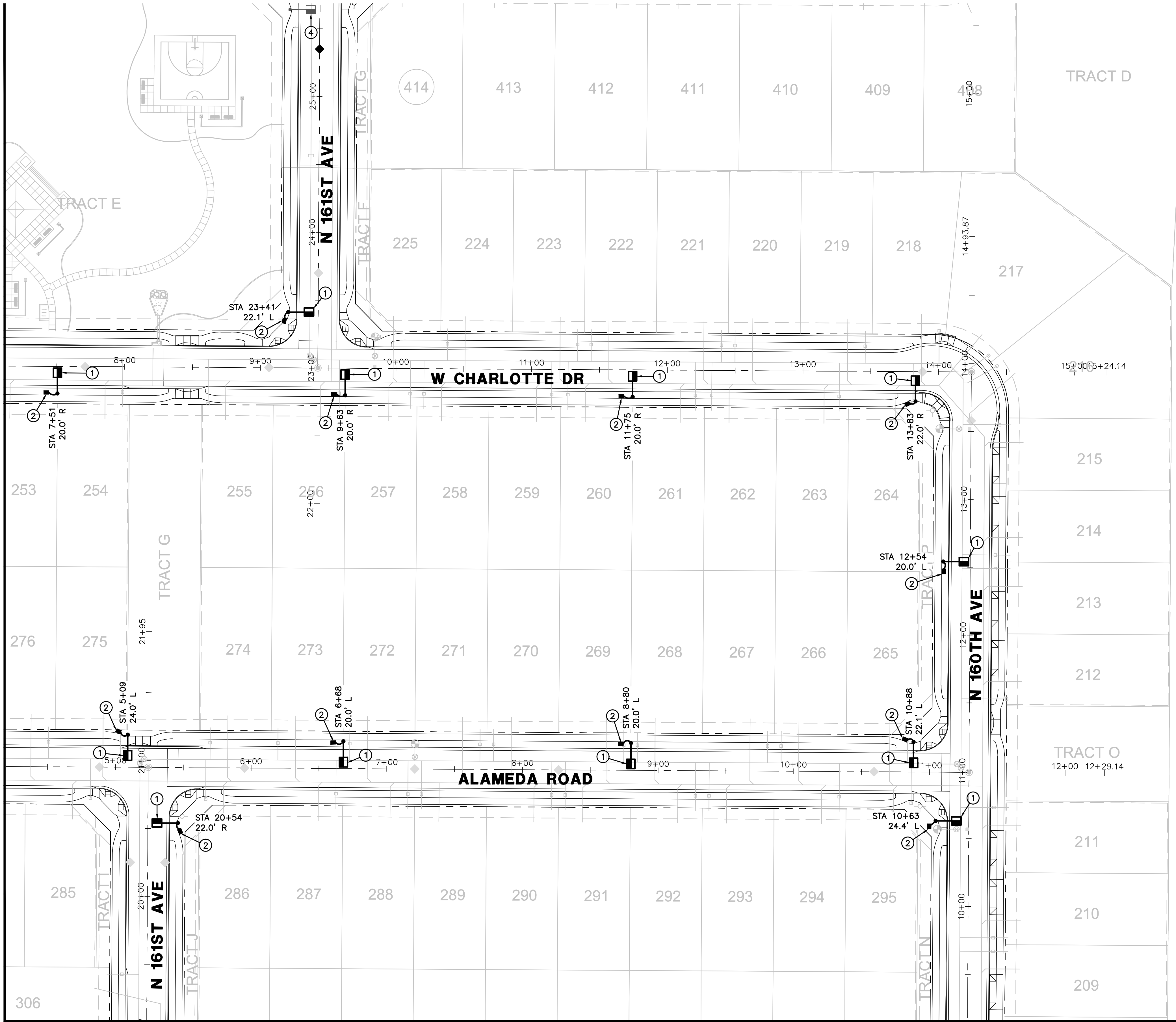
NO.	DATE	SUBMITTALS/REVISIONS (DESCRIPTIONS)
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DRAWING NO:
SL2
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MATCHLINE "A"- SEE SHEET SL2

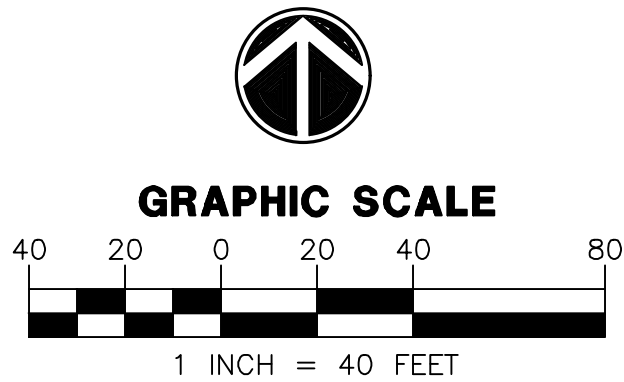


MATCHLINE "B"- SEE SHEET SL4

- LEGEND**
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 - 88W (8200 LUMEN) LED STREET LIGHT
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 - FIRE HYDRANT

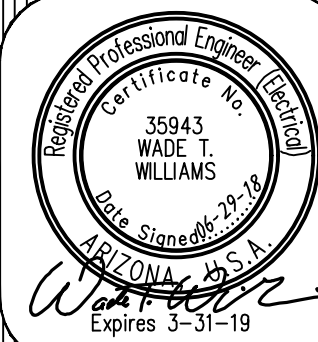
- CONSTRUCTION NOTES**
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- STREET DIMENSIONS**
- LOCAL:
SIDEWALK 5'-0"
P.U.E. 8'-0"
- CENTERLINE TO:
RIGHT OF WAY 27'-6"
BACK OF CURB 16'-0"
FACE OF CURB 14'-0"
WATER 6'-0" N & W
SEWER 10'-0" S & E



SURPRISE, ARIZONA
FULTON HOMES ESCALANTE - PARCEL 3
PINNACLE PEAK AND 163RD AVENUE
STREET LIGHT PLAN

NO.	DATE	SUBMITTALS/REVISIONS (DESCRIPTIONS)
1	OCT 2016	1ST SUBMITTAL
2	JAN 2018	2ND SUBMITTAL

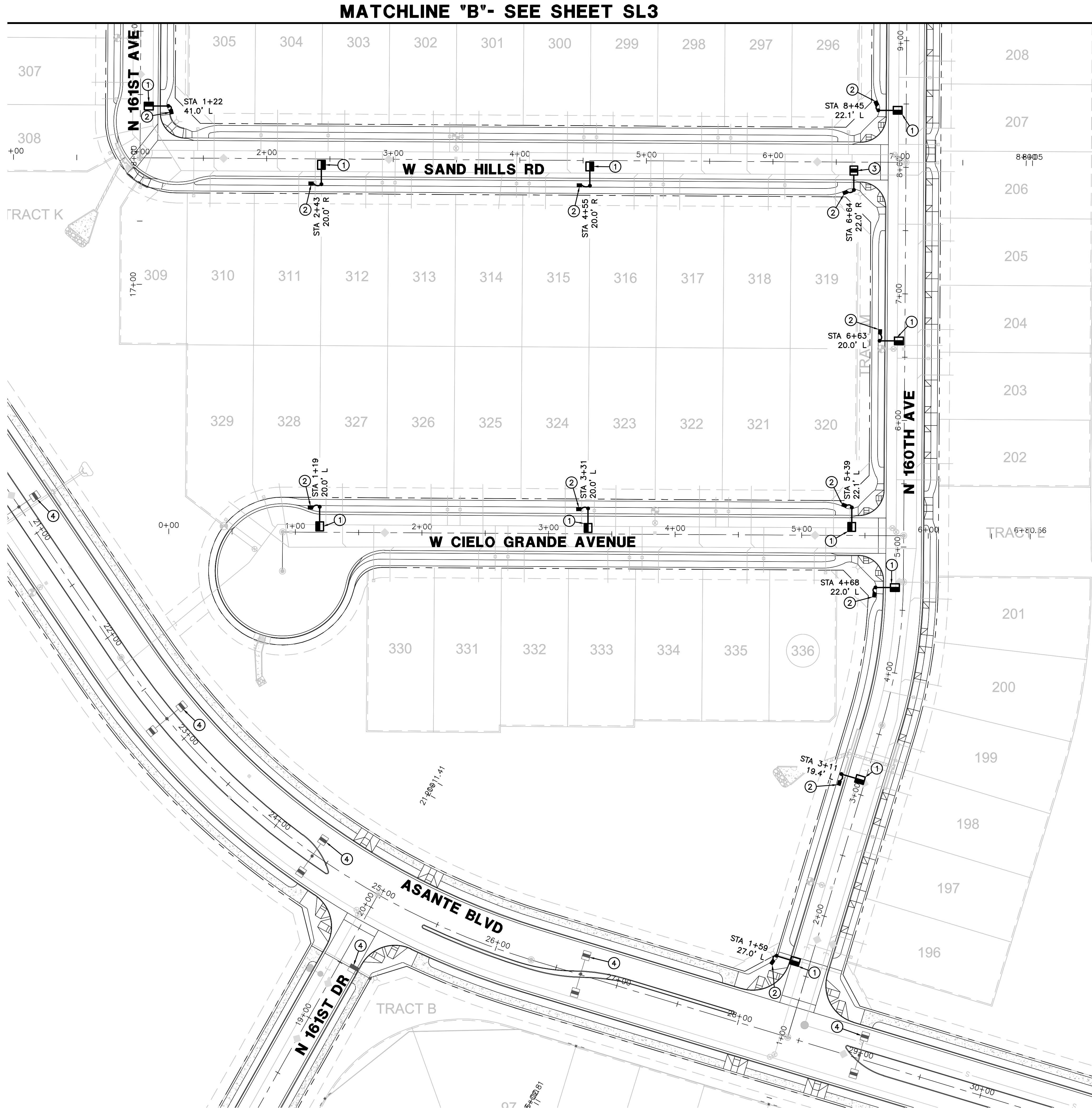


DRAWING NO:
SL3
OF 5

WRIGHT ENGINEERING
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DRAWN BY: DST
CHECKED BY: WTW



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LEGEND

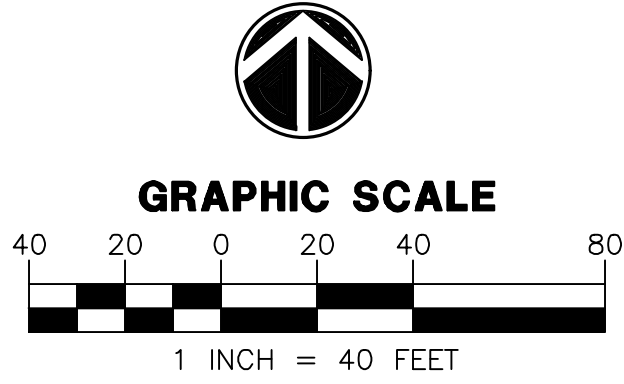
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STREET DIMENSIONS

LOCAL:
SIDEWALK 5'-0"
P.U.E. 8'-0"
CENTERLINE TO:
RIGHT OF WAY 27'-6"
BACK OF CURB 16'-0"
FACE OF CURB 14'-0"
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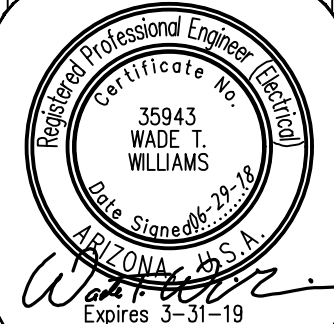


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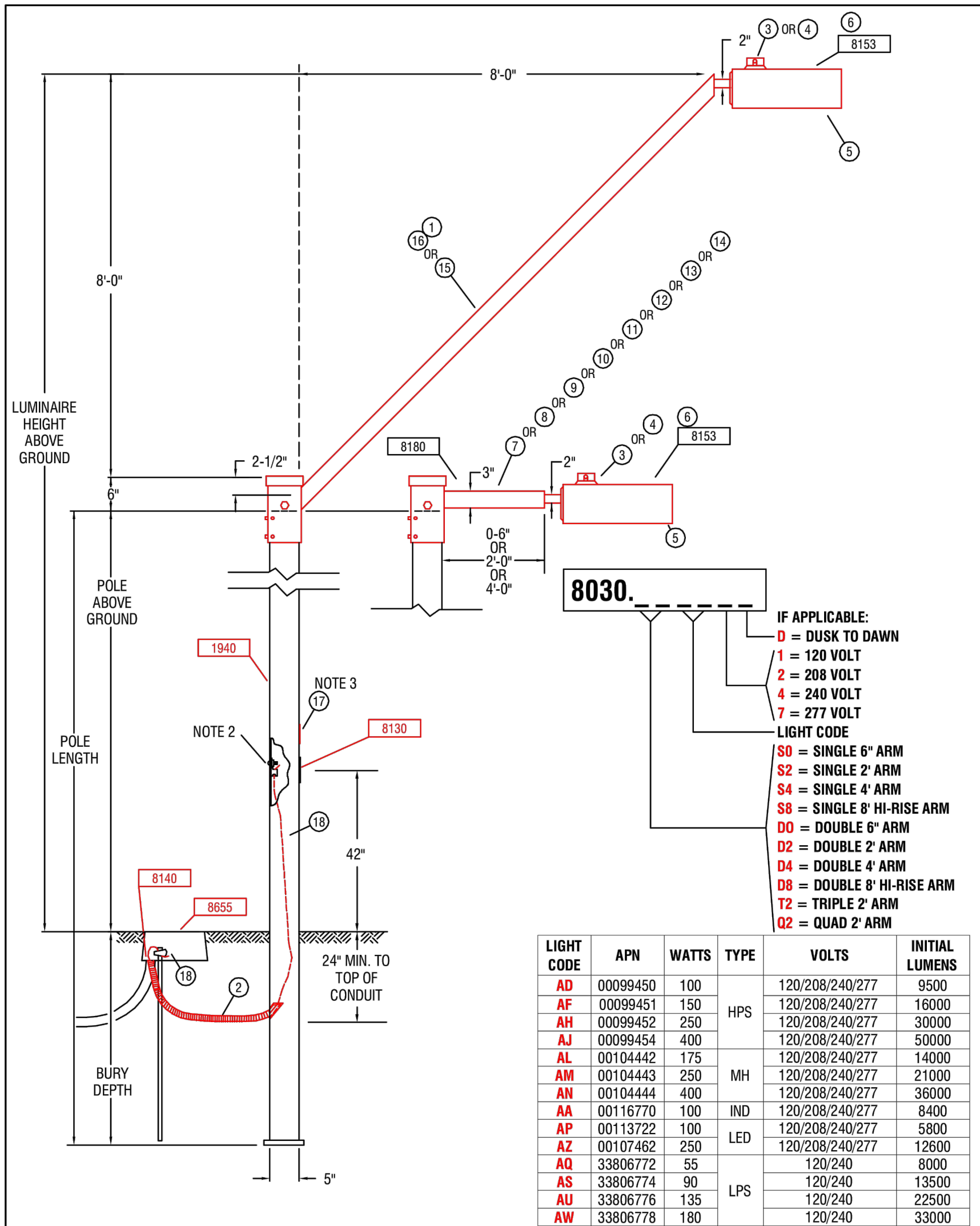
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PINNACLE PEAK AND 163RD AVENUE
STREET LIGHT PLAN

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DRAWING NO:
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NOTES:

- ADJUST PHOTO EYE TO FACE NORTH.
- A GROUND ROD IS PROVIDED WITH THE J-BOX. WHERE A GROUND ROD CAN NOT BE DRIVEN ALTERNATE GROUND SHALL BE USED. SEE 2449 THRU 2460 FOR APPROVED ALTERNATES.
- SIGN, "NOTICE THIS POLE IS OWNED AND MAINTAINED BY APS. DISCONNECT INSIDE", IS REQUIRED ON ALL DUSK-TO-DAWN AND AREA LIGHTING APPLICATIONS.
- POLES THAT HAVE MORE THAN ONE LUMINAIRE REQUIRE A SEPARATE CIRCUIT WITH FUSING FROM THE J-BOX TO EACH LUMINAIRE.
- USING THE 20'-0" POLE TO MATCH THE 16'-0" PEDESTRIAN LIGHT MOUNTING HEIGHT REDUCE POLE BURY DEPTH TO 4'-0".
- THE BROWN PHOTO CONTROL IS A FAIL OFF CONTROL AND SHALL BE USED WITH ALL INDUCTION AND LED LUMINAIRES.
- ON 277 VOLT STREET LIGHT CIRCUITS, INSTALL A "277 VOLT" MICARTA TAG ON CABLE IN J-BOX. TAG PROVIDED BY SPEC 8129.
- THE LUMINAIRE SHOWN IS RECOMMENDED FOR THIS MOUNTING HEIGHT. SEE 8153 FOR ADDITIONAL BROWN ARCHITECTURAL LUMINAIRES.
- THE TWO ARMED TENON BRACKET POSITIONS THE DOUBLE ARM 180 DEGREES APART.
- TO ACCOMMODATE LESS THAN THE SPECIFIED LUMINAIRE MOUNTING HEIGHT, A SHOP ORDER IS REQUIRED TO HAVE A PORTION FROM THE TOP OF THE POLE CUT OFF. THE TENON ARM BRACKET SLIDES OVER AND COVERS THE CUT PORTION OF THE POLE.
- IN-LINE FUSE FOR UNDERGROUND FEEDS, SEE 8130-8131.
- FOR PEDESTRIAN ONLY APPLICATIONS SEE 8030.

POLE CODE	POLE LENGTH	BURY DEPTH	POLE ABOVE GROUND	LUMINAIRE HEIGHT ABOVE GROUND
1940.20	20'-0"	5'-0"	15'-0"	15'-0"
1940.30	30'-0"	5'-0"	25'-0"	25'-0"
1940.34	34'-0"	6'-0"	28'-0"	28'-0"
1940.38	38'-0"	6'-6"	31'-6"	31'-6"

* SEE NOTE 5

CODE	8030.S0	8030.S2	8030.S4	8030.S8	8030.D0	8030.D2	8030.D4	8030.D8	8030.T2	8030.Q2	MATERIAL LIST	
ITEM	QTY	QTY	QTY	QTY	QTY	QTY	QTY	QTY	QTY	QTY	DESCRIPTION	APN
1	-	-	-	-	-	-	-	-	-	-	BRACKET ARCH SLIP BOLTED	00092251
2	10	10	10	10	10	10	10	10	10	10	CONDUIT 1" PVC FLEX CORR	32900891
3	1	1	1	1	2	2	2	2	3	4	CONTROL PHOTO MULTI BLACK	00063965
4	VAR	VAR	VAR	VAR	VAR	VAR	VAR	VAR	VAR	VAR	CONTROL PHOTO MULTI BR-20	00073241
5	1	1	1	1	2	2	2	2	3	4	LAMP - SEE 8164 - 8171	
6	1	1	1	1	2	2	2	2	3	4	LUMINAIRE - SEE CHART	
7	1	-	-	-	-	-	-	-	-	-	MAST ARM STLTL 3" SQ X 6" SGL	88370
8	-	1	-	-	1	-	-	-	-	-	MAST ARM STLTL 3" SQ X 6" DBL	00121154
9	-	-	-	-	-	1	-	-	-	-	MAST ARM STLTL 3" SQ X 2" SGL	33701116
10	-	-	-	-	-	-	-	1	-	-	MAST ARM STLTL 3" SQ X 2" DBL	33701117
11	-	-	-	-	-	-	-	-	1	-	MAST ARM STLTL 3" SQ X 2" TPL	52664
12	-	-	1	-	-	-	-	-	-	-	MAST ARM STLTL 3" SQ X 2" QUAD	00052665
13	-	-	-	-	-	-	-	-	-	-	MAST ARM STLTL 3" SQ X 8" SGL	00061738
14	1	-	-	-	-	1	2	-	-	-	MAST ARM STLTL 3" SQ X 4" DBL	00073267
15	-	-	-	-	-	-	-	-	-	-	MAST ARM STLTL 3" SQ X 8" SGL	33701120
16	-	-	-	-	-	-	-	-	-	-	MAST ARM STLTL 8" BOLT-ON	00092252
17	1	1	1	1	1	1	1	1	1	1	SIGN POLE OWNED BY APS	00050092
18	10	10	10	10	10	10	10	10	10	10	WIRE BARE #6 SOLID CU	33007580

APS ARIZONA PUBLIC SERVICE COMPANY T&D CONSTRUCTION STANDARDS				
BY	LDR.	MGR.	DATE	REV.
KLS	B. MCMINN	R. SMITH	04/2010	9

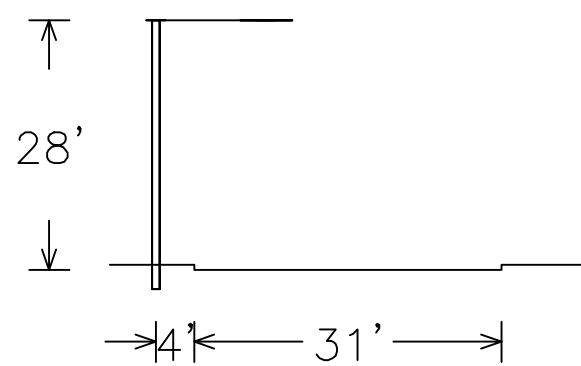
LIGHTS
ARCHITECTURAL ON
5" SQUARE BROWN PAINTED STEEL POLE
DIRECT BURY

SH 1 OF 2
8030

APS ARIZONA PUBLIC SERVICE COMPANY T&D CONSTRUCTION STANDARDS				
BY	LDR.	MGR.	DATE	REV.
KLS	B. MCMINN	R. SMITH	04/2010	9

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

SH 2 OF 2
8030



41W LED Shoebox, 3K
Type II Distribution, 2' Mast arm (4,800 lumen)
candela file 'erl1_05e130-120-277v_tcm201-103950.ies'
1 lamp(s) per luminaire, photometry is absolute
Light Loss Factor = 0.900, watts per luminaire = 41
mounting height= 28 ft
number locations= 106, number luminaires= 106
kw all locations= 4.3

TYPICAL
175 points at z=0, sp 6ft by 6ft
HORIZONTAL FOOTCANDLES
Average 0.4
Maximum 1.7
Minimum 0.1
Avg:Min 4.08
Max:Min 17.00
Coef Var 0.98
UnifGrad 2.00

ROADWAY SCALEABLE LED 3000K						
LIGHT CODE	COLOR	APN	WATTS	VOLTS	INITIAL LUMENS	PHOTOMETRIC CURVE
RL40		00140047	32	120/208/240/277	3,800	ERL1_04B130_120-277VIES
RL41		00140048	41	120/208/240/277	4,800	ERL1_05E130_120-277VIES
RL42	BRONZE	00140049	88	120/208/240/277	8,200	ERL1_08E130_120-277VIES
RL43		00140050	108	120/208/240/277	11,000	ERS1_11E130_120-277VIES
RL44		00140051	162	120/208/240/277	18,000	ERS2_19E130_120-277VIES

WRIGHT ENGINEERING
PROJECT NO:
16266-05
DESIGN BY: DST
DRAWN BY: DST
CHECKED BY: WTW

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
FULTON HOMES ESCALANTE - PARCEL 3
PINNACLE PEAK AND 163RD AVENUE
STREET LIGHT DETAILS

NO.	DATE	SUBMITTALS/REVISIONS (DESCRIPTIONS)
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2	JAN 2018	2ND SUBMITTAL

Professional Engineer
35943
WADE T. WILLIAMS
Exp. 3-31-19

DRAWING NO:
SL5
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)

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FULTON HOMES ESCALANTE

PARCEL 2

STREET LIGHT DESIGN

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 BEING 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.

5.10 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.

5.11 CONNECTIONS:

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.

5.13 RESTORATION:

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.

5.14 TEST:

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

5.14.01 PERFORMANCE:

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.

5.15 WARRANTY:

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.

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 BLUE STAKE LAWS. CALL BLUE STAKE FOR FIELD LOCATION AT (602) 263-1100.
- 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 623-222-7000.
- 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.

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

STREET LIGHTING (APS AREA)														
KEY NO.	SYMBOL	STREET TYPE	OFFSET BEHIND B/C	QUANTITY	POLE		MAST ARM	LUMINAIRE						APS STANDARD CODE NO.
					POLE LENGTH	FOUNDATION		SIZE	MOUNTING HEIGHT	LUMENS	WATTAGE	I.E.S. DIST.	TYPE	
①		LOCAL	PER PLANS	33	34'—0"	DIRECT BURY	2'—0"	28'	4,800	41W	TYPE II	LED	ARCHITECTURAL (SHOEBOX)	8030.S2

NOTES

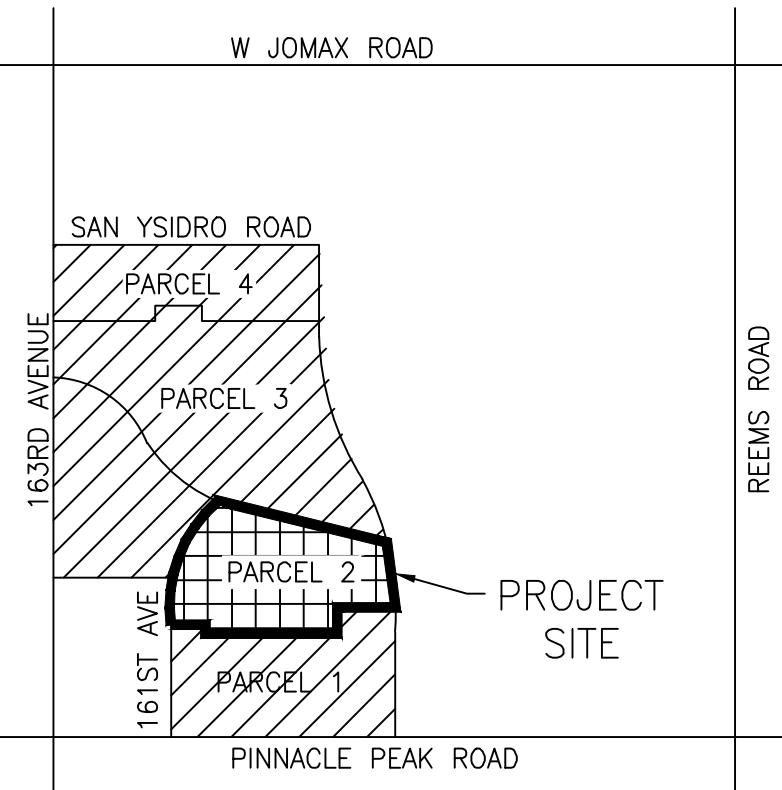
1. THE ELECTRICAL/MAINTENANCE COSTS OF ALL STREET LIGHTS ON LOCAL AND COLLECTOR STREETS (TYPICALLY THE 100 WATT / 9,500 LUMEN AND THE 150 WATT /16,000 LUMEN FIXTURES) ARE TO BE PAID BY THE ADJACENT PROJECT OR THE ADJACENT DEVELOPMENT'S STREET LIGHT IMPROVEMENT DISTRICT (SLID). THE ELECTRICAL / MAINTENANCE COSTS OF ALL STREET LIGHTS ON ARTERIAL STREETS (TYPICALLY THE 250 WATT / 30,000 LUMEN FIXTURES) ARE TO BE BILLED TO THE CITY OF SURPRISE'S ENERGY BILL.

2. CONTRACTOR TO COORDINATE WITH APS AND UTILIZE THEIR CURRENT SPECIFICATIONS AT THE TIME OF BIDDING AND CONSTRUCTION.

DEVELOPER:
FULTON HOMES
9140 S. KYRENE ROAD
SUITE 202
TEMPE, AZ 85284
PHONE: (602) 694-3247
CONTACT: TAMMIE BORGARDT
EMAIL: TBORGARDT@FULTONHOMES.COM

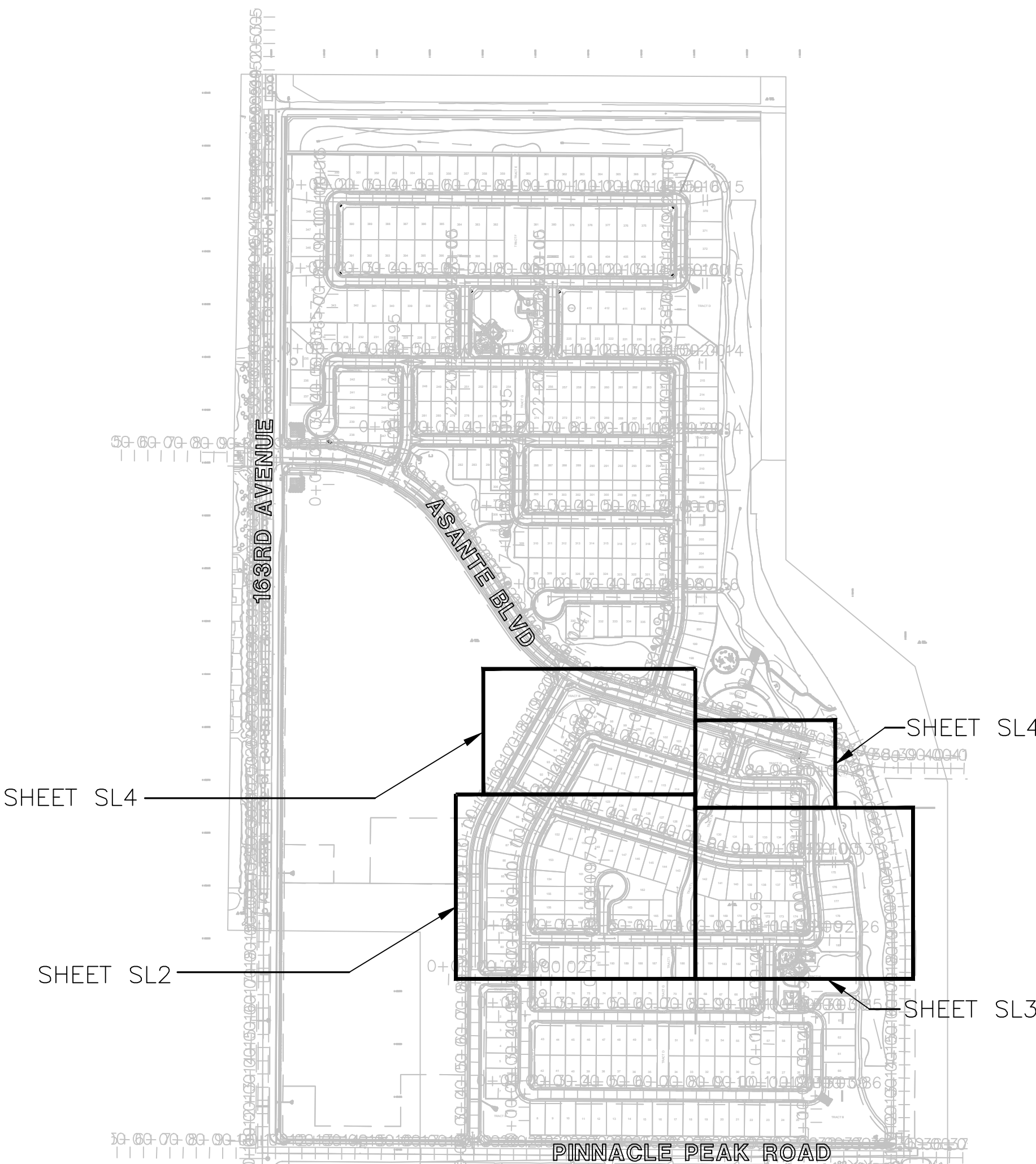
CIVIL ENGINEER:
CARDNO
9977 N. 90TH STREET
SUITE 150
SCOTTSDALE, AZ 85258
PHONE: (602) 977-8075
CONTACT: DANIEL POTTINGER, P.E.

ELECTRICAL ENGINEER
WRIGHT ENGINEERING CORPORATION
165 E. CHILTON DRIVE
CHANDLER, AZ 85225
PHONE: (480) 497-5829
FAX: (480) 497-5802
CONTACT: WADE WILLIAMS
EMAIL: WILLIAMS@WRIGHTENGINEERING.US



VICINITY MAP

NOT TO SCALE



AREA MAP

NOT TO SCALE



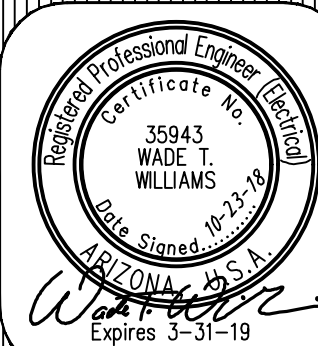
WRIGHT ENGINEERING
PROJECT NO:
16266-04
DESIGN BY: DST
DRAWN BY: DST
CHECKED BY: WTW

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
FULTON HOMES ESCALANTE - PARCEL 2
PINNACLE PEAK AND 163RD AVENUE
STREET LIGHT COVER SHEET

NO.	DATE	SUBMITTALS/REVISIONS (DESCRIPTIONS)
1	OCT 2016	1ST SUBMITTAL
2	JAN 2018	2ND SUBMITTAL
3	OCT 2018	3RD SUBMITTAL



DRAWING NO:
SL1
OF 5



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MATCHLINE "B"- SEE SHEET SL4

MATCHLINE "A"- SEE SHEET SL3

LEGEND

- 41W (4800 LUMEN) LED STREET LIGHT
- STREET LIGHT TO BE BUILT PER WEC JOB #16266-03
- STREET LIGHT TO BE BUILT PER WEC JOB #16266-01
- PULL BOX
- NEW CONDUIT RUN
- FIRE HYDRANT

CONSTRUCTION NOTES

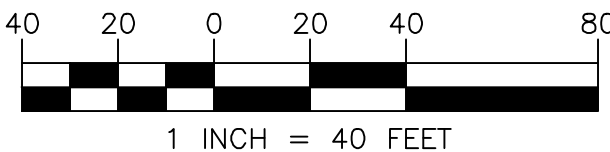
- 41W LED (4,800 LUMEN) LUMINAIRE (GE CAT# ERL10051E130ADKBZGRX) WITH PHOTOELECTRIC CONTROL ON A 34'-0" DIRECT BURIED POLE (1940.34) WITH A 2' MAST ARM (S2) PER APS DETAIL 8030 (SEE SHEET SL5). INSTALL (2) #14 THHN/THWN FROM LUMINAIRE TO FUSE HOLDER IN POLE. ALL WIRING, FUSING, AND GROUNDING PER APS DETAILS AND SPECIFICATIONS.
- 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.
- PROPOSED STREET LIGHT TO BE BUILT PER WEC JOBS #16266-01 AND #16266-03.

STREET DIMENSIONS

LOCAL:
SIDEWALK 5'-0"
P.U.E. 8'-0"
CENTERLINE TO:
RIGHT OF WAY 27'-6"
BACK OF CURB 16'-0"
FACE OF CURB 15'-6"
WATER 6'-0" N & W
SEWER 10'-0" S & E



GRAPHIC SCALE

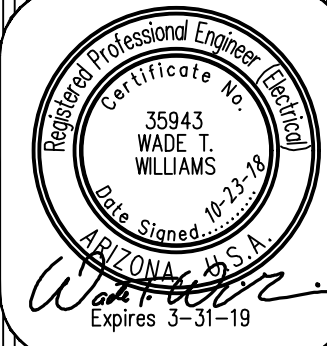


WRIGHT ENGINEERING
PROJECT NO:
16266-04
DESIGN BY: DST
DRAWN BY: DST
CHECKED BY: WTW



PROJECT: TITLE:
FULTON HOMES ESCALANTE - PARCEL 2
PINNACLE PEAK AND 163RD AVENUE
STREET LIGHT PLAN

NO.	DATE	SUBMITTALS/REVISIONS (DESCRIPTIONS)
1	OCT 2016	1ST SUBMITTAL
2	JAN 2018	2ND SUBMITTAL
3	OCT 2018	3RD SUBMITTAL

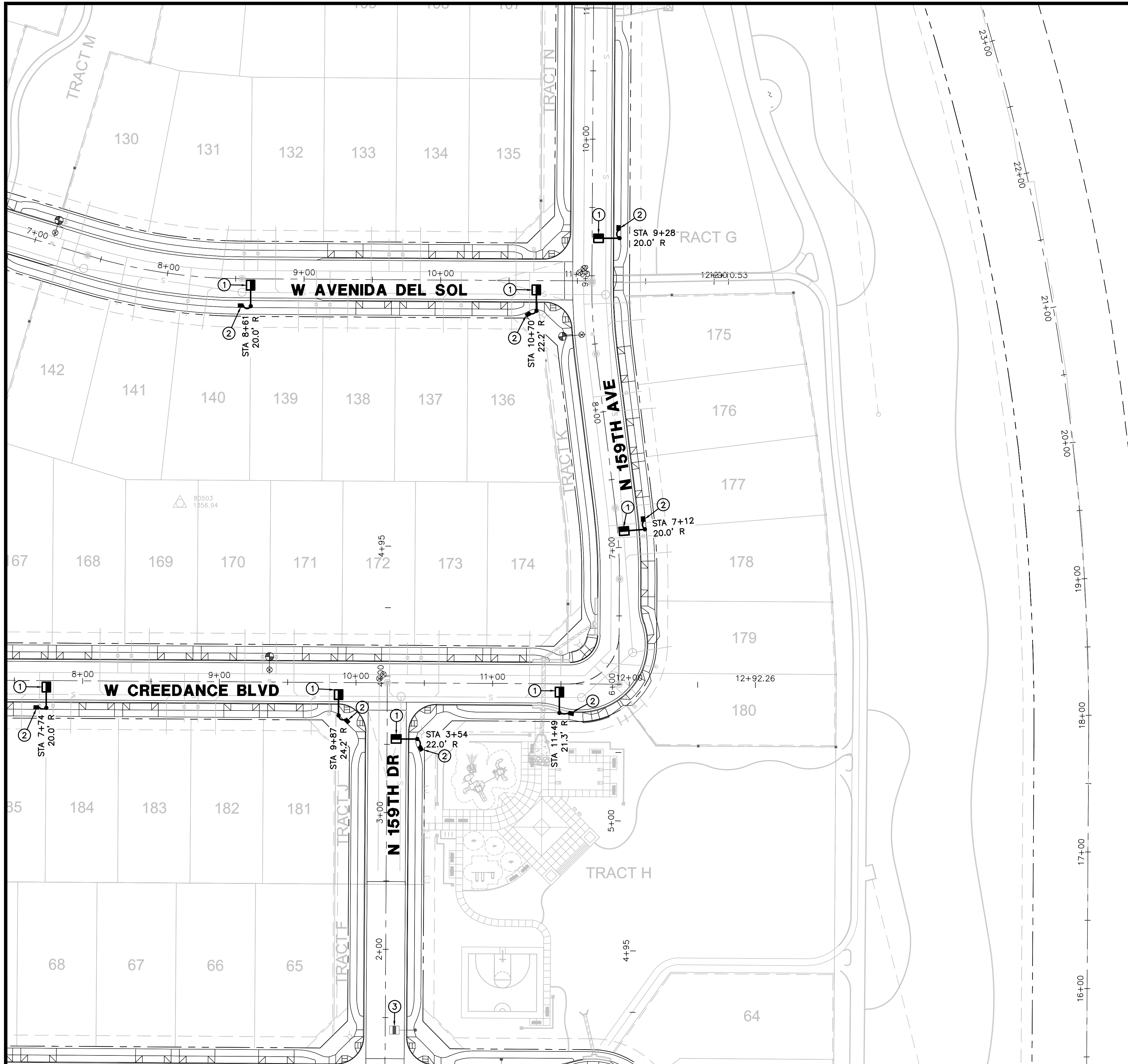


DRAWING NO:
SL2
OF 5

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MATCHLINE "A"- SEE SHEET SL2

MATCHLINE "C"- SEE SHEET SL4



LEGEND

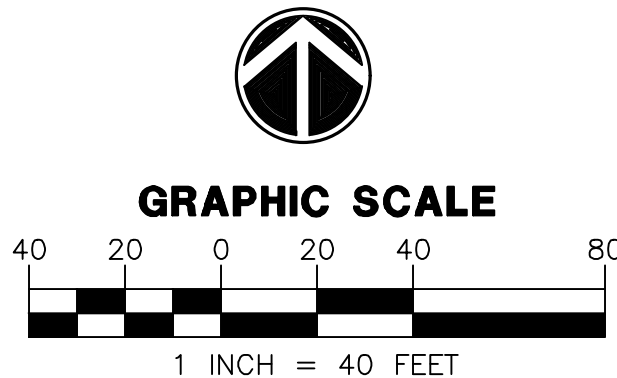
- 41W (4800 LUMEN) LED STREET LIGHT
- STREET LIGHT TO BE BUILT PER WEC JOB #16266-03
- STREET LIGHT TO BE BUILT PER WEC JOB #16266-01
- PULL BOX
- NEW CONDUIT RUN
- FIRE HYDRANT

CONSTRUCTION NOTES

- 41W LED (4,800 LUMEN) LUMINAIRE (GE CAT# ERL10051E130ADKBZGRX) WITH PHOTOELECTRIC CONTROL ON A 34'-0" DIRECT BURIED POLE (1940.34) WITH A 2' MAST ARM (S2) PER APS DETAIL 8030 (SEE SHEET SL5). INSTALL (2) #14 THHN/THWN FROM LUMINAIRE TO FUSE HOLDER IN POLE. ALL WIRING, FUSING, AND GROUNDING PER APS DETAILS AND SPECIFICATIONS.
- 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.
- PROPOSED STREET LIGHT TO BE BUILT PER WEC JOBS #16266-01 AND #16266-03.

STREET DIMENSIONS

- LOCAL:
SIDEWALK 5'-0"
P.U.E. 8'-0"
- CENTERLINE TO:
RIGHT OF WAY 27'-6"
BACK OF CURB 16'-0"
FACE OF CURB 15'-6"
WATER 6'-0" N & W
SEWER 10'-0" S & E

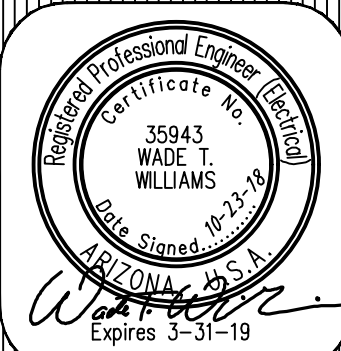


WRIGHT ENGINEERING
PROJECT NO:
16266-04
DESIGN BY: DST
DRAWN BY: DST
CHECKED BY: WTW

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:
FULTON HOMES ESCALANTE - PARCEL 2
PINNACLE PEAK AND 163RD AVENUE
STREET LIGHT PLAN

NO.	DATE	SUBMITTALS/REVISIONS (DESCRIPTIONS)
1	OCT 2016	1ST SUBMITTAL
2	JAN 2018	2ND SUBMITTAL
3	OCT 2018	3RD SUBMITTAL



DRAWING NO:
SL3
OF 5

Plan view of the proposed 159th Street widening project. The drawing shows the intersection of N 159th Ln, W Soft Wind Dr, and N 159th Ave. Key features include:

- Stationing:** The main alignment is marked with stationing from 6+00 to 12+00. Specific stationing points include 6+00, 6+64, 7+00, 7+39, 8+00, 8+63, 9+00, 10+00, 11+39, and 12+00.
- Curves:** Several curves are identified with their stationing and radius:
 - At STA 6+64: 200.0' R (Right turn).
 - At STA 7+39: 27.0' R (Right turn).
 - At STA 8+63: 20.0' R (Right turn).
 - At STA 11+39: 20.0' R (Right turn).
- Intersections:**
 - N 159th Ln:** Intersects W Soft Wind Dr at STA 7+00. The intersection is marked with a circled '1'.
 - W Soft Wind Dr:** Intersects N 159th Ave at STA 12+00. The intersection is marked with a circled '1'.
- Surrounding Infrastructure:**
 - ASANTE BLVD:** Located to the north of the main alignment.
 - TRACT G:** A large area to the east of the main alignment.
 - Other Roads:** N 159th Ave runs vertically along the right side of the drawing.
- Other Labels:**
 - Parcel numbers: 105, 106, 112, 111, 110.
 - Other labels: 33+1, 33+0, 33+2, 33+3, 33+4, 33+5, 33+6, 33+7, 33+8, 33+9, 33+10, 33+11, 33+12, 33+13, 33+14, 33+15, 33+16, 33+17, 33+18, 33+19, 33+20, 33+21, 33+22, 33+23, 33+24, 33+25, 33+26, 33+27, 33+28, 33+29, 33+30, 33+31, 33+32, 33+33, 33+34, 33+35, 33+36, 33+37, 33+38, 33+39, 33+40, 33+41, 33+42, 33+43, 33+44, 33+45, 33+46, 33+47, 33+48, 33+49, 33+50, 33+51, 33+52, 33+53, 33+54, 33+55, 33+56, 33+57, 33+58, 33+59, 33+60, 33+61, 33+62, 33+63, 33+64, 33+65, 33+66, 33+67, 33+68, 33+69, 33+70, 33+71, 33+72, 33+73, 33+74, 33+75, 33+76, 33+77, 33+78, 33+79, 33+80, 33+81, 33+82, 33+83, 33+84, 33+85, 33+86, 33+87, 33+88, 33+89, 33+90, 33+91, 33+92, 33+93, 33+94, 33+95, 33+96, 33+97, 33+98, 33+99, 33+100.

Page 78 of 253

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FULTON HOMES ESCALANTE

PARCEL 1

STREET LIGHT DESIGN

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 BEING LIGHTED AND BE PROPERLY GROUNDED WHEN THE INSTALLATION IS COMPLETE.

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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.

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

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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.

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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.

5.13 RESTORATION:

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.

5.14 TEST:

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

5.14.01 PERFORMANCE:

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.

5.15 WARRANTY:

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.

GENERAL ENGINEERING NOTES:

1. ALL CONSTRUCTION MUST CONFORM TO MARICOPA ASSOCIATION OF GOVERNMENT (MAG) SPECIFICATIONS AND DETAILS AND LATEST REVISIONS UNLESS OTHERWISE STATED ON PLANS.
2. 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.
3. 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 BLUE STAKE LAWS. CALL BLUE STAKE FOR FIELD LOCATION AT (602) 263-1100.
4. 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.
5. 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.
6. 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.
7. 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.
8. 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.
9. 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.
10. 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 623-222-7000.
11. 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).
12. 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.
13. 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.
14. THE PLANS SHALL COMPLY WITH THE AMERICANS WITH DISABILITIES ACT'S ACCESSIBILITY GUIDELINES, AS PUBLISHED IN THE FEDERAL REGISTER ON SEPTEMBER 15, 2010.

CITY OF SURPRISE ENGINEER

DATE

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.

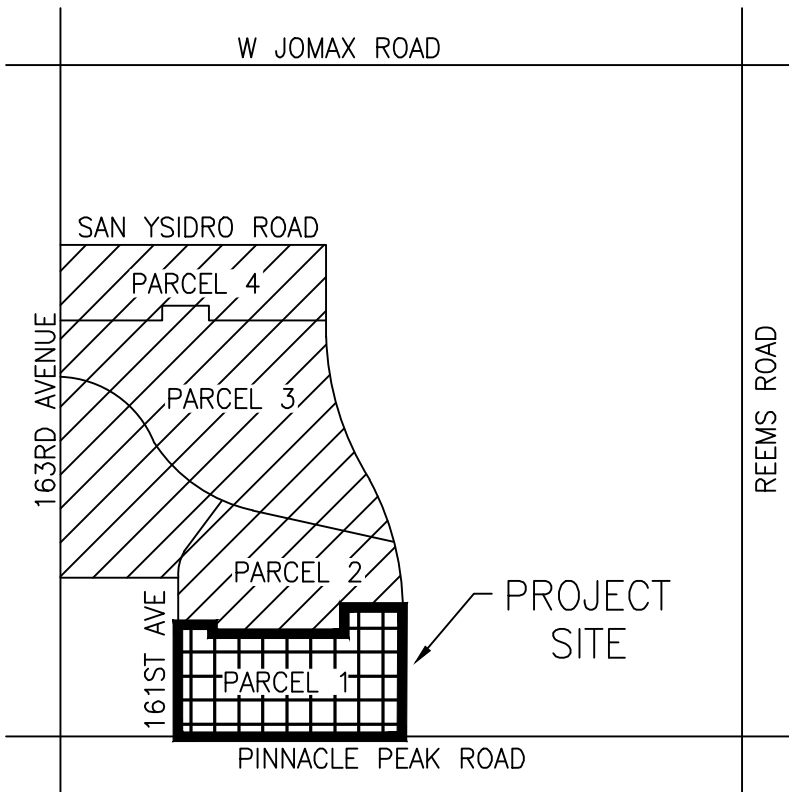
NOTES

1. THE ELECTRICAL/MAINTENANCE COSTS OF ALL STREET LIGHTS ON LOCAL AND COLLECTOR STREETS (TYPICALLY THE 100 WATT / 9,500 LUMEN AND THE 150 WATT /16,000 LUMEN FIXTURES) 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 (TYPICALLY THE 250 WATT/ 30,000 LUMEN FIXTURES) ARE TO BE BILLED TO THE CITY OF SURPRISE'S ENERGY BILL.
2. CONTRACTOR TO COORDINATE WITH APS AND UTILIZE THEIR CURRENT SPECIFICATIONS AT THE TIME OF BIDDING AND CONSTRUCTION.

DEVELOPER:
FULTON HOMES
9140 S. KYRENE ROAD
SUITE 202
TEMPE, AZ 85284
PHONE: (602) 694-3247
CONTACT: TAMMIE BORGARDT
EMAIL: TBORGARDT@FULTONHOMES.COM

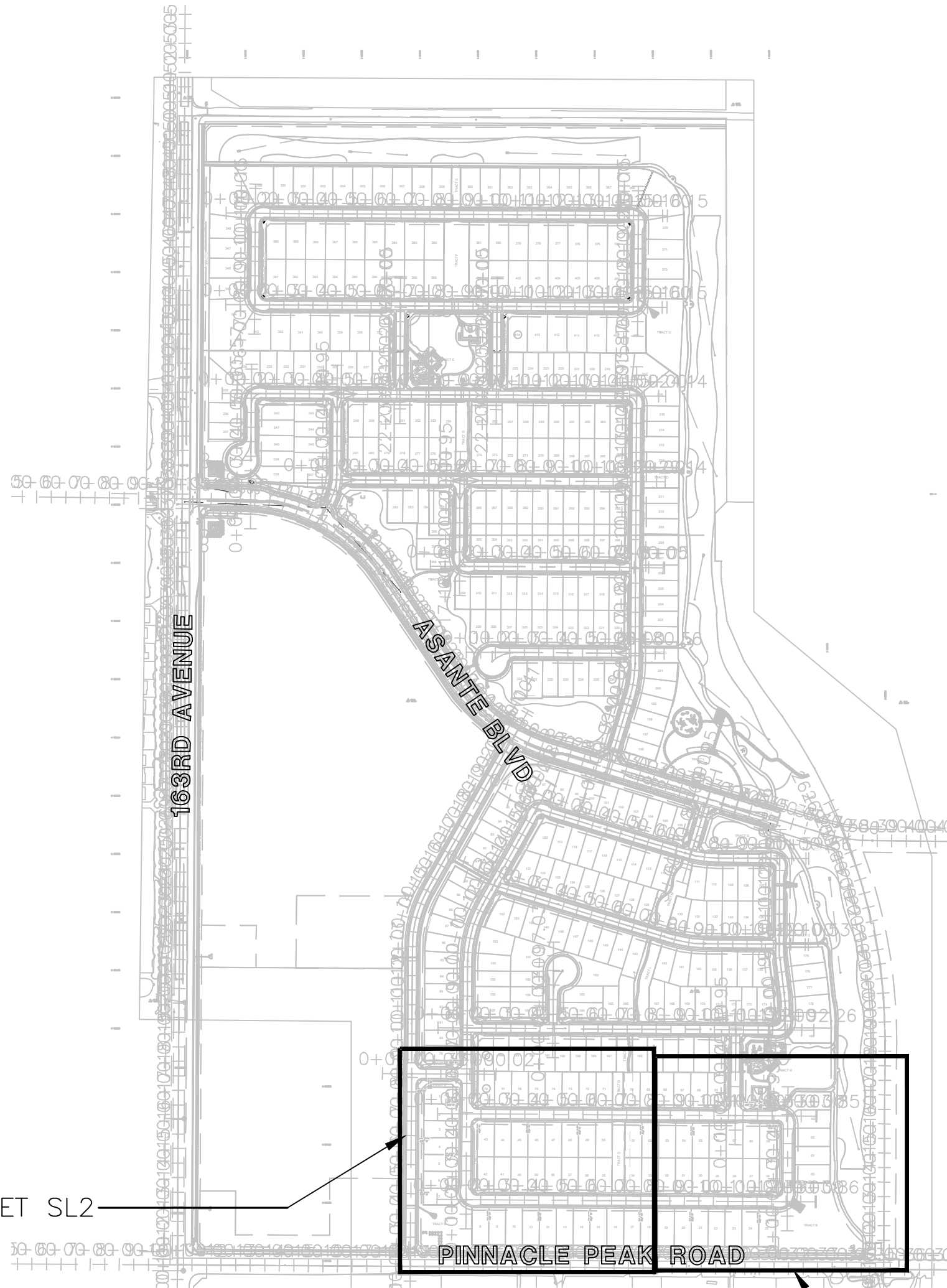
CIVIL ENGINEER:
CARDNO
9977 N. 90TH STREET
SUITE 150
SCOTTSDALE, AZ 85258
PHONE: (602) 977-8075
CONTACT: DANIEL POTTINGER, P.E.

