



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

Tuesday, May 20, 2014 @ 6:00 PM
Surprise City Council Chambers

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- A. Call To Order
- B. Roll Call
- C. Pledge of Allegiance
- D. PROCLAMATION AND COMMUNITY ACKNOWLEDGEMENTS
- E. City Manager Report:
- F. City Attorney Report:
- G. Regular City Council Meeting Agenda:

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.

Consent Agenda:

- | | | | |
|-----|-------------------|---|--|
| *#1 | District 1 | <u>Consideration and action approving "Surprise Farms Gateway," final plat dated April 28, 2014, a property generally located at the southwest corner of Bell Road and State Route 303; Resolution 2014-43.</u> | Approve
Chris Boyd,
Community
& Economic
Development |
| *#2 | District Citywide | <u>Consideration and action on the minutes of April 26, 2014 Special City Council Meeting (Budget Retreat); April 29, 2014 Special City Council Meeting (Budget Retreat) and May 6, 2014 Regular Work Session and Regular Council Meeting.</u> | Approve
Sherry Ann
Aguilar,
City Clerk |
| *#3 | District Citywide | <u>Consideration and action authorizing the Mayor execute an amendment the existing intergovernmental agreement with Arizona Department of Transportation (ADOT) increaseing the construction funding of the Bell Road sidewalk project; Resolution No. 2014-38.</u> | Approve
Dick
McKinley,
Public
Works
Department |
| *#4 | District Citywide | <u>Consideration and action authorizing the City Manger to accept a Maricopa Association of Governments (MAG) grant award not to exceed \$382,400 (\$191,200 dollars per sweeper) for the purchase of two PM10 Certified Street Sweeper replacements; Resolution No. 2014-50.</u> | Approve
Dick
McKinley,
Public
Works |

- | | | |
|-----------------------|--|---|
| *#5 District 1 | <u>Consideration and action authorizing the Mayor to execute an amendment to the Intergovernmental Agreement with the Arizona Department of Transportation for the improvements related to Dove Valley Road from 203rd Avenue to 187th Avenue; Resolution 2014-13.</u> | Approve
Dick
McKinley,
Public
Works
Department |
| *#6 District Citywide | <u>Consideration and action authorizing the Mayor to execute an Intergovernmental Agreement with Nadaburg Unified School District to provide bus transportation to Summer Camp program participants; Resolution #2014-47.</u> | Approve
Mark A.
Coronado,
Director -
Community
&
Recreation
Services |

Regular Agenda Item - Non-Public Hearing:

- | | | |
|----------------------|--|--|
| #7 District Citywide | <u>Presentation and discussion regarding the FY2014 Budget Status Report through March 2014.</u> | No Action
Bob
Wingenroth,
Assistant
City
Manager /
Chief
Financial
Officer |
| #8 District Citywide | <u>Consideration and adoption of the revised Development Impact Fee Study Resolution #2014-59.</u> | Approve
Bob
Wingenroth,
Assistant City
Manager/Chief
Financial
Officer |

H. 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 on any item not 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.

I. Other Business and Future Agenda Items:

J. Mayor/Council Reports:

K. Executive Session:

- | | | |
|----------------------|---|--|
| #9 District Internal | <u>Discussion/consultation with the City Attorney to receive legal advice; and to consider its position on contract negotiations and pending/contemplated litigation regarding development on property bounded by Bell, Litchfield, Greenway and Bullard Roads. (A.R.S. §38-431.03(A)(3) &(4)).</u> | No Action
Misty Leslie,
City
Attorney |
|----------------------|---|--|

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.

L. Adjournment:

SHERRY ANN AGUILAR, CITY CLERK, MMC

POSTED: Posted on May 15, 2014 @ 3:00 p.m.

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

May 20, 2014 @ 6:00:00 PM

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Council Meeting Date:	May 20, 2014	Contact Person:	Chris Boyd, Community & Economic Development
Submitting Department:		District:	1
Staff Recommendations:	Approve		

Consent	x	Regular	Public Hearing	Report/Discussion
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Agenda Wording:

Consideration and action approving "Surprise Farms Gateway," final plat dated April 28, 2014, a property generally located at the southwest corner of Bell Road and State Route 303; Resolution 2014-43.

Motion:

I move to approve Resolution 2014-43.

Background:

The applicant is requesting a final plat approval that will establish the property boundaries, necessary easements, and right-of-way dedications to create eight (8) commercial parcels for development, including an 85,000 square foot building currently identified as a grocery store and the primary anchor.

Financial Impact Statement:

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

ATTACHMENTS:

Click to download

- ☐ [Staff Report](#)
 - ☐ [Resolution and Plat](#)
 - ☐ [Vicinity Map](#)
 - ☐ [Aerial](#)
 - ☐ [Aerial with Site Plan](#)
 - ☐ [Aerial with Perspective View](#)
-

External Attachment Links:

Meeting Requirements:

Powerpoint x Video White Board Other x

Presentation Speaker Names (spelling and titles for TV captions):

Nichole McCarty, ActingPlanning Manager



COMMUNITY AND ECONOMIC DEVELOPMENT DEPARTMENT

Date: May 20, 2014

To: Mayor and City Council

From: Chris Boyd, Interim Director
Nichole McCarty, Acting Planning Manager
nichole.mccarty@surpriseaz.gov 623-222-3137

Re: FS14-098, Surprise Farms Gateway - Final Plat

Application Summary

The applicant is requesting approval of a final plat entitled "Surprise Farms Gateway."

Location

The project is generally located on the southwest corner of Bell Road and Loop 303. The project is part of the Surprise Farms PAD. The total land area of the property is 22.8 acres and the property is zoned Community Commercial (CC) or C2.

History

- The subject project area was annexed into the city on April 26, 1984.
- On March 27, 1995, the Mayor and City Council approved the Surprise Farms PAD.
- On October 3, 2013, the Planning and Zoning Commission approved a Major Site Plan for an 85,000 square-foot grocery store to be located on this site.

Project Summary

The applicant is proposing to subdivide the commercial parcel on the southwest corner of Bell Road and Loop 303 from a single parcel into eight (8) lots. These parcels will be developed in multiple phases as the market permits, with ten (10) proposed commercial/retail building pads.

The proposed configuration will accommodate the approved development on lot number eight (8), which is approximately 9.9 acres of the 22.8 acre property. The additional lots (numbers 1-7) will account for the remaining 12.9 acres.

The proposed parcels, once developed, will be accessible from two (2) points on Bell Road. The properties will also have a vehicle and pedestrian connection to the existing commercial properties to the west. Onsite improvements will include vehicle and pedestrian access, water, sewer, utilities, landscaping, retention, parking, and site lighting. Offsite improvements

include half street improvements on a portion of Bell Road with curb and gutter, deceleration lanes, landscaping, retention, and street lights. Included with the proposed final plat are water, sewer, no-build, traffic signal/sidewalk, and public utility easements.

Findings

1. Staff finds that the proposed Final Plat complies with the Surprise Municipal Code.
2. Staff finds that the proposed Final Plat complies with the Surprise General Plan.
3. Staff finds that the proposed Final Plat complies with the Surprise Farms PAD.

Recommendation

Staff recommends approval of the project, subject to the findings of fact.

Attachments

Vicinity map, Final Plat and Resolution.

RESOLUTION #2014-43

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF SURPRISE, ARIZONA, APPROVING A FINAL PLAT ENTITLED "SURPRISE FARMS GATEWAY," GENERALLY LOCATED AT THE SOUTHWEST CORNER OF BELL ROAD AND THE LOOP 303.

WHEREAS, on April 26, 1984, the Mayor and City Council approved the annexation of this property into the City of Surprise;

WHEREAS, on March 27, 1995 the Mayor and City Council approved the Surprise Farms Planned Area Development;

WHEREAS, the proposed Final Plat conforms to the Site Plan approved by the Planning and Zoning Commission on October 3, 2013;

WHEREAS, the proposed final plat does not create any substandard or nonconforming lots; and

WHEREAS, the proposed Final Plat is in compliance with the Surprise Municipal Code and Surprise General Plan.

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

Section 1. The Final Plat entitled "Surprise Farms Gateway" dated April 28, 2014, is approved.

APPROVED AND ADOPTED this _____ day of _____ 2014.

Sharon R. Wolcott, Mayor

Attest:

Approved as to form:

Sherry Aguilar, City Clerk

Misty Leslie, City Attorney

FINAL PLAT OF "SURPRISE FARMS GATEWAY"
A PORTION OF THE NORTHWEST QUARTER OF SECTION 1, TOWNSHIP 3 NORTH, RANGE 2 WEST
OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

DEDICATION

STATE OF ARIZONA } ss
COUNTY OF MARICOPA }

KNOW ALL PERSONS BY THESE PRESENTS: THAT BELL ROAD AND LOOP 303 LLP AND WINCO FOODS, LLC, ("OWNER"), HAVE SUBDIVIDED UNDER THE NAME "SURPRISE FARMS GATEWAY", A SUBDIVISION LOCATED IN A PORTION OF THE NORTHWEST QUARTER OF SECTION 1, TOWNSHIP 3 NORTH, RANGE 2 WEST, MARICOPA COUNTY, ARIZONA AS SHOWN AND PLATTED HEREON AND DOES HEREBY PUBLISH THIS PLAT AS AND FOR THE PLAT OF "SURPRISE FARMS GATEWAY" AND DECLARES THAT THIS PLAT SETS FORTH THE LOCATION AND GIVES THE DIMENSIONS OF EACH LOT, TRACT, STREET, AND EASEMENT CONSTITUTING SAME, AND THAT EACH LOT, TRACT, STREET, AND EASEMENT SHALL BE KNOWN BY THE NUMBER, LETTER, AND/OR NAME GIVEN TO EACH RESPECTIVELY AS SHOWN ON THIS PLAT.

OWNER HEREBY GRANTS TO THE CITY OF SURPRISE AN EXCLUSIVE EASEMENT OVER, UPON AND ACROSS ALL SEWER LINES AS SHOWN ON THE PLAT, INCLUDING A CROSS-ACCESS EASEMENT ACROSS THE ENTIRE PLAT FOR THE PURPOSE OF PROVIDING CONTINUOUS AND UNINTERRUPTED INGRESS AND EGRESS FOR EMERGENCY AND TRASH COLLECTION VEHICLES AND TO DEDICATED SEWER LINES FOR THE PURPOSE OF INSTALLING, CONSTRUCTING, MAINTAINING, REPAIRING, REPLACING AND UTILIZING THE SEWER LINES.

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

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

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

ANY PARTY WITH RIGHTS TO ANY WATER OR SEWER EASEMENT THAT OVERLAPS ANOTHER WATER OR SEWER EASEMENT SHALL HAVE THE RIGHT TO INSTALL, CONSTRUCT, MAINTAIN, REPAIR, REPLACE AND UTILIZE THE WATER/SEWER LINES/WATER METERS IN SUCH EASEMENTS THAT OVERLAP IN AN EMERGENCY SITUATION WITHOUT THE CONSENT OF ALL PARTIES WITH RIGHTS TO SUCH EASEMENTS. IN SUCH AREAS THAT OVERLAP IN A NON-EMERGENCY SITUATION ALL PARTIES SHALL CONSENT PRIOR TO ALLOWING ANY OTHER PARTY TO PERFORM ANY INSTALLATION, CONSTRUCTION, MAINTENANCE, REPAIR, OR REPLACEMENT WORK WITHIN THE EASEMENT.

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

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

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

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

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

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

IN WITNESS WHEREOF, OWNER HAS HEREUNTO CAUSED ITS CORPORATE NAME TO BE SIGNED AND ITS CORPORATE SEAL TO BE AFFIXED BY THE UNDERSIGNED, DULY AUTHORIZED OFFICER THIS ____ DAY OF _____, 2014.

BELL ROAD AND LOOP 303 LLP

BY: _____

ITS: _____

WINCO FOODS, LLC

BY: _____

ITS: _____

RELEASE OF LIABILITY

BELL ROAD AND LOOP 303 LLP AND WINCO FOODS, LLC, ("OWNER") DOES HEREBY (1) RELEASE AND DISCHARGE THE USAF AND THE CITY OF SURPRISE, AND (2) INDEMNIFY, DEFEND, AND HOLD HARMLESS THE CITY OF SURPRISE, OF AND FROM ANY LIABILITY FOR ANY AND ALL CLAIMS FOR DAMAGES OF ANY KIND TO PERSONS OR PROPERTY THAT MAY ARISE AT ANY TIME IN THE FUTURE OVER, OR IN CONNECTION WITH AIRCRAFT OVERFLIGHTS FROM AIRCRAFT UTILIZING LUKE AIR FORCE BASE, WHETHER SUCH DAMAGE SHALL ORIGINATE FROM NOISE, VIBRATION, FUMES, DUST, FUEL AND LUBRICANT PARTICLES, AND ALL OTHER EFFECTS THAT MAY BE CAUSED BY THE OPERATION OF AIRCRAFT LANDING AT, OR TAKING OFF FROM, OR OPERATING AT OR ON LUKE AIR FORCE BASE. THIS INSTRUMENT SHALL RUN WITH THE LAND AND BE BINDING UPON OWNER AND ITS HEIRS, ASSIGNS, AND SUCCESSORS IN INTEREST TO THIS PLAT OR ANY PARCEL OR LOT THEREOF. THIS INSTRUMENT DOES NOT RELEASE THE USAF FROM LIABILITY FOR DAMAGE OR INJURY TO PERSON OR PROPERTY CAUSED BY FALLING AIRCRAFT OR FALLING PHYSICAL OBJECTS FROM AIRCRAFT, EXCEPT AS STATED HEREIN WITH RESPECT TO NOISE, FUMES, DUST, FUEL, AND LUBRICANT PARTICLES.

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

SURVEYOR

SUPERIOR SURVEYING SERVICES INC.
21415 N. 23RD AVENUE
PHOENIX, AZ 85027
PHONE: (623)869-0223
FAX: (623)869-0726
CONTACT: DAVID S. KLEIN

SURVEYORS NOTES

1. THE BASIS OF BEARING IS THE MONUMENT LINE OF BELL ROAD, ALSO BEING THE NORTH LINE OF THE NORTHWEST QUARTER OF SECTION 1, USING A BEARING OF SOUTH 89 DEGREES 24 MINUTES 56 SECONDS EAST PER THE RECORD OF SURVEY FOR "LOOP 303 AND BELL ROAD" BOOK 1122 OF MAPS, PAGE 12, RECORDS OF MARICOPA COUNTY, ARIZONA.

2. ALL TITLE INFORMATION AND THE DESCRIPTION SHOWN IS BASED ON A THIRD AMENDED COMMITMENT FOR TITLE INSURANCE ISSUED BY FIRST AMERICAN TITLE INSURANCE COMPANY, COMMITMENT NUMBER NCS-585179-WA1, DATED FEBRUARY 13, 2014.

REFERENCES

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

FINAL PLAT OF "SURPRISE FARMS PHASE 1-A NORTH, PARCEL 2" RECORDED IN BOOK 544 OF MAPS, PAGE 10, MARICOPA COUNTY RECORDS

FINAL PLAT OF "SURPRISE FARMS PHASE 1-A NORTH, PARCEL 4" RECORDED IN BOOK 544 OF MAPS, PAGE 13, MARICOPA COUNTY RECORDS

FINAL PLAT OF "SAFEWAY STORE #1997 BELL ROAD & COTTON LANE" RECORDED IN BOOK 795 OF MAPS, PAGE 21, MARICOPA COUNTY RECORDS

RECORD OF SURVEY OF "LOOP 303 AND BELL ROAD" RECORDED IN BOOK 1122 OF MAPS, PAGE 12, MARICOPA COUNTY RECORDS

PUBLIC NOTICE

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

ACKNOWLEDGMENT

STATE OF ARIZONA } ss
COUNTY OF MARICOPA }

THE FOREGOING INSTRUMENT WAS ACKNOWLEDGED BEFORE ME THIS ____ DAY OF _____, 2014 BY _____ IN THEIR AFOREMENTIONED CAPACITIES ON BEHALF OF BELL ROAD AND LOOP 303 LLP.

MY COMMISSION EXPIRES _____

NOTARY PUBLIC

ACKNOWLEDGMENT

STATE OF ARIZONA } ss
COUNTY OF MARICOPA }

THE FOREGOING INSTRUMENT WAS ACKNOWLEDGED BEFORE ME THIS ____ DAY OF _____, 2014 BY _____ IN THEIR AFOREMENTIONED CAPACITIES ON BEHALF OF WINCO FOODS, LLC.

MY COMMISSION EXPIRES _____

NOTARY PUBLIC

NOTICE OF
SURPRISE FARMS
DEVELOPMENT AGREEMENT

SURPRISE VILLAGE COMPANY L.L.C., HEREINAFTER ("LANDOWNER") HAS ENTERED INTO A SURPRISE FARMS DEVELOPMENT AGREEMENT DATED DECEMBER 1, 1999 ("AGREEMENT") WITH MARICOPA COUNTY MUNICIPAL WATER CONSERVATION DISTRICT NUMBER ONE ("MWD") FOR WHICH A MEMORANDUM OF AGREEMENT WAS RECORDED ON DECEMBER 3, 1999, AT THE MARICOPA COUNTY RECORDERS' OFFICE AT DOCKET NO. 99-1092981. THE LANDS WITHIN SURPRISE FARMS ("PROJECT AREA") AND DESCRIBED AND DELINEATED IN THIS SUBDIVISION PLAT ARE SUBJECT TO THE AGREEMENT.

THE AGREEMENT AND THIS SUBDIVISION PLAT, INCLUDING ANY AND ALL DEDICATIONS THEREIN, HEREBY PRESERVE MWD'S PRIOR AND SUPERIOR RIGHTS OF ACCESS TO AND USE OF EXISTING AND FUTURE MWD FACILITIES AND MWD PROPERTY INTERESTS, AS SUCH TERMS ARE DEFINED IN THE AGREEMENT, TO ENABLE MWD TO ACCOMPLISH ALL OF MWD'S PURPOSES, INCLUDING, BUT NOT LIMITED TO, THE TRANSMISSION AND DISTRIBUTION OF WATER, WASTEWATER, POWER AND COMMUNICATIONS; AND TO CONSTRUCT, RECONSTRUCT, OPERATE, MAINTAIN AND REPLACE THOSE MWD FACILITIES AND MWD PROPERTY INTERESTS.

IN ADDITION, THE AGREEMENT PROVIDES, INTER ALIA, THAT ALL RIGHTS AND OBLIGATIONS OF AN URBANIZED AREA, AS DEFINED IN THE AGREEMENT, COVERED BY THIS, SUBDIVISION PLAT WITH RESPECT TO ALL USES OF MWD WATER AND FINANCIAL OBLIGATIONS FOR TAXES AND ASSESSMENTS OF MWD, ARE CONSOLIDATED IN THE LAND WITHIN THE PROJECT AREA COMPRISING THE GOLF COURSES AND PROPERTY OWNER ASSOCIATION COMMON AREAS, EXCLUSIVE OF DEDICATED ROADS AND OTHER DEDICATED RIGHT-OF-WAY, DEFINED AS "TURF LANDS", WITHIN THE LAND THAT IS SUBJECT TO THE AGREEMENT. LANDOWNER AND ITS SUCCESSORS IN INTEREST IN THE TURF LANDS ARE TO MAKE PAYMENTS IN LIEU OF TAXES AND ASSESSMENTS ("IN LIEU PAYMENTS") TO MWD AS PARTIAL CONSIDERATION FOR THE CONSOLIDATION OF THE RIGHTS AND OBLIGATIONS PROVIDED FOR IN THE AGREEMENT, IN AN AMOUNT EQUAL TO THE TAXES AND ASSESSMENTS OF MWD THAT WOULD OTHERWISE BE APPLICABLE TO ALL LANDS WITHIN EACH URBANIZED AREA, WITHIN THE PROJECT AREA, SUBJECT TO A SUBDIVISION PLAT OR DECLARATION OF URBANIZED AREA, HAD THE LANDS NOT BEEN CONVERTED FROM AGRICULTURAL IRRIGATION. MWD HAS THE RIGHT TO LIEN THE TURF LANDS AND, AFTER NOTICE AND FAILURE TO CURE, FORECLOSE THE LIEN IN ACCORDANCE WITH THE AGREEMENT AND ARIZONA LAW IF THE IN LIEU PAYMENTS ARE NOT MADE WHEN DUE. THE AGREEMENT PROVIDES THAT NO TAXES OR ASSESSMENTS MAY BE LEVIED BY MWD UPON ANY URBANIZED AREA, OTHER THAN THE TURF LANDS, AND THAT THE OWNER OF THE TURF LANDS MAY EXERCISE THE RIGHT TO VOTE IN MWD ELECTIONS LIMITED TO THE TOTAL ACREAGE COMPRISING THE TURF LANDS. NO OTHER OWNER OF AN URBANIZED AREA MAY EXERCISE ANY RIGHTS EXISTING BY VIRTUE OF OWNERSHIP OF LAND WITHIN AN URBANIZED AREA TO VOTE IN MWD ELECTIONS.

LANDOWNER HAS THE RIGHT, UPON AGREEMENT WITH MWD, TO ALTER OR AMEND THE AGREEMENT SO LONG AS LANDOWNER CONTINUES TO OWN ANY PORTION OF THE PROJECT AREA THAT IS DEFINED WITHIN AND SUBJECT TO THE AGREEMENT. ANY SUCH ALTERATIONS OR AMENDMENTS SHALL BE BINDING UPON ALL OF THE LAND AND OWNERS THEREOF, REGARDLESS OF WHETHER SUCH ALTERATION OR AMENDMENT IS EXECUTED BEFORE OR AFTER THE LAND HAS BEEN CONVEYED FROM LANDOWNER TO ANOTHER OWNER.

THE AGREEMENT AND ANY AMENDMENTS THERETO ARE ON FILE AT THE OFFICES OF LANDOWNER AT BELL ROAD AND LOOP 303 LLP, 11219 100TH AVENUE, EDMONTON, ALBERTA, CANADA, T5K 0J1, AND AT WINCO FOODS, LLC, 650 N. ARMSTRONG PLACE, BOISE, IDAHO, 83704 AND MAY BE REVIEWED AS TO ALL DETAILS, WITH PARTICULAR REFERENCE TO SECTIONS 10, 12 AND 22 UPON REASONABLE REQUEST.

DATED THIS ____ DAY OF _____, 2014.

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

ATTEST:

BY: _____
CHRISTINE CAIN

BY: _____
GLEN VORTHERMS

ITS: PROPERTY & CONTRACTS SUPERVISOR

ITS: ASSISTANT SECRETARY

BELL ROAD AND LOOP 303, LLP, an Arizona limited liability company

BY: _____
BRAD CLOUGH

ITS: PARTNER

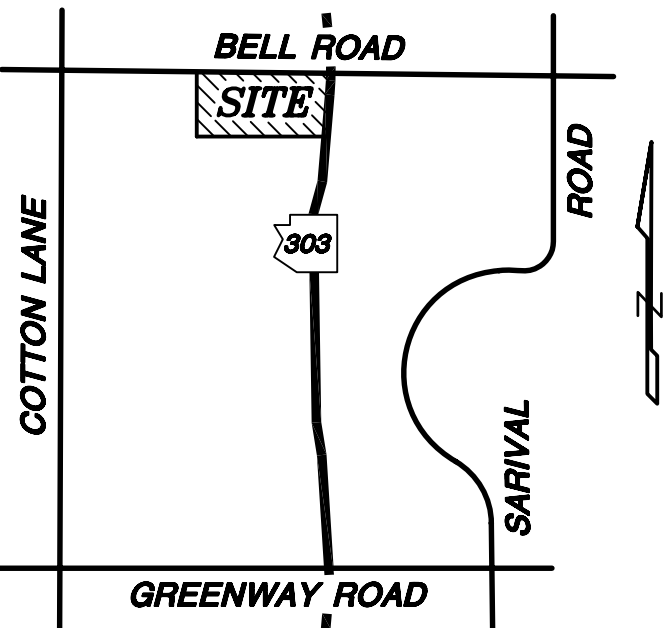
WINCO FOODS, LLC, a Delaware limited liability company

BY: _____
DAVID BUTLER

ITS: CHIEF FINANCIAL OFFICER

WATER SUPPLY

THE LOTS DEPICTED ON THIS PLAT HAVE AN ASSURED WATER SUPPLY VIA MEMBERSHIP IN THE CENTRAL ARIZONA GROUNDWATER REPLENISHMENT DISTRICT, PER DOCUMENT NO. 2000-0322589, MARICOPA COUNTY RECORDS.



VICINITY MAP
NOT TO SCALE

AREA

LOT NO.	AREA
LOT 1	50,257 SQ. FT. 1.154 ACRES
LOT 2	48,471 SQ. FT. 1.113 ACRES
LOT 3	41,704 SQ. FT. 0.957 ACRES
LOT 4	37,847 SQ. FT. 0.869 ACRES

LOT NO.	AREA
LOT 5	48,583 SQ. FT. 1.115 ACRES
LOT 6	40,597 SQ. FT. 0.932 ACRES
LOT 7	293,951 SQ. FT. 6.748 ACRES
LOT 8	430,429 SQ. FT. 9.881 ACRES

TOTAL	991,839 SQ. FT. 22.769 ACRES
-------	---------------------------------

APPROVALS

EPCOR WATER ARIZONA INC. APPROVAL

DATA ON THIS PLAT REVIEWED AND APPROVED THIS ____ DAY OF _____, 2014, BY EPCOR WATER ARIZONA INC.

APPROVED _____ DATE _____
EPCOR WATER ARIZONA INC.

CITY OF SURPRISE ENGINEER APPROVAL

DATA ON THIS PLAT REVIEWED AND APPROVED THIS ____ DAY OF _____, 2014, BY THE CITY ENGINEER OF SURPRISE, ARIZONA.

APPROVED _____ DATE _____
CITY ENGINEER

CITY OF SURPRISE COUNCIL APPROVAL

APPROVED BY THE CITY COUNCIL OF THE CITY OF SURPRISE, ARIZONA. THIS ____ DAY OF _____, 2014.

MAYOR

ATTEST: _____
CITY CLERK

CERTIFICATION

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

APRIL 28, 2014
DAVID S. KLEIN
R.L.S. 42137
21415 N. 23RD AVENUE
PHOENIX, AZ 85027



EXPIRES 3/31/17

"SURPRISE FARMS GATEWAY"
FINAL PLAT
SURPRISE, ARIZONA

21415 N. 23rd Avenue, Phoenix, AZ 85027
623-869-0223 (office) 623-869-0726 (fax)
www.superiorsurveying.com
info@superiorsurveying.com



DWN: JW CHK: DK

SHEET 1 OF 4

DATE: 4/28/14

JOB NO.: 131026

FINAL PLAT OF "SURPRISE FARMS GATEWAY"
A PORTION OF THE NORTHWEST QUARTER OF SECTION 1, TOWNSHIP 3 NORTH, RANGE 2 WEST
OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.

DESCRIPTION

PARCEL NO. 1:
THAT PORTION OF THE NORTHWEST QUARTER OF SECTION 1, TOWNSHIP 3 NORTH, RANGE 2 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN MARICOPA COUNTY, ARIZONA, DESCRIBED AS FOLLOWS:

COMMENCING AT A BRASS CAP FLUSH ACCEPTED AS THE NORTH QUARTER CORNER OF SAID SECTION 1, FROM WHICH A BRASS CAP IN HAND HOLE ACCEPTED AS THE NORTHWEST CORNER THEREOF BEARS NORTH 89 DEGREES 01 MINUTES 37 SECONDS WEST A DISTANCE OF 2642.13 FEET;
THENCE ALONG THE NORTH LINE OF SAID NORTHWEST QUARTER, NORTH 89 DEGREES 01 MINUTES 37 SECONDS WEST A DISTANCE OF 299.98 FEET;
THENCE SOUTH 00 DEGREES 58 MINUTES 23 SECONDS WEST A DISTANCE OF 65.00 FEET TO A POINT ON THE SOUTH RIGHT OF WAY LINE OF BELL ROAD AND THE WESTERLY RIGHT OF WAY LINE OF STATE ROUTE 303 ACCORDING TO DOCUMENT 90-049678 OF OFFICIAL RECORDS, RECORDS OF SAID MARICOPA COUNTY; AND THE POINT OF BEGINNING;
THENCE ALONG SAID WESTERLY LINE, SOUTH 00 DEGREES 57 MINUTES 38 SECONDS WEST A DISTANCE OF 335.00 FEET TO AN ANGLE POINT THEREIN;
THENCE ALONG SAID WESTERLY LINE, SOUTH 05 DEGREES 23 MINUTES 26 SECONDS EAST A DISTANCE OF 347.73 FEET TO THE NORTH LINE OF SURPRISE FARMS PHASE 1-A NORTH PARCEL 2 AS RECORDED IN BOOK 544 OF MAPS, PAGE 10, RECORDS OF SAID MARICOPA COUNTY;
THENCE ALONG SAID NORTH LINE AND THE NORTH LINE OF SURPRISE FARMS PHASE 1-A NORTH PARCEL 4 AS RECORDED IN BOOK 544 OF MAPS, PAGE 13, RECORDS OF SAID MARICOPA COUNTY, NORTH 89 DEGREES 01 MINUTES 33 SECONDS WEST A DISTANCE OF 1550.30 FEET;
THENCE LEAVING SAID NORTH LINE, NORTH 00 DEGREES 58 MINUTES 23 SECONDS EAST A DISTANCE OF 680.56 FEET TO SAID SOUTH RIGHT OF WAY LINE OF BELL ROAD;
THENCE ALONG SAID SOUTH LINE, SOUTH 89 DEGREES 01 MINUTES 37 SECONDS EAST A DISTANCE OF 1511.68 FEET TO THE POINT OF BEGINNING;

EXCEPT THE FOLLOWING DESCRIBED PROPERTY:

THAT PORTION OF THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER OF SECTION 1, TOWNSHIP 3 NORTH, RANGE 2 WEST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA, WHICH LIES SOUTH OF THE EXISTING SOUTH RIGHT-OF-WAY LINE OF BELL ROAD, BETWEEN THE EXISTING WESTERLY RIGHT-OF-WAY LINE OF STATE ROUTE 303 (BOB STUMP MEMORIAL PARKWAY) AND THE FOLLOWING DESCRIBED RIGHT OF WAY LINE:

RIGHT OF WAY LINE DESCRIPTION:

COMMENCING AT ARIZONA DEPARTMENT OF TRANSPORTATION HIGHWAY DEPARTMENT (ADOT HD) ALUMINUM CAP MARKING THE NORTH QUARTER CORNER OF SAID SECTION 1, BEING SOUTH 89 DEGREES 25 MINUTES 09 SECONDS EAST 2642.25 FEET FROM A MARICOPA COUNTY BRASS CAP IN HAND HOLE MARKING THE NORTHWEST CORNER OF SAID SECTION 1;
THENCE ALONG THE NORTH LINE OF SAID SECTION 1, SOUTH 89 DEGREES 23 MINUTES 36 SECONDS EAST 20.00 FEET TO THE SURVEY CENTERLINE OF SAID STATE ROUTE 303L;
THENCE ALONG SAID SURVEY CENTERLINE, SOUTH 0 DEGREES 28 MINUTES 50 SECONDS WEST 1487.65 FEET;
THENCE NORTH 89 DEGREES 31 MINUTES 10 SECONDS WEST 256.85 FEET TO THE POINT OF BEGINNING;
THENCE NORTH 5 DEGREES 29 MINUTES 45 SECONDS WEST 1098.42 FEET;
THENCE NORTH 0 DEGREES 35 MINUTES 12 SECONDS EAST 290.60 FEET;
THENCE NORTH 83 DEGREES 13 MINUTES 48 SECONDS WEST 241.40 FEET TO A POINT HEREINAFTER REFERRED TO AS POINT "A";
THENCE NORTH 87 DEGREES 44 MINUTES 52 SECONDS WEST 206.45 FEET;
THENCE NORTH 80 DEGREES 49 MINUTES 53 SECONDS WEST 55.02 FEET TO SAID EXISTING SOUTH RIGHT OF WAY LINE OF BELL ROAD;
THENCE NORTH 0 DEGREES 34 MINUTES 51 SECONDS EAST 65.00 FEET TO THE POINT OF ENDING ON THE NORTH LINE OF SAID SECTION 1, BEING NORTH 89 DEGREES 25 MINUTES 09 SECONDS WEST 851.26 FEET FROM SAID NORTH QUARTER CORNER OF SECTION 1.

EXCEPT ANY PORTION LYING WITHIN TRACT A OF SURPRISE FARMS PHASE 1-A NORTH PARCEL 2, ACCORDING TO BOOK 544 OF MAPS, PAGE 10, RECORDS OF MARICOPA COUNTY, ARIZONA.

PARCEL NO. 2:
EASEMENTS SET FORTH IN CROSS ACCESS AGREEMENT RECORDED MAY 16, 2002 AS 2002-504305 OF OFFICIAL RECORDS; SECOND AMENDMENT RECORDED JULY 13, 2006 AS 2006-937967 OF OFFICIAL RECORDS AND RE-RECORDED JULY 14, 2006 AS 2006-946471 OF OFFICIAL RECORDS.

NOTES

- ALL UTILITY LINES SHALL BE CONSTRUCTED UNDERGROUND.
- ELECTRIC LINES TO BE CONSTRUCTED UNDERGROUND AS REQUIRED BY ARIZONA CORPORATION COMMISSION.
- ALL COMMUNICATION LINES TO BE CONSTRUCTED UNDERGROUND AS REQUIRED BY ARIZONA CORPORATION COMMISSION.
- A PROPERTY OWNERS ASSOCIATION SHALL MAINTAIN PRIVATE UTILITIES, PRIVATE FACILITIES, COMMON AREA LANDSCAPING AND LANDSCAPING IN THE RIGHT-OF-WAY ADJACENT TO THE PROJECT. THE CITY OF SURPRISE IS NOT RESPONSIBLE FOR AND WILL NOT ACCEPT MAINTENANCE FOR SUCH AREAS.
- NO STRUCTURES SHALL BE CONSTRUCTED IN OR ACROSS NOR SHALL OTHER IMPROVEMENTS OR ALTERATIONS BE MADE TO THE DRAINAGE FACILITIES THAT ARE A PART OF THIS DEVELOPMENT WITHOUT WRITTEN AUTHORIZATION OF THE CITY OF SURPRISE.
- ALL RETENTION BASINS MUST DRAIN ANY STORM EVENT UP TO AND INCLUDING THE 100 YEAR - 2 HOUR STORM EVENT. OWNER(S) OF ANY EXISTING BASIN FAILING TO MEET THIS REQUIREMENT MUST TAKE CORRECTIVE ACTION TO BRING THE BASIN INTO COMPLIANCE.
- ALL DRYWELLS SHOWN ON THIS PROJECT SHALL BE MAINTAINED BY THE OWNER(S) AND ARE TO BE REPLACED BY THE OWNER(S) WHEN THEY CEASE TO DRAIN THE SURFACE WATER IN A 36 HOUR PERIOD. REGULAR MAINTENANCE OF THE DRYWELL SILTING CHAMBER IS REQUIRED TO ACHIEVE THE BEST OPERATION OF THE DRYWELL.
- A VEHICULAR AND PEDESTRIAN CROSS ACCESS EASEMENT IS HEREBY CREATED AMONGST LOTS 1-8, AND ANY FUTURE SUBDIVISIONS THEREOF.
- THE PROPERTY OWNERS, OR ANY SUBSEQUENT OWNERS SHALL NOT PROCEED WITH ANY ON SITE GRADING OR EXCAVATION WITHOUT FIRST OBTAINING A PERMIT FROM THE CITY OF SURPRISE.
- PURSUANT TO A.R.S. § 42-11102, THE CITY OF SURPRISE, A POLITICAL SUBDIVISION OF THE STATE OF ARIZONA, IS EXEMPT FROM ALL TAXES AND ASSESSMENTS BASED ON ASSESSED VALUE EXCEPT FOR SPECIAL DISTRICTS #14751 AND 14710, WHEN APPLICABLE.
- THE PROPERTY IS LOCATED WITHIN AN AREA HAVING FLOOD ZONE "X" (SHADED) BY THE FEDERAL EMERGENCY MANAGEMENT AGENCY, ON FLOOD INSURANCE RATE MAP NO. 04013C1220L, WITH A DATE OF IDENTIFICATION OF OCTOBER 16, 2013, FOR COMMUNITY NO. 040053, IN MARICOPA COUNTY, STATE OF ARIZONA, WHICH IS THE CURRENT FLOOD INSURANCE RATE MAP FOR THE COMMUNITY IN WHICH SAID PROPERTY IS SITUATED.
- IN ACCORDANCE WITH ARS § 9-461.07, THE CITY OF SURPRISE HAS DETERMINED THAT ALL DEDICATIONS OCCURRING WITH THIS PLAT ARE IN CONFORMANCE WITH THE SURPRISE GENERAL PLAN.
- THE MAINTENANCE OF DRAINAGE FACILITIES SHALL BE THE RESPONSIBILITY OF THE PRESENT OWNERS AND/OR OWNER'S ASSOCIATION.

NOTICE OF INTERGOVERNMENTAL AGREEMENT

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

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

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

OWNER

BELL ROAD AND LOOP 303 LLP
11219 100TH AVENUE
EDMONTON, ALBERTA, CANADA T5K 0J1

WINCO FOODS, LLC
650 N. ARMSTRONG PLACE
BOISE, IDAHO 83704



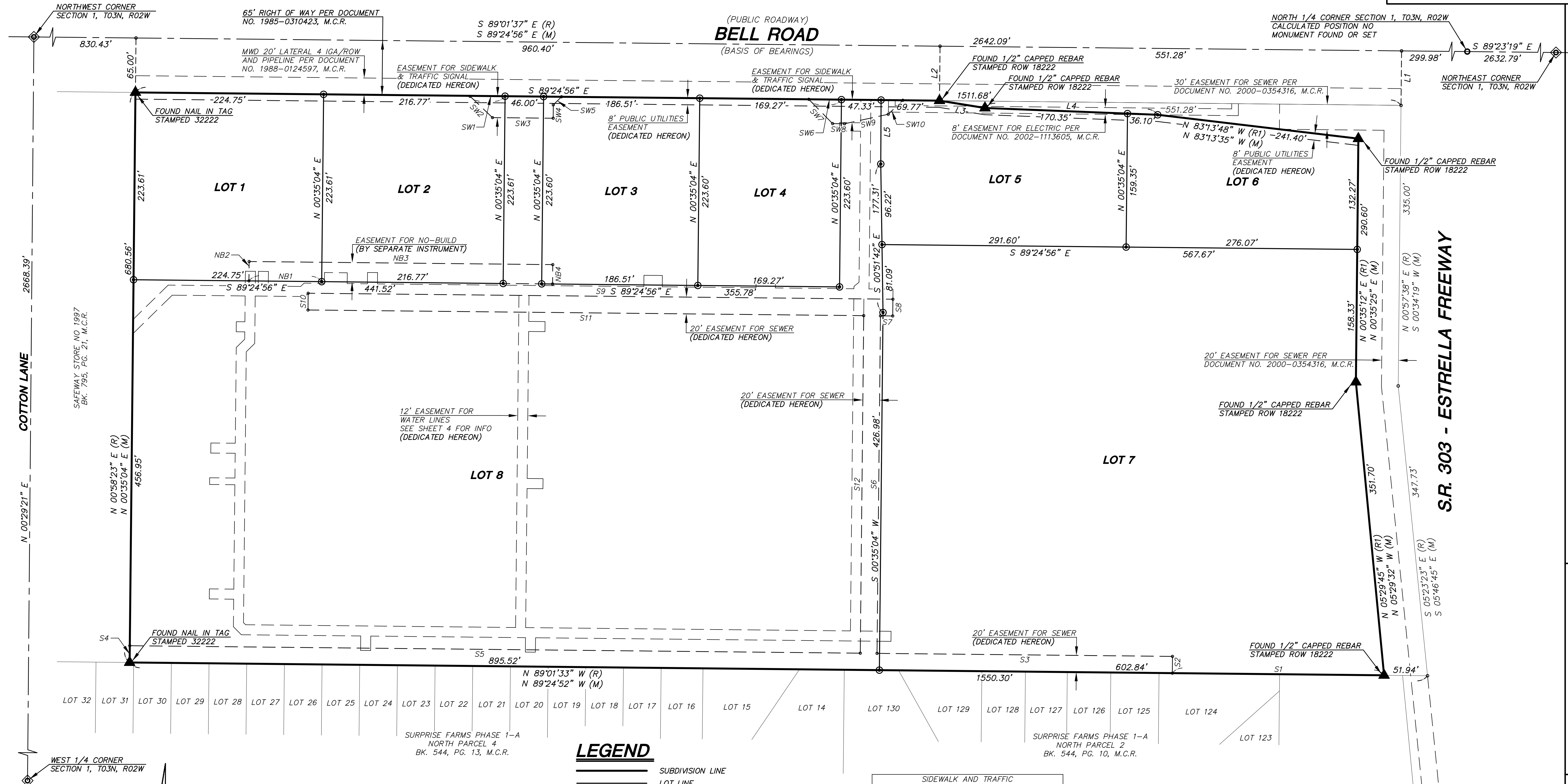
EXPIRES 3/31/17

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SUPERIOR
SURVEYING SERVICES, INC.