ELECTRICAL ENGINEER
WRIGHT ENGINEERING CORPORATION
165 E. CHILTON CRIVE
CHANDLER, AZ 85225
PHONE: (480) 497-5829
FAX: (480) 497-5807
CONTACT: WADE WILLIAMS
EMAIL: WILLIAMS@WRIGHTENGINEERING.US



VICINITY MAP

NOT TO SCALE



AREA MAP

NOT TO SCALE



STREET LIGHTING (APS AREA)														
KEY NO.	SYMBOL	STREET TYPE	OFFSET BEHIND B/C	QUANTITY	POLE		MAST ARM	LUMINAIRE						APS STANDARD CODE NO.
					POLE LENGTH	FOUNDATION		SIZE	MOUNTING HEIGHT	LUMENS	WATTAGE	I.E.S. DIST.	TYPE	STYLE
①		LOCAL	PER PLANS	21	34'-0"	DIRECT BURY	2'-0"	28'	28'	4,800	41W	TYPE II	LED	ARCHITECTURAL (SHOEBOX)
②		LOCAL	PER PLANS	2	34'-0"	DIRECT BURY	2'-0"	28'	28'	8,200	88W	TYPE II	LED	ARCHITECTURAL (SHOEBOX)



WRIGHT ENGINEERING
PROJECT NO:
16266-03
DESIGN BY: DST
DRAWN BY: DST
CHECKED BY: WTW

WRIGHT
engineering corporation
ELECTRICAL ENGINEERING AND DESIGN
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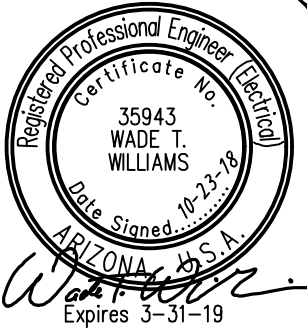
PROJECT: TITLE:

SURPRISE, ARIZONA
FULTON HOMES ESCALANTE - PARCEL 1
PINNACLE PEAK AND 163RD AVENUE

STREET LIGHT COVER SHEET

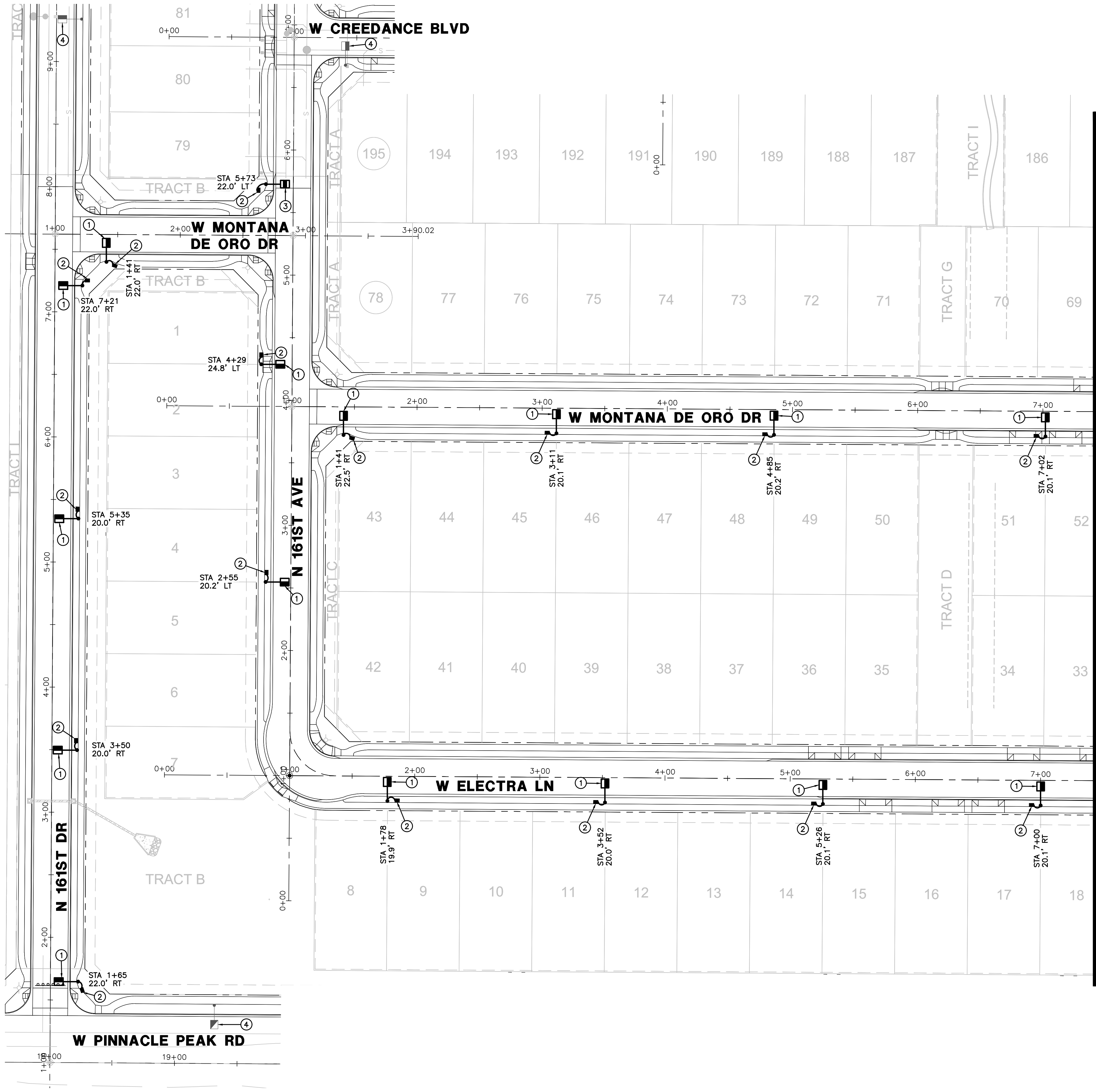
NO. DATE SUBMITTALS/REVISIONS (DESCRIPTIONS)

1	OCT 2016	1ST SUBMITTAL
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DRAWING NO:

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MATCHLINE "A"- SEE SHEET SL3

LEGEND

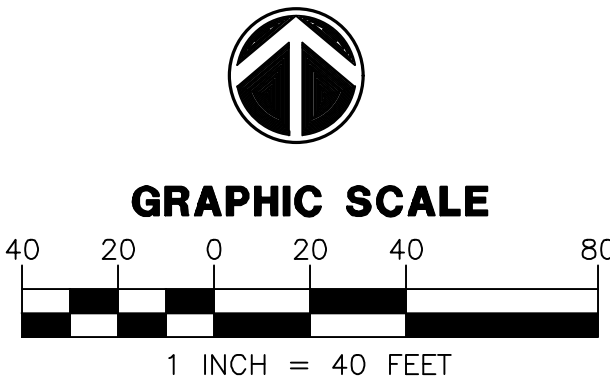
- 41W (4800 LUMEN) LED STREET LIGHT
- 88W (8200 LUMEN) LED STREET LIGHT
- STREET LIGHT TO BE BUILT PER WEC JOB #16266-04
- STREET LIGHT TO BE BUILT PER WEC JOB #16266-02
- PULL BOX
- NEW CONDUIT RUN
- FIRE HYDRANT

CONSTRUCTION NOTES

- 41W LED (4,800 LUMEN) LUMINAIRE (GE CAT# ERL10051E130ADKBZGRX) WITH PHOTOELECTRIC CONTROL ON A 34'-0" DIRECT BURIED POLE (1940.34) WITH A 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.
- 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.
- 88W LED (8,200 LUMEN) LUMINAIRE (GE CAT# ERL1008E130ADKBZGRX) WITH PHOTOELECTRIC CONTROL ON A 34'-0" DIRECT BURIED POLE (1940.34) WITH A 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.
- PROPOSED STREET LIGHT TO BE BUILT PER WEC JOBS #16266-02 AND #16266-04.

STREET DIMENSIONS

LOCAL:
SIDEWALK 5'-0"
P.U.E. 8'-0"
CENTERLINE TO:
RIGHT OF WAY 27'-6"
BACK OF CURB 16'-0"
FACE OF CURB 15'-6"
WATER 6'-0" N & W
SEWER 10'-0" S & E

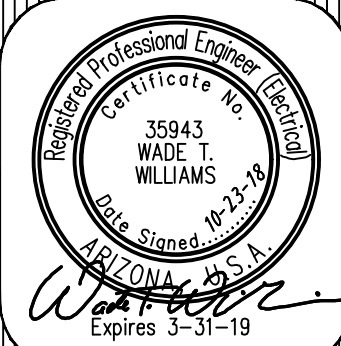


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PROJECT: TITLE:
FULTON HOMES ESCALANTE - PARCEL 1
PINNACLE PEAK AND 163RD AVENUE
STREET LIGHT PLAN

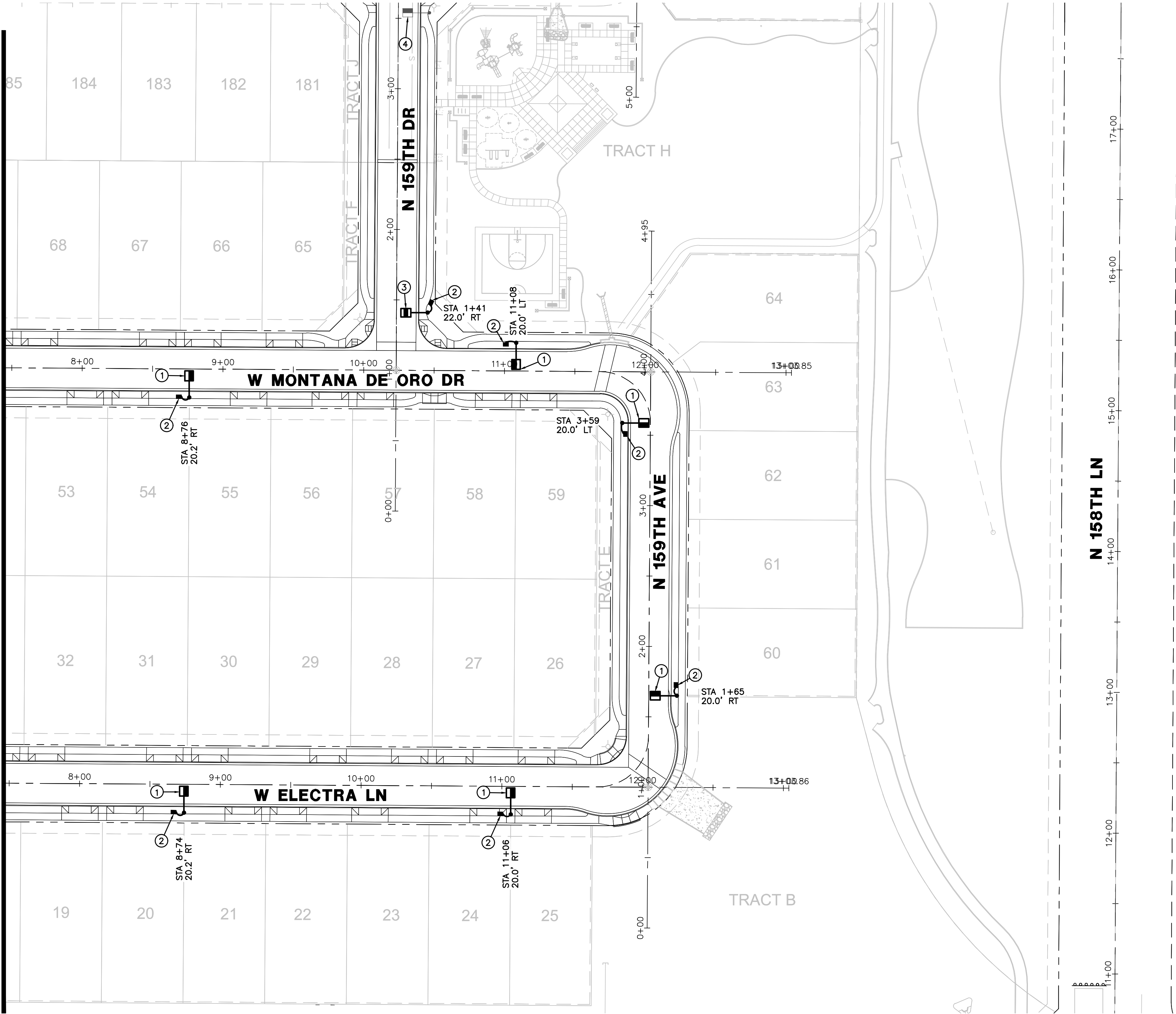
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3	OCT 2018	3RD SUBMITTAL



DRAWING NO:
SL2
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MATCHLINE 'A'- SEE SHEET SL2



LEGEND

- 41W (4800 LUMEN) LED STREET LIGHT
- 88W (8200 LUMEN) LED STREET LIGHT
- STREET LIGHT TO BE BUILT PER WEC JOB #16266-04
- STREET LIGHT TO BE BUILT PER WEC JOB #16266-02
- PULL BOX
- NEW CONDUIT RUN
- FIRE HYDRANT

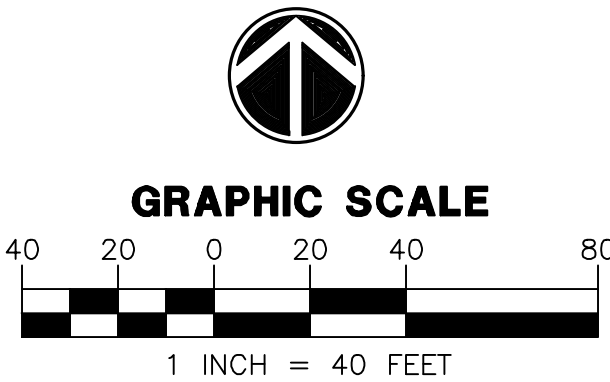
CONSTRUCTION NOTES

- 41W LED (4,800 LUMEN) LUMINAIRE (GE CAT# ERL10051E130ADKBZGRX) WITH PHOTOELECTRIC CONTROL ON A 34'-0" DIRECT BURIED POLE (1940.34) WITH A 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.
- 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.
- 88W LED (8,200 LUMEN) LUMINAIRE (GE CAT# ERL1008E130ADKBZRGX) WITH PHOTOELECTRIC CONTROL ON A 34'-0" DIRECT BURIED POLE (1940.34) WITH A 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.
- PROPOSED STREET LIGHT TO BE BUILT PER WEC JOBS #16266-02 AND #16266-04.

STREET DIMENSIONS

LOCAL:
SIDEWALK
P.U.E.
5'-0"
8'-0"

CENTERLINE TO:
RIGHT OF WAY
BACK OF CURB
FACE OF CURB
WATER
SEWER
27'-6"
16'-0"
15'-6"
6'-0" N & W
10'-0" S & E

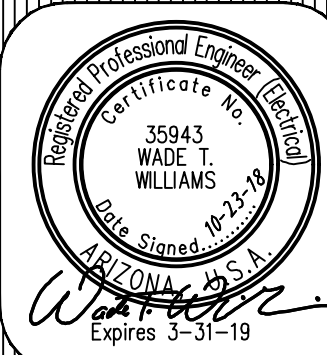


WRIGHT ENGINEERING
PROJECT NO:
16266-03
DESIGN BY: DST
DRAWN BY: DST
CHECKED BY: WTW



PROJECT: TITLE:
FULTON HOMES ESCALANTE - PARCEL 1
PINNACLE PEAK AND 163RD AVENUE
STREET LIGHT PLAN

NO.	DATE	SUBMITTALS/REVISIONS (DESCRIPTIONS)
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2	APR 2017	2ND SUBMITTAL
3	OCT 2018	3RD SUBMITTAL



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FULTON HOMES ESCALANTE

ASANTE BLVD

STREET LIGHT DESIGN

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 BEING 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.

5.10 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.

5.11 CONNECTIONS:

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.

5.13 RESTORATION:

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.

5.14 TEST:

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

5.14.01 PERFORMANCE:

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.

5.15 WARRANTY:

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.

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CITY OF SURPRISE ENGINEER

DATE

STREET LIGHTING (APS AREA)														
KEY NO.	SYMBOL	STREET TYPE	OFFSET BEHIND B/C	QUANTITY	POLE		MAST ARM	LUMINAIRE					APS STANDARD CODE NO.	
					POLE LENGTH	FOUNDATION		SIZE	MOUNTING HEIGHT	LUMENS	WATTAGE	I.E.S. DIST.		TYPE
①		COLLECTOR	PER PLANS	6	38'-0"	DIRECT BURY	4'-0"	31.5'	8,200	88W	TYPE II	LED	ARCHITECTURAL (SHOEBOX)	8030.S4
②		COLLECTOR	PER PLANS	9	38'-0"	DIRECT BURY	4'-0"	31.5'	8,200	88W	TYPE II	LED	ARCHITECTURAL (SHOEBOX)	8030.D4

NOTES

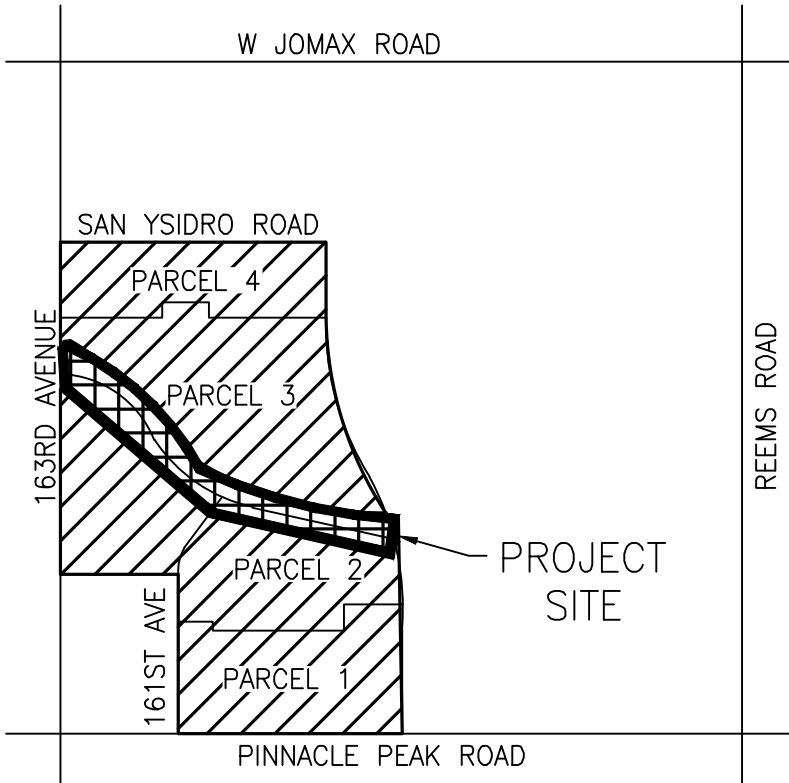
1.THE ELECTRICAL/MAINTENANCE COSTS OF ALL STREET LIGHTS ON LOCAL AND COLLECTOR STREETS (TYPICALLY THE 100 WATT / 9,500 LUMEN AND THE 150 WATT /16,000 LUMEN FIXTURES) ARE TO BE PAID BY THE ADJACENT PROJECT OR THE ADJACENT DEVELOPMENT'S STREET LIGHT IMPROVEMENT DISTRICT (SLID). THE ELECTRICAL / MAINTENANCE COSTS OF ALL STREET LIGHTS ON ARTERIAL STREETS (TYPICALLY THE 250 WATT/ 30,000 LUMEN FIXTURES) ARE TO BE BILLED TO THE CITY OF SURPRISE'S ENERGY BILL.

2. CONTRACTOR TO COORDINATE WITH APS AND UTILIZE THEIR CURRENT SPECIFICATIONS AT THE TIME OF BIDDING AND CONSTRUCTION.

DEVELOPER:
FULTON HOMES
9140 S. KYRENE ROAD
SUITE 202
TEMPE, AZ 85284
PHONE: (602) 694-3247
CONTACT: TAMMIE BORGARDT
EMAIL: TBORGARDT@FULTONHOMES.COM

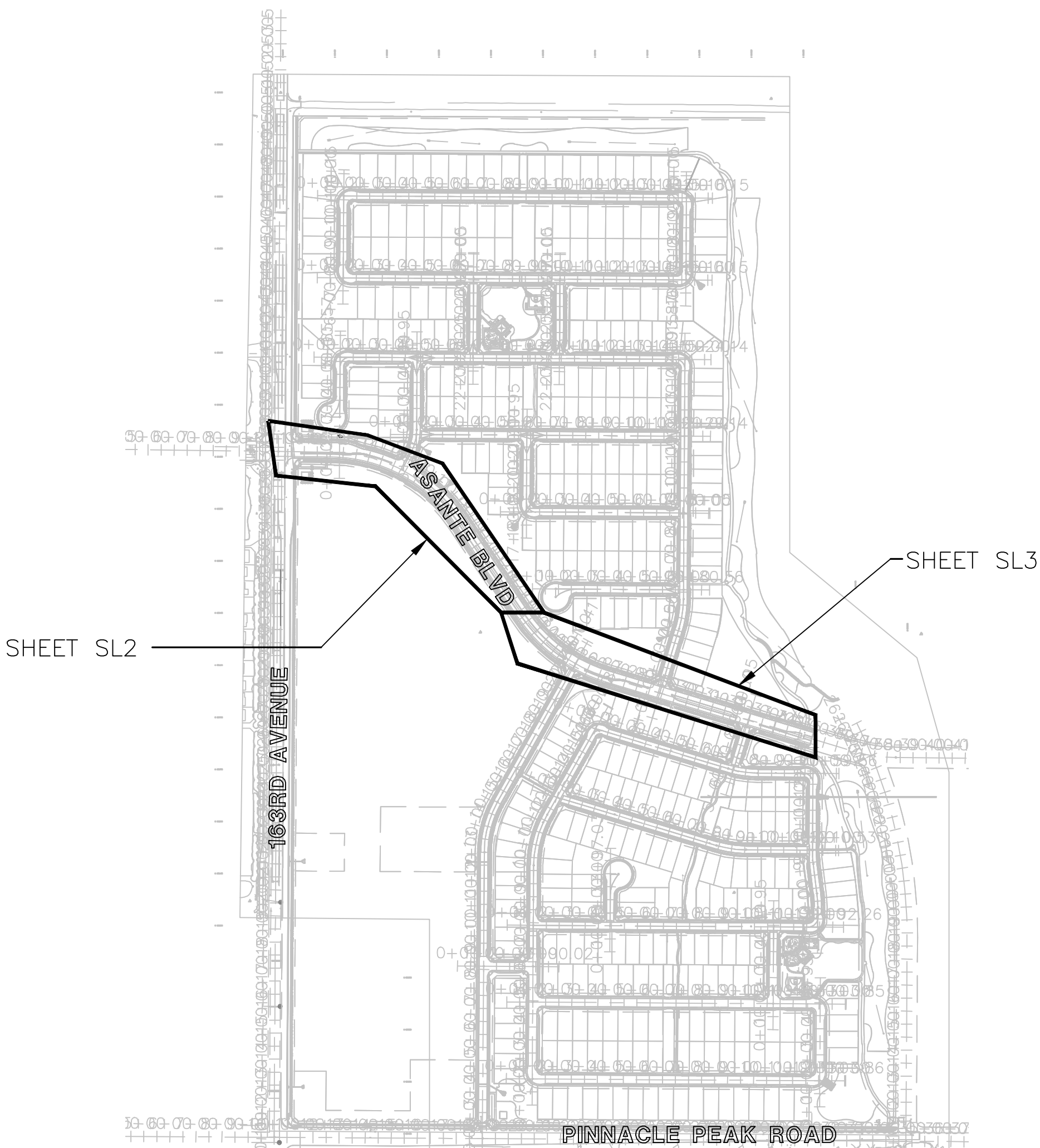
CIVIL ENGINEER:
CARDNO
9977 N. 90TH STREET
SUITE 150
SCOTTSDALE, AZ 85258
PHONE: (602) 977-8075
CONTACT: DANIEL POTTINGER, P.E.

ELECTRICAL ENGINEER
WRIGHT ENGINEERING CORPORATION
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FAX: (480) 497-5802
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EMAIL: WILLIAMS@WRIGHTENGINEERING.US



VICINITY MAP

NOT TO SCALE



AREA MAP

NOT TO SCALE



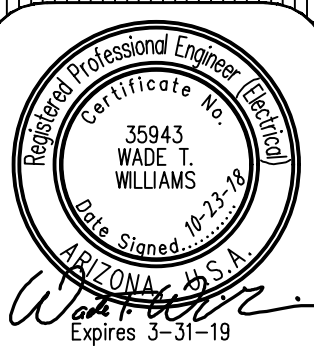
WRIGHT ENGINEERING
PROJECT NO:
16266-01
DESIGN BY: DST
DRAWN BY: DST
CHECKED BY: WTW

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ELECTRICAL ENGINEERING AND DESIGN
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PROJECT: TITLE:

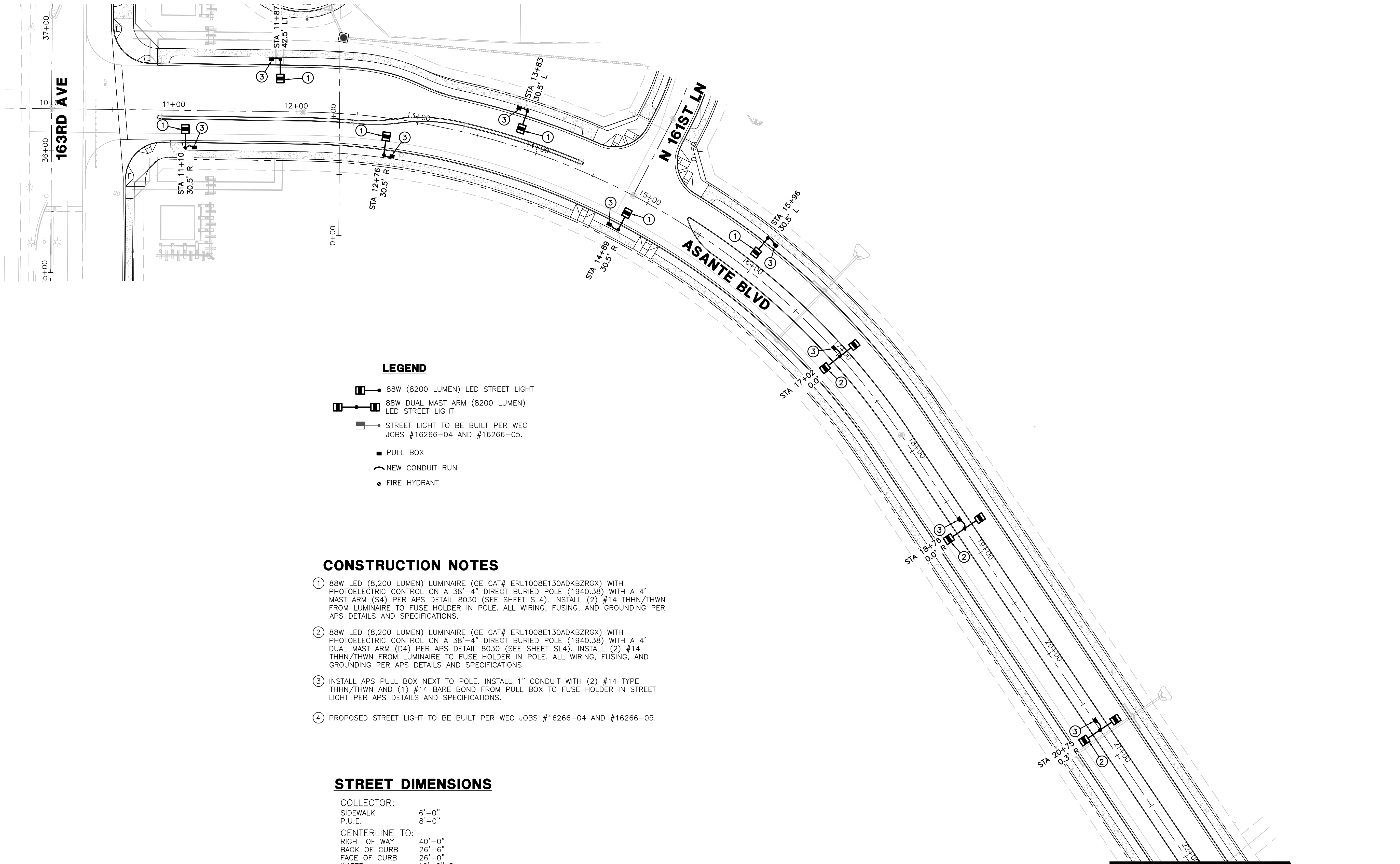
SURPRISE, ARIZONA
FULTON HOMES ESCALANTE - ASANTE BLVD
PINNACLE PEAK AND 163RD AVENUE
STREET LIGHT COVER SHEET

NO.	DATE	SUBMITTALS/REVISIONS (DESCRIPTIONS)
1	OCT 2016	1ST SUBMITTAL
2	JAN 2018	2ND SUBMITTAL
3	OCT 2018	3RD SUBMITTAL



DRAWING NO:
SL1
OF 4

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LEGEND

- 88W (8200 LUMEN) LED STREET LIGHT
- 88W DUAL MAST ARM (8200 LUMEN) LED STREET LIGHT
- STREET LIGHT TO BE BUILT PER WEC JOBS #16266-04 AND #16266-05.
- PULL BOX
- NEW CONDUIT RUN
- FIRE HYDRANT

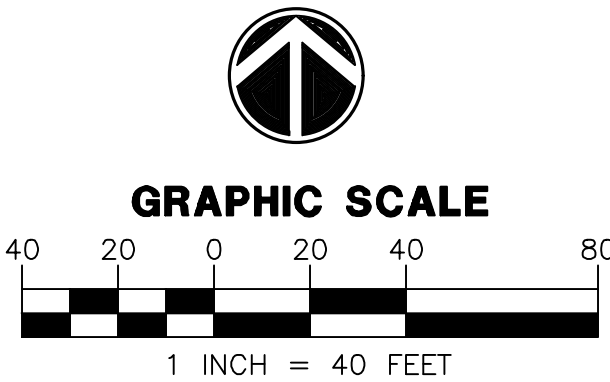
CONSTRUCTION NOTES

- 88W LED (8,200 LUMEN) LUMINAIRE (GE CAT# ERL1008E130ADKBZRGX) WITH PHOTOELECTRIC CONTROL ON A 38'-4" DIRECT BURIED POLE (1940.38) WITH A 4' MAST ARM (S4) 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.
- 88W LED (8,200 LUMEN) LUMINAIRE (GE CAT# ERL1008E130ADKBZRGX) WITH PHOTOELECTRIC CONTROL ON A 38'-4" DIRECT BURIED POLE (1940.38) WITH A 4' DUAL MAST ARM (D4) 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.
- 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.
- PROPOSED STREET LIGHT TO BE BUILT PER WEC JOBS #16266-04 AND #16266-05.

STREET DIMENSIONS

COLLECTOR:
SIDEWALK 6'-0"
P.U.E. 8'-0"
CENTERLINE TO:
RIGHT OF WAY 40'-0"
BACK OF CURB 26'-6"
FACE OF CURB 26'-0"
WATER 19'-0" S

MATCHLINE 'A' SEE SHEET SL3

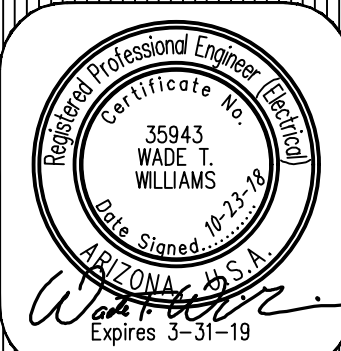


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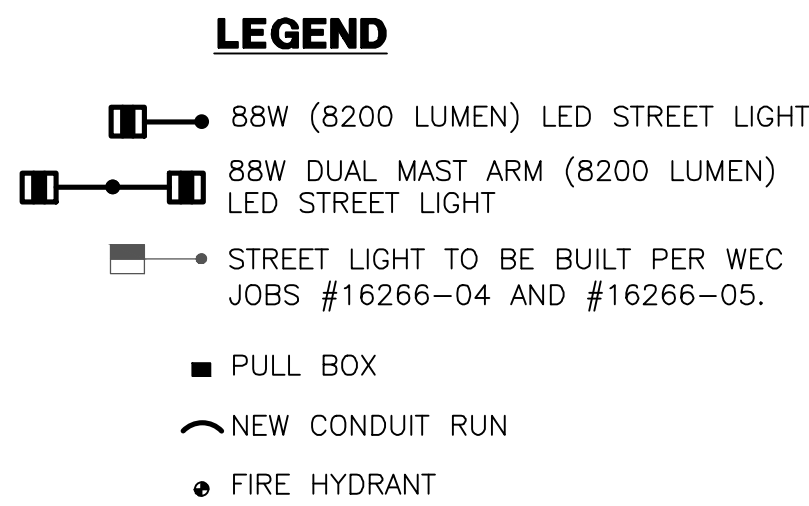
PROJECT: TITLE:
SURPRISE, ARIZONA
FULTON HOMES ESCALANTE - ASANTE BLVD
PINNACLE PEAK AND 163RD AVENUE
STREET LIGHT PLAN

NO.	DATE	SUBMITTALS/REVISIONS (DESCRIPTIONS)
1	OCT 2016	1ST SUBMITTAL
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3	OCT 2018	3RD SUBMITTAL



DRAWING NO:
SL2
OF 4

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- ① 88W LED (8,200 LUMEN) LUMINAIRE (GE CAT# ERL1008E130ADKBZRGX) WITH PHOTOELECTRIC CONTROL ON A 38"-4" DIRECT BURIED POLE (1940.36) WITH A 4" MAST ARM (S4) 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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- ④ PROPOSED STREET LIGHT TO BE BUILT PER WEC JOBS #16266-04 AND #16266-05.

COLLECTOR:
SIDEWALK 6'-0"
P.U.E. 8'-0"

CENTERLINE TO:
RIGHT OF WAY 40'-0"
BACK OF CURB 26'-6"
FACE OF CURB 26'-0"
WATER 19'-0" S

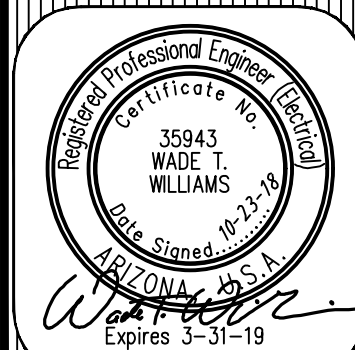


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SURPRISE, ARIZONA
FULTON HOMES ESCALANTE - ASANTE BLVD
PINNACLE PEAK AND 163RD AVENUE

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SL3
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FULTON HOMES ESCALANTE

PINNACLE PEAK ROAD

STREET LIGHT DESIGN

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 BEING 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.

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.

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.

5.10 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.

5.11 CONNECTIONS:
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.

5.13 RESTORATION:
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.

5.14.01 PERFORMANCE:
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.

5.15 WARRANTY:
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.

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 BLUE STAKE LAWS. CALL BLUE STAKE FOR FIELD LOCATION AT (602) 263-1100.
- 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.
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CITY OF SURPRISE ENGINEER

DATE

STREET LIGHTING (APS AREA)															
KEY NO.	SYMBOL	STREET TYPE	OFFSET BEHIND B/C	QUANTITY	POLE		MAST ARM	LUMINAIRE							APS STANDARD CODE NO.
					POLE LENGTH	FOUNDATION		SIZE	MOUNTING HEIGHT	LUMENS	WATTAGE	I.E.S. DIST.	TYPE	STYLE	
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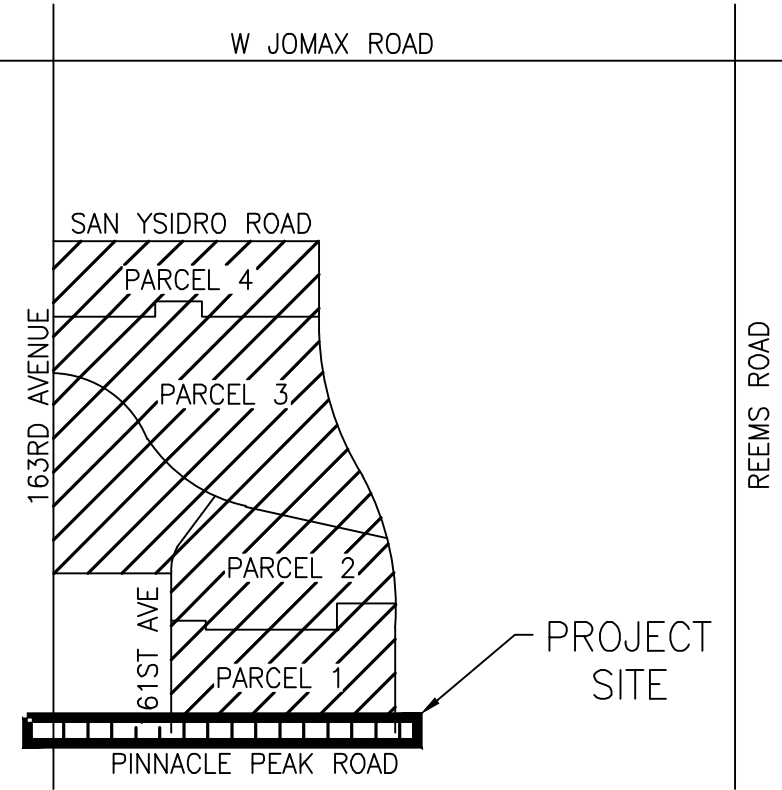
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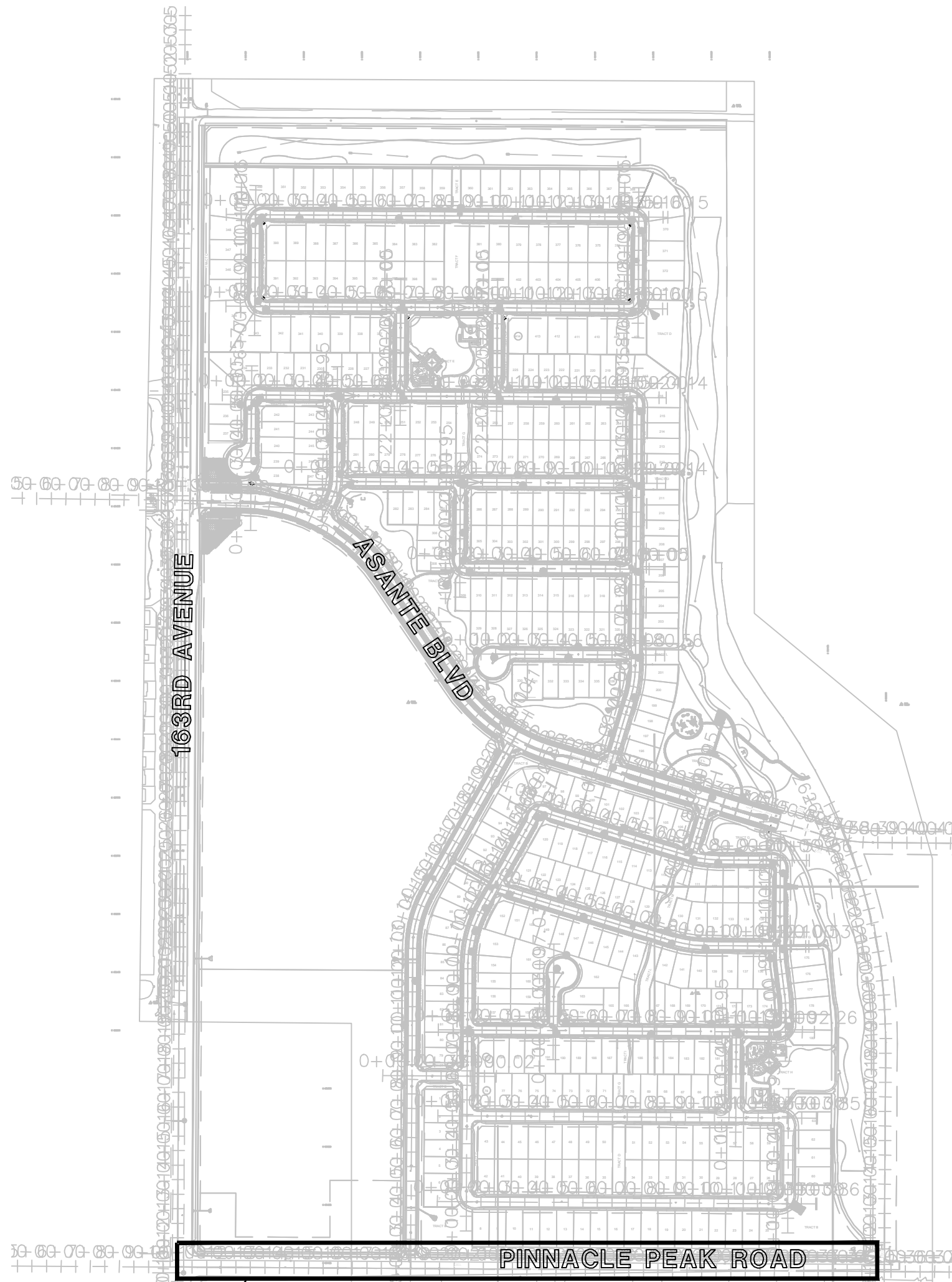
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CONTACT: WADE WILLIAMS
EMAIL: WILLIAMS@WRIGHTENGINEERING.US



VICINITY MAP
NOT TO SCALE



SHEET SL2

AREA MAP
NOT TO SCALE

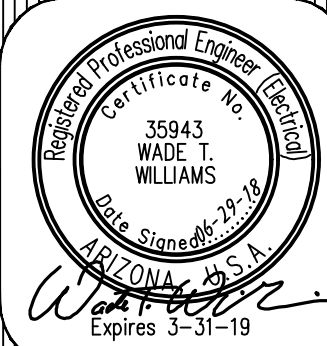


WRIGHT ENGINEERING
PROJECT NO:
16266-02
DESIGN BY: DST
DRAWN BY: DST
CHECKED BY: WTW

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:
FULTON HOMES ESCALANTE - PINNACLE PEAK RD
PINNACLE PEAK AND 163RD AVENUE
STREET LIGHT COVER SHEET

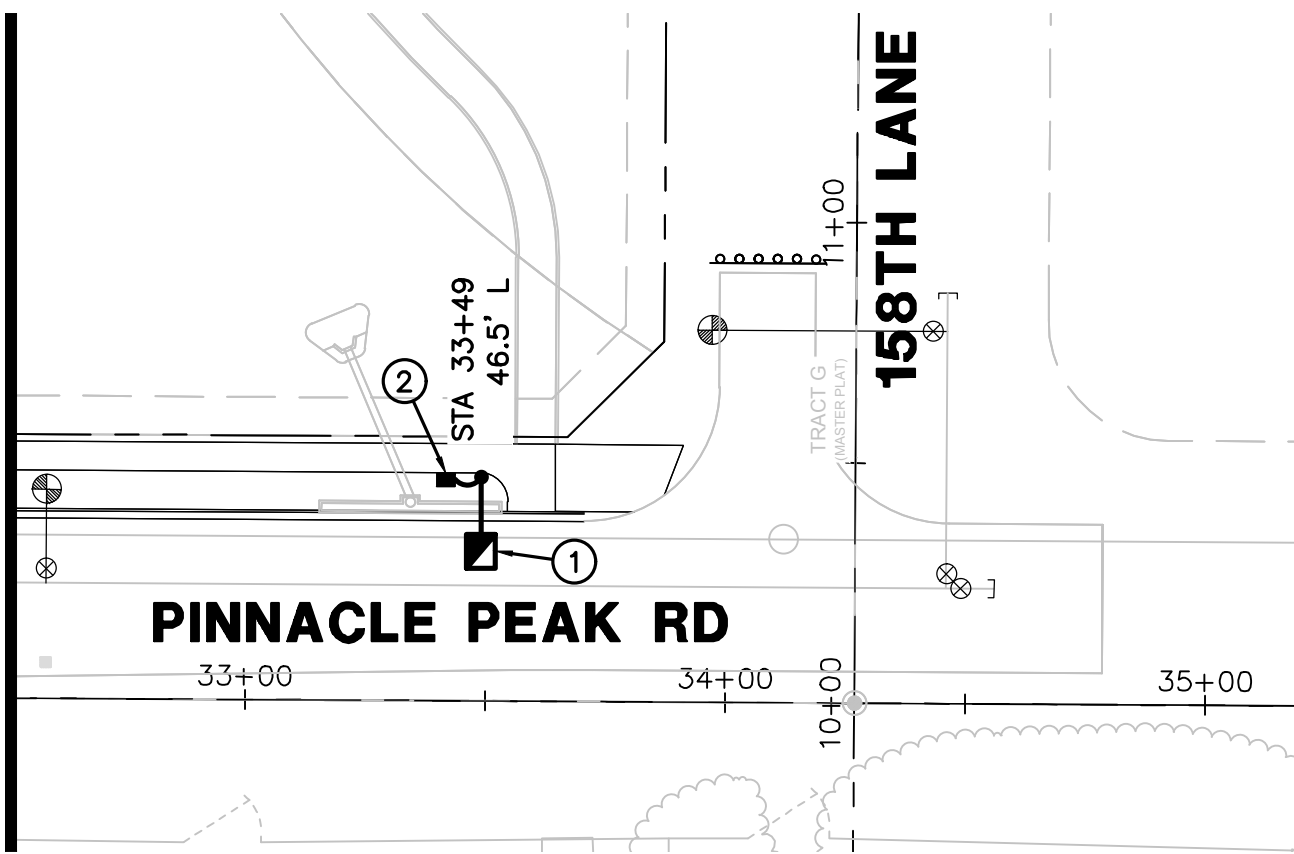
NO.	DATE	SUBMITTALS/REVISIONS (DESCRIPTIONS)
1	OCT 2016	1ST SUBMITTAL
2	APR 2017	2ND SUBMITTAL



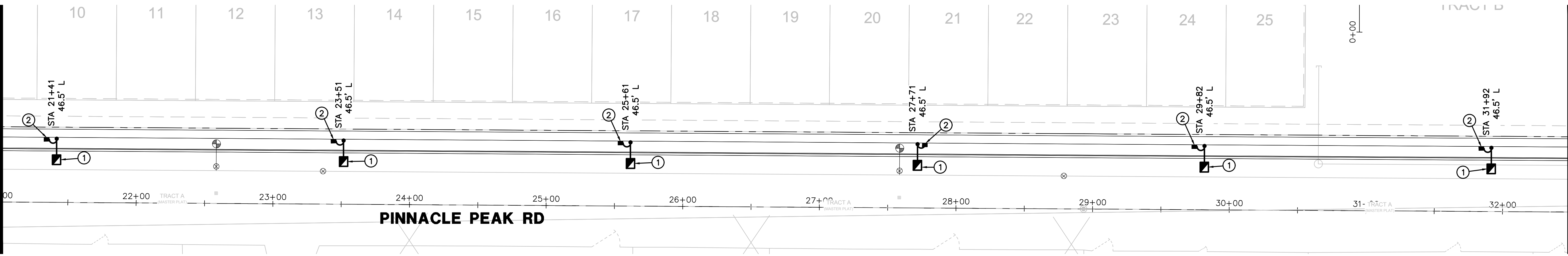
DRAWING NO:
SL1
OF 3

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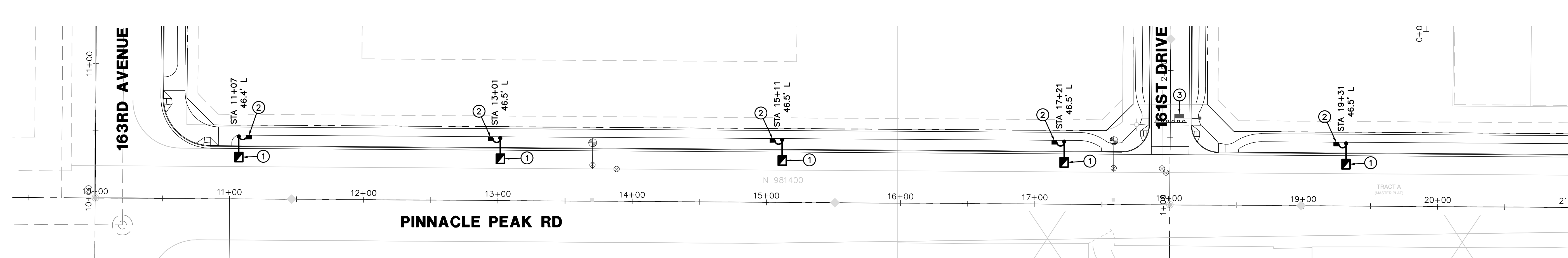
MATCHLINE 'B' SEE ABOVE RIGHT



MATCHLINE 'A' SEE ABOVE RIGHT



MATCHLINE 'B' SEE BELOW LEFT



MATCHLINE 'A' SEE BELOW LEFT

CONSTRUCTION NOTES

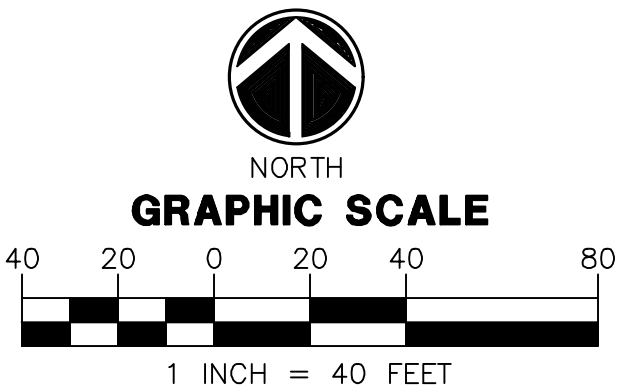
- 108W LED (11,000 LUMEN) LUMINAIRE (GE CAT# ERLH011E130ADKBZGRX) WITH PHOTOELECTRIC CONTROL ON A 38'-0" DIRECT BURIED POLE (1940.38) WITH A 8' MAST ARM (S8) PER APS DETAIL 8030 (SEE SHEET SL3). INSTALL (2) #14 THHN/THWN FROM LUMINAIRE TO FUSE HOLDER IN POLE. ALL WIRING, FUSING, AND GROUNDING PER APS DETAILS AND SPECIFICATIONS.
- 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.
- PROPOSED STREET LIGHT TO BE BUILT PER WEC JOB #16266-03.

LEGEND

- 108W (11,000 LUMEN) LED STREET LIGHT
- STREET LIGHT TO BE BUILT PER WEC JOB #16266-03
- PULL BOX
- NEW CONDUIT RUN
- FIRE HYDRANT

STREET DIMENSIONS

ARTERIAL:
SIDEWALK 6'-0"
P.U.E. 8'-0"
CENTERLINE TO:
RIGHT OF WAY 55'-0"
BACK OF CURB 39'-6"
FACE OF CURB 39'-0"
WATER 24'-0" N
SEWER 34'-0" N

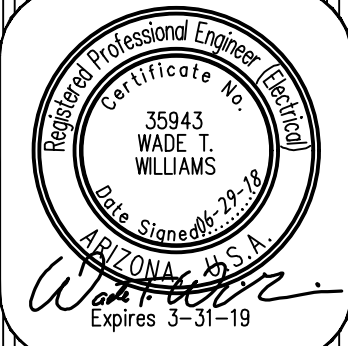


WRIGHT ENGINEERING
PROJECT NO:
16266-02
DESIGN BY: DST
DRAWN BY: DST
CHECKED BY: WTW

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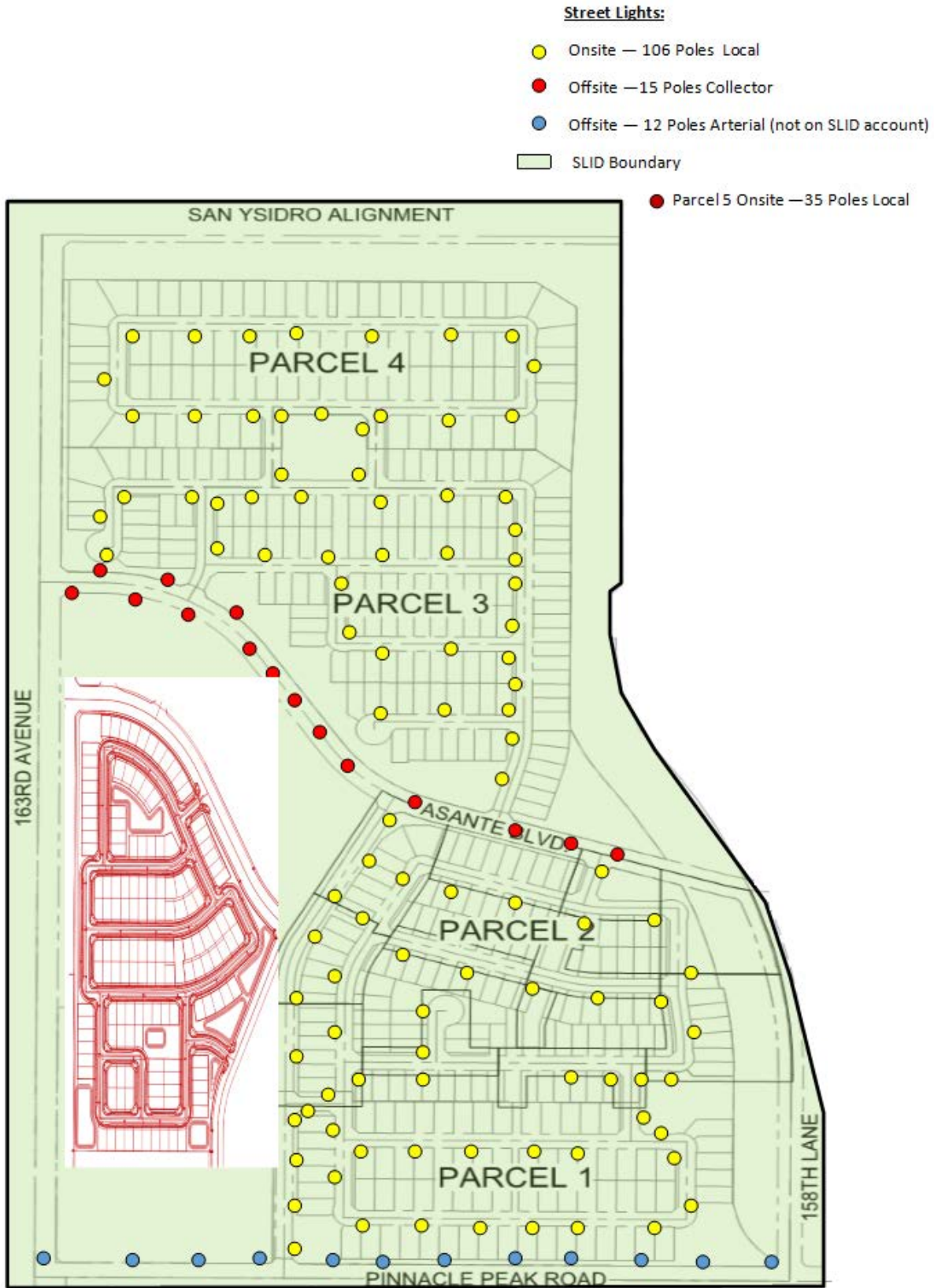
PROJECT: TITLE:
SURPRISE, ARIZONA
FULTON HOMES ESCALANTE - PINNACLE PEAK RD
PINNACLE PEAK AND 163RD AVENUE
STREET LIGHT PLAN

NO.	DATE	SUBMITTALS/REVISIONS (DESCRIPTIONS)
1	OCT 2016	1ST SUBMITTAL
2	APR 2017	2ND SUBMITTAL



DRAWING NO:
SL2
OF 3

Fulton Homes @ Escalante





CITY OF SURPRISE Regular City Council Meeting

Council Meeting Date: February 5, 2019
Submitting Department: Water Resource
Management
Staff Recommendations: None

Contact Person: Terry Lowe, DIRECTOR - WRM
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 FY19 Budget by reallocating appropriations from capital project P71230 SPA 1 Rancho Gabriela WSF-Arsenic to capital project P71260 Circle City Water Acquisition for ongoing legal expenses associated with the condemnation process; Resolution # 2019-16.

Motion:

I move to approve Resolution # 2019-16.

Background:

On November 7, 2017, Council approved a resolution to seek voter approval to acquire Circle City Water Company (CCWC). A Citywide vote was held on May 15, 2018, in which 80% of Surprise eligible voters authorized the City to acquire CCWC by any means legally available, including condemnation. Based on this authority, the City initiated acquisition of CCWC by utilizing its powers of eminent domain to acquire 100% of CCWC's assets.

This item approves the reallocation of project funds necessary to complete the legal process associated with the condemnation.

Objective Analysis:

By continuing with the condemnation of the Circle City water system, the City will grow its long term storage credits which will place the City in a better position for future growth. If the City were to stop the process eventually we would have to find other sources to grow our long term storage credits, likely at a higher cost.

Policy Compliant:

The acquisition is consistent with the City's adopted Water Management Policies regarding expansion and acquisition of CAP allocations.

Financial Impact:

The actual costs of the legal fees will be based on service agreement associated with the CCWC condemnation process. The budget amendment associated with this item will allow the WRM department to process the associated invoices with this action item.

Budget Impact:

If approved, this item will amend the appropriated budget for FY2019 by moving project dollars from P71230 SPA 1 Rancho Gabriela WSF-Arsenic to capital project P71260 Circle City Water Acquisition in the amount of \$300,000 and amending the FY2019 Operating List of Items Over \$50,000 by adding the necessary amounts for item # 19079 - Circle City Water Acquisition.

FTE Impact:

There are no FTE's associated with this item.

ATTACHMENTS:

1. Res 2019-16 BA for Circle City Water Acquisition legal fees
-

RESOLUTION # 2019-16

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF SURPRISE, ARIZONA, AMENDING THE FISCAL YEAR 2019 BUDGET BY REALLOCATING APPROPRIATIONS OF \$300,000 FROM PROJECT P71230 SPA 1 RANCHO GABRIELA WSF-ARSENIC (70271990-60520) TO PROJECT P71260 CIRCLE CITY WATER ACQUISITION (70271990-55023) TO COVER ONGOING LEGAL EXPENSES FOR CIRCLE CITY WATER COMPANY ACQUISITION PROJECT.

WHEREAS, the FY2019 budget was adopted included funding for projects P71230 and P71260 in the water capital fund;

WHEREAS, Project P71230 SPA 1 Rancho Gabriela WSF-Arsenic is projecting to be completed with savings;

WHEREAS, Project P71260 Circle City Water Acquisition was approved by the voters. The legal negotiation and condemnation process is ongoing and the project requires additional funds to cover those fees;

WHEREAS, the FY2019 budget was adopted by Council Resolution #2018-78 on June 5, 2018;

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, 2018 through June 30, 2019.

APPROVED AND ADOPTED this ____ day of _____, 2019.

Skip Hall, Mayor

Attest:

Approved as to form:

Sherry Aguilar, City Clerk

Robert Wingo, City Attorney

RESOLUTION # 2019-16
Exhibit A

1. Appropriation - The allocation below represents a reallocation of appropriations in the amount of \$300,000 for legal fees associated with the condemnation of Circle City water acquisition from the SPA1 Rancho Gabriela WSF - Arsenic treatment project. The City has had additional legal challenges as it relates to the condemnation of Circle City Water Company which has caused additional legal work to be performed. These allocations do not represent an actual transfer of funds, but only a transfer of spending authority.

Fund	Department	Project/Category	Rev/ Exp	Current Budget	Increase/ (Decrease)	Amended Budget
Water Utility Capital	Water Resource Management	#P71230 SPA 1 Rancho Gabriela WSF - Arsenic	E	2,120,900	(300,000)	1,820,900
Water Utility Capital	Water Resource Management	#P71260 Circle City Water Acquisition	E	204,600	300,000	504,600

2. List of Operating Items Over \$50,000 - Council approved monies for Water Rites for the purpose of Citywide Operations Fiscal Year 2019 Capital and Operating List of Items Over \$50,000. This amount was based the approved budget. With this budget amendment and additional line item adjustments within the operating budget those amounts will change accordingly.

Reference#	Description	Current Amount	Increase/ (Decrease)	Amended Amount
19079	Circle City Water Acquisition Project (P71260)	\$464,000	\$300,000	\$764,000



CITY OF SURPRISE
Regular City Council Meeting

Council Meeting Date: February 5, 2019
Submitting Department: City Clerk
Staff Recommendations: None

Contact Person: Sherry Aguilar, City Clerk
District: Citywide

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

Agenda Wording:

Consideration and action on the minutes of the Special City Council Meeting of January 10, 2019 and the Regular City Council Meeting and Executive Session of January 15, 2019.

Motion:

I move to approve the meeting minutes.

Background:

Objective Analysis:

Policy Compliant:

Financial Impact:

Budget Impact:

FTE Impact:

ATTACHMENTS:

1. Special City Council Meeting Minutes 01102019
 2. Jan 15 REG Mtg Minutes
-

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

Thursday, January 10, 2019 @ 2:00 PM

Call to Order

Roll Call

Mayor Hall called the Special City Council Meeting to order at 02:00 p.m. at Surprise City Hall, Community Room, 16000 North Civic Center Plaza Surprise, Arizona 85374, on Thursday, January 10, 2019. Also in attendance with Mayor Hall were Vice Mayor Remley, Council Member Winters, Council Member Hayden, Council Member Duffy; Council Member Sanders and Council Member Judd.

Staff Present:

City Manager, Michael Frazier, City Attorney, Robert Wingo and City Clerk, Sherry Ann Aguilar.

Pledge of Allegiance

Special City Council Meeting Agenda:

City Manager Frazier gave opening statements.

1. Presentation and discussion on the City budget process – NO ACTION

Presentation on the budget process and overview. Holly Osborn went over state statutes and she explained compliance.

A powerpoint presentation was referenced in detail.

Council Member Sanders – Does it matter what source?

Ms. Osborn - It is coming up on presentation.

All departments have already provided input for new programs, line items for the next year's budget process.

Mayor Hall – The County sets the assessed value for tax, please explain property taxes and valuations.

Council Member Hayden – How do you come up with projects that were not funded in the budget process? Unallocated funds, contingency, etc., where the funds are available.

Ms. Osborn - Unforeseen funding does occur with additional revenues that are coming in. We would not spend funds that are not available.

Council Member Judd – Do we have a cap?

Council Member Hall – Have we issued all of the obligation bonds?

Ms. Osborn - No we have not.

Council Member Judd – 200 different funds that we use, are they state statute driven?

Ms. Osborn - SLID's, combination of various funds.

Vice Mayor Remley – Would the football field been a special fund?

Mayor Hall - questioned the amount of work sessions for the budget process for the months of February and March.

Vice Mayor Remley - is this the normal process for the budget process? How has this been done in the past?

Finance Director, Andrea – It varies throughout the years.

Council Member Duffy – What triggers do you look for? Growth, consumer spending, discretionary incomes, job market, growth, a multitude of different factors.

2. Presentation and discussion pertaining to the Council-Manager form of local government – NO ACTION

City Attorney Wingo gave a powerpoint presentation on this item.

Each councilmember receives the Oath of Office, the contents set in stone.

Residents have a voice from the outcome of the election process.

Outlined the City Code – Highlighted Chapter 2-122.

Head of personnel

Manage daily operations of the City

Carry out goals and directives of Council

Make budget recommendations

No council questions.

Public comments:

Bob Vukanovich – Are you changing the form of government? On organizational chart, no one does this. Showed a chart, looks like it was cut off to the side. Will be fixed.

Andy Cepon – Kudos to the Mayor, City Council and City Manager for doing this.

Questioned the budget process, curious why it is done this way. New initiatives, new ideas, there is no process for this. Possibly in two years, looking at an economic down turn. This is a great start.

Adjournment

Council Member Winters made the motion to adjourn the Special City Council Meeting of January 10, 2019 at 3:27 PM. Vice Mayor Remley 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 Special City Council Meeting of **Thursday, January 10, 2019.**

Sherry Ann Aguilar, City Clerk, MMC

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

Tuesday, January 15, 2019 @ 6:00PM

Call to Order

Roll Call

Mayor Hall called the Regular City Council Meeting to order at 06:00 p.m. at Surprise City Hall Council Chamber, 16000 North Civic Center Plaza Surprise, Arizona 85374, on Thursday, January 15, 2019. Also in attendance with Mayor Hall were Vice Mayor Remley, Council Member Winters, Council Member Hayden, Council Member Duffy; Council Member Sanders and Council Member Judd.

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

Canyon Ridge Elementary

City Clerk Report

Consideration and action pertaining to the selection of Vice Mayor and directing the City Clerk to administer the Oath of Office - WINTERS WAS SELECTED

Roland J. Winters, Jr. was selected as Vice Mayor.

City Clerk Aguilar administered the Oath of Office.

Call to The Public

Lisa Schreiber - Tennis Court lights. The change in policy is a really big deal to us. Add lights to the 8 remaining courts, trying to get sponsors for lights, second solution to open courts until 10:00 p.m. We would be fine with the cost of the lights being on longer, and cover staff time.

Kelly Hall - A resident of Northwest Ranch and President of the HOA. Concerns with weeds and trash along Bell Road. Council Member Winters has been a great support, but I don't want to be the taxpayer that complains all of the time.

Regular City Council Meeting Agenda

CONSENT AGENDA:

Council Member Duffy made the motion to approve the consent agenda, excluding item #1. Vice Mayor Winters seconded the motion. Seven yes votes, motion carried.

1. Consideration and action on the minutes of January 3, 2019 Regular City Council Meeting and Executive Session - APPROVED

Item #1 was removed from the consent agenda by Council Member Sanders as he did not participate in the Regular Council Meeting until he was selected to fill the D5 vacancy.

Vice Mayor Winters made the motion to approve item #1. Council Member Hayden seconded the motion. Six yes votes, one abstained (Sanders), motion carried.

2. Consideration and action for the maintenance of the streets and public utility improvements at Sanverno at Desert Oasis, generally located at N. 171st Avenue and W. Bajada Road. Resolution # 2019-01 - APPROVED

3. Consideration and action pertaining to acceptance of the City's Arizona Lottery Fund (ALF) allotment for FY2019 in the amount of \$347,127; Resolution #2019-03 - APPROVED

4. Consideration and action pertaining to approval of the Final Plat entitled, "Final Plat "Toll at Prasada, Phase 1 Onsite Infrastructure, generally located west of Cotton Lane between Cactus Road and Peoria Avenue - APPROVED

5. Consideration and action pertaining to approval of the Plat entitled Final Plat of Stampede Junction dated November 6, 2018, generally located on the southwestern corner of Waddell and Dysart Roads - APPROVED

REGULAR AGENDA ITEM - PUBLIC HEARING:

6. Consideration and action pertaining to rezoning 8.98 acres of property located in Sub-Parcel six (6) of the Surprise Pointe Planned Area Development (PAD) at the southwestern corner of Waddell and Dysart Roads from PAD-I1 to PAD-C2-C3-I1; Ordinance #2019-01 - APPROVED AS AMENDED

City Planner, Hobart Wingard gave a powerpoint presentation overview on this item. The applicant was present to answer Council questions on section I1, and the purpose of Hardy World.

Cheri Bomar, legal counsel for the applicant, Hardy World, LLC - Reserving the back 10

acres that 84 Lumber will be located on this parcel of land.

Council Member Remley - 8.98 acres, changing the zoning clarification. Why not rezone the whole area?

Developer - I like how you think, but we wanted to concentrate on this section next to the rail spur.

No public comments were made.

City Attorney Wingo commented on scrivener's error on the ordinance specifically "Dysart Roads" on the second WHEREAS. He further commented that the ordinance will be corrected before it is signed.

Vice Mayor Winters made the motion to approve Ordinance 2019-01. Council Member Remley seconded the motion. Seven yes votes, motion carried.

REGULAR AGENDA ITEM - NON-PUBLIC HEARING:

7. Consideration and action pertaining to approval of a Fiscal Year 2019 budget amendment reallocating appropriations in the amount of \$13,300 from Contingency to Supplies within the Tourism Fund for a Tourism Convention Booth Set Up; Resolution # 2019-12 - APPROVED.

Asst. Sports & Tourism Director, Joe Bartoletti gave a powerpoint presentation overview. Destination and Marketing for a Tourism Convention Booth Set-Up.

Vice Mayor Winters - Is this the normal price for a booth at a show?

Ms. Pettis - This is a typical cost and what the Tourism Commission has recommended.

Council Member Judd - I do have some experience in running booths, I made a couple of calls to find out what some of the costs would be. Are the online visuals 3D action, or video? I would like to see a different option here.

Council Member Remley - what are we looking at in terms of supplies for these conventions? It's great to have a booth, but also need supplies.

Ms. Pettis - Depends on the type of event we are going to, sport base, etc.

Vice Mayor Winters - What kind of shows are we going to? Arizona Governor's Conference on Tourism; Texas Ranger Fan Fest as an example.

Council Member Duffy - Will you be using the entire amount? Can you shop better? I have done many booths, I would shop around some to find better pricing?

Vice Mayor Remley made the motion to approve Resolution 2019-12. Council Member Hayden seconded the motion. Six yes votes, one no vote (Judd), motion carried.

Mayor Hall - Tourism Advisory Board, did they ask these types of questions?

Ms. Pettis - Yes, absolutely, and they recommended unanimously.

Mayor Hall - Who is going to do the design?

Council Member Remley made the motion to approve Resolution 2019-12. Council Member Hayden seconded the motion. Six yes votes, one no vote (Judd), motion carried.

8. Consideration and action to approve selection of the following Committee Members' Karissa Perry; Shawna Daigle; Steffen Hanzel and Tom Short to fill the vacancies for the newly formed Veteran's, Disability and Human Services Commission with recommended term expirations through June 30, 2023, and Andrew Witzel to fill the remainder of an existing term through June 30, 2021 - APPROVED

Vice-Mayor Winters gave an overview on this item.

Vice Mayor Winters made the motion to approve the recommendations. Council Member Duffy seconded the motion. Seven yes votes, motion carried.

City Clerk Aguilar administered the Oath of Office.

9. Presentation and discussion pertaining to a traffic safety update on the Hands Free Use of Mobile Devices While Driving Ordinance - NO ACTION

Police Chief, Terry Young gave a powerpoint presentation overview on this item. Discussion covered exemptions to the statute.

Vice Mayor Winters - We did something good here, other municipalities are following our lead. Very proud of our Council to take action. A State Senator that is going to bring it forward to the State Legislature again.

Council Member Sanders - of the 201 contacts, do you have the age groups?

Chief Young - I don't have the data in front of me.

Council Member Sanders - Have you thought about contacting the schools and working with them?

Chief Young - Yes, school resource officers, I apologize for not mentioning the schools. Drive Wise Surprise.

Council Member Remley - We have done a lot of things in this City, feel like we are on

the cutting edge, and thank you for getting this ordinance out as quickly as you did. I am more conscious about not responding to text messages and calls before pulling over.

10. Consideration and action pertaining to authorization of city staff to acquire fee title or lesser interest in real property generally located at the intersection of Cotton Lane and Cactus Road, by dedication, donation, purchase, or eminent domain; Resolution # 2019-11 - APPROVED

Community Development Director, Eric Fitzer - This item is to work with the property owner for drainage for this particular location.

Council Member Duffy - I am hoping that this will go smoothly, I am not a huge fan of taking someone's property and I hope the land owner has been responsive.

Mr. Fitzer - Correct, we have tried to make contact with the land owner, have had one meeting but now unresponsive.

Council Member Remley made the motion to approve Resolution 2019-11. Council Member Hayden seconded the motion. Seven yes votes, motion carried.

11. Consideration and action accepting the Honoring an Exceptional Leader Task Force recommendation pertaining to the naming, design, and construction of a Veterans Reflection Circle and the naming of a conference room in the Surprise Resource Center after Brian Mancini - APPROVED

Public Works Director, Mike Gent gave a powerpoint presentation overview on this item. Gent gave a background on Brian Mancini and why he is being honored.

Council Member Remley - The memorial I think is incredible, awesome idea and fitting tribute for Mr. Mancini. When it comes to the conference room, I find myself hesitating, we move these resource centers around, two years from now, it will be used for another purpose?

Vice Mayor Winters - What a great job the task force did on putting this together for such a great purpose. Independent business people are volunteering their services. Thank the Mancini family.

Bud Gilbert - I have been swamped today with the Veteran's community about this project, people are excited about this. Brian's impact goes way beyond our comprehension. This memorial is another example of how generation from now will benefit from Brian's efforts. So proud to be a part of this.

Barry Curseaden - emotional to talk about Brian, it's an honor and a privilege to have Brian as a friend, and work with other veteran's. We could never have imagined in our wildest dreams, the outcome of this process. Thank the Council, staff and family.

Seth Dyson commented on the Resource Center. I don't have any clear direction. on, but we will do everything we can to move to the designated location.

Council Member Remley made the motion to approve accepting the Honoring an Exceptional Leader Task Force recommendation in naming, design and construction of a Veterans Reflection Circle and naming of a conference room in the Surprise Resource Center after Brian Mancini. Vice Mayor Winters seconded the motion. Seven yes votes, motion carried.

Other Business and Future Agenda Items

Mayor/City Council Reports

Council reported on and/or attended the following:

Council Member Duffy - Last Saturday, tour of the parks, thanked staff. Parks are very clean, including the dog park.

Council Member Sanders - Thanked City Manager and staff one on one training this week.

Council Member Judd - Staff has been great with keeping me up to speed. Went to visit Rick Gray, sworn in at the Senate, Senate Majority Leader. Attended MAG Economic Meeting, PETS MART Charity organization; transportation, costs 77 million for one mile of highway. Toured the parks on Saturday.

Vice Mayor Winters - Thanked Council Member Remley for nominating him for Vice-Mayor and thanked Council to have confidence in him with a unanimous vote. Thanked the City Clerk's Office, nice reception, real nice event.

Council Member Hayden - Toured the parks on Saturday, really appreciated it.

Council Member Remley - I drive around town every morning, it is amazing to me, the progress we are making as a City. Compare the skyline from one year ago, constant changes. Proud to be on the City Council and to be a part of the growth.

Mayor Hall - Last week we had a 2 hour training session on upcoming budget, it's a big budget, need to be knowledgeable about how we spend the taxpayers money. Staff did a great job of summarizing. Robert did a great job of presenting the Council/Manager form of government.

Vice Mayor Winters made the motion to recess into executive session at 7:33 PM. Council Member Hayden seconded the motion. Seven yes votes, motion carried.

Executive Session

1. Consideration and action to enter into executive session for discussion and consultation with city staff in order to consider the City Council's position regarding contract negotiations pertaining to real property in proximity of Surprise City Hall pursuant to A.R.S 38-431.03(A)(4).

The Regular City Council Meeting reconvened at 8:02 PM.

Adjournment

Council Member Remley made the motion to adjourn the Regular City Council Meeting of January 15, 2019 at 8:02 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 Meeting of **Tuesday, January 15, 2019.**

Sherry Ann Aguilar, City Clerk, MMC



CITY OF SURPRISE
Regular City Council Meeting

Council Meeting Date: February 5, 2019
Submitting Department: City Clerk
Staff Recommendations: None

Contact Person: Sherry Aguilar, City Clerk
District: District 4

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

Agenda Wording:

Consideration and action on a Class "A" Bingo License for Sierra Dawn Bingo located at Rose Garden - 11596 W. Sierra Dawn Boulevard, Surprise, AZ 85378.

Motion:

I move to approve a Class "A" Bingo License for Sierra Dawn Bingo located at Rose Garden - 11596 W. Sierra Dawn Boulevard, Surprise, AZ. 85378.

Background:

Rose Garden has held 2 bingo licenses for this one establishment since 1994. Recent changes to State Law will only allow one license per establishment and this is the reason for the application being submitted today. This action will discontinue the other license and allow for a rename with new applicants and managers.

Objective Analysis:

This action will allow Rose Garden to be compliant with changes to Arizona State Law regarding issuance of Bingo Licenses.

Policy Compliant:

This request is compliant with requirements by the Arizona Department of Revenue - Bingo Section and compliant with Arizona Revised Statutes 5-404 - Application process for governing body.

ARS 5-404

I. The local governing body shall upon receipt of the application immediately set a hearing on the application to be held within forty-five days.

J. Following the receipt of the application and the hearing the local governing body shall recommend approval or disapproval of the application and forward the original or a certified copy of the application endorsed with its approval or disapproval to the licensing authority. If the application is disapproved by the local governing body the endorsement shall contain the specific reasons for disapproval. Bingo Tax Structure

The tax on state licensed bingo operations is based on a multi tiered licensing structure. There are three classes of bingo licenses, each of which has a different tax rate. Each licensee's tax rate is based on bingo receipts.

Class A licensees generally obtain a license for recreational and social purposes, returning all gross receipts to the players in prizes. Class A licensees cannot exceed \$15,600 per year in gross receipts and they are taxed at 2.5 percent of their adjusted gross receipts. That is the amount left, if any, after paying prizes.

Class B and Class C licensees are dedicated to raising funds for their sponsoring charitable organizations. They are taxed on their gross receipts, not their adjusted gross receipts.

Class B licensees, whose gross receipts do not exceed \$300,000, are taxed at 1.5 percent.

Class C licensees, whose gross receipts exceed \$300,000 per year, are taxed at 2 percent of their gross receipts.

All taxes collected from bingo licensees are deposited into the state general fund.

Financial Impact:

None

Budget Impact:

None.

FTE Impact:

None.

ATTACHMENTS:

1. SIERRA DAWN BINGO APPL_Redacted

- Type or print in black ink and complete all information requested on this form. If you do not, your application will be returned. All information is subject to verification. If you need more space, attach additional sheets.
- All bingo licenses expire one year from the date of issue. To continue conducting bingo games, you must renew your license prior to the expiration date.

1 Applicant's Name SIERRA DAWN BINGO	
2a Mailing Address 11596 W. SIERRA DAWN BLVD	
2b City SURPRISE	State ZIP Code AZ 85378
4a Name of Contact Person GLORIA Z. STEEVES	
4c E-mail Address	4c Fax No.

Falsification of information contained in this application constitutes a Class 6 felony.

REVENUE USE ONLY. DO NOT MARK IN THIS AREA.

88

81 PM

80 RCVD

5 Class B and Class C license applicants only: If applying as a qualified organization, check one box to indicate the type of organization:

- | | | | |
|-------------------------------------|--|---|--|
| ☐ Charitable | ☐ Social | ☐ Religious | ☐ Veterans |
| ☐ Fraternal | ☐ Volunteer Fire Department | ☐ Homeowners Association | ☐ Nonprofit Ambulance Service |

6 Class B and Class C license applicants only applying as a qualified organization, provide parent or auxiliary information:

6a Parent Name	6b Auxiliary Name
Address – Number and Street, Rural Rt., Apt. No.	Address – Number and Street, Rural Rt., Apt. No.
City State ZIP Code	City State ZIP Code

7 Class B and Class C license applicants only applying as a qualified organization, provide the date the organization was established in Arizona: _____

8 Class B and Class C license applicants only applying as a qualified organization, list the current officers of the organization:

8a Name	8b Name
Title	Title
Address – Number and Street, Rural Rt., Apt. No.	Address – Number and Street, Rural Rt., Apt. No.
City State ZIP Code	City State ZIP Code
8c Name	8d Name
Title	Title
Address – Number and Street, Rural Rt., Apt. No.	Address – Number and Street, Rural Rt., Apt. No.
City State ZIP Code	City State ZIP Code

Continued on page 2

REVENUE USE ONLY. DO NOT MARK IN THIS AREA.

☐ Approved	☐ Disapproved	☐ Class A License	☐ Class B License	☐ Class C License
Reviewer's Name (please print)	Date	License Number	Effective Date	Expiration Date

SIERRA Dawn BINGO

9 Class B and Class C license applicants only: Bingo checking account information:

Checking Account Number	Bank Name	Bank Branch
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10 Class B and Class C license applicants only: Bingo interest-bearing account information:

Account Number	Bank Name	Bank Branch
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11 Class B and Class C license applicants only: List all officers and/or supervisors authorized to sign checks from the accounts listed above. If applying as a qualified organization, all supervisors must be members of the applicant:

11a Name	11b Name
Title	Title
Address – Number and Street, Rural Rt., Apt. No.	Address – Number and Street, Rural Rt., Apt. No.
City State ZIP Code	City State ZIP Code

12 List the name(s) of the one or two persons who will serve as managers. If applying as a qualified organization, these persons must be members of the applicant. Each person must submit an affidavit.

12a Name	12b Name
VICKY ANGELICOLA	
Title	Title
MANAGER	
Address – Number and Street, Rural Rt., Apt. No.	Address – Number and Street, Rural Rt., Apt. No.
City State ZIP Code	City State ZIP Code
SURPRISE AZ 85378	

13 List the name of the one person designated as proceeds coordinator. If applying as a qualified organization, this person must be an officer or director and a member of the applicant. Each person must submit an affidavit.

Name	
GERALD DITTMER	
Title	
PROCEEDS COORDINATOR	
City State ZIP Code	City State ZIP Code
SURPRISE AZ 85378	

14 List the name(s) of the person(s) who will serve as supervisor. If applying as a qualified organization, each person must be a member of the applicant. Each person must submit an affidavit.

14a Name	14b Name
William Sawyer	Michael McCormick
Title	Title
SUPERVISOR	SUPERVISOR
Address – Number and Street, Rural Rt., Apt. No.	Address – Number and Street, Rural Rt., Apt. No.
City State ZIP Code	City State ZIP Code
SURPRISE AZ 85378	SURPRISE AZ 85378
14c Name	14d Name
GEORGE CHOINIERE	
Title	Title
SUPERVISOR	
Address – Number and Street, Rural Rt., Apt. No.	Address – Number and Street, Rural Rt., Apt. No.
City State ZIP Code	City State ZIP Code
SURPRISE AZ 85378	

Applicant's Name (as shown on page 1)

SIERRA Dawn BINGO

APPLICATION FOR BINGO LICENSE

- 15 List the name(s) of the person(s) who will serve as assistants. If applying as a qualified organization, each person must be a member or new member of the applicant. Except for "Class A" licensees, each person must submit an affidavit.

15a Name BARBARA Cannon	15b Name Conne Douglas
15c Name Betty Hatch	15d Name John Tipton
15e Name Joyce Hornes	15f Name Randy Pfitzer
15g Name DAVE Hornes	15h Name Chris Herrick

- 16 Street address of the physical location where bingo will be played:

11596 W. SIERRA Dawn Blvd Clubhouse Surprise AZ 85378

- 17 Indicate the time on each respective day that bingo will be played:

SUN	MON	TUE	WED	THUR	FRI	SAT
☐ a.m. ☐ p.m.	☒ a.m. SEVEN ☒ p.m.	☐ a.m. ☐ p.m.	☐ a.m. ☐ p.m.	☐ a.m. ☐ p.m.	☐ a.m. ☐ p.m.	☐ a.m. ☐ p.m.

- 18 List dates of proposed game cancellation if any:

- 19 Indicate the type of premises where bingo will be played. Check one box:

a ☐ Neither rent nor mortgage will be paid from bingo funds.

b ☐ Rented or leased. Attach rental affidavit and copy of rental agreement.

Landlord's Name	Address – Number and Street, Rural Rt., Apt. No.		
Telephone Number (with area code)	City	State	ZIP Code

c ☐ Owned solely by the organization. Attach copy of mortgage, deed of trust, purchase agreement, escrow agreement, or other related document:

Holder of Mortgage	Address – Number and Street, Rural Rt., Apt. No.		
Telephone Number (with area code)	City	State	ZIP Code

d ☐ Owned jointly with other organization. Attach copy of mortgage, deed of trust, purchase agreement, escrow agreement, or other related document:

1) Holder of Mortgage	Address – Number and Street, Rural Rt., Apt. No.		
Telephone Number (with area code)	City	State	ZIP Code
2) Co-Owner Holder:	Address – Number and Street, Rural Rt., Apt. No.		
Telephone Number (with area code)	City	State	ZIP Code
3) Co-Owner Holder:	Address – Number and Street, Rural Rt., Apt. No.		
Telephone Number (with area code)	City	State	ZIP Code

Continued on page 4 ☐

FOR OFFICIAL USE ONLY PURSUANT TO A.R.S. § 5-404.A

- **License Applicants:** Complete lines 2, 3, and 4. Submit with entire license package to local governing body.
- **Local Governing Body:** Complete and return with license package to the Department of Revenue Bingo Section.

☐ New Application ☐ Change of Location	Date	License Number	
From (Name of local governing body)		REVENUE USE ONLY. DO NOT MARK IN THIS AREA. 88	
Address (number and street, PO Box)			
City	State		ZIP Code
Phone No. (with area code)			
		 81 PM 80 RCVD	

- 1 This is to certify that on _____ a hearing was conducted pursuant to Arizona Revised Statute, Title 5, Chapter 4, in the matter of:
- ☐ Application for a bingo license by the following applicant.
- ☐ Application for a bingo license location transfer.

- 2 Applicant's Name
SIERRA DAWN BINGO
- 3 Location/Address where games will be conducted: **11596 W. SIERRA DAWN Blvd Clubhouse** City **SURPRISE** State **AZ** ZIP Code **85378**

- 4 Fill in the time on the days games will be played:

SUN	MON	TUE	WED	THUR	FRI	SAT
a.m.	a.m.	a.m.	a.m.	a.m.	a.m.	a.m.
p.m.	p.m.	p.m.	p.m.	p.m.	p.m.	p.m.

SEVEN ☒

- 5 Background investigations:
- ☐ have ☐ have not been conducted on all individuals listed in the Bingo License Application.

- 6 Recommendation for the application: ☐ Approved ☐ Disapproved

- 7 Specific reasons for disapproval are hereby listed pursuant to A.R.S. § 5-404.1:

This endorsement must be signed by a delegated authority of the local governing body.

PRINTED NAME

SIGNATURE

DATE

TITLE

Please mail to: Arizona Department of Revenue, PO Box 29019, Phoenix, AZ 85038-9019

☎ (602) 716-7801

Applicant's Name (as shown on page 1)

SIERRA Dawn BINGO

APPLICATION FOR BINGO LICENSE

- 20 List bingo licensees who are or will be conducting bingo in the same premises as you and those licensees located within 1,000 feet of your premises:

20a Name	20b Name
Address – Number and Street, Rural Rt., Apt. No.	Address – Number and Street, Rural Rt., Apt. No.
City State ZIP Code	City State ZIP Code

- 21 Expected bingo expenses:

- a Mortgage: \$ _____ per month

Payable to	Address – Number and Street, Rural Rt., Apt. No.
Telephone number (with area code)	City State ZIP Code

- b Rent: \$ _____ per ☐ month ☐ hour ☐ occasion

Payable to	Address – Number and Street, Rural Rt., Apt. No.
Telephone number (with area code)	City State ZIP Code

- c Janitorial Services: \$ _____ per ☐ month ☐ hour ☐ occasion

Payable to	Address – Number and Street, Rural Rt., Apt. No.
Telephone number (with area code)	City State ZIP Code

- d Accounting Services: \$ _____ per ☐ month ☐ hour ☐ occasion

Payable to	Address – Number and Street, Rural Rt., Apt. No.
Telephone number (with area code)	City State ZIP Code

- e Security Services: \$ _____ per ☐ month ☐ hour ☐ occasion

Payable to	Address – Number and Street, Rural Rt., Apt. No.
Telephone number (with area code)	City State ZIP Code

- f Bingo Supplies: \$ 1000.⁰⁰ per YEAR

Payable to Cactus Bingo Supply	Address – Number and Street, Rural Rt., Apt. No. 3210 E. ROESER RD #15
Telephone number (with area code) 602 268 2848	City State ZIP Code Phoenix AZ 85040

Line 21 continues on page 5 ☐

Applicant's Name (as shown on page 1)

SIERRA DAWN BINGO

APPLICATION FOR BINGO LICENSE

21 Expected Bingo Expenses, continued...

g Maximum prize payout per occasion: \$_____. Attach game schedule that lists individual prize amounts.

Paid to		Address – Number and Street, Rural Rt., Apt. No.		
Telephone number (with area code)		City	State	ZIP Code

h Utility Expenses:

Electric (payable to)		Address – Number and Street, Rural Rt., Apt. No.		
Account Number	Monthly Amount \$	City	State	ZIP Code

Gas (payable to)		Address – Number and Street, Rural Rt., Apt. No.		
Account Number	Monthly Amount \$	City	State	ZIP Code

Water (payable to)		Address – Number and Street, Rural Rt., Apt. No.		
Account Number	Monthly Amount \$	City	State	ZIP Code

Trash Removal (payable to)		Address – Number and Street, Rural Rt., Apt. No.		
Account Number	Monthly Amount \$	City	State	ZIP Code

22 Briefly state the specific projected use of net proceeds from games of bingo:

Supplies (Game sheets - daubbers)

I, _____, under penalty of perjury and upon oath, declare that I am duly authorized to sign and file this application. I hereby swear or confirm that I have read the foregoing application and know the contents thereof and that all information provided has been fully, accurately, and truthfully completed to the best of my knowledge.

APPLICANT'S SIGNATURE

DATE

TITLE

Please mail to: Arizona Department of Revenue, PO Box 29019, Phoenix, AZ 85038-9019

☎ (602) 716-7801

This Application for Bingo License Packet includes:

- Arizona Form 833 — Application for Bingo License
- Arizona Form 830 — Affidavit
- Arizona Form 832 —
Endorsement by Local Governing Body

It is advisable that you obtain and review a copy of the Arizona Revised Statutes on "Games of Bingo" and the Administrative Rules prior to initiating an application. These documents outline qualifications and requirements for obtaining a bingo license and may be obtained from:

 www.azleg.gov/ and

 www.azsos.gov/public_services/table_of_contents.htm

All forms must be complete and legible. *Please type or print using black ink only.* Forms are available in a fillable pdf format at Arizona Department of Revenue (ADOR) web site www.azdor.gov. Be sure to include on your application a telephone number where you (or another party responsible for the games) can be reached during the day.

The bingo license package for new license and appropriate fees must be sent to and approved by the local governing body (the city council for incorporated cities or the county board of supervisors for unincorporated areas) prior to submission to the ADOR Bingo Section. Upon their approval or disapproval, the local governing body will forward the license package to the ADOR Bingo Section.

Endorsement By Local Governing Body Form

Complete lines 2, 3, and 4 of *Arizona Form 832, Endorsement by Local Governing Body* and submit to your local governing body with the bingo license package. **A bingo license cannot be issued until this form is received by the ADOR Bingo Section.**

As part of the review of your application for a bingo license, the ADOR Bingo Section will conduct an analysis of any purchase agreement for either equipment and/or real property to determine that such agreement is bona fide. This analysis is conducted pursuant to A.R.S. 5-406.F. The Bingo Section does not "approve" these agreements as to content or other legal ramifications. You are strongly advised to consult with independent legal counsel to determine your rights and obligations under these agreements.

If you need additional forms or have any questions, please call the ADOR Bingo Section in Phoenix at (602) 716-7801.

CHECKLIST:

Send copies of all documents listed below unless otherwise noted. Before mailing, check to make sure that you have included the following:

- 1  **Original** completed Application for Bingo License (Arizona Form 833).
- 2  **Original** completed affidavits (Arizona Form 830). Class B and Class C applicants must include a completed affidavit for each person participating in the conduct of your games. Class A applicants must include a complete affidavit for each person participating as a manager, proceeds coordinator and supervisors.
- 3  Rental agreement if more than one licensee is using the same rented premises in which to hold bingo.
- 4  Application for Special Bonus Game (Arizona Form 831) available at www.azdor.gov. If you do not conduct special bonus games do not complete the application.
- 5  License fee payable to the Arizona Department of Revenue:

License Type	Fee
Class A	\$10.00
Class B	\$50.00
Class C	\$200.00

- 6  The local governing body fee will be payable to the appropriate local governing entity:

License Type	Fee
Class A	\$5.00
Class B	\$25.00
Class C	\$50.00

- 7  If applying as a **qualified organization**, a current membership list must be submitted and must indicate initial membership dates for all members of the applicant organization. Any person from any branch of the applicant who will be participating in the operation of bingo games must be included on the membership list.
- 8  If applying as a **qualified organization**, the following must be submitted: charter documents, articles of incorporation, corporate bylaws, articles of association, minutes of the establishment meeting, and minutes of meetings for two years (two months of each year) immediately prior to the date of application for the applicant, parent and auxiliary.
- 9  Purchase agreement for real property (where applicable).
- 10  Purchase agreement/bill of sale for bingo equipment and supplies.
- 11  **Original** local governing body endorsement.

- Type or print in black ink and complete all information requested on this form. If you do not, your application will be returned. All information is subject to verification. If you need more space, attach additional sheets.
- All bingo licenses expire one year from the date of issue.** To continue conducting bingo games, you must renew your license prior to the expiration date.

1 Applicant's Name SIERRA DAWN BINGO		Falsification of information contained in this application constitutes a Class 6 felony. REVENUE USE ONLY. DO NOT MARK IN THIS AREA. 88	
2a Mailing Address 11596 W. SIERRA DAWN BLVD LOT [REDACTED]			
2b City SURPRISE	State AZ		ZIP Code 85378
3a Administrative Office Location 11596 W. SIERRA DAWN BLVD LOT 85			
3b City SURPRISE	State AZ		ZIP Code 85378
4a Name of Contact Person GLORIA Z. STEEVES		81 PM 80 RCVD	
4c [REDACTED]			
4c Fax No.			

5 Class B and Class C license applicants only: If applying as a qualified organization, check one box to indicate the type of organization:

- | | | | |
|-------------------------------------|--|---|--|
| ☐ Charitable | ☐ Social | ☐ Religious | ☐ Veterans |
| ☐ Fraternal | ☐ Volunteer Fire Department | ☐ Homeowners Association | ☐ Nonprofit Ambulance Service |

6 Class B and Class C license applicants only applying as a qualified organization, provide parent or auxiliary information:

6a Parent Name	6b Auxiliary Name
Address – Number and Street, Rural Rt., Apt. No.	Address – Number and Street, Rural Rt., Apt. No.
City State ZIP Code	City State ZIP Code

7 Class B and Class C license applicants only applying as a qualified organization, provide the date the organization was established in Arizona:

8 Class B and Class C license applicants only applying as a qualified organization, list the current officers of the organization:

8a Name	8b Name
Title	Title
Address – Number and Street, Rural Rt., Apt. No.	Address – Number and Street, Rural Rt., Apt. No.
City State ZIP Code	City State ZIP Code
8c Name	8d Name
Title	Title
Address – Number and Street, Rural Rt., Apt. No.	Address – Number and Street, Rural Rt., Apt. No.
City State ZIP Code	City State ZIP Code

Continued on page 2

REVENUE USE ONLY. DO NOT MARK IN THIS AREA.				
☐ Approved	☐ Disapproved	☐ Class A License	☐ Class B License	☐ Class C License
Reviewer's Name (please print)	Date	License Number	Effective Date	Expiration Date

SIERRA DAWN BINGO

- 20 List bingo licensees who are or will be conducting bingo in the same premises as you and those licensees located within 1,000 feet of your premises:

20a Name	20b Name
Address – Number and Street, Rural Rt., Apt. No.	Address – Number and Street, Rural Rt., Apt. No.
City State ZIP Code	City State ZIP Code

- 21 Expected bingo expenses:

- a Mortgage: \$ per month

Payable to	Address – Number and Street, Rural Rt., Apt. No.
Telephone number (with area code)	City State ZIP Code

- b Rent: \$ per ☐ month ☐ hour ☐ occasion

Payable to	Address – Number and Street, Rural Rt., Apt. No.
Telephone number (with area code)	City State ZIP Code

- c Janitorial Services: \$ per ☐ month ☐ hour ☐ occasion

Payable to	Address – Number and Street, Rural Rt., Apt. No.
Telephone number (with area code)	City State ZIP Code

- d Accounting Services: \$ per ☐ month ☐ hour ☐ occasion

Payable to	Address – Number and Street, Rural Rt., Apt. No.
Telephone number (with area code)	City State ZIP Code

- e Security Services: \$ per ☐ month ☐ hour ☐ occasion

Payable to	Address – Number and Street, Rural Rt., Apt. No.
Telephone number (with area code)	City State ZIP Code

- f Bingo Supplies: \$ per

Payable to	Address – Number and Street, Rural Rt., Apt. No.
Telephone number (with area code)	City State ZIP Code

Line 21 continues on page 5 ☐

21 Expected Bingo Expenses, continued...**g** Maximum prize payout per occasion: \$ _____. *Attach game schedule that lists individual prize amounts.*

Paid to		Address – Number and Street, Rural Rt., Apt. No.		
Telephone number (with area code)		City	State	ZIP Code

h Utility Expenses:

Electric (payable to)		Address – Number and Street, Rural Rt., Apt. No.		
Account Number	Monthly Amount \$	City	State	ZIP Code

Gas (payable to)		Address – Number and Street, Rural Rt., Apt. No.		
Account Number	Monthly Amount \$	City	State	ZIP Code

Water (payable to)		Address – Number and Street, Rural Rt., Apt. No.		
Account Number	Monthly Amount \$	City	State	ZIP Code

Trash Removal (payable to)		Address – Number and Street, Rural Rt., Apt. No.		
Account Number	Monthly Amount \$	City	State	ZIP Code

22 Briefly state the specific projected use of net proceeds from games of bingo:

--

I, _____, under penalty of perjury and upon oath, declare that I am duly authorized to sign and file this application. I hereby swear or confirm that I have read the foregoing application and know the contents thereof and that all information provided has been fully, accurately, and truthfully completed to the best of my knowledge.

APPLICANT'S SIGNATURE

DATE

TITLE

Please mail to: Arizona Department of Revenue, PO Box 29019, Phoenix, AZ 85038-9019

☎ (602) 716-7801

This affidavit must be completed by each person who wishes to assist in the conduct of any game of bingo. If any information is blank or incorrect, the affidavit will be returned to you. All information is subject to verification. Disclosure of your Social Security Number (SSN) is voluntary. This information may be used to establish positive identification for purposes of criminal background checks pursuant to Arizona Revised Statutes § 5-404.

Licensee's Name <u>Sierra Down Bingo</u>		License Number	
Position (check the appropriate boxes): ☒ Manager ☐ Supervisor ☐ Proceed Coordinator ☐ Assistant		REVENUE USE ONLY. DO NOT MARK IN THIS AREA.	
Affiant's Name <u>Gloria Steeves</u>		88	
Address <u>11596 W. Sierra Down</u>		81 PM	
City <u>Surprise</u>	State <u>AZ</u>	80 RCVD	
ZIP Code <u>85378</u>			

If licensee is a qualified organization, complete the following section:

Member? ☐ Yes ☐ No	Date Joined Organization <u>MM/DD/YYYY</u>
Officers? ☐ Yes ☐ No	Officer Title
Do you have an affidavit on file for any other licensee? ☐ Yes ☐ No If "Yes", list license number(s):	

I, Gloria Steeves, the above-named affiant, under penalty of perjury, upon oath, depose and say that I will conduct or assist in conducting all bingo games in compliance with the terms of the license, Arizona Revised Statutes, Title 5, Chapter 4, and the rules of the licensing authority. I am of good moral character and have never been convicted of any misdemeanor involving moral turpitude or felony. I have not and shall not receive any reward, compensation or recompense for my participation in the conduct of bingo games except as provided for by law. I hereby swear or confirm that I have read and understand the foregoing and verify that the information and statements made herein are true and correct to the best of my knowledge.

Gloria Steeves
Signature of Affiant

9-11-18
Date

Please mail to: Arizona Department of Revenue, PO Box 29019, Phoenix, AZ 85038-9019

(602) 716-7801

This affidavit must be completed by each person who wishes to assist in the conduct of any game of bingo. If any information is blank or incorrect, the affidavit will be returned to you. All information is subject to verification. Disclosure of your Social Security Number (SSN) is voluntary. This information may be used to establish positive identification for purposes of criminal background checks pursuant to Arizona Revised Statutes § 5-404.

Licensee's Name SIERRA DAWN BINGO		License Number	
Position (check the appropriate boxes): ☐ Manager ☐ Supervisor ☒ Proceed Coordinator ☐ Assistant		REVENUE USE ONLY. DO NOT MARK IN THIS AREA. 	
Affiant's Name VICKY JEAN ANGELICOLA			
Address 11596 W. SIERRA DAWN BLVD LOT [REDACTED]			
City SURPRISE	State ARIZONA	ZIP Code 85378	
Home Phone No. (with area code) [REDACTED]	Work Phone No. (with area code)		
☐ PM		☐ RCVD	

If licensee is a qualified organization, complete the following section:

Member? ☒ Yes ☐ No	Date Joined Organization
Officers? ☒ Yes ☐ No	Officer Title
Do you have an affidavit on file for any other licensee? ☒ Yes ☐ No If "Yes", list license number(s):	

I, **VICKY JEAN ANGELICOLA** AFFIANT'S NAME, the above-named affiant, under penalty of perjury, upon oath, depose and say that I will conduct or assist in conducting all bingo games in compliance with the terms of the license, Arizona Revised Statutes, Title 5, Chapter 4, and the rules of the licensing authority. I am of good moral character and have never been convicted of any misdemeanor involving moral turpitude or felony. I have not and shall not receive any reward, compensation or recompense for my participation in the conduct of bingo games except as provided for by law. I hereby swear or confirm that I have read and understand the foregoing and verify that the information and statements made herein are true and correct to the best of my knowledge.


 Signature of Affiant

Date **9-11-18**

Please mail to: Arizona Department of Revenue, PO Box 29019, Phoenix, AZ 85038-9019

☎ (602) 716-7801

This affidavit must be completed by each person who wishes to assist in the conduct of any game of bingo. If any information is blank or incorrect, the affidavit will be returned to you. All information is subject to verification. Disclosure of your Social Security Number (SSN) is voluntary. This information may be used to establish positive identification for purposes of criminal background checks pursuant to Arizona Revised Statutes § 5-404.

Licensee's Name <u>SIERRA DAWN BINGO</u>			License Number	
Position (check the appropriate boxes): ☐ Manager ☒ Supervisor ☐ Proceed Coordinator ☐ Assistant				
Affiant's Name <u>GEORGE O. CHOINIERE</u>			REVENUE USE ONLY. DO NOT MARK IN THIS AREA. 88	
[REDACTED]				
11596 W. SIERRA DAWN BLVD. LOT [REDACTED]				
City <u>SURPRISE</u>	State <u>AZ</u>	ZIP Code <u>85378</u>		
Home Phone No. (with area code) [REDACTED]		Work Phone No. (with area code) <u>N/A</u>		81 PM
				80 RCVD

If licensee is a qualified organization, complete the following section:

Member? ☐ Yes ☐ No	Date Joined Organization <u>MM/DD/YYYY</u>
Officers? ☐ Yes ☐ No	Officer Title
Do you have an affidavit on file for any other licensee? ☐ Yes ☐ No If "Yes", list license number(s):	

I, GEORGE O. CHOINIERE, the above-named affiant, under penalty of perjury, upon oath, depose and say that I will conduct or assist in conducting all bingo games in compliance with the terms of the license, Arizona Revised Statutes, Title 5, Chapter 4, and the rules of the licensing authority. I am of good moral character and have never been convicted of any misdemeanor involving moral turpitude or felony. I have not and shall not receive any reward, compensation or recompense for my participation in the conduct of bingo games except as provided for by law. I hereby swear or confirm that I have read and understand the foregoing and verify that the information and statements made herein are true and correct to the best of my knowledge.

George O. Choiniere
Signature of Affiant

9/5/18
Date

Please mail to: Arizona Department of Revenue, PO Box 29018, Phoenix, AZ 85038-9019

(602) 716-7801

This affidavit must be completed by each person who wishes to assist in the conduct of any game of bingo. If any information is blank or incorrect, the affidavit will be returned to you. All information is subject to verification. Disclosure of your Social Security Number (SSN) is voluntary. This information may be used to establish positive identification for purposes of criminal background checks pursuant to Arizona Revised Statutes § 5-404.

Licensee's Name <u>Sierra Dawn Bingo</u>			License Number	
Position (check the appropriate boxes): ☐ Manager ☒ Supervisor ☐ Proceed Coordinator ☐ Assistant				
Affiant's Name <u>Barbara Cannon</u>				
Address <u>11596 W Sierra Dawn Blvd</u>				
City <u>Surprise</u>	State <u>AZ</u>	ZIP Code <u>85378</u>	REVENUE USE ONLY. DO NOT MARK IN THIS AREA.	
Work Phone No. (with area code)			81 PM	80 RCVD

If licensee is a qualified organization, complete the following section:

Member? ☐ Yes ☐ No	Date Joined Organization MM/DD/YYYY
Officers? ☐ Yes ☐ No	Officer Title
Do you have an affidavit on file for any other licensee? ☐ Yes ☐ No If "Yes", list license number(s):	

I, Barbara Cannon, the above-named affiant, under penalty of perjury, upon oath, depose and say that I will conduct or assist in conducting all bingo games in compliance with the terms of the license, Arizona Revised Statutes, Title 5, Chapter 4, and the rules of the licensing authority. I am of good moral character and have never been convicted of any misdemeanor involving moral turpitude or felony. I have not and shall not receive any reward, compensation or recompense for my participation in the conduct of bingo games except as provided for by law. I hereby swear or confirm that I have read and understand the foregoing and verify that the information and statements made herein are true and correct to the best of my knowledge.

Barbara Cannon
Signature of Affiant

9/11/18
Date

Please mail to: Arizona Department of Revenue, PO Box 29019, Phoenix, AZ 85038-9019

(602) 716-7801

This affidavit must be completed by each person who wishes to assist in the conduct of any game of bingo. If any information is blank or incorrect, the affidavit will be returned to you. All information is subject to verification. Disclosure of your Social Security Number (SSN) is voluntary. This information may be used to establish positive identification for purposes of criminal background checks pursuant to Arizona Revised Statutes § 5-404.

Licensee's Name <u>Sierra Dawn Bingo</u>	
Position (check the appropriate boxes): ☐ Manager ☒ Supervisor ☐ Proceed Coordinator ☐ Assistant	

Affiant's Name <u>Judy Rogan</u>		
Address <u>11596 W. Sierra Dawn Blvd Lot</u>		
City <u>Surprise</u>	State <u>AZ</u>	ZIP Code <u>85378</u>
Home Phone No. (with area code)	Work Phone No. (with area code)	

REVENUE USE ONLY. DO NOT MARK IN THIS AREA.	
88	
81 PM	80 RCVD

If licensee is a qualified organization, complete the following section:

Member? ☐ Yes ☐ No	Date Joined Organization <u>MM/DD/YYYY</u>
Officers? ☐ Yes ☐ No	Officer Title
Do you have an affidavit on file for any other licensee? ☐ Yes ☐ No If "Yes", list license number(s):	

I, Judy Rogan, the above-named affiant, under penalty of perjury, upon oath, depose and say that I will conduct or assist in conducting all bingo games in compliance with the terms of the license, Arizona Revised Statutes, Title 5, Chapter 4, and the rules of the licensing authority. I am of good moral character and have never been convicted of any misdemeanor involving moral turpitude or felony. I have not and shall not receive any reward, compensation or recompense for my participation in the conduct of bingo games except as provided for by law. I hereby swear or confirm that I have read and understand the foregoing and verify that the information and statements made herein are true and correct to the best of my knowledge.

Judy Rogan
Signature of Affiant

9/5/18
Date

Please mail to: Arizona Department of Revenue, PO Box 29019, Phoenix, AZ 85038-9019

(602) 716-7801

This affidavit must be completed by each person who wishes to assist in the conduct of any game of bingo. If any information is blank or incorrect, the affidavit will be returned to you. All information is subject to verification. Disclosure of your Social Security Number (SSN) is voluntary. This information may be used to establish positive identification for purposes of criminal background checks pursuant to Arizona Revised Statutes § 5-404.

Licensee's Name SIERRA DAWN BINGO		License Number	
Position (check the appropriate boxes): ☐ Manager ☒ Supervisor ☐ Proceed Coordinator ☐ Assistant		REVENUE USE ONLY. DO NOT MARK IN THIS AREA.	
Affiant's Name MICHAEL DOUGLAS MCPERMICK		88	
Address 11596 W. SIERRA DAWN BLVD, # [REDACTED]			
City SUPRISE	State AZ	ZIP Code 85378	
Home Phone No. (with area code) [REDACTED]	Work Phone No. (with area code)	81 PM	80 RCVD

If licensee is a qualified organization, complete the following section:

Member? ☐ Yes ☐ No	Date Joined Organization MM/DD/YYYY
Officers? ☐ Yes ☐ No	Officer Title
Do you have an affidavit on file for any other licensee? ☐ Yes ☐ No If "Yes", list license number(s):	

I, Michael Douglas McPormick, the above-named affiant, under penalty of perjury, upon oath, depose and say that I will conduct or assist in conducting all bingo games in compliance with the terms of the license, Arizona Revised Statutes, Title 5, Chapter 4, and the rules of the licensing authority. I am of good moral character and have never been convicted of any misdemeanor involving moral turpitude or felony. I have not and shall not receive any reward, compensation or recompense for my participation in the conduct of bingo games except as provided for by law. I hereby swear or confirm that I have read and understand the foregoing and verify that the information and statements made herein are true and correct to the best of my knowledge.

Michael Douglas McPormick
Signature of Affiant

05 Sept 2018
Date

Please mail to: Arizona Department of Revenue, PO Box 29019, Phoenix, AZ 85038-9019

(602) 716-7801

This affidavit must be completed by each person who wishes to assist in the conduct of any game of bingo. If any information is blank or incorrect, the affidavit will be returned to you. All information is subject to verification. Disclosure of your Social Security Number (SSN) is voluntary. This information may be used to establish positive identification for purposes of criminal background checks pursuant to Arizona Revised Statutes § 5-401.

Licensee's Name SIERRA DAWN BINGO		License Number
Position (check the appropriate boxes): ☐ Manager ☒ Supervisor ☐ Proceed Coordinator ☐ Assistant		REVENUE USE ONLY. DO NOT MARK IN THIS AREA. 88
Affiant's Name FRANK J. NIGLIACCIO		
Address [REDACTED]		
City SUN CITY	State AZ	
Work Phone No. (with area code) none		81 PM
		80 RCVD

If licensee is a qualified organization, complete the following section:

Member? ☐ Yes ☐ No	Date Joined Organization MM/DD/YYYY
Officers? ☐ Yes ☐ No	Officer Title
Do you have an affidavit on file for any other licensee? ☐ Yes ☐ No If "Yes", list license number(s):	

I, FRANK J. NIGLIACCIO, the above-named affiant, under penalty of perjury, upon oath, depose and say that I will conduct or assist in conducting all bingo games in compliance with the terms of the license, Arizona Revised Statutes, Title 5, Chapter 4, and the rules of the licensing authority. I am of good moral character and have never been convicted of any misdemeanor involving moral turpitude or felony. I have not and shall not receive any reward, compensation or recompense for my participation in the conduct of bingo games except as provided for by law. I hereby swear or confirm that I have read and understand the foregoing and verify that the information and statements made herein are true and correct to the best of my knowledge.