DWN: JW CHK: DK
SHEET 3 OF 4
DATE: 4/28/14
JOB NO.: 131026

LEGEND

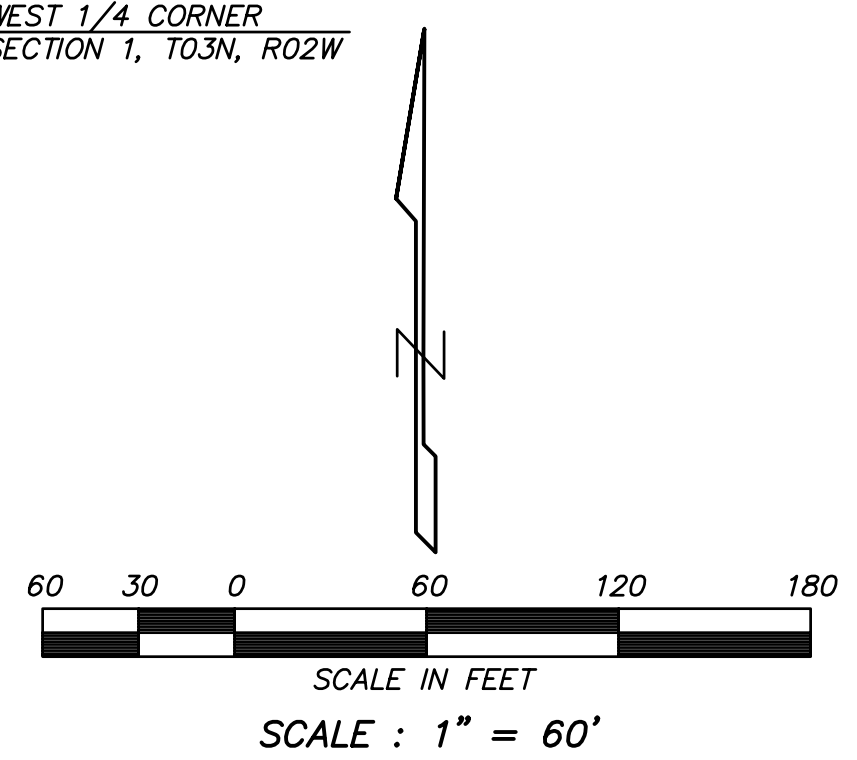
- SUBDIVISION LINE
- LOT LINE
- MONUMENT LINE
- EXISTING EASEMENT LINE
- SUBDIVISION CORNER
- SET TYPE "B" MONUMENT MAG 120-1 (UNLESS OTHERWISE NOTED)
- SET TYPE "C" MONUMENT MAG 120-1 (UNLESS OTHERWISE NOTED)
- FOUND NAIL IN TAG STAMPED 32222
- FOUND CITY OF SURPRISE BRASS CAP IN HANDHOLE
- ASSESSORS PARCEL NUMBER
- MARICOPA COUNTY RECORDS
- BOOK
- PAGE
- RECORD PER PARCEL NO. 1
- RECORD PER EXCEPTION OF PARCEL NO. 1
- MEASURED

SIDEWALK AND TRAFFIC SIGNAL EASEMENT LINE TABLE		
LINE	BEARINGS	LENGTH
SW1	S 89°24'56" E	42.33'
SW2	S 46°20'55" E	37.65'
SW3	S 89°24'56" E	72.53'
SW4	N 00°36'19" E	16.00'
SW5	N 45°35'04" E	13.74'
SW6	S 89°24'56" E	39.06'
SW7	S 44°28'11" E	40.63'
SW8	S 89°11'31" E	14.31'
SW9	N 77°44'15" E	53.40'
SW10	N 46°12'47" E	24.14'

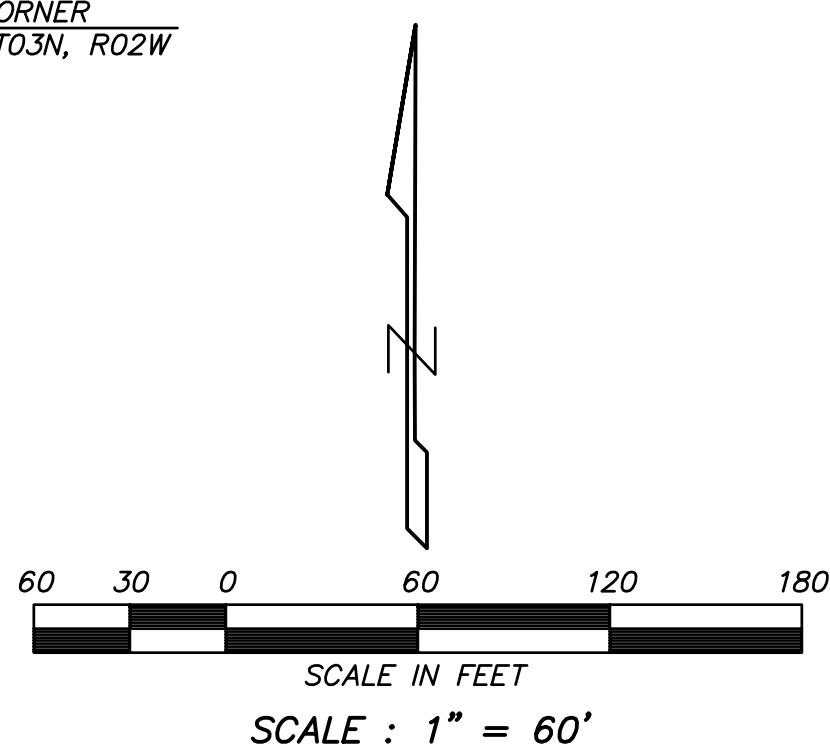
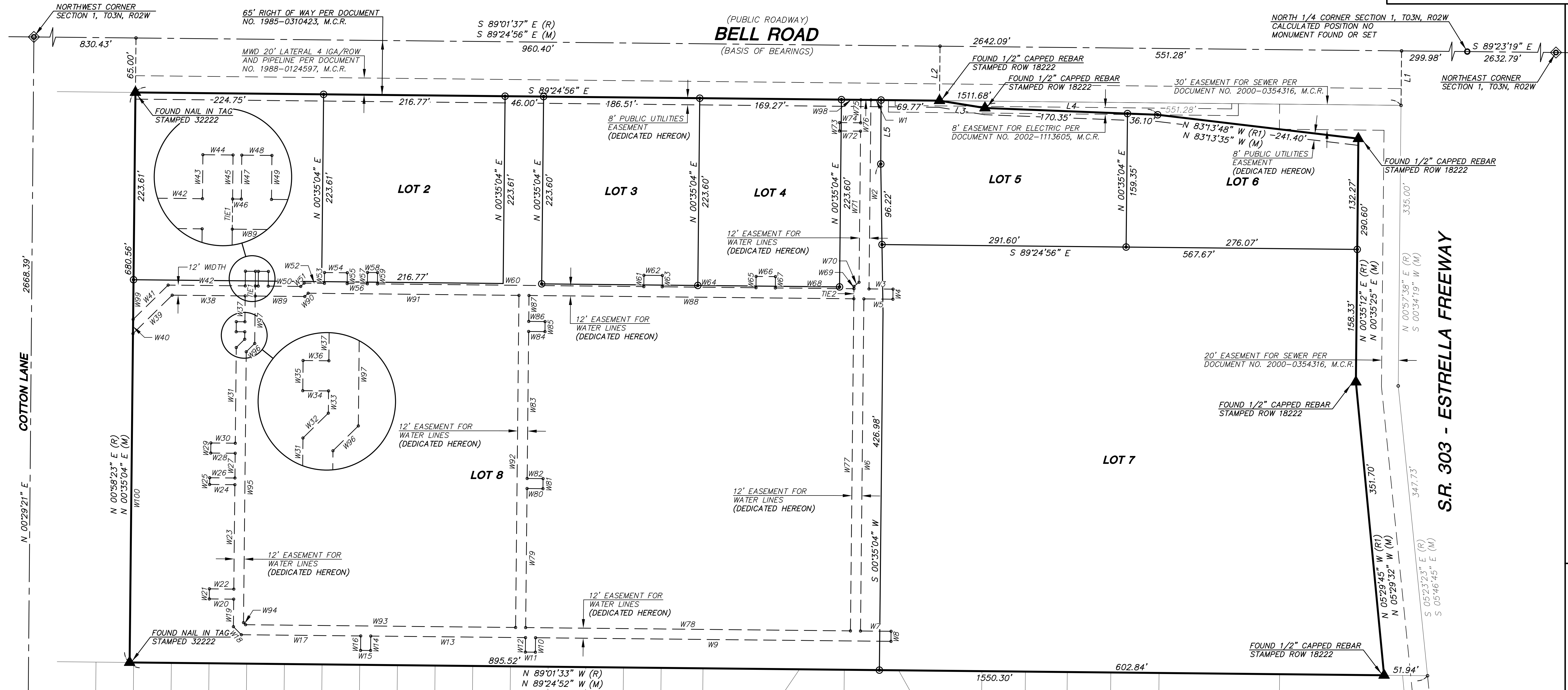
NO BUILD EASEMENT LINE TABLE		
LINE	BEARINGS	LENGTH
NB1	S 89°24'56" E	86.90'
NB2	S 00°35'04" W	23.14'
NB3	N 89°24'56" W	362.67'
NB4	N 00°35'04" E	23.12'

SEWER EASEMENT LINE TABLE		
LINE	BEARINGS	LENGTH
S1	N 89°24'52" W	252.92'
S2	N 00°35'08" E	20.00'
S3	N 89°24'52" W	352.92'
S4	S 00°35'04" W	20.00'
S5	N 89°24'52" W	872.52'
S6	N 00°35'04" E	402.97'
S7	S 89°24'56" E	14.66'
S8	N 00°35'04" E	20.00'
S9	N 89°24'56" W	698.45'
S10	S 00°35'04" W	20.00'
S11	S 89°24'56" E	663.79'
S12	S 00°35'04" W	402.97'

LINE TABLE		
LINE	BEARINGS	LENGTH
L1	N 00°58'23" E (R) N 00°35'04" E (M)	65.00'
L2	N 00°35'51" E (R1) N 00°35'04" E (M)	65.00'
L3	N 80°49'53" W (R1) N 80°49'40" W (M)	55.02'
L4	N 87°44'52" W (R1) N 87°44'39" W (M)	206.45'
L5	S 00°16'18" W	76.34'



FINAL PLAT OF "SURPRISE FARMS GATEWAY"
A PORTION OF THE NORTHWEST QUARTER OF SECTION 1, TOWNSHIP 3 NORTH, RANGE 2 WEST
OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA.



WATER EASEMENT LINE TABLE		
LINE	BEARINGS	LENGTH
W1	S 89°24'56" E	12.11'
W2	N 00°35'04" E	225.61'
W3	S 89°24'56" E	28.66'
W4	S 00°35'04" W	12.00'
W5	S 89°24'56" E	34.66'
W6	N 00°35'04" E	396.49'
W7	S 89°24'56" E	36.50'
W8	S 00°35'04" W	12.00'
W9	S 89°24'56" E	424.52'
W10	N 00°35'04" E	17.25'
W11	S 89°24'56" E	12.00'
W12	N 00°35'04" E	17.25'
W13	S 89°24'56" E	184.83'
W14	N 00°35'04" E	17.25'
W15	S 89°24'56" E	12.00'
W16	N 00°35'04" E	17.25'
W17	S 89°24'56" E	142.64'
W18	N 44°24'56" W	13.46'
W19	S 00°35'04" W	32.84'
W20	N 89°24'56" W	29.17'
W21	S 00°35'04" W	12.00'
W22	N 89°24'56" W	29.17'
W23	S 00°35'04" W	124.65'
W24	S 89°24'56" E	30.17'
W25	N 00°35'04" E	8.00'
W26	S 89°24'56" E	30.17'

WATER EASEMENT LINE TABLE		
LINE	BEARINGS	LENGTH
W27	S 00°35'04" W	29.54'
W28	N 89°24'56" W	29.17'
W29	S 00°35'04" W	12.00'
W30	N 89°24'56" W	29.17'
W31	S 00°35'04" W	114.26'
W32	S 45°35'04" W	14.14'
W33	S 00°35'04" W	8.83'
W34	N 89°24'56" W	10.26'
W35	N 00°35'04" E	12.00'
W36	S 89°24'56" E	10.26'
W37	S 00°35'04" W	30.87'
W38	S 89°24'56" E	87.14'
W39	N 45°35'05" E	65.59'
W40	S 00°35'04" W	16.97'
W41	N 45°35'05" E	58.56'
W42	S 89°24'56" E	92.11'
W43	S 00°35'04" W	17.50'
W44	S 89°24'56" E	12.00'
W45	S 00°35'04" W	17.50'
W46	S 89°24'56" E	3.49'
W47	S 00°35'04" W	17.49'
W48	N 89°24'56" W	12.00'
W49	S 00°35'04" W	17.49'
W50	S 89°24'56" E	38.77'
W51	N 45°35'04" E	5.64'
W52	S 89°24'56" E	24.22'

WATER EASEMENT LINE TABLE		
LINE	BEARINGS	LENGTH
W53	S 00°35'04" W	12.90'
W54	S 89°24'56" E	27.25'
W55	S 00°35'04" W	12.90'
W56	S 89°24'56" E	24.12'
W57	S 00°35'04" W	13.50'
W58	N 89°24'56" W	12.00'
W59	S 00°35'04" W	13.50'
W60	S 89°24'56" E	318.17'
W61	S 00°35'04" W	13.51'
W62	N 89°24'56" W	22.04'
W63	N 00°35'04" E	13.51'
W64	S 89°24'56" E	111.96'
W65	S 00°35'04" W	13.51'
W66	S 89°24'56" E	23.12'
W67	S 00°35'04" W	13.51'
W68	S 89°24'56" E	93.88'
W69	N 00°35'04" E	2.82'
W70	N 50°46'44" E	7.81'
W71	N 00°35'04" E	180.36'
W72	N 89°24'56" W	25.22'
W73	N 00°35'04" E	10.00'
W74	N 89°24'56" W	25.22'
W75	N 00°35'04" E	27.43'
W76	S 89°24'56" E	12.00'
W77	N 00°35'04" E	396.49'

WATER EASEMENT LINE TABLE		
LINE	BEARINGS	LENGTH
W78	S 89°24'56" E	387.97'
W79	N 00°34'50" E	166.04'
W80	N 89°25'13" W	18.99'
W81	S 00°34'47" W	12.00'
W82	N 89°25'13" W	18.99'
W83	N 00°34'49" E	175.49'
W84	N 89°25'13" W	19.50'
W85	N 00°34'47" E	12.00'
W86	N 89°25'13" W	19.50'
W87	N 00°34'22" E	30.96'
W88	S 89°24'56" E	388.00'
W89	S 89°24'56" E	59.22'
W90	S 45°35'04" W	5.64'
W91	S 89°24'56" E	251.78'
W92	N 00°34'47" E	396.49'
W93	S 89°24'56" E	322.54'
W94	N 44°24'56" W	3.51'
W95	S 00°35'04" W	323.34'
W96	S 45°35'04" W	14.14'
W97	S 00°35'04" W	56.67'
W98	S 89°24'56" E	23.22'
W99	S 00°35'04" W	47.40'
W100	S 00°35'04" W	392.58'
TIE1	N 00°35'04" E	12.00'
TIE2	N 00°35'04" E	12.00'



"SURPRISE FARMS GATEWAY"
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info@superiorsurveying.com

SUPERIOR
SURVEYING SERVICES, INC.

DWN: JW CHK: DK
SHEET 4 OF 4
DATE: 4/28/14
JOB NO.: 131026

Vicinity Map





EASTHAM PKWY

BELL RD

Lot 1

Lot 2

Lot 3

Lot 4

Lot 5

Lot 6

Lot 8

Lot 7

COTTON LN

SR 303

SURPRISE FARMS LP



Lot 1

Lot 2

Lot 3

Lot 4

Lot 5

Lot 6

Lot 8

Lot 7

163'

190'





CITY OF SURPRISE
Regular City Council Meeting

May 20, 2014 @ 6:00:00 PM

[Back](#) [Print](#)

Council Meeting Date: May 20, 2014

Contact Person: Sherry Ann Aguilar, City Clerk

Submitting Department:

District: Citywide

Staff Recommendations: Approve

Consent	x	Regular	Public Hearing	Report/Discussion
---------	---	---------	----------------	-------------------

Agenda Wording:

Consideration and action on the minutes of April 26, 2014 Special City Council Meeting (Budget Retreat); April 29, 2014 Special City Council Meeting (Budget Retreat) and May 6, 2014 Regular Work Session and Regular Council Meeting.

Motion:

I move to approve the meeting minutes.

Background:

Financial Impact Statement:

ATTACHMENTS:

Click to download

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 - ☐ [Minutes](#)
 - ☐ [Minutes](#)
 - ☐ [Minutes](#)
-

External Attachment Links:

Meeting Requirements:

Powerpoint	x	Video	White Board	Other	x
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Presentation Speaker Names (spelling and titles for TV captions):



CITY OF SURPRISE, CITY COUNCIL BUDGET RETREAT
COMMUNITY ROOM, SURPRISE CITY HALL
SATURDAY, APRIL 26, 2014

Call to Order: Mayor Wolcott called the Special Council Meeting to order at 8:30 a.m. at the Surprise City Hall – Community Room located at 16000 N. Civic Center Plaza, Surprise, Arizona 85374.

Roll Call: Mayor Sharon Wolcott, Vice-Mayor Skip Hall; Council Members Jim Biundo, Rachel Villanueva, Roland F. Winters, Jr., Todd Tande & John Williams.

Staff in Attendance: City Manager, Chris Hillman; ACM, Bob Wingenroth; Lindsey Duncan; Chris Boyd; Mark Schott; April Reynolds; Linda Rodriguez; Louis Dominguez; Richard McKinley; Jodi Tas; Darrell Johnson; Mike White; Tom Abbott; Kim Drabik; Brandon Espie; Michael Celaya; Jerry McCoy; Gina Busby; Tammie Hollowell; Tracy Mills; Mike Payne; Julie Moore; Mark Coronado; Donna Miller; Misty Leslie; David Schahn; Mike Frazier; Terry Young, Ken Lynch and City Clerk, Sherry Aguilar.

Public in Attendance: Mike Woodard, Ken Wright & Leo Mankiewicz.

City Manager, Chris Hillman started off the conversation of the budget retreat on the following topic:

- **Employee Increases** – City Manager Hillman introduced the topic with assistance from ACM/Finance Director, Bob Wingenroth and HR Director, April Reynolds. Introduced a spreadsheet with information relating to the study. Breakdown for their review that included a handout was introduced to Mayor and Council that included a breakdown of recommended increases. A copy is available for review in the Clerk's office.

Councilmember Villanueva – Implementing date for merit and COLA?

Vice-Mayor Hall – Curious about numbers on the report. Is this based on the 75 percentile?

Councilmember Winters – Can the City afford this right now? Yes we have done an analysis for the next 4 – 5 years.



HR Reynolds explained the step system compared to broad banding. Examples: Sergeant vs. Commanders, etc. Chief Frazier added comments relating to the classification differences. CM Winters asked Chief Frazier if he was happy with this step plan? Chief Frazier commented "yes".

Mayor Wolcott thanked staff for breaking the report down. Mayor asked HR Director to give a breakdown on the amounts that employees will receive if approved.

Mayor Wolcott – That's approx. 60% of our employees fall into this category and are below the minimum.

Councilmember Biundo – I am very uncomfortable for the record, this is the first time we have seen these reports. What we had previously 3 days ago was the 75 percentile, shifting 90% of the employees are under paid. I cannot escape the irony of raising the salaries of employees when we just now have a glimpse of recovery on our budget. My bigger concerns are on assumptions. Read statements for the record.

Competitive – Large amount of applicants
Lose employees to other agencies
Compression issues
Better pay
Morale - Number of reasons for low morale

Councilmember Tande – I like the discussion to help us balance things out.

Vice-Mayor Hall – What would it take for you to be comfortable to approve this budget Councilmember Biundo? I am in favor of COLA and merit where warranted.

Vice-Mayor Hall – CM Biundo do you think the internal comp study is self serving?

Councilmember Villanueva – I have heard from staff that we haven't had reasons for a long time. They are staying because they like working here, but why not compensate them.

Councilmember Tande – I appreciate this discussion to look at all aspects of concern. Employees intuitively know if they are paid fairly. I would like to come up with ways to normalize things since the economy is turning around. The plan does seem well thought out to me.



Mayor Wolcott – This is precisely where we are right now, we are in good times, not great times. The pent up needs are there. I have some issues with the proposal as well but in some other areas.

Councilmember Williams – Biundo's concerns are valid and need to be addressed. There is always going to be a level of subjectivity. Competitiveness needs to be looked at, what positions are hard to fill, what are the key positions? I Also agree with a third party verification. What is the step plan?

City Manager Hillman - Was sent out in an email. Will resend.

Councilmember Williams - Would like a breakdown of personnel costs. Need to be able to validate to residents at the end of the day.

Mayor Wolcott – Outside verification cannot measure subjectivity, this is another matter so how we go about this to relay to our residents.

Councilmember Tande – Would like to reinstate matching 2% or COLA. Concerned about general employees waiting until January. Maybe we can phase some of this in starting July 1st, 2014.

Mayor Wolcott – Policy and funding are Council, but the CM chooses to implement is his choice. This is a concern of mine. I hear that we want to do the right things moving forward. We want fairness and equity moving forward.

City Manager Hillman complimented the HR Department on the work that was done for this project, we saved a lot of money by not hiring a consultant.

Vice-Mayor Hall – This organization needs to learn how to present this to us in a manner that residents would understand.

Mayor Wolcott – I think the City of Surprise deserves to hire the best employees and keep the best.

Councilmember Winters – Gave thanks to staff for their efforts in doing this study, and concerned about the comments about saying self serving.



Councilmember Tande – Would like to find a way to accelerate the increases to July 1st. Have managed in both private and public sectors, this is the way it is done.

Councilmember Williams – I am not questioning staff on this project, I just want to make sure we deliver the correct measure to our residents.

Mayor – Is everyone comfortable with allowing the City Manager to move forward with bringing us more information back to answer our questions from today. Looks like we are okay with the pay plan but would like to get more information.

Vice-Mayor Hall – Would like an outside verification and revisit 75 percentile and remove from code.

Councilmember Biundo – if the budget comes to the table with no other information, I am entitled to rejecting.

BREAK – 10:11 a.m. – 10:29 a.m.

Class/Comp Study continued: Police MOU – Represented.

Vice-Mayor Hall – Would like for staff to come back for us to look at, service recognition and cost of living out of the plan for all Police & Fire out. There is a difference between funding and dispersing. Would like to see the money committed, but would like to see it dispersed over a 2 year period for Police, and for Fire over a 3 year period. We need to balance and make it fair.

City Manager Hillman asked for clarification on VM Hall's suggestion. Set funds aside and Council commits to it, but not spend it. He also mentioned that the police and fire associations have been waiting for 3 years for the class comp study through MOU's.

Councilmember Winters – Asked for clarification from VM Hall's recommendations for 2 year for Police and 3 years for Fire.

Vice-Mayor Hall – It will even out with general employees.

Councilmember Williams what is the rational for dispersing but not utilizing? CM Hillman at least set the cap during the budget process.

ACM Bob Wingenroth passed out spreadsheet outlining capacity – 5 year forecast.



Council consensus to phase in the increases for Police 2 years, and 3 years for Fire and commit to funding the program.

Councilmember Winters – Are you saying that they won't get COLA?

Councilmember Villanueva – If we are giving all of the employees a COLA, why are we questioning Police & Fire? Creates equity and fairness.

Councilmember Tande – I really like the data, and I have full confidence of estimating the revenues. Need to think about if our economy turns that we can make these adjustments.

Lindsey Duncan – Presented Change Requests; change of exhibits; (add printouts)

Councilmember Tande – Discussed the printout relating to property tax levy and current rates.

Departmental reports:

Police Department Budget – Chief, Michael Frazier

Councilmember Tande – Payroll overtime percentage? Work with Sheriff to have booking facility closer to Surprise?

Fire – Chief, Michael White:

Councilmember Tande – Sun City West Annexations – Look at annexing Del Webb in the future? Should surround SC West If possible.

Mayor Wolcott – this is a very political and sensitive issue that has been brought up by other Mayors, there is a hospital issue, traffic corridors, etc.

Fire Chief – This poses a threat to the automatic aid program. I consider this claim jumping.

Certificate of Need – Feasibility study and operation component to Council.



Councilmember Tande – I am for doing the study. We can't wait until July 1st to start working on a strategy for future annexations.

Councilmember Williams – Clarify ambulance reimbursement costs?

Councilmember Biundo – People in SC grand so appreciative working with Fire on trail system.

Lunch Break - Reconvened at 12:25 pm - Continue with department presentations:

Community Development – Chris Boyd:

Councilmember Tande – Need one more position in CD, maybe a project manager to help us with incoming projects.

Mayor Wolcott – Attended a conference where there were over 300 developers, everyone is feeling the pressure. We need to have another long range planner to help get these villages complete.

Councilmember Biundo – Need to have at least one more planner besides what is being proposed.

Vice-Mayor Hall – If we had another planner, how quickly could we get all of the villages completed? Rough estimate 18-24 months.

Mayor Wolcott – if there are changes to the Village 1 (OTS) it would be considered an overlay. All of the vacant land around us in considered blight.

Surprise City Court – Judge, Louis Dominguez:

Vice-Mayor Hall – Have never received compliments on the Court in the past until Judge Dominguez has taken over. Very impressed.

Vice-Mayor Hall – Court cases and cases resolved. Is there a huge backlog. Those are mostly warrants.

Councilmember Tande – Compliments on the court – good experience.



Human Resources – HR Director, April Reynolds & Mark Schott

Vice-Mayor Hall – Initiatives & Enhancements – Software program

Councilmember Winters - when will we hire an ADA Coordinator

Mayor Wolcott – Numbers for adding another component to our healthcare coverage – i.e. Mayo Clinic. For \$197,000. We can add Surprise to the plan.

Vice-Mayor Hall – Page 52, adding services - \$835,000. What type of services? Counseling, wellness services, etc.

Councilmember Biundo – What would be the options to add Mayo into benefits package? Who would pay the extra costs?

Vice-Mayor Hall – Why does it take so long to hire employees? Is there bureaucracy involved?

City Attorney – City Attorney, Misty Leslie

Vice-Mayor Hall – How can we help you do a better job? Make sure that the departments have enough staff.

Vice-Mayor Hall – The customer service has changed tremendously.

Councilmember Biundo – A appreciate the support the Legal department provides.

Councilmember Villanueva – The domestic violence victims, do they come to you first or the Court?

Mayor Wolcott – Like the creativity of the department and we have accomplished a lot in the last few months with your leadership.

Community and Recreation Services – CRS Director, Mark Coronado

Councilmember Tande – Would like to see a permanent facility for news media?

Councilmember Winters – Special Event revenues?



Councilmember Tande – Skatepark, our church is looking at building a skatepark.

Mayor Wolcott – Integrated skate park area combined with another park.

Stadium Comparison

Hollyhock Library – utilize an area inside the Senior Center.

Swimming Pools

Mayor Wolcott - We under utilize the pool and library in the OTS. Need more services for the seniors and teens in our community.

Councilmember Villanueva – What do the students go that are not into sports? Game rooms, other activities.

Vice-Mayor Hall – I don't understand surcharge fees in the budget.

Public Works – General Fund

Public Works – HURF

Public Works – General Capital

Public Works – Transportation

Mayor Wolcott – Identifying entry points and monuments/gateways. A master plan for creating these, this is a good time with the completion of 303.

Pw Director, McKinley – We heard you in November, we are working with CD, to come up with a concept for gateway markers.

Councilmember Winters – What is completion date for MV Ranch? December 2014.

Councilmember Biundo – Streets and sidewalks by District for this year.

Councilmember Villanueva – Budget for landscaping? Any trees planned for OTS? Some budget for planting new.



Councilmember Tande – Consider partnership with School District, HOA's require consist landscaping.

Councilmember Tande – Boys & Girls Club - \$2 million – builds the building. Will not include FFE. Fundraising efforts being discussed.

Vice-Mayor Hall – We met with the Sundancers and they committed \$50,000. Per year. Their mission is kids.

Councilmember Williams – What are we not getting done in the CIP this year? What are the projects that are not getting done right now.

Councilmember Tande – Dysart @ Cactus – Contact APS
Arterial landscape district – look ways to fund new medians.
Consolidate SLID's

Information Technology, Tammie Hollowell

No questions.

Public Comments:

Ken Wright – Commented that the Council hasn't had a raise since 2008, and right now they don't have a method in place for increases. There is money for discretionary spending. There are other cities are not doing as well as we are. We are doing well and many projects coming forward with no tax increases. I would like to propose that you look at pay increases for Council and take action as soon as possible.

Leo Mankiewicz – Following up from my comments on Tuesday, we need to add to our planning staff. Appointment of economic development director and planning staff is needed as our City grows. A lot of people do not understand the village concept, we need to make sure our residents understand.



Will continue budget discussions on Tuesday, April 29, 2014 @ 4:00 p.m.

Utilities – Water, Wastewater, Solid Waste

Finance – ACM/Finance Director, Bob Wingenroth

City Manager, including Economic Development

City Clerk - City Clerk, Sherry Ann Aguilar

Mayor and City Council

Note: A Special Work Session scheduled for April 29, 2014 at 6pm in the Surprise City Council Chambers to complete departmental presentations.

Council Member Villanueva made the motion to adjourn the Regular City Council Meeting of May 6, 2014 at 3:40 PM. Council Member Williams seconded the motion. Seven yes votes. Motion carried.

Sharon R. Wolcott, Mayor

ATTEST:

Sherry Ann Aguilar, City Clerk



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 **Saturday, April 26, 2014.**

Sherry Ann Aguilar, City Clerk

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

Tuesday, April 29, 2014 @ 04:00 PM

A. Call To Order

B. Roll Call

Mayor Wolcott called the **Special City Council Meeting (Budget Retreat Cont'd)** to order at 04:00 PM Surprise City Hall Council Chamber 16000 North Civic Center Plaza Surprise, Arizona 85374, on **Tuesday, April 29, 2014**. Also in attendance with Mayor Wolcott were Vice Mayor Hall, Council Member Winters, Council Member Biundo, Council Member Williams, Council Member Villanueva (arrived at 4:20 PM) and Council Member Tande.

Staff Present: City Manager, Chris Hillman, Attorney, Robert Wingo and City Clerk, Sherry Ann Aguilar.

C. Pledge of Allegiance

Special City Council Meeting Agenda:

Regular Agenda Item - Non-Public Hearing:

#1 Continuation of the Budget Retreat from April 26, 2014 - NO ACTION

City Manager Hillman, ACM Wingenroth and HR Director, April Reynolds gave an overview regarding additional information regarding the Class & Comp Study proposed for FY2015.

Ms. Reynolds had handouts that included additional information that was requested by City Council at Saturday's budget retreat. Inequity and compression were the main topic of discussion on Saturday and a breakdown was provided.

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Council Member Tande spoke in regards to inequity and compression and those who are not addressed by either one. He inquired about the 62 employees that are being brought up to the minimum.

Ms. Reynolds explained that 62 are below minimum.

City Manager Hillman explained the analysis from the inequity and compression results that were conducted by the HR Department. The responsible budget approach is to bring up these numbers as much as possible. Some categories starting pay went down, while others went up significantly.

Vice Mayor Hall asked for clarification on column of report.

Ms. Reynolds explained columns 1 and 2.

Council Member Biundo asked when the market study was done.

It was December 2013.

Council Member Winters asked what will be done with the employees outside of the compression issues.

Ms. Reynolds explained that we will work on those over the next year.

Council Member Villanueva inquired about the employees that are not getting any increases today.

Ms. Reynolds stated that the City still provides them COLA and performance pay. They will still get the money but won't increase the base pay.

Mr. Hillman stated that it needs to be a sustainable plan, once we fix our problems then the system will even out.

Mayor Wolcott stated that implementing a new pay plan is never easy, but it will be a significant change for the better.

Vice Mayor Hall stated that the highest number of turnovers is in the Police Department.

Council Member Tande asked about the impact of turnovers.

Ms. Reynolds stated that it is a big impact due to training, background checks, screening, etc.

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Council Member Winters stated that a 200% turnover is terrible.

Council Member Villanueva asked if employees left the City due to layoffs.

Ms. Reynolds stated that they left on their own or from layoffs.

Mr. Hillman stated that the employees didn't receive increases because we didn't have the dollars, we needed to cut our expenses in order to build our reserves. He further explained to Council that they have a good system in front of them that was created by expert staff that worked very hard on this in house to save funds.

Vice Mayor Hall asked if Directors have some flexibility when hiring specialized positions.

Council Member Biundo questioned the exit interviews.

Ms. Reynolds stated that a percentage of the employees who filled out an exit interview left for low salary.

Mr. Hillman spoke of the employee survey.

Council Member Villanueva inquired about merit.

Mr. Hillman stated that it is based on performance rated by their supervisors.

Council Member Williams stated that he appreciates all of the information that was provided and supports what was submitted.

ACM Wingenroth went through the recommended increases for Fire and Police.

Mayor Wolcott inquired about the general employee column and why it is not the same for Police/Fire.

Council Member Williams inquired about the 50/50 split.

Mr. Wingenroth explained that it's half of the MOU, but not the COLA.

Council Member Tande asked for the total for all 5.

Council Member Villanueva asked for clarification regarding "unrepresented".

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Mr. Wingenroth stated that Police and Fire employees that do not wear badges or represented by unions are considered unrepresented.

Council Member Williams spoke of training and coming up with a plan to be competitive.

Vice Mayor Hall inquired if it falls within fund balance.

Council Member Tande spoke of 75/25 and break it down to 2 years.

Vice Mayor Hall stated that would throw the balance off and isolate from the other employees.

Mayor Wolcott inquired about unrepresented employees, and how many will get no raises at all.

Mr. Wingenroth stated 60 or 70 employees.

Council Member Tande agreed with the 50/50 plan.

Mr. Hillman referred to page 18 and asked if this is the direction Council would like for us to follow and bring back on May 6th for tentative adoption.

Council Member Williams agreed with direction but would like COLA and service recognition to be included in the plan.

Public Comments:

Mike Payne: Fire Union Representative, asked to fully fund the pay recommended on Saturday.

Julie Moore: Appreciates looking at other options over the 3 year proposed on Saturday; pay step restoration; improper development transfers on City behalf.

James Ruff: Downturn in economy; sacrifices made with employees; salaries would be reinstated when the economy turned around.

Louis DeAngelo: FF Trustee; asked for pay plan in full. Uphold your commitment. Read a letter from Chief White commending firefighters for an EMT call.

Ryan Flinn: Firefighter, read letters from City of Surprise residents.

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Tim Murel: Police Association - Fair and balance - 434 employees going into work everyday not knowing if we are going to come home.

Carol Mayfield: Native of Arizona and long-time resident of Surprise. Please give back to our first responders and give them what they duly deserve in a timely manner.

Ken Wright: I disagree with one of the points made tonight was that Council is bargaining. I mentioned several months ago the little people are going to get the shaft again, and some women. 370 employees are getting a fair shake.

Mike Woodard - 12 years ago the firefighters saved my life. I am grateful that I don't have to make this decision. Relay for Life - T-Shirts for all of the Council. Hope to see Council out there this Saturday.

Mayor Wolcott recessed @ 6:01 p.m. and reconvened at 6:12 p.m.

Departmental Budget Reports:

ACM Wingenroth reported on the Finance Department.

Mr. Hillman reported on the City Manager's Office.

Communications Director, Ken Lynch reported on the Communication's Department.

IGR Director, Michael Celaya reported on the Intergovernmental Relations Department.

Economic Development Supervisor, Mike Hoover reported on the ED Department.

City Clerk Aguilar reported on the City Clerk's Office.

City Manager Hillman reported on Mayor and Council's Office.

E. Call to the Public

F. Executive Session:

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G. Adjournment:

Vice Mayor Hall made the motion to adjourn the Special City Council Meeting of April 29, 2014 at 7:20 PM. Council Member Winters seconded the motion. Seven yes votes. Motion carried.

Sharon R. Wolcott, Mayor

ATTEST:

Sherry Ann Aguilar, City Clerk

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 (Budget Retreat Cont'd) of **Tuesday, April 29, 2014.**

Sherry Ann Aguilar, City Clerk

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

Tuesday, May 6, 2014 @ 04:00 PM

A. Call To Order

B. Roll Call

Mayor Wolcott called the **Regular City Council Work Session** to order at 04:00 PM Surprise City Hall Council Chamber 16000 North Civic Center Plaza Surprise, Arizona 85374, on **Tuesday, May 6, 2014**. Also in attendance with Mayor Wolcott were Vice Mayor Hall, Council Member Winters, Council Member Biundo, Council Member Williams, Council Member Villanueva and Council Member Tande.

Staff City Manager, Chris Hillman, City Attorney, Misty Leslie and City Clerk,
Present: Sherry Ann Aguilar.

C. Pledge of Allegiance

Regular City Council Work Session Agenda:

Regular Agenda Item - Non-Public Hearing:

#1 Presentation and discussion regarding an amendment to the Tierra Verde East Planned Area Development generally located at the northeast corner of 159th Avenue and Happy Valley Road - NO ACTION

City Planner, Bart Wingard conducted a presentation regarding an amendment to the Tierra Verde East Planned Area Development.

Council Member Winters inquired about density.

Vice Mayor Hall inquired about flood plain and wells.

Regular City Council Work Session Minutes – May 6, 2014 – Page 2

Council Member Tande questioned roadway.

Council Member Winters questioned the changes in the flood plains.

Mark Voit, owner of the Tierra Verde property inquired about having the same lot foot.

Mayor Wolcott commented on a minimum 2 years for construction of the road.

Attorney Leslie explained timeline.

Jeff Blilie commented on the history of the project. He reviewed options for roadway access out of the area heading East.

Mayor Wolcott spoke of Happy Valley Road and connectivity to our neighboring Cities.

Vice Mayor Hall commented that a better map that outlines the areas is needed.

Council Member Winters inquired about the timeframe for Rancho Mercado.

Council Member Villanueva inquired about Happy Valley Road connecting with El Mirage Road.

Mayor Wolcott commented on retail.

Vice Mayor Hall stated that it's hard to have a work session without the developers input.

Council Member Hillman spoke of comments he heard from Council: 1) Village plan Concept 2) Planning Department work with developer.

#2 Presentation and discussion regarding Surprise Farms and Veramonte Parks Projects - NO ACTION

Community and Recreation Services Director, Mark Coronado gave an overview regarding Surprise Farms and Veramonte Parks Projects. A powerpoint presentation and timeline was reviewed.

Vice Mayor Hall inquired about lighting.

Council Member Winters inquired about dog park and shading.

Council Member Tande inquired about Veramonte and owner of the field to the north.

Regular City Council Work Session Minutes – May 6, 2014 – Page 3

#3 Discussion and presentation by Dysart Unified School District regarding their Internship Program - NO ACTION

Lou Hart, Lead Counselor at Valley Vista Program - Career and Technical Education. A powerpoint presentation was reviewed.

Mayor Wolcott thanked Ms. Hart for the outstanding presentation and credited Dysart for their efforts in improving the school district.

Vice Mayor Hall spoke of encouraging kids to take chances with business adventures.

Council Member Biundo inquired about cooperation from the business industry.

Council Member Williams stated that businesses will help to make this successful.

Council Member Villanueva inquired about other high school's participation.

#4 Presentation and discussion regarding amending the Mutual Assistance Agreement with Beardsley Water Company - WITHDRAWN

#5 Presentation and discussion pertaining to the amendment of the Intergovernmental Agreement IGA/ JPA 10-232-I with the Arizona Department of Transportation (ADOT) for the improvements related to Dove Valley Road from 203rd Avenue to 187th Avenue; Resolution 2014-13 - NO ACTION

City Engineer Mecham reported on the IGA's and the process relating to items 5 and 6.

Vice Mayor Hall inquired asked if the design was outside the IGA.

Mr. Mecham stated that it is outside of the budget.

#6 Presentation and discussion pertaining to amending an intergovernmental agreement (IGA) with Arizona Department of Transportation (ADOT) to increase the construction funding for the Bell Road sidewalk project; Resolution No. 2014-38 - NO ACTION

City Engineer Mecham reported on the project.

Vice Mayor Hall spoke of the project costs being questioned by residents; connecting our city and giving people the ability to be safe.

E. Call to the Public

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F. Adjournment:

Council Member Winters made the motion to adjourn the Regular City Council Work Session of May 6, 2014 at 5:38 PM. Council Member Williams seconded the motion. Seven yes votes. Motion carried.

Sharon R. Wolcott, Mayor

ATTEST:

Sherry Ann Aguilar, City Clerk

CERTIFICATION:

I, Sherry Ann Aguilar, City Clerk for the City of Surprise, Maricopa County, Arizona, do hereby verify that these are the true and correct minutes of the Regular City Council Work Session of **Tuesday, May 6, 2014.**

Sherry Ann Aguilar, City Clerk

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

Tuesday, May 6, 2014 @ 06:00 PM

A. Call To Order

B. Roll Call

Mayor Wolcott called the **Regular City Council Meeting** to order at 06:00 PM at Surprise City Hall Council Chamber 16000 North Civic Center Plaza Surprise, Arizona 85374, on **Tuesday, May 6, 2014**. Also in attendance with Mayor Wolcott were Vice Mayor Hall, Council Member Winters, Council Member Biundo, Council Member Williams, Council Member Villanueva and Council Member Tande.

Staff Present: City Manager, Chris Hillman, City Attorney, Misty Leslie and City Clerk, Sherry Ann Aguilar.

C. Pledge of Allegiance

D. Proclamation and Community Acknowledgements

Council Member Williams: Youth Civic Leader Program, outgoing Youth Civic Leader and Pilot Program Surprise Literacy Challenge.

E. City Manager Report

City Manager Hillman announced that Same Day Trash Service has started.

F. City Attorney Report

City Attorney, Misty Leslie spoke of attending Arizona Town Hall.

G. Regular City Council Meeting Agenda

Consent Agenda:

***#1. Consideration and action approving an Intergovernmental Agreement (IGA) with Maricopa County Department of Transportation for the Bell Road Adaptive Signal Control Technology Deployment project and authorizing the Mayor sign on the City's behalf; Resolution 2014-39 - APPROVED**

***#2. Consideration and action approving a final plat entitled "City at Surprise Phase III," generally located at the southeast corner of Civic Center Drive and Bell Road, in Surprise, Arizona; Resolution 2014-34 - APPROVED**

***#3. Consideration and action on the minutes of April 15, 2014 Regular Work Session and Regular Council Meeting and April 22, 2014 Special Council Meeting - APPROVED**

***#4. Consideration and action on a liquor license request by Adolfo Solis for US Pizza located at 15459 W. Bell Road, Suite 117, Surprise, Arizona 85374 for a series 12 (New License/LLC) - APPROVED**

***#5. Consideration and action of a liquor license request by Lawrence Elliget for Smokey's BBQ located at 13749 N. Litchfield Road, Suite 109, Surprise, AZ. 85379 for a series 12 (New License/LLC) - APPROVED**

***#6. Consideration and action on Resolution No 2014-25, a resolution accepting maintenance of the streets and public utility improvements at Southwest Products, generally located at 11690 North 132nd Avenue, within the Skyway Business Park II subdivision - APPROVED**

Council Member Biundo made the motion to approve the consent agenda. Council Member Williams seconded the motion. Seven yes votes. Motion carried.

Non-Public Hearing:

#7. City Clerk, Sherry Aguilar will issue the oath of office to new Youth Civic Leaders Yazmin Padilla and Ewoma Ogbaudu – NO ACTION

City Clerk Aguilar administered the Oath of Office to new Youth Civic Leader Yazmin Padilla.

#8. Consideration and action on appointing David Sanders to the Community and Recreation Services Advisory Board with the term expiration of July 1, 2017 and directing the City Clerk to administer the Oath of Office - APPROVED

Regular City Council Meeting Minutes – May 6, 2014 – Page 3

Council Member Winters reported on the policy regarding attendance and vacancies. Therefore, Council Member Winters did not make a recommendation for this appointment.

Council Member Winters deferred to Council Member Biundo who participated in the interview process.

Council Member Tande inquired about the language "new".

City Attorney Leslie explained the language.

Council Member Tande inquired about the candidates.

Council Member Biundo explained the circumstances of Mr. Sanders absences.

Mayor Wolcott spoke of valuing volunteer committee members and being sympathetic.

Council Member Villanueva spoke of Mr. Sanders situation.

Council Member Biundo made the motion to approve appointing David Sanders to the Community and Recreation Services Advisory Board with the term expiration of July 1, 2017. Council Member Villanueva seconded the motion. Six yes votes, one no vote (Winters). Motion carried.

Mayor Wolcott explained that she would be taking agenda items out of order.

Council Member Williams made the motion to adjourn the Regular Council Meeting and enter to executive session at 6:30 PM. Vice Mayor Hall seconded the motion. Seven yes votes. Motion carried.