Frank Nigliaccio
Signature of Affiant

9-5-2018
Date

Please mail to: Arizona Department of Revenue, PO Box 29019, Phoenix, AZ 85038-9019

(602) 716-7801

This affidavit must be completed by each person who wishes to assist in the conduct of any game of bingo. If any information is blank or incorrect, the affidavit will be returned to you. All information is subject to verification. Disclosure of your Social Security Number (SSN) is voluntary. This information may be used to establish positive identification for purposes of criminal background checks pursuant to Arizona Revised Statutes § 5-404.

Licensee's Name <u>SIERRA DAWN BINGO</u>		License Number
Position (check the appropriate boxes): ☐ Manager ☒ Supervisor ☐ Proceed Coordinator ☐ Assistant		REVENUE USE ONLY. DO NOT MARK IN THIS AREA.
Affiant's Name <u>SUSAN LACONTE</u>		
Social Security Number	Date of Birth	
Address <u>14909 W. GEORGIA DR</u>		
City <u>SURPRISE</u>	State <u>AZ</u> ZIP Code <u>85379</u>	
Work Phone No. (with area code) <u>N/A</u>		

If licensee is a qualified organization, complete the following section:

Member? ☐ Yes ☐ No	Date Joined Organization <u>MM/DD/YYYY</u>
Officers? ☐ Yes ☐ No	Officer Title
Do you have an affidavit on file for any other licensee? ☐ Yes ☐ No If "Yes", list license number(s):	

I, SUSAN LACONTE, the above-named affiant, under penalty of perjury, upon oath, depose and say that I will conduct or assist in conducting all bingo games in compliance with the terms of the license, Arizona Revised Statutes, Title 5, Chapter 4, and the rules of the licensing authority. I am of good moral character and have never been convicted of any misdemeanor involving moral turpitude or felony. I have not and shall not receive any reward, compensation or recompense for my participation in the conduct of bingo games except as provided for by law. I hereby swear or confirm that I have read and understand the foregoing and verify that the information and statements made herein are true and correct to the best of my knowledge.

Susan LaConte
 Signature of Affiant

9-5-2018
 Date

Please mail to: Arizona Department of Revenue, PO Box 29019, Phoenix, AZ 85038-9019

☎ (602) 716-7801

This affidavit must be completed by each person who wishes to assist in the conduct of any game of bingo. If any information is blank or incorrect, the affidavit will be returned to you. All information is subject to verification. Disclosure of your Social Security Number (SSN) is voluntary. This information may be used to establish positive identification for purposes of criminal background checks pursuant to Arizona Revised Statutes § 5-401.

Licensee's Name SIERRA DAWN BINGO		License Number _____	
Position (check the appropriate boxes): ☐ Manager ☒ Supervisor ☐ Proceed Coordinator ☐ Assistant			
Affiant's Name DONALD B. WINDUS		REVENUE USE ONLY. DO NOT MARK IN THIS AREA. 	
SSN [REDACTED]	Date of Birth MM/DD/YYYY [REDACTED]		
Address 11596 SIERRA DAWN #30			
City SURPRISE	State ARIZONA		
ZIP Code 85378			
Home Phone No. (with area code) [REDACTED]		81 PM _____	80 RCVD _____

If licensee is a qualified organization, complete the following section:

Member? ☐ Yes ☐ No	Date Joined Organization MM/DD/YYYY
Officers? ☐ Yes ☐ No	Officer Title _____
Do you have an affidavit on file for any other licensee? ☐ Yes ☐ No If "Yes", list license number(s): _____	

I, DONALD B. WINDUS, the above-named affiant, under penalty of perjury, upon oath, depose and say that I will conduct or assist in conducting all bingo games in compliance with the terms of the license, Arizona Revised Statutes, Title 5, Chapter 4, and the rules of the licensing authority. I am of good moral character and have never been convicted of any misdemeanor involving moral turpitude or felony. I have not and shall not receive any reward, compensation or recompense for my participation in the conduct of bingo games except as provided for by law. I hereby swear or confirm that I have read and understand the foregoing and verify that the information and statements made herein are true and correct to the best of my knowledge.



 Signature of Affiant

09/05/2018

 Date

Please mail to: Arizona Department of Revenue, PO Box 29019, Phoenix, AZ 85038-9019

☎ (602) 716-7801

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Licensee's Name <u>SIERA DAWN BINGO</u>			License Number 	
Position (check the appropriate boxes): ☐ Manager ☒ Supervisor ☐ Proceed Coordinator ☐ Assistant			REVENUE USE ONLY. DO NOT MARK IN THIS AREA. 	
Affiant's Name <u>WILLIAM L SAWYER</u>				
Address <u>11596 LOSIERA DAWN BLVD LOT 195</u>				
City <u>SURPRISE</u>	State <u>AZ</u>	ZIP Code <u>85328</u>		
Home Phone No. (with area code) 		Work Phone No. (with area code) 		88 PM
80 RCVD				

If licensee is a qualified organization, complete the following section:

Member? ☐ Yes ☐ No	Date Joined Organization
Officers? ☐ Yes ☐ No	Officer Title
Do you have an affidavit on file for any other licensee? ☐ Yes ☐ No If "Yes", list license number(s):	

I, WILLIAM L SAWYER, the above-named affiant, under penalty of perjury, upon oath, depose and say that I will conduct or assist in conducting all bingo games in compliance with the terms of the license, Arizona Revised Statutes, Title 5, Chapter 4, and the rules of the licensing authority. I am of good moral character and have never been convicted of any misdemeanor involving moral turpitude or felony. I have not and shall not receive any reward, compensation or recompense for my participation in the conduct of bingo games except as provided for by law. I hereby swear or confirm that I have read and understand the foregoing and verify that the information and statements made herein are true and correct to the best of my knowledge.

Signature of Affiant

Date

Please mail to: Arizona Department of Revenue, PO Box 29019, Phoenix, AZ 85038-9019

(602) 716-7801

This affidavit must be completed by each person who wishes to assist in the conduct of any game of bingo. If any information is blank or incorrect, the affidavit will be returned to you. All information is subject to verification. Disclosure of your Social Security Number (SSN) is voluntary. This information may be used to establish positive identification for purposes of criminal background checks pursuant to Arizona Revised Statutes § 5-404.

Licensee's Name <i>Sierra Dawn Bingo</i>			License Number 	
Position (check the appropriate boxes): ☐ Manager ☒ Supervisor ☐ Proceed Coordinator ☐ Assistant			REVENUE USE ONLY. DO NOT MARK IN THIS AREA.	
Affiant's Name <i>Randy Pfitzer</i>			ADDRESS 	
ADDRESS <i>115-96 W Sierra Dawn Blvd #111</i>			City <i>Surprise</i>	
State <i>AZ</i>			ZIP Code <i>85378</i>	
If licensee is a qualified organization, complete the following section:			81 PM 80 RCVD	

If licensee is a qualified organization, complete the following section:

Member? ☐ Yes ☐ No	Date Joined Organization <i>MM/DD/YYYY</i>
Officers? ☐ Yes ☐ No	Officer Title
Do you have an affidavit on file for any other licensee? ☐ Yes ☐ No If "Yes", list license number(s):	

I, *Randy Pfitzer*, the above-named affiant, under penalty of perjury, upon oath, depose and say that I will conduct or assist in conducting all bingo games in compliance with the terms of the license, Arizona Revised Statutes, Title 5, Chapter 4, and the rules of the licensing authority. I am of good moral character and have never been convicted of any misdemeanor involving moral turpitude or felony. I have not and shall not receive any reward, compensation or recompense for my participation in the conduct of bingo games except as provided for by law. I hereby swear or confirm that I have read and understand the foregoing and verify that the information and statements made herein are true and correct to the best of my knowledge.


 Signature of Affiant
 9/5/18
 Date

Please mail to: Arizona Department of Revenue, PO Box 29019, Phoenix, AZ 85038-9019

(602) 716-7801

This affidavit must be completed by each person who wishes to assist in the conduct of any game of bingo. If any information is blank or incorrect, the affidavit will be returned to you. All information is subject to verification. Disclosure of your Social Security Number (SSN) is voluntary. This information may be used to establish positive identification for purposes of criminal background checks pursuant to Arizona Revised Statutes § 5-404.

Licensee's Name <i>Sierra Dawn Bingo</i>			License Number 	
Position (check the appropriate boxes): ☐ Manager ☒ Supervisor ☐ Proceed Coordinator ☐ Assistant				
Affiant's Name <i>John Tipton</i>				
Address <i>11596 W. Sierra Dawn Blvd #97</i>				
City <i>Surprise</i>		State <i>AZ</i>		ZIP Code <i>85378</i>
Home Phone No. (with area code) 		Work Phone No. (with area code) 		

REVENUE USE ONLY. DO NOT MARK IN THIS AREA.

81 PM

80 RCVD

If licensee is a qualified organization, complete the following section:

Member? ☐ Yes ☐ No	Date Joined Organization MM/DD/YYYY
Officers? ☐ Yes ☐ No	Officer Title
Do you have an affidavit on file for any other licensee? ☐ Yes ☐ No If "Yes", list license number(s):	

I, *John Tipton*, the above-named affiant, under penalty of perjury, upon oath, depose and say that I will conduct or assist in conducting all bingo games in compliance with the terms of the license, Arizona Revised Statutes, Title 5, Chapter 4, and the rules of the licensing authority. I am of good moral character and have never been convicted of any misdemeanor involving moral turpitude or felony. I have not and shall not receive any reward, compensation or recompense for my participation in the conduct of bingo games except as provided for by law. I hereby swear or confirm that I have read and understand the foregoing and verify that the information and statements made herein are true and correct to the best of my knowledge.

John W. Tipton
 Signature of Affiant

9/5/2018
 Date

Please mail to: Arizona Department of Revenue, PO Box 29019, Phoenix, AZ 85038-9019

(602) 716-7801

This affidavit must be completed by each person who wishes to assist in the conduct of any game of bingo. If any information is blank or incorrect, the affidavit will be returned to you. All information is subject to verification. Disclosure of your Social Security Number (SSN) is voluntary. This information may be used to establish positive identification for purposes of criminal background checks pursuant to Arizona Revised Statutes § 5-404.

Licensee's Name <u>Sierra Dawn Bingo</u>		License Number _____	
Position (check the appropriate boxes): ☐ Manager ☐ Supervisor ☐ Proceed Coordinator ☒ Assistant			
Affiant's Name <u>Connie Douglas</u>		REVENUE USE ONLY. DO NOT MARK IN THIS AREA. 	
Address _____			
<u>11596 W Sierra Dawn Blvd #</u> _____			
City <u>Surprise</u>	State <u>AZ</u>		
Home Phone No. (with area code) _____		Work Phone No. (with area code) _____	
☐ PM		☐ RCVD	

If licensee is a qualified organization, complete the following section:

Member? ☐ Yes ☐ No	Date Joined Organization _____
Officers? ☐ Yes ☐ No	Officer Title _____
Do you have an affidavit on file for any other licensee? ☐ Yes ☐ No If "Yes", list license number(s): _____	

I, Connie Douglas, the above-named affiant, under penalty of perjury, upon oath, depose and say that I will conduct or assist in conducting all bingo games in compliance with the terms of the license, Arizona Revised Statutes, Title 5, Chapter 4, and the rules of the licensing authority. I am of good moral character and have never been convicted of any misdemeanor involving moral turpitude or felony. I have not and shall not receive any reward, compensation or recompense for my participation in the conduct of bingo games except as provided for by law. I hereby swear or confirm that I have read and understand the foregoing and verify that the information and statements made herein are true and correct to the best of my knowledge.


 Signature of Affiant
9-6-18
 Date

Please mail to: Arizona Department of Revenue, PO Box 29019, Phoenix, AZ 85038-9019

☎ (602) 716-7801

This affidavit must be completed by each person who wishes to assist in the conduct of any game of bingo. If any information is blank or incorrect, the affidavit will be returned to you. All information is subject to verification. Disclosure of your Social Security Number (SSN) is voluntary. This information may be used to establish positive identification for purposes of criminal background checks pursuant to Arizona Revised Statutes § 5-404.

Licensee's Name <u>SIERRA DAWN BINGO</u>		License Number
Position (check the appropriate boxes): ☐ Manager ☒ Supervisor ☐ Proceed Coordinator ☐ Assistant		
Affiant's Name <u>GALE SCHAUERMAN</u>		REVENUE USE ONLY. DO NOT MARK IN THIS AREA. 88
Address <u>11596 W SIERRA DAWN BLVD, LOT [REDACTED]</u>		
City <u>SURPRISE</u>	State <u>AZ</u> ZIP Code <u>85378</u>	
[REDACTED]		
[REDACTED]		81 PM
[REDACTED]		80 RCVD

If licensee is a qualified organization, complete the following section:

Member? ☒ Yes ☐ No	Date Joined Organization <u>MM/DD/YYYY 3/1/2008</u>
Officers? ☐ Yes ☒ No	Officer Title <u>N/A</u>
Do you have an affidavit on file for any other licensee? ☐ Yes ☒ No If "Yes", list license number(s):	

I, GALE SCHAUERMAN, the above-named affiant, under penalty of perjury, upon oath, depose and say that I will conduct or assist in conducting all bingo games in compliance with the terms of the license, Arizona Revised Statutes, Title 5, Chapter 4, and the rules of the licensing authority. I am of good moral character and have never been convicted of any misdemeanor involving moral turpitude or felony. I have not and shall not receive any reward, compensation or recompense for my participation in the conduct of bingo games except as provided for by law. I hereby swear or confirm that I have read and understand the foregoing and verify that the information and statements made herein are true and correct to the best of my knowledge.

Gale Schauerman
Signature of Affiant

Date 8/6/18

Please mail to: Arizona Department of Revenue, PO Box 29019, Phoenix, AZ 85038-9019

(602) 716-7801

This affidavit must be completed by each person who wishes to assist in the conduct of any game of bingo. If any information is blank or incorrect, the affidavit will be returned to you. All information is subject to verification. Disclosure of your Social Security Number (SSN) is voluntary. This information may be used to establish positive identification for purposes of criminal background checks pursuant to Arizona Revised Statutes § 5-404.

Licensee's Name <u>SIERRA DAWN BINGO</u>		License Number	
Position (check the appropriate boxes): ☐ Manager ☒ Supervisor ☐ Proceed Coordinator ☐ Assistant		REVENUE USE ONLY. DO NOT MARK IN THIS AREA. 88	
Affiant's Name <u>DAVID HORNES</u>			
Address <u>11596 W SIERRA DAWN BLVD LOT</u>			
City <u>SURPRISE</u>	State <u>AZ</u>	ZIP Code <u>85378</u>	
Work Phone No. (with area code)		81 PM	80 RCVD

If licensee is a qualified organization, complete the following section:

Member? ☐ Yes ☐ No	Date Joined Organization <u>JAN 01 2000</u>
Officers? ☐ Yes ☐ No	Officer Title
Do you have an affidavit on file for any other licensee? ☐ Yes ☐ No If "Yes", list license number(s):	

I, DAVID HORNES, the above-named affiant, under penalty of perjury, upon oath, depose and say that I will conduct or assist in conducting all bingo games in compliance with the terms of the license, Arizona Revised Statutes, Title 5, Chapter 4, and the rules of the licensing authority. I am of good moral character and have never been convicted of any misdemeanor involving moral turpitude or felony. I have not and shall not receive any reward, compensation or recompense for my participation in the conduct of bingo games except as provided for by law. I hereby swear or confirm that I have read and understand the foregoing and verify that the information and statements made herein are true and correct to the best of my knowledge.

Signature of Affiant

Date

Please mail to: Arizona Department of Revenue, PO Box 29019, Phoenix, AZ 85038-9019

(602) 716-7801

This affidavit must be completed by each person who wishes to assist in the conduct of any game of bingo. If any information is blank or incorrect, the affidavit will be returned to you. All information is subject to verification. Disclosure of your Social Security Number (SSN) is voluntary. This information may be used to establish positive identification for purposes of criminal background checks pursuant to Arizona Revised Statutes § 5-404.

Licensee's Name
Sierra Dawn Bingo

Position (check the appropriate boxes):
☐ Manager ☐ Supervisor ☐ Proceed Coordinator ☐ Assistant

License Number

Affiant's Name
BETTY C. HATCH

11596 W. SIERRA DAWN

City SURPRISE State AZ ZIP Code 85378

Home Phone No. (with area code) 623-476-5554 Work Phone No. (with area code) 325-330-0377

REVENUE USE ONLY. DO NOT MARK IN THIS AREA.

88

81 PM 80 RCVD

If licensee is a qualified organization, complete the following section:

Member?
☒ Yes ☐ No

Officers?
☐ Yes ☒ No

Do you have an affidavit on file for any other licensee?
☐ Yes ☒ No If "Yes", list license number(s):

Date Joined Organization _____ Officer Title _____

I, BETTY HATCH, the above-named affiant, under penalty of perjury, upon oath, depose and say that I will conduct or assist in conducting all bingo games in compliance with the terms of the license, Arizona Revised Statutes, Title 5, Chapter 4, and the rules of the licensing authority. I am of good moral character and have never been convicted of any misdemeanor involving moral turpitude or felony. I have not and shall not receive any reward, compensation or recompense for my participation in the conduct of bingo games except as provided for by law. I hereby swear or confirm that I have read and understand the foregoing and verify that the information and statements made herein are true and correct to the best of my knowledge.

B. Hatch
Signature of Affiant

9/6/18
Date

Please mail to: Arizona Department of Revenue, PO Box 29019, Phoenix, AZ 85038-9019

(602) 716-7801

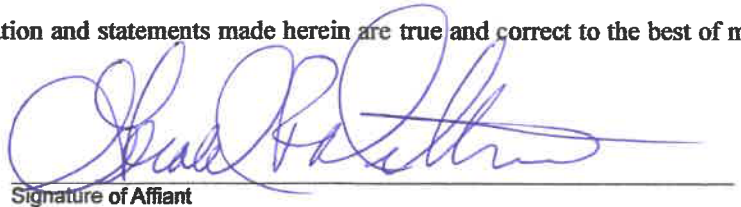
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Licensee's Name <u>SIERRA DAWN BINGO</u>			License Number 	
Position (check the appropriate boxes): ☐ Manager ☒ Supervisor ☐ Proceed Coordinator ☐ Assistant				
Affiant's Name <u>GERALD R. DITTMER</u>				
Address <u>11596 W. SIERRA DAWN BLVD # [REDACTED]</u>				
City <u>SUPRISE</u>		State <u>AZ</u>		ZIP Code <u>85378</u>
[REDACTED]				
REVENUE USE ONLY. DO NOT MARK IN THIS AREA. 88 81 PM 80 RCVD				

If licensee is a qualified organization, complete the following section:

Member? ☒ Yes ☐ No	Date Joined Organization
Officers? ☐ Yes ☐ No	Officer Title
Do you have an affidavit on file for any other licensee? ☐ Yes ☒ No If "Yes", list license number(s):	

I, GERALD R. DITTMER, the above-named affiant, under penalty of perjury, upon oath, depose and say that I will conduct or assist in conducting all bingo games in compliance with the terms of the license, Arizona Revised Statutes, Title 5, Chapter 4, and the rules of the licensing authority. I am of good moral character and have never been convicted of any misdemeanor involving moral turpitude or felony. I have not and shall not receive any reward, compensation or recompense for my participation in the conduct of bingo games except as provided for by law. I hereby swear or confirm that I have read and understand the foregoing and verify that the information and statements made herein are true and correct to the best of my knowledge.


 Signature of Affiant

9-11-2018
 Date

Please mail to: Arizona Department of Revenue, PO Box 29019, Phoenix, AZ 85038-9019

☎ (602) 716-7801



CITY OF SURPRISE Regular City Council Meeting

Council Meeting Date: February 5, 2019
Submitting Department: Legal
Staff Recommendations:

Contact Person:
District: Internal

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

Consideration and action pertaining to the acceptance of the Victims' Right Program (VRP) grant in the amount of \$2,200 and amending the FY19 budget by reallocating appropriations from grant contingency to the FY19 VRP Grant Fund to account for the grant; Resolution # 2019-08.

Motion:

I move to approve Resolution # 2019-08.

Background:

The City of Surprise City Attorney Criminal Division, in its efforts to promote safety and wellness within the community, maintains a Victim Services Program. This program is designed to keep victims apprised of their rights during the pendency of the criminal proceedings and connect them with resources that may provide necessary support. The program relies heavily of grant funding to pay for supplies and other expenditures to carry out its function.

Objective Analysis:

Acceptance of these grant funds allows the city to continue the Victim Services program in the Prosecutor's office.

Policy Compliant:

This grant acceptance is consistent with City Council's directive to identify and utilize all available sources of funding, including grants, to maintain, improve, and expand City programs which do not generate funds of their own accord. The budget amendment is necessary to comply with financial policies adopted by Council

Financial Impact:

This one-time VRP grant award will assist in paying for postage, printing of envelopes and forms mandated by state law.

Budget Impact:

The reallocation of appropriation in the amount of \$2,200 from contingency within the Grants Fund to FY19 Victims' Rights Program within the Grants Fund to support the direct costs of implementing victims' rights laws. These allocations do not represent an actual transfer of funds but only a transfer of

spending authority.

FTE Impact:

This does not impact the number of FTE's.

ATTACHMENTS:

1. FY19 VRP Award
 2. Res 2019-08-Budget Amd for VRP Grant Award-final
-

RESOLUTION # 2019-08

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF SURPRISE, ARIZONA, AMENDING THE FISCAL YEAR 2019 BUDGET BY REALLOCATING APPROPRIATIONS OF \$2,200 FROM GRANT CONTINGENCY TO FY19 VRP WITHIN THE GRANTS FUND FOR THE PURPOSE OF ADJUSTING BUDGET AUTHORITY RELATED TO THE ACCEPTANCE OF THE STATE OF ARIZONA OFFICE OF ATTORNEY GENERAL VICTIMS' RIGHTS PROGRAM GRANT AWARD.

WHEREAS, the State of Arizona Office of the Attorney General Victims' Rights Program (VRP) has awarded the City of Surprise \$2,200 in grant funding to support and offset the costs associated with the Victim Assistance Program mandated under victims' rights laws;

WHEREAS, the grant award is not included as part of the FY2019 budget;

WHEREAS, it is necessary to allocate appropriations of \$2,200 from contingency within the Grants Fund to the Victim Rights Program for the acceptance of this grant award;

WHEREAS, the FY2019 budget was adopted by Council Resolution #2018-78 on June 5, 2018;

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, 2018 through June 30, 2019.

APPROVED AND ADOPTED this ____ day of _____, 2019.

Skip Hall, Mayor

Attest:

Approved as to form:

Sherry Aguilar, City Clerk

Robert Wingo, City Attorney

RESOLUTION # 2019-08 **Exhibit A**

1. Appropriation - The allocation below represents a reallocation of appropriation in the amount of \$2,200 from contingency within the Grants Fund to FY19 Victims' Rights Program within the Grants Fund to support the direct costs of implementing victims' rights laws. These allocations do not represent an actual transfer of funds, but only a transfer of spending authority.

Fund	Department	Project/Category	Rev/ Exp	Current Budget	Increase/ (Decrease)	Amended Budget
Grants	Legal	#G13081 FY19 VRP	E	-	2,200	2,200
Grants	Legal	#G13081 FY19 VRP	R	-	2,200	2,200
Grants	General Operations	Contingency	E	20,762,400	(2,200)	20,760,200
Grants	General Operations	Other	R	20,726,200	(2,200)	20,724,000
Expense Total				20,762,400	-	20,762,400
Revenue Total				20,726,200	-	20,726,200



CITY OF SURPRISE Regular City Council Meeting

Council Meeting Date: February 5, 2019
Submitting Department: Human Resources
Staff Recommendations: None

Contact Person:
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 2019 Operating List of Items Over \$50,000 to account for costs associated with Workers' Compensation Premiums; Resolution #2019-18.

Motion:

I move to approve Resolution # 2019-18.

Background:

Council approved \$150,608 for the purpose of Workers' Compensation Premiums included on the Fiscal Year 2019 Capital and Operating List of Items Over \$50,000. This amount was based on projected premium cost as presented to Council through the FY19 budget process. Excess insurance premiums are calculated prior to insured policy period, based on projected total payroll hours. Specifically, an assigned rate per \$100 of payroll is used to calculate the "premium deposit" for the policy year. Excess carriers often conduct voluntary, or on-site, audits, following the policy year to compare actual versus project payroll amounts. Due to the audited FY18 payroll being substantially higher than projected a premium difference is due. Risk Management wants to ensure that it has the Council authority to cover any audit differences or other premium increases.

Objective Analysis:

This is a request to amend the FY19 Capital and Operating List Items over \$50K with no impact to the budget.

Policy Compliant:

This item is consistent with City and Council Policies.

Financial Impact:

The total projected costs for Workers' Compensation Premiums can vary from year to year based on the results of independent audits the City's payroll.

Budget Impact:

Along with the FY2019 adopted budget, Council approved Reference# 19223 Workers' Compensation Premiums for \$150,608 on the FY2019 Capital and Operating List Items over \$50K. Approval of this item will increase that reference line by \$75,000 to a total of \$225,608. The funding for this item will be taken from the existing Workers' Compensation Taxes & Services Fees.

FTE Impact:

There are no FTE's associated with this item.

ATTACHMENTS:

1. 19.01.16 Res 2019-18 Workers Comp - final
-

RESOLUTION # 2019-18

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF SURPRISE, ARIZONA, AMENDING THE FISCAL YEAR 2019 CAPITAL AND OPERATING LIST OF ITEMS OVER \$50,000 BY INCREASING THE WORKERS' COMPENSATION PREMIUMS ITEM TO \$225,608.

WHEREAS, the FY2019 adopted budget included funding for procurement of an excess workers' compensation insurance policy for the newly created self-insured/self-administered program which took effect July 1 2017;

WHEREAS, industry standards risk appetite and current authority to self-insure the workers' compensation program require the City to procure and maintain an excess insurance policy to protect both injured workers and the financial health of the City in the event of a catastrophic loss;

WHEREAS, the FY2019 budget, including the FY2019 Capital and Operating List of Items Over \$50,000, was adopted by Council Resolution #2018-78 on June 5, 2018; and

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.

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, the Fiscal Year 2019 Capital and Operating List of Items Over \$50,000 of the City of Surprise, Arizona for the fiscal year July 1, 2018 through June 30, 2019.

APPROVED AND ADOPTED this ____ day of _____, 2019.

Skip Hall, Mayor

Attest:

Approved as to form:

Sherry Aguilar, City Clerk

Robert Wingo, City Attorney

RESOLUTION # 2019-18
Exhibit A

1. List of Operating Items Over \$50,000 – Council approved \$150,608 for the purpose of Workers' Compensation Premiums included on the Fiscal Year 2019 Capital and Operating List of Items Over \$50,000. This amount was based on projected premium cost as presented to Council through the FY19 budget process. Excess insurance premiums are calculated prior to insured policy period, based on projected total payroll hours. Specifically, an assigned rate per \$100 of payroll is used to calculate the "premium deposit" for the policy year. Excess carriers often conduct voluntary, or on-site, audits, following the policy year to compare actual versus project payroll amounts. Due to the audited FY18 payroll being substantially higher than projected a premium difference is due. On a go forward basis, Risk Management wants to ensure that it has the Council authority to cover any of audit differences or other premium increases.

Reference #	Description	Current Amount	Increase/ (Decrease)	Amended Amount
19223	Workers' Compensation Premiums	150,608	75,000	225,608



CITY OF SURPRISE Regular City Council Meeting

Council Meeting Date: February 5, 2019

Contact Person: Andrea Davis, DIRECTOR -
FINANCE, Holly Osborn, AD - FINANCE
District: Citywide

Submitting Department: Finance
Staff Recommendations: None

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

Public hearing pertaining to the Land Use Assumptions (LUA) and Infrastructure Improvement Plan (IIP).

Motion:

None; discussion only.

Background:

In accordance with Arizona Revised Statutes (A.R.S.) § 9-436.05, municipalities in Arizona may assess development impact fees (DIF) to offset growth-related infrastructure costs for necessary public services. The development fees must be based on an Infrastructure Improvements Plan (IIP) and Land Use Assumptions (LUA).

This public hearing provides an opportunity for the City to accept and consider comments from members of the public before City Council takes official action on the LUA and IIP on March 11, 2019.

Objective Analysis:

Updating development impact fees ensures compliance with state mandates and provides the City with resources to meet the demand for public services and infrastructure as the City grows.

Policy Compliant:

This item is consistent with City and Council Policy.

Financial Impact:

None at this time; however, topics covered in this presentation could lead to future actions which may have a financial impact.

Budget Impact:

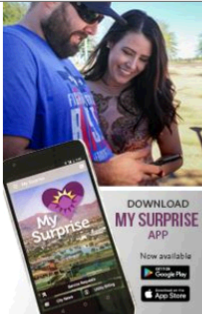
None at this time; however, topics covered in this presentation could lead to future actions which may have a budgetary impact.

FTE Impact:

This item does not impact the overall full-time equivalent count.

ATTACHMENTS:

1. Public Notices _ Official Website - Surprise, Arizona.pdf
 2. Surprise IIP & Fees 1.25.19
-



PUBLIC NOTICES

Notice of Public Hearing on Land Use Assumptions and Infrastructure Improvement Plan

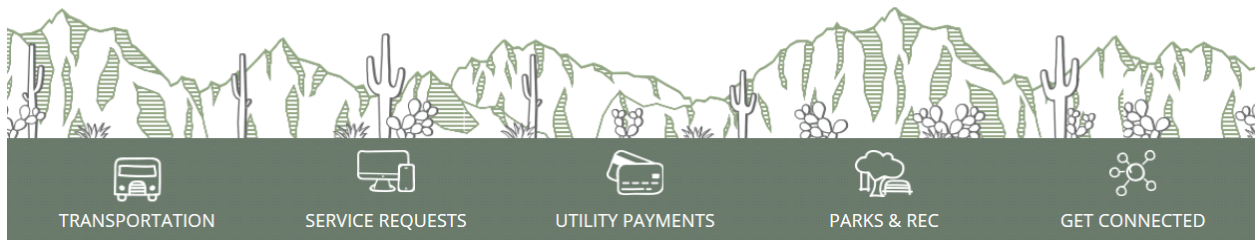
posted (11/20/2018) | revised (1/4/2019)

Pursuant to Arizona Revised Statutes (A.R.S) § 9-463.05 notice is hereby given that the City of Surprise will hold a public hearing to discuss and review an update to the Land Use Assumptions (LUA) and Infrastructure Improvement Plan (IIP) associated with the development impact fees charged by the City. The public hearing will be held at the Regular City Council Meeting on ~~January 22, 2019~~ February 5, 2019 at 6:00 p.m. at the Surprise City Council Chambers, 16000 N. Civic Center Plaza Surprise, AZ 85374.

The City Council will approve or disapprove the amendments to the LUA and IIP at the Special Regular City Council Meeting on Tuesday, ~~March 5, 2019~~ Monday, March 11, 2019 at 5:00 p.m. at the Surprise City Council Chambers, 16000 N. Civic Center Plaza Surprise, AZ 85374.

A separate public hearing on potential changes to the development impact fees will be considered after the City Council has approved or disapproved amendments to the LUA and IIP. A copy of the proposed LUA and IIP is attached to this notice and also published on the City of Surprises' website www.surpriseaz.gov/3204/Development-Impact-Fees.

January 4, 2019 REVISION: The public hearing to discuss and review an update to the LUA and IIP will now take place at the Regular City Council Meeting on Tuesday, February 5, 2019 at 6:00 p.m. City Council will now approve or disapprove the amendments to the LUA and IIP at the Special City Council Meeting on Monday, March 11, 2019 at 5:00 p.m.



DRAFT
**Land Use Assumptions,
Infrastructure Improvements Plan,
and Development Fee Report**

**Prepared for:
Surprise, Arizona**

January 25, 2019



**4701 Sangamore Road
Suite S240
Bethesda, MD 20816
301.320.6900
www.TischlerBise.com**

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EXECUTIVE SUMMARY

The City of Surprise hired TischlerBise to document land use assumptions, prepare an Infrastructure Improvements Plan (hereinafter referred to as the “IIP”), and update development fees pursuant to Arizona Revised Statutes (“ARS”) § 9-436.05 (hereinafter referred to as the “Enabling Legislation”). Municipalities in Arizona may assess development fees to offset infrastructure costs to a municipality for necessary public services. The development fees must be based on an Infrastructure Improvements Plan and Land Use Assumptions. The IIPs for each type of infrastructure are located in each infrastructure type’s corresponding section, and the Land Use Assumptions can be found in the Appendix. The proposed development fees are displayed in the Development Fee Report chapter.

Development fees are one-time payments used to construct system improvements needed to accommodate new development. The fee represents future development’s proportionate share of infrastructure costs. Development fees may be used for infrastructure improvements or debt service for growth related infrastructure. In contrast to general taxes, development fees may not be used for operations, maintenance, replacement, or correcting existing deficiencies.

This update of the City’s Infrastructure Improvements Plan and associated update to its development fees includes the following necessary public services:

1. Parks and Recreation
2. Police
3. Fire
4. Street
5. Water
6. Water Resource
7. Wastewater

This plan also includes all necessary elements required to be in full compliance with SB 1525.

ARIZONA DEVELOPMENT FEE ENABLING LEGISLATION

The Enabling Legislation governs how development fees are calculated for municipalities in Arizona.

Necessary Public Services

Under the requirements of the Enabling Legislation, development fees may only be used for construction, acquisition or expansion of public facilities that are necessary public services. “Necessary public service” means any of the following categories of facilities that have a life expectancy of three or more years and that are owned and operated on behalf of the municipality: water, wastewater, storm water, library, street, fire, police, and neighborhood parks and recreational. Additionally, a necessary public service includes any facility that was financed before June 1, 2011 and that meets the following requirements:

1. Development fees were pledged to repay debt service obligations related to the construction of the facility.
2. After August 1, 2014, any development fees collected are used solely for the payment of principal and interest on the portion of the bonds, notes, or other debt service obligations issued before June 1, 2011 to finance construction of the facility.

Infrastructure Improvements Plan

Development fees must be calculated pursuant to an IIP. For each necessary public service that is the subject of a development fee, by law, the IIP shall include the following seven elements:

1. A description of the existing necessary public services in the service area and the costs to update, improve, expand, correct or replace those necessary public services to meet existing needs and usage and stricter safety, efficiency, environmental or regulatory standards, which shall be prepared by qualified professionals licensed in this state, as applicable.
2. An analysis of the total capacity, the level of current usage and commitments for usage of capacity of the existing necessary public services, which shall be prepared by qualified professionals licensed in this state, as applicable.
3. A description of all or the parts of the necessary public services or facility expansions and their costs necessitated by and attributable to development in the service area based on the approved Land Use Assumptions, including a forecast of the costs of infrastructure, improvements, real property, financing, engineering and architectural services, which shall be prepared by qualified professionals licensed in this state, as applicable.
4. A table establishing the specific level or quantity of use, consumption, generation or discharge of a service unit for each category of necessary public services or facility expansions and an equivalency or conversion table establishing the ratio of a service unit to various types of land uses, including residential, commercial, and industrial.
5. The total number of projected service units necessitated by and attributable to new development in the service area based on the approved Land Use Assumptions and calculated pursuant to generally accepted engineering and planning criteria.
6. The projected demand for necessary public services or facility expansions required by new service units for a period not to exceed ten years.
7. A forecast of revenues generated by new service units other than development fees, which shall include estimated state-shared revenue, highway users revenue, federal revenue, ad valorem property taxes, construction contracting or similar excise taxes and the capital recovery portion of utility fees attributable to development based on the approved Land Use Assumptions and a plan to include these contributions in determining the extent of the burden imposed by the development.

Qualified Professionals

The IIP must be developed by qualified professionals using generally accepted engineering and planning practices. A qualified professional is defined as “a professional engineer, surveyor, financial analyst or planner providing services within the scope of the person’s license, education, or experience.” TischlerBise is a fiscal, economic, and planning consulting firm specializing in the cost of growth services. Our services include development fees, fiscal impact analysis, infrastructure financing analyses, user fee/cost of service studies, capital improvement plans, and fiscal software. TischlerBise has prepared over 800 development fee studies over the past 30 years for local governments across the United States.

Land Use Assumptions

A development fee study must include land use assumptions (growth projections) for each service area. The Enabling Legislation defines land use assumptions as “projections of changes in land uses, densities, intensities and population for a specified service area over a period of at least ten years and pursuant to the general plan of the municipality.” Since the IIP that must be prepared for each service area must identify improvement needs for a period not to exceed 10 years, and the land use assumptions must cover a minimum of 10 years, a 10-year time-frame would seem to be the most appropriate for both the land use assumptions and the IIP. This study uses 2019-2029 as the planning horizon for both land use assumptions and IIP.

The proposed service areas are not the Special Planning Areas (SPAs), but the areas within the SPAs that are either within the city limits or the area served by City utilities, as those areas may be expanded in the future. Consequently, projections of growth by SPA are not the same as projections of service units using City infrastructure by service area. For this update, the land use assumptions are based on U.S. Census data, property assessor data, 2016 Maricopa Association of Governments (MAG) estimates of dwelling units and employment by small areas, and land use projections by SPA prepared by the City. The land use assumptions portion of this report consists of the Land Use Assumptions chapter, including supporting appendices, and the Service Unit sections of the chapters for each facility category.

METHODOLOGY

Development fees for the necessary public services made necessary by future development must be based on the same level of service (“LOS”) provided to existing development in the service area. There are three basic methodologies used to calculate development fees. They examine the past, present, and future status of infrastructure. The objective of evaluating these different methodologies is to determine the best measure of the demand created by future development for additional infrastructure capacity. Each method has advantages and disadvantages in a particular situation and can be used simultaneously for different cost components.

Reduced to its simplest terms, the process of calculating development fees involves two main steps: (1) determining the cost of development-related capital improvements and (2) allocating those costs equitably to various types of development. In practice, though, the calculation of development fees can become quite complicated because of the many variables involved in defining the relationship between development and the need for facilities within the designated service area. The following paragraphs discuss basic methods for calculating development fees and how those methods can be applied.

- **Cost Recovery** (past improvements) - The rationale for recoupment, often called cost recovery, is that future development is paying for its share of the useful life and remaining capacity of facilities already built, or land already purchased, from which new growth will benefit. This methodology is often used for utility systems that must provide adequate capacity before future development can take place.

- **Incremental Expansion** (concurrent improvements) - The incremental expansion method documents current LOS standards for each type of public facility, using both quantitative and qualitative measures. This approach assumes there are no existing infrastructure deficiencies or surplus capacity in infrastructure. Future development is only paying its proportionate share for growth-related infrastructure. Revenue will be used to expand or provide additional facilities, as needed, to accommodate new development. An incremental expansion cost method is best suited for public facilities that will be expanded in regular increments to keep pace with development.
- **Plan-Based** (future improvements) - The plan-based method allocates costs for a specified set of improvements to a specified amount of development. Improvements are typically identified in a long-range facility plan and development potential is identified by a land use plan. There are two basic options for determining the cost per demand unit: (1) total cost of a public facility can be divided by total demand units (average cost), or (2) the growth-share of the public facility cost can be divided by the net increase in demand units over the planning timeframe (marginal cost).

Conceptual Development Fee Calculation

In contrast to project-level improvements, development fees fund growth-related infrastructure that will benefit multiple development projects, or the entire service area (usually referred to as system improvements). The first step is to determine an appropriate demand indicator for the particular type of infrastructure. The demand indicator measures the number of service units for each unit of development. For example, an appropriate indicator of the demand for parks is population growth and the increase in population can be estimated from the average number of persons per housing unit. The second step in the development fee formula is to determine infrastructure improvement units per service unit, typically called level-of-service (LOS) standards. In keeping with the park example, a common LOS standard is improved park acres per thousand people. The third step in the development fee formula is the cost of various infrastructure units. To complete the park example, this part of the formula would establish a cost per acre for land acquisition and/ or park improvements.

EVALUATION OF CREDITS/OFFSETS

Regardless of the methodology, a consideration of credits/offsets is integral to the development of a legally defensible development fee. There are two types of credits/offsets that should be addressed in development fee studies and ordinances. The first is a revenue credit/offset due to possible double payment situations, which could occur when other revenues may contribute to the capital costs of infrastructure covered by the development fee. This type of credit/offset is integrated into the fee calculation, thus reducing the fee amount. The second is a site-specific credit or developer reimbursement for dedication of land or construction of system improvements. This type of credit/offset is addressed in the administration and implementation of the development fee program. For ease of administration, TischlerBise normally recommends developer reimbursements for system improvements.

Outstanding Debt

The clearest situation that requires an offset is when there is outstanding debt or similar obligations on the facilities that are providing existing development with the level of service that future development will be expected to pay for through development fees. In this case, future development will be paying for the facilities that will serve them, while also paying for a portion of the cost of facilities serving existing development through property or utility rates. Consequently, the development fees should be reduced to avoid this potential double-payment. However, this does not mean that all debt on existing facilities is eligible for an offset. To the extent that the debt is attributable to excess capacity available to serve future development, development fees can be used to retire that debt, and no offset is warranted. This is the case for the City's water, water resource, and wastewater fees.

State/Federal Funding

The need to provide an offset for anticipated State/Federal funding is not clear-cut. Local development activity does not directly generate such funding, although it will generate additional State/Federal tax revenue through State sales taxes and State/Federal motor fuel excise taxes that may come back to the locality through such funding. This update will provide offsets for State/Federal funding where applicable.

General Funds

In general, revenue offsets are not required for local funding sources that are used for capacity-expanding improvements of the type addressed by the development fee. A municipality is not required to use general fund revenue to pay for growth-related improvements. The use of non-development fee revenue for capacity improvements, over and above available development fee revenue, will raise the level of service for both existing and future development. Even though future development will contribute some of the funding, it will receive a proportionate benefit from the overall increase in the level of service.

Excess Construction Tax

Finally, the Enabling Legislation requires municipalities to provide an offset for the excess portion of any construction contracting excise tax. The City's transaction privilege tax rate for building contracting is 3.7 percent, compared to 2.2 percent charged for the majority of the business activity classifications. How the excess construction tax is actually spent does not seem to be a relevant consideration. This language appears to require the excess portion (1.5 percent) of the construction contracting privilege tax be treated as if it were dedicated to fund development fee facilities. The excess amount of construction tax should be allocated among the various fees categories, and this allocation is at the discretion of the City. This report provides a construction tax offset against all fee categories except the grandfathered fees and the proposed new arterial street fee, which may not be adopted (see Appendix G).

DEVELOPMENT FEE REPORT

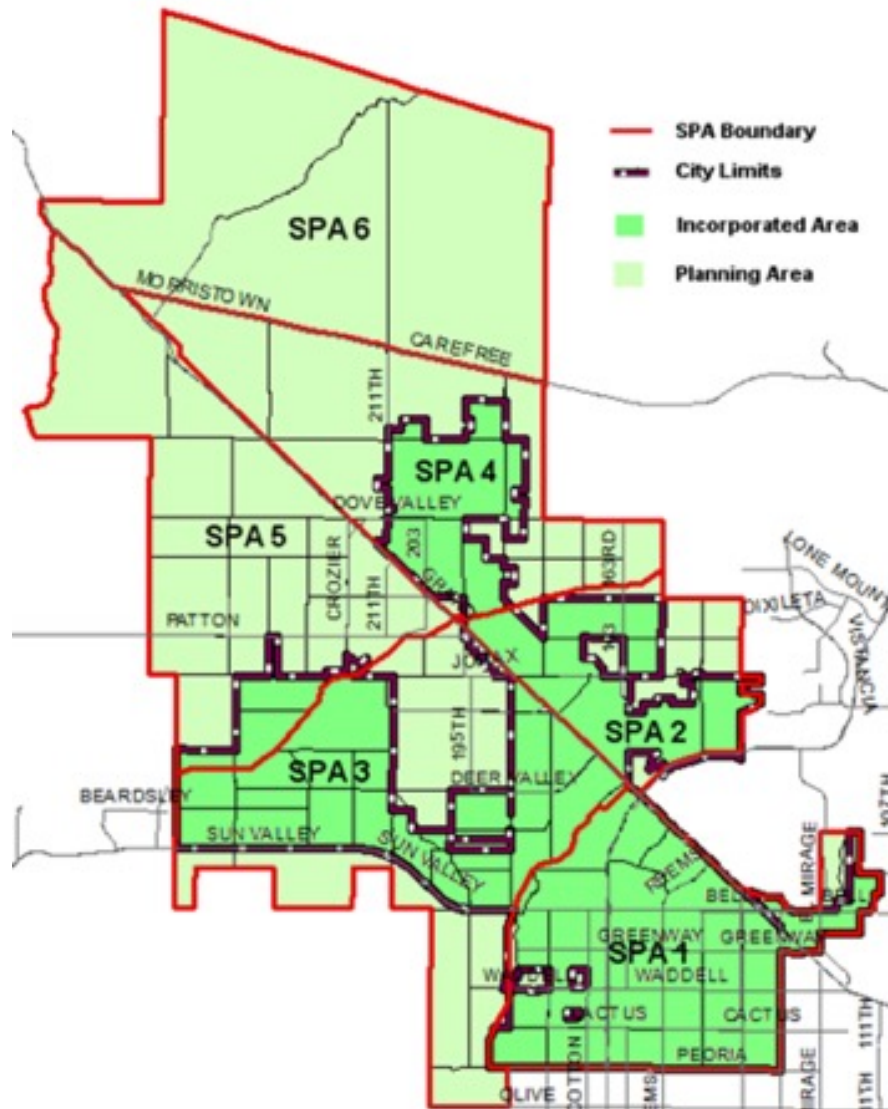
SERVICE AREAS

ARS § 9-463.05(T)(9) defines “service area” as:

“any specified area within the boundaries of a municipality in which development will be served by necessary public services or facility expansions and within which a substantial nexus exists between the necessary public services or facility expansions and the development being served as prescribed in the infrastructure improvements plan.”

Multiple service areas are not mandated by the Enabling Legislation. As long it can be shown that development located anywhere within the service area will be served by or benefit from improvements in the service area – which is another way of saying that a “substantial nexus” can be demonstrated – a single service area may be permitted.

Figure 1: Special Planning Area (SPA) Map



The current City boundaries incorporate 108 square miles. The City also has planning jurisdiction over a larger Municipal Planning Area (MPA), which encompasses 302 square miles. As shown in Figure 1, the Surprise MPA is divided into six Special Planning Areas (SPAs), delineated by Grand Avenue, the Beardsley Canal, the Central Arizona Project (CAP) Canal, and SR 74. The SPAs are currently used as service areas for the City's water and wastewater fees. The current City limits incorporate most of SPA 1, the majority of SPAs 2 and 3, and portions of SPAs 4 and 5, as summarized in Figure 2.

Figure 2: Acres by Planning Area

SPA	Total Acres	Incorporated Acres	Percent Incorporated
1	27,517	26,114	95%
2	15,352	10,428	68%
3	37,692	20,563	55%
4	30,167	8,782	29%
5	36,863	3,130	8%
6	45,565	0	0%
Total MPA	193,156	69,017	36%

The designation of an appropriate service area must first address the distinction between the incorporated and unincorporated areas that are within the City's planning area. In general, the City only provides services to and collects fees from development within the incorporated area. The incorporated area expands over time as the City enters into annexation agreements with land owners and developers. The City does not provide water and wastewater services to all its incorporated area – some areas are served by private providers, or rely on individual wells and/or septic tanks. The City also may extend service into unincorporated areas prior to annexation.

Estimating existing development and projecting future development by service area is a requirement of the Enabling Legislation. For arterial streets, parks, fire, and police facilities, the development within a service area that is being provided service by City facilities is all development located within the incorporated area, because there are no alternative providers of those facilities operating within the city limits. However, there are alternative providers of water and wastewater within the city limits, and City utility services are sometimes extended to areas outside the incorporated area. Consequently, the utility service area is the area served by the utility system, and the amount of development served reflected in its customer base.

Projecting future development within the service area involves estimates of how much of the projected growth in the planning area will occur within areas subject to future annexation agreements and/or utility system expansions. The recommended service area definition is the incorporated area for the citywide facilities (parks and recreational, police, fire, and street), and the area within the SPAs served by City utilities, as those areas will grow in the future.

CURRENT DEVELOPMENT FEES

The City's current non-utility fees are summarized in Figure 3. Four of the fees are "grandfathered," which means they are not required to comply with current state law because they were adopted before the current statute and were pledged to retire debt for improvements that are no longer authorized. These fees have not been updated since they were adopted in 2006, although they were revised in 2011. The "new" fire fee was adopted in 2014 in compliance with the current development fee statute for municipalities. The City recently repealed a fee for 163rd Avenue improvements. The current non-utility fees are all assessed citywide.

Figure 3: Current Non-Utility Development Fees

Land Use Type	Unit	Grandfathered Fees				New	Total
		Parks	Fire	Police	Govt	Fire	
Single-Family Detached	Dwelling	\$785	\$688	\$371	\$235	\$680	\$2,759
Multi-Family, <10 Units	Dwelling	\$732	\$641	\$346	\$616	\$499	\$2,834
Multi-Family, 10+ Units	Dwelling	\$580	\$508	\$274	\$489	\$499	\$2,350
All Other Housing	Dwelling	\$695	\$609	\$328	\$584	\$499	\$2,715
Hotel	Room	\$0	\$119	\$23	\$97	n/a	n/a
Hotel	1,000 sq. ft.	\$0	n/a	n/a	n/a	\$799	n/a
Commercial, 25,000 sf or less	1,000 sq. ft.	\$0	\$906	\$689	\$740	\$779	\$3,114
Commercial, 25,001-50,000 sf	1,000 sq. ft.	\$0	\$778	\$599	\$636	\$779	\$2,792
Commercial, 50,001-100,000 sf	1,000 sq. ft.	\$0	\$680	\$500	\$556	\$779	\$2,515
Commercial, 100,001-200,000 sf	1,000 sq. ft.	\$0	\$604	\$428	\$493	\$779	\$2,304
Commercial, >200,000 sf	1,000 sq. ft.	\$0	\$544	\$363	\$445	\$779	\$2,131
Office, 10,000 sf or less	1,000 sq. ft.	\$0	\$1,219	\$252	\$996	\$1,247	\$3,714
Office, 10,001-25,000 sf	1,000 sq. ft.	\$0	\$1,129	\$204	\$923	\$1,247	\$3,503
Office, 25,001-50,000 sf	1,000 sq. ft.	\$0	\$1,064	\$174	\$869	\$1,247	\$3,354
Office, 50,001-100,000 sf	1,000 sq. ft.	\$0	\$1,004	\$148	\$821	\$1,247	\$3,220
Office, >100,000 sf	1,000 sq. ft.	\$0	\$911	\$126	\$745	\$1,247	\$3,029
Public/Inst., 10,000 sf or less	1,000 sq. ft.	\$0	\$1,219	\$252	\$996	\$1,247	\$3,714
Public/Inst., 10,001-25,000 sf	1,000 sq. ft.	\$0	\$1,129	\$204	\$923	\$1,247	\$3,503
Public/Inst., 25,001-50,000 sf	1,000 sq. ft.	\$0	\$1,064	\$174	\$869	\$1,247	\$3,354
Public/Inst., 50,001-100,000 sf	1,000 sq. ft.	\$0	\$1,004	\$148	\$821	\$1,247	\$3,220
Public/Inst., >100,000 sf	1,000 sq. ft.	\$0	\$911	\$126	\$745	\$1,247	\$3,029
Business Park	1,000 sq. ft.	\$0	\$860	\$142	\$703	\$519	\$2,224
Light Industrial	1,000 sq. ft.	\$0	\$628	\$77	\$513	\$519	\$1,737
Warehousing	1,000 sq. ft.	\$0	\$348	\$55	\$284	\$519	\$1,206
Manufacturing	1,000 sq. ft.	\$0	\$487	\$42	\$398	\$519	\$1,446

Source: City of Surprise, Development Services Fee Schedule and Resolution No. 2018-105, effective 7/1/2018.

The City's current water, water resource, and wastewater development fees are summarized in Figure 4. The utility fees apply in only two of the six Special Planning Areas (SPAs), because these are the only areas where the City currently provides service. Fees are slightly higher in SPA 2 than in SPA 1. Utility fees are assessed based on water meter size, because potential water and wastewater demand is proportional to the capacity of the meter.

Figure 4: Current Utility Development Fees

Water Meter Size (inches)	SPA 1				SPA 2			
	Water	Water Resource	Waste- water	Total	Water	Water Resource	Waste- water	Total
0.75	\$1,733	\$353	\$3,265	\$5,351	\$2,064	\$353	\$3,361	\$5,778
1.00	\$2,889	\$589	\$5,442	\$8,920	\$3,441	\$589	\$5,601	\$9,631
1.50	\$5,778	\$1,178	\$10,884	\$17,840	\$6,881	\$1,178	\$11,202	\$19,261
2.00	\$9,245	\$1,885	\$17,414	\$28,544	\$11,010	\$1,885	\$17,923	\$30,818
3.00	\$17,335	\$3,534	\$32,651	\$53,520	\$20,644	\$3,534	\$33,606	\$57,784
4.00	\$28,891	\$5,891	\$54,408	\$89,190	\$34,407	\$5,891	\$56,010	\$96,308
6.00	\$57,783	\$11,781	\$108,836	\$178,400	\$68,814	\$11,781	\$112,019	\$192,614
8.00	\$92,452	\$18,850	\$174,138	\$285,440	\$110,102	\$18,850	\$179,231	\$308,183

GRANDFATHERED FEES

The grandfathered parks, fire, police, and general government fees were pledged to repay debt on improvements that are no longer authorized. While they may continue to be charged and used to retire the pledged debt without complying with the current statute, they may not be updated or increased without complying with the Enabling Legislation.

Parks. The grandfathered park fee will be retained until the remaining debt service related to park improvements that are no longer eligible has been retired. This currently amounts to \$733,848 more than the current fund balance. The new park fees will be charged in addition to the grandfathered fee until the remaining debt service is paid.

Fire/EMS. The City currently assesses both a grandfathered fire fee and a new Fire/EMS fee that was adopted in compliance with the Enabling Legislation. The grandfathered fee should be retained only if was used to fund facilities that are ineligible under the new statute for which the fees per pledged to retire debt. The only portion of the grandfathered fire fee's pledged debt for improvements not authorized under the Enabling Legislation is that some administrative vehicles may have been purchased with the pledged debt, but that is likely to be a very small part of the outstanding debt. The consultant's recommendation is to eliminate the grandfathered fee and update the "new" fire/EMS fee. Debt and interfund loan obligations and the fund balance of the grandfathered fee account should be transferred to the updated "new" Fire/EMS fee account.

Police. The City currently assesses only a grandfathered police fee, which is used to retire debt on the police share of the Public Safety Building. The current fund balance is sufficient to repay all the remaining debt service. The grandfathered fee should be replaced with an updated fee that is in compliance with the Enabling Legislation.

General Government. The grandfathered general government fee cannot be updated as part of this report, because general government facilities are not eligible for development fees under the Enabling Legislation. The City has \$45 million in outstanding pledged debt and interfund loans, and may retain the grandfathered general government fee until those obligations have been repaid. The single-family fees were reduced in 2018 to comply with the terms of a settlement agreement with the Home Builders Association of Central Arizona.

PROPOSED DEVELOPMENT FEES

The updated non-utility fees are compared to current fees in Figure 5. The grandfathered “old park” and general government fees are unchanged and will be retained until the applicable pledged debt has been retired. The non-utility fees are all citywide.

Figure 5: Proposed and Current Non-Utility Development Fees

Land Use Type	Unit	Street	Parks and Recreation			Fire/EMS			Police	Gen Govt	Total
			Old	New	Total	Old	New	Total			
Proposed Fees											
Single-Family Detached	Dwelling	\$2,780	\$785	\$1,199	\$1,984	\$0	\$789	\$789	\$392	\$235	\$6,180
Multi-Family	Dwelling	\$2,156	\$580	\$731	\$1,311	\$0	\$481	\$481	\$239	\$489	\$4,676
Mobile Home	Dwelling	\$1,473	\$695	\$671	\$1,366	\$0	\$442	\$442	\$220	\$584	\$4,085
Retail/Commercial	1,000 sq ft	\$3,925	\$0	\$36	\$36	\$0	\$876	\$876	\$435	\$493	\$5,765
Office	1,000 sq ft	\$2,559	\$0	\$84	\$84	\$0	\$497	\$497	\$247	\$745	\$4,132
Industrial	1,000 sq ft	\$1,276	\$0	\$36	\$36	\$0	\$166	\$166	\$82	\$703	\$2,263
Warehouse	1,000 sq ft	\$661	\$0	\$36	\$36	\$0	\$95	\$95	\$47	\$513	\$1,352
Public/Institutional	1,000 sq ft	\$1,448	\$0	\$96	\$96	\$0	\$308	\$308	\$153	\$745	\$2,750
Current Fees											
Single-Family Detached	Dwelling	\$0	\$785	\$0	\$785	\$688	\$680	\$1,368	\$371	\$235	\$2,759
Multi-Family	Dwelling	\$0	\$580	\$0	\$580	\$508	\$499	\$1,007	\$274	\$489	\$2,350
Mobile Home	Dwelling	\$0	\$695	\$0	\$695	\$609	\$499	\$1,108	\$328	\$584	\$2,715
Retail/Commercial	1,000 sq ft	\$0	\$0	\$0	\$0	\$604	\$779	\$1,383	\$428	\$493	\$2,304
Office	1,000 sq ft	\$0	\$0	\$0	\$0	\$911	\$1,247	\$2,158	\$126	\$745	\$3,029
Industrial	1,000 sq ft	\$0	\$0	\$0	\$0	\$628	\$519	\$1,147	\$77	\$703	\$1,927
Warehouse	1,000 sq ft	\$0	\$0	\$0	\$0	\$348	\$519	\$867	\$55	\$513	\$1,435
Public/Institutional	1,000 sq ft	\$0	\$0	\$0	\$0	\$911	\$1,247	\$2,158	\$126	\$745	\$3,029
Percent Change											
Single-Family Detached	Dwelling	n/a	0%	n/a	153%	-100%	16%	-42%	6%	0%	124%
Multi-Family	Dwelling	n/a	0%	n/a	126%	-100%	-4%	-52%	-13%	0%	99%
Mobile Home	Dwelling	n/a	0%	n/a	97%	-100%	-11%	-60%	-33%	0%	50%
Retail/Commercial	1,000 sq ft	n/a	n/a	n/a	n/a	n/a	12%	-37%	2%	0%	150%
Office	1,000 sq ft	n/a	n/a	n/a	n/a	n/a	-60%	-77%	96%	0%	36%
Industrial	1,000 sq ft	n/a	n/a	n/a	n/a	n/a	-68%	-86%	6%	0%	17%
Warehouse	1,000 sq ft	n/a	n/a	n/a	n/a	n/a	-82%	-89%	-15%	0%	-6%
Public/Institutional	1,000 sq ft	n/a	n/a	n/a	n/a	n/a	-75%	-86%	21%	0%	-9%

Note: “Old” fee refers to grandfathered fee; “New” fee is fee adopted in compliance with SB 1525

Source: Current fees from Figure 3 (this comparison uses multi-family with 10+ units, and 100,001 sq. ft. retail, office, and public/institutional building)

10-year revenue projections for the non-utility fees, based on the land use assumptions, are presented in Figure 6 below for updated and current fees. Total non-utility fee revenue over the next 10 years would be about \$111.2 million more than revenue that would be derived from the current fees. Most of this would come from the proposed street fee, much of which would be used for developer credits. Even without the proposed street fee, the updated total revenue would be about \$29.6 million higher than under current fees, due to the increase in park fees. The consultant recommends eliminating the grandfathered fire fee to ensure no overlap with the proposed fire fee. The grandfathered police fee must be updated to comply with the Enabling Legislation, because the current fund balance is sufficient to repay all the pledged debt obligations. No change is recommended for the grandfathered general government fee, which may be retained until all the pledged debt is repaid.

Figure 6: Proposed and Current Non-Utility Fee Revenue, 2019-2029

Facility Type	Proposed Fees	Current Fees	Change	Percent Change
Grandfathered Parks	(\$733,848)	\$1,121,839	(\$1,855,687)	-165%
New Parks	\$24,995,553	\$0	\$24,995,553	n/a
Subtotal, Parks	\$24,261,705	\$1,121,839	\$23,139,866	2063%
Grandfathered Fire *	\$0	\$2,625,981	(\$2,625,981)	-100%
New Fire/EMS	\$21,233,568	\$22,742,188	(\$1,508,620)	-7%
Subtotal, Fire/EMS	\$21,233,568	\$25,368,169	(\$4,134,601)	-16%
Grandfathered Police **	\$0	\$0	\$0	n/a
New Police	\$10,549,504	\$0	\$10,549,504	n/a
Subtotal, Police	\$10,549,504	\$0	\$10,549,504	n/a
Grandfathered General Government	\$11,505,069	\$11,505,069	\$0	0%
Subtotal, Without Street	\$67,549,846	\$37,995,077	\$29,554,769	78%
Street	\$81,612,789	\$0	\$81,612,789	n/a
Total, Non-Utility Fees	\$149,162,635	\$37,995,077	\$111,167,558	293%

*Consultant recommends this fee be discontinued to ensure no overlap between grandfathered and new fire fee.

**Remaining pledged debt to repay is less than fund balance – fee must be updated.

Proposed and current utility fees for the smallest meter size (typically used for a single-family unit and referred to as an Equivalent Dwelling Unit or EDU) are compared in Figure 7. The fees for larger meters would change by the same percentages. Updated water and water resource fees are higher than current fees, while wastewater fees are lower. The total utility fee per EDU would increase by approximately two-thirds or more in SPA 1 and SPA 2. The City does not currently assess utility fees in SPA 3, but will likely acquire the developer-constructed facilities and begin assessing fees over the next 10 years.

Figure 7: Proposed and Current Utility Development Fees

Fee Type*	SPA 1	SPA 2	SPA 3
Proposed Fee per EDU			
Water	\$3,682	\$3,521	\$3,238
Water Resource	\$3,079	\$3,079	\$3,079
Wastewater	\$2,476	\$2,750	n/a
Total	\$9,237	\$9,350	\$6,317
Current Fee per EDU			
Water	\$1,733	\$2,064	n/a
Water Resource	\$353	\$353	n/a
Wastewater	\$3,265	\$3,361	n/a
Total	\$5,351	\$5,778	n/a
Change			
Water	\$1,949	\$1,457	n/a
Water Resource	\$2,726	\$2,726	n/a
Wastewater	(\$789)	(\$611)	n/a
Total	\$3,886	\$3,572	n/a
Percent Change			
Water	112%	71%	n/a
Water Resource	772%	772%	n/a
Wastewater	-24%	-18%	n/a
Total	73%	62%	n/a

* Fee amounts shown are for 0.75-inch meters. Fees for larger meter sizes are obtained by multiplying the above fees by the AWWA capacity ratios (see Figure W2 in the Water Facilities chapter).

The increase in overall utility fee revenue will be much lower than would be indicated by the large increases in water and water resource fee amounts. The City does not provide water service in most of SPA 1, where the majority of future development is projected to occur. Based on projected growth of water and wastewater demand by SPA, translated into EDUs, the updated fees would generate about 19 percent more total utility fee revenue than current fees, as shown in Figure 8.

Figure 8: Proposed and Current Utility Fee Revenue, 2019-2029

Facility Type	SPA 1	SPA 2	SPA 3	Total
New EDUs				
Water/Water Resource	6,281	5,302	634	12,217
Wastewater	34,865	2,862	1,187	38,914
Proposed Fee Revenue				
Water	\$23,126,642	\$18,668,342	\$2,052,892	\$43,847,876
Water Resource	\$19,339,199	\$16,324,858	\$1,952,086	\$37,616,143
Wastewater	\$86,325,740	\$7,870,500	\$0	\$94,196,240
Total, Proposed Fee Revenue	\$128,791,581	\$42,863,700	\$4,004,978	\$175,660,259
Current Fee Revenue				
Water	\$10,884,973	\$10,943,328	\$0	\$21,828,301
Water Resource	\$2,217,193	\$1,871,606	\$0	\$4,088,799
Wastewater	\$113,834,225	\$9,619,182	\$0	\$123,453,407
Total, Current Fee Revenue	\$126,936,391	\$22,434,116	\$0	\$149,370,507
Percent Change				
Water	112%	71%	n/a	101%
Water Resource	772%	772%	n/a	820%
Wastewater	-24%	-18%	n/a	-24%
Total	1%	91%	n/a	18%

PARKS AND RECREATION FACILITIES IIP

The City currently charges a “grandfathered” park fee that was enacted prior to SB 1525. This update proposes to retain the grandfathered fee, but to use the revenues to cover only those costs attributable to improvements that are no longer authorized by the current act. It also proposes to create a new park fee that will cover only costs authorized by SB 1525.

ARS § 9-463.05 (T)(7)(g) defines the facilities and assets that can be included in the Parks and Recreation Facilities IIP:

“Neighborhood parks and recreational facilities on real property up to thirty acres in area, or parks and recreational facilities larger than thirty acres if the facilities provide a direct benefit to the development. Park and recreational facilities do not include vehicles, equipment or that portion of any facility that is used for amusement parks, aquariums, aquatic centers, auditoriums, arenas, arts and cultural facilities, bandstand and orchestra facilities, bathhouses, boathouses, clubhouses, community centers greater than three thousand square feet in floor area, environmental education centers, equestrian facilities, golf course facilities, greenhouses, lakes, museums, theme parks, water reclamation or riparian areas, wetlands, zoo facilities or similar recreational facilities, but may include swimming pools.”

The Parks and Recreation Facilities IIP includes components for land, amenities, recreation facilities, and the cost of preparing the Parks and Recreation Facilities IIP and related Development Fee Report. The incremental expansion methodology, based on the current level of service, is used to calculate the land, amenity, and recreation facility components. A plan-based methodology is used for the Development Fee Report.

Service Area

Surprise plans to provide a uniform level of service and equal access to parks and recreational facilities within the city limits. The parks and recreation programs are structured and provided to make full use of Surprise’s total inventory of facilities. As a result, the service area for the Parks and Recreation Facilities IIP is citywide.

Grandfathered Fee

A grandfathered fee can be retained as long as it does not overlap with a similar fee adopted in compliance with SB 1525. To the extent that they overlap, in the sense of charging for the same types of improvements, the combination of the two should not exceed the cost to maintain the existing level of service. The clearest way to avoid such overlap is to have the grandfathered fee pay only for outstanding debt that is no longer authorized, while adopting a new fee in compliance with SB 1525 that pays only for costs that are currently authorized under SB 1525.

The grandfathered park fee, based on a study prepared in 2006, was calculated to include some improvements that are no longer eligible facilities under the current Enabling Legislation. The improvements for which there are debt pledges include the Surprise Recreation Campus, the Surprise Stadium, and the Aquatic Center. The Recreation Campus and Stadium could be considered ineligible – the Recreation Campus is well over 30 acres in size, and the statute prohibits “arenas.” On the other hand,

it is not clear whether the Aquatic Center would be ineligible under SB 1525, which prohibits “aquatic centers,” but specifically allows “swimming pools.” The City’s Aquatic Center consists of outdoor swimming pools, which could be authorized under SB 1525, but it has been excluded from the fee calculations under the presumption that it is an ineligible facility.

The outstanding debt service attributable to the Recreation Campus and Stadium facilities and the Aquatics Center for which debt is pledged to be retired by the grandfathered park fee amounts to \$2,235,344. The City should discontinue collecting the grandfathered park fee as soon as it has accumulated enough funds to pay this remaining debt service, which is \$733,848 more than the current fund balance, as shown in Figure PR1.

Figure PR1: Grandfathered Parks & Recreation Fee Debt Pledge

Grandfathered Parks and Recreation Fee	Total
Current Fund Balance, FYE 2018	\$1,501,496
– Outstanding Debt Service, FYE 2018	(\$2,235,344)
Remaining Debt Service Obligation	(\$733,848)

Service Units

ARS § 9-463.05(C)(12) states:

“... the fees shall be assessed against commercial, residential and industrial development, except that the municipality may distinguish between different categories of residential, commercial and industrial development in assessing the costs to the municipality of providing necessary public services to future development and in determining the amount of the development fee applicable to the category of development.”

Park development fees are traditionally only assessed on residential development, because there is a much clearer nexus between the number of residents and the demand for park facilities than is the case for nonresidential development. Any additional demand on park facilities attributable to nonresidential development would come from nonresidents who work in the city using parks during their lunch breaks, before or after work, or on company-sponsored events. While this impact is likely to be small, this study calculates park fees for nonresidential uses.

The recommended service unit for the new park development fees is the Equivalent Dwelling Unit, or EDU. An EDU represents the number of people residing in a typical single-family detached dwelling unit. For nonresidential development, the number of employees per unit is adjusted by two factors to estimate equivalent persons per unit. The “occupancy factor” adjusts for the fact that nonresident workers are in Surprise about one-quarter of the total number of hours in a week, assuming a typical 40-hour work week. The “nonresident factor” takes into account the fact that about a third of jobs in Surprise are filled by nonresidents. The resulting park service unit multipliers are presented in Figure PR2.

Figure PR2: Parks and Recreation Service Unit Multipliers

Land Use	Unit	Pop/Emp Per Unit	Occupancy Factor	Nonresident Factor	Equivalent Pop/Unit	EDUs/Unit
Single-Family Detached	Dwelling	2.36	1.00	1.00	2.36	1.00
Multi-Family	Dwelling	1.43	1.00	1.00	1.43	0.61
Mobile Home	Dwelling	1.31	1.00	1.00	1.31	0.56
Retail/Commercial	1,000 sq. ft.	0.84	0.24	0.32	0.06	0.03
Office	1,000 sq. ft.	2.11	0.24	0.32	0.16	0.07
Industrial	1,000 sq. ft.	0.81	0.24	0.32	0.06	0.03
Warehouse	1,000 sq. ft.	0.81	0.24	0.32	0.06	0.03
Public/Institutional	1,000 sq. ft.	2.54	0.24	0.32	0.20	0.08

Source: Nonresidential employees per 1,000 sq. ft. from U.S. Department of Energy, Commercial Buildings Energy Consumption Survey, 2012; occupancy factor for nonresidential is ratio of 40 hour work week to 168 hours in a week; nonresident factor is percent of jobs in Surprise filled by nonresidents derived by subtracting the number of residents who work in Surprise from the 2011-2015 American Community Survey (12,265) from the total number of jobs in Surprise in 2015 from Maricopa Association of Governments (MAG), Socioeconomic Projections of Population, Housing, and Employment, 2016 (18,022), then dividing by the total number of jobs.

Applying the service unit multipliers to the number of existing and projected units over the next 10 years by land use type results in the estimates of 2019 and 2029 park service units shown in Figure PR3.

Figure PR3: Parks and Recreational Service Units, 2019-2029

Land Use Type	Unit	2019 Units	2029 Units	EDUs/Unit	2019 EDUs	2029 EDUs	New EDUs
Single-Family Detached	Dwelling	49,171	67,709	1.00	49,171	67,709	18,538
Multi-Family	Dwelling	5,718	8,027	0.61	3,488	4,896	1,408
Mobile Home	Dwelling	2,751	3,554	0.56	1,541	1,990	449
Retail/Commercial	1,000 sq. ft.	7,009	11,211	0.03	210	336	126
Office	1,000 sq. ft.	1,925	2,874	0.07	135	201	66
Industrial	1,000 sq. ft.	830	1,039	0.03	25	31	6
Warehouse	1,000 sq. ft.	4,390	5,496	0.03	132	165	33
Public/Institutional	1,000 sq. ft.	6,155	8,917	0.08	492	713	221
				Total	55,194	76,041	20,847

Source: 2019 and 2029 Units from Land Use Assumptions.

ANALYSIS OF CAPACITY, USAGE, AND COSTS OF EXISTING PUBLIC SERVICES

ARS § 9-463.05(E)(1) requires:

“A description of the existing necessary public services in the service area and the costs to upgrade, update, improve, expand, correct or replace those necessary public services to meet existing needs and usage and stricter safety, efficiency, environmental or regulatory standards, which shall be prepared by qualified professionals licensed in this state, as applicable.”

ARS § 9-463.05(E)(2) requires:

“An analysis of the total capacity, the level of current usage and commitments for usage of capacity of the existing necessary public services, which shall be prepared by qualified professionals licensed in this state, as applicable.”

Park Land and Amenities

The inventory of existing park facilities that is eligible under the Enabling Legislation is presented in Figure PR4. The new definition of necessary public services for parks and recreation facilities includes parks or facilities on real property up to 30 acres in area, or parks and facilities larger than 30 acres if the facilities provide a direct benefit to the development. This analysis includes total acreage for each community and neighborhood park to accurately document the existing level of service, and it excludes pocket parks since these smaller parks have a limited benefit area. Excluded from the inventory are the 96-acre Surprise Recreation Complex, Surprise Stadium, and Aquatics Center.

Figure PR4: Existing Park Land and Amenities

Park Name	Acres	Baseball, Lit	Softball, Unlit	Softball, Lit	Multi-Purpose, Unlit	Multi-Purpose, Lit	Soccer, Lit	Basketball Ct, Lit	Basketball Ct, Unlit	Tennis Court	Pickleball Court	Sand Volleyball Ct	Ramada, Small	Ramada, Large	Ramada, Pavilion	Playground, Small	Playground, Large	Dog Park	Restroom	Restroom/Concession	Splash Pad	Pool	Skate Park	Parking Space
Bicentennial Park/Lizard Run	17.94			1				0.5						2		2			1					74
DreamCatcher Park	4.14	1																1	1					
Gaines Park	5.00			1	1									1		1		1				1		65
Heritage (Marley) Park-North	12.01			2									2	1		1				1	1			66
Heritage (Marley) Park-South	15.61												2	0	1									67
Mark Coronado Park	7.55					8												1						359
Sierra Montana Park	9.42				1				2			2	2			1								58
Surprise Community Park*	23.73							2		16	2	8	4				1	1		1				603
Dick McComb West Park	30.00			4														1						152
Dick McComb East Park	21.94							1				2					2		1		1		1	45
Surprise Tennis/Racquet Complex	22.76								25															130
Veramonte Park	8.58		1		1									1			1	1			1			48
Youth Baseball Complex	4.60	3																		1				250
Asante Community Park	51.94			2	2		2	2					3	2			2	2						140
Total	235.22	4	1	10	5	8	2	5.5	2	25	16	4	19	11	1	5	6	2	8	4	3	1	1	2,057

*Excludes land occupied by the lake, library, and aquatics center.

Source: City of Surprise Parks and Recreation Department, July, 2018.

Based on planned park improvements included in the Capital Improvement Plan (CIP), Surprise spends approximately \$6,500,000 to develop a 25-acre park (\$260,000 per acre). The current cost to acquire park land is \$100,000 per acre, therefore, Surprise spends \$360,000 per acre on park development.

Figure PR5: Park Development Costs

Park Asset	Existing Acres	Cost per Acre*	Total Cost
Park Land	235.22	\$100,000	\$23,522,000
Park Amenities	235.22	\$260,000	\$61,157,200
Total	235.22	\$360,000	\$84,679,200

Source: City of Surprise Parks and Recreation Department, November, 2018.

*Cost per acre based on Prasada Community Park from Surprise CIP 2019-2023.

Recreation Facilities

The definition of necessary public services for parks and recreational facilities excludes community centers greater than 3,000 square feet. The table below includes total square footage for each facility, but the analysis includes only 3,000 eligible square feet for each recreation facility. Excluded from the inventory are the Surprise Recreation Complex, Surprise Stadium, and Aquatics Center.

The current replacement costs of existing recreation facilities are summarized in the middle column of Figure PR6, and the eligible costs, based on 3,000 eligible square feet per facility, are summarized in the far right column. The cost of each facility represents the original construction cost inflated to 2017 dollars (the most recent year available) using Engineering News Record's Construction Cost Index.

Figure PR6: Existing Recreation Facilities

Recreation Facility Name	Total		Eligible	
	Square Feet	Cost*	Square Feet	Cost**
Villanueva Gym	10,100	\$2,066,789	3,000	\$613,898
Tennis and Racquet Complex	9,300	\$3,231,346	3,000	\$1,042,370
Countryside Recreation Center	14,000	\$2,127,657	3,000	\$455,926
Sierra Montana Recreation Center	10,000	\$2,310,427	3,000	\$693,128
Total	43,400	\$9,736,218	12,000	\$2,805,322

Source: City of Surprise Parks and Recreation Department, November, 2018.

*Original construction cost inflated using ENR Construction Cost Index, 2017.

**TischlerBise calculation using total cost per square foot applied to 3,000 square feet.

COST PER EQUIVALENT DWELLING UNIT

The existing parks and recreation cost per equivalent dwelling unit is summarized in Figure PR7. The outstanding developer credits for Heritage Park and Asante Park are deducted from the existing replacement costs, because they can't be counted in the existing level of service, while at the same time being paid for with future development fees. It is also necessary to add the cost of the required Development Fee Report. The total cost per equivalent dwelling unit is \$1,439.

Figure PR7: Parks and Recreational Cost per EDU

Cost per EDU	
Park Land Cost	\$23,522,000
Park Amenity Cost	\$61,157,200
Recreation Facility Cost	\$2,805,322
– Outstanding Obligations	(\$8,162,355)
Net Park and Recreational Cost	\$79,322,167
÷ Existing Park EDUs	55,194
Parks and Recreation Cost per EDU	\$1,437
Report Cost per EDU	\$2
Total Cost per EDU	\$1,439

Source: Report Cost per EDU from Appendix H.

As described in the Executive Summary, fee calculations need to include revenue offsets for (1) outstanding debt, interfund loans, and other types of obligations related to existing facilities that serve existing development, (2) existing deficiencies, (3) State/Federal funding, and (4) the excess portion of the construction sales tax.

While there are some outstanding debt and developer credits on existing facilities, those obligations will be retired with park development fees, not other sources of revenue, and have been excluded from the existing cost per service unit and fee calculations. The City has not received any grants from the State for park improvements in the last five years and does not anticipate receiving them in the future.

The City needs to provide an offset for the park share of the excess construction sales tax offset, as described in Appendix G. Subtracting the offset from the cost per service unit yields a net cost of \$1,199 per equivalent dwelling unit (EDU), as shown in Figure PR8.

Figure PR8: Parks and Recreation Net Cost per EDU

Net Cost per EDU	
Parks and Recreation Cost per EDU	\$1,439
– Excess Construction Tax Offset per EDU	(\$240)
Net Cost per EDU	\$1,199

Source: Excess construction sales tax credit from Appendix G.

Net Cost Schedule

Proportionate share Parks and Recreation Development Fees by land use type are determined by multiplying the net cost per service unit calculated in Figure PR8 by the service units represented by a unit of development. The proposed fee schedule in Figure PR9 represents the maximum fees that may be charged by the City of Surprise for park-related capital improvements, based on the data, analysis, and recommendations provided in this report.

Figure PR9: Parks and Recreation Net Cost Schedule

Land Use Type	Unit	Net Cost/ EDU	EDUs/ Unit	Net Cost/ Unit	Grandfath. Fee/ Unit	Total Cost/ Unit
Single-Family Detached	Dwelling	\$1,199	1.00	\$1,199	\$785	\$1,984
Multi-Family	Dwelling	\$1,199	0.61	\$731	\$580	\$1,311
Mobile Home	Dwelling	\$1,199	0.56	\$671	\$695	\$1,366
Retail/Commercial	1,000 sq. ft.	\$1,199	0.03	\$36	n/a	\$36
Office	1,000 sq. ft.	\$1,199	0.07	\$84	n/a	\$84
Industrial	1,000 sq. ft.	\$1,199	0.03	\$36	n/a	\$36
Warehouse	1,000 sq. ft.	\$1,199	0.03	\$36	n/a	\$36
Public/Institutional	1,000 sq. ft.	\$1,199	0.08	\$96	n/a	\$96

If the new Parks and Recreation Development Fees are adopted, the grandfathered park fee can be retained, as long as the revenues are spent only to retire outstanding pledged debt for currently-ineligible facilities. The City should cease collecting the grandfathered fee when sufficient funds have been collected to repay the remaining debt service, which is currently \$733,848 more than the current fund balance.

10-YEAR CAPITAL PLAN

Planned parks and recreational improvements over the next 10 years are summarized in Figure PR10.

Figure PR10: Parks and Recreation Capital Plan, 2019-2029

Project	Description	Fiscal Year	Cost
Prasada Community Park*	New 25-Acre Park	2020-21	\$9,000,000
White Tanks Community Park*	New 25-Acre Park	2023	\$9,000,000
Surprise Community Park	Lighting, Parking, Restrooms	2022-23	\$2,110,000
Tennis & Racquet Complex	Lighting for 8 Tennis Courts	2019	\$300,000
Sierra Montana Park	Restrooms & Lighting	2023	\$770,000
Heritage Park	Developer Credit	2019-29	\$3,153,318
Various Parks	Debt Service	2019-24	\$387,991
Rancho Mercado Nhood Park	New 13-Acre Park	2020-21	\$2,200,000
Community Pool	Community Pool	2022-23	\$6,500,000
Tribly Wash Community Park*	New 25-Acre Park	2028-29	\$9,000,000
Asante Park	Developer Credit	2019-29	\$4,777,882
Two West Community Park*	New 25-Acre Park	2026-27	\$9,000,000
Recreation Facility	Recreation Facility	2019-29	\$10,000,000
Development Fee Report Updates	Fee Updates	2019-29	\$32,521
Total Planned Expenditures			\$66,231,712

Source: CIP projects from City of Surprise, Adopted Budget, Fiscal Year 2019, Capital Improvement Plan, June 2018; debt service from Appendix F; report cost from Appendix H.

*Includes land cost of \$100,000 per acre

The comparison of planned parks and recreation expenditures and projected revenues is provided in Figure PR11. The projected revenues over the next 10 years, based on the Land Use Assumptions, would not be sufficient to fully fund all of the planned expenditures.

Figure PR11: Parks and Recreation Capital Plan Summary, 2019-2029

Description	Total
Park Net Cost per EDU	\$1,199
x New EDUs, 2019-2029	20,847
Projected Revenue, 2019-2029	\$24,995,553
– Planned Expenditures, 2019-2029	(\$66,231,712)
Projected Revenue Surplus / (Deficit)	(\$41,236,159)

POLICE FACILITIES IIP

The City currently charges a “grandfathered” police fee that was adopted in 2007 and revised in 2011, prior to the January 1, 2012 effective date of SB 1525. This update proposes to replace the grandfathered fee with an updated fee that is in full compliance with the Enabling Legislation.

ARS § 9-463.05 (T)(7)(f) defines the facilities and assets that can be included in the Police Facilities IIP:

“Fire and police facilities, including all appurtenances, equipment and vehicles. Fire and police facilities do not include a facility or portion of a facility that is used to replace services that were once provided elsewhere in the municipality, vehicles and equipment used to provide administrative services, helicopters or airplanes or a facility that is used for training firefighters or officers from more than one station or substation.”

The Police Facilities IIP includes components for patrol vehicles, equipment, stations, evidence storage facilities, and the cost of preparing the Police Facilities IIP and related Development Fee Report. The incremental expansion methodology, based on the current LOS, is used to calculate the components for patrol vehicles, equipment, stations, and evidence storage facilities. A plan-based methodology is used for the related Development Fee Report.

Service Area

The current and proposed service area for the Police Facilities Development Fees is citywide. Police protection is provided throughout the city and police facilities support an integrated public safety response system, for which the entire city is the appropriate service area.

Grandfathered Fee

A grandfathered fee can be retained as long as it does not overlap with a similar fee adopted in compliance with the Enabling Legislation. To the extent that they overlap, the combination of the two should not exceed the cost to maintain the existing level of service. The clearest way to avoid such an overlap is to have the grandfathered fee pay for outstanding debt that is no longer authorized, while adopting a new fee that pays for costs that are currently authorized under the Enabling Legislation.

All the grandfathered police fee debt is attributable to the police share of the space in the Public Safety Building. The City has collected sufficient funds to pay the remaining debt service attributable to the shooting range, which is the only portion of the Public Safety Building that is no longer authorized under the Enabling Legislation. The consultant recommends that the City replace the grandfathered police fee with a fee in compliance with the Enabling Legislation. Any surplus fund balance beyond what is needed to retire the debt attributable to the shooting range should be transferred to the new Police Development Fee account and spent in compliance with the Enabling Legislation.

Figure P1: Grandfathered Police Fee Pledge

Grandfathered Police Fee	Total
Current Fund Balance, FYE 2018	\$2,357,189
– Outstanding Debt Service for Police Shooting Range	(\$141,259)
Surplus Fund Balance for Eligible Facilities	\$2,215,930

Source: Fund balance and outstanding debt service as of 6/30/2018 from Appendix F.

Service Units

ARS § 9-463.05(C)(12) states:

“... the fees shall be assessed against commercial, residential and industrial development, except that the municipality may distinguish between different categories of residential, commercial and industrial development in assessing the costs to the municipality of providing necessary public services to future development and in determining the amount of the development fee applicable to the category of development.”

The fee calculations in the 2006 Police Development Fee Report employed a dual service unit – population for residential development and vehicle trips for nonresidential development. Costs were allocated between residential and nonresidential development based on percentage of calls, with the residential costs divided by residential population and the nonresidential cost by nonresidential vehicle trips. The alternative proposed for this update is to use “functional population” as the service unit for the Police Facilities Development Fee. Functional population is a measure of the presence of people at the site of a land use, based on the average number of full-time equivalent people residing, shopping, or visiting the site. The concept of functional population and the calculation of functional population multipliers for various land use types are described in Appendix D.

Figure P2: Police Service Unit Multipliers

Land Use	Unit	Functional Pop/Unit	EDUs/Unit
Single-Family Detached	Dwelling	1.58	1.00
Multi-Family	Dwelling	0.96	0.61
Mobile Home	Dwelling	0.88	0.56
Retail/Commercial	1,000 sq. ft.	1.75	1.11
Office	1,000 sq. ft.	0.99	0.63
Industrial	1,000 sq. ft.	0.33	0.21
Warehouse	1,000 sq. ft.	0.19	0.12
Public/Institutional	1,000 sq. ft.	0.62	0.39

Applying the service unit multipliers to the number of existing and projected units over the next 10 years results in the estimates of 2019 and 2029 police equivalent dwelling units shown in Figure P3.

Figure P3: Police Equivalent Dwelling Units

Land Use Type	Unit	2019 Units	2029 Units	EDUs/Unit	2019 EDUs	2029 EDUs	New EDUs
Single-Family Detached	Dwelling	49,171	67,709	1.00	49,171	67,709	18,538
Multi-Family	Dwelling	5,718	8,027	0.61	3,488	4,896	1,408
Mobile Home	Dwelling	2,751	3,554	0.56	1,541	1,990	449
Retail/Commercial	1,000 sq. ft.	7,009	11,211	1.11	7,780	12,444	4,664
Office	1,000 sq. ft.	1,925	2,874	0.63	1,213	1,811	598
Industrial	1,000 sq. ft.	830	1,039	0.21	174	218	44
Warehouse	1,000 sq. ft.	4,390	5,496	0.12	527	660	133
Public/Institutional	1,000 sq. ft.	6,155	8,917	0.39	2,400	3,478	1,078
				Total	66,294	93,206	26,912

ANALYSIS OF CAPACITY, USAGE, AND COSTS OF EXISTING PUBLIC SERVICES

ARS § 9-463.05(E)(1) requires:

“A description of the existing necessary public services in the service area and the costs to upgrade, update, improve, expand, correct or replace those necessary public services to meet existing needs and usage and stricter safety, efficiency, environmental or regulatory standards, which shall be prepared by qualified professionals licensed in this state, as applicable.”

ARS § 9-463.05(E)(2) requires:

“An analysis of the total capacity, the level of current usage and commitments for usage of capacity of the existing necessary public services, which shall be prepared by qualified professionals licensed in this state, as applicable.”

The inventory of existing police infrastructure that is eligible under the Enabling Legislation is presented in Figure P4. Values represent estimated replacement costs based on the number and current unit cost of patrol vehicles, the inflation-adjusted original amounts paid for existing equipment from fixed asset listings, current building square footage and the cost per square foot of the planned substation and the Property and Evidence Building, an estimated land cost of \$100,000 per acre.

Figure P4: Existing Police Infrastructure

Police Asset	Existing Units	Cost/Unit	Replacement Cost
Patrol Vehicles	75 vehicles	\$65,000	\$4,875,000
Other Equipment	n/a units	\$5,772,889	\$5,772,889
Public Safety Building	42,500 square feet	\$364	\$15,458,383
Police Facility Land	7.82 acres	\$100,000	\$782,000
Property and Evidence Building	8,500 square feet	\$310	\$2,637,931
Total			\$29,526,203

Source: Patrol vehicle cost from Surprise Police Department; equipment costs from fixed asset listings, original costs adjusted by the U.S. Bureau of Labor Statistics, Consumer Price Index (CPI-U), ratio of July 2018 index to annual average index; building square feet and acres from Surprise Police Department; building cost based on planned substation and planned Property and Evidence Building; land cost based on estimated cost of \$100,000 per acre.

COST PER EQUIVALENT DWELLING UNIT

The capital cost per equivalent dwelling unit for existing eligible patrol vehicles, equipment, police facilities, and land is calculated in Figure P5. The net cost adds the current fund balance, after subtracting outstanding debt, interfund loans, and developer credits, and represents the value of the investment that has been made by existing development to provide the existing level of service. It is also necessary to add the cost of the required Development Fee Report. The total cost per equivalent dwelling unit is \$470.

Figure P5: Police Cost per EDU

Cost per EDU	
Patrol Vehicle Cost	\$4,875,000
Police Equipment Cost	\$5,772,889
Police Facility Cost	\$15,458,383
Police Facility Land	\$782,000
Evidence Storage Facility Cost	\$2,637,931
+ Fund Balance after Grandfathered Fee Obligations	\$1,545,356
Net Police Cost	\$31,071,559
÷ Existing Police EDUs	66,294
Police Cost per EDU	\$469
Report Cost per EDU	\$1
Total Cost per EDU	\$470

Source: Fund balance after Grandfathered Fee Obligations from Appendix F.
Report Cost per EDU from Appendix H.

As described in the Executive Summary, fee calculations need to include revenue offsets for (1) outstanding debt, interfund loans, and other types of obligations related to existing facilities that serve existing development, (2) existing deficiencies, (3) State/Federal funding, and (4) the excess portion of the construction sales tax.

While there is some outstanding debt on eligible existing facilities, those obligations can be repaid from the current Police Development Fee fund balance. The fees are based on the existing level of service, so there are no existing deficiencies. The City has not received any State or Federal grant funding for police capital facilities in recent years. The City does assess an excess construction sales tax, and the police share of the offset is described in Appendix G. Deducting the excess construction sales tax offset, the net cost per service unit is \$392 per EDU, as shown in Figure P6.

Figure P6: Police Net Cost per EDU

Net Cost per EDU	
Police Cost per EDU	\$470
– Excess Construction Sales Tax Offset per EDU	(\$78)
Net Cost per EDU	\$392

Source: Excess construction sales tax credit from Appendix G.

Net Cost Schedule

Proportionate share police development fees by land use type are determined by multiplying the net cost per equivalent dwelling unit calculated in Figure P6 by the service units represented by a unit of development. The proposed fee schedule in Figure P7 represents the maximum fees that may be charged by the City of Surprise for police capital improvements, based on the data and analysis provided in this report.

Figure P7: Police Net Cost Schedule by Land Use

Land Use Type	Unit	Net Cost/ EDU	EDUs/ Unit	Net Cost/ Unit
Single-Family Detached	Dwelling	\$392	1.00	\$392
Multi-Family	Dwelling	\$392	0.61	\$239
Mobile Home	Dwelling	\$392	0.56	\$220
Retail/Commercial	1,000 sq ft	\$392	1.11	\$435
Office	1,000 sq ft	\$392	0.63	\$247
Industrial	1,000 sq ft	\$392	0.21	\$82
Warehouse	1,000 sq ft	\$392	0.12	\$47
Public/Institutional	1,000 sq ft	\$392	0.39	\$153

10-YEAR CAPITAL PLAN

One of the police improvements programmed in the City's adopted five-year Capital Improvement Plan is a new and expanded Evidence and Readiness Center. Based on the increase in building square footage, 43.3 percent of the cost is attributable to capacity-expansion, as shown in Figure P8.

Figure P8: Growth Share of Evidence and Readiness Facility

Planned Facility Description	Square Feet	Estimated Cost
New Evidence and Readiness Center	15,000	\$4,655,172
– Existing Property and Evidence Building	-8,500	n/a
Additional Square Feet	6,500	n/a
Capacity-Expanding Share	43.3%	\$2,015,690

Source: Square feet from City of Surprise, June 21, 2017; cost from City of Surprise, Adopted Budget, Fiscal Year 2019, Capital Improvement Plan, June 2018.

Planned police expenditures over the next 10 years are summarized in Figure P9.

Figure P9: Police Capital Plan, 2019-2029

Expenditure Type	Project Description	Fiscal Year	Cost
CIP Project	Evidence and Readiness Center	2020-2022	\$2,015,690
CIP Project	Police Substation Land (3 acres)	2019	\$562,500
CIP Project	Police Substation	2021-2022	\$5,455,900
Debt Service	Public Safety Building	2019-2024	\$811,833
CIP Project	Public Safety Vehicles	2019-2028	\$1,700,000
CIP Project	Public Safety Equipment	2019-2028	\$2,800,000
Fee Updates	Development Fee Report Updates	2019-2028	\$32,620
Total Planned Expenditures			\$13,378,543

Source: CIP projects from City of Surprise, Adopted Budget, Fiscal Year 2019, Capital Improvement Plan, June 2018; debt service from Appendix F; study cost from Appendix H.

The comparison of planned police expenditures and projected revenues is provided in Figure P10. The projected revenues over the next 10 years, based on the Land Use Assumptions, will be sufficient to fund most of the planned expenditures.

Figure P10: Police Capital Plan Summary, 2019-2029

Description	Total
Police Net Cost per EDU	\$392
x New EDUs, 2019-2029	26,912
Projected Revenue, 2019-2029	\$10,549,504
Fund Balance, FYE 2018	\$2,357,189
Available Funds, 2019-2029	\$12,906,693
– Planned Expenditures, 2019-2029	(\$13,378,543)
Projected Revenue Surplus / (Deficit)	(\$471,850)

Source: New EDUs and new units from Appendix D; fund balance from Appendix F.

FIRE FACILITIES IIP

Fire protection, rescue, and emergency medical services (EMS) are provided by the City to all development in the incorporated area. The City currently charges two development fees for fire/EMS facilities – a “grandfathered” fee that was enacted prior to the current Enabling Legislation, and a “new” fee calculated in 2014. This update proposes eliminating the grandfathered fire fee, and moving the associated debt being retired by that fee to the updated new Fire/EMS fee.

ARS § 9-463.05 (T)(7)(f) defines the facilities and assets that can be included in the Fire Facilities IIP:

“Fire and police facilities, including all appurtenances, equipment and vehicles. Fire and police facilities do not include a facility or portion of a facility that is used to replace services that were once provided elsewhere in the municipality, vehicles and equipment used to provide administrative services, helicopters or airplanes or a facility that is used for training firefighters or officers from more than one station or substation.”

The Fire Facilities IIP includes components for apparatus, facilities, land, evidence storage facilities, and the cost of preparing the Fire Facilities IIP and related Development Fee Report. The incremental expansion methodology, based on the current LOS, is used to calculate the components for apparatus, facilities, and land. A plan-based methodology is used for evidence storage facilities and the related Development Fee Report.

Service Area

The current and proposed service area for the Fire/EMS development fees is citywide and will be defined as the entire incorporated area. Fire protection, rescue, and emergency medical services (EMS) are provided by the City through a central administrative facility, a warehouse, and apparatus housed in fire stations. Apparatus at each station respond to incidents outside the station’s primary response area when required for coverage or backup. In this way, the Fire/EMS facilities and equipment form an integrated response system, for which the entire city is the appropriate service area.

Grandfathered Fee

A grandfathered fee can be retained as long as it does not overlap with a similar fee adopted in compliance with the Enabling Legislation. To the extent that they overlap, the combination of the two should not exceed the cost to maintain the existing level of service. The clearest way to avoid such overlap is to have the grandfathered fee pay only for outstanding debt that is no longer authorized, while adopting a new fee that pays only for costs that are currently authorized by the Enabling Legislation.

The grandfathered fee should be retained only if it was used to fund improvements that now are ineligible under the Enabling Legislation. The only portion of the debt attributed to the grandfathered fire fee that was for improvements not authorized under the Enabling Legislation is that some administrative vehicles might have been purchased with the pledged debt, but any such expenditure has not been documented, and in any case is likely to be a very small part of the outstanding debt. The consultant’s recommendation is to eliminate the grandfathered fee, and update the “new” Fire/EMS fee based on a standards-based methodology. Debt and interfund loan obligations, as well as the fund balance of the grandfathered fee account, should be transferred to the updated “new” Fire/EMS fee account. The City should discontinue collecting the grandfathered fee with the adoption of the updated fee.

Service Units

ARS § 9-463.05(C)(12) states:

“... the fees shall be assessed against commercial, residential and industrial development, except that the municipality may distinguish between different categories of residential, commercial and industrial development in assessing the costs to the municipality of providing necessary public services to future development and in determining the amount of the development fee applicable to the category of development.”

The fee calculations in the 2014 Fire/EMS Development Fee Report used a dual service unit – population for residential and employees for nonresidential. Costs were allocated between residential development and nonresidential development based on percentage of calls, with the residential costs divided by population and the nonresidential cost by employees.

The alternative proposed for this update is to use “functional population” as the basis for the Fire Facilities Development Fee. Functional population is a measure of the presence of people at the site of a land use, based on the average number of full-time equivalent people residing, shopping, or visiting the site. Functional population more accurately represents the demand for service at nonresidential land uses by taking more than employees into consideration. Functional population multipliers are then converted into equivalent dwelling units (EDUs), which is the recommended service unit for Fire Facilities Development Fees. The concept of functional population, the calculation of functional population multipliers for various land use types, and the number of existing and projected service units, are shown in Appendix D. Applying the service unit multipliers to the number of existing and projected units over the next 10 years results in the estimates of 2019 and 2029 Fire/EMS equivalent dwelling units shown in Figure F1.

Figure F1: Fire/EMS Equivalent Dwelling Units

Land Use Type	Unit	2019 Units	2029 Units	EDUs/Unit	2019 EDUs	2029 EDUs	New EDUs
Single-Family Detached	Dwelling	49,171	67,709	1.00	49,171	67,709	18,538
Multi-Family	Dwelling	5,718	8,027	0.61	3,488	4,896	1,408
Mobile Home	Dwelling	2,751	3,554	0.56	1,541	1,990	449
Retail/Commercial	1,000 sq. ft.	7,009	11,211	1.11	7,780	12,444	4,664
Office	1,000 sq. ft.	1,925	2,874	0.63	1,213	1,811	598
Industrial	1,000 sq. ft.	830	1,039	0.21	174	218	44
Warehouse	1,000 sq. ft.	4,390	5,496	0.12	527	660	133
Public/Institutional	1,000 sq. ft.	6,155	8,917	0.39	2,400	3,478	1,078
				Total	66,294	93,206	26,912

ANALYSIS OF CAPACITY, USAGE, AND COSTS OF EXISTING PUBLIC SERVICES

ARS § 9-463.05(E)(1) requires:

“A description of the existing necessary public services in the service area and the costs to upgrade, update, improve, expand, correct or replace those necessary public services to meet existing needs and usage and stricter safety, efficiency, environmental or regulatory standards, which shall be prepared by qualified professionals licensed in this state, as applicable.”

ARS § 9-463.05(E)(2) requires:

“An analysis of the total capacity, the level of current usage and commitments for usage of capacity of the existing necessary public services, which shall be prepared by qualified professionals licensed in this state, as applicable.”

The capital facilities and equipment required to support Fire/EMS service include apparatus, fire stations, administrative and warehouse space, land, and specialized equipment. Current unit costs for new Fire/EMS apparatus, excluding administrative vehicles, are shown in Figure F2. The total replacement cost of existing apparatus is about \$16.71 million.

Figure F2: Existing Fire/EMS Apparatus

Apparatus Description	Existing Units	Replacement Cost/Unit	Replacement Cost
Engine	11	\$770,000	\$8,470,000
Ladder Truck	2	\$1,400,000	\$2,800,000
Staff Vehicle	14	\$60,000	\$840,000
Brush Truck	2	\$450,000	\$900,000
Tanker	1	\$350,000	\$350,000
Support Vehicle	4	\$65,000	\$260,000
Utility Truck	1	\$525,000	\$525,000
Ambulance	5	\$315,000	\$1,575,000
BC Response Vehicle	2	\$95,000	\$190,000
HazMat Vehicle	1	\$800,000	\$800,000
Total	43	\$388,605	\$16,710,000

Source: Existing units and replacement cost per unit from City of Surprise, November 7, 2018.

Current unit costs for new Fire/EMS facilities and land are shown in Figure F3. Costs represent estimated replacement costs, based on the cost per square foot of new fire stations and the current unit costs to acquire additional land. The total replacement cost of existing facilities is about \$42.0 million, and the total cost of land is approximately \$4.0 million.

Figure F3: Existing Fire/EMS Facilities and Land

Facility Description	Address	Existing Sq. Ft.	Existing Acres	Building Cost	Land Cost	Total Cost
Fire Station 301	16750 N Village Dr E	15,531	1.98	\$7,299,570	\$371,250	\$7,670,820
Fire Station 302	18600 N Reems Rd	7,000	3.00	\$3,290,000	\$562,500	\$3,852,500
Fire Station 303	15440 N Cotton Ln	13,632	2.57	\$6,407,040	\$481,875	\$6,888,915
Fire Station 304	24900 N 163rd Ave	n/a	2.99	n/a	\$560,625	\$560,625
Fire Station 305	15517 N Parkview Pl	16,472	2.72	\$7,741,840	\$510,000	\$8,251,840
Fire Station 306	16645 W Clearview Blvd	10,145	2.11	\$4,768,150	\$395,625	\$5,163,775
Fire Station 307	16171 W Cactus Rd	10,145	1.52	\$4,768,150	\$285,000	\$5,053,150
Public Safety Admin. *	142500 W Statler Plaza, Ste 101	16,500	4.51	\$7,755,000	\$845,625	\$8,600,625
Total		89,425	21.40	\$42,029,750	\$4,012,500	\$46,042,250

* share of Public Safety Building square feet occupied, and share of acres based on square feet occupied

Source: Existing square feet, acres, and replacement cost per unit from City of Surprise, November 7, 2018.

One of the Fire/EMS improvements programmed in the City's adopted five-year Capital Improvement Plan is a new Evidence and Readiness Center with 14,000 square feet of floor area. Once complete, Surprise's Fire/EMS storage facilities will total 15,350 square feet of floor area. Based on the increase in fire service units, 49.7 percent of the cost is attributable to future development, as shown in Figure F4. Existing development's share of planned Fire/EMS storage facilities is 8,398 square feet with a replacement cost of approximately \$2.6 million. This includes the existing warehouse totaling 1,350 square feet of floor area with a replacement cost of \$418,966 and the remaining 50.3 percent of the Evidence and Readiness Center. Existing development's contribution required to raise the existing level of service is \$2,187,445 (\$4,344,828 Evidence and Readiness Center total cost - \$2,157,383 future development share).

Figure F4: Growth Share of Evidence and Readiness Facility

Planned Facility Description	Square Feet	Estimated Cost
New Evidence and Readiness Center	14,000	\$4,344,828
+ Existing Warehouse	1,350	\$418,966
Planned Square Feet	15,350	\$4,763,794
Existing Development Share	8,398	\$2,606,411
Future Development Share	6,952	\$2,157,383
Capacity-Expanding Share	49.7%	\$2,157,383

Source: Square feet from City of Surprise, June 21, 2017; cost from City of Surprise, Adopted Budget, Fiscal Year 2019, Capital Improvement Plan, June 2018.

COST PER EQUIVALENT DWELLING UNIT

The capital cost per equivalent dwelling unit for existing eligible apparatus, facilities, land, evidence storage facilities is calculated in Figure F5 to be \$947 per service unit (EDU). Costs represent estimated replacement costs, based on the cost per square foot of new fire stations and the current unit costs to acquire additional land or purchase additional Fire/EMS apparatus.

The net Fire/EMS cost, after subtraction of outstanding net obligations, represents the value of the planned level of service. This value includes existing development's share of the planned Evidence and Readiness Center needed to increase the existing level of service. Future development will need to make the same investment per service unit, either through development fees or other taxes or fees, if the existing level of service is to be maintained without placing an additional burden on existing development.

Figure F5: Fire/EMS Cost per EDU

Cost per EDU	
Fire Apparatus Cost	\$16,710,000
Fire Facility Cost	\$42,029,750
Fire Facility Land	\$4,012,500
Fire Storage Facility Cost	\$2,606,410
– Outstanding Obligation	(\$2,625,981)
Net Fire/EMS Cost	\$62,732,679
÷ Existing Fire EDUs	66,294
Fire/EMS Cost per EDU	\$946
Report Cost per EDU	\$1
Total Cost per EDU	\$947

Source: Fund balance after Grandfathered Fee Obligations from Appendix F.
 Report Cost per EDU from Appendix H.

As described in the Executive Summary, fee calculations need to include revenue offsets for (1) outstanding debt, interfund loans, and other types of obligations related to existing facilities that serve existing development, (2) existing deficiencies, (3) State/Federal funding, and (4) the excess portion of the construction sales tax.

While there is some outstanding debt and there are interfund loans on existing facilities, those obligations will be repaid with Fire/EMS development fees, not other sources of revenue, and have been excluded from the fee calculations. The fees have been calculated based on the existing level of service, so there are no deficiencies. The City has not received any grants over the last eight years for anything other than replacement equipment or operations, and does not anticipate receiving growth-related grants in the future.

The City needs to provide an offset for the Fire/EMS share of the excess construction sales tax offset, as described in Appendix G. Subtracting the excess construction sales tax offset from the cost per service unit yields a net cost of \$789 per EDU, as shown in Figure F6.

Figure F6: Fire/EMS Net Cost per EDU

Net Cost per EDU	
Fire/EMS Cost per EDU	\$947
– Excess Construction Sales Tax Offset per EDU	(\$158)
Net Cost per EDU	\$789

Source: Excess construction sales tax credit from Appendix G.

Net Cost Schedule

Proportionate share Fire Facilities Development Fees by land use type are determined by multiplying the net cost per service unit calculated in Figure F6 by the service units represented by a unit of development. The proposed fee schedule in Figure F7 represents the maximum fees that may be charged by the City of Surprise for Fire/EMS capital improvements, based on the data and analysis provided in this report.

Figure F7: Fire/EMS Net Cost Schedule

Land Use Type	Unit	Net Cost/ EDU	EDUs/ Unit	Net Cost/ Unit
Single-Family Detached	Dwelling	\$789	1.00	\$789
Multi-Family	Dwelling	\$789	0.61	\$481
Mobile Home	Dwelling	\$789	0.56	\$442
Retail/Commercial	1,000 sq ft	\$789	1.11	\$876
Office	1,000 sq ft	\$789	0.63	\$497
Industrial	1,000 sq ft	\$789	0.21	\$166
Warehouse	1,000 sq ft	\$789	0.12	\$95
Public/Institutional	1,000 sq ft	\$789	0.39	\$308

10-YEAR CAPITAL PLAN

The City's planned fire/EMS expenditures over the next ten years are summarized in Figure FE7.

Figure F8: Fire/EMS Capital Plan, 2019-2029

Expenditure Type	Project Description	Fiscal Year	Cost
CIP Project	District Fire Station 304	2019-2021	\$8,598,400
CIP Project	Fire Station 308	2019-2022	\$7,098,600
CIP Project	Fire Station 309	2021-2022	\$7,098,600
CIP Project	Fire Station Land (3 acres)	2019	\$562,500
CIP Project	Evidence & Readiness Center	2020-2022	\$2,157,383
CIP Project	Type 3 Fire Engine	2020	\$560,000
CIP Project	Ambulance #4	2019	\$375,500
CIP Project	Ambulance #5	2019	\$375,500
CIP Project	Ambulance #6	2020	\$357,300
CIP Project	Ambulance #7	2022	\$357,300
CIP Project	Utility Truck	2021	\$600,000
CIP Project	Water Tender	2020	\$300,000
Debt Service	Public Safety Bldg (fire share)	2019-2024	\$420,109
Debt Service	Fire Station #3	2019-2024	\$40,335
Interfund Loan	Public Safety Bldg (fire share)	2019-2028	\$333,452
Interfund Loan	Fire Station #5	2019-2028	\$1,151,811
Interfund Loan	Fire Station #6	2019-2028	\$871,701
Interfund Loan	Fire Station #7	2019-2028	\$1,127,289
Interfund Loan	Misc. Equipment	2019-2028	\$94,246
Developer Credits	3-Acre Asante Site	2019-2028	\$144,211
Fee Updates	Development Fee Report Updates	2019-2028	\$32,620
Total			\$32,656,857

The comparison of planned Fire/EMS expenditures and projected revenues is provided in Figure F9. The City has more than enough planned expenditures to use all the revenue that would be collected over the next 10 years, based on the Land Use Assumptions.