K. Executive Session:

#14. Discussion/consultation with the City Attorney to receive legal advice; and to consider its position, and to position on contract negotiations regarding development on property bounded by Bell, Litchfield, Greenway and Bullard Roads. (A.R.S. §38-431.03(A)(3) &(4))

Discussion and consultation with the City Manager and City Attorney with regard to the City's Memorandums of Understanding with represented employee groups, in order to consider the City's position and to obtain legal advice regarding such (A.R.S. §38-431.03(A)(3)&(5))

Mayor Wolcott reconvened the Regular Council Meeting at 8:24 PM.

#12. Solicit public input on the FY2015 Tentative Budget and approve Resolution 2014-49, a Resolution adopting the tentative expenditure budget for fiscal year 2015 in the amount of \$310.9 M plus an additional \$23.0M for interfund transfers and setting the date of June 3, 2014 for the public hearing and final adoption of the FY2015 Budget - APPROVED

Mayor Wolcott spoke of the process and MOU's.

Item #1 of Executive Session:

- 1) Fully funding the implementation of the Police Step Plan as contained 2014/2015 MOU for FY15 not including a COLA increase for FY15. Mayor Wolcott called for a consensus and all Council agreed.
- 2) Fully funding the Step Plan for Fire as the Step Plan currently exists not as proposed in the 2014/2015 MOU for FY15 and not including a COLA increase. Mayor Wolcott called for a consensus and all Council agreed.
- 3) Implement the merit for General Pay Plan Employees in July 2014 instead of January 2015 and use that increment of savings to apply to those General Pay Plan Employees. Mayor Wolcott called for a consensus and all Council agreed.

Item #2 of Executive Session:

- 1) Development of Surprise City Center - asked the City Manager Hillman for some places that we might be able to redirect those funds to other projects. Mayor Wolcott called for a consensus and all Council agreed.
- 2) Asked City Manager Hillman to redirect \$500,000 to the Legal Department for Outside Legal Services. Mayor Wolcott called for a consensus and all Council agreed.

Council Member Williams made the motion to approve Resolution 2014-49 the FY2015 Tentative Budget. Council Member Tande seconded the motion. Seven yes votes. Motion carried.

ACM Wingenroth gave a short presentation setting the upper limit of spending, changes can be made, but the limit cannot be exceeded after adoption.

Council Member Biundo stated that he has been vocal during this budget process; that our obligation is to do everything we can to make a conformed decision he further stated that he supports the tentative budget.

Regular City Council Meeting Minutes – May 6, 2014 – Page 5

Council Member Tande acknowledged Council and stated that they have all done a good job working through this budget process.

Council Member Winters thanked the employees for sticking with us through the difficult times.

Council Member Villanueva thanked the Fire and Police Departments and stated that she fully supports the increases proposed.

Mayor Wolcott thanked Council and staff for their efforts in getting us through this budget process.

Public comments:

Tim Murel: thanked Council for their efforts.

Andrew Brittin: thanked Council

David Heinze: Pickleball Courts/Association, we need more courts, many people leaving tennis to play Pickleball.

Norman Davis: Pickleball member of board/association.

#9. Discussion and presentation regarding the NLC trips by Surprise Youth Delegates - POSTPONED UNTIL JUNE 3, 2014

#10. Consideration and action on publishing a Notice of Intention and set the public hearing date of June 17, 2014 for the proposed City utility rates - APPROVED

Public Work Director, Dick McKinley reported on the Notice of Intention.

Council Member Villanueva inquired about the El Mirage rates.

Mr. McKinley stated that a meeting has been scheduled with El Mirage.

Council Member Tande gave a recap.

Council Member Winters made the motion to approve publishing a Notice of Intention and set the public hearing date of June 17, 2014 for the proposed City utility rates. Council Member Villanueva seconded the motion. Seven yes votes. Motion carried.

#11. Presentation and update on the Surprise Transportation Plan - POSTPONED UNTIL MAY 20, 2014

Regular Agenda Item - Public Hearing:

#13. Consideration and action on the Community Development Block Grant Annual Action Plan 2014-2015 funding priorities - APPROVED

Neighborhood Services Supervisor, Christina Ramirez reported on the plan and funding.

Council Member Tande inquired about facade improvements and future plans.

Ms. Ramirez stated that we have not.

Council Member Winters inquired about the bathroom.

Ms. Ramirez stated that an old bathroom that no longer functions is being taken down.

Mayor Wolcott spoke of the improvement of Grand Avenue.

Council Member Tande made the motion to approve the Community Development Block Grant Annual Action Plan 2014-2015 funding priorities. Council Member Williams seconded the motion. Seven yes votes. Motion carried.

H. Call To The Public: None

I. Other Business and Future Agenda Items:

Vice Mayor Hall: presentation from Economic Development on available land with hard corners throughout the city.

Council Member Villanueva: data regarding various high school programs throughout the city.

J. Mayor/Council Reports:

Mayor and Council attended and/or reported on the following:

Council Member Winters: GPEC Meeting; retirement celebration and Career Day at Rancho Gabriela.

Regular City Council Meeting Minutes – May 6, 2014 – Page 7

L. Adjournment

Council Member Williams made the motion to adjourn the Regular City Council Meeting of May 6, 2014 at 9:13 PM. Council Member Villanueva seconded the motion. Seven yes votes. Motion carried.

Sharon R. Wolcott, Mayor

ATTEST:

Sherry Ann Aguilar, City Clerk

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, May 6, 2014.**

Sherry Ann Aguilar, City Clerk



CITY OF SURPRISE
Regular City Council Meeting

May 20, 2014 @ 6:00:00 PM

[Back](#) [Print](#)

Council Meeting Date:	May 20, 2014	Contact Person:	Dick McKinley, Public Works Department
Submitting Department:		District:	Citywide
Staff Recommendations:	Approve		

Consent	x	Regular	Public Hearing	Report/Discussion
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Agenda Wording:

Consideration and action authorizing the Mayor execute an amendment the existing intergovernmental agreement with Arizona Department of Transportation (ADOT) increaseing the construction funding of the Bell Road sidewalk project; Resolution No. 2014-38.

Motion:

I move to approve Resolution 2014-38.

Background:

This project began in FY2011 (September 9, 2010) when Council approved an IGA with ADOT to utilize Congestion Mitigation Air Quality (CMAQ) federal funds to design the Bell Road multi-use path project. The path runs along the south side of Bell Rd from Surprise Park N Ride to the City's eastern boundary of 114th Ave.

The City Council approved a construction IGA with ADOT on October 22, 2013 based on 60% plans set. The project construction budget was estimated to be \$835,000; federal funds were \$ 777,975 with the balance funded by the City \$57,025 (\$47,025 for construction and \$10,000 ADOT plan review fees). As per the IGA, if the construction costs increases beyond the federal funds then the City contribution would also increase.

The City has received 100% project construction plans and submitted to ADOT for final approval. Based on the 100% design plans the project construction cost is now estimated at \$1,386,519; federal funds are \$777,975 and the City share is now \$608,544 (\$47,025 city match 5.7%, \$551,519 city match 100% and \$10,000 ADOT plan review fees). ADOT will be administering the construction of the project according to federal funding guidelines. The construction phase is scheduled to start in January 2015.

Financial Impact Statement:

This is a non-growth project in the general capital fund under the Bell Road Sidewalks East of Grand Ave project (21103). The total project estimated cost is \$2,453,000 (\$1,453,000 Federal funds,

\$1,000,000 City funds). The project had prior year expenditures of \$257,900 and reimbursements of \$213,700. The budget for FY2014 is \$1,433,100 and \$575,000 is planned for FY2015.

ATTACHMENTS:

Click to download

- ☐ [Resolution 2014-38 & Amendment to IGA](#)
 - ☐ [Original Construction IGA](#)
-

External Attachment Links:

Meeting Requirements:

Powerpoint	x	Video	White Board	Other	x
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Presentation Speaker Names (spelling and titles for TV captions):

Dick McKinley: PW Director
Mike Mecham: City Engineer

RESOLUTION # 2014-38

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF SURPRISE, ARIZONA, APPROVING AN AMENDMENT TO THE INTERGOVERNMENTAL AGREEMENT BETWEEN THE CITY OF SURPRISE AND THE ARIZONA DEPARTMENT OF TRANSPORTATION PERTAINING TO IMPROVEMENTS AND CONSTRUCTION OF A MULTI-USE PATHWAY ALONG BELL ROAD AROUND 114TH AVENUE.

WHEREAS, pursuant to Arizona Revised Statutes § 11-951, *et seq.*, the City of Surprise has the authority to enter into intergovernmental agreements with other governmental entities;

WHEREAS, the City of Surprise by Resolution 2013-58 entered into an Intergovernmental Agreement (IGA) with the Arizona Department of Transportation (ADOT) pertaining to a Project for a Multi-Use pathway around Bell Road and 114th Avenue; and

WHEREAS, the parties desire to amend the IGA to adjust the total estimated Project costs, with an additional \$551,519.00 in City match funds.

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

Section 1. Amendment No. One to the Intergovernmental Agreement between the City of Surprise and ADOT for the Bell Road Multiuse Pathways improvements Project is hereby approved.

Section 2. The Mayor is hereby authorized and directed to sign Amendment No. One to the Intergovernmental Agreement.

APPROVED AND ADOPTED this ____ day of _____, 2014.

Sharon R. Wolcott, Mayor

Attest:

Approved as to form:

Sherry Aguilar, City Clerk

Misty Leslie, City Attorney

ADOT File No.: IGA/ JPA 13-0001269-I
ADOT CAR No.: 14-0004023-I
Amendment No. One: 14-0004023-I
AG Contract No.: P0012013001674
Project: Multi-Use Path & Acquire ROW
Section: Bell Road-US 60 & 114th Ave
Federal-aid No.: SUR-0(210)A
ADOT Project No.: SS854 01C
TIP/STIP No.: SUR11-714C
CFDA No.: 20.205 - Highway Planning
and Construction
Budget Source Item No.: n/a

**AMENDMENT NO. ONE
TO
INTERGOVERNMENTAL AGREEMENT**

BETWEEN
THE STATE OF ARIZONA
AND
CITY OF SURPRISE

THIS AMENDMENT NO. ONE to INTERGOVERNMENTAL AGREEMENT (the "Amendment No. One"), entered into this date _____, 2014, pursuant to Arizona Revised Statutes §§ 11-951 through 11-954, as amended, between the STATE OF ARIZONA, acting by and through its DEPARTMENT OF TRANSPORTATION (the "State") and the CITY OF SURPRISE, acting by and through its MAYOR and CITY COUNCIL (the "City"). The City and State are collectively referred to as the "Parties."

WHEREAS, the INTERGOVERNMENTAL AGREEMENT, JPA/IGA 13-0001269I, A.G. Contract No. P001 2013 001674, was executed on November 7, 2013, (the "Original Agreement");

WHEREAS, the State is empowered by Arizona Revised Statutes § 28-401 to enter into this Amendment No. One and has delegated to the undersigned the authority to execute this Amendment No. One on behalf of the State;

WHEREAS, the City is empowered by Arizona Revised Statutes § 48-572 to enter into this Amendment No. One and has by resolution, a copy of which is attached hereto and made a part hereof, resolved to enter into this Amendment No. One and has authorized the undersigned to execute this Amendment No. One on behalf of the City; and

NOW THEREFORE, in consideration of the mutual agreements expressed herein, the purpose of this Amendment No. One is to increase the construction funding. The City will contribute \$551,519.00 at 100%. The Parties desire to amend the Original Agreement, as follows:

SS854 01D (ADOT Project Management and Design Review (PMDR) Costs non-federal aid)

ADOT Project Management and Design Review Costs*	\$ 10,000.00
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SS854 01C (construction)

Federal-aid funds @ 94.3%	\$ 777,975.00
City's match @ 5.7%	\$ 47,025.00
City's match @ 100% (additional amount)	<u>\$ 551,519.00</u>
Total Estimated City Funds	\$ 608,544.00
Total Federal Funds	\$ 777,975.00

TOTAL Project Construction Costs**	\$1,386,519.00
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* (Included in the City Estimated Funds)

** (Includes 15% CE and 5% Project contingencies)

The Parties acknowledge that the final Project costs may exceed the initial estimate(s) shown above, and in such case, the **City** is responsible for, and agrees to pay, any and all eventual, actual costs exceeding the initial estimate. If the final bid amount is less than the initial estimate, the difference between the final bid amount and the initial estimate will be de-obligated or otherwise released from the Project. The **City** acknowledges it remains responsible for, and agrees to pay according to the terms of this Agreement, any and all eventual, actual costs exceeding the final bid amount.

II. SCOPE OF WORK**Section II, Paragraph 1.b. is revised, as follows:**

1. The State will:

b. Upon execution of this Agreement, and prior to performing or authorizing any work, invoice the City for the State's ADOT Project Management and Design Review Costs (PMDR), currently estimated at **\$10,000.00** and for the City's share of the Project construction costs, currently estimated at **\$598,544.00**. Once the Project costs have been finalized, the State will either invoice or reimburse the City for the difference between estimated and actual design review and construction costs.

Section II, Paragraph 2.b is revised, as follows:

2. The City will:

b. Upon execution of this Agreement, prior to performing or authorizing any work and within thirty (30) days of receipt of an invoice from the State, remit to the State the State's PMDR cost, currently estimated at **\$10,000.00** and the City's Project construction costs, currently estimated at **\$598,544.00**. Be responsible for any difference between the estimated and actual design review and construction costs.

III. MISCELLANEOUS PROVISIONS**Section III, Paragraph 13. was removed:**

13. Pursuant to Arizona Revised Statutes §§ 35-391.06 and 35-393.06, each Party certifies that it does not have a scrutinized business operation in Sudan or Iran. For the purpose of this Section the term

“scrutinized business operations” shall have the meanings set forth in Arizona Revised Statutes §§ 35-391 and/or 35-393, as applicable. If any Party determines that another Party submitted a false certification, that Party may impose remedies as provided by law including terminating this Agreement.

Section III, Paragraphs 17. and 18. are added, as follows:

17. Should the federal funding related to this Project be terminated or reduced by the federal government, or Congress rescinds, fails to renew, or otherwise reduces apportionments or obligation authority, the State shall in no way be obligated for funding or liable for any past, current or future expenses under this Agreement.

18. The City acknowledges compliance with federal laws and regulations and may be subject to the Office of Management and Budget (OMB), Single Audit, Circular A-133 (Audits of States, Local Governments, and Non-Profit Organizations). Entities that expend \$500,000 or more of Federal assistance (Federal funds, Federal grants, or Federal awards) are required to comply by having an independent audit. A copy of the Single Audit is to be sent to Arizona Department of Transportation Financial Management Services.

ADOT – FMS
Cost Accounting Administrator
206 S 17th Ave. Mail Drop 204B
Phoenix, AZ 85007
SingleAudit@azdot.gov

EXCEPT AS AMENDED herein, **ALL OTHER** terms and conditions of the Original Agreement remain in full force and effect.

THIS AMENDMENT NO. One shall become effective upon signing and dating of the Determination Letter by the State’s Attorney General.

IN ACCORDANCE WITH Arizona Revised Statutes § 11-952 (D) attached hereto and incorporated herein is the written determination of each Party’s legal counsel and that the Parties are authorized under the laws of this State to enter into this Amendment No. One and that the Amendment No. One is in proper form.

IN WITNESS WHEREOF, the Parties have executed this Amendment No. One the day and year first above written.

CITY OF SURPRISE

STATE OF ARIZONA

Department of Transportation

By _____
SHARON WOLCOTT
Mayor

By _____
DALLAS HAMMIT, P.E.
Senior Deputy State Engineer, Development

ATTEST:

By _____
SHERRY AGUILAR
City Clerk

ATTORNEY APPROVAL FORM FOR THE CITY OF SURPRISE

I have reviewed the above referenced Amendment No. One to the Original Agreement between the State of Arizona, acting by and through its DEPARTMENT OF TRANSPORTATION, and the CITY OF SURPRISE, an agreement among public agencies which, has been reviewed pursuant to Arizona Revised Statutes §§ 11-951 through 11-954 and declare this Amendment No. One to be in proper form and within the powers and authority granted to the City under the laws of the State of Arizona.

No opinion is expressed as to the authority of the State to enter into this Amendment No. One.

DATED this _____ day of _____, 2014.

City Attorney

ADOT File No.: IGA/JPA 13-0001269I
AG Contract No.: P001 2013 001674
Project: Multi-Use Path & Acquire ROW
Section: Bell Road-US 60 & 114th Ave
Federal-aid No.: SUR-0(210)A
ADOT Project No.: SS854 01C
TIP/STIP No.: SUR11-714C
Budget Source Item No.:

INTERGOVERNMENTAL AGREEMENT

BETWEEN
THE STATE OF ARIZONA
AND
CITY OF SURPRISE

THIS AGREEMENT is entered into this date November 7, 2013, pursuant to the Arizona Revised Statutes §§ 11-951 through 11-954, as amended, between the STATE OF ARIZONA, acting by and through its DEPARTMENT OF TRANSPORTATION (the "State") and the CITY OF SURPRISE, acting by and through its MAYOR and CITY COUNCIL (the "City"). The State and the City are collectively referred to as "Parties".

I. RECITALS

1. The State is empowered by Arizona Revised Statutes § 28-401 to enter into this Agreement and has delegated to the undersigned the authority to execute this Agreement on behalf of the State.
 2. The City is empowered by Arizona Revised Statutes § 48-572 to enter into this Agreement and has by resolution, a copy of which is attached hereto and made a part hereof, resolved to enter into this Agreement and has authorized the undersigned to execute this Agreement on behalf of the City.
 3. The work proposed under this Agreement consists of constructing a multi-use path and acquiring right-of-way, hereinafter referred to as the "Project". The City has completed and will provide the design and the State will advertise, bid and award the construction of the Project. The plans, estimates and specifications for the Project will be prepared and, as required, submitted to the State and Federal Highway Administration (FHWA) for its approval.
 4. The City, in order to obtain federal funds for the construction of the Project, is willing to provide City funds to match federal funds in the ratio required or as finally fixed and determined by the City and FHWA, including actual construction engineering and administration costs (CE).
 5. The interest of the State in this Project is the acquisition of federal funds for the use and benefit of the City and to authorize such federal funds for the Project pursuant to federal law and regulations. The State shall be the designated agent for the City.
 6. The Parties shall perform their responsibilities consistent with this Agreement and any change or modification to the Project will only occur with the mutual written consent of both Parties.
-

7. The federal funds will be used for the construction of the project, including the construction engineering and administration cost (CE). The estimated Project costs are as follows:

SS854 01C (construction)

Federal-aid funds @ 94.3%	\$ 777,975.00
City's match @ 5.7%	\$ 47,025.00
State design review fee (SS854 01D)*	\$ <u>10,000.00</u>
Total Estimated City Funds	\$ 57,025.00
Total Federal Funds	\$ 777,975.00
TOTAL Project Construction Costs**	\$ 835,000.00

* (Included in the City Estimated Funds)

** (Includes 15% CE and 5% Project contingencies)

The Parties acknowledge that the final Project costs may exceed the initial estimate(s) shown above, and in such case, the **City** is responsible for, and agrees to pay, any and all eventual, actual costs exceeding the initial estimate. If the final bid amount is less than the initial estimate, the difference between the final bid amount and the initial estimate will be de-obligated or otherwise released from the Project. The **City** acknowledges it remains responsible for, and agrees to pay according to the terms of this Agreement, any and all eventual, actual costs exceeding the final bid amount.

THEREFORE, in consideration of the mutual agreements expressed herein, it is agreed as follows:

II. SCOPE OF WORK

1. The State will:

a. Upon execution of this Agreement, be the designated agent for the City, if the Project is approved by FHWA and funds for the Project are available.

b. Upon execution of this Agreement, and prior to performing or authorizing any work, invoice the City for the State's design review fee, currently estimated at **\$10,000.00** and for the City's share of the Project construction costs, currently estimated at **\$47,025.00**. Once the Project costs have been finalized, the State will either invoice or reimburse the City for the difference between estimated and actual design review and construction costs.

c. Review the design plans, specifications and other such documents and services required for the construction bidding and construction of the Project and provide comments to the City as appropriate.

d. On behalf of the City, perform work and prepare documents required by the FHWA to qualify certain projects for and to receive federal funds. Such work may consist of, but is not specifically limited to, the review and approval of the prepared environmental documents; the preparation of the analysis requirements for documentation of environmental categorical exclusion determinations; review of reports, design plans, maps, and specifications; geologic materials testing and analysis; right-of-way related activities and such other related tasks essential to the achievement of the objectives of this Agreement.

e. Upon receipt of the City's estimated share of the Project construction costs, submit all documentation required to FHWA with the recommendation that funding be approved for construction.

Request the maximum programmed federal funds for the construction of this Project. Should costs exceed the maximum federal funds available, it is understood and agreed that the City will be responsible for any overage.

f. Upon authorization by FHWA and with the aid and consent of the City and the FHWA, proceed to advertise for, receive and open bids, subject to the concurrence of the FHWA and the City to whom the award is made, and enter into a contract(s) with a firm(s) for the construction of the Project.

g. Be granted, without cost requirements, the right to enter City right-of-way as required to conduct any and all construction and pre-construction related activities for said Project, including without limitation, temporary construction easements or temporary rights-of-entry on to and over said rights-of-way of the City.

h. Notify the City that the Project has been completed and is considered acceptable, coordinating with the City as appropriate to turn over full responsibility of the Project improvements. De-obligate or otherwise release any remaining federal funds from the construction phase of the Project within ninety (90) days of final acceptance.

i. Not be obligated to maintain said Project, should the City fail to budget or provide for proper and perpetual maintenance as set forth in this Agreement.

2. The City will:

a. Upon execution of this Agreement, designate the State as authorized agent for the City.

b. Upon execution of this Agreement, prior to performing or authorizing any work and within thirty (30) days of receipt of an invoice from the State, remit to the State the State's design review fee, currently estimated at **\$10,000.00** and the City's Project construction costs, currently estimated at **\$47,025.00**. Be responsible for any difference between the estimated and actual design review and construction costs.

c. Prepare and provide the design plans, specifications and other such documents and services required for construction bidding and construction of the Project and incorporate comments from the State as appropriate.

d. Enter into an agreement with the design consultant which states that the design consultant shall provide professional post-design services as required and requested throughout and upon completion of the construction phase of the Project.

e. Be responsible for all costs in excess of the maximum amount of federal funds and for any costs ineligible for federal funds. Such costs shall be paid by the City within thirty (30) days of receipt of invoice from the State.

f. Be obligated to incur any expenditure should unforeseen conditions or circumstances increase the cost of said work required by a change in the extent of scope of the work requested by the City. Such changes require the prior approval of the State and FHWA. Be responsible for any contractor claims for additional compensation caused by Project delays attributable to the City, payment for these costs shall be made within thirty (30) days of receipt of an invoice from the State.

g. Certify that all necessary rights-of-way have been or will be acquired prior to advertisement for bid and also certify that all obstructions or unauthorized encroachments of whatever nature, either above or below the surface of the Project area, shall be removed from the proposed right-of-way, or will be removed prior to the start of construction, in accordance with The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 as amended; 49 CFR 24.102 Basic Acquisition Policies; 49 CFR 24.4 Assurances, Monitoring and Corrective Action, parts (a) & (b) and ADOT ROW Manual: 8.02

Responsibilities, 8.03 Prime Functions, 9.07 Monitoring Process and 9.08 Certification of Compliance. Coordinate with the appropriate State's Right-of-Way personnel during any right-of-way process performed by the City, if applicable.

h. Not permit or allow any encroachments upon or private use of the right-of-way, except those authorized by permit. In the event of any unauthorized encroachment or improper use, the City shall take all necessary steps to remove or prevent any such encroachment or use.

i. Grant the State, its agents and/or contractors, without cost, the right to enter City rights-of-way, as required, to conduct any and all construction and preconstruction related activities, including without limitation, temporary construction easements or temporary rights-of-entry to accomplish among other things, soil and foundation investigations.

j. Upon completion of the construction phase of the Project, provide an electronic version of the as-built plans to Arizona Department of Transportation Urban Project Management Section.

k. Upon notification of Project completion, agree to accept, maintain and assume full responsibility of the Project in writing.

III. MISCELLANEOUS PROVISIONS

1. The terms, conditions and provisions of this Agreement shall remain in full force and effect until completion of said Project, including related deposits and/or reimbursements. Any provisions for maintenance/electrical power and/or landscaping maintenance shall be perpetual by the City. Further, this Agreement may be cancelled at any time prior to advertisement of the project construction contract, upon thirty (30) days written notice to the other party. It is understood and agreed that, in the event the City terminates this Agreement, the State shall in no way be obligated to maintain said Project. If the federal funding related to this Project is terminated or reduced by the federal government, or if Congress rescinds, fails to renew, or otherwise reduces apportionments or obligation authority, the State shall in no way be obligated for funding or liable for any past, current or future expenses under this agreement.

2. The State assumes no financial obligation or liability under this Agreement, or for any resulting construction Project. The City, in regard to the City's relationship with the State only, assumes full responsibility for the design, plans, specifications, reports, the engineering in connection therewith and the construction of the improvements contemplated, cost over-runs and construction claims. It is understood and agreed that the State's participation is confined solely to securing federal aid on behalf of the City and the fulfillment of any other responsibilities of the State as specifically set forth herein; that any damages arising from carrying out, in any respect, the terms of this Agreement or any modification thereof shall be the liability of the City and that to the extent permitted by law, the City hereby agrees to save and hold harmless, defend and indemnify from loss the State, any of its departments, agencies, officers or employees from any and all costs and/or damage incurred by any of the above and from any other damage to any person or property whatsoever, which is caused by any activity, condition, misrepresentation, directives, instruction or event arising out of the performance or non-performance of any provisions of this Agreement by the State, any of its departments, agencies, officers and employees, or its independent contractors, the City, any of its agents, officers and employees, or its independent contractors. Costs incurred by the State, any of its departments, agencies, officers or employees shall include in the event of any action, court costs, and expenses of litigation and attorneys' fees.

3. The cost of construction and construction engineering work under this Agreement is to be covered by the federal funds set aside for this Project, up to the maximum available. The City acknowledges that the eventual actual costs may exceed the maximum available amount of federal funds, or that certain costs may not be accepted by the federal government as eligible for federal funds.

Therefore, the City agrees to furnish and provide the difference between actual costs of the Project and the federal funds received.

4. The cost of the Project under this Agreement includes applicable indirect costs approved by the Federal Highway Administration (FHWA).

5. The Parties warrant compliance with the Federal Funding Accountability and Transparency Act of 2006 and associated 2008 Amendments (the "Act"). Additionally, in a timely manner, the City will provide information that is requested by the State to enable the State to comply with the requirements of the Act, as may be applicable.

6. This Agreement shall become effective upon signing and dating of the Determination Letter by the State's Attorney General.

7. This Agreement may be cancelled in accordance with Arizona Revised Statutes § 38-511.

8. To the extent applicable under law, the provisions set forth in Arizona Revised Statutes §§ 35-214 and 35-215 shall apply to this Agreement.

9. This Agreement is subject to all applicable provisions of the Americans with Disabilities Act (Public Law 101-336, 42 U.S.C. 12101-12213) and all applicable federal regulations under the Act, including 28 CFR Parts 35 and 36. The parties to this Agreement shall comply with Executive Order Number 2009-09 issued by the Governor of the State of Arizona and incorporated herein by reference regarding "Non-Discrimination".

10. Non-Availability of Funds: Every obligation of the State under this Agreement is conditioned upon the availability of funds appropriated or allocated for the fulfillment of such obligations. If funds are not allocated and available for the continuance of this Agreement, this Agreement may be terminated by the State at the end of the period for which the funds are available. No liability shall accrue to the State in the event this provision is exercised, and the State shall not be obligated or liable for any future payments as a result of termination under this paragraph.

11. In the event of any controversy, which may arise out of this Agreement, the Parties hereto agree to abide by required arbitration as is set forth for public works contracts in Arizona Revised Statutes § 12-1518.

12. The Parties shall comply with the applicable requirements of Arizona Revised Statutes § 41-4401.

13. Pursuant to Arizona Revised Statutes §§ 35-391.06 and 35-393.06, each Party certifies that it does not have a scrutinized business operation in Sudan or Iran. For the purpose of this Section the term "scrutinized business operations" shall have the meanings set forth in Arizona Revised Statutes §§ 35-391 and/or 35-393, as applicable. If any Party determines that another Party submitted a false certification, that Party may impose remedies as provided by law including terminating this Agreement.

14. The Parties hereto shall comply with all applicable laws, rules, regulations and ordinances, as may be amended.

15. All notices or demands upon any party to this Agreement shall be in writing and shall be delivered in person or sent by mail, addressed as follows:

Arizona Department of Transportation
Joint Project Administration
205 S. 17th Avenue, Mail Drop 637E
Phoenix, Arizona 85007
(602) 712-7124
(602) 712-3132 Fax

City of Surprise
Attn: Robert Beckley
16000 N Civic Center Plaza City
Surprise, Arizona 85374
(623) 222-6020

For City Financial Matters:
Bob Stull
16000 N Civic Center Plaza City
Surprise, Arizona 85374
(623) 222-1800

16. In accordance with Arizona Revised Statutes § 11-952(D) attached hereto and incorporated herein is the written determination of each party's legal counsel and that the parties are authorized under the laws of this State to enter into this Agreement and that the Agreement is in proper form.

IN WITNESS WHEREOF, the Parties have executed this Agreement the day and year first above written.

CITY OF SURPRISE

By 
SHARON WOLCOTT
Mayor

STATE OF ARIZONA

Department of Transportation

By 
DALLAS HAMMIT, P.E.
Senior Deputy State Engineer, Development

ATTEST:

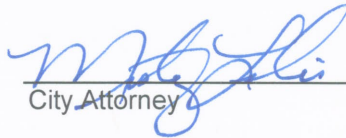
By 
SHERRY AGUILAR
City Clerk

ATTORNEY APPROVAL FORM FOR THE CITY OF SURPRISE

I have reviewed the above-referenced Intergovernmental Agreement between the State of Arizona, acting by and through its DEPARTMENT OF TRANSPORTATION, and the CITY OF SURPRISE, an agreement among public agencies which, has been reviewed pursuant to Arizona Revised Statutes §§ 11-951 through 11-954 and declare this Agreement to be in proper form and within the powers and authority granted to the City under the laws of the State of Arizona.

No opinion is expressed as to the authority of the State to enter into this Agreement.

DATED this Oct 25th day of October, 2013.



City Attorney



THOMAS C. HORNE
ATTORNEY GENERAL

OFFICE OF THE ATTORNEY GENERAL
TRANSPORTATION SECTION

SUSAN E. DAVIS
ASSISTANT ATTORNEY GENERAL
DIRECT LINE: 602-542-8855
E-MAIL: SUSAN.DAVIS@AZAG.GOV

INTERGOVERNMENTAL AGREEMENT
DETERMINATION

A.G. Contract No. P0012013001674 (**ADOT IGA/JPA 13-0001269-I**), an Agreement between public agencies, the State of Arizona and the City of Surprise, has been reviewed pursuant to A.R.S. §§ 11-952, as amended, by the undersigned Assistant Attorney General who has determined that it is in the proper form and is within the powers and authority granted to the State of Arizona.

No opinion is expressed as to the authority of the remaining Parties, other than the State or its agencies, to enter into said Agreement.

DATED: November 7, 2013

THOMAS C. HORNE
Attorney General


SUSAN E. DAVIS
Assistant Attorney General
Transportation Section

SED:rl:#3603363
Attachment



CITY OF SURPRISE
Regular City Council Meeting

May 20, 2014 @ 6:00:00 PM

[Back](#) [Print](#)

Council Meeting Date: May 20, 2014

Contact Person: Dick McKinley, Public Works

Submitting Department:

District: Citywide

Staff Recommendations: Approve

Consent	x	Regular	Public Hearing	Report/Discussion
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Agenda Wording:

Consideration and action authorizing the City Manger to accept a Maricopa Association of Governments (MAG) grant award not to exceed \$382,400 (\$191,200 dollars per sweeper) for the purchase of two PM10 Certified Street Sweeper replacements; Resolution No. 2014-50.

Motion:

I move to approve Resolution #2014-50.

Background:

In November 2013 the City submitted an application for Congestion Mitigation and Air Quality funding (CMAQ) to replace two of its oldest PM10 certified street sweepers. The City was notified of the award on April 7, 2014.

Funding for the replacements requires the City to provide a 5.7% local match which is planned for in the City's FY2015 budget. The MAG Grant award of \$382,400 (\$191,200 each) is for two PM-10 certified street sweeper replacements.

With acceptance of the Resolution and City Managers Budget the department will work with purchasing to complete the acquisition of the replacement sweepers as required by the award letter by March 2015.

Financial Impact Statement:

The purchase of two street sweepers has been identified and planned for in the FY2015 City Manager recommended budget.

ATTACHMENTS:

Click to download

☐ [Resolution 2014-50 with Award Letter](#)

External Attachment Links:

Meeting Requirements:

Powerpoint x Video White Board Other x

Presentation Speaker Names (spelling and titles for TV captions):

Mike Gent, Assistant Public Works Director - Operation

RESOLUTION # 2014-50

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF SURPRISE, ARIZONA, AUTHORIZING THE CITY TO ACCEPT A MAG GRANT FOR FUNDING OF TWO PM-10-CERTIFIED STREET SWEEPERS WITH A CITY CASH MATCH OF 5.7%.

WHEREAS, on November 18, 2013 the Maricopa Association of Governments ("MAG") began accepting applications for Congestion Mitigation and Air Quality Improvement (CMAQ) funding for PM10 certified street sweepers;

WHEREAS, on February 26, 2014 MAG Regional Council approved the prioritized list of proposed PM-10 certified street sweeper projects for MAG's FY2014 Congestion Mitigation and Air Quality Improvement funding;

WHEREAS, on March 26, 2014 MAG Regional Council approved the Tier 3 – Closeout Priorities for Federal Fiscal Year 2014 that confirmed that 100 percent of Surprise's two street sweeper projects were funded in an amount not to exceed One Hundred Ninety-One Thousand One Hundred Ninety Dollars (\$191,190) per sweeper, with a 5.7% cash match by the City; and

WHEREAS, The City Manager planned budget has identified this grant opportunity, and accepted City budget practices encourage a budget to take full advantage of grant opportunities.

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

Section 1. The City of Surprise accepts the MAG grant for two street sweepers in an amount not to exceed One Hundred Ninety-One Thousand One Hundred Ninety Dollars (\$191,190) per sweeper, with a 5.7% cash match.

Section 2. The Surprise City Manager, Public Works Department Director and their delegates are authorized and directed to perform all acts necessary or desirable to accept the MAG grant and give effect to this resolution.

APPROVED AND ADOPTED this ____ day of _____, 2014.

Sharon Wolcott, Mayor

Attest:

Approved as to form:

Sherry Aguilar, City Clerk

Misty Leslie, City Attorney

April 7, 2014

Mr. Chris Hillman, Manager
City of Surprise
16000 North Civic Center Plaza
Surprise, Arizona 85374

Dear ^{Chris} Mr. Hillman:

On February 26, 2014, the MAG Regional Council approved the prioritized list of proposed PM-10 certified street sweeper projects for FY 2014 Congestion Mitigation and Air Quality Improvement (CMAQ) funding (Attachment One) with initial funding of \$1,230,599. Also, on March 26, 2014, the MAG Regional Council approved an additional \$640,169.97 in CMAQ funding for street sweepers through the approval of the Evaluation of Federal Fiscal Year 2014 Funding Levels, and Tier II and Tier III Proposals. This additional funding, together with \$647,262.02 in carryforward funds, will allow for the purchase of the remaining street sweeper projects on the prioritized list. We are pleased to inform you that two PM-10 certified street sweeper projects requested by the City of Surprise have been authorized for FY 2014 CMAQ funding in the amount of \$191,190 for each sweeper. In the project proposals, the City of Surprise agreed to provide a 5.7 percent cash match. To address new Federal Highway Administration procedures to minimize inactive obligations, we are requesting that the sweepers be purchased and reimbursement requests be submitted to MAG by March 26, 2015.

Details concerning street sweeper requirements are listed below.

1. Eligibility - Eligible street sweepers are defined as those which have been certified by the South Coast Air Quality Management District (SCAQMD) as meeting the SCAQMD Rule 1186 certification standards. The most recent list of Certified Street Sweepers Under SCAQMD Rule 1186 is dated August 30, 2012 (see Attachment Two). It is assumed that, at a minimum, the CMAQ-funded street sweeper will be used in accordance with the lane miles and sweeping cycle submitted with the project application.
2. Procurement - Local procurement of the street sweeper must conform to applicable federal and state procurement regulations for the purchase of the certified street sweeper. The Federal Highway Administration has advised MAG that entities should proceed with procurement of PM-10 certified street sweepers after CMAQ funding has been approved by the MAG Regional Council and authorized by the Federal Highway Administration.

Also, the Federal Highway Administration (FHWA) Buy America regulations require a domestic manufacturing process for any steel or iron products (including protective coatings) that are permanently incorporated in a Federal-aid highway construction project, that includes the purchase of street sweepers. In March 2014, MAG applied to FHWA for a conditional Buy America waiver

for the proposed PM-10 certified street sweeper projects for FY 2014 CMAQ funding and MAG will notify the member agencies upon notification of FHWA's Buy America waiver finding. If a conditional Buy America waiver is granted, the remaining Federal Highway Administration requirement is a vendor certification that final assembly of the street sweeper occurred in the United States. Please transmit a copy of the vendor certification to MAG when reimbursement is requested.

In accordance with the Arizona Department of Transportation (ADOT) Federal Property Management Standards, if the project involves replacing an older street sweeper, no purchase order should be placed for replacement equipment without affirmative approval from ADOT. To begin the process, the jurisdiction is required to provide a complete description of the street sweeper to be traded or sold and of the street sweeper to be purchased, a copy of the vendor quote which specifies price, trade-in amount, net cost, and the reason for the request to MAG in writing. MAG will send the request to ADOT, and MAG will in turn forward the ADOT response back to the jurisdiction.

3. Annual Inventory - According to the ADOT policy, MAG is responsible for conducting and submitting an annual inventory of the certified street sweepers owned by the jurisdictions to ADOT by October 31. For the annual inventory, MAG will contact the jurisdictions to obtain information on each street sweeper. It is important to note that the inventory will require additional financial information such as accumulated depreciation and net book value.
4. Reimbursement - MAG will distribute the CMAQ funding on a reimbursement basis. Again, we are requesting that the sweepers be purchased and reimbursement requests be sent to MAG by March 26, 2015. Additional costs for equipment beyond the specifications necessary for compliance with Rule 1186-certification are not eligible for reimbursement. Examples of additional street sweeper equipment not eligible for reimbursement are provided in Attachment Three. To initiate reimbursement, please submit a copy of the vendor invoice to the attention of Dean Giles at MAG. Following the submission of a detailed pricing summary and invoice to MAG, the City of Surprise will be reimbursed for an amount not to exceed \$191,190 for each sweeper. Please provide the name of the contact person and the mailing address to send the reimbursement.

Please provide documentation that includes a description of the street sweeper, the vehicle identification number, name of title holder, the cost of the vehicle (copy of invoice, bill of sale, etc.), the location where the sweeper is housed when it is not in use. The name of the contact person for the sweeper and telephone number is also requested.

5. Disposition - The ADOT Federal Property Management Standards (Attachment Four) requires that each jurisdiction obtain ADOT approval prior to disposal of a CMAQ-funded street sweeper. Each jurisdiction is to request disposal of a street sweeper in writing to MAG. MAG will send the request to ADOT, and MAG will in turn forward the ADOT response back to the jurisdiction. The ADOT policy covers various categories of disposition (e.g. trade-in, auction, or sale), with requirements unique to each category.

Mr. Chris Hillman, Manager
April 7, 2014
Page 3

For disposal of an older CMAQ-funded street sweeper through any means, the federal awarding agency is entitled to a share of the proceeds. According to the ADOT Federal Property Management Standards for disposition through a trade-in or sale, an amount of the proceeds entitled to the federal awarding agency will be calculated and applied toward the cost of the new street sweeper and an amount based on the percentage of the jurisdiction's participation in the original sweeper may be used to offset the amount of local cash match required.

If you have any questions or require additional information regarding the ADOT policy, please contact Dean Giles at (602) 254-6300 or dgiles@azmag.gov.

Sincerely,

A handwritten signature in black ink, appearing to read 'D. Smith', with a stylized flourish at the end.

Dennis Smith
Executive Director

cc: Antonio DeLaCruz, Public Works Manager Streets, Surprise
Richard McKinley, Public Works Director, Surprise ✓
Michael Celaya, Intergovernmental Relations Director, Surprise

Prioritized List of Proposed PM-10 Certified Street Sweeper Projects for FY 2014 CMAQ Funding **Approved by MAG Regional Council on February 26 and March 26, 2014***

\$2,518,031 in CMAQ Funding is Available for Sweeper Projects

Supplemental Information													
Agency	Federal Cost	Local Cost	Total Cost*	Daily Emission Reduction (Kilograms/day)	Cost-Effectiveness (CMAQ dollar cost per annual metric ton reduced)	The requested certified street sweeper will:				Have local resources been committed for additional staff or equipment to support the sweeper project?		Please indicate in what geographical area(s) the requested certified street sweeper will operate	Number of certified street sweepers owned and operated by your agency. ++
						Replace non-certified sweeper	Expand	Increase Frequency	Replace older certified sweeper	Yes	No		
Phoenix #2 +	\$224,193	\$13,551	\$237,744	124	\$708				✓	✓		Area within city bounded by 11 th Ave. to 1 st Ave., W. Bethany Home Rd. to W. Pecos Rd.	34
El Mirage +	\$168,840	\$10,085	\$176,825	74	\$882				✓		✓	Northern Ave. north to Thompson Ranch Rd.; Dysart Rd. to the Agua Fria river bed	2
Queen Creek +	\$178,472	\$10,788	\$189,260	70	\$998				✓		✓	Major and minor arterial routes townwide from Power Rd. to Meridian Rd., and from Germann Rd. to Empire Rd.	4
Surprise #2 +	\$191,190	\$11,557	\$202,747	69	\$1,082				✓	✓		Citywide	8
Surprise #1 +	\$191,190	\$11,557	\$202,747	69	\$1,082				✓	✓		Citywide	8
Phoenix #1 +	\$224,193	\$13,551	\$237,744	62	\$1,407				✓		✓	Area within city bounded by 11 th Ave. to 1 st Ave., W. Bethany Home Rd. to W. Pecos Rd.	34
Goodyear	\$229,717	\$13,885	\$243,602	43	\$2,080				✓	✓		Dysart Rd. to Pennyville Rd. from Camelback Rd. to Riggs Rd.	4
Pinal County +	\$225,784	\$13,648	\$238,432	20	\$4,381	✓					✓	Thompson Rd. to Quail Run Ln.; Bella Vista Rd. to Germann Rd.	3
Florence	\$177,496	\$10,729	\$188,225	7	\$10,270	✓	✓	✓			✓	Will operate in an area bounded by Arizona Farms Rd., East-West Hunt Hwy., Felix Rd., and North-South Hunt Hwy.	1
Mesa #1 +	\$241,720	\$14,611	\$256,331	9	\$10,967				✓		✓	Price Rd. to Signal Butte Rd. and Baseline Rd. to Thomas Rd.	7
Mesa #2 +	\$241,720	\$14,611	\$256,331	9	\$10,967				✓		✓	Price Rd. to Signal Butte Rd. and Baseline Rd. to Thomas Rd.	7
Litchfield Park	\$225,516	\$13,631	\$239,147	7	\$12,763		✓	✓		✓		Entire city	1
Total			\$2,518,031										

On March 26, 2014, the MAG Regional Council approved an additional \$640,169.97 in CMAQ funding for street sweepers through the approval of the Evaluation of Federal Fiscal Year 2014 Funding Levels, and Tier II and Tier III Proposals. This additional funding, together with \$647,262.02 in carryforward funds, will allow for the purchase of the remaining street sweeper projects on the prioritized list.