Figure F9: Fire/EMS Capital Plan Summary, 2019-2029

Description	Total
Fire/EMS Net Cost per EDU	\$789
x New EDUs, 2019-2029	26,912
Projected Revenue, 2019-2029	\$21,233,568
Fund Balance, FYE 2018	\$1,557,173
Available Funds, 2019-2029	\$22,790,741
– Planned Expenditures, 2019-2029	(\$32,656,857)
Projected Revenue Surplus / (Deficit)	(\$9,866,116)

STREET FACILITIES IIP

This chapter calculates a Street Facilities Development Fee that complies with the requirements of SB 1525. The City recently repealed its 163rd Avenue road development fee. A new citywide Street Facilities Development Fee would supplement the City's current requirements that developers improve streets on which they have frontage or pay a fee in lieu of such construction. If Street Facilities Development Fees are adopted, the City would provide credit against the fees for the value of arterial street frontage improvements or right-of way dedications made by developers that are related to projects in the City's 10-year development fee capital plan.

ARS § 9-463.05 (T)(7)(e) defines the facilities and assets that can be included in the Street Facilities IIP:

"Street facilities located in the service area, including arterial or collector streets or roads that have been designated on an officially adopted plan of the municipality, traffic signals and rights-of-way and improvements thereon."

The Street Facilities IIP includes components for arterial street improvements and the cost of professional services for preparing the Street Facilities IIP and related Development Fee Report. The incremental expansion methodology is used for arterial street improvements, and the plan-based methodology is used for the related Development Fee Report.

Service Area

The proposed fee would be restricted to City arterial street improvements. Because arterial streets are designed to move traffic over long distances, a citywide service area is appropriate.

Service Units

ARS § 9-463.05(C)(12) states:

"... the fees shall be assessed against commercial, residential and industrial development, except that the municipality may distinguish between different categories of residential, commercial and industrial development in assessing the costs to the municipality of providing necessary public services to future development and in determining the amount of the development fee applicable to the category of development."

A service unit creates the link between supply (roadway capacity) and demand (traffic generated by new development). An appropriate service unit basis for Street Facilities Development Fees is vehicle miles of travel (VMT). Vehicle miles is a combination of the number of vehicles traveling during a given time period and the distance (in miles) these vehicles travel.

The time periods most often used in traffic analysis are the 24-hour day (average daily trips or ADT) and the single hour of the day with the highest traffic volume (peak hour trips or PHT). Because available traffic counts are in terms of ADT, daily VMT will be used as the service unit for the Street Facilities Development Fees. The VMT generated by a specific land use is a product of three factors: 1) trip generation, 2) percent primary trips and 3) average trip length.

Trip Generation. Trip generation rates are based on information published in the most recent edition of the Institute of Transportation Engineers' (ITE) *Trip Generation Manual*. Trip generation rates represent trip ends, or driveway crossings at the site of a land use. A single, one-way trip from home to work counts as one trip end for the residence and one trip end for the work place, for a total of two trip ends. To avoid over-counting, all trip rates have been divided by two. This divides responsibility for a trip equally between the origin and destination.

Primary Trip Factor. Trip rates must also be adjusted by a "primary trip factor" to exclude pass by and diverted-linked trips. This adjustment is intended to reduce the possibility of over counting by only including primary trips generated by the development. Pass by trips are those trips that are already on a primary route for a different purpose and simply stop at a development on that route. For example, a stop at a convenience store on the way home from the office is a pass by trip for the convenience store. A pass by trip does not create an additional burden on the street system and therefore should not be counted in the assessment of development fees. Diverted-linked trips are similar to pass by trips, but a small diversion is made from the primary trip route. The primary trip factor excludes both pass by and diverted-linked trips.

Average Trip Length. For the incremental expansion methodology, it is necessary to determine the average length of a trip on the City's arterial street system. The point of departure in developing local trip lengths is to utilize national data. The U.S. Department of Transportation's *National Household Travel Survey* identifies average trips lengths for specific trip purposes. While these trip lengths should be representative of the relative length of trips by land use, they are unlikely to be representative of travel on the City's arterial street system, which does not include travel on State roads, collectors, local streets, or any portion of a trip that occurs outside the City limits. An adjustment factor for local trip lengths can be derived by dividing VMT that is actually observed on the City's arterial system by the VMT that would be expected using national average trip lengths and trip generation rates.

The first step is to estimate the total VMT that would be expected to be generated by existing development in Surprise based on national travel demand characteristics. This can be accomplished by multiplying existing development in each land use category by the appropriate national trip generation rates, primary trip factors and trip lengths, as shown in Figure S1. The expected VMT is considerably higher than the actual estimated VMT on the City's major roadway system. Consequently, it is necessary to develop an adjustment factor to account for this variation. The local adjustment factor is the ratio of actual to projected VMT on the major roadway system. The national average trip length for each land use type should be multiplied by a local adjustment factor of 0.348.

Figure S1: Local Trip Length Adjustment Factors

Land Use Type	ITE Code	Unit	2017 Units	Trip Rate	Primary Trips	Daily Trips	Length (miles)	Daily VMT
Single-Family Detached	210	Dwelling	47,700	4.72	100%	225,144	8.75	1,970,010
Multi-Family	220	Dwelling	5,372	3.66	100%	19,662	8.75	172,043
Mobile Home	240	Dwelling	2,623	2.50	100%	6,558	8.75	57,383
Retail/Commercial	820	1,000 sq ft	6,499	18.87	44%	53,960	7.03	379,339
Office	710	1,000 sq ft	1,791	4.87	80%	6,978	9.76	68,105
Industrial	130	1,000 sq ft	767	1.68	100%	1,289	11.28	14,540
Warehouse	150	1,000 sq ft	4,058	0.87	100%	3,530	11.28	39,818
Public/Institutional	620	1,000 sq ft	5,810	3.32	100%	19,289	6.48	124,993
Total Expected VMT								2,826,231
÷ Total Actual VMT								982,792
Ratio of Actual to Total VMT								0.348

Source: Trip lengths are national averages from the U.S. Department of Transportation in Figure S2; actual citywide VMT from Appendix C.

National average trip lengths derived from the U.S. Department of Transportation's *National Household Travel Survey* are available for a variety of trip types and purposes. These have been adjusted downward by the local adjustment factor, as shown in Figure S2.

Figure S2: Average Trip Lengths

Land Use	Trip Type	National Trip Length	Local Adjustment Factor	Local Trip Length
Residential	Average	8.75	0.348	3.04
Retail/Commercial	Shopping	7.03	0.348	2.44
Office	Medical/Dental	9.76	0.348	3.39
Industrial/Warehouse	To or From Work	11.28	0.348	3.92
Public/Institutional	School/Church	6.48	0.348	2.25

Source: National average trip lengths from U.S. Department of Transportation, National Household Travel Survey, 2017.

The result of combining trip generation rates, primary trip factors, and localized average trip lengths is a travel demand schedule that establishes the daily VMT during the average weekday on the major roadway system generated by various land use types per unit of development. The recommended travel demand schedule is presented in Figure S3.

Figure S3: Street Service Unit Multipliers

Land Use Type	ITE Code	Unit	Trip Rate	Primary Trips	Length (miles)	VMT/ Unit
Single-Family Detached	210	Dwelling	4.72	100%	3.04	14.34
Multi-Family	220	Dwelling	3.66	100%	3.04	11.12
Mobile Home Park	240	Space	2.50	100%	3.04	7.60
Retail/Commercial	820	1,000 sq ft	18.87	44%	2.44	20.25
Office	710	1,000 sq ft	4.87	80%	3.39	13.20
Industrial	140	1,000 sq ft	1.68	100%	3.92	6.58
Warehouse	150	1,000 sq ft	0.87	100%	3.92	3.41
Public/Institutional	620	1,000 sq ft	3.32	100%	2.25	7.47

Source: Trip rates (one-half daily trip ends during a weekday) and retail primary trip percentage from Institute of Transportation Engineers (ITE), Trip Generation Manual, 10th ed., 2017 (office primary trip percentage estimated).

The arterial street service units are expressed in terms of vehicle-miles of travel (VMT). VMT projections for the 2019-2029 planning period by service area are shown in Figure S4.

Figure S4: Street Service Units, 2019-2029

Land Use Type	Unit	Units		VMT/ Unit	VMT		
		2019	2029		2019	2029	New
Single-Family Detached	Dwelling	49,171	67,709	14.34	705,112	970,947	265,835
Multi-Family	Dwelling	5,718	8,027	11.12	63,584	89,260	25,676
Mobile Home	Dwelling	2,751	3,554	7.60	20,908	27,010	6,102
Retail/Commercial	1,000 sq ft	7,009	11,211	20.25	141,932	227,023	85,091
Office	1,000 sq ft	1,925	2,874	13.20	25,410	37,937	12,527
Industrial	1,000 sq ft	830	1,039	6.58	5,461	6,837	1,376
Warehouse	1,000 sq ft	4,390	5,496	3.41	14,970	18,741	3,771
Public/Institutional	1,000 sq ft	6,155	8,917	7.47	45,978	66,610	20,632
Total Service Units					1,023,355	1,444,365	421,010

ANALYSIS OF CAPACITY, USAGE, AND COSTS OF EXISTING PUBLIC SERVICES

ARS § 9-463.05(E)(1) requires:

“A description of the existing necessary public services in the service area and the costs to upgrade, update, improve, expand, correct or replace those necessary public services to meet existing needs and usage and stricter safety, efficiency, environmental or regulatory standards, which shall be prepared by qualified professionals licensed in this state, as applicable.”

ARS § 9-463.05(E)(2) requires:

“An analysis of the total capacity, the level of current usage and commitments for usage of capacity of the existing necessary public services, which shall be prepared by qualified professionals licensed in this state, as applicable.”

A core principle of development fees is that the fees should not charge future development for a higher level of service (LOS) than is currently provided to existing development. In the incremental expansion methodology, LOS is quantified as the existing system-wide ratio of vehicle miles of capacity (VMC) to vehicle miles of travel (VMT).

The capacity of an individual roadway is the maximum volume at the desired roadway level of service (LOS). According to the General Plan, the City has a goal of LOS C on its arterial streets, but will accept LOS D. Maximum volumes at varying levels of service are shown in Figure S5. At LOS D, maximum capacities range from 7,650 vehicles per day for a 2-lane road up to 54,720 vehicles per day for a 6-lane road.

Figure S5: Road Capacities by Level of Service

Lanes	LOS A	LOS B	LOS C	LOS D	LOS E
2	5,100	5,950	6,800	7,650	8,500
3	12,960	15,120	17,280	19,440	21,600
4	21,540	25,130	28,720	32,310	35,900
5	30,480	35,560	40,640	45,720	50,800
6	36,480	42,560	48,640	54,720	60,800

Source: City of Surprise, General Plan 2035, 2013, Table 3.4.

A detailed inventory of the City's existing arterial network was prepared as part of this report (see Appendix C). For each roadway segment, information was gathered on segment length in miles, number of through lanes, current volume based on recent traffic counts, and current capacity at LOS D. The VMC provided by each segment was determined by multiplying the length of the segment by the daily capacity of the segment. The VMC of all road segments was summed to determine the total capacity provided by the City's arterial system. Similarly, the existing demand on each roadway segment was quantified in terms of VMT by multiplying the length of the segment by the current daily traffic volume, and summed for the arterial system.

The results of the existing LOS analysis are shown in Figure S6. While some individual road segments are operating at a worse level of service than LOS D, the appropriate level of service measurement for a consumption-based methodology is the overall ratio of capacity to demand. As shown below, existing level of service is a ratio of just over two VMC per VMT. For this study, it is recommended that the City use a level of service of 1.50, which is midway between the VMC/VMT ratio of 1.00 used in the standard

consumption-based approach and the existing ratio. This acknowledges that there is likely to be excess capacity in the existing system beyond what may be necessary and sustainable over the long term.

Figure S6: Existing and Recommended Arterial Street LOS

Street LOS Analysis	
Existing Vehicle Miles of Capacity (VMC)	2,003,963
÷ Existing Vehicle Miles of Travel (VMT)	982,792
Existing VMC/VMT Ratio	2.04
Recommended VMC/VMT Ratio	1.50

Source: VMC and VMT from Appendix C.

COST PER EQUIVALENT DWELLING UNIT

The average cost per service unit is based on the City's planned improvements that add vehicular travel lanes. Of course, roadway systems do not solely consist of travel lanes. Intersection improvements, signals, and signalization timing infrastructure, rights-of-way, and ancillary facilities (such as lighting, signage, landscaping, sidewalks, bike lanes, and drainage) are other critical components of vehicular capacity. While such stand-alone improvements are more difficult to measure in terms of added VMC, these component costs are typically included in improvements that add vehicular lanes.

The average cost per service unit is derived from the capacity-expanding arterial street improvements planned to accommodate anticipated growth over the next 10 years. Project descriptions and cost estimates are detailed in Figure S7. There are additional planned projects that are capacity-expanding, but do not add lanes, and these are excluded from the calculation of the average cost per vehicle mile of capacity because the capacity added by these projects is more difficult to quantify in terms of VMC added. The average cost of capacity added by the planned projects is approximately \$129 per VMC.

Figure S7: Street Cost per Vehicle Mile of Capacity

Arterial Street	Segment	Miles	Imp. Type	Cost	New VMC	Cost/VMC
Bullard Ave	Cholla-Gab. Mini-Storage	0.300	3-4 Lanes	\$800,000	3,861	\$207.20
Cactus Rd	Litchfield-RR	0.495	2-4 Lanes	\$2,050,000	12,207	\$167.94
Cactus Rd	Cotton-Reems	1.914	2-4 Lanes	\$7,410,000	47,199	\$156.99
Cotton Ln	Greenway-Cactus	1.999	3-6 Lanes	\$7,833,800	70,525	\$111.08
Greenway Rd	Sarival-Cotton	0.999	2-4 Lanes	\$5,033,100	24,635	\$204.31
Greenway Rd	Cotton-Verde Vista	0.339	2-4 Lanes	\$2,660,000	8,360	\$318.18
Greenway Rd	Verde Vista-179th	0.663	2-4 Lanes	\$4,335,300	16,350	\$265.16
Litchfield	Waddell-Desert Cove	1.748	2-4 Lanes	\$3,355,400	43,106	\$77.84
Happy Valley Rd	163rd Ave-E City Limit	3.000	New 4-Lane	\$9,990,000	164,160	\$60.86
Peoria Ave	Cotton-Sarival	0.800	2-6 Lanes	\$3,660,000	37,656	\$97.20
Sarival Ave	Greenway-Waddell	1.000	2-4 Lanes	\$6,943,900	24,660	\$281.59
Waddell Rd	Loop 303-Sarival Ave	0.498	3-6 Lanes	\$3,905,000	17,569	\$222.27
Waddell Rd	Sarival-Reems	0.907	3-6 Lanes	\$6,908,200	31,999	\$215.89
Total				\$64,884,700	502,287	\$129.18

Source: Planned improvements and estimated costs from City of Surprise, FY 2019 Capital Improvements Plan.

The average cost per VMC calculated above must be converted to a cost per VMT by multiplying by the VMC/VMT ratio identified in the LOS analysis. It is necessary to add the cost of the required Development Fee Report. As shown in Figure S8 below, the cost per service unit is approximately \$194 per VMT.

Figure S8: Street Cost per Service Unit

Cost per VMT Calculation	
Improvement Cost per VMC	\$129.18
x VMC/VMT Ratio	1.50
Improvement Cost per VMT	\$193.77
Report Cost per VMT	\$0.08
Total Cost per VMT	\$193.85

As noted in the Executive Summary, development fees should be reduced (or “offset”) in order to account for other types of revenues that will be generated by new development and used to fund capacity-expanding improvements of the same type as those to be funded by the development fees. The calculations need to include revenue offsets for (1) outstanding debt, interfund loans, and other types of obligations related to existing facilities that serve existing development, (2) existing deficiencies, (3) State/Federal funding, and (4) the excess portion of the construction sales tax.

Because the potential development fees are based on a level of service lower than provided by existing facilities, there are no existing deficiencies. The City has no debt or interfund loans related to past arterial street capacity improvements. The City has no dedicated source of revenue to fund growth-related arterial street improvements. The regional transportation improvement program for the next five years does not include funding for any City arterial street capacity improvements, nor is any funding anticipated in the future. The excess construction sales tax offset has been allocated among the other fee types, because the adoption of a new Street Facilities Development Fee is not assured. Consequently, no offsets are required, and the net cost per service unit is the same as the cost per service unit calculated above.

Net Cost Schedule

The Street Facilities Development Fee that may be adopted by the City based on this report are the product of the number of service units (VMT) generated by a unit of development and the net cost per service unit calculated above. The resulting net cost schedule is presented in Figure S9.

Figure S9: Street Net Cost Schedule

Land Use Type	Unit	VMT/ Unit	Net Cost/ VMT	Net Cost/ Unit
Single-Family Detached	Dwelling	14.34	\$193.85	\$2,780
Multi-Family	Dwelling	11.12	\$193.85	\$2,156
Mobile Home	Dwelling	7.60	\$193.85	\$1,473
Retail/Commercial	1,000 sq ft	20.25	\$193.85	\$3,925
Office	1,000 sq ft	13.20	\$193.85	\$2,559
Industrial	1,000 sq ft	6.58	\$193.85	\$1,276
Warehouse	1,000 sq ft	3.41	\$193.85	\$661
Public/Institutional	1,000 sq ft	7.47	\$193.85	\$1,448

10-YEAR CAPITAL PLAN

Planned street improvements over the next 10 years are summarized in Figure S10.

Figure S10: Street Capital Plan, 2019-2029

Arterial Street	Segment	Year	Imp. Type	Cost
163rd Ave	Grand Ave-Jomax	FY 2022-23	ROW/Design	\$682,500
Bullard Ave	Cholla-Peoria	FY 2023	Widening	\$800,000
Cactus Rd	Litchfield-RR	FY 2022	Widening	\$2,050,000
Cactus Rd	st BNSF RR Crossing	FY 2020-21	RR Xing	\$1,550,000
Cactus Rd	Cotton-Reems	FY 2020-23	Widening	\$7,410,000
Cotton Ln	Greenway-Cactus	FY 2020-22	Widening	\$7,833,800
Greenway Rd	Sarival-Cotton	FY 2019-21	Widening	\$5,033,100
Greenway Rd	Cotton-Verde Vista	FY 2021-23	Widening	\$2,660,000
Greenway Rd	Verde Vista-179th	FY 2021-22	Widening	\$4,335,300
Greenway Rd	179th-Perryville Rd	FY 2023	T/L, etc.	\$600,000
Litchfield	Waddell-Peoria	FY 2019-23	Widening	\$3,355,400
Litchfield	Lp 303 Interch. Design	FY 2019	Interchange	\$100,000
Happy Valley Rd	163rd Ave-E Limit	FY 2022-23	Widening	\$9,990,000
Peoria Ave	Cotton-Sarival	FY 2020-22	Widening	\$3,660,000
Reems Rd	Hearn-380' north	FY 2022-23	Culvert	\$429,800
Sarival Ave	Greenway-Waddell	FY 2020-21	Widening	\$6,943,900
Sarival Ave	Bell-Greenway	FY 2019-20	Median/TL	\$815,000
Waddell Rd	Loop 303-Sarival Ave	FY 2020	Widening	\$3,905,000
Waddell Rd	Sarival-Reems	FY 2019-20	Widening	\$6,908,200
White Tanks Fwy	Corridor Study	FY 2019	Design	\$250,000
Reems Rd	Dev. Credit - Sun City	FY 2018-27	Credit	\$95,625
Roads and ROW	Dev. Credit - Surp. Pt.	FY 2018-27	Credit	\$3,268,183
Development Fee Report Updates	n/a	FY 2019-28	Studies	\$32,620
Total				\$72,708,428

Source: Planned projects from City of Surprise Adopted Budget, Fiscal Year 2019, Capital Improvement Plan, June 2018, project detail sheets; developer credits from Appendix F.

Assuming the proposed fees are adopted at 100 percent, projected development fee revenues over the next 10 years, based on future development anticipated by the land use assumptions, are summarized in Figure S11.

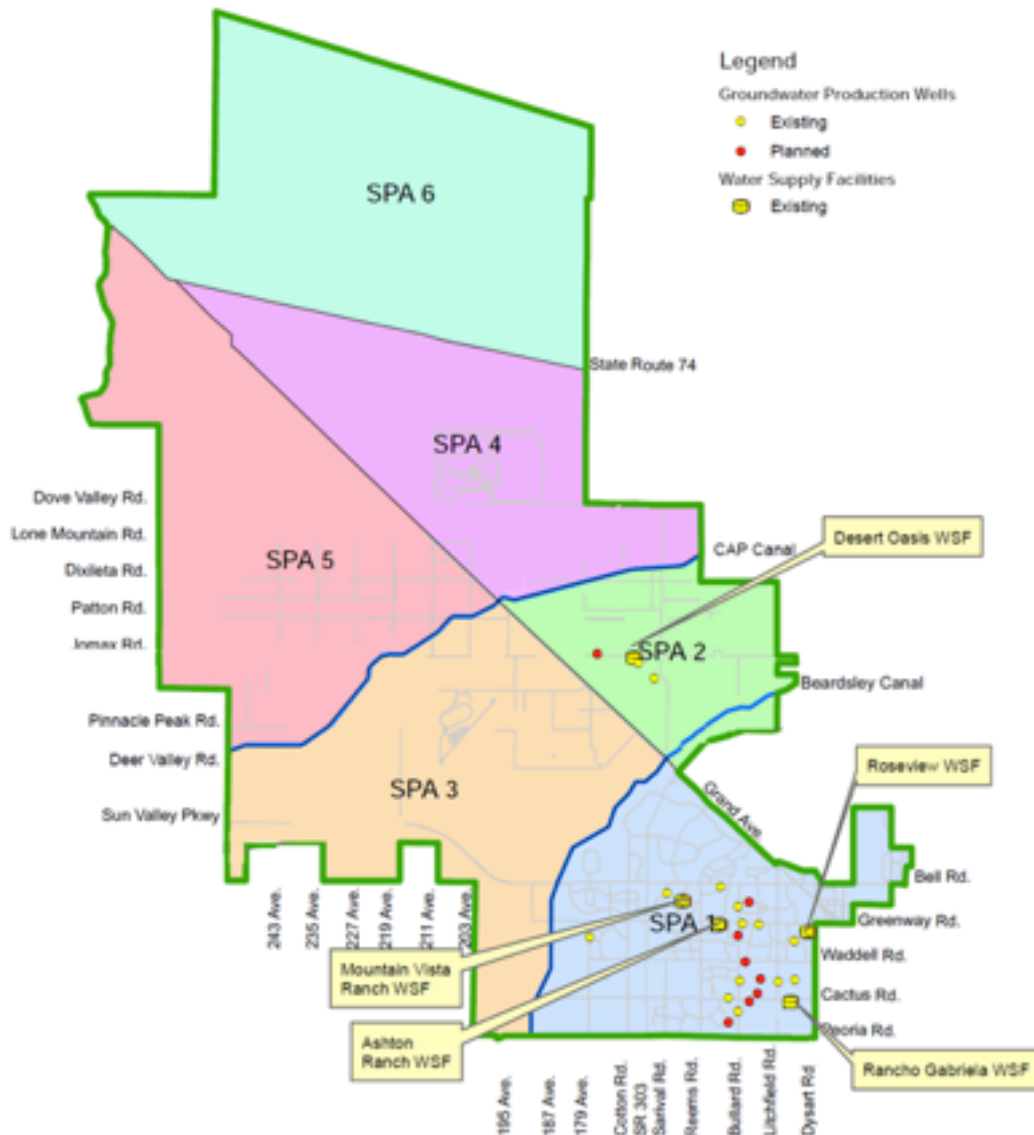
Figure S11: Capital Plan Summary, 2019-2029

	Total
Street Net Cost per VMT	\$193.85
x New VMT, 2019-2029	421,010
Projected Revenue, 2019-2029	\$81,612,789
Fund Balance, FYE 2018	\$2,641,040
Available Funds, 2009-2029	\$84,253,829
– Planned Expenditures, 2019-2029	(\$72,708,428)
Funding Surplus (Deficit)	\$11,545,401

WATER FACILITIES IIP

This chapter updates the City's Water Facilities Development Fees in compliance with the Enabling Legislation. The location of existing water facilities is illustrated in Figure W1.

Figure W1: Existing Water Facilities



ARS § 9-463.05 (T)(7)(a) defines facilities and assets that can be included in the Water Facilities IIP:

“Water facilities, including the supply, transportation, treatment, purification and distribution of water, and any appurtenances for those facilities.”

The Water Facilities IIP includes components for existing water facilities, planned water facilities, and the cost of preparing the Water Facilities IIP and development fees. The cost recovery methodology is used for the existing water facilities component. The plan-based methodology is used for the planned water facilities and the Development Fee Report.

Service Area

The City's Municipal Planning Area (MPA) is divided into six Special Planning Areas (SPAs). The SPAs are separated by major geographic barriers - Grand Avenue/BNSF Railroad line, the Beardsley Canal, the Central Arizona Project (CAP) Canal, and SR 74. The SPA borders form natural boundaries for the water service areas.

The City's existing water and water facilities basically consist of two separate systems located in SPA 1 and SPA 2 with limited potential for interconnection. The two existing service areas are acceptable for these facilities as they are defined as the incorporated area, or City utility service area, and may be expanded in the future within the respective SPAs. The City also has planned facilities over the next 10 years in SPA 3.

The City's water system relies on groundwater, which is pumped to the surface by wells. The wells are connected by transmission lines that convey the water to a water supply facility (WSF), where the water is treated, stored in tanks, and pumped into a system of pressurized distribution lines. The WSFs are interconnected within SPAs where practical to provide emergency backup. It is reasonable to use the SPAs as water service areas.

The City is not the only water provider in its planning area. In addition to individual developments that rely on on-site wells and do not connect to the City's distribution system, there are also several private water providers. In particular, EPCOR serves much of SPA 1 (see Figure WR1).

Service Units

To calculate water and wastewater fees, the demand associated with different types of customers must be expressed in a common unit of measurement, called a service unit. The service unit for the City's water and wastewater fees is an equivalent dwelling unit (EDU). An EDU is a single-family dwelling unit or its equivalent in terms of water demand, defined as the potential demand resulting from a 0.75-inch diameter or smaller meter.

The number of water service units associated with a nonresidential customer is determined by the capacity of the water meter relative to the capacity of a 0.75-inch meter. Figure W2 presents EDU multipliers for various meter sizes based on meter capacities from the American Water Works Association.

Figure W2: Meter Capacity Ratios

Meter Size (inches)	EDUs/Unit Ratio*
0.75	1.00
1.00	1.67
1.50	3.33
2.00	5.33
3.00	10.67
4.00	16.67
6.00	33.33
8.00	53.33

* AWWA Manual of Water Supply Practices
M1, 7th Edition.

The number of existing water service units are estimated based on the number of current City water customers and the service unit multipliers described in Figure W2. As shown in Figure W3, the City's current water customer base amounts to 18,167 service units (EDUs). The majority (92 percent) of existing service units are in SPA 1.

Figure W3: Existing Water Service Units

Meter Size (inches)	Customers		EDUs/Unit	Equivalent Dwelling Units		
	SPA 1	SPA 2		SPA 1	SPA 2	Total
0.75	11,240	733	1.00	11,240	733	11,973
1.00	2,307	343	1.67	3,853	573	4,426
1.50	119	8	3.33	396	27	423
2.00	196	13	5.33	1,045	69	1,114
3.00	6	0	10.67	64	0	64
4.00	6	0	16.67	100	0	100
6.00	2	0	33.33	67	0	67
Total	13,876	1,097		16,765	1,402	18,167

Source: City of Surprise Finance Department, July 19, 2017.

The number of service units should increase proportionately with the increase in water demand. As shown in Figure W4, system-wide total average daily water demand and service units are projected to increase by about 61 percent over the next 10 years.

Figure W4: Water Demand and Service Units, 2019-2029

	Year	Average Daily Demand (mgd)				Service Units (EDUs)			
		SPA 1	SPA 2	SPA 3	Total	SPA 1	SPA 2	SPA 3	Total
Actual	2013	6.35	0.39	0.00	6.74	n/a	n/a	n/a	n/a
	2014	6.46	0.45	0.00	6.91	n/a	n/a	n/a	n/a
	2015	6.39	0.43	0.00	6.82	n/a	n/a	n/a	n/a
	2016	7.06	0.56	0.00	7.62	n/a	n/a	n/a	n/a
	2017	6.54	0.60	0.00	7.14	16,765	1,402	0	18,167
Projected	2018	6.74	0.80	0.00	7.54	17,278	1,869	0	19,147
	2019	6.95	0.96	0.00	7.91	17,816	2,243	0	20,059
	2020	7.17	1.15	0.00	8.32	18,380	2,687	0	21,067
	2021	7.39	1.38	0.20	8.97	18,944	3,224	509	22,677
	2022	7.62	1.66	0.21	9.49	19,534	3,878	534	23,946
	2023	7.86	1.83	0.21	9.90	20,149	4,275	534	24,958
	2024	8.10	2.01	0.22	10.33	20,764	4,695	559	26,018
	2025	8.35	2.21	0.23	10.79	21,405	5,162	584	27,151
	2026	8.61	2.43	0.24	11.28	22,072	5,676	609	28,357
	2027	8.88	2.67	0.24	11.79	22,764	6,237	609	29,610
	2028	9.16	2.94	0.24	12.34	23,482	6,868	609	30,959
	2029	9.40	3.23	0.25	12.88	24,097	7,545	634	32,276
10-Year Change		2.45	2.27	0.25	4.97	6,281	5,302	634	12,217

Source: City of Surprise Water Resource Management, May 11, 2018.

ANALYSIS OF CAPACITY, USAGE, AND COSTS OF EXISTING PUBLIC SERVICES

ARS § 9-463.05(E)(1) requires:

“A description of the existing necessary public services in the service area and the costs to upgrade, update, improve, expand, correct or replace those necessary public services to meet existing needs and usage and stricter safety, efficiency, environmental or regulatory standards, which shall be prepared by qualified professionals licensed in this state, as applicable.”

ARS § 9-463.05(E)(2) requires:

“An analysis of the total capacity, the level of current usage and commitments for usage of capacity of the existing necessary public services, which shall be prepared by qualified professionals licensed in this state, as applicable.”

Level of service (LOS) generally refers to the ratio of capacity to demand. One of the principles of development fee analysis is that future development should not be required to pay for a higher LOS than existing development currently receives. Consequently, it is important to determine the existing LOS.

For water facilities, the capacity of water production facilities is generally used as reflective of the capacity of the entire water system. However, some components of the system may have more or less capacity than needed for full utilization of production facilities. The City’s water system consists of wells, water supply facilities (WSFs) consisting of pumping stations, storage tanks, and water treatment facilities serving a group of wells, transmission lines from wells to WSFs, distribution lines from WSFs to customers, and land for wells and WSFs.

Wells

Existing well production capacity is summarized in Figure W5. Total capacity of individual wells is shown in gallons per minute (GPM) and millions of gallons per day (MGD). The City’s design criteria indicate the capacity of a system of wells should be measured in terms of firm capacity (total capacity less the capacity of the largest well), to account for the eventuality that a well may be out of service. Firm capacity is determined at the level of the group of wells served by a water supply facility, and is shown in MGD.

The use of firm capacity to determine the existing well capacity in SPA 2 and SPA 3, however, may not be appropriate. These water systems are in the very early stages of development, and it takes more wells to provide firm capacity than in a more mature area like SPA 1. For example, a system with only two identically-sized wells will be able to count only one well as firm capacity, whereas an additional third well would add its full capacity to firm capacity.

To analyze this effect, the ratio of firm to total well capacity is computed in Figure W6. SPA 2 has only two existing wells, one of which has significantly more capacity than the other. With the larger well out of service, firm capacity is only 34 percent of total capacity, compared to 68 percent for the SPA 1 system. Two additional wells are planned over the next 10 years in the SPA 2 Desert Oasis WSF, which will bring the firm-to-total capacity ratio of that WSF to 74 percent, which is virtually identical to the system-wide ratio in SPA 1. Still, for SPA 2 as a whole, the planned ratio with three new wells, will only be 58 percent (the new Rancho Mercado WSF will only have one well, which adds nothing to firm capacity). The planned ratio would be similar in SPA 3, which will have only two wells over the next 10 years.

Figure W5: Existing Well Production Capacity

Site Name	Total Capacity		Firm Capacity (mgd)
	(gpm)	(mgd)	
Mountain Vista Ranch Water Supply Facility			
Mountain Vista Ranch 1	1,260	1.81	1.81
Mountain Vista Ranch 2	1,350	1.94	n/a
Subtotal, Mountain Vista Ranch WSF	2,610	3.75	1.81
Ashton Ranch Water Supply Facility			
Ashton Ranch 1	1,180	1.70	1.70
Orchards	1,780	2.56	n/a
Surprise Center	1,700	2.45	2.45
Royal Ranch	1,470	2.12	2.12
Sierra Verde	1,270	1.83	1.83
Subtotal, Ashton Ranch WSF	7,400	10.66	8.10
Roseview Water Supply Facility			
Roseview	1,900	2.74	n/a
Litchfield Manor	800	1.15	1.15
Subtotal, Roseview WSF	2,700	3.89	1.15
Rancho Gabriela Water Supply Facility			
Rancho Gabriela 1	1,250	1.80	1.80
Rancho Gabriela 2	1,270	1.83	1.83
Surprise Pointe	1,390	2.00	n/a
Summit	1,270	1.83	1.83
Marley Park 1	1,150	1.66	1.66
Marley Park 2	1,150	1.66	1.66
Subtotal, Rancho Gabriela WSF	7,480	10.78	8.78
Total, SPA 1	32,900	29.08	19.84
Desert Oasis Water Supply Facility			
Desert Oasis 1	1,400	2.02	n/a
Desert Oasis 2	900	1.30	1.30
Total, SPA 2	2,300	3.86	1.30
System Total	35,200	32.94	21.14

Source: City of Surprise Water Resource Management, August 11, 2018.

Figure W6: Ratio of Firm to Total Well Capacity

	SPA 1 (existing)	SPA 2 (existing)	SPA 2 Desert Oasis WSF (planned)	SPA 2 Total (planned)	SPA 3 (planned)
Well Firm Capacity (mgd)*	19.84	1.30	6.02	6.02	2.02
÷ Well Total Capacity (mgd)	29.08	3.86	8.18	10.34	4.04
Ratio of Firm to Total Capacity	68%	34%	74%	58%	50%

*Firm capacities for SPA 2 and SPA 3 based on approach described above.

Over time, the ratio of firm to total capacity in the SPA 2 and SPA 3 will increase to approximately the existing ratio in SPA 1. To reflect longer-term costs, existing long-term firm capacity in SPA 2 and planned firm capacity in SPA 3 will be determined using the existing 68 percent ratio of firm-to-total capacity for the more developed SPA 1 system, as shown in Figure W7. It is worth noting the City's design criteria prior to the 2009 water master plan update did not use firm capacity, but instead required a minimum 1.25 ratio of capacity to demand, which would be equivalent to an 80 percent ratio of firm to total capacity.

Figure W7: Long-Term Firm Well Capacity

	SPA 1 (existing)	SPA 2 (existing)	SPA 2 (planned)	SPA 3 (planned)
Total Capacity (mgd)	29.08	3.86	10.34	4.04
x Firm to Total Capacity Ratio, SPA 1	68%	68%	68%	68%
Long-Term Firm Capacity	19.84	2.62	7.03	2.75

Long-term firm capacity deals with the reliability of the well system to produce water. That capacity must be adequate to accommodate periods of peak water demand. The City's water design criteria require firm capacity be adequate to accommodate two times average day demand. The existing levels of service for wells in SPA 1 and SPA 2 are summarized in Figure W8. Both SPAs have enough capacity to accommodate current peak day demand. The fees, however, are based on average day demand.

Figure W8: Existing Well Level of Service

	SPA 1	SPA 2	Total
Annual Average Day Demand (mgd), 2017	6.54	0.60	7.14
x Peaking Factor*	2.00	2.00	2.00
Peak Day Demand (mgd)	13.08	1.20	14.28
Long-Term Firm Capacity (mgd)	19.84	2.62	22.46
– Peak Day Demand (mgd)	(13.08)	(1.20)	(14.28)
Excess Capacity (mgd)	6.76	1.42	8.18
Excess Capacity (mgd)	6.76	1.42	8.18
÷ Total Production Capacity (mgd)	19.84	2.62	22.46
Percent Excess Capacity	34.1%	54.2%	36.4%

*Peaking factor from Malcolm Pirnie, Integrated Water Master Plan – Water Infrastructure, July 2009, Table A-1.

Other System Components

SPA 1 is the service area with the most developed water system, while SPA 2 has a very small system, and SPA 3 has an even smaller initial planned system that has been partially built by the developer (wells have been drilled) but not yet turned over to the City. In SPA 1, all components should generally be in balance, and well capacity should be reasonably representative of the capacity of the other components of the water system. To evaluate whether long-term firm capacity of the wells is a reasonable measure of the capacity of other components of the SPA 2 and SPA 3 system, the quantities of different components per MGD of well capacity can be compared to those in the more mature SPA 1 system.

In Figure W9, quantities for different components of the existing water systems in the three SPAs are shown (line costs per foot generally increase proportionally with the inches of pipe diameter, making inch-feet a reasonable summary unit for comparison). The quantities are then converted into quantities per MGD of well capacity. The final two columns compute the ratio of quantities per MGD of well capacity in SPA 2 and SPA 3 to the quantity per MGD in SPA 1. The ratios of SPA 2 and SPA 3 component quantities per MGD to those of SPA 1 are indicative of the amounts by which those components in SPA 2 and SPA 3 have more or less capacity relative to their well systems.

In the existing SPA 2 system, pump stations are somewhat undersized for existing well capacity, while storage, lines, and land are oversized. In SPA 3, there is more land relative to the well capacity, while other components are undersized. These ratios will be used to determine the equivalent well capacities of these components in computing the cost per gallon per day of water capacity. Arsenic treatment has been omitted from this analysis, because the need for treatment varies by location.

Figure W9: Level of Service Analysis for Non-Well Components, SPA 2 and SPA 3

System Component	Unit	Existing Quantity			Quantity per Well MGD			SPA 2/ SPA 1	SPA 3/ SPA 1
		SPA 1	SPA 2	SPA 3	SPA 1	SPA 2	SPA 3		
Wells	mgd	19.84	2.62	2.75	1.00	1.00	1.00	1.00	1.00
Pump Stations	mgd	18.24	2.16	1.00	0.92	0.82	0.36	0.89	0.39
Storage Tanks	mg	11.10	1.75	1.50	0.56	0.67	0.55	1.20	0.98
Water Lines	in.-ft (000s)	5,644	1,525	255	284	582	93	2.05	0.33
Land	acres	31.56	5.05	5.00	1.59	1.93	1.82	1.21	1.14

Source: Existing quantities from City of Surprise Water Resource Management, August 11, 2017.

COST PER EQUIVALENT DWELLING UNIT

This report uses the cost recovery, or buy-in, methodology for water, because the existing system has significant excess capacity available to serve new customers. Existing water facilities in the three SPAs are summarized in Figure W10. Current unit costs for the different system components are based on estimates in the City's 2009 water master plan, adjusted by changes in the construction cost index to August 2018 (current land and arsenic treatment cost from Water Resource Management Department). Current replacement cost is the product of existing quantity times the unit cost.

Figure W10: Replacement Costs of Existing Water Facilities

Water System Component	Unit	Existing Quantity			Aug. 2018 Unit Cost	Replacement Cost		
		SPA 1	SPA 2	SPA 3		SPA 1	SPA 2	SPA 3
Wells	each	15	2	2	\$2,838,084	\$42,571,260	\$5,676,168	\$5,676,168
Arsenic Treatment	gpm	13,400	1,200	0	\$1,416	\$18,974,400	\$1,699,200	\$0
Pump Stations	mgd	18.24	2.16	1.00	\$468,124	\$8,538,582	\$1,011,148	\$468,124
Storage Tanks, <2.5 mg	mg	7.60	1.75	1.50	\$1,961,662	\$14,908,631	\$3,432,909	\$2,942,493
Storage Tanks, 2.5-<4.0 mg	mg	3.50	0	0	\$1,726,031	\$6,041,109	\$0	\$0
Storage Tanks, 4.0-<7.5 mg	mg	0.00	0	0	\$1,333,474	\$0	\$0	\$0
Water Lines, 10"	linear ft.	22,695	2,644	20	\$219	\$4,970,205	\$579,036	\$4,380
Water Lines, 12"	linear ft.	217,035	38,358	108	\$263	\$57,080,205	\$10,088,154	\$28,404
Water Lines, 16"	linear ft.	89,911	63,934	9,343	\$351	\$31,558,761	\$22,440,834	\$3,279,393
Water Lines, 20"	linear ft.	39,032	0	0	\$510	\$19,906,320	\$0	\$0
Water Lines, 24"	linear ft.	14,521	659	4,080	\$542	\$7,870,382	\$357,178	\$2,211,360
Water Lines, 30"	linear ft.	8,178	0	192	\$671	\$5,487,438	\$0	\$128,832
Land	acres	31.56	5.05	5.00	\$90,000	\$2,840,400	\$454,500	\$450,000
Total Replacement Cost						\$220,747,693	\$45,739,127	\$15,189,154

Source: Unit costs from Malcom Pirnie, Integrated Water Master Plan - Water Infrastructure, July 2009, Appendix G, adjusted to current cost based on August 2018 Engineering-News Record Construction Cost Index, except for arsenic treatment and land, which are from the City of Surprise Water Resource Management Department, August, 2017.

With the cost recovery methodology, the cost per service unit is calculated as system replacement costs divided by the capacity of the facilities. Replacement costs in Figure W11 are from Figure W10. Well capacity for other components is well capacity times the adjustment factor calculated earlier. The final three columns compute the costs per gallon per day of well capacity for each of the three SPAs.

Figure W11: Water Cost per Gallon per Day

Water System Component	Replacement Cost			Well Capacity (mgd)			Cost per Gallon		
	SPA 1	SPA 2	SPA 3	SPA 1	SPA 2	SPA 3	SPA 1	SPA 2	SPA 3
Wells	\$42,571,260	\$5,676,168	\$5,676,168	19.84	2.62	2.75	\$2.15	\$2.17	\$2.06
Arsenic Treatment	\$18,974,400	\$1,699,200	\$0	19.84	2.62	2.75	\$0.96	\$0.65	\$0.00
Pump Stations	\$8,538,582	\$1,011,148	\$468,124	19.84	2.34	1.08	\$0.43	\$0.43	\$0.43
Storage Tanks	\$20,949,740	\$3,432,909	\$2,942,493	19.84	3.13	2.70	\$1.06	\$1.10	\$1.09
Water Lines	\$126,873,311	\$33,465,202	\$5,652,369	19.84	5.37	0.90	\$6.39	\$6.23	\$6.28
Land	\$2,840,400	\$454,500	\$450,000	19.84	3.18	3.15	\$0.14	\$0.14	\$0.14
Total	\$220,747,693	\$45,739,127	\$15,189,154	n/a	n/a	n/a	\$11.13	\$10.72	\$10.00

Average water demand per service unit is determined by dividing average day water demand by existing water service units (EDUs). The result is 393 gallons per day per service unit, as shown in Figure W12.

Figure W12: Water Demand per Service Unit

Demand per Service Unit Calculation	
Total Average Day Demand (gpd), 2017	7,140,000
÷ Total Equivalent Dwelling Units (EDUs), 2017	18,167
Average Day Demand per EDU (gpd)	393

The cost per service unit is the product of cost per gallon per day of capacity and average day demand per service unit (EDU). The cost per service unit is relatively similar among the three systems, ranging from a low of \$3,935 in SPA 3 to a high of \$4,379 in SPA 1, as shown in Figure W13.

Figure W13: Water Cost per Service Unit

	SPA 1	SPA 2	SPA 3
Cost per gpd of Water System Capacity	\$11.13	\$10.72	\$10.00
x Average Day Demand per EDU (gpd)	393	393	393
Improvement Cost per EDU	\$4,374	\$4,213	\$3,930
Update Study Cost per EDU	\$5	\$5	\$5
Cost per EDU	\$4,379	\$4,218	\$3,935

As described in the Executive Summary, fee calculations need to include revenue offsets for (1) outstanding debt, interfund loans, and other types of obligations related to existing facilities that serve existing development, (2) existing deficiencies, (3) State/Federal funding, and (4) the excess portion of the construction sales tax.

The City has no bond debt related to water facilities, but the SPA 1 and SPA 2 water development fee funds have outstanding developer credits for some wells, water supply facilities, and lines. As shown in Figure W14, outstanding obligations amount to less than 6 percent of the total replacement cost of existing facilities in the each of these two service areas. Using well capacity as a reasonable proxy for total water system capacity, the excess capacity percentages in both SPAs are higher than the obligation percentages. This indicates that the outstanding obligations can be entirely attributed to excess capacity, and do not warrant a revenue offset.

Figure W14: Water Excess Capacity Analysis

	SPA 1	SPA 2
Outstanding Net Obligations on Existing Facilities	\$9,832,636	\$2,683,947
÷ Existing Water Facility Replacement Cost	\$220,747,693	\$45,739,127
Net Obligations as Percent of Existing Facility Cost	4.5%	5.9%
Existing Excess Well Capacity (mgd)	6.76	1.42
÷ Total Existing Well Capacity (mgd)	19.84	2.62
Excess Capacity Percentage	34.1%	54.2%

There are no existing deficiencies because the water costs per service unit are based on the existing level of service. State/Federal funding for capacity improvements has not historically been available to the City, and no future funding is anticipated. The City does assess an excess construction sales tax, and the offset for this is subtracted from the cost per service unit. The net cost per service unit is shown in Figure W15 for each of the three SPAs.

Figure W15: Water Net Cost per Service Unit

	SPA 1	SPA 2	SPA 3
Cost per EDU	\$4,379	\$4,218	\$3,935
– Excess Construction Tax Offset per EDU*	(\$697)	(\$697)	(\$697)
Net Cost per EDU	\$3,682	\$3,521	\$3,238

* Excess construction tax offset from Appendix G.

Net Cost Schedule

The net cost schedules for the Water Facilities Development Fees are determined by multiplying the service units (EDUs) for each meter size by the net cost per service unit in each SPA. The resulting fee schedules are presented in Figure W16.

Figure W16: Water Facilities Development Fees

Meter Size (inches)	EDUs/ Meter	Development Fees		
		SPA 1	SPA 2	SPA 3
Net Cost per EDU		\$3,682	\$3,521	\$3,238
0.75	1.00	\$3,682	\$3,521	\$3,238
1.00	1.67	\$6,149	\$5,880	\$5,407
1.50	3.33	\$12,261	\$11,725	\$10,783
2.00	5.33	\$19,625	\$18,767	\$17,259
3.00	10.67	\$39,287	\$37,569	\$34,549
4.00	16.67	\$61,379	\$58,695	\$53,977
6.00	33.33	\$122,721	\$117,355	\$107,923
8.00	53.33	\$196,361	\$187,775	\$172,683

10-YEAR CAPITAL PLAN

Planned water infrastructure improvements over the next 10 years are summarized in Figure W17. Planned improvements for SPA 3 represent existing improvements that have been partially completed by the developer but not yet dedicated to the City per the developer agreement in return for developer credits.

Figure W17: Water Capital Plan, 2019-2029

Improvement/Expenditure	Fiscal Year	Cost
CIP Project, Water Transmission Line, Ashton Ranch/Roseview	2018-2020	\$2,750,000
CIP Project, Arsenic Treatment, Rancho Gabriela	2019	\$2,000,000
CIP Project, SPA 1 WRF Disinfection Contact Tank Cover	2020-2021	\$950,000
CIP Project, Surprise Downtown Waterline Loop	2020	\$1,150,000
CIP Project, Operations Expansion*	2020-2023	\$1,132,863
CIP Project, SPA1 Drinking Water Well	2022-2023	\$3,000,000
SPA 1 Developer Obligation for Well (Marley Park #3)	2018-2027	\$2,500,000
SPA 1 Developer Obligation for WSF Expansion 2B (Shared)	2019-2028	\$1,785,998
SPA 1 Developer Obligation for Sec. 15 Arsenic (Shared)	2019-2028	\$4,773,515
SPA 1 Developer Obligation for Well, WSF Exp., Lines (Surprise Pt)	2019-2028	\$5,780,501
SPA 1 Share of Two Development Fee Reports	2019-2028	\$33,521
SPA 1 Total Planned Expenditures, 2019-2029		\$25,856,398
CIP Project, Arsenic Treatment, Desert Oasis WSF	2019	\$200,000
CIP Project, SPA 2 Rancho Mercado WSF	2019	\$8,700,000
CIP Project, SPA 2 Rancho Mercado Well	2019-2028	\$3,000,000
CIP Project, Operations Expansion*	2020-2023	\$956,287
SPA 2 Developer Credits for WSF, 2 Wells (Desert Oasis)	2019-2028	\$2,683,874
SPA 2 Interfund Loan for WSF, 2 Wells (Desert Oasis)	2019-2028	\$73
SPA 2 Share of Two Development Fee Reports	2019-2028	\$28,296
SPA 2 Total Planned Expenditures, 2019-2029		\$15,568,530
CIP Project, Operations Expansion*	2020-2023	\$114,350
SPA 3 Developer Credits for WSF, Wells, Lines	2019-2028	\$12,000,000
SPA 3 Share of Two Development Fee Reports	2019-2028	\$3,384
SPA 3 Total Planned Expenditures, 2019-2029		\$12,117,734

*Total cost of \$4.407 million split evenly between water and wastewater; water share allocated among SPAs based on projected new EDUs from Figure W4.

Source: CIP projects from City of Surprise, Adopted Budget, Fiscal Year 2019, Capital Improvement Plan, June 2018.

Projected growth in water service units over the next 10 years is expected to generate the amounts of revenue in each SPA shown in Figure W18, assuming the proposed fees are adopted at the maximum rates calculated in this report. Comparing projected revenues to planned expenditures indicates that SPA 1 and SPA 2 will generate more revenue than the planned expenditures over the next 10 years.

Figure W18: Water Capital Plan Summary, 2019-2029

	SPA 1	SPA 2	SPA 3
Net Cost per EDU	\$3,682	\$3,521	\$3,238
x Projected New EDUs, 2019-2029	6,717	5,466	609
Projected Revenue, 2019-2029	\$24,731,994	\$19,245,786	\$1,971,942
Fund Balance, FYE 2018	\$2,664,922	\$0	\$0
Available Funds, 2019-2029	\$27,396,916	\$19,245,786	\$1,971,942
– Planned Expenditures, 2019-2029	(\$25,856,398)	(\$15,568,530)	(\$12,117,734)
Funding Surplus (Deficit)	\$1,540,518	\$3,677,256	(\$10,145,792)

WATER RESOURCE FACILITIES IIP

This chapter updates the City's Water Resource Facilities Development Fees in compliance with the Enabling Legislation. Prior to mid-2017, the water resource fee covered the cost of both water wells and water rights. Currently, it addresses only water rights.

ARS § 9-463.05 (T)(7)(a) defines facilities and assets that can be included in the Water Resource Facilities IIP:

“Water facilities, including the supply, transportation, treatment, purification and distribution of water, and any appurtenances for those facilities.”

The Water Resource Facilities IIP includes components for water resources and the cost of preparing the Water Resource Facilities IIP and development fees. The cost recovery methodology is used for the water resources and the plan-based methodology is used for and the Development Fee Report.

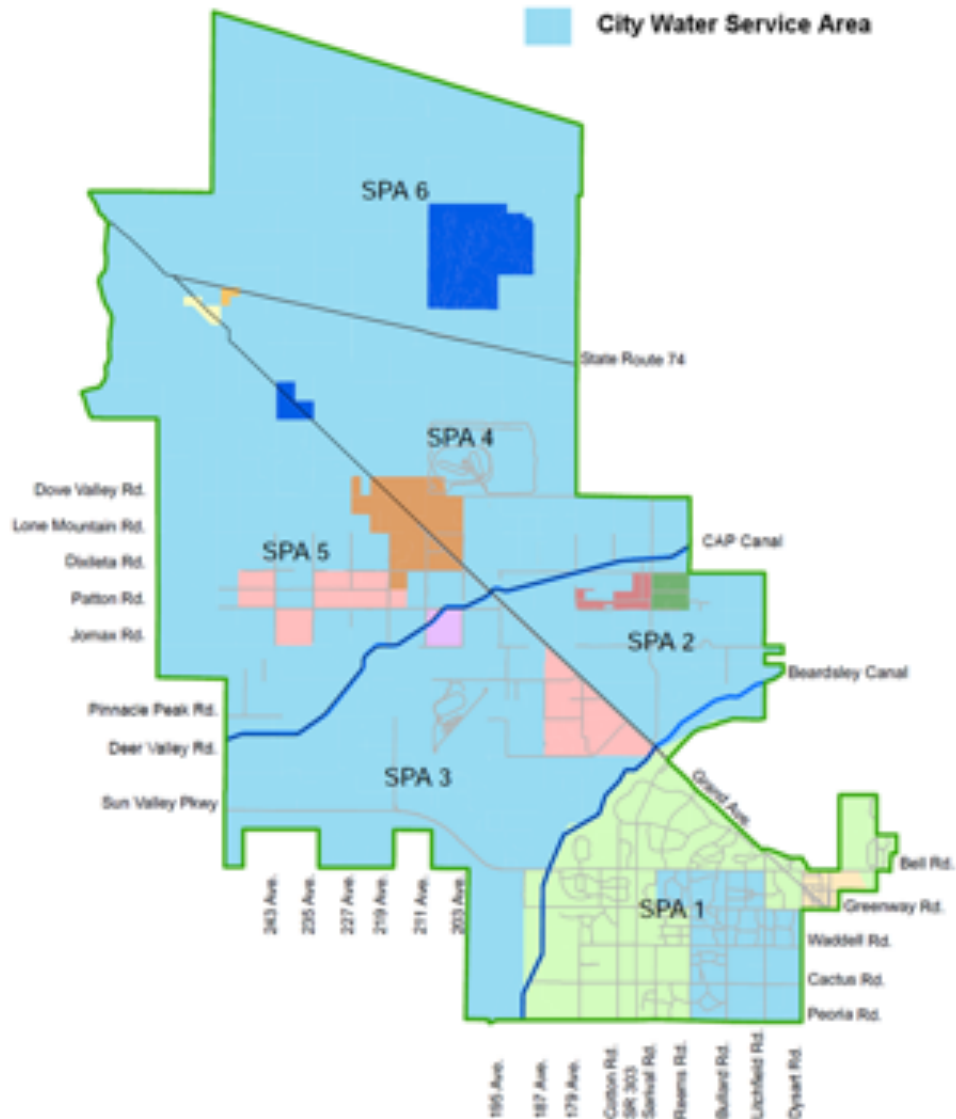
Service Area

The City of Surprise is an assured water service provider within its water service area, which is shown in Figure WR1. The City is allowed to treat and deliver no more than its total demonstrated 100-year supply. Because this requirement applies to the entire area served by the City water system, a single, citywide service area is appropriate for its Water Resource Facilities Development Fee. Although the City currently earmarks water resource fees in SPA 1 and SPA 2, the entire area served by the City will be the service area for the updated Water Resource Facilities Development Fees.