* Total cost for the CMAQ eligible portion of the project, excludes ineligible equipment.
 + Proposed sweeper projects for Phoenix #2, El Mirage, Queen Creek, Surprise #2, Surprise #1, Phoenix #1, Pinal County, Mesa #1, and Mesa #2 indicate sweeping within four miles of a PM-10 monitor.

++ The total number of certified street sweepers owned and operated by the agency, regardless of funding source.
 Note: On January 30, 2014, Tempe informed MAG that it is withdrawing the FY 2014 CMAQ funding application for a street sweeper.

South Coast Air Quality Management District

21865 Copley Drive, Diamond Bar, CA 91765-4182
(909) 396-2000 • www.aqmd.gov

CERTIFIED STREET SWEEPERS UNDER SCAQMD RULE 1186

(AS OF AUGUST 30, 2012*)

SCAQMD Rule 1186 requires local governments within the South Coast Air Quality Management District (see Figure below) to procure certified street sweepers for new equipment purchases or new street sweeping contracts made after January 1, 2000 (there are no retrofit requirements under Rule 1186).

Various SCAQMD regulations also require procurement of certified street sweepers to implement specific rule requirements. This list of equipment is updated periodically based on certifications test results and in response to new information.

The SCAQMD Governing Board adopted Rule 1186 street sweeper testing and certification procedures in September of 1999. Enclosed is a list of equipment that has met the Rule 1186 certification standards. (The equipment may either be new or upgraded to meet certification specifications). Questions on equipment capabilities and options should be directed to your local distributor and/or the manufacturer. Questions regarding the Rule requirements can be directed to Mike Laybourn, Air Quality Specialist, at (909) 396-3066 or mlaybourn@aqmd.gov.



Cleaning the air that we breathe...

* Additional sweepers may be certified based on future tests. You can call 1 (800) CUT-SMOG or visit www.aqmd.gov for the most recent list of Rule 1186 certified equipment.



SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT (SCAQMD)

RULE 1186 CERTIFIED* STREET SWEEPERS AS OF AUGUST 30, 2012

THE FOLLOWING IS A LIST OF STREET SWEEPING EQUIPMENT THAT HAS CURRENTLY BEEN CERTIFIED FOR SCAQMD RULE 1186. ALL CERTIFIED EQUIPMENT MUST BE OPERATED AND MAINTAINED IN ACCORDANCE WITH THE MANUFACTURER'S SPECIFICATIONS. FUTURE TESTING MAY QUALIFY ADDITIONAL EQUIPMENT. CALL 1 (800) CUT-SMOG FOR THE CURRENT LIST.

MAKE*	MODEL*	DUST CONTROL SYSTEMS*
CHALLENGER MANUFACTURING	CHALLENGER	- THREE (3) 0.03 INCH DIAMETER ORIFICE NOZZLES LOCATED AT EACH SIDE BROOM - FOUR (4) 0.03 INCH DIAMETER ORIFICE NOZZLES CENTRALLY LOCATED BETWEEN THE MAIN BROOM AND THE CONVEYOR - WATER PUMP TO PROVIDE 25 POUNDS PER SQUARE INCH WATER PRESSURE DURING OPERATION; MAXIMUM OF 45 POUNDS PER SQUARE INCH
ELGIN	AIR CUB (LX/DX) CROSSWIND FURY	- DIAMOND GRID DUST SEPARATION SCREEN - LOUVERED CENTRIFUGAL DUST SEPARATOR - ONE (1) 0.06 INCH DIAMETER ORIFICE NOZZLE CENTRALLY LOCATED ABOVE FAN INLET IN THE HOPPER - TWO (2) 0.047 INCH DIAMETER ORIFICE NOZZLES LOCATED INSIDE THE SUCTION TUBE - FOUR (4) 0.051 INCH DIAMETER ORIFICE NOZZLES LOCATED AT EACH SIDE BROOM - PUMP TO PROVIDE 40 POUNDS PER SQUARE INCH WATER PRESSURE
ELGIN	CROSSWIND J	- DIAMOND GRID DUST SEPARATION SCREEN - S-TRAP CENTRIFUGAL SEPARATOR - FOUR (4) 0.06 INCH DIAMETER ORIFICE NOZZLES LOCATED INSIDE HOPPER - THREE (3) 0.059 INCH DIAMETER ORIFICE NOZZLES LOCATED INSIDE SUCTION TUBE - THREE (3) 0.057 INCH DIAMETER ORIFICE NOZZLES LOCATED AT EACH SIDE BROOM - WATER PUMP TO PROVIDE 80 POUNDS PER SQUARE INCH WATER PRESSURE

* In order to ensure compliance with Rule 1186 requirements, all certified equipment must be operated and maintained in accordance with the manufacturer's specifications. End users are responsible for ensuring that the dust control systems are in place for each certified sweeper.
 Note: The make and model of the sweeper must have the dust control system(s) specified above to be in compliance. (Standard or older models may not have all the systems). Please contact the manufacturer if you would like to ensure that your sweeper(s) are Rule 1186 compliant.



**SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT (SCAQMD)
RULE 1186 CERTIFIED* STREET SWEEPERS AS OF AUGUST 30, 2012**

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MAKE*	MODEL*	DUST CONTROL SYSTEMS*
ELGIN	PELICAN P & S PELICAN SE (WET SUPPRESSION)	- FOUR (4) 0.06 INCH DIAMETER ORIFICE NOZZLES CENTRALLY LOCATED BETWEEN THE MAIN BROOM AND THE CONVEYOR - TWO (2) 0.057 INCH DIAMETER ORIFICE NOZZLES LOCATED AT EACH GUTTER BROOM - WATER PUMP TO PROVIDE 80 POUNDS PER SQUARE INCH WATER PRESSURE
ELGIN	PELICAN P (WATERLESS SUPPRESSION)	- GUTTER/MAIN BROOM FULLY ENCLOSED SHROUD SYSTEM - TWO CENTRIFUGAL DUST EVACUATION FANS - SYNTHETIC MULTI-POCKET FILTER WITH HYDRAULIC SHAKER FOR DUST REMOVAL
ELGIN	PELICAN P (COMBINATION)	ALL OF THE FEATURES OF THE WET AND WATERLESS SUPPRESSION PELICAN P STREET SWEEPER WITH THE EQUIPMENT OPERATED IN EITHER THE WET OR WATERLESS MODE
ELGIN	EAGLE E EAGLE F EAGLE (CNG) BROOM BEAR ROAD WIZARD	- FOUR (4) 0.06 INCH DIAMETER ORIFICE NOZZLES CENTRALLY LOCATED BETWEEN THE MAIN BROOM AND THE CONVEYOR - THREE (3) 0.057 INCH DIAMETER ORIFICE NOZZLES LOCATED AT EACH GUTTER BROOM - WATER PUMP TO PROVIDE 80 POUNDS PER SQUARE INCH WATER PRESSURE
ELGIN	EAGLE F (WATERLESS)	- GUTTER/MAIN BROOM FULLY ENCLOSED SHROUD SYSTEM - CENTRIFUGAL DUST EVACUATION FAN - SYNTHETIC MULTI-POCKET FILTER WITH HYDRAULIC SHAKER FOR DUST CONTROL
ELGIN	EAGLE F (COMBINATION)	ALL OF THE FEATURES OF THE WET AND WATERLESS EAGLE F STREET SWEEPER WITH THE EQUIPMENT OPERATED IN EITHER THE WET OR WATERLESS MODE

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Note: The make and model of the sweeper must have the dust control system(s) specified above to be in compliance. (Standard or older models may not have all the systems). Please contact the manufacturer if you would like to ensure that your sweeper(s) are Rule 1186 compliant.



SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT (SCAQMD)

RULE 1186 CERTIFIED * STREET SWEEPERS AS OF AUGUST 30, 2012

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MAKE*	MODEL*	DUST CONTROL SYSTEMS*
ELGIN	GEOVAC	- DIAMOND GRID DUST SEPARATION SCREEN - FOUR (4) 0.06 INCH DIAMETER ORIFICE NOZZLES CENTRALLY LOCATED IN THE HOPPER - TWO (2) 0.059 INCH DIAMETER ORIFICE NOZZLES LOCATED INSIDE THE SUCTION TUBE - TWO (2) 0.057 INCH DIAMETER ORIFICE NOZZLES LOCATED AT EACH SIDE BROOM - FOUR (4) 0.06 INCH DIAMETER ORIFICE NOZZLES LOCATED AT THE EXTENSION BROOM - WATER PUMP TO PROVIDE 80 POUNDS PER SQUARE INCH WATER PRESSURE
ELGIN	WHIRLWIND MV	- DIAMOND GRID DUST SEPARATION SCREEN - FOUR (4) 0.06 INCH DIAMETER ORIFICE NOZZLES CENTRALLY LOCATED IN THE HOPPER - TWO (2) 0.059 INCH DIAMETER ORIFICE NOZZLES LOCATED INSIDE THE SUCTION TUBE - TWO (2) 0.057 INCH DIAMETER ORIFICE NOZZLES LOCATED AT EACH SIDE BROOM - FOUR (4) 0.60 INCH DIAMETER ORIFICE NOZZLES LOCATED AT THE EXTENSION BROOM - PUMP TO PROVIDE 80 POUNDS PER SQUARE INCH WATER PRESSURE
JOHNSTON	310	- FOUR (4) 0.072 INCH DIAMETER ORIFICE NOZZLES LOCATED IN FRONT SPRAY BAR - TWO (2) 0.072 INCH DIAMETER ORIFICE NOZZLES PER EACH GUTTER BROOM - ONE (1) 0.026 INCH DIAMETER ORIFICE NOZZLE LOCATED IN THE FAN SUCTION HOOD - WATER PUMP TO PROVIDE 50 POUNDS PER SQUARE INCH WATER PRESSURE

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 Note: The make and model of the sweeper must have the dust control system(s) specified above to be in compliance. (Standard or older models may not have all the systems). Please contact the manufacturer if you would like to ensure that your sweeper(s) are Rule 1186 compliant.



SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT (SCAQMD)

RULE 1186 CERTIFIED* STREET SWEEPERS AS OF AUGUST 30, 2012

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MAKE*	MODEL*	DUST CONTROL SYSTEMS*
JOHNSTON 3000 MX450 4000 4000 SDS MST 350		- ENCLOSED ELEVATOR SYSTEM - STEEL OR MIXED POLYESTER MAIN PICK UP BROOM - ONE (1) 0.072 INCH DIAMETER ORIFICE NOZZLE PER EACH GUTTER BROOM - TWO (2) 0.036 INCH DIAMETER ORIFICE NOZZLES PER EACH SIDE OF THE MAIN PICK UP BROOM - THREE (3) 0.057 INCH DIAMETER ORIFICE NOZZLES IN SPRAY BAR LOCATED BEHIND THE MAIN PICK UP BROOM - TWO (2) 0.036 INCH DIAMETER ORIFICE NOZZLES IN SPRAY BAR LOCATED UNDERNEATH THE CAB - WATER PUMP TO PROVIDE 40 POUNDS PER SQUARE INCH WATER PRESSURE
JOHNSTON VT605 VT610 VT605 VT650		- TWO (2) 0.039 INCH DIAMETER ORIFICE NOZZLES PER GUTTER BROOM - THREE (3) 0.042 INCH DIAMETER ORIFICE NOZZLES PER SUCTION BROOM - THREE (3) 0.039 INCH DIAMETER ORIFICE NOZZLES PER SUCTION NOZZLE - MULTI-POSITION SUCTION NOZZLE TWO ARM FACILITY - ONE (1) 0.042 INCH DIAMETER ORIFICE NOZZLE FOR THE IMPELLER FAN - WATER PUMP TO PROVIDE 50 POUNDS PER SQUARE INCH WATER PRESSURE

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Note: The make and model of the sweeper must have the dust control system(s) specified above to be in compliance. (Standard or older models may not have all the systems). Please contact the manufacturer if you would like to ensure that your sweeper(s) are Rule 1186 compliant.



**SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT (SCAQMD)
RULE 1186 CERTIFIED* STREET SWEEPERS AS OF AUGUST 30, 2012**

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MAKE*	MODEL*	DUST CONTROL SYSTEMS*
JOHNSTON	770 CYCLONE	- THREE (3) 0.067 INCH DIAMETER ORIFICE NOZZLES FOR GUTTER BROOMS - TWO (2) 0.07 INCH DIAMETER ORIFICE NOZZLES FOR CENTER CURTAIN - FOUR (4) 0.055 INCH DIAMETER ORIFICE NOZZLES FOR FRONT BUMPER - TWO (2) 0.067 INCH DIAMETER ORIFICE NOZZLES FOR FRONT CURB SPRAY - TWO (2) 0.07 INCH DIAMETER ORIFICE NOZZLES ON LEFT AND RIGHT SIDE OF PICK UP HEAD - THREE (3) 0.082 INCH DIAMETER ORIFICE NOZZLES FOR PICK UP HEAD FRONT SIDE - SEVEN (7) 0.079 INCH DIAMETER ORIFICE NOZZLES FOR PICK UP HEAD REAR SIDE - THREE (3) 0.079 INCH DIAMETER ORIFICE NOZZLES FOR WINDROW PATH - TWO (2) 0.045 INCH DIAMETER ORIFICE NOZZLES FOR PICK UP HEAD SUCTION - ONE (1) 0.079 INCH DIAMETER ORIFICE NOZZLE FOR BLOWER FAN OUTLET - PUMP TO PROVIDE 50 POUNDS PER SQUARE INCH WATER PRESSURE
NESCON	X-BROOM	- THREE (3) 0.079 INCH DIAMETER ORIFICE NOZZLES LOCATED AT EACH SIDE BROOM - FIVE (5) 0.079 INCH DIAMETER ORIFICE NOZZLES ACROSS FRONT BUMPER - FIVE (5) 0.050 INCH DIAMETER ORIFICE NOZZLES IN MAIN BROOM HOUSING - WATER PUMP TO PROVIDE 50 POUNDS PER SQUARE INCH WATER PRESSURE

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SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT (SCAQMD)

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MAKE*	MODEL*	DUST CONTROL SYSTEMS*
SCHWARZE	EV-1	- TWELVE (12) POLYESTER DRY FILTER CARTRIDGES (MAINTAINED TO ENSURE PROPER INTEGRITY) - FILTRATION CLEANED THREE TIMES PER MINUTE - FILTRATION SYSTEM ACTIVE AT ALL TIMES
SCHWARZE	EV-2	- EIGHT (8) POLYESTER DRY FILTER CARTRIDGES (MAINTAINED TO ENSURE PROPER INTEGRITY) - FILTRATION SYSTEM OPERATED AT ALL TIMES - EACH FILTER CLEANED THREE TIMES PER MINUTE
SCHWARZE	DXR	- POLYESTER DRY FILTER CARTRIDGES (MAINTAINED TO ENSURE PROPER INTEGRITY) - FILTRATION SYSTEM ACTIVE AT ALL TIMES - FILTRATION CLEANED FOUR TIMES PER MINUTE AND A HALF
SCHWARZE	A4000	- FOUR (4) 0.036 INCH DIAMETER ORIFICE NOZZLES LOCATED ON THE SWEEPING HEAD - TWO (2) 0.036 INCH DIAMETER ORIFICE NOZZLES INSIDE HOPPER - TWO (2) 0.036 INCH DIAMETER ORIFICE NOZZLES FOR EACH GUTTER BROOM - FOUR (4) 0.036 INCH DIAMETER ORIFICE NOZZLES INSIDE HOPPER ON SPRAY BAR - WATER PUMP TO PROVIDE 70 POUNDS PER SQUARE INCH WATER PRESSURE
SCHWARZE	M5000/M6000	- FIVE (5) 0.036 INCH DIAMETER ORIFICE NOZZLES ON MAIN BROOM - THREE (3) 0.036 INCH DIAMETER ORIFICE NOZZLES FOR EACH GUTTER BROOM - WATER PUMP TO PROVIDE 70 POUNDS PER SQUARE INCH WATER PRESSURE

* In order to ensure compliance with Rule 1186 requirements, all certified equipment must be operated and maintained in accordance with the manufacturer's specifications. End users are responsible for ensuring that the dust control systems are in place for each certified sweeper.

Note: The make and model of the sweeper must have the dust control system(s) specified above to be in compliance. (Standard or older models may not have all the systems). Please contact the manufacturer if you would like to ensure that your sweeper(s) are Rule 1186 compliant.



SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT (SCAQMD)

RULE 1186 CERTIFIED* STREET SWEEPERS AS OF AUGUST 30, 2012

THE FOLLOWING IS A LIST OF STREET SWEEPING EQUIPMENT THAT HAS CURRENTLY BEEN CERTIFIED FOR SCAQMD RULE 1186. ALL CERTIFIED EQUIPMENT MUST BE OPERATED AND MAINTAINED IN ACCORDANCE WITH THE MANUFACTURER'S SPECIFICATIONS. FUTURE TESTING MAY QUALIFY ADDITIONAL EQUIPMENT. CALL 1 (800) CUT-SMOG FOR THE CURRENT LIST.

MAKE*	MODEL*	DUST CONTROL SYSTEMS*
SCHWARZE A 7000/ A 8000/ A 9000		• SAWTOOTH DUST SEPARATION SCREEN, SELF DUMPING DUST SEPARATOR, FAN CENTRIFUGE • FIVE (5) 0.036 INCH DIAMETER ORIFICE NOZZLES LOCATED ON THE SWEEPING HEAD • TWO (2) 0.036 INCH DIAMETER ORIFICE NOZZLES LOCATED ON HEAD INTAKE TUBE • TWO (2) 0.036 INCH DIAMETER ORIFICE NOZZLES IN RIGHT HAND GUTTER BROOM • FOUR (4) 0.036 INCH DIAMETER ORIFICE NOZZLES LOCATED ON HOPPER SPRAY BAR • WATER PUMP TO PROVIDE 70 POUNDS PER SQUARE INCH WATER PRESSURE • TWO (2) 0.036 INCH DIAMETER ORIFICE NOZZLES IN LEFT HAND GUTTER BROOM (REQUIRED IF BOTH GUTTER BROOMS ARE USED)
SCHWARZE S348-I/ S348-LE		• FOUR (4) 0.036 INCH DIAMETER ORIFICE NOZZLES ON HOPPER SPRAY BAR • TWO (2) 0.036 INCH DIAMETER ORIFICE NOZZLES IN HOPPER • TWO (2) 0.036 INCH DIAMETER ORIFICE NOZZLES ON RIGHT HAND GUTTER BROOM • WATER PUMP TO PROVIDE 70 POUNDS PER SQUARE INCH WATER PRESSURE
STEWART-AMOS STARFIRE S-4, S-5, AND S-6		• FOUR (4) 0.05 INCH DIAMETER ORIFICE NOZZLES CENTRALLY LOCATED BETWEEN THE MAIN BROOM AND THE ELEVATOR • FOUR (4) 0.05 INCH DIAMETER ORIFICE NOZZLES LOCATED BENEATH THE FRONT BUMPER OF THE CHASSIS • TWO (2) 0.05 INCH DIAMETER ORIFICE NOZZLES LOCATED IN FRONT OF EACH GUTTER BROOM • WATER PUMP TO PROVIDE 40 POUNDS PER SQUARE INCH WATER PRESSURE

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 Note: The make and model of the sweeper must have the dust control system(s) specified above to be in compliance. (Standard or older models may not have all the systems). Please contact the manufacturer if you would like to ensure that your sweeper(s) are Rule 1186 compliant.



SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT (SCAQMD)

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MAKE*	MODEL*	DUST CONTROL SYSTEMS*
PYTHON	S2000	- FOUR (4) 0.008 INCH DIAMETER ORIFICE NOZZLES MOUNTED ABOVE AND AHEAD OF A 36 INCH FILL DIAMETER REAR BROOM - WATER LINE WITH 0.02 INCH DIAMETER ORIFICE AND THREE (3) 0.06 DIAMETER OUTLETS ABOVE EACH 42 INCH DIAMETER GUTTER BROOM - PUMP TO PROVIDE 24 POUNDS PER SQUARE INCH WATER PRESSURE DURING OPERATION <i>PLEASE NOTE THAT THE GUTTER AND REAR BROOM SIZES ARE DIFFERENT THAN THE STANDARD MODEL</i>
PYTHON	S3000	- FOUR (4) 0.008 INCH DIAMETER ORIFICE NOZZLES MOUNTED ABOVE AND AHEAD OF REAR BROOM - WATER LINE WITH 0.02 INCH DIAMETER ORIFICE AND THREE (3) 0.06 DIAMETER OUTLETS ABOVE EACH GUTTER BROOM - PUMP TO PROVIDE 24 POUNDS PER SQUARE INCH WATER PRESSURE DURING OPERATION
WAYNE SWEEPERS LLC	CENTURION	- SEVEN (7) 0.0925 INCH DIAMETER ORIFICE NOZZLES ON SPRAY BAR UNDERNEATH THE CAB - TWO (2) 0.0925 INCH DIAMETER ORIFICE NOZZLES PER GUTTER BROOM (GUTTER BROOMS CAN BE OPERATED WITHOUT WATER SPRAYS IF FULLY ENCLOSED SHROUD SYSTEM IS UTILIZED AND MAINTAINED PER THE MANUFACTURERS SPECIFICATIONS) - THREE (3) 0.0925 INCH DIAMETER ORIFICE NOZZLES ON SPRAY BAR ABOVE CONVEYOR 300 GALLON WATER TANK - WATER PUMP TO PROVIDE MINIMUM OF SEVEN GALLONS PER MINUTE - SINGLE FAN VACUUM SYSTEM - GLAZED, POLYESTER FILTER SYSTEM (MAINTAINED TO ENSURE PROPOER INTEGRITY)

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 Note: The make and model of the sweeper must have the dust control system(s) specified above to be in compliance. (Standard or older models may not have all the systems). Please contact the manufacturer if you would like to ensure that your sweeper(s) are Rule 1186 compliant.



SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT (SCAQMD)

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MAKE*	MODEL*	DUST CONTROL SYSTEMS*
TENNANT	SENTINEL	- GUTTER/MAIN BROOM FULLY ENCLOSED SHROUD SYSTEM - DUAL FAN VACUUM SYSTEM (OPERATED AT ALL TIMES) - SYNTHETIC-SINGED POLYESTER FILTER (MAINTAINED TO ENSURE PROPER INTEGRITY)
TENNANT	830 I/ 830 II	- GUTTER/MAIN BROOM FULLY ENCLOSED SHROUD SYSTEM - DUAL FAN VACUUM SYSTEM (OPERATED AT ALL TIMES) - SYNTHETIC-SINGED POLYESTER FILTER (MAINTAINED TO ENSURE PROPER INTEGRITY)
TYMCO	210 300 350 435	- CYCLONIC, MULTIPASS, CENTRIFUGAL SEPARATION - CENTER DEBRIS DEFLECTOR ASSEMBLY PERPENDICULAR TO THE PICK UP HEAD - TWO (2) 0.043 INCH DIAMETER ORIFICE NOZZLES FOR EACH GUTTER BROOM - ONE (1) 0.063 INCH DIAMETER ORIFICE NOZZLE FOR EACH GUTTER BROOM - ONE (1) 0.063 INCH DIAMETER ORIFICE NOZZLE LOCATED IN THE HOPPER - ONE (1) 0.063 INCH DIAMETER ORIFICE NOZZLE LOCATED IN BLOWER HOUSING - WATER PUMP WITH A MINIMUM SYSTEM RELIEF VALVE SET AT 25 POUNDS PER SQUARE INCH.

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Note: The make and model of the sweeper must have the dust control system(s) specified above to be in compliance. (Standard or older models may not have all the systems). Please contact the manufacturer if you would like to ensure that your sweeper(s) are Rule 1186 compliant.



SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT (SCAQMD)

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MAKE*	MODEL*	DUST CONTROL SYSTEMS*
TYMCO	600 600 BAH FHD 500X	• CYCLONIC, MULTIPASS, CENTRIFUGAL SEPARATION • CENTER DEBRIS DEFLECTOR ASSEMBLY PERPENDICULAR TO THE PICK UP HEAD • FRONT DEBRIS DEFLECTOR CURTAIN ASSEMBLY PARALLEL TO THE PICK UP HEAD • LOW EMISSION DUST GUARDS (ONLY APPLICABLE TO CABOVER TRUCKS) • THREE (3) 0.063 INCH DIAMETER ORIFICE NOZZLES FOR EACH GUTTER BROOM • TWO (2) 0.043 INCH DIAMETER ORIFICE NOZZLES FOR EACH GUTTER BROOM • ONE (1) 0.093 INCH DIAMETER ORIFICE NOZZLE LOCATED IN THE HOPPER • ONE (1) 0.093 INCH DIAMETER ORIFICE NOZZLE LOCATED IN BLOWER HOUSING • TWO (2) [MINIMUM] HOPPER BAFFLE CURTAINS • WATER PUMP WITH A MINIMUM SYSTEM RELIEF VALVE SET AT 25 POUNDS PER SQUARE INCH.
TYMCO	DST - 4	• CYCLONIC, MULTIPASS, CENTRIFUGAL SEPARATION • SELF CONTAINED MULTIPLE FILTRATION SYSTEM UTILIZING PTFE MEMBRANE FILTERS • TWO (2) 0.043 INCH DIAMETER ORIFICE NOZZLES FOR EACH 32 INCH DIAMETER GUTTER BROOM • ONE (1) 0.063 INCH DIAMETER ORIFICE NOZZLES FOR EACH 32 INCH DIAMETER GUTTER BROOM • ONE (1) 0.063 INCH DIAMETER ORIFICE NOZZLE LOCATED IN THE HOPPER • WATER PUMP WITH A MINIMUM SYSTEM RELIEF VALVE SET AT 25 POUNDS PER SQUARE INCH.

* In order to ensure compliance with Rule 1186 requirements, all certified equipment must be operated and maintained in accordance with the manufacturer's specifications. End users are responsible for ensuring that the dust control systems are in place for each certified sweeper.

Note: The make and model of the sweeper must have the dust control system(s) specified above to be in compliance. (Standard or older models may not have all the systems). Please contact the manufacturer if you would like to ensure that your sweeper(s) are Rule 1186 compliant.



SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT (SCAQMD)

RULE 1186 CERTIFIED* STREET SWEEPERS AS OF AUGUST 30, 2012

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MAKE*	MODEL*	DUST CONTROL SYSTEMS*
TYMCO	DST - 6	• CYCLONIC, MULTIPASS, CENTRIFUGAL SEPARATION • SELF CONTAINED MULTIPLE FILTRATION SYSTEM UTILIZING PTFE MEMBRANE FILTERS • THREE (3) 0.063 INCH DIAMETER ORIFICE NOZZLES FOR EACH GUTTER BROOM • TWO (2) 0.043 INCH DIAMETER ORIFICE NOZZLES FOR EACH GUTTER BROOM • ONE (1) 0.094 INCH DIAMETER ORIFICE NOZZLE LOCATED IN THE HOPPER • TWO (2) [MINIMUM] HOPPER BAFFLE CURTAINS • WATER PUMP WITH A MINIMUM SYSTEM RELIEF VALVE SET AT 25 POUNDS PER SQUARE INCH
	VS10/10D, VF10 VS13/13D, VF13 VS14/14D, VF14 VS16/16D, VF16 VS20/20D, VF20	• FOUR (4) 0.062 INCH DIAMETER ORIFICE NOZZLES LOCATED IN FRONT OF EACH 36 INCH GUTTER BROOM • FOUR (4) 0.062 INCH DIAMETER ORIFICE NOZZLES LOCATED IN FRONT OF THE TRANSFER BROOM • TEN (10) 0.125 INCH DIAMETER ORIFICE NOZZLES LOCATED INSIDE THE PICK UP HEAD • SIX (6) 0.181 INCH DIAMETER ORIFICE NOZZLES LOCATED INSIDE THE SCRUBBER COLLAR OF THE PICK UP HEAD • 48 INCH POWER VACUUM NOZZLE • MINIMUM 300 GALLON GRAVITY FEED WATER SUPPLY SYSTEM WITH WATER CONTINUOUSLY SUPPLIED TO ALL NOZZLES • LOW VELOCITY DUST COLLECTION AIR CHAMBER • MINIMUM OF SIX (6) EXPANDED METAL SCREENS

* In order to ensure compliance with Rule 1186 requirements, all certified equipment must be operated and maintained in accordance with the manufacturer's specifications. End users are responsible for ensuring that the dust control systems are in place for each certified sweeper.
 Note: The make and model of the sweeper must have the dust control system(s) specified above to be in compliance. (Standard or older models may not have all the systems). Please contact the manufacturer if you would like to ensure that your sweeper(s) are Rule 1186 compliant.



SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT (SCAQMD)

RULE 1186 CERTIFIED* STREET SWEEPERS AS OF AUGUST 30, 2012

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MAKE*	MODEL*	DUST CONTROL SYSTEMS*
WAYNE SWEEPERS	GLADIATOR	• THREE (3) 0.0925 INCH DIAMETER ORIFICE NOZZLES LOCATED AT EACH SIDE BROOM • SIX (6) 0.0925 INCH DIAMETER ORIFICE NOZZLES ACROSS FRONT BUMPER • FOUR (4) 0.0925 INCH DIAMETER ORIFICE NOZZLES AT THE REAR BROOM • WATER PUMP TO PROVIDE 60 POUNDS PER SQUARE INCH WATER PRESSURE
WAYNE SWEEPERS	WARRIOR	• THREE (3) 0.0925 INCH DIAMETER ORIFICE NOZZLES LOCATED AT EACH SIDE BROOM • SIX (6) 0.0925 INCH DIAMETER ORIFICE NOZZLES ACROSS FRONT BUMPER • WATER PUMP TO PROVIDE 60 POUNDS PER SQUARE INCH WATER PRESSURE

* In order to ensure compliance with Rule 1186 requirements, all certified equipment must be operated and maintained in accordance with the manufacturer's specifications. End users are responsible for ensuring that the dust control systems are in place for each certified sweeper.

Note: The make and model of the sweeper must have the dust control system(s) specified above to be in compliance. (Standard or older models may not have all the systems). Please contact the manufacturer if you would like to ensure that your sweeper(s) are Rule 1186 compliant.

November 2, 2005

**EXAMPLES OF ADDITIONAL STREET SWEEPER EQUIPMENT
NOT ELIGIBLE FOR REIMBURSEMENT**

1. Automatic lubrication system
(grease jockey system)
2. Camera/monitor
3. Hopper access step
4. Drag shoe carbide
5. Hydrant hopper wash down system
6. Conveyer flush kit with hydrant
7. 1000 pounds per square inch (PSI) wand
8. Dual HiBack air-suspended seats
9. Hand hose



ARIZONA DEPARTMENT OF TRANSPORTATION POLICIES AND PROCEDURES

FIN-11.08 FEDERAL PROPERTY MANAGEMENT STANDARDS

Effective: October 18, 2010
 Supersedes: FIN-11.08 (1/28/2010)
 Responsible Office: Fixed Assets
 Phone: (602) 712-8028

Review: October 18, 2012
 Transmittal: 2010 - October
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8.01 PURPOSE

To establish uniform standards governing the use and disposition of property acquired, in whole or in part, with federal funds or whose cost was charged to a project supported by a federal grant.

8.02 SCOPE

This policy applies to all recipients or subrecipients of federal funds through a pass-through entity. The policy is limited to those items whose acquisition cost is at least \$5,000 per unit.

8.03 DEFINITIONS

Acquisition Cost

Net invoice unit price of the property including the cost of modifications, attachments, accessories, or auxiliary apparatus necessary to make the property usable for the purpose for which it was acquired. Other charges, such as the cost of installation, transportation, taxes, professional services, duty, or protective in-transit insurance can be included or excluded from the cost in accordance with generally accepted accounting principles.

Common Rule

49 CFR 18, Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments, the federal regulation which governs all grants subject to this policy.

Federal Awarding Agency

Agency of the federal government that awards the grants. These agencies include, but are not limited to:

- A. United States Department of Transportation (DOT)
 - 1. Federal Highway Administration (FHWA)
 - 2. Federal Transit Authority (FTA)
 - 3. Federal Aviation Administration (FAA)
 - 4. Federal Motor Carrier Safety Administration (FMCSA)
 - 5. National Highway Transportation Safety Administration (NHTSA)
 - 6. Federal Railroad Administration (FRA)
- B. United States Department of the Interior (DOI)
 - 1. Bureau of Indian Affairs (BIA)
 - 2. Bureau of Land Management (BLM)

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Effective: October 18, 2010

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Grant	A sum of money given by one governmental entity to some other entity for the purpose of achieving some goal or supporting some program.
Pass-through Entity	A non-federal entity that provides a federal grant to a subrecipient to carry out a federal program.
Personal Property	Property which is non-financial in nature, which has a useful life of at least one year, and which is used in operations, except real property. Personal property is further classified as one of the following: A. Tangible—having physical existence. B. Intangible—having no physical existence, such as patents, software, inventions, and copyrights.
Real Property	Land, Buildings, Improvements, and related property rights, which are used in operations.
Recipient	A non-federal entity, such as ADOT, that expends federal awards received directly from a federal awarding agency to carry out a federal program.
Subrecipient	A non-federal entity that expends funds from a federal grant received from a pass-through entity to carry out a federal program. Examples would be Pima Association of Governments (PAG), Maricopa Association of Governments (MAG), as well as cities and towns, Metropolitan Planning Organizations (MPO's), and Councils of Government (COG's). An entity that receives funding from a subrecipient is also a subrecipient. (Note: The terms and conditions of the federal award are carried forward from the recipient to the subrecipient.)

8.04 PROCEDURES FOR ALL FEDERALLY-FUNDED PERSONAL PROPERTY

- A. When statutory authority exists, title to property purchased in whole or part with federal funds shall be vested in the recipient or subrecipient upon acquisition. The recipient or subrecipient is, however, responsible for adherence to any applicable federal program compliance requirements (49 CFR 18 Section 32).
- B. Use of Personal Property—federally-funded personal property may be used under the following conditions:
 - 1. Property shall be used by the recipient or subrecipient in the program or project for which it was acquired as long as needed, whether or not the project or program continues to be supported by federal funds.
 - 2. When no longer needed for the original program or project, the property may be used in other activities currently or previously supported by a federal agency.
 - 3. The recipient or subrecipient shall make property available for use on other projects or programs currently or previously supported by the federal government, providing such use will not interfere with the work on the projects or programs for which it was originally acquired.

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4. The recipient or subrecipient shall not use property acquired with grant funds to compete unfairly with private companies that provide equivalent services, unless specifically permitted or contemplated by federal statute.
5. When acquiring replacement property, the recipient or subrecipient may use the property to be replaced as a trade-in or sell the property and use the proceeds to offset the cost of the replacement property, subject to the approval of the awarding agency, as well as ADOT.

(Note: The federal awarding agency may be entitled to a share of the trade-in amount. Sections 8.04.1.1 and 8.04.1.2 show how this amount is calculated.)

6. For ADOT-owned property, any such transactions are subject to the rules for disposal of ADOT property described in ADOT Policy FIN-11.02, 'Control and Inventory of ADOT Property.'
- C. Property obtained under a federal grant may be titled to, be in the physical custody of, and be carried on the financial statements of, a recipient or subrecipient. However, from the perspective of the federal awarding agency, ADOT is the agency to whom the federal agency has granted funds; as such, the federal awarding agency expects ADOT to ensure that federal regulations are followed.
- D. Federal regulations permit states to impose their own requirements on their subrecipients. The State of Arizona does have more strict requirements, which apply to ADOT's subrecipients, as they apply to ADOT. Therefore, transactions, as described herein, may be subject to approval by ADOT.
- E. In the normal course of business, ADOT may grant funds to a subrecipient (e.g. Maricopa Association of Governments, or MAG), which in turn grants them to its own subrecipient (e.g. a city or town). When this additional granting occurs, ADOT expects that ADOT's subrecipient will ensure compliance with all federal and state requirements; and further expects that ADOT's subrecipient (MAG, in this example) will handle all communications with its subrecipient, including, but not limited to:
1. The gathering of information to complete the annual inventory, as described in Section 8.06 of this policy, 'Inventorying Federally-Funded Property Owned by Subrecipients.'
 2. All rules governing the disposition of federally-funded property, as described in Section 8.07 of this policy, 'Disposition of Federally-Funded Property Owned by Subrecipients.'
- F. All federally-funded property, regardless of whether title is held by ADOT or by a subrecipient, is subject to the provisions of 49 CFR 18, also known as the Common Rule.
- G. Property management requirements for federally-funded personal property include:
1. Maintain property records that contain:
 - a. description of property
 - b. vendor
 - c. model
 - d. manufacturer
 - e. serial number

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- f. name of title holder
 - g. acquisition date
 - h. cost of property
 - i. accumulated depreciation
 - j. net book value
 - k. federal awarding agency
 - l. percentage of federal participation
 - m. percentage of recipient or subrecipient participation
 - n. location, use, and condition of property
 - o. date of disposal and sale price or trade-in value
 - p. contact person, with phone number
2. An annual physical inventory, which includes a report of all assets purchased in whole, or in part, with funds from the federal awarding agency when required by that agency. For property owned by ADOT, the inventory must reconcile to the financial statements as of the end of ADOT's fiscal year (June 30). Guidelines for inventorying property owned by subrecipients are discussed in Section 8.06, 'Inventorying Federally-Funded Property Owned by Subrecipients.' In either case, the inventory is to be submitted to the federal awarding agency by October 31.
 3. A control system to prevent loss, damage, or theft.
 4. Adequate maintenance procedures.
 5. Sales procedures (if authorized or required to sell property) which ensure the highest possible return.
- H. Disposition of Personal Property—When original or replacement equipment is no longer needed for the original program or project, or for other activities currently or previously supported by a federal agency, the property may be sold, with the federal awarding agency having the right to a share of the proceeds. Examples of how this share is calculated are shown in Sections 8.04.1.1 and 8.04.1.2 of this policy.
- I. Federal Awarding Agency's Share of Sale Proceeds: When a recipient or subrecipient sells, by any means (e.g. trade-in, auction, etc.), property purchased with federal funds, the federal awarding agency is entitled to a share of the proceeds, calculated using one of the following methods:
 1. The federal awarding agency has the right to a calculated amount:

Current market value		Awarding agency's share
Or	X	(federal participation %)
proceeds from sale		of the equipment
(including trade-in)		

If the grant agreement calls for the recipient or subrecipient to fund a percentage of the purchase price, that purchase price is calculated net of the trade-in amount, regardless of how much, if any, of the trade-in amount the federal awarding agency is entitled to.

Example: The following facts are assumed:

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- Purchase price of replacement property—\$200,000
- Trade-in allowance provided by vendor—\$20,000
- Net invoice price—\$180,000
- Percent of new property to be funded by subrecipient—20%
- Percent of traded-in property which was funded by federal awarding agency—85%

In this example:

- Amount of trade-in allowance to federal awarding agency—\$17,000 ($\$20,000 \times 85\%$ federal share on traded-in property)
- Amount of trade-in allowance to subrecipient—\$3,000 ($\$20,000$ less \$17,000)
- Amount of purchase of new property funded by subrecipient—\$36,000 ($\$180,000 \times 20\%$ local share)
- Amount of cash outlay by recipient or subrecipient—\$33,000 ($\$36,000$ less \$3,000)

2. Should the property include an attachment not eligible for federal participation, the trade-in allowance will be pro-rated between the original purchase and the attachment based on their relative costs. It is the responsibility of the recipient or subrecipient to provide documentation of these costs.

Example: The following facts are assumed:

- Purchase price of replacement property—\$200,000
- Trade-in allowance provided by vendor—\$20,000
- Net invoice price—\$180,000
- Percent of new property to be funded by subrecipient—20%
- Purchase price of federally-funded traded-in property—\$90,000
- Purchase price of subrecipient-funded attachment, not eligible for federal participation—\$10,000
- Total cost of traded-in property—\$100,000
- Percent of traded-in property allocated to subrecipient-funded attachment—10% ($\$10,000 / \$100,000$)
- Percent of traded-in property which was funded by federal awarding agency (before accounting for attachment)—85%

In this example:

- Amount of trade-in allowance directly allocated to subrecipient—\$2,000 ($\$20,000 \times 10\%$ not eligible for federal participation)
- Amount of trade-in allowance allocated to original purchase—\$18,000 ($\$20,000$ less \$2,000)
- Amount of remaining trade-in allowance to federal awarding agency—\$15,300 ($\$18,000 \times 85\%$ federal share on traded-in property)
- Amount of regaining trade-in allowance to subrecipient—\$2,700 ($\$18,000$ less \$15,300)
- Total trade-in allowance to subrecipient—\$4,700 ($\$2,000$ plus \$2,700)

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- o Amount of purchase of new property funded by subrecipient—\$36,000 (\$180,000*20% local participation on new property)
- o Amount of cash outlay by subrecipient—\$31,300 (\$36,000 less \$4,700)

3. If appropriate disposition action is not taken by the recipient/subrecipient of the equipment, the federal awarding agency may direct the action to be taken.

J. Salvage Credits—Any proceeds received from the sale of salvage or scrap material are to be credited to the project to which the material was originally charged, or to a similar project.

8.05 PROCEDURES FOR ALL FEDERALLY-FUNDED REAL PROPERTY

A. Title to real property under a grant will vest, upon acquisition, in the recipient or subrecipient, as applicable. The recipient or subrecipient is, however, responsible for adherence to any applicable federal program compliance requirements under the Code of Federal Regulations (CFR) 49 CFR 18 Section 31.

B. Real property will be used for the originally-authorized purposes for as long as is needed for those purposes, and the recipient or subrecipient shall not dispose of or encumber its title or other interests.

C. When real property is no longer needed for the originally-authorized purpose, the subrecipient will notify ADOT, in writing, of its intentions regarding the property. One of the following options is to be selected:

1. Retention of title, after compensating the awarding agency an amount computed by multiplying the awarding agency's percentage of participation by the fair market value of the property. If real property acquired with federal funds is disposed of and replaced with real property under the same program, the net proceeds from the disposition may be used as an offset to the cost of the replacement property.
2. Sale of property, with the awarding agency being compensated in an amount equal to the awarding agency's percentage of participation by the sales price, after reducing said price by actual and reasonable selling and fix-up expenses. Procedures shall be in place to provide for as competitive a sales process as practicable, with the intent of realizing the highest possible return.

(Note: Examples of how to calculate the federal awarding agency's share of the sales proceeds are found in Sections 8.04.1.1 and 8.04.1.2 of this policy.)

3. Transfer of title to the awarding agency, with the recipient or subrecipient being compensated in an amount calculated by multiplying the recipient's or subrecipient's percentage of participation by the fair market value of the property.

8.06 INVENTORYING FEDERALLY-FUNDED PROPERTY OWNED BY SUBRECIPIENTS

When required by the federal awarding agency, an annual inventory is submitted of all assets purchased, in whole or in part, with federal funds, regardless of whether or not the property is in ADOT's physical custody or is carried on ADOT's financial statements. For property owned either by ADOT's subrecipients (e.g. MAG), or a subrecipient's subrecipients (e.g. a city or town), the following rules must be followed.

- A. The inventory from all subrecipients must include all information described in 8.04.G.1 of this policy.

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- B. The inventory must reconcile to the financial statements as of the end of the entity's fiscal year (generally June 30).
- C. The inventory must be submitted by ADOT's subrecipient (e.g. MAG) to the ADOT Fixed Assets Manager by October 31.

8.07 DISPOSITION OF FEDERALLY-FUNDED PROPERTY OWNED BY SUBRECIPIENTS

- A. When federally-funded property is removed from service, voluntarily or otherwise, all parties involved must adhere to both federal and State of Arizona requirements. While federal requirements apply primarily to capital assets, those assets costing at least \$5,000 per unit, the State of Arizona has more strict requirements, both in terms of the processes to be followed and the fact that the State's requirements apply to all property, not just property costing at least \$5,000 per unit.
- B. No property is to be transferred to another entity, removed from the physical custody of the subrecipient, or deleted from the subrecipient's financial records without written approval from the ADOT Fixed Assets Manager. This approval will be communicated through ADOT's subrecipient (e.g. MAG).
- C. When property has been disposed of, it is the responsibility of the subrecipient to make sure the property is not included in the next inventory forwarded to ADOT, as described in Section 8.06 of this policy.
- D. When the subrecipient has received its funding from ADOT's subrecipient (e.g. a city receiving funding from MAG), the flow of communication, and any required documentation, is as follows. All of this communication must be in writing.
 - 1. The subrecipient (e.g. city) will inform MAG.
 - 2. MAG will inform the ADOT Fixed Assets Manager.
 - 3. The ADOT Fixed Assets Manager will inform MAG of the approval and of any additional required steps.
 - 4. MAG will inform the subrecipient (e.g. city).
- E. The following are requirements which are unique to the various categories of disposition:
 - 1. **MISSING/STOLEN**—The subrecipient must obtain a police report from a local law enforcement agency.
 - 2. **ACCIDENTAL DESTRUCTION**—The subrecipient must provide details about the destroyed property.
 - 3. **DONATION**—Approval of both the federal awarding agency and ADOT are required prior to any donation.
 - 4. **SURPLUS**—When property obtained under a federal grant is no longer needed for the purpose for which it was obtained, the property may be used in other activities currently or previously supported by a federal agency. When the subrecipient has determined that no such use is available, the property may be removed from service ('surplused'). Approval of both the federal awarding agency and ADOT are required.
 - 5. **CANNIBALIZATION/ON-SITE DESTRUCTION**—When it is determined that federally-funded property has value as a component of other property ('cannibalization') or if it is

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determined that the most effective way to dispose of such property is to destroy it on-site, an email, letter, or memorandum must be submitted and forwarded to the ADOT Fixed Assets Manager. This email, letter, or memorandum must contain the property's description, pictures of the property, and the reason for the request.

6. **TRADE-IN/SELLING WITH REPLACEMENT**—Trading in federally-funded property as partial payment on replacement property, or selling, may be done with approval of both the federal awarding agency and ADOT. The subrecipient must send an email, letter, or memorandum; this email or memorandum must include a complete description of the item(s) to be traded, a complete description of the item(s) to be purchased, a copy of the vendor quote which specifies price, trade-in amount, and net cost, and the reason for the request. No purchase order should be placed for replacement equipment without affirmative approval of the ADOT Fixed Assets Manager. For selling, the subrecipient must prepare an email, letter, or memorandum including the same information as for a trade-in, except that the manner of the sale is to be specified. The federal awarding agency is entitled to a share of the proceeds per the examples shown in Sections 8.04.1.1 and 8.04.1.2 of this policy, as applicable.

7. **TRADE-IN/SELLING WITHOUT REPLACEMENT**—If a subrecipient wants to sell federally-funded property without intending to obtain replacement within the next funding cycle, the subrecipient may do so. However, the federal awarding agency is still entitled to its share of the proceeds, per the examples shown in Sections 8.04.1.1 and 8.04.1.2 of this policy, as applicable. The forwarding of this share is administered using either of the following methods:

- a. The subrecipient forwards the funds to the entity from which it received funds for the original purchase. If a city or town is selling the property, the funds would be forwarded to the subrecipient (in this example, MAG, although it would apply equally to any subrecipient). In this example, or if MAG sells the property, MAG will account for the funds internally and make adjustments to the current or future year distribution from the federal awarding agency.
- b. The subrecipient notifies the entity from which it received funds for the original purchase (again, either MAG or ADOT, as applicable). Both the subrecipient and (in this example) MAG will track the funds, with the intent of properly applying the funds to a purchase of replacement property made at some future date.

- F. **SALVAGE CREDITS**—If any proceeds are received from the sale of salvage or scrap material, the federal awarding agency is entitled to a share of these proceeds, as calculated in the examples shown in Sections 8.04.1.1 and 8.04.1.2 of this policy.

8.08 SUPPLIES

Title to supplies acquired under a grant will vest, upon acquisition, in the recipient or subrecipient as applicable. If, after termination or completion of the award, there is a residual inventory of unused supplies whose fair market value exceeds \$5,000, and if the supplies are not needed for any other federally-sponsored programs or projects, the recipient or subrecipient shall compensate the awarding agency for its share.

8.09 COPYRIGHTS

The awarding agency reserves a royalty-free, non-exclusive, and irrevocable license to reproduce, publish, or otherwise use, and to authorize others to use, for federal government purposes:

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- A. The copyright in any work, such as a book, publication, or other copyrightable material developed under a grant, or contract under a grant.
- B. Any rights of copyright to which a recipient, subrecipient, or a contractor purchases ownership with grant support.

8.10 PATENTS

The inventor of a patentable invention developed under a federally-funded grant retains rights to the invention. All contracts initiated by any pass-through entity or subrecipient must include the following clause, suitably modified to identify the parties, 'The subrecipient or contractor will retain all rights provided for the State in this clause, and the State will not, as part of the consideration for awarding the subrecipient or contract, obtain rights in the subrecipient's or contractor's subject inventions (37 CFR Part 401).

8.11 CONTACT INFORMATION

The ADOT Fixed Assets unit may be contacted at:

206 S. 17th Avenue, Mail Drop 203B
Phoenix, AZ 85007
(602) 712-8028 (manager)
(602) 712-6592
Email: Fixedassets@azdot.gov

8.12 CORRESPONDING POLICIES

FIN-11.02 Control and Inventory of ADOT Property

8.13 CORRESPONDING FEDERAL REGULATIONS

37 CFR 401 Rights to Inventions Made by Nonprofit Organizations and Small Business Firms under Government Grants, Contracts, and Cooperative Agreements.

49 CFR 18 Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments (also known as the Common Rule).



CITY OF SURPRISE
Regular City Council Meeting

May 20, 2014 @ 6:00:00 PM

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Council Meeting Date:	May 20, 2014	Contact Person:	Dick McKinley, Public Works Department
Submitting Department:		District:	1
Staff Recommendations:	Approve		

Consent	x	Regular	Public Hearing	Report/Discussion
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Agenda Wording:

Consideration and action authorizing the Mayor to execute an amendment to the Intergovernmental Agreement with the Arizona Department of Transportation for the improvements related to Dove Valley Road from 203rd Avenue to 187th Avenue; Resolution 2014-13.

Motion:

I move to approve Resolution # 2014-13.

Background:

The Dove Valley road consists of approximately two miles of unpaved roadway. Proposed improvements include paving and drainage along a two lane 28 foot wide section of the roadway. The project Scope of Services included preparing Construction documents as per Arizona Department of Transportation (ADOT) standards and acquiring right of way in accordance with federal requirements.

The City Council approved the first construction IGA with ADOT on March 27, 2012. The IGA identified federal funding for construction in the amount of \$925,000 if the project was obligated in FY2012. However, due to delays in right of way acquisition from Arizona State Land and acquiring private parcels associated with the project, funding was not obligated in 2012. Due to these delays federal construction funds have been reduced \$52,800. The amended IGA before you tonight reflects those changes in construction dollars.

ADOT will be administering the construction of the project per Federal guidelines. This IGA identifies the duties and responsibilities of ADOT and the City. Based on 100% plans, the current project construction cost estimate is \$1,060,757 with federal funds in the amount of \$872,275 and local share of \$188,482. Any additional construction costs increases beyond the current amended IGA will be the responsibility of the City which is normal ADOT standards and practices.

Financial Impact Statement:

This is a non-growth project in the general capital fund under the Dove Valley Parkway (203rd to 187th Ave.) project (21105). The total project estimated cost is \$1,395,000 (\$972,300 Federal funds, \$422,800

City funds). The project had prior year expenditures of \$184,700 and reimbursements of \$2,900. The budget for FY2014 is \$285,300 and \$52,700 is planned for FY2015

ATTACHMENTS:

Click to download

☐ [Amendment One](#)

External Attachment Links:

Meeting Requirements:

Powerpoint	x	Video	White Board	Other	x
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Presentation Speaker Names (spelling and titles for TV captions):

Mike Mecham, City Engineer

ADOT File No.: IGA/ JPA 10-232-I
ADOT CAR No.: 13-0000734-I
Amendment One No.: 13-0003527-I
AG Contract No.: P0012012000644
Project: Pave, Unpaved Roads
Section: Dove Valley Road from
187th Avenue to 203rd Avenue
Federal-aid No.: CM-SUR0(216)T
ADOT Project No.: SS958 01D/01R/01C
TIP/STIP No.: SUR12-801C
CFDA No.: 20.205 – Highway Planning
and construction
Budget Source Item No.: N/A

**AMENDMENT NO. ONE
TO
INTERGOVERNMENTAL AGREEMENT**

BETWEEN
THE STATE OF ARIZONA
AND
CITY OF SURPRISE

THIS AMENDMENT NO. ONE to INTERGOVERNMENTAL AGREEMENT (the “Amendment No. One”), entered into this date _____, pursuant to Arizona Revised Statutes §§ 11-951 through 11-954, as amended, between the STATE OF ARIZONA, acting by and through its DEPARTMENT OF TRANSPORTATION (the "State") and the CITY OF SURPRISE, acting by and through its MAYOR and CITY COUNCIL (the "City"). The City and State are collectively referred to as the "Parties."

WHEREAS, the ORIGINAL INTERGOVERNMENTAL AGREEMENT, JPA/IGA 10-232I, A.G. Contract No. P0012012000644, the "Original Agreement" was executed on April 11th 2012, and;

WHEREAS, the State is empowered by Arizona Revised Statutes § 28-401 to enter into this Amendment One and has delegated to the undersigned the authority to execute this Amendment One on behalf of the State.

WHEREAS, the City is empowered by Arizona Revised Statutes § 48-572 to enter into this Amendment One and has by resolution, a copy of which is attached hereto and made a part hereof, resolved to enter into this Amendment One and has authorized the undersigned to execute this Amendment One on behalf of the City.

NOW THEREFORE, in consideration of the mutual agreements expressed herein, the Parties desire to amend the Original Agreement to address the State design review fee, revise the apportionment of Federal funding for the construction engineering and administration costs and adjust the total estimated Project costs.

I. RECITALS

Section I. Paragraph 6 is revised, as follows:

6. The City, in order to obtain federal funds for the construction of the Project is willing to provide City funds to match federal funds in the ratio required or as finally fixed and determined by the City and FHWA, including actual construction engineering and administration costs (CE).

Section I. Paragraph 7 is added, as follows:

7. The federal funds will be used for the construction of the Project, including the construction engineering and administration cost (CE). The estimated Project costs are as follows:

SS958 01D (ADOT Project Management and Design Review fee, non-federal-aid):

Estimated PMDR costs (SS958 01D)*	\$ 10,000.00
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SS958 01R (right-of-way)

Federal-aid funds @ 100%	\$ 100,000.00
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SS958 01C (construction)

Federal-aid funds @ 94.3%	\$ 872,275.00
City's match @ 5.7%	\$ 52,725.00
City funds @ 100%	<u>\$ 125,757.00</u>

Subtotal – Construction**	\$1,050,757.00
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Summary:

Total Estimated City Funds	\$ 188,482.00
Total Federal Funds	\$ 972,275.00

Total Estimated Project Costs**	<u>\$1,160,757.00</u>
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*(Included in the Estimated City Funds)

** (Includes 15% CE and 5% Project contingencies)

The Parties acknowledge that the final Project costs may exceed the initial estimate(s) shown above, and in such case, the City is responsible for, and agrees to pay, any and all eventual, actual costs exceeding the initial estimate. If the final bid amount is less than the initial estimate, the difference between the final bid amount and the initial estimate will be de-obligated or otherwise released from the Project. The City acknowledges it remains responsible for, and agrees to pay according to the terms of this Agreement, any and all eventual, actual costs exceeding the final bid amount.

II. SCOPE OF WORK

Section II, Paragraph(s) 1.a and 1.b. are revised, and paragraph 1.g and 1.h are added, as follows:

1. The State will:

a. Upon execution of this Agreement, be the designated agent for the City, if the Project is approved by FHWA and funds for the Project are available. Prior to performing or authorizing any work, invoice the City for the Project Management and Design review fee (unless previously received), currently estimated at \$10,000.00. If during the development of the design, additional funding from the City is required, the State will invoice the City in increments of \$5,000.00 to cover projected PMDR costs. Once the Project costs have been finalized, the State will either invoice or reimburse the City for the difference between estimated and actual design review costs.

b. Upon receipt of the Project Management and Design review fee, review the design plans, specifications and other such documents and provide services required for the construction bidding and construction administration of the Project and provide comments to the City as appropriate. Upon completion of design and prior to bid advertisement, invoice the City for the City's share of the Project construction costs, currently estimated at \$188,482.00. Once the Project costs have been finalized, the State will either invoice or reimburse the City for the difference between estimated and actual Project construction costs.

g. Be granted, without cost requirements, the right to enter City's right-of-way as required to conduct any and all construction and pre-construction related activities for said Project, including without limitation, temporary construction easements or temporary rights of entry on to and over said rights-of-way of the City.

h. Notify the City that the Project has been completed and is considered acceptable, coordinating with the City as appropriate to turn over full responsibility of the Project improvements. De-obligate or otherwise release any remaining federal funds from the construction phase of the Project within ninety (90) days of final acceptance.

Section II, Paragraph(s) 2.b and 2.c are revised, as follows:

2. The City will:

b. Upon execution of this Agreement, prior to performing or authorizing any work and within thirty (30) days of receipt of an invoice from the State, pay to the State the Project Management and Design review fee (unless previously remitted), currently estimated at \$10,000.00. If during the development of the design, additional funding to cover PMDR costs is required, pay the invoiced amount to the State within thirty (30) day of receipt. Be responsible for any difference between the estimated and actual design review and construction costs.

c. Prepare and provide the design plans, specification and other such documents and services required for construction bidding and construction of the Project and incorporate comments from the State as appropriate. Upon completion of design, within thirty (30) days of receipt of an invoice from the State and prior to bid advertisement, remit to the State, the City's share of the Project construction costs, currently estimated at \$188,482.00. Once the Project costs have been finalized, the State will either invoice or reimburse the City for the difference between estimated and actual costs.

III. MISCELLANEOUS PROVISIONS

Section III, Paragraph 1. is revised as follows:

1. The terms, conditions and provisions of this Agreement shall remain in full force and effect until completion of said Project, including related deposits and/or reimbursements. Any provisions for maintenance/electrical power and/or landscaping maintenance shall be perpetual by the City. Further,

this Agreement may be cancelled at any time prior to advertisement of the project construction contract, upon thirty (30) days written notice to the other Party. It is understood and agreed that, in the event the City terminates this Agreement, the City will be responsible for all costs incurred by the State up to the time of termination. It is further understood and agreed that should the City terminate this Agreement, the State shall in no way be obligated to maintain said Project. If the federal funding related to this Project is terminated or reduced by the federal government, or if Congress rescinds, fails to renew, or otherwise reduces apportionments or obligation authority, the State shall in no way be obligated for funding or liable for any past, current or future expenses under this Agreement.

Section III, Paragraph 14 is revised as follows:

14. The Parties shall comply with the applicable requirements of Arizona Revised Statute § 41-4401.

Section III, Paragraph 15. is deleted.

EXCEPT AS AMENDED herein, **ALL OTHER** terms and conditions of the Original Agreement remain in full force and effect.

IN ACCORDANCE WITH Arizona Revised Statute § 11-952 (D), attached hereto and incorporated herein, is the written determination of each Party's legal counsel that the Parties are authorized under the laws of this State to enter into this Agreement and that the Agreement is in proper form.

This Amendment No. One shall become effective upon signing and dating of the Determination Letter by the State's Attorney General.

IN WITNESS WHEREOF, the Parties have executed this Amendment No. One the day and year first above written.

CITY OF SURPRISE

STATE OF ARIZONA

Department of Transportation

By _____
SHARON WOLCOTT
Mayor

By _____
DALLAS HAMMIT, P.E.
Senior Deputy Engineer, Development

ATTEST:

By _____
SHERRY AGUILAR
Clerk

1-10-14-ly

JPA 10-232-I
CAR NO.: 13-0000734-I
Amendment No. One.: 13-00003527-I

ATTORNEY APPROVAL FORM FOR THE CITY OF SURPRISE

I have reviewed the above referenced Amendment No. One to the Original Agreement between the State of Arizona, acting by and through its DEPARTMENT OF TRANSPORTATION, and the City of Surprise, an agreement among public agencies which, has been reviewed pursuant to Arizona Revised Statutes §§ 11-951 through 11-954 and declare this Amendment No. One to be in proper form and within the powers and authority granted to the City under the laws of the State of Arizona.

No opinion is expressed as to the authority of the State to enter into this Agreement.

DATED this _____ day of _____,

MISTY LESLIE
City Attorney

RESOLUTION # 2014-13

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF SURPRISE, ARIZONA, APPROVING AN AMENDMENT TO THE INTERGOVERNMENTAL AGREEMENT BETWEEN THE CITY OF SURPRISE AND THE ARIZONA DEPARTMENT OF TRANSPORTATION PERTAINING TO IMPROVEMENTS TO DOVE VALLEY ROAD BETWEEN 187TH AND 203RD AVENUES.

WHEREAS, pursuant to Arizona Revised Statutes § 11-951, *et seq.*, the City of Surprise has the authority to enter into intergovernmental agreements with other governmental entities;

WHEREAS, the City of Surprise by Resolution 2012-30 entered into an Intergovernmental Agreement (IGA) with ADOT pertaining to the improvement and widening of portions of Dove Valley Road within the City's boundaries; and

WHEREAS, the parties desire to amend the IGA to address the State design review fee, revise the apportionment of federal funding for the construction engineering and administrative costs, and adjust the total estimated Project costs.

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

Section 1. Amendment No. One to the Intergovernmental Agreement between the City of Surprise and ADOT for the Dove Valley Road improvements project is hereby approved.

Section 2. The Mayor is hereby authorized and directed to sign Amendment No. One to the Intergovernmental Agreement.

PASSED AND ADOPTED this ____ day of _____, 2014.

Sharon R. Wolcott, Mayor

Attest:

Approved as to form:

Sherry Aguilar, City Clerk

Misty Leslie, City Attorney



CITY OF SURPRISE
Regular City Council Meeting

May 20, 2014 @ 6:00:00 PM

[Back](#) [Print](#)

Council Meeting Date:	May 20, 2014	Contact Person:	Mark A. Coronado, Director - Community & Recreation Services
Submitting Department:		District:	Citywide
Staff Recommendations:	Approve		

Consent	x	Regular	Public Hearing	Report/Discussion
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Agenda Wording:

Consideration and action authorizing the Mayor to execute an Intergovernmental Agreement with Nadaburg Unified School District to provide bus transportation to Summer Camp program participants; Resolution #2014-47.

Motion:

I move to approve Resolution #2014-47

Background:

CRS Staff has utilized private busing companies for past Summer Camp transportation needs for Sierra Montana and Countryside Recreation Centers. Transportation costs for summer camp for offsite field trips are estimated at approximately \$16,000. This IGA would reduce transportation costs by 30-50%.

Financial Impact Statement:

Funds for busing is budgeted in the CRS operational budget on an annual basis.

ATTACHMENTS:

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- ☐ [Resolution](#)
 - ☐ [Nadaburg Busing IGA](#)
-

External Attachment Links:

Resolution
IGA

Meeting Requirements:

Powerpoint	x	Video	White Board	Other	x
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Presentation Speaker Names (spelling and titles for TV captions):

Mark A. Coronado Community and Recreation Services Director

RESOLUTION # 2014-47

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF SURPRISE, ARIZONA, APPROVING AN INTERGOVERNMENTAL AGREEMENT BETWEEN THE NADABURG UNIFIED SCHOOL DISTRICT AND THE CITY OF SURPRISE TO UTILIZE NADABURG BUSES.

WHEREAS, pursuant to Arizona Revised Statutes § 11-951, *et seq.*, the City of Surprise has the authority to enter into intergovernmental agreements with other governmental entities;

WHEREAS, the City wishes to enter into an intergovernmental agreement with Nadaburg School Unified District in order to provide a better and more economical form of transportation for summer city camp programs; and

WHEREAS, funds for busing are currently budgeted in the Community and Recreation Services Operational Budget.

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

Section 1. The Intergovernmental Agreement between the Nadaburg Unified School District and the City of Surprise for busing, which is attached hereto as Exhibit A, is approved.

Section 2. The Mayor is hereby authorized and directed to sign the Intergovernmental Agreement.

APPROVED AND ADOPTED this ____ day of _____, 2014.

Sharon R. Wolcott, Mayor

Attest:

Approved as to form:

Sherry Aguilar, City Clerk

Misty Leslie, City Attorney

RESOLUTION # 2014-47
Exhibit A

**INTERGOVERNMENTAL AGREEMENT
FOR BUSING OF CAMP STUDENTS
BETWEEN
CITY OF SURPRISE
AND
NADABURG UNIFIED SCHOOL DISTRICT NO. 81**

This agreement ("Agreement") is made and entered into this ____ day of _____, 2014 between the City of Surprise ("City" or "the City") and Nadaburg Unified School District No. 81 of Maricopa County, Arizona ("District" or "the District").

Whereas, the District owns school buses and employs qualified drivers, which will not be utilized by the District during school breaks;

Whereas, the City has need of busses and qualified drivers for the purpose of transporting students enrolled in the City's camps to field trip locations;

Whereas, the District has offered the use of its busses and qualified drivers to the City for the purpose of transporting students enrolled in camps at Desert Oasis Elementary School, Sierra Montana Recreation Center, and Countryside Recreation Center; and

Whereas, the District and City are authorized to enter into this Agreement by A.R.S. § 11-952.

Now therefore, in consideration of the covenants contained herein, the District and City agree as follows:

1. Term. The initial term of this Agreement will be for one year, beginning on the date set forth in the first paragraph of this agreement. This Agreement will automatically renew for subsequent terms of one year unless the Agreement is terminated pursuant to Section 1.1.

1.1 Termination. Either party may terminate this Agreement at the end of its initial term or at the end of the each subsequent term by providing the other party with ninety (90) days' written notice of the intention to so terminate; providing, however, that the termination of the Agreement shall not be effective until any events or programming that have already been scheduled by the City have been completed.

2. Consideration. In exchange for the District supplying busses and qualified drivers for the purpose of transporting students enrolled in the City's camps, the City will reimburse the District at a rate of \$38.00 per hour for the duration of each respective field trip. The duration of a field trip will begin from the time the bus leaves the bus barn and end when it returns (including time the bus remains at the field trip location), but will exclude any time accumulated due to mechanical failure or servicing of the bus. The District will maintain a log for each bus utilized

documenting the beginning and ending mileage and time for each trip. Documentation shall be attached to each invoice submitted to the City to ensure justification of the amount invoiced. The rate constitutes maximum reimbursement and the District will be solely responsible for all costs associated with operating its busses and employing its drivers under this Agreement.

3. Joint Planning. The District and the City will each have one point of contact for the planning of the transportation requests of each season's camps.
4. Indemnification. To the extent permitted by law, the District agrees to, defend, indemnify and hold harmless the City, its officers, employees, and agents from and against any and all suits, actions, losses, claims, damages, expenses (including reasonable attorney fees), or liabilities of any kind or nature which are the result of any act or omission of the District, its officers, employees, agents or anyone acting under its direction or control, whether intentional or negligent, in connection with or incident to this Agreement.
5. Insurance. Without limiting any obligation or liability of the District under the indemnification provision herein, the District will maintain during the term of this Agreement the same insurance coverage it maintains for the operation of its busses and transportation of its own students. The insurance policy will be endorsed to include the City of Surprise, its departments, agencies, boards, commissions, officers, officials, agents, and employees as additional insured with respect to liability arising out of this Agreement.
6. Miscellaneous Provisions.
 - 6.1 Entire Agreement, Amendments. This Agreement represents the entire Agreement of the Parties with respect to its subject matter. This Agreement shall not be changed, modified, or rescinded, except through a writing signed by both parties. This agreement supersedes all prior negotiations, understandings, and agreements between the parties concerning the subject matter of this agreement.
 - 6.2 Governing Law, Forum. It is mutually understood and agreed that this Agreement will be governed by the laws of the State of Arizona, both as to interpretation and performance. Any action at law, suit in equity or judicial proceeding for the enforcement of this Agreement or any provision thereof will be instituted only the courts of the State of Arizona within Maricopa County.
 - 6.3 Assignment and Subletting. Neither the District nor the City will assign or sublet any obligation, duty, right or benefit of this Agreement to a third party.
 - 6.4 Conflict of Interest. Under Section 38-511, Arizona Revised Statutes, as amended, City or District may cancel any contract to which they are a party within three (3) years after execution of such contract and without penalty or further obligation, if any person significantly involved in initiating, negotiating, securing, drafting or creating the contract on behalf of the party so canceling is, at any time

while the contract or any extension thereof is in effect, an employee or agent of any other party to the contract in any capacity or a consultant to any other party to the contract with respect to the subject matter of the contract.

6.5 Surviving Provisions. The obligations under Section 4 (Indemnification) and any other Section which reasonably should survive shall survive expiration or other termination of this Agreement.

6.6 Construction. Except as otherwise provided in this Agreement, this Agreement shall be construed as having been fully and completely negotiated and neither the Agreement nor any provision thereof shall be construed more strictly against with party.

6.7 Waiver. Any failure of the District or City to insist upon strict performance of any of the provisions of this Agreement or to exercise any rights or remedies hereunder shall not be deemed a waiver of any right to insist upon strict performance or remedy.

6.8 Relationship. The District and City agree that neither party nor any of that party's employees will for any purpose be considered employees of the other and with respect to the other party and its employees, the District and City will not be responsible in any manner for the supervision, direction, or control of the others employees, or the payment of salary (including withholding of income taxes and social security), workers' compensation, and disability benefits for the others employees.

6.9 Subject to Appropriation. This Agreement is subject to the provisions of ARIZ. CONST. ART. IX, § 5, A.R.S. § 42-17106 and A.R.S. 15-905(N). The provisions of this Agreement for payment of funds or the incurring of expenses by the City or the District shall be effective when funds are appropriated for purposes of this Agreement and are actually available for payment. Each Party shall be the sole judge and authority in determining the availability of funds under this Agreement and each Party shall keep the other Party fully informed as to the availability of funds for the Agreement. The obligation of each Party to make any payment pursuant to this Agreement is a current expense of such Party, payable exclusively from such annual appropriations, and is not a general obligation or indebtedness of such Party. If the governing body of either Party fails to appropriate money sufficient to pay the amounts as set forth in this Agreement or if the appropriation is reduced during the fiscal year, the Parties may reduce the scope of this Agreement, if appropriate or this Agreement shall terminate without further duty or obligation of the Parties.

6.10 E-Verify. To the extent applicable under A.R.S. § 41-4401, both parties warrant compliance with all federal immigration laws and regulations that relate to their employees and compliance with the E-verify requirements under A.R.S. § 23-214(A). A party's or its subcontractors' breach of the above-mentioned warranty shall be deemed a material breach of this Agreement and may result in the termination of this Agreement by the non-breaching party. Both parties retain the legal right to randomly inspect the papers and records of the other party or its subcontractor

employee who work on this Agreement to ensure that the party and its subcontractors are complying with the above-mentioned warranty.

6.11 Workers' Compensation. An employee of one party shall be deemed to be an "employee" of both public agencies while performing pursuant to this Agreement solely for purposes of A.R.S. § 23-1022 and the Arizona Workers' Compensation laws. The primary employer shall be solely liable for any workers' compensation benefits, which may accrue. Each party shall post a notice pursuant to the provisions of A.R.S. § 23-1022 in substantially the following form:

"All employees are hereby further notified that they may be required to work under the jurisdiction or control or within the jurisdictional boundaries of another public agency pursuant to an intergovernmental agreement or contract, and under such circumstances they are deemed by the laws of Arizona to be employees of both public agencies for the purposes of worker's compensation."

6.12 Notices. Any notice or other communication required or permitted to be given under this Agreement will be made in writing. Notices will be deemed to have been given if (i) delivered to the party at the address set forth below, (ii) deposited in the U.S. Mail, registered or certified, return receipt requested, to the address set forth below, (iii) given to a recognized and reputable overnight delivery service, to the address set forth below, or (iv) delivered by facsimile, and to the attention of such other person or officer, as any party may designate in writing by notice duly given pursuant to this Section.

To the City: 15960 North Bullard Avenue, Surprise, AZ 85374
623-222-2001
Attn: Mark Coronado

To the District: 32919 Center Street, Wittman, AZ 85361
623-388-2915
Attn: Kerre Laabs

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties have executed this Agreement on the date first written above.

CITY OF SURPRISE

NADABURG UNIFIED SCHOOL
DISTRICT NO. 81

By: _____
Sharon M. Wolcott, Mayor

By: _____

ATTESTED:

Sherry Aguilar, City Clerk

ATTORNEY CERTIFICATION

The undersigned certify that they have reviewed the foregoing Agreement and that said Agreement is in proper form and is within the powers and authority granted to the public body represented by the respective attorneys.

Sarah Smith
Attorney for Nadaburg School
District No. 81

Misty Leslie
Attorney for City of Surprise



CITY OF SURPRISE
Regular City Council Meeting

May 20, 2014 @ 6:00:00 PM

[Back](#) [Print](#)

Council Meeting Date:	May 20, 2014	Contact Person:	Bob Wingenroth, Assistant City Manager / Chief Financial Officer
Submitting Department:		District:	Citywide
Staff Recommendations:	No Action		

Consent	Regular	Public Hearing	Report/Discussion
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Agenda Wording:

Presentation and discussion regarding the FY2014 Budget Status Report through March 2014.

Motion:

Receive and File the FY2014 Year to Date Budget Status Report

Background:

None

Financial Impact Statement:

The attached presentation provides an update of the year to date revenue and expenditures for the general fund through March 2014.

ATTACHMENTS:

Click to download

☐ [2014fy2015 March Report](#)

External Attachment Links:

Meeting Requirements:

Powerpoint	x	Video	White Board	Other	x
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Presentation Speaker Names (spelling and titles for TV captions):

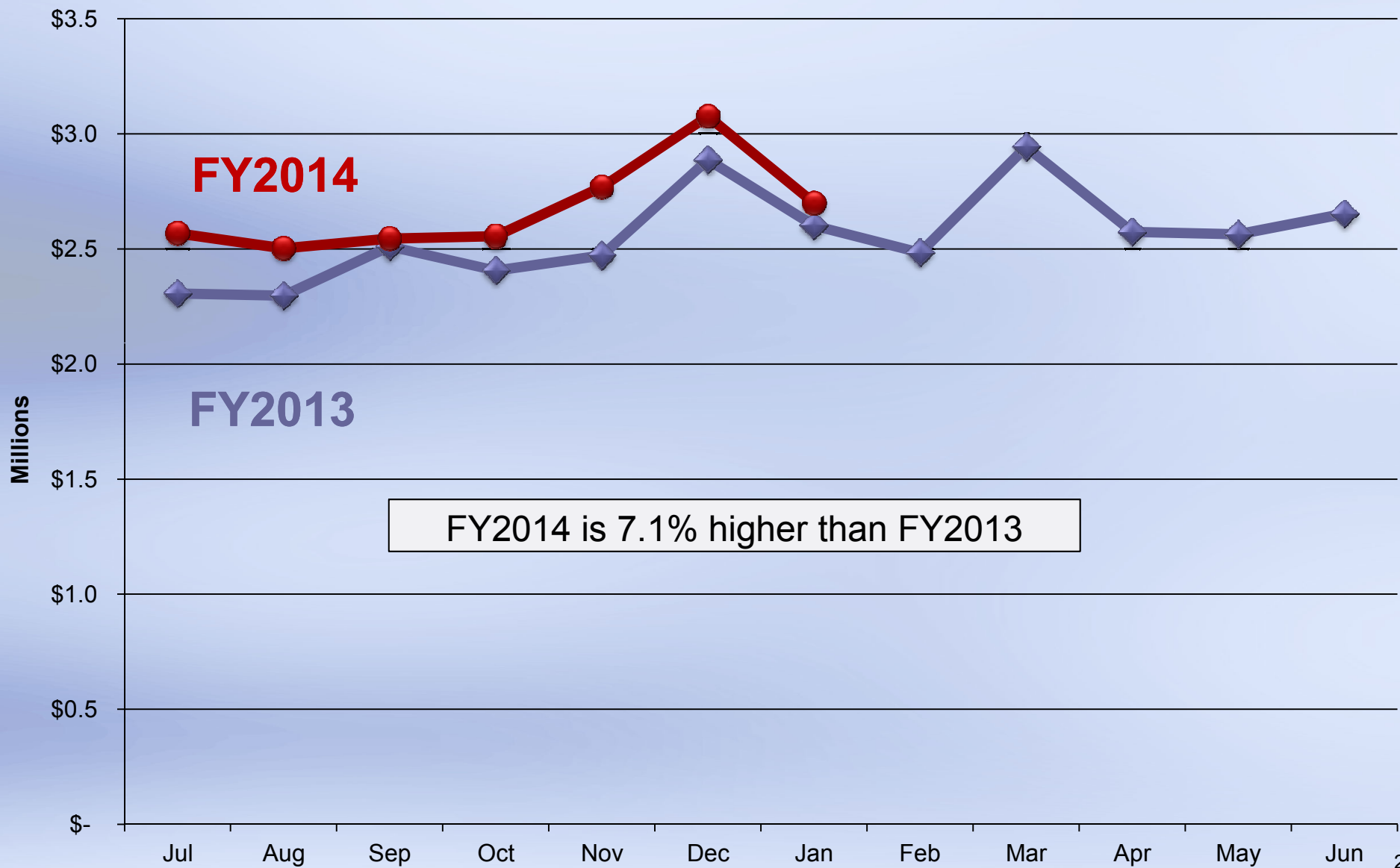
Lindsey Duncan, Budget and Special Projects Manager

FY2014 Monthly Budget Status Report

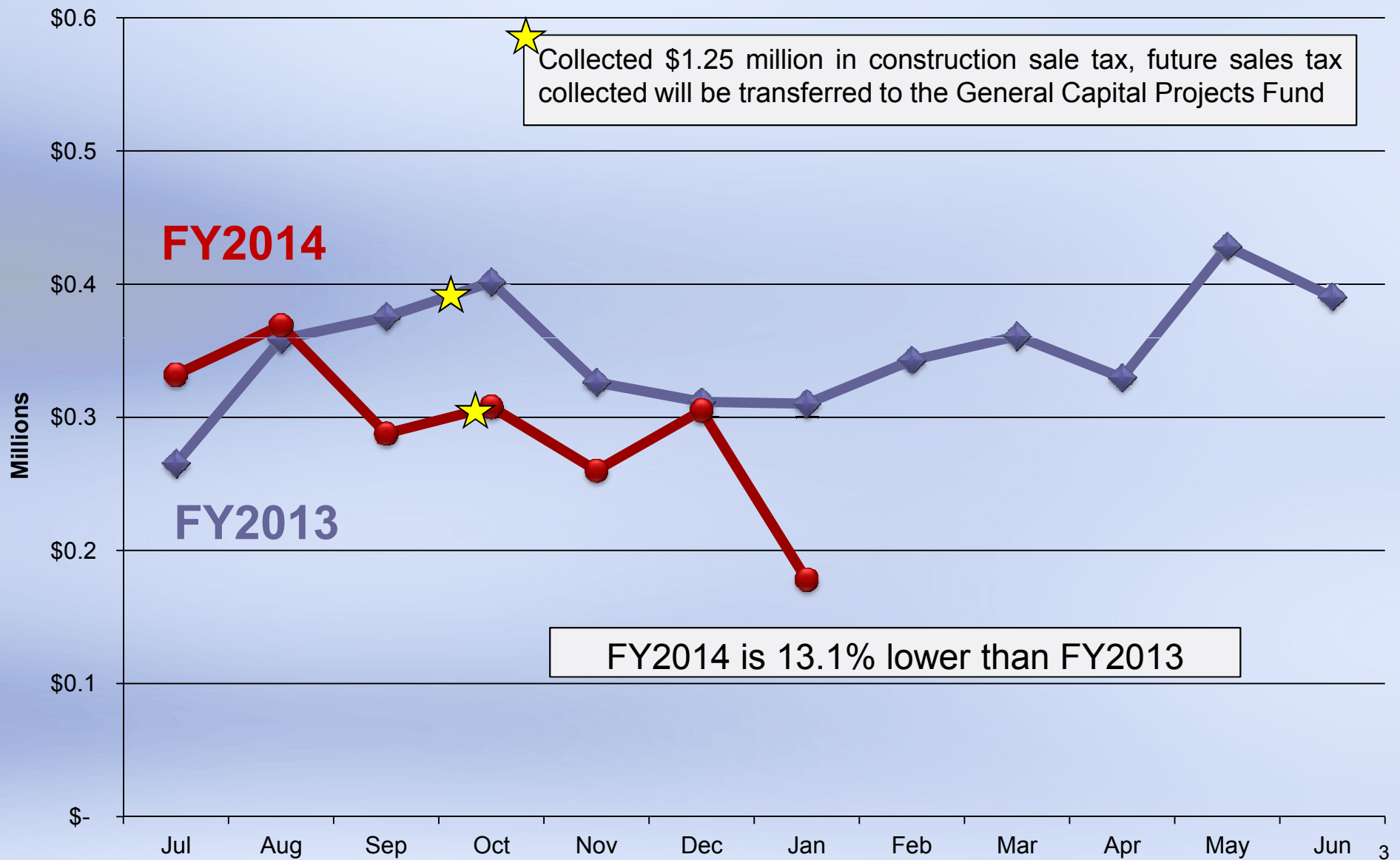
as of March 2014



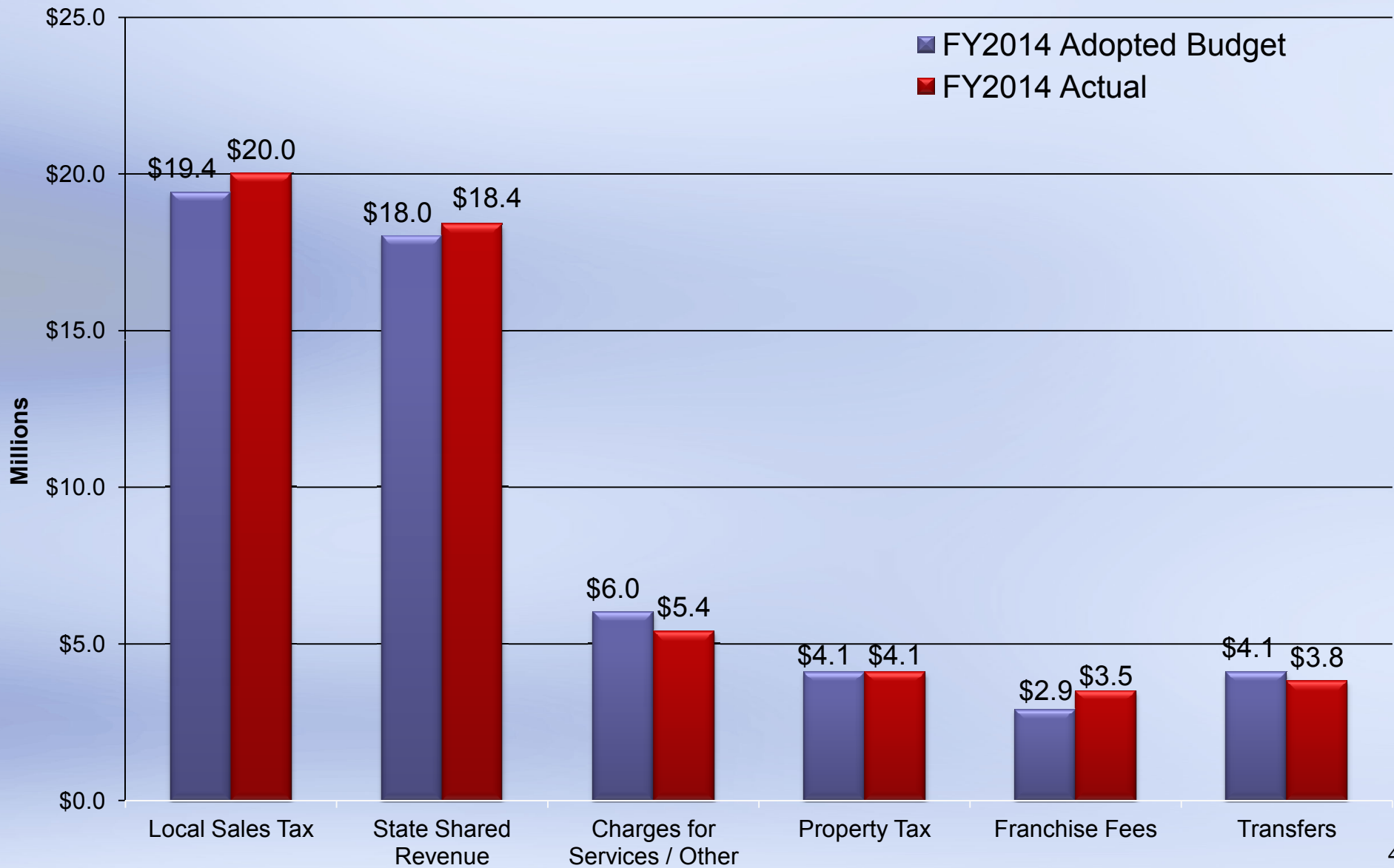
Sales Tax (Excluding Construction)



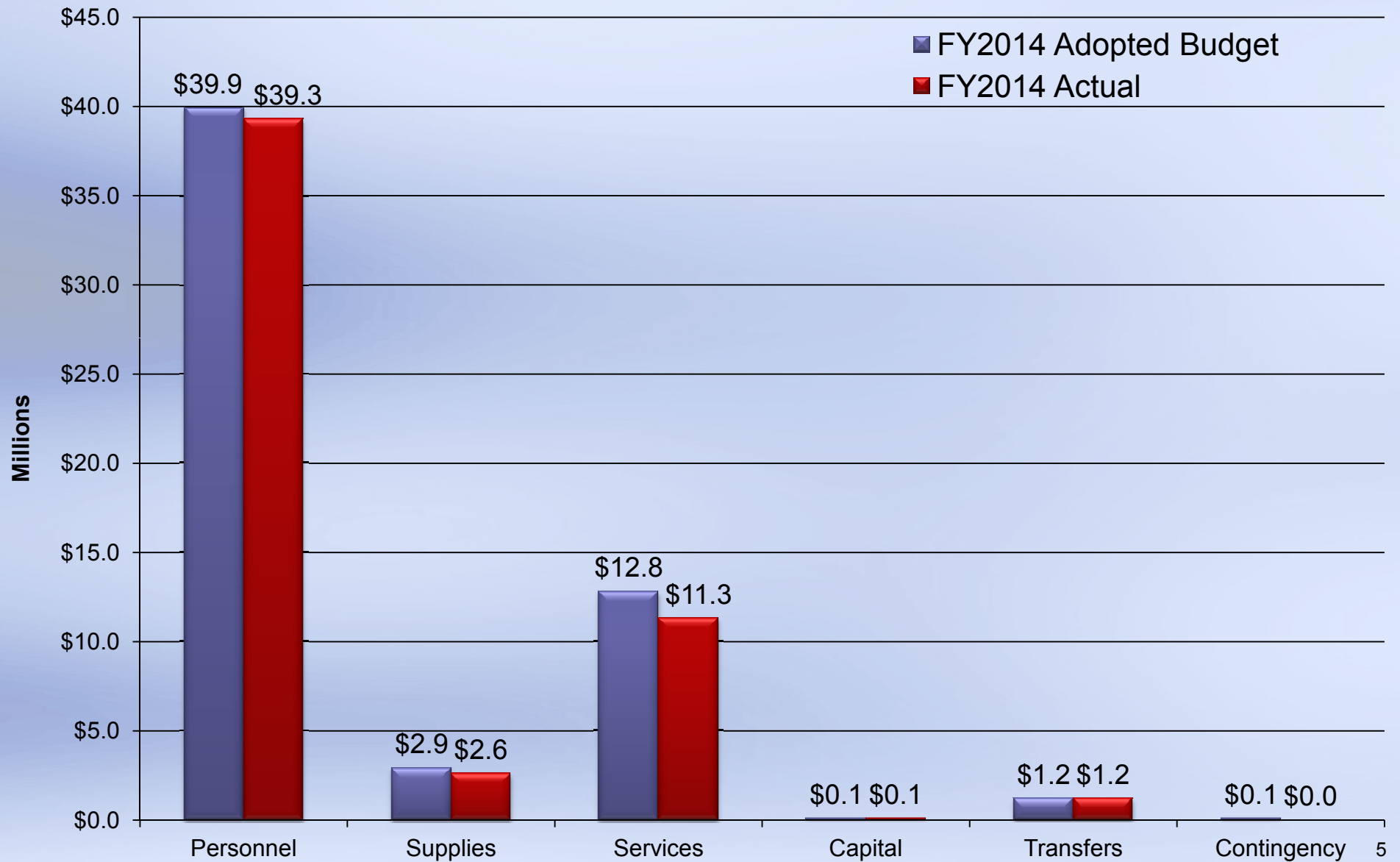
Construction Sales Tax



FYTD Resources by Category



FYTD Expenditures by Category



FYTD Results – General Fund

(in millions)



General Fund	FY2014 Initial Outlook
Beginning Balance (Actual)	\$ 17.2
Total Resources	\$ 88.2
Total Expenditures	\$ 80.7
Ending Balance	\$ 24.7

HIGHWAY USER REVENUE FUND QUARTERLY UPDATE

Background - HURF



- n The **State collects gasoline and use fuel taxes**, motor carrier taxes, vehicle license taxes, vehicle registration fees, and other miscellaneous fees.
- n These **revenues are then distributed to the cities**, towns and counties and to the State Highway Fund.
- n The City's allocation is based on population and is currently **2.1%** of the distribution for cities.