Service Units

The service unit for the Water Resources Development Fee is the Equivalent Dwelling Unit (EDU), as described and quantified in the Water chapter.

Figure WR1: Water Resource Service Area



ANALYSIS OF CAPACITY, USAGE, AND COSTS OF EXISTING PUBLIC SERVICES

ARS § 9-463.05(E)(1) requires:

“A description of the existing necessary public services in the service area and the costs to upgrade, update, improve, expand, correct or replace those necessary public services to meet existing needs and usage and stricter safety, efficiency, environmental or regulatory standards, which shall be prepared by qualified professionals licensed in this state, as applicable.”

ARS § 9-463.05(E)(2) requires:

“An analysis of the total capacity, the level of current usage and commitments for usage of capacity of the existing necessary public services, which shall be prepared by qualified professionals licensed in this state, as applicable.”

In Arizona, a utility must prove that it has the right to specific types and amounts of water to deliver service to its customers. These water rights must be from renewable sources, as dictated by the 1980 Groundwater Management Act. As a municipal utility, the City of Surprise is required to follow the Designation of Assured Water Supply (DAWS) requirements. This Designation identifies the City's available renewable water supplies. The City is allowed to treat and deliver no more than its total supply of resources. The DAWS forecasts the City's water supplies for 100 years, and this is evaluated and adjusted every 10 years based on portfolio assets and current and projected growth demands.

Its current Designation of Assured Water Supply was signed by the Arizona Department of Water Resources on September 29, 2010. The Designation recognized that Surprise demonstrated that after withdrawing an average of 16,718 acre-feet per year (AFY) of groundwater and stored water recovered outside the area of hydrologic impact over 100 years, the depth to static water level within Surprise's service area is not expected to exceed 1,000 feet below land surface. The City's current long-term water supply portfolio considerably exceeds current and committed water demand by 2020, as summarized in Figure WR2 in both AFY and millions of gallons per day (MGD).

Figure WR2: Existing Water Supply

Water Supply Source	Acre-Feet per Year	MGD
Groundwater	1,032	0.92
Surface Water	0	0.00
CAP Water	10,249	9.15
Reclaimed Water	5,403	4.82
Long-Term Storage Credits	33	0.03
Total Available Supply	16,718	14.92
÷ Existing and Committed Demand	11,513	10.28
Capacity/Demand Ratio	1.45	1.45

Source: Arcadis-US, Inc. Integrated Water Master Plan, Water Resources Update, June 2015 (data as of September 2010).

The sole source of wet water for the City of Surprise is groundwater. In order to use groundwater as its potable source, the City must utilize its credits or its renewable water supplies as recharge to offset the water mined from the ground. The City has determined that at build out it will need to have a DAWS of approximately 145,000 AFY of water to meet its demand. Current demand projections show that Surprise will have a shortfall of approximately 49,000 AFY.

COST PER EQUIVALENT DWELLING UNIT

This report uses the cost recovery, or buy-in, approach for the Water Resource Facilities Development Fee, because the City has excess capacity available to serve new customers. Future development places demand on the City's available supplies. However, some of the water used by new customers is returned to the City in the form of wastewater influent flows to its water reclamation facilities (WRFs). The City plans to ultimately reclaim all the treated effluent for either direct reuse, for recharge, or for long-term storage credits. City Water Resource Management staff estimates 45 percent of water use is returned in the form of wastewater influent, with the remainder used for irrigation or other uses. The percent of water returned to the City and able to be reclaimed or recharged is the ratio of influent to effluent flows. The product of these two factors is the estimate that 40.5 percent of water use can be reclaimed or recharged, as shown in Figure WR3. The remaining 59.5 percent of water use that is not recoverable for reuse or recharge is used to determine the water resource demand of a new customer.

Figure WR3: Water Recovery Factor

	Total
Percent of Water Demand Returned as Wastewater Influent	45.0%
x Efficiency Factor (Effluent/Influent Ratio)	90.0%
Percent of Water Demand Reclaimed/Recharged	40.5%
Percent of Water Demand Not Reclaimed/Recharged	59.5%
Total Water Use	100.0%

Source: Returned water percentage from City of Surprise Water Resource Management; efficiency factor based on 2016 influent and effluent flows from City of Surprise Water Resource Management Department, June 7, 2017.

Current demand per service unit for water resources is estimated in Figure WR4.

Figure WR4: Water Resource Demand per Service Unit

	Total
Average Daily Water Demand per EDU (gpd)	393
x Percent of Water Use Not Reclaimed/Recharged	59.5%
Average Daily Water Resource Demand per EDU (gpd)	234
x Days per Year	365
Annual Water Resource Demand per EDU (gpd)	85,410
÷ Gallons per Acre-Foot	325,851
Annual Water Resource Demand per EDU (AFY)	0.2621

The water resource cost per service unit depends on the definition of long-term in number of years. To deliver water, the City must be able to demonstrate sufficient 100-year renewable supply to accommodate existing and 10-year demand. The City currently has a demonstrated 100-year supply for current customers, as well as some excess capacity, but will need to dramatically expand its water resource portfolio in the future to accommodate growth. If growth is to pay for its share of water resources, new customers will pay a development fee sufficient to acquire their own 100-year supply. However, the City's adopted Water Acquisition Policy states that "To ensure enough reserves are in place to meet present and future water demands ... the City will maintain a minimum balance ... equal to 20 years of net demand." Based on the City's adopted policy, the water resource fees will be based on the cost of a 20-year water supply, which is \$3,695 per EDU, as shown in Figure WR5.

Figure WR5: Water Resource Cost per Service Unit

Cost per EDU	
Annual Water Resource Demand per EDU (AFY)	0.2621
x Years	20
Long-Term Water Resource Demand per EDU (AF)	5.242
x Current CAGR D Replenishment Rate per AF	\$704
Water Rights Cost per EDU	\$3,690
Report Cost per EDU	\$5
Water Resource Cost per EDU	\$3,695

Source: current cost per AF from CAGR D, Final 2017/18 – 2020-22 Rate Schedule.

As described in Executive Summary, fee calculations need to include revenue offsets for (1) outstanding debt, interfund loans, and other types of obligations related to existing facilities that serve existing development, (2) existing deficiencies, (3) State/Federal funding, and (4) the excess portion of the construction sales tax.

The City has no bond debt related to water resources, but the SPA 1 water resource development fee fund has an outstanding interfund load of about \$1.6 million for an earlier Central Arizona Project (CAP) investment. However, a revenue offset is not required, because the amount of the obligation on existing assets does not exceed the value of existing excess capacity, as shown in Figure WR6. Because these obligations represent a portion of the excess capacity available to serve future customers, these obligations are eligible expenditures of the water resource development fee fund.

Figure WR6: Water Resource Capacity Analysis

Excess Capacity Calculations	
Outstanding Net Obligations	\$1,617,263
÷ Current Cost per Acre-Foot/Year (AFY)*	\$70,400
Outstanding Obligations in AFY	23
÷ Existing Excess AFY	5,205
Obligations as Percent of Excess Capacity Cost	0.4%

*Current cost per AFY is cost per AF from Figure WR5 times 100-year supply.

There are no existing deficiencies in water rights, because the City has more than enough to provide a 100-year water supply for existing customers. The City has not historically received State/Federal funding for water resource acquisition, and does not anticipate receiving such funding in the future. The City does have an excess construction sales tax, and the offset for this is subtracted from the cost per service unit, as shown in Figure WR7.

Figure WR7: Water Resource Net Cost per Service Unit

Net Cost per EDU	
Cost per Equivalent Dwelling Unit (EDU)	\$3,695
– Excess Construction Sales Tax Offset per EDU*	(\$616)
Net Cost per EDU	\$3,079

*Excess construction tax offset from Appendix G.

Net Cost Schedule

The net cost schedule for the water resource fee is determined by multiplying the net cost per service unit presented in Figure WR8 by the service units (EDUs) for each meter size.

Figure WR8: Water Resource Facilities Development Fees

Meter Size (inches)	Net Cost/ EDU	EDUs/ Meter	Net Cost/ Meter
0.75	\$3,079	1.00	\$3,079
1.00	\$3,079	1.67	\$5,142
1.50	\$3,079	3.33	\$10,253
2.00	\$3,079	5.33	\$16,411
3.00	\$3,079	10.67	\$32,853
4.00	\$3,079	16.67	\$51,327
6.00	\$3,079	33.33	\$102,623
8.00	\$3,079	53.33	\$164,203

10-YEAR CAPITAL PLAN

The bulk of the existing water resource portfolio is in the form of Central Arizona Project (CAP) water rights, which it was able to acquire at relatively low cost. Additional CAP water rights are difficult to acquire, and the marginal cost of expanding the water portfolio is very high. The City estimates that it will have a shortfall of 49,000 acre-feet per year at buildout. In addition to planned expenditures on expanding the portfolio, the City has some outstanding obligations on existing water rights, and will need to update its Development Fee Report every five years. Total planned expenditures, net of the current fund balance, equal approximately \$52.9 million over the next 10 years, as summarized in Figure WR9.

Figure WR9: Water Resource Capital Plan, 2019-2029

Improvement/Expenditure	Fiscal Year	Cost
CIP Project, Water Acquisitions	2020-2023	\$2,738,600
CIP Project, Circle City Water Acquisition	2019	\$16,034,300
Long Term Storage Credit Purchase	2019-2028	\$14,000,000
Wet Water Recharge Basins	2020-2021	\$2,200,000
Wet Water Recharge Basins	2025-2026	\$2,200,000
Wet Water Leases	2020-2028	\$14,000,000
Total Planned Improvement Cost	2019-2028	\$51,172,900
Interfund Loan for Central Arizona Project	2019-2028	\$1,617,263
Development Fee Report Cost	2019-2028	\$65,200
Total Planned Expenditures, 2019-2029		\$52,855,363

Assuming the updated fees are adopted at the maximum rates calculated in this study, projected growth in water service units over the next 10 years would generate about \$37.6 million of revenue, as shown in Figure WR10. This projected revenue would only cover part of the planned expenditures.

Figure WR10: Water Resource Capital Plan Summary, 2019-2029

Description	Total
Net Cost per EDU	\$3,079
x Projected New EDUs, 2019-2029	12,217
Projected Revenue, 2019-2029	\$37,616,143
Current Fund Balance, FYE 2018	\$0
Available Funds, 2019-2029	\$37,616,143
– Planned Expenditures, 2019-2029	(\$52,855,363)
Projected Revenue Surplus / (Deficit)	(\$15,239,220)

WASTEWATER FACILITIES IIP

ARS § 9-463.05 (T)(7)(b) defines facilities and assets that can be included in the Wastewater Facilities IIP:

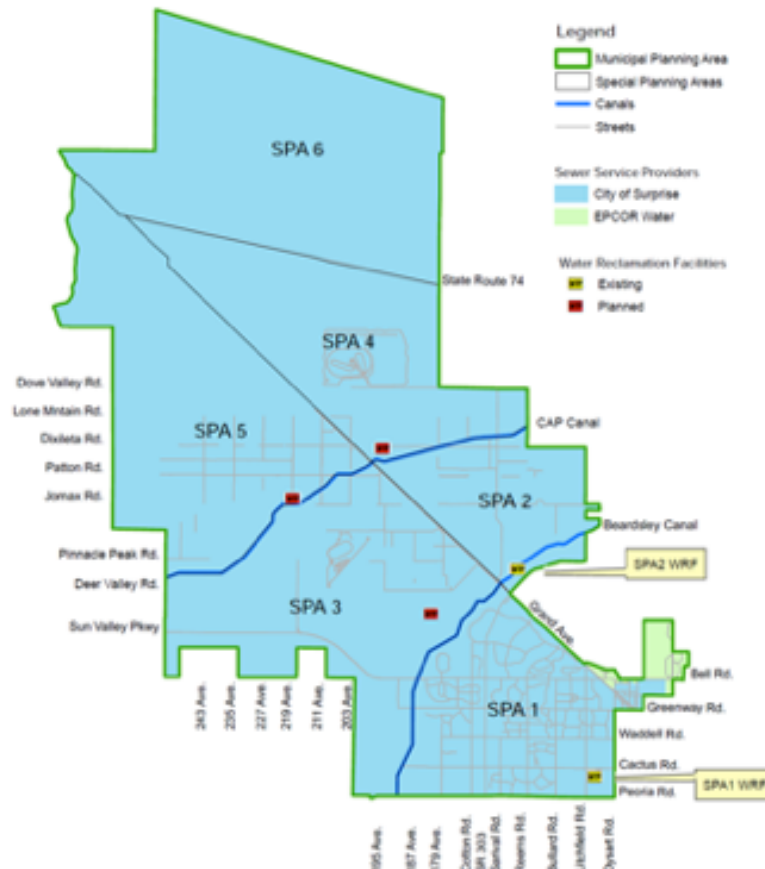
“Wastewater facilities, including collection, interception, transportation, treatment and disposal of wastewater, and any appurtenances for those facilities”

The Wastewater Facilities IIP includes components for water reclamation, collection, recharge, and the cost of preparing the Wastewater Facilities IIP and development fees. The plan-based methodology is used for the Development Fee Report, and the cost recovery methodology is used for all other components.

Service Areas

The City is the primary service provider for all its Municipal Planning Area (MPA), except for a small area that is served by EPCOR, a private utility (see Figure WW1). Surprise currently provides wastewater service to most of the developed areas of SPA 1 and SPA 2. The City entered into an annexation development agreement with a developer in SPA 3. The developer built a wastewater treatment plant that has not yet been dedicated to the City and is currently inactive due to lack of sufficient demand. Based on the terms of the annexation development agreement, parties subject to the agreement will not pay development fees related to wastewater infrastructure. Since there is no other wastewater infrastructure in SPA 3, the analysis does not include a wastewater development fee for SPA 3.

Figure WW1: Wastewater Service Areas



The six SPAs are separated by major geographic barriers - Grand Avenue/BNSF Railroad line, the Beardsley Canal, the Central Arizona Project (CAP) Canal, and SR 74. The SPA borders are topographic boundaries as well, making them well-suited for designation as the wastewater development fee service areas.

Service Units

To calculate Wastewater Facilities Development Fees, the demand associated with different types of customers must be expressed in a common unit of measurement, called a service unit. The service unit for the City's wastewater fees is an equivalent dwelling unit (EDU). An EDU is a single-family dwelling unit or its equivalent in terms of wastewater flows, which designated to be the potential flows associated with a 0.75-inch diameter or smaller water meter.

The number of water service units associated with a customer is determined by the capacity of the water meter relative to the capacity of a 0.75-inch meter. EDU multipliers for various meter sizes based on meter capacities from the American Water Works Association are presented in Figure W2 in the Water chapter.

Existing wastewater service units are estimated based on the number of existing City wastewater customers and the service unit multipliers described in the Water section of this report. As shown in Figure WW2, the City's current wastewater customer base amounts to 54,563 service units (EDUs). The majority (97 percent) of existing service units are in SPA 1.

Figure WW2: Existing Wastewater Service Units

Meter Size (inches)	Customers		EDU Multiplier	Equivalent Dwelling Units		
	SPA 1	SPA 2		SPA 1	SPA 2	Total
0.75	11,186	732	1.00	11,186	732	11,918
1.00	2,291	341	1.67	3,826	569	4,395
1.50	111	8	3.33	370	27	397
2.00	192	13	5.33	1,023	69	1,092
3.00	3	0	10.67	32	0	32
4.00	5	0	16.67	83	0	83
6.00	2	0	33.33	67	0	67
Metered	13,790	1,094	1.21	16,587	1,397	17,984
Non-Metered	30,216	15	1.21	36,561	18	36,579
Total	44,006	1,109		53,148	1,415	54,563

Source: Customers from Utility Billing, Surprise Finance Department, July 19, 2017; EDUs for customers without water meters estimated based on average EDU multiplier for metered customers.

The number of service units should increase proportionately with the increase in wastewater flows. As shown in Figure WW3, system-wide total average daily wastewater flows and service units are projected to increase by 38,914 EDUs over the next 10 years. Most of the new service units will be in SPA 1.

Figure WW3: Wastewater Demand and Service Units, 2019-2029

	Year	WRF Influent Flows (mgd)				Service Units (EDUs)			
		SPA 1	SPA 2	SPA 3	Total	SPA 1	SPA 2	SPA 3	Total
Actual	2013	7.990	0.110	--	8.100	n/a	n/a	n/a	n/a
	2014	8.070	0.130	--	8.200	n/a	n/a	n/a	n/a
	2015	8.340	0.140	--	8.480	n/a	n/a	n/a	n/a
	2016	8.100	0.159	--	8.259	n/a	n/a	n/a	n/a
	2017	8.200	0.170	0.020	8.390	53,148	1,415	131	54,694
Projected	2018	8.761	0.201	0.024	8.986	56,784	1,673	157	58,614
	2019	9.111	0.218	0.029	9.358	59,053	1,814	190	61,057
	2020	9.476	0.234	0.035	9.745	61,419	1,947	229	63,595
	2021	9.855	0.253	0.043	10.151	63,876	2,105	281	66,262
	2022	10.249	0.274	0.053	10.576	66,430	2,280	346	69,056
	2023	10.659	0.299	0.064	11.022	69,087	2,488	418	71,993
	2024	11.085	0.327	0.078	11.490	71,848	2,721	509	75,078
	2025	11.529	0.361	0.095	11.985	74,726	3,004	620	78,350
	2026	11.990	0.399	0.116	12.505	77,714	3,320	757	81,791
	2027	12.470	0.445	0.142	13.057	80,822	3,703	927	85,452
	2028	13.490	0.499	0.173	14.162	87,436	4,152	1,129	92,717
	2029	14.490	0.562	0.211	15.263	93,918	4,676	1,377	99,971
	10-Year Change	5.379	0.344	0.182	5.91	34,865	2,862	1,187	38,914

Source: Historical and projected demand from Surprise Water Resource Management, July 24, 2017 and May 12, 2018; 2017 service units for SPA 3 based on estimated demand and system-wide average day gpd per EDU from Figure WW5.

ANALYSIS OF CAPACITY, USAGE, AND COSTS OF EXISTING PUBLIC SERVICES

ARS § 9-463.05(E)(1) requires:

“A description of the existing necessary public services in the service area and the costs to upgrade, update, improve, expand, correct or replace those necessary public services to meet existing needs and usage and stricter safety, efficiency, environmental or regulatory standards, which shall be prepared by qualified professionals licensed in this state, as applicable.”

ARS § 9-463.05(E)(2) requires:

“An analysis of the total capacity, the level of current usage and commitments for usage of capacity of the existing necessary public services, which shall be prepared by qualified professionals licensed in this state, as applicable.”

Level of service (LOS) generally refers to the ratio of capacity to demand. One of the principles of development fee analysis is that future development should not pay for a higher LOS than existing development receives. Consequently, it is important to determine the existing LOS.

The capacity of wastewater treatment facilities (the City calls its treatment plants water reclamation facilities, or WRFs) is generally used as reflective of the capacity of the entire wastewater system. However, other components of the system may have more or less capacity than needed for full utilization of treatment facilities, and will be evaluated separately. The capacities of the existing water reclamation facilities are summarized in Figure WW4. The SPA 3 facility has been constructed by the developer, but has not been accepted by the City because it is not yet sufficiently utilized.

Figure WW4: Existing Water Reclamation Facilities

Facility	Status	Capacity (mgd)
Plant 11	Existing (Inactive)	0.8
Plant 21	Existing (Inactive)	2.7
Plant 3	Existing	4.8
Plant 4	Existing	4.0
Plant 5	Existing	4.0
Plant 6	Planned	TBD
Plant 7	Planned	TBD
Total, SPA 1 Water Reclamation Facility		16.3
Plant 1	Existing	1.2
Plant 2	Existing	2.0
Total, SPA 2 Water Reclamation Facility		3.2
Plant 1	Existing (Inactive)	1.8
Total, SPA 3 Water Reclamation Facility		1.8

Source: City of Surprise, Integrated Water Master Plan – Water Resources Update, June 2015, Table 4-2.

The existing LOS for water reclamation facilities in SPA 1 and SPA 2 are summarized in Figure WW5. Both SPAs have enough wastewater treatment capacity to accommodate current average day flows. Average day flows per service unit for the two SPAs combined is 153 gallons per day per equivalent dwelling unit.

Figure WW5: Existing Water Reclamation Facility LOS

	SPA 1	SPA 2	Total
Existing Treatment Capacity (mgd)	16.30	3.20	19.50
– Average Day Influent Flow (mgd), 2017	(8.20)	(0.17)	(8.37)
Excess Capacity (mgd)	8.10	3.03	11.13
Excess Capacity (mgd)	8.10	3.03	11.13
÷ Total Treatment Capacity (mgd)	16.30	3.20	19.50
Percent Excess Capacity	49.7%	94.7%	57.1%
Average Day Flows (gpd)	8,200,000	170,000	8,370,000
÷ 2017 EDUs	53,148	1,415	54,563
Wastewater Flows per EDU (gpd)	154	120	153

SPA 1 is the service area with the most developed wastewater system. Only a small portion (about 5 percent) of the capacity of the SPA 2 WRF is currently utilized. In SPA 1, all components should generally be in balance, and treatment capacity should be reasonably representative of the capacity of the other components of the wastewater system. To evaluate whether the capacity of the WRFs is a reasonable measure of the capacity of other components of the SPA 2 system, the quantities of different components per MGD of WRF capacity can be compared to those in the more mature SPA 1 system.

In Figure WW6, quantities for water reclamation facilities and non-WRF components are shown for SPA 1 and SPA 2. Line costs per foot generally increase proportionally with the inches in diameter of the pipe, making inch-feet a reasonable summary unit for comparison. The component quantities are then converted into quantities per MGD of WRF capacity. The final column computes the ratio of the quantities of other components per MGD of WRF capacity in SPA 2 to the quantity per MGD in SPA 1. These ratios are indicative of the amounts by which those components in SPA 2 have more or less than long-term capacity relative to their treatment plants.

Figure WW6: LOS Analysis for Non-WRF Components, SPA 2 and SPA 3

System Component	Unit	Existing Quantity		Quantity per WRF mgd		SPA 2/ SPA 1
		SPA 1	SPA 2	SPA 1	SPA 2	
WRFs	mgd	16.30	3.20	1.00	1.00	1.00
WRF land	acres	174.45	23.94	11	7	0.64
Wastewater Lines	1,000 in.-ft	8,593	1,209	527	378	0.72
Reclaimed Lines	1,000 in.-ft	1709	476	105	149	1.42
Recharge Basins	acres	23.00	2.33	1.41	0.73	0.52

Source: Existing quantities from City of Surprise Water Resource Management Department, August 11, 2017.

In the existing SPA 2 system, WRF land, wastewater collection lines, and recharge basins are somewhat undersized for full utilization of existing WRF capacity, while reclaimed lines are oversized. These ratios will be used to determine the equivalent WRF capacities of these other components in computing the cost per gallon per day of wastewater system capacity.

COST PER EQUIVALENT DWELLING UNIT

This report uses the cost recovery, or buy-in, approach, because the existing wastewater system has excess capacity available to serve new customers. Existing facilities for SPA 1 and SPA 2 are summarized in Figure WW7. Current unit costs for the different system components are based on estimates in the City's 2009 wastewater master plan, adjusted by changes in the construction cost index to 2018. Current replacement cost is the product of existing quantity times unit cost.

Figure WW7: Replacement Costs of Existing Wastewater Facilities

Improvement Type	Unit	Existing Quantity		Aug. 2018 Unit Cost	Replacement Cost	
		SPA 1	SPA 2		SPA 1	SPA 2
WRFs, <7 mgd	mgd	0.00	3.20	\$9,650,000	\$0	\$30,880,000
WRFs, 7<13 mgd	mgd	0.00	0.00	\$8,590,000	\$0	\$0
WRFs, 13<18 mgd	mgd	16.30	0.00	\$7,450,000	\$121,435,000	\$0
Lift Stations	mgd	4.70	0.00	\$1,453,408	\$6,831,018	\$0
WRF Land	acres	174.45	23.94	\$90,000	\$15,700,500	\$2,154,600
Wastewater Lines, 10"	lin. ft.	111,230	7,351	\$175	\$19,465,250	\$1,286,425
Wastewater Lines, 12"	lin. ft.	125,705	5,605	\$207	\$26,020,935	\$1,160,235
Wastewater Lines, 15"	lin. ft.	81,631	12,157	\$243	\$19,836,333	\$2,954,151
Wastewater Lines, 18"	lin. ft.	45,970	9,329	\$290	\$13,331,300	\$2,705,410
Wastewater Lines, 21"	lin. ft.	16,195	0	\$344	\$5,571,080	\$0
Wastewater Lines, 24"	lin. ft.	48,572	11,679	\$373	\$18,117,356	\$4,356,267
Wastewater Lines, 27"	lin. ft.	23,196	0	\$409	\$9,487,164	\$0
Wastewater Lines, 30"	lin. ft.	30,656	13,921	\$445	\$13,641,920	\$6,194,845
Wastewater Lines, 36"	lin. ft.	4,843	558	\$517	\$2,503,831	\$288,486
Wastewater Lines, 42"	lin. ft.	10,645	0	\$588	\$6,259,260	\$0
Wastewater Lines, 48"	lin. ft.	5,138	0	\$660	\$3,391,080	\$0
Reclaimed Lines, 10"	lin. ft.	554	0	\$168	\$93,072	\$0
Reclaimed Lines, 12"	lin. ft.	20,483	12,813	\$199	\$4,076,137	\$2,549,807
Reclaimed Lines, 16"	lin. ft.	21,593	20,158	\$233	\$5,031,169	\$4,696,767
Reclaimed Lines, 18"	lin. ft.	33,488	0	\$279	\$9,343,236	\$0
Reclaimed Lines, 24"	lin. ft.	12,273	0	\$359	\$4,406,043	\$0
Reclaimed Lines, 30"	lin. ft.	7,169	0	\$428	\$3,068,161	\$0
Reclaimed Booster Stations, 1-3	mgd	3.00	0.00	\$468,124	\$1,404,372	\$0
Vadose Zone Wells	each	20	5	\$350,000	\$7,000,000	\$1,750,000
Monitoring Well	each	2	2	\$150,000	\$300,000	\$300,000
Recharge Basins	acre	23.00	2.33	\$132,920	\$3,057,160	\$309,704
Total Replacement Cost					\$319,371,376	\$61,586,697

Source: Existing quantities from City of Surprise Water Resource Management Department, August 11, 2017; unit costs from Malcolm Pirnie, Integrated Water Master Plan - Water Infrastructure, July 2009, Appendix G, adjusted to current cost based on August 2018 Engineering-News Record Construction Cost Index; land cost from City of Surprise Water Resource Management Department, August 11, 2017.

With the cost recovery methodology used for this update, the cost per service unit is calculated as system replacement costs divided by the capacity of the facilities. Replacement costs in the first two columns of Figure WW9 are from Figure WW8. Capacities for other components are current WRF capacity multiplied by the adjustment factors calculated in the previous Level of Service section. The final two columns compute the costs per gallon per day of wastewater system capacity for both of the SPAs.

Figure WW8: Wastewater Cost per Gallon per Day

Wastewater System Component	Replacement Cost		WRF Capacity (mgd)		Cost per gpd	
	SPA 1	SPA 2	SPA 1	SPA 2	SPA 1	SPA 2
WRFs	\$121,435,000	\$30,880,000	16.30	3.20	\$7.45	\$9.65
WRF land	\$15,700,500	\$2,154,600	16.30	2.04	\$0.96	\$1.06
Wastewater Lines	\$137,625,509	\$18,945,819	16.30	2.30	\$8.44	\$8.24
Reclaimed Lines	\$26,017,817	\$7,246,574	16.30	4.54	\$1.60	\$1.60
Recharge Basins	\$3,057,160	\$309,704	16.30	1.66	\$0.19	\$0.19
Other*	\$15,535,390	\$2,050,000	16.30	3.20	\$0.95	\$0.64
Total	\$319,371,376	\$61,586,697	n/a	n/a	\$19.59	\$21.38

*Includes lift stations, reclaimed booster stations, and zone/monitoring wells.

Source: WRF capacity used for all SPA 1 system components; for other components in SPA 2, WRF capacity is multiplied by the ratios in the last two columns of Figure WW6; cost per gpd is replacement cost divided by capacity.

The cost per service unit (EDU) is the product of the cost per gallon per day of capacity and average day flows per EDU, plus the cost per EDU of the Development Fee Reports. The cost per service unit is relatively similar among both systems, ranging from \$2,999 in SPA 1 to \$3,273 in SPA 2, as shown in Figure WW9.

Figure WW9: Wastewater Cost per Service Unit

	SPA 1	SPA 2
Cost per gallon of Wastewater System Capacity	\$19.59	\$21.38
x Average Day Flows per EDU (gpd)	153	153
Improvement Cost per EDU	\$2,997	\$3,271
Report Cost per EDU	\$2	\$2
Total Cost per EDU	\$2,999	\$3,273

Source: Report Cost per EDU from Appendix H.

As described in the Executive Summary, fee calculations need to include revenue offsets for (1) outstanding debt, interfund loans, and other types of obligations related to existing facilities that serve existing development, (2) existing deficiencies, (3) State/Federal funding, and (4) the excess portion of the construction sales tax.

There are no existing deficiencies because the wastewater costs per service unit are based on the existing level of service. The City has bond debt related to the SPA 1 water reclamation facility, as well as interfund loans and developer credits for existing wastewater facilities in both SPA 1 and SPA 2. As shown in Figure WW10, outstanding obligations amount to less than half of the total replacement cost of existing facilities in the each of these two service areas.

More than half of the existing capacity in both SPAs is excess capacity that will serve future customers. This indicates that the outstanding obligations can be entirely attributed to excess capacity, and do not warrant a revenue offset.

Figure WW10: Wastewater Excess Capacity Analysis

	SPA 1	SPA 2
Outstanding Net Obligations on Existing Facilities	\$92,020,600	\$26,347,600
÷ Existing Water Facility Replacement Cost	\$319,371,376	\$61,586,697
Net Obligations as % of Existing Facility Replacement Cost	28.8%	42.8%
Existing Excess Water Reclamation Facility Capacity (mgd)	8.10	3.03
÷ Total Existing Water Reclamation Facility Capacity (mgd)	16.30	3.20
Excess Capacity Percentage	49.7%	94.7%

The City has an excess construction sales tax, and the offset amount applicable to the wastewater fee is calculated in Appendix G. Subtracting the offset yields the net costs per service unit shown in Figure WW11.

Figure WW11: Wastewater Net Cost per Service Unit

	SPA 1	SPA 2
Total Cost per EDU	\$2,999	\$3,273
– Excess Construction Sales Tax Offset per EDU	(\$523)	(\$523)
Net Cost per EDU	\$2,476	\$2,750

Source: Excess construction tax offset from Appendix G.

Net Cost Schedule

The net cost schedules for the Wastewater Facilities Development Fees are determined by multiplying the service units (EDUs) for each meter size by the net cost per service unit in each SPA. The updated fee schedules are presented in Figure WW12.

Figure WW12: Wastewater Facilities Development Fees

Meter Size (inches)	EDUs/ Meter	Development Fees	
		SPA 1	SPA 2
Net Cost per EDU		\$2,476	\$2,750
0.75	1.00	\$2,476	\$2,750
1.00	1.67	\$4,135	\$4,593
1.50	3.33	\$8,245	\$9,158
2.00	5.33	\$13,197	\$14,658
3.00	10.67	\$26,419	\$29,343
4.00	16.67	\$41,275	\$45,843
6.00	33.33	\$82,525	\$91,658
8.00	53.33	\$132,045	\$146,658

10-YEAR CAPITAL PLAN

Planned capacity-expanding wastewater infrastructure improvements and other growth-related expenditures over the next 10 years are summarized in Figure WW13.

Figure WW13: Wastewater Capital Plan, 2019-2029

Description	Fiscal Year	Cost
CIP Project, Digester Modifications	2019-2020	\$2,994,100
CIP Project, SPA 1 WRF Disinfection Tank Cover	2019-2020	\$950,000
Debt Service on SPA 1 WRF	2019-2028	\$41,259,841
Interfund Loan for WRF Debt Service	2019-2028	\$35,358,667
Interfund Loan for SPA 1 WRF 8 MGD Expansion	2019-2028	\$1,046,326
Interfund Loan for 16" Reclaimed Line, Statler-Bell	2019-2028	\$1,279,084
Interfund Loan for SPA 1 Sewer Developer Reimbursements	2019-2028	\$1,185,388
Interfund Loan for SPA 1 Wastewater Improvements	2019-2028	\$1,347,273
Developer Obligations for Surprise Pte Sewer/Reclaimed Lines	2019-2028	\$856,676
SPA 1 Share of Two Development Fee Reports	2019-2028	\$60,254
SPA 1 Total Planned Expenditures		\$86,337,609
CIP Project, SPA 2 Connecting Influent Pipeline	2023	\$250,000
CIP Project, SPA 2 Additional Land	2022	\$3,288,500
Interfund Loan for SPA 2 Water Reclamation Facility	2019-2028	\$22,656
Developer Obligations for SPA 2 WRF (Shared Agreement)	2019-2028	\$26,620,391
SPA 2 Share of Two Development Fee Reports	2018-2027	\$4,946
SPA 2 Total Planned Expenditures		\$30,186,493

Source: CIP projects from City of Surprise, Adopted Budget, Fiscal Year 2019, Capital Improvement Plan, June 2018; debt service due over next 10 years, interfund loans, and developer credits from Appendix F.

Projected growth in wastewater service units over the next 10 years will generate the revenue in each SPA shown in Figure WW14, assuming the proposed fees are adopted at the maximum rates calculated in this study. Projected revenues do not exceed planned expenditures in any service area.

Figure WW14: Wastewater Capital Plan Summary, 2019-2029

Description	SPA 1	SPA 2
Net Cost per EDU	\$2,476	\$2,750
x Projected New EDUs, 2019-2029	27,674	2,288
Projected Revenue, 2019-2029	\$68,520,824	\$6,292,000
Fund Balance, FYE 2018	\$0	(\$295,447)
Available Funding, 2019-2029	\$68,520,824	\$5,996,553
Planned Expenditures, 2019-2029	(\$86,337,609)	(\$30,186,493)
Projected Revenue Surplus / (Deficit)	(\$17,816,785)	(\$24,189,940)

LAND USE ASSUMPTIONS

The Enabling Legislation requires the preparation of land use assumptions (growth projections) for each service area. The statute defines land use assumptions as “projections of changes in land uses, densities, intensities and population for a specified service area over a period of at least ten years and pursuant to the general plan of the municipality.” Since the IIP for each service area must identify improvement needs for a period not to exceed 10 years, and the land use assumptions must cover a minimum of 10 years, a 10-year time-frame would seem to be the most appropriate for both the land use assumptions and the IIP. For this update, the land use assumptions will be based on the 2019-2029 period.

In this update, the proposed service areas are a combination of incorporated area, utility service areas, and Special Planning Areas (SPAs). The service area for arterial streets, parks, fire, and police fees is the City’s total incorporated area. The service areas for water and wastewater fees are the areas served by the City utilities within SPAs 1, 2, and 3. The service area for the water resources fee is the entire utility service area.

The service areas largely correspond with the incorporated area of the City, broken down by planning area for SPAs 1-3 for water and wastewater. Most utility customers are in the incorporated area, although some portions of the incorporated area, particularly for water in SPA 1, are served by private providers. However, it is not necessary to develop separate population and land use projections for the utility service areas, because utility customer data and water/wastewater demand projections are better sources of information on future growth in utility service units.

Projections into the future are always difficult, because there are so many factors that cannot be predicted with any certainty. Fortunately, the calculation of development fees does not depend on the accuracy of these projections. The projections are used in this study only to ensure that the City has enough planned improvements over the next ten years to be able to spend the revenues that will be generated if the projections prove to be accurate.

INCORPORATED AREA SHARES

Growth projections for the planning areas, including development within and outside the City limits, are presented in Appendix A. This section estimates the distribution of development in the planning areas attributable to incorporated and unincorporated areas. To develop projections for the incorporated area, it is necessary (at least for residential) to estimate how much of existing development is located within the current City limits. The percentage of incorporated development by land use in each SPA was estimated using Maricopa Association of Government (MAG) estimates of 2015 dwelling units and retail, office, industrial, and public/institutional employment by small area. The small areas are referred to as Traffic Analysis Zones (TAZs).

The first step was to overlay the TAZ map (see Figure LU1 below) and the current City limit map, and visually estimate the percentage of the land area in each TAZ that is within the City limits. The TAZ percentages were then multiplied by each of the land uses for the TAZ, the total and incorporated amounts were summed by SPA, and the SPA incorporated area portion was divided by the total to develop the percentages summarized in Figure LU2 below.

Figure LU1: Traffic Analysis Zones

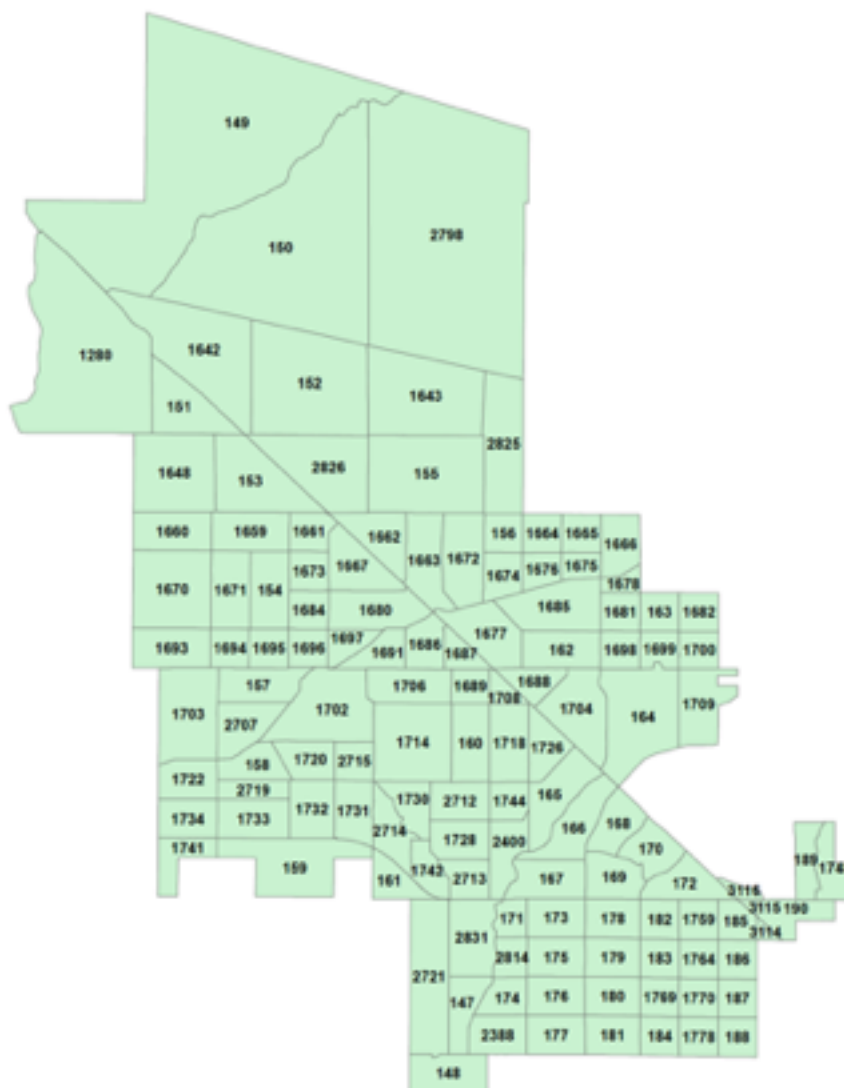


Figure LU2: Share of Development in Incorporated Area by Land Use, 2015

SPA	Units	Retail	Office	Indust.	Public
1	98.1%	97.8%	99.6%	99.8%	99.2%
2	68.4%	60.9%	54.4%	50.0%	72.5%
3	67.2%	93.5%	97.9%	100.0%	0.0%
4	10.9%	23.5%	3.6%	0.0%	51.8%
5	0.8%	0.0%	0.0%	0.0%	0.0%
6	0.0%	0.0%	0.0%	0.0%	0.0%
Total	91.5%	97.2%	96.1%	98.0%	96.1%

Source: TischlerBise, utilizing 2015 estimates of residential units and retail, office, industrial and public/institutional employment by traffic analysis zones from Maricopa Association of Governments (MAG), *Socioeconomic Projections of Population, Housing, and Employment*, 2016, city limits map, and map of traffic analysis zones.

EXISTING DEVELOPMENT

This section documents existing development in the incorporated area. Unlike growth projections, the amount of existing development is a factor that is critical to the development fee calculations for the non-utility fees. This is because of the central role of the existing level of service in development fee analysis.

Residential

Starting with residential development, authoritative data sources include the 2010 census (which provides a 100% count of total dwelling units in the City in 2010), the Census's most recent 5% survey of housing units (which provides information on the mix of existing dwelling units by housing type), and the City's building permit records (which provide the number of dwelling units by housing type added over the last 7 years. These data can be used to develop the most reliable estimates of existing total city-wide dwelling units by housing type.

Let's begin by reviewing the City's recent building permit history. Over the last seven years, the City has issued permits for the construction of 3,109 new dwelling units. The vast majority of permits have been in SPA 1, while a modest number has been in SPA 2, virtually none were in SPA 3, and none were in SPAs 4-6, as summarized in Figure LU3.

Figure LU3: Residential Building Permits, 2010-2016

Housing Type	SPA 1	SPA 2	SPA 3	Total
Single-Family Detached	2,523	370	4	2,897
Multi-Family	166	0	0	166
Mobile Home	46	0	0	46
Total	2,735	370	4	3,109

Source: City of Surprise, Community Development Department, May, 2017.

The 2010 U.S. Census provides a 100% count of the total number of dwelling units in Surprise seven years ago. Estimates of the number of 2010 units by housing type are based on 5%-sample Census data on the distribution of units by housing type. Adding the number of residential permits by housing type over the last seven years should provide a reasonably accurate estimate of existing city-wide dwelling units by housing type, as shown in Figure LU4.

Figure LU4: Citywide Housing Units by Type, 2017

Housing Type	% of Units	2010 Units	2010-16 Permits	2017 Units
Single-Family Detached	85.2%	44,803	2,897	47,700
Multi-Family	9.9%	5,206	166	5,372
Mobile Home	4.9%	2,577	46	2,623
Total	100.0%	52,586	3,109	55,695

Source: Percent of units from U.S. Census, 2011-2015 American Community Survey for City of Surprise; total 2010 units from 2010 U.S. Census; 2010 units by housing type based on percentage distribution.

Figure LU5 presents estimates of existing dwelling units within the City limits, by housing type and SPA. The estimates were developed using data from U.S. Census Bureau, the Maricopa Association of Government, and the planning area projections prepared for the City.

Figure LU5: Incorporated Housing Units by Type and Planning Area, 2017

	SPA 1	SPA 2	SPA 3	SPA 4	SPA 5	SPA 6	Total
Total Dwelling Units in MPA	53,549	1,963	1,398	538	2,421	164	60,033
x % Incorporated	98.1%	68.4%	67.2%	10.9%	0.8%	0.0%	91.4%
Total Dwelling Units in City	52,532	1,343	939	59	19	0	54,892
Adjusted Incorp. Dwelling Units	53,300	1,363	953	60	19	0	55,695
x % Single-Family Detached	86.0%	77.2%	74.7%	100%	100%	100%	85.6%
Single-Family Units in City	45,857	1,052	712	60	19	0	47,700
Adjusted Incorp. Dwelling Units – Single-Family Units in City	53,300 -45,857	1,363 -1,052	953 -712	60 -60	19 -19	0 0	55,695 -47,700
Multi-Family/Mobile Home Units in City	7,443	311	241	0	0	0	7,995
Multi-Family Units in City	5,372	0	0	0	0	0	5,372
Mobile Home Units in City	2,071	311	241	0	0	0	2,623

Source: percent single-family for SPAs 2-6 derived from Appendix A (SPA 1 and city-wide simply represent the ratio of incorporated to total units); all non-single-family in SPAs 2-6 assumed to be mobile homes, SPA 1 is remainder.

An important residential characteristic for the park, fire, and police development fee calculations is the number of residents per dwelling unit by housing type. Based on the most recent data available from the U.S. Census Bureau, dwelling units in Surprise have the number of persons per unit by housing type shown in Figure LU6.

Persons per unit should not be confused with average household size, which is the average number of persons in occupied units. Persons per unit takes into consideration that some units are unoccupied at any time, and is calculated as the ratio of household population to total units.

Figure LU6: Person per Unit by Housing Type

Housing Type	Household Population	Total Units	Persons/Unit	Adjusted Pop./Unit
Single-Family Detached	113,402	47,431	2.39	2.36
Multi-Family	6,513	4,483	1.45	1.43
Mobile Home	3,561	2,671	1.33	1.31
Total	123,476	54,585	2.26	2.23

Source: U.S. Census Bureau, American Community Survey (weighted 5% sample data for the City of Surprise collected in 2011-2015); total adjusted persons/unit from 2010 U.S. Census.

Nonresidential

Information from the Maricopa Assessor's Office on existing nonresidential building square feet within the incorporated area by land use type and planning area is summarized in Figure LU7. No existing nonresidential development is currently within the City limits in SPA 5, and no part of SPA 6 has yet been annexed.

LU7: Incorporated Nonresidential Square Feet by Type and Planning Area, 2017

Land Use	SPA 1	SPA 2	SPA 3	SPA 4	City-Wide
Retail/Commercial	6,402,776	7,462	49,804	39,293	6,499,335
Office	1,790,686	0	0	0	1,790,686
Industrial	766,441	0	614	0	767,055
Warehousing	4,055,963	0	2,448	0	4,058,411
Public/Institutional	5,593,511	208,478	7,672	0	5,809,661
Total	18,609,377	215,940	60,538	39,293	18,925,148

Source: Maricopa Assessor's Office tax parcel data provided by City of Surprise Community Development Department, May 8, 2017.

SUMMARY OF GROWTH PROJECTIONS

This section summarizes the growth projections that will be used in the development fee analysis. Annual growth projections in the incorporated area for population, units by housing type, and nonresidential square feet by land use, can be found in Appendix B, broken down by planning area.

Residential growth projections by housing type for the incorporated area by planning area are summarized in Figure LU8. The projections were developed based on 2017 units and the projected increase in the number of single-family and multi-family units by SPA prepared for the City by Applied Economics (see Appendix A), adjusting for the percent of the growth expected to occur within the incorporated area.

LU8: Summary of Residential Growth, 2019-2029

Housing Type/ Planning Area	2017 Units	2019 Units	2029 Units	New Units	Percent Increase
Single-Family Detached	45,857	46,748	53,969	7,221	15%
Multi-Family	5,372	5,718	8,027	2,309	40%
Mobile Home	2,071	2,199	2,466	267	12%
Total, SPA 1	53,300	54,665	64,462	9,797	18%
Single-Family Detached	1,052	1,450	8,219	6,769	467%
Multi-Family	0	0	0	0	n/a
Mobile Home	311	311	585	274	88%
Total, SPA 2	1,363	1,761	8,804	7,043	400%
Single-Family Detached	712	894	4,127	3,233	362%
Multi-Family	0	0	0	0	n/a
Mobile Home	241	241	503	262	109%
Total, SPA 3	953	1,135	4,630	3,495	308%
Single-Family Detached	79	79	97	18	23%
Multi-Family	0	0	0	0	n/a
Mobile Home	0	0	0	0	n/a
Total, SPA 4-6	79	79	97	18	23%
Single-Family Detached	47,700	49,171	66,412	17,241	35%
Multi-Family	5,372	5,718	8,027	2,309	40%
Mobile Home	2,623	2,751	3,554	803	29%
Total, City-Wide	55,695	57,640	77,993	20,353	35%

Source: 2019 and 2029 units from Appendix B.

Nonresidential growth projections by land use type are summarized in Figure LU9. Detailed projections by planning area are provided in Appendix B. The projections have been developed by increasing the 2017 square footage in the incorporated area by the growth rates derived from the nonresidential planning area projections of growth in square footage by land use type.

Figure LU9: Summary of Nonresidential Growth, 2019-2029

Land Use Type/ Planning Area	2017 Sq. Feet	2019 Sq. Feet	2029 Sq. Feet	New Sq. Feet	Percent Increase
Retail/Commercial	6,402,776	6,887,394	9,912,785	3,025,391	44%
Office	1,790,686	1,925,439	2,874,418	948,979	49%
Industrial	766,441	828,985	1,056,840	227,855	27%
Warehouse	4,055,963	4,386,941	5,592,731	1,205,790	27%
Public/Institutional	5,593,511	5,891,463	7,662,775	1,771,312	30%
Total, SPA 1	18,609,377	19,920,222	27,099,549	7,179,327	36%
Retail/Commercial	7,462	14,869	754,554	739,685	4975%
Office	0	0	0	0	n/a
Industrial	0	0	0	0	n/a
Warehouse	4,386,941	0	0	0	n/a
Public/Institutional	5,891,463	253,393	1,187,051	933,658	368%
Total, SPA 2	10,285,866	268,262	1,941,605	1,673,343	624%
Retail/Commercial	49,804	64,768	443,001	378,233	584%
Office	0	0	0	0	n/a
Industrial	614	755	2,807	2,052	272%
Warehouse	2,448	3,013	11,202	8,189	272%
Public/Institutional	253,393	9,879	66,924	57,045	577%
Total, SPA 3	306,259	78,415	523,934	445,519	568%
Retail/Commercial	6,499,335	7,009,422	11,210,854	4,201,432	60%
Office	1,790,686	1,925,439	2,874,418	948,979	49%
Industrial	767,055	829,740	1,059,647	229,907	28%
Warehouse	4,058,411	4,389,954	5,603,933	1,213,979	28%
Public/Institutional	5,809,661	6,154,735	8,916,750	2,762,015	45%
Total, City-Wide	18,925,148	20,309,290	29,665,602	9,356,312	46%

Source: 2019 and 2029 sq. ft. from Appendix B.

APPENDIX A: PLANNING AREA PROJECTIONS

This appendix provides development projections by planning area. Because the unincorporated area and utility service areas will expand over time as the City annexes and extends utility service to new areas, growth projections for the Municipal Planning Area (MPA), broken down by Special Planning Area (SPA), are a necessary starting point for developing growth projections for the service areas.

Growth projections for the MPA, broken down by SPA, have been prepared for the City by Applied Economics. The firm analyzed recent local and regional development trends, tax assessor and development permit data, regional forecasts, and a variety of other sources in preparing the projections. The projections are summarized in the following tables. They are important inputs into the Land Use Assumptions.

Figure A1: Population by Planning Area, 2019-2029

Year*	SPA 1	SPA 2	SPA 3	SPA 4	SPA 5	SPA 6	MPA Total
2017	124,984	5,289	3,950	1,277	5,682	412	141,594
2018	126,773	6,010	4,224	1,283	5,694	411	144,395
2019	129,207	6,747	4,665	1,292	5,706	411	148,028
2020	131,872	7,981	5,504	1,296	5,725	410	152,788
2021	134,128	9,876	6,738	1,293	5,734	409	158,178
2022	136,224	12,347	8,120	1,296	5,741	408	164,136
2023	138,623	15,247	9,540	1,301	5,774	408	170,893
2024	141,439	18,643	11,033	1,303	5,811	407	178,636
2025	144,048	21,929	12,756	1,300	5,849	406	186,288
2026	146,421	25,120	14,557	1,305	5,880	405	193,688
2027	148,513	28,716	16,289	1,305	5,887	404	201,114
2028	150,473	32,802	17,968	1,705	5,891	403	209,242
2029	152,457	36,825	19,703	2,225	5,905	403	217,518

* as of July 1.

Source: Applied Economics, City of Surprise Land Use Assumptions, Final Report, August 14, 2017, Figure B-1.

Figure A2: Housing Units by Planning Area, 2019-2029

Year*	SPA 1	SPA 2	SPA 3	SPA 4	SPA 5	SPA 6	MPA Total
2017	53,549	1,963	1,398	538	2,421	164	60,033
2018	54,095	2,249	1,502	539	2,421	164	60,970
2019	54,940	2,544	1,668	541	2,421	164	62,278
2020	55,834	3,032	1,982	541	2,424	164	63,977
2021	56,814	3,751	2,444	541	2,427	164	66,141
2022	57,718	4,686	2,962	543	2,429	164	68,502
2023	58,738	5,780	3,495	546	2,442	164	71,165
2024	59,997	7,057	4,056	548	2,457	164	74,279
2025	61,194	8,288	4,708	548	2,472	164	77,374
2026	62,320	9,479	5,392	551	2,484	164	80,390
2027	63,273	10,817	6,067	552	2,486	164	83,359
2028	64,203	12,366	6,719	715	2,487	164	86,654
2029	65,168	13,884	7,382	927	2,492	164	90,017

* as of July 1.

Source: Applied Economics, City of Surprise Land Use Assumptions, Final Report, August 14, 2017, Figure B-2.

Figure A3: Single Family Increase by Planning Area, 2019-2029

Fiscal Yr.	SPA 1	SPA 2	SPA 3	SPA 4	SPA 5	SPA 6	MPA
2017/18	390	286	104	1	0	0	781
2018/19	518	295	166	2	0	0	981
2019/20	660	488	314	0	3	0	1,465
2020/21	834	719	462	0	3	0	2,018
2021/22	804	935	518	2	2	0	2,261
2022/23	920	1,094	533	3	13	0	2,563
2023/24	921	1,277	561	2	15	0	2,776
2024/25	810	1,231	626	0	15	0	2,682
2025/26	686	1,191	648	3	12	0	2,540
2026/27	713	1,338	546	1	2	0	2,600
2027/28	610	1,349	552	163	1	0	2,675
2028/29	570	1,331	628	212	5	0	2,746

Source: Applied Economics, City of Surprise Land Use Assumptions, Final Report, August 14, 2017, Figure B-2A.