Executive Summary - HURF



- n Revenues are on target
- n Expenses are also on target
 - n Timing of multiple vacant positions
 - n Timing of services

FYTD Results – HURF

(in millions)



HURF Fund	FY2014 Initial Outlook
Beginning Balance (Actual)	\$ 1.5
Total Resources	\$ 6.6
Total Expenditures	\$ 6.0
Ending Balance	\$ 2.1

FY2014 Monthly Budget Status Report

as of March 2014





CITY OF SURPRISE
Regular City Council Meeting

May 20, 2014 @ 6:00:00 PM

[Back](#) [Print](#)

Council Meeting Date: May 20, 2014

Contact Person: Bob Wingenroth, Assistant City Manager/Chief Financial Officer

Submitting Department:

District: Citywide

Staff Recommendations: Approve

Consent	Regular	Public Hearing	Report/Discussion
---------	---------	----------------	-------------------

Agenda Wording:

Consideration and adoption of the revised Development Impact Fee Study Resolution #2014-59.

Motion:

I move to approve Resolution #2014-59, the adoption of the revised Development Impact Fees Study.

Background:

SB 1525 changed how cities calculate and spend development impact fees. The new law requires the city to update and adopt the development impact fees by August 2014.

Financial Impact Statement:

The new Development Impact Fees Study will be effective on August 3, 2014.

ATTACHMENTS:

Click to download

☐ [Resolution 2014-59](#)

External Attachment Links:

Meeting Requirements:

Powerpoint	x	Video	White Board	Other	x
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Presentation Speaker Names (spelling and titles for TV captions):

Bob Wingenroth, Assistant City Manager / Chief Financial Officer

RESOLUTION # 2014-59

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF SURPRISE, ARIZONA, ADOPTING THE DEVELOPMENT IMPACT FEE STUDY AND ADOPTING THE DEVELOPMENT IMPACT FEE SCHEDULE PURSUANT TO A.R.S. §9-463.05.

WHEREAS, the Fiftieth State Legislature, First Regular Session, through Senate Bill 1525, amended A.R.S. §9-463.05 and changed the standards and procedures for creating an assessing development impact fees, including a requirement that on or before August 1, 2014 cities replace certain of their development impact fees with fees complaint with A.R.S. §9-463.05 as amended;

WHEREAS, A.R.S. §9-463.05, as amended, permits cities to continue to assess and collect certain impact fees pledged to repay finance or debt incurred before June 1, 2011 for which development impact fees had been pledged toward the repayment of that financing or debt ("Grandfathered Facilities Impact Fees");

WHEREAS, the City established certain fees by Ordinance 2007-24 and Resolution 2011-149 that were pledged to repay financing and debt and are Grandfathered Facilities Impact Fees;

WHEREAS, the City of Surprise has complied with the requirements of A.R.S. §9-463.05, as amended, by establishing land use assumptions and an infrastructure improvement plan;

WHEREAS, the City of Surprise has provided the required notice of the adoption of development impact fees; and

WHEREAS, the Mayor and Council of the City of Surprise are authorized to adopt this Resolution establish development impact fees in accordance with A.R.S. §9-463.05.

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

Section 1. The previously established development impact fees set forth in Exhibit A are Grandfathered Facilities Impact Fees and will continue to be assessed and collected until the associated finance and debt is repaid.

Section 2. The Development Impact Fee Study attached as Exhibit B establishes the development impact fees pursuant to A.R.S. §9-463.05, as amended, and is hereby adopted.

Section 3. The Development Impact Fee Schedule attached as Exhibit C is hereby adopted pursuant to A.R.S.§9-463.05, as amended, and will become effective August 3, 2014.

APPROVED AND ADOPTED this ____ day of _____, 2014.

Sharon R. Wolcott, Mayor

Attest:

Approved as to form:

Sherry Aguilar, City Clerk

Misty Leslie, City Attorney

Exhibit A

DEVELOPMENT IMPACT FEES: GRANDFATHERED FACILITIES

RESIDENTIAL - PER UNIT

Single Family – Detached

Parks and Recreation	\$785
Fire/EMS	\$688
General Government	\$661
Police	\$371

Single Family – Attached, Multi-family, 1-9 units per Structure

Parks and Recreation	\$732
Fire/EMS	\$641
General Government	\$616
Police	\$346

Multi-family 10 plus Units in Structure

Parks and Recreation	\$580
Fire/EMS	\$508
General Government	\$489
Police	\$274

All Other Housing Types

Parks and Recreation	\$695
Fire/EMS	\$609
General Government	\$584
Police	\$328

NON-RESIDENTIAL – PER THOUSAND SQUARE FEET OF FLOOR AREA

Commercial/Shopping Center 25,000 sq ft or less

Fire/EMS	\$906
General Government	\$740
Police	\$689

Commercial/Shopping Center 25,001 – 50,000 sq ft

Fire/EMS	\$778
General Government	\$636
Police	\$599

Commercial/Shopping Center 50,001 – 100,000 sq ft

Fire/EMS	\$680
General Government	\$556
Police	\$500

Commercial/Shopping Center 100,001 – 200,000 sq ft

Fire/EMS	\$604
General Government	\$493
Police	\$428

Commercial/Shopping Center Over 200,000 sq ft

Fire/EMS	\$544
General Government	\$445
Police	\$363

Office/Institute up to 10,000 sq ft

Fire/EMS	\$1,219
General Government	\$996
Police	\$252

Office/Institute 10,001 – 25,000 sq ft

Fire/EMS	\$1,129
General Government	\$923
Police	\$204

Office/Institute 25,001 – 50,000 sq ft

Fire/EMS	\$1,064
General Government	\$869
Police	\$174

Office/Institute 50,001 – 100,000 sq ft

Fire/EMS	\$1,004
General Government	\$821
Police	\$148

Office/Institute Over 100,000 sq ft

Fire/EMS	\$911
General Government	\$745
Police	\$126

Business Park

Fire/EMS	\$860
General Government	\$703
Police	\$142

Light Industrial

Fire/EMS	\$628
General Government	\$513
Police	\$77

Warehousing

Fire/EMS	\$348
General Government	\$284
Police	\$55

Manufacturing

Fire/EMS	\$487
General Government	\$398
Police	\$42

Hotel – Per Room

Fire/EMS	\$119
General Government	\$97
Police	\$23



City of Surprise **ARIZONA**

Development Impact Fee Study

Final Report | May 12, 2014

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Abbreviations and Acronyms

2007 Fire Plan – Fire planning evaluation completed for the city in 2007

ADWR – Arizona Department of Water Resources

AMA – Active Management Area

ARS – Arizona Revised Statutes

AWS – Assured Water Supply

AWWA – American Water Works Association

CAP – Central Arizona Project

CIP – Capital Improvements Plan

City – The City of Surprise

DIFs, Impact Fees, or Development Fees – Development Impact Fees

EDPCO – Elliott D. Pollack and Company

EDU – Equivalent Development Unit

EMS – Emergency Medical Services

ENR-CCI – Engineering News Record Construction Cost Index

Fee Report – Development Impact Fee Report

FY – Fiscal Year

GMA – Groundwater Management Act

GO – General Obligation Bonds

GPD – Gallons per Day

HazMat – Hazardous Materials

IIP – Infrastructure Improvements Plan

ITE – Institute of Transportation Engineers

LOS – Level of Service

LUA – Land Use Assumptions

MGD – Million Gallons per Day

MPC – Municipal Property Corporation

NPS – Necessary Public Services

RCN – Replacement Cost New

RFC – Raftelis Financial Consultants

SB – Senate Bill

SFR – Single-Family Residential

SPA – Special Planning Area

VMT – Vehicle Miles Traveled

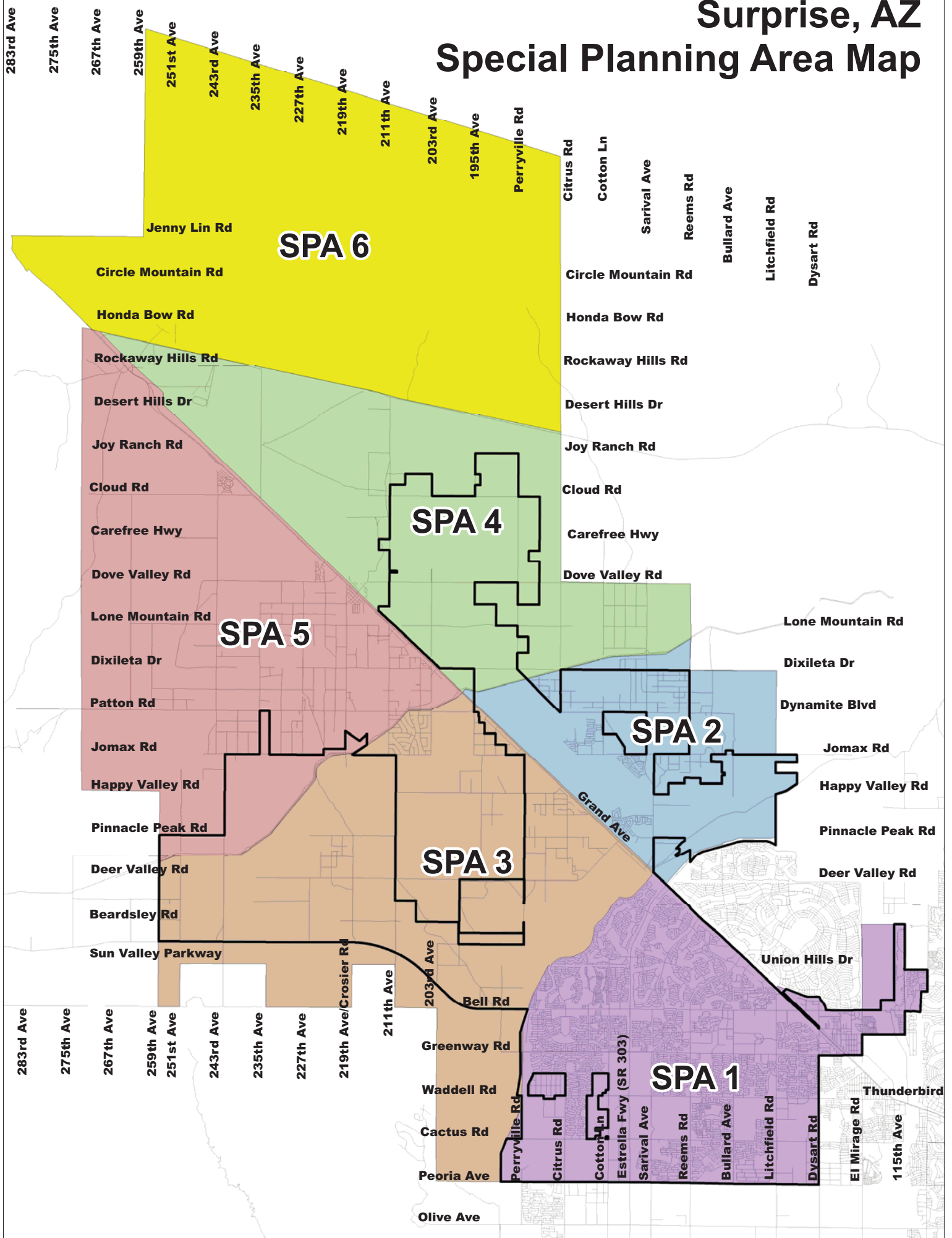
VTE – Vehicle Trip Ends

WRF – Water Reclamation Facility

WSF – Water Supply Facility

WWTP – Wastewater Treatment Plant

Surprise, AZ Special Planning Area Map



Executive Summary

The City of Surprise (City) retained the team of Raftelis Financial Consultants, Inc.¹ (RFC or Raftelis) and Elliott D. Pollack and Company (EDPCO) to complete an update of the City's development impact fees for compliance with the requirements of Arizona Revised Statutes (ARS) § 9-463.05 effective August 1, 2014.

Under the updated requirements of ARS § 9-463.05 a development impact fee study is segmented into three major components as follows:

1. Land Use Assumptions (LUA) identify the current and projected service units by service area. The City LUA is summarized in one report dated March 11, 2014. This report outlines the projected growth in residential population and housing units and non-residential employment and square feet.
2. Infrastructure Improvements Plan (IIP) identifies the current and future facilities to serve the projected growth in service units identified within the LUA. The City IIP is summarized as a separate report also dated March 11, 2014.
3. Development Impact Fee report (Fee Report), the subject of this document, outlines the proposed development impact fee by fee category and service area based on the eligible facilities and service units identified in the separate Final LUA and Final IIP Reports dated March 11, 2014. The Fee Report incorporates capital funding analyses, offset calculations and cash flow projections for the proposed development impact fees.

To ensure that new development contributes its proportionate share towards the cost of public facilities, the City of Surprise (City) has enacted development impact fees for a variety of fee categories. The fees were most recently updated in December 2011 for compliance with ARS § 9-463.05 which was adopted earlier in 2011. The purpose of the overall study is to update the following City's development impact fee categories:²

- Fire and Emergency Medical Services (EMS)
- 163rd Avenue Roadway
- Water System
- Water Resources
- Wastewater System

The proposed development impact fees are proposed to be effective August 1, 2014.

¹ The City initially retained Red Oak Consulting, an ARCADIS group, to complete this study and the contract was subsequently assigned to RFC in July 2013.

² The City is maintaining existing Fire and EMS, Police, General Government and Parks and Recreation Development Impact Fees to repay outstanding debt obligations.

Table 1 summarizes the proposed residential and non-residential Fire and EMS development impact fees to be assessed City-wide.

Table 1
Fire and EMS Development Impact Fees

Development Type	Impact Fee	Assessment
Single-Family Residential	\$680	Housing Unit
Multi-Family Residential	499	Housing Unit
Retail	779	1,000 square feet
Office	1,247	1,000 square feet
Public	1,247	1,000 square feet
Industrial	519	1,000 square feet

Table 2 summarizes the proposed residential and non-residential 163rd Avenue Roadway development impact fees to be assessed within the 163rd Avenue Roadway service area.

Table 2
163rd Avenue Roadway Development Impact Fees

Development Type	Impact Fee	Assessment
Single-Family Residential	\$299	Housing Unit
Multi-Family Residential	209	Housing Unit
Retail	3,958	1,000 square feet
Office	240	1,000 square feet
Public	304	1,000 square feet
Industrial	150	1,000 square feet

Tables 3 through 8 summarize the proposed 3/4-inch and less water system, water resource and wastewater system development impact fees calculated for separate Special Planning Area (SPA) 1 and SPA 2. A map of the current SPAs is included before the Executive Summary. The water system, water resource and wastewater system SPA 1 and SPA 2 service areas are identified within the Final IIP as detailed within this report and Appendices C, D and E. Water system, water resource and wastewater system development impact fees will be increased for 1-inch and higher meter sizes based on the American Water Works Association (AWWA) meter capacity relationships. Within SPA 2, Wastewater System Development Impact Fees outlined in Appendix E are calculated with two separate components. The first component recovers treatment, disposal and other miscellaneous facilities serving development in SPA 2. The second component recovers sewer line facilities serving other developments in SPA 2. Some developments that are served by facilities from both components are assessed the combined fee summarized in Table 8. Other developments may benefit from one of the two fee components and will be assessed one of the two fee components detailed in Appendix E.

The City's fiscal year (FY) starts July 1 and is completed on June 30 with references to each fiscal year within this document using the final six months. For example, FY 2014 refers to the period of July 1, 2013 through June 30, 2014.

Table 3
SPA 1 Water System Development Impact Fees

Meter Size	Service Units	Impact Fee
3/4" and Less	1.00	\$1,393
1"	1.67	2,322
1.5"	3.33	4,644
2"	5.33	7,431
3"	10.00	13,933
4"	16.67	23,222
6"	33.33	46,444
8"	53.33	74,310

Table 4
SPA 2 Water System Development Impact Fees

Meter Size	Service Units	Impact Fee
3/4" and Less	1.00	\$1,544
1"	1.67	2,574
1.5"	3.33	5,148
2"	5.33	8,237
3"	10.00	15,445
4"	16.67	25,742
6"	33.33	51,483
8"	53.33	82,373

Table 5
SPA 1 Water Resource Development Impact Fees

Meter Size	Service Units	Impact Fee
3/4" and Less	1.00	\$714
1"	1.67	1,191
1.5"	3.33	2,381
2"	5.33	3,810
3"	10.00	7,144
4"	16.67	11,906
6"	33.33	23,812
8"	53.33	38,099

Table 6
SPA 2 Water Resource Development Impact Fees

Meter Size	Service Units	Impact Fee
3/4" and Less	1.00	\$873
1"	1.67	1,456
1.5"	3.33	2,911
2"	5.33	4,658
3"	10.00	8,734
4"	16.67	14,556
6"	33.33	29,112
8"	53.33	46,579

Table 7
SPA 1 Wastewater System Development Impact Fees

Meter Size	Service Units	Impact Fee
3/4" and Less	1.00	\$3,265
1"	1.67	5,442
1.5"	3.33	10,884
2"	5.33	17,414
3"	10.00	32,651
4"	16.67	54,418
6"	33.33	108,836
8"	53.33	174,138

Table 8
SPA 2 Total Wastewater System Development Impact Fees

Meter Size	Service Units	Impact Fee
3/4" and Less	1.00	\$3,361
1"	1.67	5,601
1.5"	3.33	11,202
2"	5.33	17,923
3"	10.00	33,606
4"	16.67	56,010
6"	33.33	112,019
8"	53.33	179,231

Introduction and Overview

The City of Surprise (City) retained the team of Raftelis Financial Consultants, Inc.³ (RFC or Raftelis) and Elliott D. Pollack and Company (EDPCO) to complete an update of the City's development impact fees for compliance with the requirements of Arizona Revised Statutes (ARS) § 9-463.05 effective August 1, 2014.

Under the updated requirements of ARS § 9-463.05 a development impact fee study is segmented into three major components as follows:

1. Land Use Assumptions (LUA) identify the current and projected service units by service area. The City LUA is summarized in one report dated March 11, 2014. This report outlines the projected growth in residential population and housing units and non-residential employment and square feet.
2. Infrastructure Improvements Plan (IIP) identifies the current and future facilities to serve the projected growth in service units identified within the LUA. The City IIP is summarized as a separate report also dated March 11, 2014.
3. Development Impact Fee report (Fee Report), the subject of this document, outlines the proposed development impact fee by fee category and service area based on the eligible facilities and service units identified in the separate Final LUA and Final IIP Reports dated March 11, 2014. The Fee Report incorporates capital funding analyses, offset calculations and cash flow projections for the proposed development impact fees.

To ensure that new development contributes its proportionate share towards the cost of public facilities, the City of Surprise (City) has enacted development impact fees for a variety of fee categories⁴. The fees were most recently updated in November 2011 with recreation and public building fee categories eliminated as a result of ARS § 9-463.05 which was adopted earlier in 2011. The purpose of the overall study is to update the following City's development impact fee categories:

- Fire and Emergency Medical Services (EMS)
- 163rd Avenue Roadway
- Water System
- Water Resources
- Wastewater System

Appendix F includes a summary of the City's current utility and non-utility development impact fees. The proposed development impact fees discussed in this report are proposed to be effective

³ The City initially retained Red Oak Consulting, an ARCADIS group to complete this study and the contract was subsequently assigned to RFC in July 2013.

⁴ The City's library and park development impact fees will be discontinued by August 1, 2014.

August 1, 2014. Table 9 summarizes the City's current single-family residential non-utility development impact fees.

Table 9
Current Non-Utility Development Impact Fees

Development Impact Fee	Single Family Residential
Fire & EMS	\$688
Police	371
Library	133
Parks & Recreation	785
General Government	661
Public Works	109
Non-Utility (City-Wide)	<u>2,747</u>
Non-Utility (City-Wide)	2,747
Roads of Regional Significance (1)	<u>5,715</u>
Total	8,462
Non-Utility (City-Wide)	2,747
Roads of Regional Significance (1)	<u>5,396</u>
Total	8,143

(1) Roads of Regional Significance development impact fee of \$5,715 is assessed in SPAs 2, 4 and 6 and \$5,396 is assessed in SPAs 3 and 5.

Table 10 summarizes the City's current SPA 1 and SPA 2 water system (drinking), water resource and wastewater development impact fees that apply to 3/4-inch water meter connections.

Table 10
Current Utility Development Impact Fees

Development Impact Fee	3/4-inch Water Meter - SPA 1	3/4-inch Water Meter - SPA 2
Water Resource	\$2,100	\$796
Water System - Drinking	3,895	3,895
Wastewater	<u>3,853</u>	<u>3,039</u>
Total	\$9,848	\$7,730

Methodologies

There are a variety of methods that can serve as a rational basis for computing non-utility and utility development impact fees. The most common include:

- System Buy-In
- Plan-Based Incremental
- Plan Based Average
- Hybrid Method

The **System Buy-in** method uses a historical perspective. The original costs of the system's fixed assets are identified and escalated to current value using a nationally recognized index. System value equals the escalated original cost less developer contributions. The development fee is the quotient of the system equity divided by the system capacity.

The **Plan-Based Incremental** method is a forward-looking and considers only future growth-related capital projects and acquisitions. The development impact fee is the quotient of the growth-related cost of proposed projects for a specified time frame divided by the number of units to be served or the increase in capacity provided by those projects.

The **Plan-Based Average** method is similar to the **Plan-Based Incremental** method. However, the plan based average approach considers future growth-related projects that benefit new and current development. The development fee is the quotient of the cost of proposed projects for a specified time frame divided by the total capacity served in the calculation year.

The **Hybrid** method combines the **System Buy-in** and **Incremental** methods. The development fee is the quotient of the sum of the current system equity and future growth-related capital costs divided by of the sum of existing system capacity and the increase in capacity provided by the future growth-related projects.

The City evaluated the facilities required to provide necessary public services for new growth detailed in the Final LUA and Final IIP Reports. In developing the costs in the IIP, the City considered what was needed so the burden of providing services to new development did not lower the service level for existing citizens or charge new development exclusively to increase the level of service provided to existing residents. The City may increase the level of service for current and future residents; however, the development impact fee will reflect only the portion of the facility benefiting new development with funding for the increased level of service portion of the improvement benefiting current development funded by alternative sources.

As discussed within the Final LUA and IIP Report, the demand for facilities is quantified using a common unit of measurement, called a "service unit." A service unit is a standardized measure of the consumption, use, generation or discharge attributable to an individual unit of development calculated using generally accepted engineering or planning standards. The service units and resulting Equivalent Development Unit (EDU) vary by development impact fee category. One EDU represents the average demand for services generated by a single-family home.

In all fee categories, projects are based on facility needs to serve future development. There are existing and future facilities that will benefit future development. To recognize the proportion of the costs benefiting development over the study period, project costs allocated to new growth

over the study period have been adjusted to exclude the portion of future facilities serving current development. For example, the 163rd Avenue Roadway facilities replace currently constructed roadway facilities while expanding facilities to the benefit of new development and the fee calculations recognize the proportional cost of future facilities benefiting new development. Funding for the portion of facilities benefiting current development will need to be funded from another source which may include current general fund revenues and/or debt summarized by fee category and included in the appendices.

City of Surprise Development Agreements

The City has entered into a variety of development agreements and amendments to the agreements over the past thirty years. These agreements outline responsibilities and obligations for both the City and the other contracting parties to the agreements. Many agreements incorporate future development impact fees assessed by the City as the mechanism to reimburse developers for funding or oversizing facilities recovered through the assessed development impact fee. Current and future obligations defined below are identified within the development agreements.

Current Obligations: Infrastructure has been constructed and accepted by the City, and actual costs subject to reimbursement have been provided to the City. Some reimbursement and/or credit may have been provided and additional costs remain to be reimbursed and/or credited through future development impact fees.

Future Obligations: Infrastructure subject to reimbursement and/or credit have not been completed and/or accepted by the City and the City does not have actual costs related to the constructed facilities. These future obligations may involve developments that have been partially developed and/or where some infrastructure has been constructed, but not all of the requirements have been met in order for the City to reimburse eligible costs with assessed development impact fees. Costs estimates for the infrastructure to be completed may be provided and reimbursements will be based on actual costs provided after the City has accepted the infrastructure. The IIP will need to be updated in order for future obligations to be eligible for development impact fee reimbursement per the requirements of ARS §9-463.05.

For many of the agreements, the facilities were constructed and accepted by the City with reimbursement obligations that are fully satisfied. In these cases, the City may continue to assess and keep development impact fees related to the constructed facilities serving current and future development. Other agreements include current obligations for infrastructure constructed and accepted by the City that are active with remaining obligations. The IIP includes only those facilities tied to current obligations or those where the infrastructure has been constructed; the City has accepted the infrastructure and has costs within the City's fixed assets as the basis for reimbursements.

Future obligations related to facilities that either have not been constructed and/or the City has not accepted and may be privately owned and operated are excluded from this IIP. These future

facilities will need to be incorporated in updates to the IIP prior to the inclusion as development impact fee eligible projects and before the City may use development impact fees to reimburse the eligible facility costs.

Reflecting projected development within various master planned communities throughout the City, revenue projections and cash flow analyses presented in this Fee Report incorporate development impact fee reimbursements and/or credits.

Fire and EMS Development Impact Fee

The proposed Fire and EMS development impact fees will be assessed City-wide. Table 11 summarizes proposed Fire and EMS development impact fees by type of development.

Table 11
Fire and EMS Development Impact Fees

Development Type	Impact Fee	Assessment
Single-Family Residential	\$680	Housing Unit
Multi-Family Residential	499	Housing Unit
Retail	779	1,000 square feet
Office	1,247	1,000 square feet
Public	1,247	1,000 square feet
Industrial	519	1,000 square feet

Single-family and multi-family residential developments are assessed fees per housing unit while non-residential development categories are assessed per 1,000 square feet of development. Fees are proposed to be effective August 1, 2014.

The City's Fire and EMS development impact fee was calculated using the incremental approach that considers:

- Current cost of future growth-related IIP projects.
- Increase reflecting net present value (NPV) of interest of growth-related portion of projected debt issues.

Table 12 summarizes the calculated Fire and EMS development impact fees per residential and non-residential service units. The eligible costs are allocated between residential and non-residential types of development based on calls for service from the four-year period of FY 2010 through FY 2013. Service units reflect existing and projected residents and employees detailed in the Final LUA and Final IIP Reports. The capacity of planned facilities will be exceeded in FY 2022 and the projected FY 2022 service units are used to calculate the separate residential and non-residential costs per service unit. A single-family residential dwelling unit is equal to one EDU. The residential cost per service unit is translated into a fee per dwelling unit based on persons per dwelling unit for single-family and multi-family residential development types.

Non-residential costs per service unit are translated into a fee per 1,000 square feet based on employees per 1,000 square feet that varies retail, office, public and industrial types of development.

Table 12
Fire and EMS
Development Impact Fee Calculation

Description	Calls for Service (1)	Allocation	Allocated Costs
Residential	25,576	73.0%	\$13,796,403
Non-Residential	9,441	27.0%	5,092,737
Total	35,017	100.0%	\$18,889,140

Residential	Units	Fiscal Year	
Allocated portion of facilities			\$13,796,403
Capacity of Facilities	Population	2022	60,853
Cost per Unit	Population		\$226.72

Non-Residential			
Allocated portion of facilities			\$5,092,737
Capacity of Facilities	Employees	2022	16,339
Cost per Unit	Employees		\$311.69

(1) FY 2009-10 through FY 2012-13.

The components of the calculated Fire and EMS development impact fee and associated cash flow projection is discussed in the following sections.

Infrastructure Improvements Plan Projects

The total cost of two proposed fire stations is \$15.0 million anticipated to be constructed from FY 2015 through FY 2018 as detailed in the Final IIP Report and summarized in Appendix A to this report. Both fire stations are allocated fully to future development (growth) benefiting future residents and employees. Based on the timing of the projects, an annual capital project inflation rate of 3%, compounded annually, is applied to project cost estimates and illustrated in the cash flow and supporting worksheet also provided in Appendix A.

Cash Flow

A cash flow analysis has been compiled to summarize the sources and uses and funding requirements of new Fire and EMS development impact fee fund included in Appendix A. The sections below outline projects and cash flow uses of IIP projects, development agreement reimbursements, debt issuance and reserve requirements, debt service funded through development impact fee revenues, interest income, and debt proceeds. For current development, the funding sources incorporate general fund revenues and/or debt instead of development impact fees. This section summarizes the assumptions and projections outlined in Appendix A.

The new Fire and EMS development impact fee fund has a fund balance of \$0 as of June 30, 2013.

Debt Proceeds, Issuance Costs and Debt Service

Table 13 summarizes the projected debt and resulting NPV of interest cost future development's portion of Fire and EMS IIP facilities.

Table 13
New Fire and EMS Development Impact Fee Fund Debt Issues

Fiscal Year	Bond Issues	
	Principal	NPV of Interest Payments
2014	\$0	\$0
2015	0	0
2016	4,500,000	1,862,355
2017	0	0
2018	5,000,000	2,069,284
2019	0	0
2020	0	0
2021	0	0
2022	0	0
2023	0	0
Total	<u>\$9,500,000</u>	<u>\$3,931,639</u>

Debt projections reflect availability of revenues generated from development impact fees balanced against the timing of the project and availability of cash to partially fund anticipated projects. Assumptions regarding the term, interest rate, debt service requirement and issuance expenses are also summarized in Appendix A.

NPV of Future Growth-Related Debt Interest

The NPV of future interest payments associated with future development's portion of debt funded Fire and EMS IIP facilities is projected to be approximately \$3.9 million. The NPV interest reflects today's value associated with funding the growth-related facilities and is eligible for inclusion as assessed development impact fees are anticipated to repay the growth-related debt service. The annual debt service and NPV associated with projected debt issues are detailed in Appendix A.

Revenue Projections

Projected Fire and EMS development impact fee revenues are based on the proposed fees by development type, indexed for inflation, applied to projected development for the following development types:

- Single-family residential
- Multi-family residential
- Retail
- Public
- Industrial
- Admin / Medical Office

Residential developments are assessed fees per housing unit while non-residential development categories are assessed per 1,000 square feet of development. Appendix A summarizes the projected development impact fee revenues by type of development.

163rd Avenue Roadway Development Impact Fee

The proposed 163rd Avenue Roadway development impact fees will be assessed to a service area identified in Figure 2 of the Final IIP⁵.

Table 14 summarizes proposed 163rd Avenue Roadway development impact fees by type of development.

Table 14
163rd Avenue Roadway Development Impact Fees

Development Type	Impact Fee	Assessment
Single-Family Residential	\$299	Housing Unit
Multi-Family Residential	209	Housing Unit
Retail	3,958	1,000 square feet
Office	240	1,000 square feet
Public	304	1,000 square feet
Industrial	150	1,000 square feet

Single-family and multi-family residential developments are assessed fees per housing unit while non-residential development categories are assessed per 1,000 square feet of development. Fees are proposed to be effective August 1, 2014.

The City's 163rd Avenue Roadway development impact fee was calculated using the plan-based average approach that considers:

⁵ The 163rd Avenue Roadway development impact fee service area includes properties north of the Central Arizona Project canal. These properties are included because the 163rd Avenue serves as the main connection between east and west roads e.g., (Dove Valley), connecting them to Grand Avenue / Highway 60. In addition these properties will ultimately connect to the extended 163rd Avenue once a bridge over the Central Arizona Project canal is constructed. The project to complete the bridge is not included in the current IIP as it may be constructed beyond the 10-year period and is anticipated to be included in future updates to the City's IIP.

- Current cost of future growth-related IIP projects.
- Debt adjustments include:
 - Increase reflecting the NPV of future interest of growth-related portion of projected debt issues.
 - Reduction reflecting the NPV of non-growth portion of annual total debt service associated with projected debt issues repaid by tax-based revenues.

Appendix B summarizes the calculated 163rd Avenue Roadway development impact fees per service unit. Service units reflect vehicle miles traveled (VMT) by development type. VMT is used to apportion the total future vehicle mile capacity of the proposed improvements among projected development within the service area as outlined in the Final IIP Report. Since the 163rd Avenue Roadway service units are represented as a ratio per dwelling unit and per 1,000 square feet or the same basis as the fee is assessed, it is not necessary to convert service units to an EDU for fee assessment. However, EDUs for the different types of development may be calculated based on the ratio of the adjusted average day VMTs for the type of development compared to the adjusted average day VMTs of a single-family residential housing unit. The capacity of the 163rd Avenue Roadway facilities will be exceeded in FY 2040 and the projected FY 2040 service units are used to calculate a cost per service unit. The cost per VMT is translated into a cost per development unit that varies for different types of developments previously discussed in the Final IIP Report and documented in Appendix B.

The components of the calculated 163rd Avenue Roadway development impact fee and associated cash flow projection is discussed in the following sections.

Infrastructure Improvements Plan Projects

The total cost of the proposed 163rd Avenue Roadway is \$24.8 million anticipated to be constructed in two phases as detailed in the Final IIP Report and summarized in Appendix B. Phase 1 is anticipated to cost \$11.3 million and be completed in FY 2017. Phase 2 is anticipated to cost \$13.3 million and be completed in FY 2021. The project components are allocated between future development (growth) and current development (non-growth) based on the current (30%) and future (70%) capacity added by both phases. The allocated costs of Phases 1 and 2 to new development is approximately \$17.3 million reflecting 70% of the total costs as summarized in Appendix B. Based on the timing of the projects, an annual capital project inflation rate of 3%, compounded annually, is applied to project cost estimates and illustrated in the cash flow and supporting worksheet also provided in Appendix B.

Cash Flow

A cash flow analysis has been compiled to summarize the sources and uses of both 163rd Avenue Roadway development impact fee fund and the funding of the requirements of current development funded from general fund revenues. Appendix B details the cash flow analysis. The sections below outline projects and cash flow uses of IIP projects, repayment of loans from the general fund, debt issuance and reserve requirements, debt service funded through

development impact fee revenues, loans from the general fund, interest income, and debt proceeds. For current development, the funding sources exclude development impact fees and instead incorporate general fund revenues. This section summarizes the assumptions and projections outlined in Appendix B.

The SPA 2, 4, 6 Roads of Regional Significance development impact fee fund has a fund balance of approximately \$2.1 million as of June 30, 2013 available to fund future eligible 163rd Avenue Roadway facilities.

Debt Proceeds, Issuance Costs and Debt Service

Table 15 summarizes the projected debt and resulting NPV of interest cost future development's portion of 163rd Avenue Roadway IIP facilities. Debt projections reflect available funding sources balanced against the timing of the project and availability of cash to partially fund anticipated projects.

Table 15
163rd Avenue Roadway Development Impact Fee Fund Debt Issues

Fiscal Year	Bond Issues	
	Principal	NPV of Interest Payments
2014	\$0	\$0
2015	0	0
2016	8,500,000	3,517,780
2017	0	0
2018	0	0
2019	0	0
2020	500,000	206,931
2021	11,000,000	4,552,426
2022	0	0
2023	0	0
Total	<u>\$20,000,000</u>	<u>\$8,277,136</u>

Debt is also anticipated to fund the current development or non-growth portion of 163rd Avenue Roadway IIP projects summarized in Appendix B. Table 16 summarizes the projected debt and resulting NPV of principal and interest debt service cost of current development's portion of 163rd Avenue Roadway facilities. Assumptions regarding the term, interest rate, debt service requirement and issuance expenses are summarized in Appendix F.

Table 16
163rd Avenue Roadway Development Impact Fee Non-Growth Debt Issues

Fiscal Year	Bond Issues	
	Principal	NPV of P&I Payments
2014	\$0	\$0
2015	0	0
2016	3,750,000	3,660,718
2017	0	0
2018	0	0
2019	0	0
2020	200,000	195,244
2021	5,000,000	4,880,953
2022	0	0
2023	0	0
Total	<u>\$8,950,000</u>	<u>\$8,736,915</u>

NPV of Future Growth-Related Debt Interest

The NPV of future interest payments associated with future development's portion of debt funded 163rd Avenue Roadway IIP facilities is projected to be approximately \$8.3 million. The NPV interest reflects today's value current value associated with funding the growth-related facilities and is eligible for inclusion as assessed development impact fees are anticipated to repay the growth-related debt service. The annual debt service and NPV associated with projected debt issues are detailed in Appendix B.

Offsets

Debt projected to fund non-growth portion of 163rd Avenue Roadway IIP facilities generate offsets or reductions to the proposed fee since future general fund revenues generated from taxes assessed to current and future development will be used to repay current development's portion of the issued General Obligation (GO) debt. The offset is calculated based on the NPV of future principal and interest payments of approximately \$8.7 million divided by the projected service units (residential and non-residential VMTs) at FY 2040. The annual debt service and NPV associated with projected debt issues are detailed in Appendix B.

The City has an excess tax rate (construction sales tax) that is 1.5% above the average tax rate. The revenues associated with the excess rate are segmented with the first \$1,250,000 to the General Fund and any excess revenues dedicated to the transportation improvement fund for transportation related capital projects as summarized in Appendix A of the Final IIP Report. An offset for the excess tax rate was not included as the offset for the non-growth portion of 163rd Avenue Roadway facilities already addresses the use of revenues towards the repayment of annual debt service associated with these necessary public services.

Revenue Projections

Projected 163rd Avenue Roadway development impact fee revenues are based on the proposed fee by development type, indexed for inflation, applied to projected development in SPAs 2 and 4 for the following development types⁶:

- Single-family residential
- Multi-family residential
- Retail
- Public
- Industrial
- Admin / Medical Office

Residential developments are assessed fees per housing unit while non-residential development categories are assessed per 1,000 square feet of development. Appendix B summarizes the projected development impact fee revenues by type of development.

Water System Development Impact Fee

The proposed Water System development impact fees will be assessed within SPA 1 and SPA 2 service areas where City water service is provided.⁷ The proposed fees were calculated separately for the two service areas. Tables 17 and 18 summarize proposed SPA 1 and SPA 2 water system development impact fees.

Table 17
SPA 1 Water System Development Impact Fees

Meter Size	Service Units	Impact Fee
3/4" and Less	1.00	\$1,393
1"	1.67	2,322
1.5"	3.33	4,644
2"	5.33	7,431
3"	10.00	13,933
4"	16.67	23,222
6"	33.33	46,444
8"	53.33	74,310

⁶ Projected growth in SPA 4 is anticipated to occur within 163rd Avenue Roadway Development Impact Fee Service Area.

⁷ Areas of SPAs 1 and 2 served by other water providers will be governed by fees and charges assessed by those providers and not subject to the City's current or proposed water system or water resource development impact fees.

Table 18
SPA 2 Water System Development Impact Fees

Meter Size	Service Units	Impact Fee
3/4" and Less	1.00	\$1,544
1"	1.67	2,574
1.5"	3.33	5,148
2"	5.33	8,237
3"	10.00	15,445
4"	16.67	25,742
6"	33.33	51,483
8"	53.33	82,373

Water System development impact fees are assessed by meter size and increased for 1-inch and higher meter sizes based on the AWWA meter capacity relationships. Fees are proposed to be effective August 1, 2014.

The Water development impact fees for each service area were calculated using the hybrid approach that considers:

- Replacement value of constructed and eligible water facilities.
- Current cost of future growth-related IIP projects.
- Increase reflecting NPV of interest of growth-related portion of projected debt issues.
 - Applies only to the SPA 2 Water System Development Impact Fee.

Appendix C details the calculated Water System development impact fees per service unit for the SPA 1 and SPA 2 service areas. Water System development impact fees reflect two separate unit cost calculations; common to all facilities and SPA specific facilities. Service units reflect existing water EDUs for common to all facilities and current and projected well capacity in millions of gallons per day (MGD) as detailed in the Final IIP Report. An EDU represents the equivalent demand of a single-family residential dwelling unit with a 3/4-inch water meter. The cost per connection and cost per service unit (MGD) is translated into a cost per 3/4-inch water meter or EDU based on the peak day water use per EDU. Water facilities are designed to meet the demands of peak day water use and this use influences the necessary capacity.

The components of the calculated Water System development impact fee and associated cash flow projection is discussed in the following sections.

Eligible Assets Replacement Value

The replacement value of eligible Water System facilities as detailed in the Final IIP Report and segmented for fee recovery as follows:

- Common to all assets of \$1.5 million.
- SPA 1 water facilities of \$58.2 million.

- SPA 2 water facilities of \$7.1 million.

The asset value includes existing water supply, treatment, transmission and storage and excludes distribution facilities of 10-inches and smaller constructed by developers and dedicated to the City. The smaller diameter water lines are excluded as similar facilities will be required to be constructed and dedicated to the City not eligible for development impact fee recovery.

Outstanding Debt

The City does not have outstanding water debt repaid through development impact fees.

Infrastructure Improvements Plan Projects

The total cost of planned IIP eligible facilities over the six-year planning period from FY 2014 through FY 2019 is detailed in the Final IIP Report and summarized in Appendix C. Appendix C details a single growth-related project in SPA 2 and no growth-related facilities required in SPA 1. Based on the timing of the projects, an annual capital project inflation rate of 3%, compounded annually, is applied to project cost estimates and illustrated in the cash flow and supporting worksheet provided in Appendix C.

Cash Flow

A cash flow analysis has been compiled for the separate SPA 1 and SPA 2 service areas that summarize the sources and uses of the Water System development impact fee funds. Appendix C summarizes the results of the cash flow. The sections below outline projects and cash flow uses of IIP projects, developer agreement reimbursements, operating fund loan repayments, debt issuance and reserve requirements, debt service funded through development impact fee revenues, operating fund loans, interest income, and debt proceeds. This section summarizes the assumptions and projections outlined in Appendix C.

The SPA 1 and SPA 2 Water System development impact fee fund have balances of approximately \$3.6 million (SPA 1) and (\$10,505) (SPA 2) as of June 30, 2013.

Debt Proceeds, Issuance Costs and Debt Service

\$1.65 million in debt is projected for the SPA 2 Water System development impact fee fund for the growth-related portion of Water System IIP facilities. There are no debt issues projected in the SPA 1 Water System development impact fee fund. Assumptions regarding the term, interest rate, debt service requirement and issuance expenses are also summarized in Appendix F.

NPV of Future Growth-Related Debt Interest

The NPV of future interest payments associated with future development's portion of debt funded SPA 2 Water System IIP facilities is projected to be approximately \$0.7 million. The NPV interest reflects today's value associated with funding the growth-related facilities and is eligible for inclusion as assessed development impact fees are anticipated to repay the growth-

related debt service. The annual debt service and NPV associated with projected debt issues are detailed in Appendix C.

Revenue Projections

Projected Water System development impact fee revenues are based on the proposed SPA 1 and SPA 2 fees per EDU, indexed for inflation, applied to projected EDUs within SPA 1 and SPA 2 over the six-year period. Fees are proposed to be effective August 1, 2014 or one month into the fiscal year and retained within the service area. FY 2014 revenues projected based on EDU growth by SPA and current SPA 1 and SPA 2 water system development impact fees.

Water System development impact fee revenue projections reflect three types of development impact fee assessments.

- Revenue.
- Reimbursement / Credit.
- Waived.

Fee assessed to specific developments within SPA 1 and SPA 2 may be used to reimburse costs of constructed facilities included in the development impact fee recovery. Within other developments which may be served by private water facilities anticipated to be dedicated to the City, development impact fees are tracked by the City and credited against the cost of facilities which are anticipated to be dedicated to the City. Lastly, development impact fees assessed within Old Towne Surprise are waived. The totals by year are summarized within Appendix D.

Loans From Operations

Within the SPA 2 cash flow, the uses of funds may not directly match projected growth and timing of new development. Debt may be issued to fund a portion of the upfront costs as previously discussed. The timing of the facility requirements and future debt service may create cash shortfalls which are met from loans from the operating funds. These loans are repaid as development impact fee revenue exceeds annual expenditure requirements and may have remaining balances at the end of the study period.

Water Resource Development Impact Fee

The proposed Water Resource Development impact fees will be assessed within SPA 1 and SPA 2 service areas where City water service is provided.⁸ The proposed fees were calculated separately for the two service areas. Tables 19 and 20 summarize proposed SPA 1 and SPA 2 water resource development impact fees.

⁸ Areas of SPAs 1 and 2 served by other water providers will be governed by fees and charges assessed by those providers and not subject to the City's current or proposed water system or water resource development impact fees.

Table 19
SPA 1 Water Resource Development Impact Fees

Meter Size	Service Units	Impact Fee
3/4" and Less	1.00	\$714
1"	1.67	1,191
1.5"	3.33	2,381
2"	5.33	3,810
3"	10.00	7,144
4"	16.67	11,906
6"	33.33	23,812
8"	53.33	38,099

Table 20
SPA 2 Water Resource Development Impact Fees

Meter Size	Service Units	Impact Fee
3/4" and Less	1.00	\$873
1"	1.67	1,456
1.5"	3.33	2,911
2"	5.33	4,658
3"	10.00	8,734
4"	16.67	14,556
6"	33.33	29,112
8"	53.33	46,579

Water Resource development impact fees are assessed by meter size and increased for 1-inch and higher meter sizes based on the AWWA meter capacity relationships. Fees are proposed to be effective August 1, 2014.

The Water resource development impact fees for each service area were calculated using the hybrid approach that considers:

- Replacement value of constructed and eligible backbone water facilities.
- Current cost of future growth-related IIP projects.

Appendix D details the calculated Water Resource development impact fees per service unit for the SPA 1 and SPA 2 service areas. Water Resource development impact fees reflect two separate unit cost calculations; common to all facilities and SPA specific facilities. Service units reflect existing EDUs for common to all facilities and current and projected well capacity in millions of gallons per day (MGD) as detailed in the Final IIP Report. The cost per connection and cost per service unit (MGD) is translated into a cost per 3/4-inch water meter or EDU based on the peak day water use per EDU. An EDU represents the equivalent demand of a single-

family residential dwelling unit with a 3/4-inch water meter. Water facilities are designed to meet the demands of peak day water use and this use influences the necessary capacity.

The components of the calculated Water Resource development impact fee and associated cash flow projection is discussed in the following sections.

Eligible Assets Replacement Value

The replacement value of eligible Water System facilities as detailed in the Final IIP Report and segmented for fee recovery as follows:

- Common to all assets of \$6.6 million.
- SPA 1 water wells of \$13.9 million.
- SPA 2 water wells of \$3.1 million.

The asset values include current Central Arizona Project, recharge, well facility assets and excludes facilities incorporated in the water system development impact fee.

Outstanding Debt

The City does not have outstanding water debt repaid through development impact fees.

Infrastructure Improvements Plan Projects

The total cost of planned IIP eligible facilities over the six-year planning period from FY 2014 through FY 2019 is detailed in the Final IIP Report and summarized in Appendix D. Appendix D details a single growth-related project in SPA 1 and no growth-related facilities required in SPA 2. Based on the timing of the projects, an annual capital project inflation rate of 3%, compounded annually, is applied to project cost estimates and illustrated in the cash flow and supporting worksheet provided in Appendix C.

Cash Flow

A cash flow analysis has been compiled for the separate SPA 1 and SPA 2 service areas that summarize the sources and uses of the Water System development impact fee funds. Appendix D summarizes the results of the cash flow. The sections below outline projects and cash flow uses of IIP projects, developer agreement reimbursements, and operating fund loan repayments funded through development impact fee revenues, operating fund loans, and interest income. This section summarizes the assumptions and projections outlined in Appendix D.

The SPA 1 and SPA 2 Water Resource development impact fee fund have balances of approximately \$3.7 million (SPA 1) and \$350,225 (SPA 2) as of June 30, 2013. Debt is not projected to be required to fund identified SPA 1 and SPA 2 Water Resource Development Impact Fee IIP eligible facilities.

Revenue Projections

Projected Water Resource development impact fee revenues are based on the proposed SPA 1 and SPA 2 fees per EDU, indexed for inflation, applied to projected EDUs within SPA 1 and SPA 2 over the six-year period. Fees are proposed to be effective August 1, 2014 or one month into the fiscal year. Revenues are retained within the service area. FY 2014 revenues projected based on current SPA 1 and SPA 2 water resource development impact fees.

Water Resource development impact fee revenue projections also reflect three types of development impact fee assessments.

- Revenue.
- Reimbursement / Credit.
- Waived.

Fee assessed to specific developments within SPA 1 and SPA 2 may be used to reimburse costs of constructed facilities included in the development impact fee recovery. Within other developments which may be served by private water facilities anticipated to be dedicated to the City, development impact fees are tracked by the City and credited against the cost of facilities which are anticipated to be dedicated to the City. Lastly, development impact fees assessed within Old Towne Surprise are waived. The totals by year are summarized within Appendix D.

Wastewater System Development Impact Fee

The proposed Wastewater System development impact fees will be assessed within SPA 1 and SPA 2 service areas where City service is provided. Tables 21 and 22 summarize proposed SPA 1 and SPA 2 wastewater system development impact fees.

Table 21
SPA 1 Wastewater System Development Impact Fees

Meter Size	Service Units	Impact Fee
3/4" and Less	1.00	\$3,265
1"	1.67	5,442
1.5"	3.33	10,884
2"	5.33	17,414
3"	10.00	32,651
4"	16.67	54,418
6"	33.33	108,836
8"	53.33	174,138

Table 22
SPA 2 Total Wastewater System Development Impact Fees

Meter Size	Service Units	Impact Fee
3/4" and Less	1.00	\$3,361
1"	1.67	5,601
1.5"	3.33	11,202
2"	5.33	17,923
3"	10.00	33,606
4"	16.67	56,010
6"	33.33	112,019
8"	53.33	179,231

Within SPA 2, Wastewater System Development Impact Fees outlined in Appendix E are calculated with two separate components. The first component recovers treatment, disposal and other miscellaneous facilities serving development in SPA 2. The second component recovers sewer line facilities serving other developments in SPA 2. Some developments that are served by facilities from both components are assessed the combined fee summarized in Table 22. Other developments may benefit from one of the two fee components and will be assessed one of the two fee components detailed in Appendix E.

Wastewater System development impact fees are assessed by water meter size and increased for 1-inch and higher meter sizes based on the AWWA meter capacity relationships. Fees are proposed to be effective August 1, 2014.

The Wastewater System development impact fees for each service area were calculated using the hybrid approach that considers:

- Replacement value of constructed and eligible wastewater facilities.
- Current cost of future growth-related IIP projects.
- Debt adjustments include:
 - Increase reflecting NPV of remaining interest of growth-related portion of outstanding debt issues.

Appendix E details the calculated Wastewater System development impact fees per service unit for SPA 1 and SPA 2 service areas. Wastewater System development impact fees reflect the unit cost of capacity of the current treatment capacity in MGD as detailed in the Final IIP Report and summarized in Appendix E calculations. The cost per service unit (MGD) is translated into a cost per 3/4-inch water meter or EDU based on the EDU gallon per day wastewater design criteria. An EDU represents the equivalent demand of a single-family residential dwelling unit with a 3/4-inch water meter. Wastewater facilities are designed to meet the demands of EDU wastewater influent.

The components of the calculated Wastewater System development impact fee and associated cash flow projection is discussed in the following sections.

Eligible Assets Replacement Value

The replacement value of eligible Wastewater System facilities as detailed in the Final IIP Report and segmented for fee recovery as follows:

- Common to all assets of \$1.5 million.
- SPA 1 eligible facilities of \$225.6 million.
- SPA 2 eligible facilities of \$31.7 million.

The asset value include existing sewer lines greater than 10-inches, lift stations, treatment, administrative and other miscellaneous assets and exclude collection facilities of 10-inches and smaller constructed by developers and dedicated to the City. The smaller diameter sewer lines are excluded as similar facilities will be required to be constructed and dedicated to the City not eligible for development impact fee recovery.

Outstanding Debt

The City has two outstanding SPA 1 wastewater debt issues and debt service repaid through development impact fees as detailed in Appendix E.

NPV of Future Interest Payments

The NPV of future interest payments associated with future development's portion of debt funded SPA 1 Wastewater System facilities is approximately \$22.6 million. The outstanding wastewater debt is allocated fully to development impact fees for repayment. The NPV interest reflects today's value current value associated with funding the growth-related facilities and is eligible for inclusion as assessed development impact fees are anticipated to repay the growth-related debt service. There is no outstanding debt associated with SPA 2 Wastewater System facilities.

Infrastructure Improvements Plan Projects

The total cost of planned IIP eligible facilities over the six-year planning period from FY 2014 through FY 2019 is detailed in the Final IIP Report and summarized Appendix E. Appendix C details two growth-related sewer line projects in SPA 1 totaling \$2.8 million and no growth-related facilities required in SPA 2. Based on the timing of the projects, an annual capital project inflation rate of 3%, compounded annually, is applied to project cost estimates and illustrated in the cash flow and supporting worksheet provided in Appendix E.

Cash Flow

A cash flow analysis has been compiled for the SPA 1 and SPA 2 service areas that summarize the sources and uses of separate Wastewater System development impact fee subfunds.

Appendix E summarizes the results of the cash flow analysis. The sections below outline projects and cash flow uses of IIP projects, growth-related portion of outstanding debt service (SPA 1), and operating subfund loan repayments funded through development impact fee revenues, operating subfund loans, and interest income. This section summarizes the assumptions and projections outlined in Appendix F.

The SPA 1 and SPA 2 Wastewater System development impact fee fund have balances of approximately a deficit of \$0.8 million (SPA 1) and \$316,447 (SPA 2) as of June 30, 2013. Debt is not projected to be required to fund identified SPA 1 and SPA 2 Wastewater System Development Impact Fee IIP eligible facilities.

Revenue Projections

Projected Wastewater System development impact fee revenues are based on the proposed fee per EDU by service area, indexed for inflation, applied to projected EDUs over the six-year period. Fees are proposed to be effective August 1, 2014 or one month into the fiscal year. Revenues are retained within the SPA specific service area. FY 2014 revenues are projected based of EDU growth and current SPA 1 and SPA 2 Wastewater System development impact fees.

Wastewater development impact fee revenue projections also reflect three types of development impact fee assessments.

- Revenue.
- Reimbursement / Credit.
- Waived.

Fee assessed to specific developments within SPA 1 and SPA 2 may be used to reimburse costs of constructed facilities included in the development impact fee recovery. Within other developments which may be served by private water facilities anticipated to be dedicated to the City, development impact fees are tracked by the City and credited against the cost of facilities which are anticipated to be dedicated to the City. Lastly, development impact fees assessed within Old Towne Surprise are waived. The totals by year are summarized within Appendix D.

Loans From Operations

Within the SPA 1 service area, the uses of funds may not directly match projected growth and timing of new development. Debt may be issued to fund a portion of the upfront costs as previously discussed. The timing of the facility requirements and future debt service may create cash shortfalls which are met from loans from the operating funds. These loans are repaid as development impact fee revenue exceeds annual expenditure requirements and may have remaining balances at the end of the study period. No loans are projected to be required in the SPA 2 Wastewater System development impact fee fund.

APPENDIX A

New Fire and EMS

City of Surprise, Arizona
Development Impact Fee Study
Fire and EMS Development Impact Fee
Preliminary Fee Schedule

Fee Schedule	Cost per Unit	Persons per Dwelling Unit	Fee per Dwelling Unit
Residential			
Single-Family Residential	\$226.72	3.00	\$680.15
Multi-Family Residential	\$226.72	2.20	\$498.78
Fee Schedule	Cost per Unit	Employees per 1,000 square feet	Fee per 1,000 square feet
Non-Residential			
Retail	\$311.69	2.50	\$779.23
Office	\$311.69	4.00	\$1,246.78
Public	\$311.69	4.00	\$1,246.78
Industrial	\$311.69	1.67	\$519.49

City of Surprise, Arizona
Development Impact Fee Study
Fire and EMS Development Impact Fee
Fee Calculation per Service Unit

Description	Calls for Service (1)	Allocation	Allocated Costs
Residential	25,576	73.0%	\$13,796,403
Non-Residential	9,441	27.0%	5,092,737
Total	35,017	100.0%	\$18,889,140
Residential	Units	Fiscal Year	
Allocated portion of facilities			\$13,796,403
Capacity of Facilities	Population	2022	60,853
Cost per Unit	Population		\$226.72
Non-Residential			
Allocated portion of facilities			\$5,092,737
Capacity of Facilities	Employees	2022	16,339
Cost per Unit	Employees		\$311.69

(1) FY 2009-10 through FY 2012-13.

City of Surprise, Arizona
Development Impact Fee Study
Fire and EMS Development Impact Fee
Eligible Facilities

Description	Calculation
Growth-Related Capital Projects	
Fire Station 308 - Neighborhood Station	\$6,135,001
Fire Station 309 - District Station	8,822,500
Total	<u>\$14,957,501</u>
NPV Future Growth-Related Interest	\$3,931,639
NPV Future Non-Growth-Related Principal and Interest	\$0
Net Fire and EMS Costs	<u><u>\$18,889,140</u></u>

City of Surprise, Arizona
Development Impact Fee Study
Fire and EMS Development Impact Fee
Fire CIP Detail (1)

Project	Land	Design	Construction	Furniture, Fixtures and Equipment	Other	Total	Fiscal Year
Fire Station 308	\$450,000	\$570,938	\$0	\$0	\$0	\$1,020,938	2015
Fire Station 308	0	0	4,035,563	1,078,500	0	5,114,063	2016
Fire Station 309 (District Station)	450,000	652,500	0	0	0	1,102,500	2017
Fire Station 309 (District Station)	0	0	4,606,500	3,113,500	0	7,720,000	2018
Total	\$900,000	\$1,223,438	\$8,642,063	\$4,192,000	\$0	\$14,957,501	

(1) Provided by City Staff.

City of Surprise, Arizona
Development Impact Fee Study
Fire and EMS Development Impact Fee
New Fire and EMS Development Impact Fee Subfund

Line No	Description	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Sources of Funds															
1	Fire & EMS Development Impact Fees	\$0	\$1,640,099	\$2,265,165	\$2,713,544	\$2,935,503	\$3,035,230	\$3,138,730	\$3,297,918	\$3,463,927	\$3,615,931	\$3,775,989	\$3,941,135	\$4,110,655	\$4,329,274
2	Interest Income	0	0	5,885	11,219	22,808	2,867	25,825	49,645	75,498	103,269	132,838	164,303	197,735	233,196
3	Bond & Loan Proceeds	0	0	4,500,000	0	5,000,000	0	0	0	0	0	0	0	0	0
4	Loan from General Fund	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5	Developer Contributions	0	0	0	0	0	0	0	0	0	0	0	0	0	0
6	Total Sources of Funds	0	1,640,099	6,771,050	2,724,763	7,958,311	3,038,097	3,164,355	3,347,563	3,539,425	3,719,200	3,908,827	4,105,438	4,308,390	4,562,470
Uses of Funds															
7	System Infrastructure Growth-Related Projects	0	1,051,566	5,425,509	1,204,732	8,688,928	0	0	0	0	0	0	0	0	0
8	Bond Issuance Costs and Reserve Deposits	0	0	451,092	0	501,213	0	0	0	0	0	0	0	0	0
9	Debt Service - Existing	0	0	0	0	0	0	0	0	0	0	0	0	0	0
10	Debt Service - New	0	0	361,092	361,092	762,305	762,305	762,305	762,305	762,305	762,305	762,305	762,305	762,305	762,305
11	Developer Reimbursements and Credits	0	0	0	0	0	0	0	0	0	0	0	0	0	0
12	Loan Repayment to General Fund	0	0	0	0	0	0	0	0	0	0	0	0	0	0
13	Total Uses of Funds	0	1,051,566	6,237,693	1,565,823	9,952,446	762,305	762,305	762,305	762,305	762,305	762,305	762,305	762,305	762,305
14	Increase/(Decrease) in Fund Balance	0	588,533	533,357	1,158,940	(1,994,135)	2,275,792	2,402,051	2,585,259	2,777,121	2,956,896	3,146,522	3,343,134	3,546,086	3,800,165
15	Beginning Subfund Balance	0	0	588,533	1,121,891	2,280,830	286,696	2,562,488	4,964,539	7,549,798	10,326,918	13,283,814	16,430,337	19,773,470	23,319,556
16	Ending Subfund Balance	\$0	\$588,533	\$1,121,891	\$2,280,830	\$286,696	\$2,562,488	\$4,964,539	\$7,549,798	\$10,326,918	\$13,283,814	\$16,430,337	\$19,773,470	\$23,319,556	\$27,119,721

City of Surprise, Arizona
Development Impact Fee Study
New Fire and EMS Development Impact Fee
Revenue

Description	Fiscal Year Ending													
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
New Fire and EMS Development Impact Fee - SPA 1 through 6														
Single-Family Residential														
Housing Units	886	1,690	2,349	2,727	2,815	2,783	2,758	2,799	2,836	2,856	2,879	2,899	2,917	2,932
Fee	\$0	\$680	\$700	\$721	\$743	\$765	\$788	\$812	\$836	\$861	\$887	\$914	\$941	\$970
Revenue	\$0	\$1,149,200	\$1,645,240	\$1,967,291	\$2,091,698	\$2,129,958	\$2,174,149	\$2,272,664	\$2,371,787	\$2,460,169	\$2,554,381	\$2,649,289	\$2,745,711	\$2,842,625
Multi-Family Residential														
Housing Units	138	164	193	218	229	230	230	231	238	234	235	236	237	237
Fee	\$0	\$499	\$514	\$529	\$545	\$562	\$578	\$596	\$614	\$632	\$651	\$671	\$691	\$711
Revenue	\$0	\$81,836	\$99,196	\$115,407	\$124,867	\$129,175	\$133,050	\$137,637	\$146,062	\$147,916	\$153,004	\$158,265	\$163,704	\$168,615
Retail														
1,000 Square Feet	141	168	251	325	374	394	417	409	424	439	452	465	478	536
Fee	\$0	\$779	\$802	\$826	\$851	\$877	\$903	\$930	\$958	\$987	\$1,016	\$1,047	\$1,078	\$1,111
Revenue	\$0	\$130,569	\$201,492	\$268,453	\$317,946	\$345,019	\$376,722	\$380,766	\$406,387	\$433,450	\$459,178	\$486,933	\$515,703	\$595,848
Admin / Medical Office														
1,000 Square Feet	87	96	121	146	167	179	187	198	209	221	232	243	254	263
Fee	\$0	\$1,247	\$1,284	\$1,323	\$1,363	\$1,404	\$1,446	\$1,489	\$1,534	\$1,580	\$1,627	\$1,676	\$1,726	\$1,778
Revenue	\$0	\$119,218	\$155,182	\$193,417	\$226,946	\$251,811	\$270,164	\$294,239	\$320,700	\$348,836	\$377,099	\$407,350	\$439,061	\$468,315
Public														
1,000 Square Feet	72	72	72	72	72	72	72	69	69	69	69	69	69	69
Fee	\$0	\$1,247	\$1,284	\$1,323	\$1,363	\$1,404	\$1,446	\$1,489	\$1,534	\$1,580	\$1,627	\$1,676	\$1,726	\$1,778
Revenue	\$0	\$89,316	\$91,996	\$94,756	\$97,598	\$100,526	\$103,542	\$102,554	\$105,630	\$108,799	\$112,063	\$115,425	\$118,888	\$122,455
Industrial														
1,000 Square Feet	135	135	135	135	135	135	135	178	178	178	178	178	178	178
Fee	\$0	\$519	\$535	\$551	\$567	\$584	\$602	\$620	\$638	\$657	\$677	\$697	\$718	\$740
Revenue	\$0	\$69,960	\$72,059	\$74,221	\$76,448	\$78,741	\$81,103	\$110,059	\$113,361	\$116,762	\$120,265	\$123,873	\$127,589	\$131,416
Total Fire and EMS Revenue														
	\$0	\$1,640,099	\$2,265,165	\$2,713,544	\$2,935,503	\$3,035,230	\$3,138,730	\$3,297,918	\$3,463,927	\$3,615,931	\$3,775,989	\$3,941,135	\$4,110,655	\$4,329,274

City of Surprise, Arizona
Development Impact Fee Study
Fire and EMS Development Impact Fee
Growth-Related Capital Projects

Line No	Description	Fiscal Year Ending															Current Development	Future Development
		2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027			
Project Costs Before Inflation																		
1	Fire Station 308	\$0	\$1,020,938	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	100.0%		
2	Fire Station 308	0	0	5,114,063	0	0	0	0	0	0	0	0	0	0	0	100.0%		
3	Fire Station 309 (District Station)	0	0	0	1,102,500	0	0	0	0	0	0	0	0	0	0	100.0%		
4	Fire Station 309 (District Station)	0	0	0	0	7,720,000	0	0	0	0	0	0	0	0	0	100.0%		
5	Total Growth-Related CIP (Uninflated)	\$0	\$1,020,938	\$5,114,063	\$1,102,500	\$7,720,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0			
Project Costs After Inflation																		
6	Fire Station 308	\$0	\$1,051,566	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	100.0%		
7	Fire Station 308	0	0	5,425,509	0	0	0	0	0	0	0	0	0	0	0	100.0%		
8	Fire Station 309 (District Station)	0	0	0	1,204,732	0	0	0	0	0	0	0	0	0	0	100.0%		
9	Fire Station 309 (District Station)	0	0	0	0	8,688,928	0	0	0	0	0	0	0	0	0	100.0%		
10	Total Growth-Related CIP (Inflated)	\$0	\$1,051,566	\$5,425,509	\$1,204,732	\$8,688,928	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0			

City of Surprise, Arizona
Development Impact Fee Study
Fire and EMS Development Impact Fee
Growth-Related Debt Issues

Line No	Description	Fiscal Year Ending													
		2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
1	Amount of Issue	\$0	\$0	\$4,500,000	\$0	\$5,000,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2	Interest During Construction	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3	Equal Annual Debt Service	0	0	361,092	0	401,213	0	0	0	0	0	0	0	0	0
4	Bond Issuance Expense	0	0	90,000	0	100,000	0	0	0	0	0	0	0	0	0
5	Debt Service Reserve	0	0	361,092	0	401,213	0	0	0	0	0	0	0	0	0
Proposed Bond Debt Service Schedule by Fiscal Year															
6	2014	0	0	0	0	0	0	0	0	0	0	0	0	0	0
7	2015	0	0	0	0	0	0	0	0	0	0	0	0	0	0
8	2016			361,092	361,092	361,092	361,092	361,092	361,092	361,092	361,092	361,092	361,092	361,092	361,092
9	2017				0	0	0	0	0	0	0	0	0	0	0
10	2018					401,213	401,213	401,213	401,213	401,213	401,213	401,213	401,213	401,213	401,213
11	2019						0	0	0	0	0	0	0	0	0
12	2020							0	0	0	0	0	0	0	0
13	2021								0	0	0	0	0	0	0
14	2022									0	0	0	0	0	0
15	2023										0	0	0	0	0
16	2024											0	0	0	0
17	2025												0	0	0
18	2026													0	0
19	2027														0
20	Total	\$0	\$0	\$361,092	\$361,092	\$762,305	\$762,305	\$762,305	\$762,305	\$762,305	\$762,305	\$762,305	\$762,305	\$762,305	\$762,305

City of Surprise, Arizona
Development Impact Fee Study
Fire and EMS Development Impact Fee
Future Debt Issues - Growth-Related

Bond Amortization Schedule
2016

Borrowing Rate	5.00%	Discount Rate
Years	20.00	5.00%
Annual Payment	\$361,092	
Principal Amount	\$4,500,000	NPV of
Fiscal Year of Issue	2016	Interest Payments
		\$1,862,355

Fiscal Year	EOY Principal Balance	Principal	Interest	Total
2014				
2015				
2016	\$4,431,954	\$68,046	\$112,500	\$180,546
2017	4,292,460	139,494	221,598	361,092
2018	4,145,991	146,469	214,623	361,092
2019	3,992,199	153,792	207,300	361,092
2020	3,830,717	161,482	199,610	361,092
2021	3,661,161	169,556	191,536	361,092
2022	3,483,127	178,034	183,058	361,092
2023	3,296,191	186,936	174,156	361,092
2024	3,099,909	196,282	164,810	361,092
2025	2,893,812	206,097	154,995	361,092
2026	2,677,411	216,401	144,691	361,092
2027	2,450,190	227,221	133,871	361,092
2028	2,211,608	238,582	122,510	361,092
2029	1,961,096	250,512	110,580	361,092
2030	1,698,059	263,037	98,055	361,092
2031	1,421,870	276,189	84,903	361,092
2032	1,131,872	289,998	71,094	361,092
2033	827,374	304,498	56,594	361,092
2034	507,651	319,723	41,369	361,092
2035	171,942	335,709	25,383	361,092
2036	0	171,942	8,597	180,539
2037				
2038				
2039				
2040				
Total		<u>\$4,500,000</u>	<u>\$2,721,833</u>	<u>\$7,221,833</u>

City of Surprise, Arizona
Development Impact Fee Study
Fire and EMS Development Impact Fee
Future Debt Issues - Growth-Related

Bond Amortization Schedule
2018

Borrowing Rate	5.00%	Discount Rate
Years	20.00	5.00%
Annual Payment	\$401,213	
Principal Amount	\$5,000,000	NPV of
Fiscal Year of Issue	2018	Interest Payments
		\$2,069,284

Fiscal Year	EOY Principal Balance	Principal	Interest	Total
2014				
2015				
2016				
2017				
2018	\$4,924,394	\$75,607	\$125,000	\$200,607
2019	4,769,401	154,993	246,220	401,213
2020	4,606,658	162,743	238,470	401,213
2021	4,435,778	170,880	230,333	401,213
2022	4,256,354	179,424	221,789	401,213
2023	4,067,959	188,395	212,818	401,213
2024	3,870,144	197,815	203,398	401,213
2025	3,662,438	207,706	193,507	401,213
2026	3,444,347	218,091	183,122	401,213
2027	3,215,351	228,996	172,217	401,213
2028	2,974,906	240,445	160,768	401,213
2029	2,722,438	252,468	148,745	401,213
2030	2,457,347	265,091	136,122	401,213
2031	2,179,001	278,346	122,867	401,213
2032	1,886,738	292,263	108,950	401,213
2033	1,579,862	306,876	94,337	401,213
2034	1,257,642	322,220	78,993	401,213
2035	919,311	338,331	62,882	401,213
2036	564,064	355,247	45,966	401,213
2037	191,054	373,010	28,203	401,213
2038	0	191,054	9,553	200,607
2039				
2040				
Total		<u>\$5,000,000</u>	<u>\$3,024,260</u>	<u>\$8,024,260</u>

APPENDIX B

163rd Avenue Roadway

City of Surprise, Arizona
Development Impact Fee Study
163rd Avenue Roadway Impact Fee
Roadway Impact Fee

Development Type	Cost per VMT	Adjusted VMTs	Fee Per Development Unit	SPA 2 & 4 2040 Development Units	Assessed
Single-Family Residential	\$86.22	3.47	\$298.87	32,079	Per Housing Unit
Multi-Family	\$86.22	2.42	\$208.77	1,100	Per Housing Unit
Retail	\$86.22	45.90	\$3,957.65	3,578	Per 1,000 Square Feet
Office	\$86.22	2.78	\$239.73	1,412	Per 1,000 Square Feet
Public / Institutional	\$86.22	3.53	\$304.49	0	Per 1,000 Square Feet
Industrial	\$86.22	1.74	\$149.62	0	Per 1,000 Square Feet

City of Surprise, Arizona
Development Impact Fee Study
163rd Avenue Roadway Impact Fee
Project VMTs by Land Use Type

SPA 2 & 4 2040						
Development Type	Development	Average VMTs per		IIP Eligible		Cost per VMT
	Units	Development Unit	Adjusted VMTs	Costs		
Housing Units						
Single-Family Residential	32,079	3.47	111,192	\$24,315,231	\$86.22	
Multi-Family	1,100	2.42	2,665	\$24,315,231	\$86.22	
1,000 Square Feet						
Retail	3,578	45.90	164,218	\$24,315,231	\$86.22	
Office	1,412	2.78	3,925	\$24,315,231	\$86.22	
Public / Institutional	0	3.53	0	\$24,315,231	\$86.22	
Industrial	0	1.74	0	\$24,315,231	\$86.22	
Total			282,000			

City of Surprise, Arizona
Development Impact Fee Study
163rd Avenue Roadway Impact Fee
Average Vehicle Miles Traveled (VMT)

Land Use Designation	Adjusted		Average Trip Length (Miles) (1)	Unadjusted Average VMTs	VMTs	
	Average Day VTEs				Adjustment	Adjusted Average VMTs
Weekday Average Vehicle Trip Ends (per Dwelling Unit)						
Single-Family Residential	4.76		12.20	58.07	5.97%	3.47
Multi-Family	3.33		12.20	40.57	5.97%	2.42
Weekday Average Vehicle Trip Ends (per 1,000 sq. ft.)						
Retail	120.16		6.40	769.00	5.97%	45.90
Office	7.28		6.40	46.58	5.97%	2.78
Public / Institutional	9.24		6.40	59.16	5.97%	3.53
Industrial	2.94		9.90	29.07	5.97%	1.74

(1) National Household Travel Survey, 2009.

City of Surprise, Arizona
Development Impact Fee Study
163rd Avenue Roadway Impact Fee
Average Day Vehicle Trip Ends

Land Use Designation	Average Day VTEs (1)	Trip Adjustment Factor (1)	Adjusted Average Day VTEs
Weekday Average Vehicle Trip Ends (per Dwelling Unit)			
Single-Family Residential	9.52	50.0%	4.76
Multi-Family	6.65	50.0%	3.33
Weekday Average Vehicle Trip Ends (per 1,000 sq. ft.)			
Retail	239.63	50.1%	120.16
Office	14.56	50.0%	7.28
Public / Institutional	18.49	50.0%	9.24
Industrial	5.87	50.0%	2.94

(1) Source: Institute of Transportation Engineers, Trip Generation Manual, 9th Edition.

City of Surprise, Arizona
Development Impact Fee Study
163rd Avenue Roadway
Current and Future Capacity

Roadway	163rd Avenue Street Facility			Percent of Total Capacity
	Miles of Road Way	Mile (Service Level D)	Total Vehicle Mile Capacity	
Existing Capacity per Lane Mile				
2-lane major collector	3.00	8,500	25,500	
4-lane minor arterial	1.70	35,000	59,500	
Total Existing Capacity	4.70		85,000	30%
Future Capacity per Lane Mile				
163rd Avenue Expand to 6 lane major	2.70	60,000	162,000	
163rd Avenue Expand to 6 lane major	2.00	60,000	120,000	
Total Future Capacity	4.70		282,000	100%
Total Existing Capacity			(85,000)	
Incremental Capacity Added through Phases 1 and 2			197,000	70%

City of Surprise, Arizona
Development Impact Fee Study
163rd Avenue Roadway Development Impact Fee
163rd Avenue Roadway Improvements (1)

Project	Land	Design	Construction	Furniture, Fixtures and Equipment	Other	Total	Fiscal Year
163rd Avenue Phase 1	\$750,000	\$0	\$0	\$0	\$0	\$750,000	2015
163rd Avenue Phase 1	0	525,000	0	0	0	525,000	2016
163rd Avenue Phase 1	0	0	10,000,000	0	0	10,000,000	2017
163rd Avenue Phase 2	500,000	0	0	0	0	500,000	2018
163rd Avenue Phase 2	500,000	0	0	0	0	500,000	2019
163rd Avenue Phase 2	0	600,000	0	0	0	600,000	2020
163rd Avenue Phase 2	0	0	11,900,000	0	0	11,900,000	2021
Total	<u>\$1,750,000</u>	<u>\$1,125,000</u>	<u>\$21,900,000</u>	<u>\$0</u>	<u>\$0</u>	<u>\$24,775,000</u>	

(1) Provided by City Staff.

City of Surprise, Arizona
Development Impact Fee Study
Fire and EMS Development Impact Fee
163rd Avenue Roadway Development Impact Fee Subfund

Line No	Description	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Sources of Funds															
1	163rd Avenue Roadway Development Impact Fees	\$0	\$29,900	\$101,923	\$148,873	\$189,242	\$295,291	\$418,856	\$614,521	\$1,035,123	\$1,375,643	\$1,481,784	\$1,634,060	\$1,706,115	\$1,845,055
2	Interest Income	21,056	21,266	16,370	83,313	2,324	0	0	0	0	0	0	0	0	0
3	Bond & Loan Proceeds	0	0	8,500,000	0	0	0	500,000	11,000,000	0	0	0	0	0	0
4	Loan from General Fund	0	0	0	0	652,067	792,517	354,950	1,337,848	569,728	229,209	123,068	0	0	0
5	Developer Contributions	0	0	0	0	0	0	0	0	0	0	0	0	0	0
6	Total Sources of Funds	21,056	51,166	8,618,293	232,186	843,633	1,087,808	1,273,807	12,952,370	1,604,852	1,604,852	1,604,852	1,634,060	1,706,115	1,845,055
Uses of Funds															
7	System Infrastructure Growth-Related Projects	0	540,750	389,881	7,649,089	393,928	405,746	501,502	10,244,849	0	0	0	0	0	0
8	Bond Issuance Costs and Reserve Deposits	0	0	852,062	0	0	0	50,121	1,102,668	0	0	0	0	0	0
9	Debt Service - Existing	0	0	0	0	0	0	0	0	0	0	0	0	0	0
10	Debt Service - New	0	0	682,062	682,062	682,062	682,062	722,183	1,604,852	1,604,852	1,604,852	1,604,852	1,604,852	1,604,852	1,604,852
11	Loan Repayment to General Fund	0	0	0	0	0	0	0	0	0	0	0	29,209	101,263	240,203
12	Total Uses of Funds	0	540,750	1,924,005	8,331,151	1,075,990	1,087,808	1,273,807	12,952,370	1,604,852	1,604,852	1,604,852	1,634,060	1,706,115	1,845,055
13	Increase/(Decrease) in Fund Balance	21,056	(489,584)	6,694,289	(8,098,965)	(232,357)	0	0	0	0	0	0	0	0	0
14	Beginning Subfund Balance	2,105,562	2,126,618	1,637,034	8,331,323	232,357	0	0	0	0	0	0	0	0	0
15	Ending Subfund Balance	\$2,126,618	\$1,637,034	\$8,331,323	\$232,357	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

City of Surprise, Arizona
Development Impact Fee Study
163rd Avenue Roadway Development Impact Fee
Revenue

Description	Fiscal Year Ending													
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
163rd Avenue Roadway - SPA 2														
Single-Family Residential														
Housing Units	0	100	200	200	300	450	550	800	1,050	1,100	1,150	1,150	1,150	1,138
Fee	\$5,715	\$299	\$308	\$317	\$327	\$337	\$347	\$357	\$368	\$379	\$390	\$402	\$414	\$426
Revenue	\$0	\$29,900	\$61,594	\$63,442	\$98,018	\$151,437	\$190,643	\$285,617	\$386,119	\$416,641	\$448,646	\$462,106	\$475,969	\$485,132
Multi-Family Residential														
Housing Units	0	0	0	0	0	0	0	0	150	0	150	0	150	0
Fee	\$4,013	\$209	\$215	\$222	\$228	\$235	\$242	\$250	\$257	\$265	\$273	\$281	\$289	\$298
Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$38,557	\$0	\$40,905	\$0	\$43,396	\$0
Retail														
1,000 Square Feet	0	0	10	20	21	32	49	61	90	132	130	151	143	165
Fee	\$16,322	\$3,958	\$4,077	\$4,199	\$4,325	\$4,455	\$4,588	\$4,726	\$4,868	\$5,014	\$5,164	\$5,319	\$5,479	\$5,643
Revenue	\$0	\$0	\$39,672	\$83,947	\$89,517	\$141,055	\$223,663	\$287,063	\$436,786	\$660,654	\$668,872	\$804,132	\$785,216	\$930,350
Admin / Medical Office														
1,000 Square Feet	0	0	3	6	7	10	16	21	32	49	51	61	61	69
Fee	\$6,603	\$240	\$247	\$255	\$262	\$270	\$278	\$287	\$295	\$304	\$313	\$323	\$332	\$342
Revenue	\$0	\$0	\$657	\$1,484	\$1,707	\$2,799	\$4,551	\$6,139	\$9,591	\$14,881	\$15,850	\$19,652	\$20,121	\$23,634
Public														
1,000 Square Feet	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Fee	\$6,603	\$240	\$247	\$255	\$262	\$270	\$278	\$287	\$295	\$304	\$313	\$323	\$332	\$342
Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Industrial														
1,000 Square Feet	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Fee	\$2,031	\$150	\$155	\$159	\$164	\$169	\$174	\$179	\$184	\$190	\$196	\$202	\$208	\$214
Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total SPA 2 163rd Avenue Roadway Revenue	\$0	\$29,900	\$101,923	\$148,873	\$189,242	\$295,291	\$418,856	\$578,819	\$871,052	\$1,092,175	\$1,174,273	\$1,285,890	\$1,324,701	\$1,439,115

City of Surprise, Arizona
Development Impact Fee Study
163rd Avenue Roadway Development Impact Fee
Revenue

Description	Fiscal Year Ending													
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
163rd Avenue Roadway - SPA 4														
Single-Family Residential														
Housing Units	0	0	0	0	0	0	0	100	300	300	325	350	350	350
Fee	\$5,715	\$299	\$308	\$317	\$327	\$337	\$347	\$357	\$368	\$379	\$390	\$402	\$414	\$426
Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$35,702	\$110,320	\$113,629	\$126,791	\$140,641	\$144,860	\$149,206
Multi-Family Residential														
Housing Units	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Fee	\$4,013	\$209	\$215	\$222	\$228	\$235	\$242	\$250	\$257	\$265	\$273	\$281	\$289	\$298
Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Retail														
1,000 Square Feet	0	0	0	0	0	0	0	0	11	33	34	38	42	44
Fee	\$16,322	\$3,958	\$4,077	\$4,199	\$4,325	\$4,455	\$4,588	\$4,726	\$4,868	\$5,014	\$5,164	\$5,319	\$5,479	\$5,643
Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$52,666	\$166,276	\$176,730	\$202,753	\$230,903	\$250,523
Admin / Medical Office														
1,000 Square Feet	0	0	0	0	0	0	0	0	4	12	13	15	17	18
Fee	\$6,603	\$240	\$247	\$255	\$262	\$270	\$278	\$287	\$295	\$304	\$313	\$323	\$332	\$342
Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,086	\$3,562	\$3,989	\$4,777	\$5,650	\$6,211
Public														
1,000 Square Feet	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Fee	\$6,603	\$240	\$247	\$255	\$262	\$270	\$278	\$287	\$295	\$304	\$313	\$323	\$332	\$342
Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Industrial														
1,000 Square Feet	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Fee	\$2,031	\$150	\$155	\$159	\$164	\$169	\$174	\$179	\$184	\$190	\$196	\$202	\$208	\$214
Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total SPA 4 163rd Avenue Roadway Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$35,702	\$164,071	\$283,467	\$307,511	\$348,171	\$381,414	\$405,939