Figure A4: Multi-Family Increase by Planning Area, 2019-2029

Fiscal Yr.	SPA 1	SPA 2	SPA 3	SPA 4	SPA 5	SPA 6	MPA
2017/18	156	0	0	0	0	0	156
2018/19	327	0	0	0	0	0	327
2019/20	234	0	0	0	0	0	234
2020/21	146	0	0	0	0	0	146
2021/22	100	0	0	0	0	0	100
2022/23	100	0	0	0	0	0	100
2023/24	338	0	0	0	0	0	338
2024/25	387	0	26	0	0	0	413
2025/26	440	0	36	0	0	0	476
2026/27	240	0	129	0	0	0	369
2027/28	320	200	100	0	0	0	620
2028/29	320	200	100	0	0	0	620

Source: Applied Economics, City of Surprise Land Use Assumptions, Final Report, August 14, 2017, Figure B-2A.

Figure A5: Retail Square Feet by Planning Area, 2019-2029

Year*	SPA 1	SPA 2	SPA 3	SPA 4	SPA 5	SPA 6	MPA Total
2017	5,102,699	7,462	57,507	7,903	38,178	6026	5,219,775
2018	5,279,585	10,598	64,533	8,201	41,144	6026	5,410,087
2019	5,488,916	14,869	74,785	8,526	44,341	6026	5,637,463
2020	5,714,538	21,983	92,594	8,830	47,846	6026	5,891,817
2021	5,928,953	33,998	118,950	9,099	51,535	6026	6,148,561
2022	6,142,425	53,121	150,433	9,412	55,486	6026	6,416,903
2023	6,376,004	81,983	185,468	9,754	60,014	6026	6,719,249
2024	6,636,066	125,280	225,077	10,089	64,964	6026	7,067,502
2025	6,894,049	184,170	273,081	10,396	70,320	6026	7,438,042
2026	7,148,243	263,674	327,037	10,773	76,022	6026	7,831,775
2027	7,395,848	376,711	384,014	11,122	81,849	6026	8,255,570
2028	7,643,795	537,788	444,525	15,003	88,088	6,026	8,735,225
2029	7,900,006	754,554	511,515	20,217	94,957	6,026	9,287,275

* as of July 1.

Source: Applied Economics, City of Surprise Land Use Assumptions, Final Report, August 14, 2017, Figure B-6.

Figure A6: Office Square Feet by Planning Area, 2019-2029

Year*	SPA 1	SPA 2	SPA 3	SPA 4	SPA 5	SPA 6	MPA Total
2017	1,310,464	22,499	13,985	4,350	9,235	1525	1,362,058
2018	1,355,198	26,972	15,299	4,418	9,531	1552	1,412,970
2019	1,409,079	31,956	17,286	4,496	9,842	1580	1,474,239
2020	1,468,071	39,916	20,866	4,559	10,186	1610	1,545,208
2021	1,525,234	52,180	26,134	4,598	10,529	1639	1,620,314
2022	1,583,323	68,953	32,225	4,656	10,889	1668	1,701,714
2023	1,647,899	90,045	38,739	4,723	11,322	1698	1,794,426
2024	1,720,795	116,489	45,842	4,783	11,791	1729	1,901,429
2025	1,794,799	145,049	54,235	4,824	12,289	1760	2,012,956
2026	1,869,612	175,987	63,338	4,894	12,804	1791	2,128,426
2027	1,944,648	213,190	72,528	4,947	13,297	1824	2,250,434
2028	2,021,872	258,194	81,876	6,533	13,816	1,858	2,384,149
2029	2,103,562	307,489	91,885	8,618	14,391	1,892	2,527,837

* as of July 1.

Source: Applied Economics, City of Surprise Land Use Assumptions, Final Report, August 14, 2017, Figure B-7.

Figure A7: Industrial Square Feet by Planning Area, 2019-2029

Year*	SPA 1	SPA 2	SPA 3	SPA 4	SPA 5	SPA 6	MPA Total
2017	3,551,949	0	81,373	0	0	0	3,633,322
2018	3,711,550	0	89,773	0	0	0	3,801,323
2019	3,841,798	0	100,141	0	0	0	3,941,939
2020	3,949,070	0	111,647	0	0	0	4,060,717
2021	4,044,448	0	124,584	0	0	0	4,169,032
2022	4,142,298	0	140,703	0	0	0	4,283,001
2023	4,234,544	0	158,652	0	0	0	4,393,196
2024	4,324,742	0	178,963	0	0	0	4,503,705
2025	4,425,704	0	204,867	0	0	0	4,630,571
2026	4,532,187	0	235,616	0	0	0	4,767,803
2027	4,621,713	0	264,424	0	0	0	4,886,137
2028	4,804,554	0	332,650	0	0	0	5,137,204
2029	4,897,749	0	372,353	0	0	0	5,270,102

* as of July 1.

Source: Applied Economics, City of Surprise Land Use Assumptions, Final Report, August 14, 2017, Figure B-8.

Figure A8: Public/Institutional Square Feet by Planning Area, 2019-2029

Year*	SPA 1	SPA 2	SPA 3	SPA 4	SPA 5	SPA 6	MPA Total
2017	4,965,042	208,477	25,186	152,252	19,416	0	5,370,373
2018	5,083,169	231,114	28,115	152,297	19,536	0	5,514,231
2019	5,229,517	253,392	32,433	152,360	19,656	0	5,687,358
2020	5,387,972	293,097	40,002	152,388	19,848	0	5,893,307
2021	5,532,488	355,123	51,223	152,369	19,938	0	6,111,141
2022	5,672,961	435,324	64,618	152,385	20,004	0	6,345,292
2023	5,828,749	527,902	79,518	152,420	20,334	0	6,608,923
2024	6,005,151	634,879	96,382	152,435	20,712	0	6,909,559
2025	6,175,953	735,795	116,870	152,417	21,090	0	7,202,125
2026	6,339,795	831,997	139,965	152,451	21,398	0	7,485,606
2027	6,494,423	940,620	164,455	152,451	21,466	0	7,773,415
2028	6,646,126	1,064,744	190,603	155,251	21,510	0	8,078,234
2029	6,801,810	1,187,050	219,725	158,892	21,650	0	8,389,127

* as of July 1.

Source: Applied Economics, City of Surprise Land Use Assumptions, Final Report, August 14, 2017, Figure B-9 and B-10.

APPENDIX B: INCORPORATED AREA PROJECTIONS

Figure B1: Incorporated Household Population by Planning Area, 2019-2029

Year*	SPA 1	SPA 2	SPA 3	SPA 4	SPA 5	SPA 6	City Total
2017	118,617	2,890	1,996	142	45	0	123,690
2018	119,735	3,353	2,161	142	45	0	125,436
2019	121,383	3,829	2,426	142	45	0	127,825
2020	123,232	4,618	2,924	142	45	0	130,961
2021	125,364	5,779	3,655	142	45	0	134,985
2022	127,363	7,289	4,476	142	45	0	139,315
2023	129,633	9,054	5,321	142	45	0	144,195
2024	132,234	11,115	6,211	142	45	0	149,747
2025	134,647	13,102	7,227	142	45	0	155,163
2026	136,849	15,025	8,285	142	45	0	160,346
2027	138,833	17,185	9,265	142	45	0	165,470
2028	140,693	19,542	10,228	184	45	0	170,692
2029	142,076	20,163	10,399	184	45	0	172,867

* as of July 1.

Source: Residential units from Figures B2 through B4, multiplied by persons per unit from Appendix A.

Figure B2: Incorporated Single Family Units by Planning Area, 2019-2029

Year*	SPA 1	SPA 2	SPA 3	SPA 4	SPA 5	SPA 6	City Total
2017	45,857	1,052	712	60	19	0	47,700
2018	46,240	1,248	782	60	19	0	48,349
2019	46,748	1,450	894	60	19	0	49,171
2020	47,395	1,784	1,105	60	19	0	50,363
2021	48,213	2,276	1,415	60	19	0	51,983
2022	49,002	2,916	1,763	60	19	0	53,760
2023	49,905	3,664	2,121	60	19	0	55,769
2024	50,809	4,537	2,498	60	19	0	57,923
2025	51,604	5,379	2,919	60	19	0	59,981
2026	52,277	6,194	3,354	60	19	0	61,904
2027	52,976	7,109	3,721	60	19	0	63,885
2028	53,574	8,032	4,092	78	19	0	65,795
2029	53,969	8,219	4,127	78	19	0	66,412

* as of July 1.

Source: projections based on annual single-family increases from Appendix A, adjusted for the percentages of units in the incorporated area by SPA from the Land Use Assumptions.

Figure B3: Incorporated Multi-Family Units by Planning Area, 2019-2029

Year*	SPA 1	SPA 2	SPA 3	SPA 4	SPA 5	SPA 6	City Total
2017	5,372	0	0	0	0	0	5,372
2018	5,482	0	0	0	0	0	5,482
2019	5,718	0	0	0	0	0	5,718
2020	5,895	0	0	0	0	0	5,895
2021	6,008	0	0	0	0	0	6,008
2022	6,087	0	0	0	0	0	6,087
2023	6,167	0	0	0	0	0	6,167
2024	6,442	0	0	0	0	0	6,442
2025	6,771	0	0	0	0	0	6,771
2026	7,164	0	0	0	0	0	7,164
2027	7,390	0	0	0	0	0	7,390
2028	7,702	0	0	0	0	0	7,702
2029	8,027	0	0	0	0	0	8,027

* as of July 1.

Source: projections based on annual multi-family increases from Appendix A, adjusted for the percentages of units in the incorporated area by SPA from the Land Use Assumptions.

Figure B4: Incorporated Mobile Home Units by Planning Area, 2019-2029

Year*	SPA 1	SPA 2	SPA 3	SPA 4	SPA 5	SPA 6	City Total
2017	2,071	311	241	0	0	0	2,623
2018	2,114	311	241	0	0	0	2,666
2019	2,199	311	241	0	0	0	2,751
2020	2,252	311	241	0	0	0	2,804
2021	2,282	311	241	0	0	0	2,834
2022	2,301	311	241	0	0	0	2,853
2023	2,319	311	241	0	0	0	2,871
2024	2,376	311	241	0	0	0	2,928
2025	2,427	311	258	0	0	0	2,996
2026	2,466	311	282	0	0	0	3,059
2027	2,475	311	369	0	0	0	3,155
2028	2,477	448	436	0	0	0	3,361
2029	2,466	585	503	0	0	0	3,554

* as of July 1.

Source: projections based on annual multi-family increases from Appendix A, adjusted for the percentages of units in the incorporated area by SPA from the Land Use Assumptions.

Figure B5: Incorporated Retail Square Feet by Planning Area, 2019-2029

Year*	SPA 1	SPA 2	SPA 3	SPA 4	SPA 5	SPA 6	City Total
2017	6,402,776	7,462	49,804	39,293	0	0	6,499,335
2018	6,624,729	10,598	55,889	40,775	0	0	6,731,991
2019	6,887,394	14,869	64,768	42,391	0	0	7,009,422
2020	7,170,500	21,983	80,192	43,902	0	0	7,316,577
2021	7,439,544	33,998	103,018	45,239	0	0	7,621,799
2022	7,707,405	53,121	130,284	46,795	0	0	7,937,605
2023	8,000,496	81,983	160,626	48,495	0	0	8,291,600
2024	8,326,817	125,280	194,930	50,161	0	0	8,697,188
2025	8,650,529	184,170	236,504	51,687	0	0	9,122,890
2026	8,969,487	263,674	283,233	53,561	0	0	9,569,955
2027	9,280,177	376,711	332,578	55,296	0	0	10,044,762
2028	9,591,296	537,788	384,984	74,591	0	0	10,588,659
2029	9,912,785	754,554	443,001	100,514	0	0	11,210,854

* as of July 1.

Source: projections based on percent increase in projected retail square feet by SPA from Appendix A.

Figure B6: Incorporated Office Square Feet by Planning Area, 2019-2029

Year*	SPA 1	SPA 2	SPA 3	SPA 4	SPA 5	SPA 6	City Total
2017	1,790,686	0	0	0	0	0	1,790,686
2018	1,851,813	0	0	0	0	0	1,851,813
2019	1,925,439	0	0	0	0	0	1,925,439
2020	2,006,049	0	0	0	0	0	2,006,049
2021	2,084,160	0	0	0	0	0	2,084,160
2022	2,163,536	0	0	0	0	0	2,163,536
2023	2,251,776	0	0	0	0	0	2,251,776
2024	2,351,385	0	0	0	0	0	2,351,385
2025	2,452,508	0	0	0	0	0	2,452,508
2026	2,554,736	0	0	0	0	0	2,554,736
2027	2,657,269	0	0	0	0	0	2,657,269
2028	2,762,792	0	0	0	0	0	2,762,792
2029	2,874,418	0	0	0	0	0	2,874,418

* as of July 1.

Source: projections based on percent increase in projected square feet by SPA from Appendix A.

Figure B7: Incorporated Industrial Square Feet by Planning Area, 2019-2029

Year*	SPA 1	SPA 2	SPA 3	SPA 4	SPA 5	SPA 6	City Total
2017	766,441	0	614	0	0	0	767,055
2018	800,880	0	677	0	0	0	801,557
2019	828,985	0	755	0	0	0	829,740
2020	852,132	0	842	0	0	0	852,974
2021	872,713	0	940	0	0	0	873,653
2022	893,827	0	1,062	0	0	0	894,889
2023	913,732	0	1,197	0	0	0	914,929
2024	933,195	0	1,350	0	0	0	934,545
2025	954,981	0	1,545	0	0	0	956,526
2026	977,958	0	1,777	0	0	0	979,735
2027	997,276	0	1,994	0	0	0	999,270
2028	1,036,730	0	2,508	0	0	0	1,039,238
2029	1,056,840	0	2,807	0	0	0	1,059,647

* as of July 1.

Source: projections based on percent increase in projected square feet by SPA from Appendix A.

Figure B8: Incorporated Warehouse Square Feet by Planning Area, 2019-2029

Year*	SPA 1	SPA 2	SPA 3	SPA 4	SPA 5	SPA 6	City Total
2017	4,055,963	0	2,448	0	0	0	4,058,411
2018	4,238,211	0	2,701	0	0	0	4,240,912
2019	4,386,941	0	3,013	0	0	0	4,389,954
2020	4,509,435	0	3,359	0	0	0	4,512,794
2021	4,618,347	0	3,748	0	0	0	4,622,095
2022	4,730,082	0	4,233	0	0	0	4,734,315
2023	4,835,418	0	4,773	0	0	0	4,840,191
2024	4,938,415	0	5,384	0	0	0	4,943,799
2025	5,053,703	0	6,163	0	0	0	5,059,866
2026	5,175,296	0	7,088	0	0	0	5,182,384
2027	5,277,526	0	7,955	0	0	0	5,285,481
2028	5,486,312	0	10,008	0	0	0	5,496,320
2029	5,592,731	0	11,202	0	0	0	5,603,933

* as of July 1.

Source: projections based on percent increase in projected square feet by SPA from Appendix A.

Figure B9: Incorporated Public/Institutional Square Feet by Planning Area, 2019-2029

Year*	SPA 1	SPA 2	SPA 3	SPA 4	SPA 5	SPA 6	City Total
2017	5,593,511	208,478	7,672	0	0	0	5,809,661
2018	5,726,590	231,115	8,564	0	0	0	5,966,269
2019	5,891,463	253,393	9,879	0	0	0	6,154,735
2020	6,069,975	293,098	12,184	0	0	0	6,375,257
2021	6,232,784	355,124	15,602	0	0	0	6,603,510
2022	6,391,038	435,325	19,682	0	0	0	6,846,045
2023	6,566,545	527,903	24,220	0	0	0	7,118,668
2024	6,765,276	634,880	29,357	0	0	0	7,429,513
2025	6,957,698	735,796	35,597	0	0	0	7,729,091
2026	7,142,279	831,998	42,631	0	0	0	8,016,908
2027	7,316,480	940,621	50,090	0	0	0	8,307,191
2028	7,487,385	1,064,745	58,054	0	0	0	8,610,184
2029	7,662,775	1,187,051	66,924	0	0	0	8,916,750

* as of July 1.

Source: projections based on percent increase in projected square feet by SPA from Appendix A.

APPENDIX C: EXISTING ARTERIAL STREET INVENTORY

Figure C1: Existing Arterial Street Inventory

Street Name	From	To	Lns	Miles	Cap.	VMC	ADT	VMT
N 163 Ave	Grand Ave	Pinnacle Pea Rd	4	0.712	32,310	23,005	11,038	7,859
N 163 Ave	Pinnacle Pea Rd	Asante Blvd	4	0.499	32,310	16,123	10,079	5,029
N 163 Ave	Asante Blvd	Happy Valley Rd	4	0.473	32,310	15,283	6,619	3,131
N 163 Ave	Happy Valley Rd	Jomax Rd	2	1.013	7,650	7,749	6,619	6,705
N 163 Ave	Jomax Rd	Dynamite Blvd	2	0.962	7,650	7,359	n/a	4,100
N 163 Ave	Dynamite Blvd	Dixileta Dr	2	0.996	7,650	7,619	n/a	4,245
N 203 Ave	Grand Ave	Lone Mountain Rd	2	0.823	7,650	6,296	n/a	3,508
N 203 Ave	Lone Mountain Rd	Dove Valley Rd	2	1.004	7,650	7,681	n/a	4,279
N Bullard Ave	Peoria Ave	Gabriela Mini-Stor	4	0.200	32,310	6,462	4,452	890
N Bullard Ave	Gabriela Mini-Storage	Cholla St	3	0.300	19,440	5,832	4,452	1,336
N Bullard Ave	Cholla St	Cactus Rd	4	0.500	32,310	16,155	4,452	2,226
N Bullard Ave	Cactus Rd	Waddell Rd	4	0.996	32,310	32,181	7,452	7,422
N Bullard Ave	Waddell Rd	Greenway Rd	4	1.000	32,310	32,310	7,126	7,126
N Bullard Ave	Greenway Rd	Bell Rd	4	1.024	32,310	33,085	7,628	7,811
N Citrus Rd	Cactus Rd	Waddell Rd	2	1.000	7,650	7,650	n/a	4,262
N Cotton Ln	Peoria Ave	Cactus Rd	2	1.000	7,650	7,650	4,007	4,007
N Cotton Ln	Cactus Rd	Waddell Rd	2	1.000	7,650	7,650	5,183	5,183
N Cotton Ln	Waddell Rd	Acoma Dr	3	0.523	19,440	10,167	n/a	2,229
N Cotton Ln	Acoma Dr	Greenway Rd	3	0.476	19,440	9,253	11,416	5,434
N Cotton Ln	Greenway Rd	Bell Rd	2	1.007	7,650	7,704	8,329	8,387
N Dysart Rd	Greenway Rd	Bell Rd	5	1.041	45,720	47,595	16,791	17,479
N El Mirage Rd	City Limits	Bell Rd	5	0.981	45,720	44,851	n/a	10,431
N Litchfield Rd	Peoria Ave	Desert Cove Rd	4	0.247	32,310	7,981	3,847	950
N Litchfield Rd	Desert Cove Rd	Cactus Rd	2	0.751	7,650	5,745	3,847	2,889
N Litchfield Rd	Cactus Rd	Waddell Rd	2	0.997	7,650	7,627	8,161	8,137
N Litchfield Rd	Waddell Rd	Greenway Rd	5	1.003	45,720	45,857	10,331	10,362
N Litchfield Rd	Greenway Rd	Statler Blvd	4	0.350	32,310	11,309	20,235	7,082
N Litchfield Rd	Bell Rd	Sun Village Pkwy	5	0.375	45,720	17,145	n/a	3,987
N Reems Rd	Peoria Ave	Cactus Rd	4	1.001	32,310	32,342	8,266	8,274
N Reems Rd	Cactus Rd	Waddell Rd	5	1.000	45,720	45,720	16,046	16,046
N Reems Rd	Waddell Rd	Greenway Rd	5	1.000	45,720	45,720	20,258	20,258
N Reems Rd	Greenway Rd	Bell Rd	5	1.007	45,720	46,040	n/a	10,707
N Reems Rd	Bell Rd	Grand Ave	6	1.817	54,720	99,426	n/a	40,641
N Sarival Ave	Peoria Ave	Cholla St	4	0.500	32,310	16,155	4,286	2,143
N Sarival Ave	Cholla St	Cactus Rd	2	0.499	7,650	3,817	4,286	2,139
N Sarival Ave	Cactus Rd	Waddell Rd	2	1.054	7,650	8,063	1,135	1,196
N Sarival Ave	Waddell Rd	Greenway Rd	2	1.000	7,650	7,650	2,838	2,838
W Bell Rd	Citylimits	115 Ave	6	0.360	54,720	19,699	66,214	23,837
W Bell Rd	115 Ave	El Mirage Rd	6	0.991	54,720	54,228	61,909	61,352
W Bell Rd	El Mirage Rd	Dysart Rd	6	0.999	54,720	54,665	54,409	54,355
W Bell Rd	Dysart Rd	Litchfield Rd	6	0.997	54,720	54,556	45,258	45,122
W Bell Rd	Litchfield Rd	Bullard Ave	6	1.000	54,720	54,720	43,568	43,568
W Bell Rd	Bullard Ave	Reems Rd	6	0.999	54,720	54,665	39,938	39,898
W Bell Rd	Reems Rd	Sarival Ave	6	0.880	54,720	48,154	40,910	36,001
W Bell Rd	Sarival Ave	SR 303	6	0.498	54,720	27,251	41,881	20,857
W Bell Rd	SR 303	Cotton Ln	6	0.503	54,720	27,524	42,168	21,211
W Bell Rd	Cotton Ln	Citrus Rd	6	1.010	54,720	55,267	n/a	22,591
W Bell Rd	Citrus Rd	184 Dr	6	0.654	54,720	35,787	n/a	14,628

Continued on next page

Figure C1: Existing Arterial Street Inventory (continued)

Street Name	From	To	Lns	Miles	Cap.	VMC	ADT	VMT
W Bell Rd	184 Dr	Beardsley Canal	4	0.024	32,310	775	n/a	141
W Bell Rd	Beardsley Canal	Sun Valley Pkwy	4	0.209	32,310	6,753	n/a	1,227
W Cactus Rd	Dysart Rd	Santa Fe RR	6	0.495	54,720	27,086	8,476	4,196
W Cactus Rd	Santa Fe RR	Litchfield Rd	2	0.495	7,650	3,787	8,476	4,196
W Cactus Rd	Litchfield Rd	Bullard Ave	4	1.001	32,310	32,342	11,802	11,814
W Cactus Rd	Bullard Ave	Reems Rd	5	0.998	45,720	45,629	12,370	12,345
W Cactus Rd	Reems Rd	Sarival Ave	2	0.919	7,650	7,030	11,347	10,428
W Cactus Rd	Sarival Ave	SR 303	3	0.497	19,440	9,662	10,323	5,131
W Cactus Rd	SR 303	Cotton Ln	2	0.498	7,650	3,810	5,480	2,729
W Cactus Rd	Cotton Ln	175 Ave	2	0.500	7,650	3,825	n/a	2,131
W Cactus Rd	175 Ave	Citrus Rd	2	0.501	7,650	3,833	5,183	2,597
W Deer Valley Rd	Grand Ave	185 Ave	2	2.320	7,650	17,748	n/a	9,888
W Dove Valley Rd	187 Ave	203 Ave	2	1.000	7,650	7,650	n/a	4,262
W Dove Valley Rd	203 Ave	211 Ave	2	0.980	7,650	7,497	n/a	4,177
W Greenway Rd	Grand Ave	Dysart Rd	3	0.643	32,310	20,775	n/a	3,774
W Greenway Rd	Dysart Rd	Litchfield Rd	5	0.994	45,720	45,446	19,553	19,436
W Greenway Rd	Litchfield Rd	Bullard Ave	4	0.999	32,310	32,278	19,597	19,577
W Greenway Rd	Bullard Ave	Reems Rd	5	0.997	45,720	45,583	21,693	21,628
W Greenway Rd	Reems Rd	Sarival Ave	5	0.897	45,720	41,011	24,099	21,617
W Greenway Rd	Sarival Ave	SR 303	2	0.494	19,440	9,603	22,850	11,288
W Greenway Rd	SR 303	Cotton Ln	2	0.505	19,440	9,817	21,075	10,643
W Greenway Rd	Cotton Ln	Verde Vista Dr	2	0.339	7,650	2,593	17,578	5,959
W Greenway Rd	Verde Vista Dr	Beardsley Canal	2	1.480	7,650	11,322	n/a	6,308
W Happy Valley Rd	Grand Ave	183 Ave	2	0.421	7,650	3,221	n/a	1,794
W Jomax Rd	133 Ave	147 Ave	5	1.500	45,720	68,580	n/a	15,950
W Jomax Rd	Grand Ave	189 Ave	2	0.397	7,650	3,037	2,829	1,123
W Peoria Ave	Dysart Rd	Milgard Way	4	0.298	32,310	9,628	3,819	1,138
W Peoria Ave	Milgard Way	Litchfield Rd	3	0.696	19,440	13,530	3,819	2,658
W Peoria Ave	Litchfield Rd	Bullard Ave	2	1.000	7,650	7,650	5,504	5,504
W Peoria Ave	Bullard Ave	Reems Rd	2	0.998	7,650	7,635	3,004	2,998
W Peoria Ave	Reems Rd	Greer Ranch Pkwy	3	0.500	19,440	9,720	4,329	2,165
W Peoria Ave	Greer Ranch Pkwy	Sarival Ave	4	0.419	32,310	13,538	4,329	1,814
W Peoria Ave	Sarival Ave	SR 303	2	0.498	7,650	3,810	4,662	2,322
W Peoria Ave	SR 303	Cotton Ln	2	0.498	7,650	3,810	5,025	2,502
W Peoria Ave	171 Dr	173 Ave	2	0.154	7,650	1,178	538	83
W Peoria Ave	Citrus Rd	183 Ave	2	0.499	7,650	3,817	860	429
W Peoria Ave	183 Ave	Perryville Rd	4	0.502	32,310	16,220	860	432
W Waddell Rd	Dysart Rd	133 Ave	4	0.249	32,310	8,045	19,386	4,827
W Waddell Rd	133 Ave	Litchfield Rd	7	0.744	54,720	40,712	19,386	14,423
W Waddell Rd	Litchfield Rd	La Cometa	2	0.766	7,650	5,860	20,750	15,895
W Waddell Rd	La Cometa	Bullard Ave	4	0.233	32,310	7,528	20,750	4,835
W Waddell Rd	Bullard Ave	Reems Rd	7	0.997	54,720	54,556	15,944	15,896
W Waddell Rd	Reems Rd	Sarival Ave	3	0.907	19,440	17,632	14,011	12,708
W Waddell Rd	Sarival Ave	SR 303	3	0.498	19,440	9,681	15,085	7,512
W Waddell Rd	SR 303	Cotton Ln	4	0.996	32,310	32,181	14,841	14,782
W Waddell Rd	Cotton Ln	174 Ave	2	0.510	7,650	3,902	11,351	5,789
W Waddell Rd	174 Ave	Citrus Rd	4	0.491	32,310	15,864	11,351	5,573
Total				71.578		2,003,963		982,792

Source: Through lanes, miles, and average daily traffic (ADT) from City of Surprise, May 9 and 24, 2017; cap; where ADT not available, VMT estimated based on average volume on roads with traffic counts and same number of through lanes.

APPENDIX D: FUNCTIONAL POPULATION

The two most common methodologies used in calculating public safety service units and development fees are the “calls-for-service” approach and the “functional population” approach. This study utilizes the “functional population” approach to calculate and assess the fire and police development fees. This approach is a generally-accepted methodology for these development fee types and is based on the observation that demand for public safety facilities tends to be proportional to the presence of people at the site of a land use.

Functional population is analogous to the concept of “full-time equivalent” employees. It represents the number of “full-time equivalent” people present at the site of a land use, and it is used to estimate the impact of a particular development on the need for facilities. For residential development, functional population is simply the number of residents times the percent of time people spend at home. For nonresidential development, functional population is based on a formula that factors trip generation rates, average vehicle occupancy and average number of hours spent by visitors at a land use.

RESIDENTIAL FUNCTIONAL POPULATION

For residential land uses, the impact of a dwelling unit on the need for capital facilities is generally proportional to the number of persons residing in the dwelling unit. Determining residential functional population multipliers is considerably simpler than the nonresidential component. It is estimated that people, on average, spend 16 hours, or 67 percent, of each 24-hour day at their place of residence and the other 33 percent away from home. The functional population per unit for these uses is shown in Figure D1.

Figure D1: Functional Population per Unit for Residential Uses

Housing Type	Unit	Persons/ Unit	Occupancy Factor	Func. Pop./Unit
Single-Family Detached	Dwelling	2.36	0.67	1.58
Multi-Family	Dwelling	1.43	0.67	0.96
Mobile Home	Dwelling	1.31	0.67	0.88

Source: Average household size from Land Use Assumptions; residential occupancy factor estimated.

NONRESIDENTIAL FUNCTIONAL POPULATION

The functional population methodology for nonresidential land uses is based on trip generation data utilized in developing the transportation demand schedule prepared for the updated transportation development fee update. Functional population per 1,000 square feet is derived by dividing the total number of hours spent by employees and visitors during a week day by 24 hours. Employees are estimated to spend 8 hours per day at their place of employment, and visitors are estimated to spend one hour per visit. The formula used to derive the nonresidential functional population estimates is summarized in Figure D2.

Figure D2: Nonresidential Functional Population Formula

$$\text{FUNCPOP/UNIT} = (\text{employee hours}/1000 \text{ sf} + \text{visitor hours}/1000 \text{ sf}) \div 24 \text{ hours/day}$$

Where:

$$\text{Employee hours}/1000 \text{ sf} = \text{employees}/1000 \text{ sf} \times 8 \text{ hours/day}$$

$$\text{Visitor hours}/1000 \text{ sf} = \text{visitors}/1000 \text{ sf} \times 1 \text{ hour/visit}$$

$$\text{Visitors}/1000 \text{ sf} = \text{weekday ADT}/1000 \text{ sf} \times \text{avg. vehicle occupancy} - \text{employees}/1000 \text{ sf}$$

$$\text{Weekday ADT}/1000 \text{ sf} = \text{one-way avg. daily trips (total trip ends} \div 2)$$

Using this formula and information on trip generation rates, vehicle occupancy rates from the National Household Travel Survey and other sources, nonresidential functional population estimates per 1,000 square feet of gross floor area are calculated in Figure D3.

Figure D3: Functional Population per Unit for Nonresidential Uses

Land Use	Unit	Trip Rate	Persons/ Trip	Employee/ Unit	Visitors/ Unit	Functional Pop./ Unit
Retail/Commercial	1,000 sq. ft.	18.87	1.91	0.84	35.20	1.75
Office	1,000 sq. ft.	4.87	1.84	2.11	6.85	0.99
Industrial	1,000 sq. ft.	1.68	1.27	0.81	1.32	0.33
Warehouse	1,000 sq. ft.	0.87	1.27	0.49	0.61	0.19
Public/Institutional	1,000 sq. ft.	3.32	2.54	0.91	7.52	0.62

Source: Trip rates based on one-half of average daily trip rate from ITE, Trip Generation, 10th ed., 2017 (retail/commercial based on shopping center, institutional based on nursing home, industrial based on manufacturing); persons/trip is average vehicle occupancy from Federal Highway Administration, Nationwide Household Travel Survey, 2017; employees/unit from U.S. Department of Energy, Commercial Buildings Energy Consumption Survey, 2012.

FUNCTIONAL POPULATION SUMMARY

The functional population multipliers for residential and nonresidential land use categories are summarized in Figure D4. They have been converted into equivalent dwelling units (EDUs) based on the ratio to a single-family detached unit.

Figure D4: Functional Population Multipliers

Land Use	Unit	Functional	EDUs/
		Pop./Unit	Unit
Single-Family, Detached	Dwelling	1.58	1.00
Multi-Family	Dwelling	0.96	0.61
Mobile Home/RV Park	Pad	0.88	0.56
Shopping Center/Commercial	1,000 sq. ft.	1.75	1.11
Office	1,000 sq. ft.	0.99	0.63
Industrial	1,000 sq. ft.	0.33	0.21
Warehouse	1,000 sq. ft.	0.19	0.12
Public/Institutional	1,000 sq. ft.	0.62	0.39

Existing and projected fire and police service units (EDUs) are based on the land use assumptions and are shown in Figure D5.

Figure D5: Fire & Police Service Units, 2019-2029

Land Use Type	Unit	Units		EDUs/ Unit	Equivalent Dwelling Units		
		2019	2029		2019	2029	New
Single-Family Detached	Dwelling	49,171	66,412	1.00	49,171	66,412	17,241
Multi-Family	Dwelling	5,718	8,027	0.61	3,488	4,896	1,408
Mobile Home	Dwelling	2,751	3,554	0.56	1,541	1,990	449
Retail/Commercial	1,000 sq ft	7,009	11,211	1.11	7,780	12,444	4,664
Office	1,000 sq ft	1,925	2,874	0.63	1,213	1,811	598
Industrial	1,000 sq ft	830	1,060	0.21	174	223	49
Warehouse	1,000 sq ft	4,390	5,604	0.12	527	672	145
Public/Institutional	1,000 sq ft	6,155	8,917	0.39	2,400	3,478	1,078
Total Service Units					66,294	91,926	25,632

APPENDIX E: PUBLIC SAFETY BUILDING

The City of Surprise Public Safety Building is occupied by fire/EMS, police, and general government functions. The square footage of the building occupied by each function is used to allocate costs between the three development fee funds. These percentage allocations are shown in Figure E1.

Figure E1: Public Safety Building Occupancy

Service Area	Facility Component	Building Sq. Feet	Share
Fire & EMS	Offices	9,000	9.38%
Fire & EMS	Meeting Rooms	7,500	7.81%
Subtotal, Fire/EMS		16,500	17.19%
Police	Indoor Shooting Range	3,500	3.65%
Subtotal, Grandfathered Police		3,500	3.65%
Police	Offices	35,000	36.45%
Police	Meeting Rooms	7,500	7.81%
Subtotal, New Police		42,500	44.26%
Gen Govt	Court	22,000	22.92%
Gen Govt	Prosecution	5,500	5.73%
Gen Govt	Surprise 11 Broadcast Center	6,000	6.25%
Subtotal, General Government		33,500	34.90%
Total		96,000	100.00%

Source: Malcolm Pirnie, Development Fee and MPC Bond Fund Analysis, February 2011, Table 4-1 (percentages sum to more than 100% due to rounding).

The land attributable to the fire and police portions of the Public Safety Building are based on the land directly occupied by the building shares and associated parking, as well as a proportional share of the open space in the Surprise Civic Center based on acreage directly occupied, as shown in Figure E2.

Figure E2: Fire and Police Public Safety Building Land

Use of Property	Total Acres	Fire Acres	Police Acres
Courts	0.765		
Courts Parking Lots	1.540		
Police Dept. (excl. indoor shooting range)	0.984		0.984
Police Indoor Shooting Range	0.088		*
Police Outdoor Shooting Range	0.099		*
Police Parking Lots	2.150		2.150
Fire Administration	0.865	0.865	
Fire Parking	0.940	0.940	
City Hall	1.061		
Parking Structure	0.876		
CUP	0.123		
Ottawa and Ottawa Parking	1.727		
Chamber	0.046		
WV Arts	0.013		
Chamber & WV Arts Parking	2.150		
Civic Center Open Space**	20.083	2.700	4.688
Total Acreage Civic Center	33.510	4.505	7.822

* ineligible per SB 1525

** allocated proportional to eligible acres directly occupied

Source: Total acres by use from City of Surprise, July 21, 2017.

APPENDIX F: DEVELOPMENT FEE OBLIGATIONS

This appendix identifies the outstanding amounts owed by the development fee funds for existing facilities that have excess capacity to accommodate new development. These obligations include portions of the debt service for the 2007 revenue and 2015 refunding issues of Municipal Property Corporation (MPC) bonds, loans from other City funds, and developer credits. These are offset by the outstanding balances of the development fee funds to determine the net obligation attributable to each fund.

The outstanding net obligations of the individual development fee funds at the end of FY 2017 are the sum of debt, interfund loan, and developer credit obligations, less the current fund balance, as summarized in Figure F1 below. Details on capital projects funded by debt, interfund loans, and developer credits are provided on the following pages.

Figure F1: Outstanding Net Obligations, FYE 2018

Development Fee Fund	Debt Service	Interfund Loans	Developer Credits	Total Obligations	Fund Balance	Net Obligations
Roads	\$0	\$0	\$3,363,808	\$3,363,808	\$2,641,040	\$722,768
Parks, Grandfathered	\$2,235,344	\$0	\$159,761	\$2,395,105	\$1,501,496	\$893,609
Parks, SPA 1 (new)	\$387,991	\$0	\$3,153,318	\$3,541,309	\$0	\$3,541,309
Parks, SPA 2 (new)	\$0	\$0	\$4,621,046	\$4,621,046	\$0	\$4,621,046
Library	\$0	\$0	\$0	\$0	\$4,652,559	(\$4,652,559)
Fire/EMS	\$460,444	\$3,578,499	\$144,211	\$4,183,154	\$1,557,173	\$2,625,981
Police (new)	\$811,833	\$0	\$0	\$811,833	\$2,357,189	(\$1,545,356)
Water, SPA 1	\$0	\$0	\$12,497,558	\$12,497,558	\$2,664,922	\$9,832,636
Water, SPA 2	\$0	\$73	\$2,683,874	\$2,683,947	\$0	\$2,683,947
Water Resource	\$0	\$1,617,263	\$0	\$1,617,263	\$0	\$1,617,263
Wastewater, SPA 1	\$50,947,186	\$40,216,738	\$856,676	\$92,020,600	\$0	\$92,020,600
Wastewater, SPA 2	\$0	\$22,656	\$26,620,391	\$26,643,047	\$295,447	\$26,347,600
General Government	\$2,201,501	\$42,451,206	\$0	\$44,652,707	\$428,297	\$44,224,410
Total	\$57,044,299	\$87,886,435	\$54,100,643	\$199,031,377	\$16,098,123	\$182,933,254

Source: Fund balance as of June 30, 2018 from City of Surprise Finance Department, July 27, 2018 (roads is sum of 163rd Avenue and regional signal funds).

Figure F2: Outstanding MPC Debt, Series 2007 and 2015, FYE 2018

Development Fee Fund	Improvement	Original Principal	Percent	Outstanding on FYE 2018	
				Principal	Total
New Fire	Fire Station #3	\$94,005	8.76%	\$35,140	\$40,335
New Fire	Public Safety Bldg. (Fire Share)	\$978,692	91.24%	\$366,001	\$420,109
Total, Fire		\$1,072,697	100.00%	\$401,141	\$460,444
Parks, SPA 1 New	SPA 1 Parks – Average Approach	\$1,603,144	14.79%	\$330,632	\$387,991
Subtotal, Parks, SPA 1		\$1,603,144		\$330,632	\$387,991
Grandfathered Parks	Surprise Recreation Campus	\$4,051,637	37.39%	\$835,857	\$980,864
Grandfathered Parks	Aquatics Center	\$3,906,083	36.04%	\$805,679	\$945,451
Grandfathered Parks	Stadium	\$1,276,263	11.78%	\$263,343	\$309,029
Subtotal, Grandfathered Parks		\$9,233,983		\$1,904,879	\$2,235,344
Total, Parks		\$10,837,127	100.00%	\$2,235,512	\$2,623,335
General Government	Public Safety Building (Court)	\$3,174,409	34.90%	\$654,738	\$768,324
General Government	Surprise Center	\$5,345,491	58.76%	\$1,102,361	\$1,293,602
General Government	County Court Infrastructure	\$576,783	6.34%	\$118,941	\$139,575
Total, General Government		\$9,096,683	100.00%	\$1,876,039	\$2,201,501
Wastewater, SPA 1	SPA 1 WRF (MPC 2015 Refunding)	\$19,896,294	100.00%	\$4,103,413	\$4,815,286
Wastewater, SPA 1	SPA 1 WRF (MPC 2007 Revenue)	\$50,675,000	100.00%	\$33,770,000	\$46,131,900
Total, Wastewater, SPA 1				\$37,873,413	\$50,947,186
Grandfathered Police	Public Safety Bldg. (Shooting Range Share)	\$584,823	17.40%	\$120,376	\$141,259
Police	Public Safety Bldg. (Other Police Share)	\$2,768,022	82.60%	\$571,439	\$670,574
Total, Police		\$3,352,845	100.00%	\$691,815	\$811,833

Source: Original debt cost allocation from Red Oak Consulting, “MPC Bond Fund Analysis,” p. A-1 of Malcolm Pirnie, Development Fee and MPC Bond Fund Analysis, February 2011.

Figure F3: Debt Service, 2015 MPC Refunding Bonds

Date	General Government		Police		Parks and Recreation		Fire/EMS		Wastewater, SPA 1	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
1/1/19	\$0	\$42,558	\$0	\$15,694	\$0	\$50,713	\$0	\$7,755	\$0	\$93,087
7/1/19	\$282,132	\$42,558	\$104,040	\$15,694	\$336,192	\$50,713	\$51,408	\$7,755	\$617,100	\$93,087
1/1/20	\$0	\$36,916	\$0	\$13,613	\$0	\$43,989	\$0	\$6,727	\$0	\$80,745
7/1/20	\$293,196	\$36,916	\$108,120	\$13,613	\$349,376	\$43,989	\$53,424	\$6,727	\$641,300	\$80,745
1/1/21	\$0	\$32,518	\$0	\$11,991	\$0	\$38,749	\$0	\$5,925	\$0	\$71,125
7/1/21	\$302,185	\$32,518	\$111,435	\$11,991	\$360,088	\$38,749	\$55,062	\$5,925	\$660,963	\$71,125
1/1/22	\$0	\$24,963	\$0	\$9,206	\$0	\$29,746	\$0	\$4,549	\$0	\$54,601
7/1/22	\$316,707	\$24,963	\$116,790	\$9,206	\$377,392	\$29,746	\$57,708	\$4,549	\$692,725	\$54,601
1/1/23	\$0	\$17,045	\$0	\$6,286	\$0	\$20,312	\$0	\$3,106	\$0	\$37,283
7/1/23	\$332,611	\$17,045	\$122,655	\$6,286	\$396,344	\$20,312	\$60,606	\$3,106	\$727,513	\$37,283
1/1/24	\$0	\$8,730	\$0	\$3,219	\$0	\$10,403	\$0	\$1,591	\$0	\$19,095
7/1/24	\$349,207	\$8,730	\$128,775	\$3,219	\$416,120	\$10,403	\$63,630	\$1,591	\$763,813	\$19,095
Total	\$1,876,039	\$325,461	\$691,815	\$120,018	\$2,235,512	\$387,824	\$341,838	\$59,303	\$4,103,413	\$711,873

Source: City of Surprise Finance Department, Series 2015 Pledged Revenue Obligations- Amortization Table by Fund Source.

Figure F4: Debt Service, 2007 MPC Wastewater Utility Revenue Bonds

Date	Principal	Interest	Total
10/1/18	\$2,045,000	\$818,595	\$2,863,595
4/1/19	\$0	\$770,538	\$770,538
10/1/19	\$2,140,000	\$770,538	\$2,910,538
4/1/20	\$0	\$720,248	\$720,248
10/1/20	\$2,240,000	\$720,248	\$2,960,248
4/1/21	\$0	\$667,608	\$667,608
10/1/21	\$2,345,000	\$667,608	\$3,012,608
4/1/22	\$0	\$612,500	\$612,500
10/1/22	\$1,990,000	\$612,500	\$2,602,500
4/1/23	\$0	\$563,745	\$563,745
10/1/23	\$2,085,000	\$563,745	\$2,648,745
4/1/24	\$0	\$512,663	\$512,663
10/1/24	\$2,195,000	\$512,663	\$2,707,663
4/1/25	\$0	\$458,885	\$458,885
10/1/25	\$2,300,000	\$458,885	\$2,758,885
4/1/26	\$0	\$402,535	\$402,535
10/1/26	\$2,420,000	\$402,535	\$2,822,535
4/1/27	\$0	\$343,245	\$343,245
10/1/27	\$2,540,000	\$343,245	\$2,883,245
4/1/28	\$0	\$281,015	\$281,015
10/1/28	\$2,660,000	\$281,015	\$2,941,015
Total, FY 2019-2028	\$24,960,000	\$11,484,555	\$36,444,555
4/1/29	\$0	\$215,845	\$215,845
10/1/29	\$2,795,000	\$215,845	\$3,010,845
4/1/30	\$0	\$147,368	\$147,368
10/1/30	\$2,935,000	\$147,368	\$3,082,368
4/1/31	\$0	\$75,460	\$75,460
10/1/31	\$3,080,000	\$75,460	\$3,155,460
Total	\$33,770,000	\$12,361,900	\$46,131,900

Source: City of Surprise, Finance Department, Municipal Property Corporation
 Wastewater Utility Revenue Bonds, Series 2007, Amortization Schedule.

Figure F5: Outstanding Interfund Loans, FYE 2018

Development Fee Fund	Improvement	Amount
Wastewater, SPA 1	SPA 1 WRF 8 MGD Expansion-Plants 4 & 5	\$1,046,326
Wastewater, SPA 1	SPA 1 16" Reclaimed Line, Statler-Bell Rd Lake	\$1,279,084
Wastewater, SPA 1	SPA 1 Sewer Developer Reimbursements	\$1,185,388
Wastewater, SPA 1	Debt Service Related to SPA 1 WRF Expansion	\$35,358,667
Wastewater Dev't Fee	SPA 1 Wastewater Improvements	\$1,347,273
Subtotal, SPA 1 Wastewater		\$40,216,738
Fire/EMS	Public Safety Building	\$333,452
Fire/EMS	Fire Station 5	\$1,151,811
Fire/EMS	Fire Station 6	\$871,701
Fire/EMS	Fire Station 7	\$1,127,289
Fire/EMS	Misc. Fire/EMS Projects	\$94,246
Subtotal, Fire/EMS		\$3,578,499
General Government	Infrastructure Technology Unit	\$50,424
General Government	Public Safety Building - Courts	\$2,781,054
General Government	Central Plant	\$4,243,092
General Government	City Hall	\$32,871,706
General Government	Streetscape	\$2,439,958
General Government	Mobile Solutions	\$64,971
Subtotal, General Government		\$42,451,206
Water, SPA 2	Desert Oasis Wells and Water Supply Facility	\$73
Wastewater, SPA 2	SPA 2 Water Reclamation Facility	\$22,656
Water Resource	Central Arizona Project	\$1,617,263
Total		\$87,886,435

Source: Total amounts outstanding by fund from City of Surprise Finance Department, July 27, 2018; costs allocated by project based on original amounts by project from City of Surprise Finance Department, Annual Report for Impact Fees for the fiscal year ended June 30, 2017, Note 5.

Figure F6: Outstanding Developer Credits, FYE 2018

Development Fee Fund	Improvement	Agreement	Amount
Water, SPA 1	1 Well	Marley Park	\$157,544
Water, SPA 1	WSF Expansion 2B	Shared Agreement	\$1,785,998
Water, SPA 1	Section 15 Arsenic Treatment	Shared Agreement	\$4,773,515
Water, SPA 1	Well, WSF exp, lines	Surprise Pointe	\$5,780,501
Subtotal, SPA 1 Water			\$12,497,558
Roads	Reems Rd Improvements	Del Webb/Sun City	\$95,625
Roads	Roads and ROW	Surprise Pointe	\$3,268,183
Subtotal, Roads			\$3,363,808
Parks, SPA 1	Heritage Park Construction	Marley Park	\$3,153,318
Parks, SPA 2	Asante Park	Asante	\$4,621,046
Subtotal, Parks			\$7,774,364
Fire/EMS	Fire Station (3-acre site)	Asante	\$144,211
Water, SPA 2	Desert Oasis WSF & 2 wells	Desert Oasis	\$2,683,874
Wastewater, SPA 1	Sewer and Reclaimed Water Lines	Surprise Pointe	\$856,676
Wastewater, SPA 2	SPA 2 WRF	Shared Agreement	\$26,620,391
Total			\$53,796,671

Source: City of Surprise Finance Department, October 6, 2017.

APPENDIX G: EXCESS CONSTRUCTION SALES TAX

The City of Surprise currently assesses an excess construction sales tax, as defined by SB 1525. While most types of goods and services transactions are subject to a sales tax rate of 2.2 percent, building contracting is assessed 3.7%, so the excess construction sales tax rate is 1.5 percent. The offset for the excess construction sales tax is based on the average tax collected in recent years from a new single-family detached unit or its equivalent, which is the service unit for all the fee categories except arterial streets – referred to as an equivalent dwelling unit (EDU). The amount of excess construction sales tax paid for a new single-family home based on a review of recent single-family building permits is \$2,312. This is the amount that will be used to offset the City’s development fees per service unit. The offset is allocated among all the fees, other than the grandfathered fees and the proposed arterial street fee (which may not be adopted) proportional to the cost per service unit. The offsets by fee category are shown in Figure G1.

Figure G1: Excess Construction Sales Tax Offset

Fee Category	Cost/EDU	Offset/EDU
Water	\$4,177	\$697
Water Resource	\$3,695	\$616
Wastewater	\$3,136	\$523
Parks	\$1,439	\$240
Fire	\$947	\$158
Police	\$470	\$78
Total	\$13,864	\$2,312

Source: total offset is average excess sales tax per new single-family unit from data provided by City of Surprise Finance Department, June 11,

APPENDIX H: DEVELOPMENT FEE STUDY COST

The cost of studies to update the fees every five years, as required by SB 1525, is a cost that is attributable entirely to future development. The future update costs are based on the actual cost of the current update. Given SB 1525's requirement that the fees be updated at least every five years, a minimum of two updates will be required over the next 10 years. The update study costs are summarized in Figure H1.

Figure H1: Update Study Costs per Service Unit

Fee Type	Service Unit	Current Report Cost	10-Year Cost	New Service Units	Cost/ Service Unit
Water System	EDU	\$32,600	\$65,200	12,792	\$5.10
Water Resource	EDU	\$32,600	\$65,200	12,792	\$5.10
Wastewater	EDU	\$32,600	\$65,200	29,962	\$2.18
Roads	VMT	\$16,310	\$32,620	421,010	\$0.08
Parks and Recreation	EDU	\$16,310	\$32,620	20,847	\$1.56
Fire/EMS	EDU	\$16,310	\$32,620	26,912	\$1.21
Police	EDU	\$16,310	\$32,620	26,912	\$1.21
Total		\$163,040	\$326,080		

Source: Current total update cost from City of Surprise purchase order 217006579, dated June 12, 2017; 10-year cost is twice current cost.

APPENDIX I: GROWTH REVENUE FORECAST

The Enabling Legislation requires that the infrastructure improvements plan include:

A forecast of revenues generated by new service units other than development fees, which shall include estimated state-shared revenue, highway users revenue, federal revenue, ad valorem property taxes, construction contracting or similar excise taxes and the capital recovery portion of utility fees attributable to development based on the approved land use assumptions, and a plan to include these contributions in determining the extent of the burden imposed by the development as required in subsection B, paragraph 12 of this section. (ARS 9-463.05.E.7)

The projected revenue from these sources that may be attributed to new development over the next ten years is based on the land use assumptions. Several simplifying assumptions were used to develop the projections: total revenue growth attributable to new development is based on projected population growth, revenue by type will increase consistent with the trend over the last seven years, and revenue growth will be linear over the 10-year period. As shown in Figure I1, new development is projected to generate about \$14.5 million in total revenue over the next 10 years. Not all the revenue increase attributable to new development activity is available for capacity-expanding capital improvements. Most of it will be needed to pay for increases in annual operations and maintenance costs.

Figure I1: Revenues Attributable to Growth, FY 2018-2027

Revenue Source	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022
Property Tax	\$109,200	\$109,200	\$109,200	\$109,200	\$109,200
City Sales Tax*	\$711,700	\$711,700	\$711,700	\$711,700	\$711,700
State Sales Tax	\$538,500	\$538,500	\$538,500	\$538,500	\$538,500
State Revenue Sharing	\$81,600	\$81,600	\$81,600	\$81,600	\$81,600
Charges for Services	\$12,800	\$12,800	\$12,800	\$12,800	\$12,800
Total	\$1,453,800	\$1,453,800	\$1,453,800	\$1,453,800	\$1,453,800

Revenue Source	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
Property Tax	\$109,200	\$109,200	\$109,200	\$109,200	\$109,200
City Sales Tax*	\$711,700	\$711,700	\$711,700	\$711,700	\$711,700
State Sales Tax	\$538,500	\$538,500	\$538,500	\$538,500	\$538,500
State Revenue Sharing	\$81,600	\$81,600	\$81,600	\$81,600	\$81,600
Charges for Services	\$12,800	\$12,800	\$12,800	\$12,800	\$12,800
Total	\$1,453,800	\$1,453,800	\$1,453,800	\$1,453,800	\$1,453,800

Revenue Source	Total
Property Tax	\$1,092,000
City Sales Tax*	\$7,117,000
State Sales Tax	\$5,385,000
State Revenue Sharing	\$816,000
Charges for Services	\$128,000
Total	\$14,538,000

* includes construction sales tax

Source: Based on FY 2010-2017 revenue from City of Surprise Finance Department.

As discussed in greater detail in the Legal Framework chapter, offsets against development fees are warranted in the following cases: (1) new development will be paying taxes or fees used to retire debt on existing facilities serving existing development; (2) new development will be paying taxes or fees used to fund an existing deficiency, (3) new development will be paying taxes or fees that are dedicated for growth-related improvements, or (4) the City assesses a construction contracting sales tax rate that is higher than the rate charged for the majority of sales tax categories (excess construction sales tax). In this study, offsets against the fees have been accounted for in the following manner:

Outstanding Debt. Only debt for past capacity-expanding improvements that are currently authorized to be funded with development fees needs to be considered. For all the facility types, the eligible debt is attributable to existing excess capacity available for future development. Consequently, the eligible debt amount has been excluded from the calculation of the existing level of service, and has been included in the calculation of 10-year and buildout costs per service unit.

Existing Deficiencies. The fees are based on the existing level of service (LOS) for the service area. These fees comply the requirement of SB 1525 that fees be based on the existing LOS, and there are no existing deficiencies that need to be addressed.

Dedicated Future Funding. There is no local funding source that is dedicated for growth-related capacity improvements. No State or Federal funding is anticipated to be available to fund the growth-related capacity improvements that will be needed over the next ten years. Consequently, no offset has been provided for dedicated funding.