City of Surprise, Arizona
Development Impact Fee Study
163rd Avenue Roadway Development Impact Fee
Growth-Related Capital Projects

Line No	Description	Fiscal Year Ending											Current Development	Future Development			
		2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024			2025	2026	2027
Project Costs Before Inflation																	
1	163rd Avenue Phase 1 - Land Acquisition	0	\$525,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	30.0%	70.0%
2	163rd Avenue Phase 1 - Design	0	0	367,500	0	0	0	0	0	0	0	0	0	0	0	30.0%	70.0%
3	163rd Avenue Phase 1 - Construction	0	0	0	7,000,000	0	0	0	0	0	0	0	0	0	0	30.0%	70.0%
4	163rd Avenue Phase 2 - Land Acquisition	0	0	0	0	350,000	0	0	0	0	0	0	0	0	0	30.0%	70.0%
5	163rd Avenue Phase 2 - Land Acquisition	0	0	0	0	0	350,000	0	0	0	0	0	0	0	0	30.0%	70.0%
6	163rd Avenue Phase 2 - Design	0	0	0	0	0	0	420,000	0	0	0	0	0	0	0	30.0%	70.0%
7	163rd Avenue Phase 2 - Construction	0	0	0	0	0	0	0	8,330,000	0	0	0	0	0	0	30.0%	70.0%
8	Total	\$0	\$525,000	\$367,500	\$7,000,000	\$350,000	\$350,000	\$420,000	\$8,330,000	\$0	\$0	\$0	\$0	\$0	\$0		
Project Costs After Inflation																	
9	163rd Avenue Phase 1 - Land Acquisition	0	\$540,750	\$389,881	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	30.0%	70.0%
10	163rd Avenue Phase 1 - Design	0	0	389,881	0	0	0	0	0	0	0	0	0	0	0	30.0%	70.0%
11	163rd Avenue Phase 1 - Construction	0	0	0	7,649,089	0	0	0	0	0	0	0	0	0	0	30.0%	70.0%
12	163rd Avenue Phase 2 - Land Acquisition	0	0	0	0	393,928	0	0	0	0	0	0	0	0	0	30.0%	70.0%
13	163rd Avenue Phase 2 - Land Acquisition	0	0	0	0	0	0	405,746	0	0	0	0	0	0	0	30.0%	70.0%
14	163rd Avenue Phase 2 - Design	0	0	0	0	0	0	501,502	0	0	0	0	0	0	0	30.0%	70.0%
15	163rd Avenue Phase 2 - Construction	0	0	0	0	0	0	0	10,244,849	0	0	0	0	0	0	30.0%	70.0%
16	Total	\$0	\$540,750	\$389,881	\$7,649,089	\$393,928	\$405,746	\$501,502	\$10,244,849	\$0	\$0	\$0	\$0	\$0	\$0		

City of Surprise, Arizona
Development Impact Fee Study
163rd Avenue Roadway Development Impact Fee
Growth-Related Debt Issues

Line No	Description	Fiscal Year Ending													
		2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
1	Amount of Issue	\$0	\$0	\$8,500,000	\$0	\$0	\$0	\$500,000	\$11,000,000	\$0	\$0	\$0	\$0	\$0	\$0
2	Interest During Construction	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3	Equal Annual Debt Service	0	0	682,062	0	0	0	40,121	882,668	0	0	0	0	0	0
4	Bond Issuance Expense	0	0	170,000	0	0	0	10,000	220,000	0	0	0	0	0	0
5	Debt Service Reserve	0	0	682,062	0	0	0	40,121	882,668	0	0	0	0	0	0
Proposed Bond Debt Service Schedule by Fiscal Year															
6	2014	0	0	0	0	0	0	0	0	0	0	0	0	0	0
7	2015	0	0	0	0	0	0	0	0	0	0	0	0	0	0
8	2016			682,062	682,062	682,062	682,062	682,062	682,062	682,062	682,062	682,062	682,062	682,062	682,062
9	2017				0	0	0	0	0	0	0	0	0	0	0
10	2018					0	0	0	0	0	0	0	0	0	0
11	2019						0	0	0	0	0	0	0	0	0
12	2020						0	0	0	0	0	0	0	0	0
13	2021							40,121	40,121	40,121	40,121	40,121	40,121	40,121	40,121
14	2022								882,668	882,668	882,668	882,668	882,668	882,668	882,668
15	2023								0	0	0	0	0	0	0
16	2024									0	0	0	0	0	0
17	2025										0	0	0	0	0
18	2026											0	0	0	0
19	2027												0	0	0
20	Total	\$0	\$0	\$682,062	\$682,062	\$682,062	\$682,062	\$722,183	\$1,604,852	\$1,604,852	\$1,604,852	\$1,604,852	\$1,604,852	\$1,604,852	\$1,604,852

City of Surprise, Arizona
Development Impact Fee Study
163rd Avenue Roadway Development Impact Fee
Future Debt Issues - Growth-Related

Bond Amortization Schedule
2016

Borrowing Rate	5.00%	Discount Rate
Years	20.00	5.00%
Annual Payment	\$682,062	
Principal Amount	\$8,500,000	NPV of
Fiscal Year of Issue	2016	Interest Payments
		\$3,517,780

Fiscal Year	EOY Principal Balance	Principal	Interest	Total
2014				
2015				
2016	\$8,371,469	\$128,531	\$212,500	\$341,031
2017	8,107,980	263,489	418,573	682,062
2018	7,831,317	276,663	405,399	682,062
2019	7,540,821	290,496	391,566	682,062
2020	7,235,800	305,021	377,041	682,062
2021	6,915,528	320,272	361,790	682,062
2022	6,579,242	336,286	345,776	682,062
2023	6,226,142	353,100	328,962	682,062
2024	5,855,387	370,755	311,307	682,062
2025	5,466,094	389,293	292,769	682,062
2026	5,057,337	408,757	273,305	682,062
2027	4,628,142	429,195	252,867	682,062
2028	4,177,487	450,655	231,407	682,062
2029	3,704,299	473,188	208,874	682,062
2030	3,207,452	496,847	185,215	682,062
2031	2,685,763	521,689	160,373	682,062
2032	2,137,989	547,774	134,288	682,062
2033	1,562,826	575,163	106,899	682,062
2034	958,905	603,921	78,141	682,062
2035	324,788	634,117	47,945	682,062
2036	0	324,788	16,239	341,027
2037				
2038				
2039				
2040				
Total		<u>\$8,500,000</u>	<u>\$5,141,236</u>	<u>\$13,641,236</u>

City of Surprise, Arizona
Development Impact Fee Study
163rd Avenue Roadway Development Impact Fee
Future Debt Issues - Growth-Related

Bond Amortization Schedule
2020

Borrowing Rate	5.00%	Discount Rate
Years	20.00	5.00%
Annual Payment	\$40,121	
Principal Amount	\$500,000	NPV of
Fiscal Year of Issue	2020	Interest Payments
		\$206,931

Fiscal Year	EOY Principal Balance	Principal	Interest	Total
2014				
2015				
2016				
2017				
2018				
2019				
2020	\$492,440	\$7,561	\$12,500	\$20,061
2021	476,941	15,499	24,622	40,121
2022	460,667	16,274	23,847	40,121
2023	443,579	17,088	23,033	40,121
2024	425,637	17,942	22,179	40,121
2025	406,798	18,839	21,282	40,121
2026	387,017	19,781	20,340	40,121
2027	366,247	20,770	19,351	40,121
2028	344,438	21,809	18,312	40,121
2029	321,539	22,899	17,222	40,121
2030	297,495	24,044	16,077	40,121
2031	272,249	25,246	14,875	40,121
2032	245,740	26,509	13,612	40,121
2033	217,906	27,834	12,287	40,121
2034	188,680	29,226	10,895	40,121
2035	157,993	30,687	9,434	40,121
2036	125,772	32,221	7,900	40,121
2037	91,940	33,832	6,289	40,121
2038	56,416	35,524	4,597	40,121
2039	19,116	37,300	2,821	40,121
2040	0	19,116	956	20,072
Total		\$500,000	\$302,431	\$802,431

City of Surprise, Arizona
Development Impact Fee Study
163rd Avenue Roadway Development Impact Fee
Future Debt Issues - Growth-Related

Bond Amortization Schedule
2021

Borrowing Rate	5.00%	Discount Rate
Years	20.00	5.00%
Annual Payment	\$882,668	
Principal Amount	\$11,000,000	NPV of
Fiscal Year of Issue	2021	Interest Payments
		\$4,552,426

Fiscal Year	EOY Principal Balance	Principal	Interest	Total
2014				
2015				
2016				
2017				
2018				
2019				
2020				
2021	10,833,666	166,334	275,000	441,334
2022	10,492,681	340,985	541,683	882,668
2023	10,134,647	358,034	524,634	882,668
2024	9,758,711	375,936	506,732	882,668
2025	9,363,979	394,732	487,936	882,668
2026	8,949,510	414,469	468,199	882,668
2027	8,514,318	435,192	447,476	882,668
2028	8,057,366	456,952	425,716	882,668
2029	7,577,566	479,800	402,868	882,668
2030	7,073,776	503,790	378,878	882,668
2031	6,544,797	528,979	353,689	882,668
2032	5,989,369	555,428	327,240	882,668
2033	5,406,169	583,200	299,468	882,668
2034	4,793,809	612,360	270,308	882,668
2035	4,150,831	642,978	239,690	882,668
2036	3,475,705	675,126	207,542	882,668
2037	2,766,822	708,883	173,785	882,668
2038	2,022,495	744,327	138,341	882,668
2039	1,240,952	781,543	101,125	882,668
2040	420,332	820,620	62,048	882,668
2041	0	420,332	21,017	441,349
Total		\$11,000,000	\$6,653,375	\$17,653,375

City of Surprise, Arizona
Development Impact Fee Study
163rd Avenue Roadway Development Impact Fee
Non-Growth Capital Subfund

Line No	Description	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
Sources of Funds															
1	General Fund Revenues	\$0	\$231,750	\$0	\$643,941	\$1,121,803	\$1,267,318	\$706,886	\$1,947,882	\$1,287,900	\$947,380	\$841,239	\$688,963	\$616,908	\$477,968
2	Interest Income	0	0	0	29,061	0	0	0	0	0	0	0	0	0	0
3	Bond & Loan Proceeds	0	0	3,750,000	0	0	0	200,000	5,000,000	0	0	0	0	0	0
4	Loan Repayment From 163rd Ave. Roadway Fund	0	0	0	0	0	0	0	0	0	0	0	29,209	101,263	240,203
5	Total Sources of Funds	0	231,750	3,750,000	673,002	1,121,803	1,267,318	906,886	6,947,882	1,287,900	947,380	841,239	718,171	718,171	718,171
Uses of Funds															
6	System Infrastructure Non-Growth Related Projects	0	231,750	167,092	3,278,181	168,826	173,891	214,929	4,390,650	0	0	0	0	0	0
7	Bond Issuance Costs and Reserve Deposits	0	0	375,910	0	0	0	20,049	501,213	0	0	0	0	0	0
8	Debt Service - Existing	0	0	0	0	0	0	0	0	0	0	0	0	0	0
9	Debt Service - New	0	0	300,910	300,910	300,910	300,910	316,958	718,171	718,171	718,171	718,171	718,171	718,171	718,171
10	Loan to 163rd Ave. Roadway Fund	0	0	0	0	652,067	792,517	354,950	1,337,848	569,728	229,209	123,068	0	0	0
11	Total Uses of Funds	0	231,750	843,911	3,579,091	1,121,803	1,267,318	906,886	6,947,882	1,287,900	947,380	841,239	718,171	718,171	718,171
12	Increase/(Decrease) in Fund Balance	0	0	2,906,089	(2,906,089)	0	0	0	0	0	0	0	0	0	0
13	Beginning Subfund Balance	0	0	0	2,906,089	0	0	0	0	0	0	0	0	0	0
14	Ending Subfund Balance	\$0	\$0	\$2,906,089	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

City of Surprise, Arizona
Development Impact Fee Study
163rd Avenue Roadway Development Impact Fee
Non-Growth Related Capital Projects

Line No	Description	Fiscal Year Ending															Current Development	Future Development
		2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027			
1	163rd Avenue Phase 1 - Land Acquisition	0	\$225,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	30.0%	70.0%
2	163rd Avenue Phase 1 - Design	0	0	157,500	0	0	0	0	0	0	0	0	0	0	0	0	30.0%	70.0%
3	163rd Avenue Phase 1 - Construction	0	0	0	3,000,000	0	0	0	0	0	0	0	0	0	0	0	30.0%	70.0%
4	163rd Avenue Phase 2 - Land Acquisition	0	0	0	0	150,000	0	0	0	0	0	0	0	0	0	0	30.0%	70.0%
5	163rd Avenue Phase 2 - Land Acquisition	0	0	0	0	0	150,000	0	0	0	0	0	0	0	0	0	30.0%	70.0%
6	163rd Avenue Phase 2 - Design	0	0	0	0	0	0	180,000	0	0	0	0	0	0	0	0	30.0%	70.0%
7	163rd Avenue Phase 2 - Construction	0	0	0	0	0	0	0	3,570,000	0	0	0	0	0	0	0	30.0%	70.0%
8	Total	\$0	\$225,000	\$157,500	\$3,000,000	\$150,000	\$150,000	\$180,000	\$3,570,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0		
Project Costs After Inflation																		
9	163rd Avenue Phase 1 - Land Acquisition	0	\$231,750	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	30.0%	70.0%
10	163rd Avenue Phase 1 - Design	0	0	167,092	0	0	0	0	0	0	0	0	0	0	0	0	30.0%	70.0%
11	163rd Avenue Phase 1 - Construction	0	0	0	3,278,181	0	0	0	0	0	0	0	0	0	0	0	30.0%	70.0%
12	163rd Avenue Phase 2 - Land Acquisition	0	0	0	0	168,826	0	0	0	0	0	0	0	0	0	0	30.0%	70.0%
13	163rd Avenue Phase 2 - Land Acquisition	0	0	0	0	0	173,891	0	0	0	0	0	0	0	0	0	30.0%	70.0%
14	163rd Avenue Phase 2 - Design	0	0	0	0	0	0	214,929	0	0	0	0	0	0	0	0	30.0%	70.0%
15	163rd Avenue Phase 2 - Construction	0	0	0	0	0	0	0	4,390,650	0	0	0	0	0	0	0	30.0%	70.0%
16	Total	\$0	\$231,750	\$167,092	\$3,278,181	\$168,826	\$173,891	\$214,929	\$4,390,650	\$0	\$0	\$0	\$0	\$0	\$0	\$0		

City of Surprise, Arizona
Development Impact Fee Study
163rd Avenue Roadway Development Impact Fee
Non-Growth Related Debt Issues

Line No	Description	Fiscal Year Ending													
		2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
1	Amount of Issue	\$0	\$0	\$3,750,000	\$0	\$0	\$0	\$200,000	\$5,000,000	\$0	\$0	\$0	\$0	\$0	\$0
2	Interest During Construction	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3	Equal Annual Debt Service	0	0	300,910	0	0	0	16,049	401,213	0	0	0	0	0	0
4	Bond Issuance Expense	0	0	75,000	0	0	0	4,000	100,000	0	0	0	0	0	0
5	Debt Service Reserve	0	0	300,910	0	0	0	16,049	401,213	0	0	0	0	0	0
Proposed Bond Debt Service Schedule by Fiscal Year															
6	2014	0	0	0	0	0	0	0	0	0	0	0	0	0	0
7	2015	0	0	0	0	0	0	0	0	0	0	0	0	0	0
8	2016			300,910	300,910	300,910	300,910	300,910	300,910	300,910	300,910	300,910	300,910	300,910	300,910
9	2017				0	0	0	0	0	0	0	0	0	0	0
10	2018					0	0	0	0	0	0	0	0	0	0
11	2019						0	0	0	0	0	0	0	0	0
12	2020							16,049	16,049	16,049	16,049	16,049	16,049	16,049	16,049
13	2021								401,213	401,213	401,213	401,213	401,213	401,213	401,213
14	2022									0	0	0	0	0	0
15	2023										0	0	0	0	0
16	2024											0	0	0	0
17	2025												0	0	0
18	2026													0	0
19	2027														0
20	Total	\$0	\$0	\$300,910	\$300,910	\$300,910	\$300,910	\$316,958	\$718,171	\$718,171	\$718,171	\$718,171	\$718,171	\$718,171	\$718,171

City of Surprise, Arizona
Development Impact Fee Study
163rd Avenue Roadway Development Impact Fee
Future Debt Issues - Non-Growth Related

Bond Amortization Schedule
2016

Borrowing Rate	5.00%	Discount Rate
Years	20.00	5.00%
Annual Payment	\$300,910	
Principal Amount	\$3,750,000	NPV of
Fiscal Year of Issue	2016	P&I Payments
		\$3,660,715

Fiscal Year	EOY Principal Balance	Principal	Interest	Total
2014				
2015				
2016	\$3,693,295	\$56,705	\$93,750	\$150,455
2017	3,577,050	116,245	184,665	300,910
2018	3,454,993	122,057	178,853	300,910
2019	3,326,833	128,160	172,750	300,910
2020	3,192,265	134,568	166,342	300,910
2021	3,050,968	141,297	159,613	300,910
2022	2,902,606	148,362	152,548	300,910
2023	2,746,826	155,780	145,130	300,910
2024	2,583,257	163,569	137,341	300,910
2025	2,411,510	171,747	129,163	300,910
2026	2,231,176	180,334	120,576	300,910
2027	2,041,825	189,351	111,559	300,910
2028	1,843,006	198,819	102,091	300,910
2029	1,634,246	208,760	92,150	300,910
2030	1,415,048	219,198	81,712	300,910
2031	1,184,890	230,158	70,752	300,910
2032	943,225	241,665	59,245	300,910
2033	689,476	253,749	47,161	300,910
2034	423,040	266,436	34,474	300,910
2035	143,282	279,758	21,152	300,910
2036	0	143,282	7,164	150,446
2037				
2038				
2039				
2040				
Total		<u>\$3,750,000</u>	<u>\$2,268,191</u>	<u>\$6,018,191</u>

City of Surprise, Arizona
Development Impact Fee Study
163rd Avenue Roadway Development Impact Fee
Future Debt Issues - Non-Growth Related

Bond Amortization Schedule
2020

Borrowing Rate	5.00%	Discount Rate
Years	20.00	5.00%
Annual Payment	\$16,049	
Principal Amount	\$200,000	NPV of
Fiscal Year of Issue	2020	Interest Payments
		\$195,237

Fiscal Year	EOY Principal Balance	Principal	Interest	Total
2014				
2015				
2016				
2017				
2018				
2019				
2020	\$196,976	\$3,025	\$5,000	\$8,025
2021	190,776	6,200	9,849	16,049
2022	184,266	6,510	9,539	16,049
2023	177,430	6,836	9,213	16,049
2024	170,252	7,178	8,871	16,049
2025	162,716	7,536	8,513	16,049
2026	154,803	7,913	8,136	16,049
2027	146,494	8,309	7,740	16,049
2028	137,770	8,724	7,325	16,049
2029	128,609	9,161	6,888	16,049
2030	118,990	9,619	6,430	16,049
2031	108,890	10,100	5,949	16,049
2032	98,285	10,605	5,444	16,049
2033	87,150	11,135	4,914	16,049
2034	75,458	11,692	4,357	16,049
2035	63,182	12,276	3,773	16,049
2036	50,292	12,890	3,159	16,049
2037	36,758	13,534	2,515	16,049
2038	22,547	14,211	1,838	16,049
2039	7,625	14,922	1,127	16,049
2040	0	7,625	381	8,006
Total		<u>\$200,000</u>	<u>\$120,961</u>	<u>\$320,961</u>

City of Surprise, Arizona
Development Impact Fee Study
163rd Avenue Roadway Development Impact Fee
Future Debt Issues - Non-Growth Related

Bond Amortization Schedule
2021

Borrowing Rate	5.00%	Discount Rate
Years	20.00	5.00%
Annual Payment	\$401,213	
Principal Amount	\$5,000,000	NPV of
Fiscal Year of Issue	2021	Interest Payments
		\$4,880,953

Fiscal Year	EOY Principal Balance	Principal	Interest	Total
2014				
2015				
2016				
2017				
2018				
2019				
2020				
2021	\$4,924,394	\$75,607	\$125,000	\$200,607
2022	4,769,401	154,993	246,220	401,213
2023	4,606,658	162,743	238,470	401,213
2024	4,435,778	170,880	230,333	401,213
2025	4,256,354	179,424	221,789	401,213
2026	4,067,959	188,395	212,818	401,213
2027	3,870,144	197,815	203,398	401,213
2028	3,662,438	207,706	193,507	401,213
2029	3,444,347	218,091	183,122	401,213
2030	3,215,351	228,996	172,217	401,213
2031	2,974,906	240,445	160,768	401,213
2032	2,722,438	252,468	148,745	401,213
2033	2,457,347	265,091	136,122	401,213
2034	2,179,001	278,346	122,867	401,213
2035	1,886,738	292,263	108,950	401,213
2036	1,579,862	306,876	94,337	401,213
2037	1,257,642	322,220	78,993	401,213
2038	919,311	338,331	62,882	401,213
2039	564,064	355,247	45,966	401,213
2040	191,054	373,010	28,203	401,213
2041	0	191,054	9,553	200,607
Total		\$5,000,000	\$3,024,260	\$8,024,260

APPENDIX C

Water System

City of Surprise, Arizona
Development Impact Fee Study
Water Impact Fee Summary

SPA 1 Fees by Meter Size

Meter Size	Service Units	Impact Fee
3/4" and Less	1.00	\$1,393
1"	1.67	2,322
1.5"	3.33	4,644
2"	5.33	7,431
3"	10.00	13,933
4"	16.67	23,222
6"	33.33	46,444
8"	53.33	74,310

SPA 2 Fees by Meter Size

Meter Size	Service Units	Impact Fee
3/4" and Less	1.00	\$1,544
1"	1.67	2,574
1.5"	3.33	5,148
2"	5.33	8,237
3"	10.00	15,445
4"	16.67	25,742
6"	33.33	51,483
8"	53.33	82,373

City of Surprise, Arizona
Development Impact Fee Study
Water Impact Fee Calculations

Special Planning Area 1

Common To All Assets	
Equipment	\$54,006
Land	0
Misc.	807,138
Vehicles	609,581
Total Common to All Assets	\$1,470,724
Water System EDUs	18,621
Cost Per New Connection	\$78.98
Growth Related Improvements and System Buy In	
Growth Related CIP: Special Planning Area 1	\$0
Water Supply Facilities	34,702,666
Water Lines (1)	23,500,175
NPV Existing Growth-Related Interest Cost	0
NPV Future Growth-Related Interest Cost	0
Total Water System: Special Planning Area 1	\$58,202,841
Total Available Capacity (mgd)	21.26
Water System Unit Cost of Capacity (GPD)	\$2.74
Residential Daily Water Use Per EDU (GPD)	480.00
Water Development Fee Per 3/4-Inch Residential Meter	\$1,393.31

(1) The Water lines are split between SPA 1 and SPA 2. The replacement cost is based on the percentage of non-local lines which is 40.23% for water as indicated on "Water Pipeline Allocation" in Appendix D of the IIP Report

Special Planning Area 2

Common To All Assets	
Equipment	\$54,006
Land	0
Misc.	807,138
Vehicles	609,581
Total Common to All Assets	\$1,470,724
Water System EDUs	18,621
Cost Per New Connection	\$78.98
Growth Related Improvements and System Buy In	
Growth Related CIP: Special Planning Area 2	\$1,650,000
Water Supply Facilities	3,507,491
Water Lines (1)	2,952,739
NPV Existing Growth-Related Interest Cost	0
NPV Future Growth-Related Interest Cost	682,860
Total Water System: Special Planning Area 2	\$8,793,090
Total Available Capacity (mgd)	2.88
Water System Unit Cost of Capacity (GPD)	\$3.05
Residential Daily Water Use Per EDU (GPD)	480.00
Water Development Fee Per 3/4-Inch Residential Meter	\$1,544.50

(1) The Water lines are split between SPA 1 and SPA 2. The replacement cost is based on the percentage of non-local lines which is 40.23% for water as indicated on "Water Pipeline Allocation" in Appendix D of the IIP Report

City of Surprise, Arizona
Development Impact Fee Study
Cash Flow Analysis

Water DIF Fund Cash Flow Analysis							FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
SPA 1												
Recommended Impact Fees							\$3,923	\$1,393	\$1,435	\$1,478	\$1,523	\$1,568
Residential EDUs												
Revenue							653	925	2,009	2,208	2,217	1,608
Reimbursement/Credit							228	576	29	101	148	422
Waived							5	34	20	14	0	0
Non-Residential EDUs							112	139	172	196	204	200
Sources of Funds												
Development Impact Fees							\$3,895,539	\$2,285,027	\$3,171,589	\$3,702,794	\$3,911,318	\$3,497,045
Interest Income							35,720	66,088	81,574	113,689	150,361	188,725
Bond & Loan Proceeds							0	0	0	0	0	0
Loans from Operations Subfund							0	0	0	0	0	0
Unidentified Source							0	0	0	0	0	0
Total Water Impact Fee Revenue							\$3,931,259	\$2,351,115	\$3,253,163	\$3,816,483	\$4,061,679	\$3,685,770
Water Impact Fee Uses of Funds												
System Infrastructure Growth-Related Projects							\$0	\$0	\$0	\$0	\$0	\$0
Bond Issuance Costs and Reserve Deposits							0	0	0	0	0	0
Debt Service - Existing							0	0	0	0	0	0
Debt Service - New							0	0	0	0	0	0
Developer Agreement Reimbursement/Credit							894,444	802,546	41,618	149,294	225,331	661,773
Loan Repayment							0	0	0	0	0	0
Total Uses of Funds							\$894,444	\$802,546	\$41,618	\$149,294	\$225,331	\$661,773
Annual Surplus/(Deficit)							\$3,036,815	\$1,548,569	\$3,211,545	\$3,667,189	\$3,836,349	\$3,023,997
SPA 1 Water Impact Fee Fund												
Beginning Balance							\$3,572,013	\$6,608,828	\$8,157,397	\$11,368,941	\$15,036,130	\$18,872,479
Ending Balance							\$6,608,828	\$8,157,397	\$11,368,941	\$15,036,130	\$18,872,479	\$21,896,476

City of Surprise, Arizona
Development Impact Fee Study
Cash Flow Analysis

Water DIF Fund Cash Flow Analysis	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
SPA 2						
Recommended Impact Fees	\$3,923	\$1,544	\$1,591	\$1,639	\$1,688	\$1,738
Residential EDUs						
Revenue	0	0	0	2	0	3
Reimbursement/Credit	0	105	195	198	300	447
Waived	0	0	0	0	0	0
Non-Residential EDUs	0	11	20	163	38	175
Sources of Funds						
Development Impact Fees	\$0	\$179,162	\$342,029	\$594,796	\$570,447	\$1,086,465
Interest Income	0	0	0	0	682	7
Bond & Loan Proceeds	0	110,000	1,540,000	0	0	0
Loans from Operations Subfund	10,505	0	67,097	0	0	0
Unidentified Source	0	0	0	0	0	0
Total Water Impact Fee Revenue	\$10,505	\$289,162	\$1,949,125	\$594,796	\$571,129	\$1,086,472
Water Impact Fee Uses of Funds						
System Infrastructure Growth-Related Projects	\$0	\$112,500	\$1,537,500	\$0	\$0	\$0
Bond Issuance Costs and Reserve Deposits	0	2,200	30,800	0	0	0
Debt Service - Existing	0	0	0	0	0	0
Debt Service - New	0	4,413	70,613	132,400	132,400	132,400
Developer Agreement Reimbursement/Credit	0	162,172	310,212	324,434	506,314	777,040
Loan Repayment	0	7,876	0	69,726	0	0
Total Uses of Funds	\$0	\$289,162	\$1,949,125	\$526,560	\$638,714	\$909,440
Annual Surplus/(Deficit)	\$10,505	\$0	\$0	\$68,236	(\$67,585)	\$177,032
SPA 2 Water Impact Fee Fund						
Beginning Balance	(\$10,505)	\$0	\$0	\$0	\$68,236	\$650
Ending Balance	\$0	\$0	\$0	\$68,236	\$650	\$177,682

City of Surprise, Arizona
Development Impact Fee Report
Full IIP Project Listing

Project Type	Capital Project Name	SPA	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total
Water	Desert Oasis WSF - Arsenic Treatment (Phase 2)	SPA 2	\$0	\$0	\$150,000	\$2,050,000	\$0	\$0	\$0	\$2,200,000

City of Surprise, Arizona
Development Impact Fee Report
Water IIP Projects

Capital Project Name	Percent Growth	Percent Non-Growth	SPA	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total
SPA 1 Projects	100%	0%	SPA 1	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Desert Oasis WSF - Arsenic Treatment (Phase 2)	75%	25%	SPA 2	0	0	112,500	1,537,500	0	0	0	1,650,000

City of Surprise, Arizona
Development Impact Fee Report
Water IIP Projects - With Inflation

Capital Project Name	Percent Growth	Percent Non-Growth	SPA	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total
SPA 1 Projects	100%	0%	SPA 1	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Desert Oasis WSF - Arsenic Treatment (Phase 2)	75%	25%	SPA 2	0	0	119,351	1,680,068	0	0	0	1,799,419

City of Surprise, Arizona
Development Impact Fee Model
Water EDU Projection

Water and Water Resource	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
Growth Rates							
SPA 1							
Non-Residential		6.50%	6.60%	7.40%	7.90%	7.90%	7.50%
Multi-Family		2.30%	3.70%	4.70%	5.10%	4.70%	4.10%
Irrigation		2.30%	3.70%	4.70%	5.10%	4.70%	4.10%
SPA 2							
Non-Residential					208.40%	7.10%	64.20%
Multi-Family		0.00%	8.10%	13.90%	13.90%	12.20%	15.40%
Irrigation		0.00%	8.10%	13.90%	13.90%	12.20%	15.40%

Water and Water Resource EDUs Added

SPA 1

Residential

Start of Fiscal Year	14,808	15,694	17,229	19,287	21,610	23,975
EDUs Added	886	1,535	2,058	2,323	2,365	2,030
End of Fiscal Year	14,808	15,694	17,229	19,287	21,610	26,005

Non-Residential

Start of Fiscal Year	1,247	1,328	1,416	1,521	1,641	1,771
EDUs Added	81	88	105	120	130	133
End of Fiscal Year	1,247	1,328	1,416	1,521	1,641	1,904

Multi-Family

Start of Fiscal Year	325	332	344	360	378	396
EDUs Added	7	12	16	18	18	16
End of Fiscal Year	325	332	344	360	378	412

Irrigation

Start of Fiscal Year	1,026	1,050	1,089	1,140	1,198	1,254
EDUs Added	24	39	51	58	56	51
End of Fiscal Year	1,026	1,050	1,089	1,140	1,198	1,305

SPA 2

Residential

Start of Fiscal Year	1,016	1,016	1,121	1,316	1,516	1,816
EDUs Added	0	105	195	200	300	450
End of Fiscal Year	1,016	1,016	1,121	1,316	1,816	2,266

Non-Residential

Start of Fiscal Year	67	67	67	67	207	222
EDUs Added	0	0	0	140	15	143
End of Fiscal Year	67	67	67	67	207	365

Multi-Family

Start of Fiscal Year	0	0	0	0	0	0
EDUs Added	0	0	0	0	0	0
End of Fiscal Year	0	0	0	0	0	0

Irrigation

Start of Fiscal Year	132	132	143	163	186	209
EDUs Added	0	11	20	23	23	32
End of Fiscal Year	132	132	143	163	209	241

City of Surprise, Arizona
Development Impact Fee Model
Water Incremental EDU Projections

Total Water and Water Resource EDUs Added	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
SPA 1						
Residential						
Revenue	653	925	2,009	2,208	2,217	1,608
Waived	5	34	20	14	0	0
Reimbursement	228	576	29	101	148	422
Credit	0	0	0	0	0	0
Non-Residential	81	88	105	120	130	133
Multi-Family	7	12	16	18	18	16
Irrigation	24	39	51	58	56	51
SPA 1 Total	998	1,674	2,230	2,519	2,569	2,230
SPA 2						
Residential						
Revenue	0	0	0	2	0	3
Waived	0	0	0	0	0	0
Reimbursement	0	5	1	56	15	47
Credit	0	100	194	142	285	400
Non-Residential	0	0	0	140	15	143
Multi-Family	0	0	0	0	0	0
Irrigation	0	11	20	23	23	32
SPA 2 Total	0	116	215	363	338	625

City of Surprise, Arizona
Development Impact Fee Report
Water Customers and EDUs as of 07/01/2013

Meter Size	Current Meters	Capacity Ratio (3/4")	2013 EDUs
SPA 1			
Residential			
3/4" and Less	11,058	1.00	11,058
1"	2,247	1.67	3,745
2"	1	5.33	5
N/A			0
Non-Residential			
3/4" and Less	10	1.00	10
1"	42	1.67	70
1 1/2"	56	3.33	187
2"	130	5.33	693
3"	18	10.00	180
8"	2	53.33	107
Multi-Family			
1 1/2"	44	3.33	147
2"	24	5.33	128
4"	3	16.67	50
Irrigation			
3/4" and Less	31	1.00	31
1"	60	1.67	100
1.5"	43	3.33	143
2"	119	5.33	635
4"	3	16.67	50
6"	2	33.33	67
TOTAL SPA 1 EDUs	13,893		17,405
SPA 2			
Residential			
3/4" and Less	448	1.00	448
1"	341	1.67	568
Non-Residential			
1"	4	1.67	7
1 1/2"	4	3.33	13
2"	7	5.33	37
3"	1	10.00	10
Irrigation			
1"	5	1.67	8
1.5"	10	3.33	33
2"	17	5.33	91
TOTAL SPA 2 EDUs	1,095		1,216
TOTAL WATER SYSTEM EDUs			18,621

City of Surprise, Arizona
Development Impact Fee Study
Future Debt Issuances - Water System Impact Fee Fund

Bond Amortization Schedule
2015

Borrowing Rate	5.00%	Discount Rate
Years	20	5.00%
Annual Payment	\$8,827	
Principal Amount	\$110,000	NPV of
Fiscal Year of Issue	2015	Interest Payments
		\$45,523

Fiscal Year	Principal Balance	Principal	Interest	Total
FY 2014				
FY 2015	\$108,337	\$1,664	\$2,750	\$4,414
FY 2016	104,927	3,410	5,417	8,827
FY 2017	101,346	3,581	5,246	8,827
FY 2018	97,586	3,760	5,067	8,827
FY 2019	93,638	3,948	4,879	8,827
FY 2020	89,493	4,145	4,682	8,827
FY 2021	85,141	4,352	4,475	8,827
FY 2022	80,571	4,570	4,257	8,827
FY 2023	75,773	4,798	4,029	8,827
FY 2024	70,735	5,038	3,789	8,827
FY 2025	65,445	5,290	3,537	8,827
FY 2026	59,890	5,555	3,272	8,827
FY 2027	54,057	5,833	2,994	8,827
FY 2028	47,933	6,124	2,703	8,827
FY 2029	41,503	6,430	2,397	8,827
FY 2030	34,751	6,752	2,075	8,827
FY 2031	27,662	7,089	1,738	8,827
FY 2032	20,218	7,444	1,383	8,827
FY 2033	12,402	7,816	1,011	8,827
FY 2034	4,195	8,207	620	8,827
FY 2035	0	4,195	210	4,405
FY 2036				
Total		\$110,000	\$66,531	\$176,531

City of Surprise, Arizona
Development Impact Fee Study
Future Debt Issuances - Water System Impact Fee Fund

Bond Amortization Schedule
2016

Borrowing Rate	5.00%	Discount Rate
Years	20	5.00%
Annual Payment	\$123,574	
Principal Amount	\$1,540,000	NPV of
Fiscal Year of Issue	2016	Interest Payments
		\$637,338

Fiscal Year	Principal Balance	Principal	Interest	Total
FY 2014				
FY 2015				
FY 2016	\$1,516,713	\$23,287	\$38,500	\$61,787
FY 2017	1,468,975	47,738	75,836	123,574
FY 2018	1,418,850	50,125	73,449	123,574
FY 2019	1,366,219	52,631	70,943	123,574
FY 2020	1,310,956	55,263	68,311	123,574
FY 2021	1,252,930	58,026	65,548	123,574
FY 2022	1,192,003	60,927	62,647	123,574
FY 2023	1,128,029	63,974	59,600	123,574
FY 2024	1,060,856	67,173	56,401	123,574
FY 2025	990,325	70,531	53,043	123,574
FY 2026	916,267	74,058	49,516	123,574
FY 2027	838,506	77,761	45,813	123,574
FY 2028	756,857	81,649	41,925	123,574
FY 2029	671,126	85,731	37,843	123,574
FY 2030	581,108	90,018	33,556	123,574
FY 2031	486,589	94,519	29,055	123,574
FY 2032	387,344	99,245	24,329	123,574
FY 2033	283,137	104,207	19,367	123,574
FY 2034	173,720	109,417	14,157	123,574
FY 2035	58,832	114,888	8,686	123,574
FY 2036	0	58,832	2,942	61,774
FY 2037				
FY 2038				
Total		\$1,540,000	\$931,467	\$2,471,467

City of Surprise, Arizona
Development Impact Fee Study
Cash Flow Analysis

Water Impact Fee Fund Proposed Debt Service	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
SPA 1 Proposed Debt Issues						
Amount of Issue	\$0	\$0	\$0	\$0	\$0	\$0
Interest During Construction	0	0	0	0	0	0
Equal Annual Debt Service	0	0	0	0	0	0
Bond Issuance Expense	0	0	0	0	0	0
Debt Service Reserve	0	0	0	0	0	0
Proposed Bond Debt Service Schedule						
FY 2014 Issue	\$0	\$0	\$0	\$0	\$0	\$0
FY 2015 Issue		0	0	0	0	0
FY 2016 Issue			0	0	0	0
FY 2017 Issue				0	0	0
FY 2018 Issue					0	0
FY 2019 Issue						0
Total	\$0	\$0	\$0	\$0	\$0	\$0
SPA 2 Proposed Debt Issues						
Amount of Issue	\$0	\$110,000	\$1,540,000	\$0	\$0	\$0
Interest During Construction	0	0	0	0	0	0
Equal Annual Debt Service	0	8,827	123,574	0	0	0
Bond Issuance Expense	0	2,200	30,800	0	0	0
Debt Service Reserve	0	8,827	123,574	0	0	0
Proposed Bond Debt Service Schedule						
FY 2014 Issue	\$0	\$0	\$0	\$0	\$0	\$0
FY 2015 Issue		4,413	8,827	8,827	8,827	8,827
FY 2016 Issue			61,787	123,574	123,574	123,574
FY 2017 Issue				0	0	0
FY 2018 Issue					0	0
FY 2019 Issue						0
Total	\$0	\$4,413	\$70,613	\$132,400	\$132,400	\$132,400

APPENDIX D

Water Resource

City of Surprise, Arizona
Development Impact Fee Study
Water Resource Development Impact Fee Summary

SPA 1 Fees by Meter Size

Meter Size	Service Units	Resource Fee
3/4" and Less	1.00	\$714
1"	1.67	1,191
1.5"	3.33	2,381
2"	5.33	3,810
3"	10.00	7,144
4"	16.67	11,906
6"	33.33	23,812
8"	53.33	38,099

SPA 2 Fees by Meter Size

Meter Size	Service Units	Impact Fee
3/4" and Less	1.00	\$873
1"	1.67	1,456
1.5"	3.33	2,911
2"	5.33	4,658
3"	10.00	8,734
4"	16.67	14,556
6"	33.33	29,112
8"	53.33	46,579

City of Surprise, Arizona
Development Impact Fee Study
Water Resource Fee Calculations

Special Planning Area 1

Common To All Assets	
Central Arizona Project	\$6,312,087
Recharge	269,440
Total Common to All Assets	\$6,581,526
Water System EDUs	18,621
Cost Per New Connection	\$353.44
Growth Related Improvements and System Buy In	
Growth Related CIP: Special Planning Area 1	\$2,073,500
Water Wells	13,908,886
NPV Existing Growth-Related Interest Cost	0
NPV Future Growth-Related Interest Cost	0
Total Water Resource System: Special Planning Area 1	\$15,982,386
Water Resource Available Capacity	21.26
Resource System Unit Cost of Capacity (GPD)	\$0.75
Residential Daily Resource Use Per EDU (GPD)	480.00
Water Resource Fee Per 3/4-Inch Residential Meter	\$714.35

Special Planning Area 2

Common To All Assets	
Central Arizona Project	\$6,312,087
Water Recharge	269,440
Total Common to All Assets	\$6,581,526
Water System EDUs	18,621
Cost Per New Connection	\$353.44
Growth Related Improvements and System Buy In	
Growth Related CIP: Special Planning Area 2	\$0
Water Wells	3,119,499
NPV Existing Growth-Related Interest Cost	0
NPV Future Growth-Related Interest Cost	0
Total Water Resource System: Special Planning Area 2	\$3,119,499
Water Resource Available Capacity	2.88
Resource System Unit Cost of Capacity (GPD)	\$1.08
Residential Daily Resource Use Per EDU (GPD)	480.00
Water Resource Fee Per 3/4-Inch Residential Meter	\$873.36

City of Surprise, Arizona
Development Impact Fee Study
Cash Flow Analysis

Water Resource Fund Cash Flow Analysis							FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
SPA 1												
Recommended Water Resource Fees							\$2,100	\$714	\$736	\$758	\$781	\$804
Residential EDUs												
Revenue							653	925	2,009	2,208	2,217	1,608
Reimbursement/Credit							228	576	29	101	148	422
Waived							5	34	20	14	0	0
Non-Residential EDUs							112	139	172	196	204	200
Sources of Funds												
Development Impact Fees							\$2,085,300	\$1,171,537	\$1,626,080	\$1,898,430	\$2,005,340	\$1,792,941
Interest Income							36,754	44,039	40,492	56,945	75,733	95,389
Bond & Loan Proceeds							0	0	0	0	0	0
Loans from Operations Subfund							0	0	0	0	0	0
Unidentified Source							0	0	0	0	0	0
Total SPA 1 Water Resource Fee Revenue							\$2,122,054	\$1,215,576	\$1,666,572	\$1,955,375	\$2,081,073	\$1,888,330
Water Resource Fee Uses of Funds												
System Infrastructure Growth-Related Projects							\$914,700	\$1,158,800	\$0	\$0	\$0	\$0
Bond Issuance Costs and Reserve Deposits							0	0	0	0	0	0
Debt Service - Existing							0	0	0	0	0	0
Debt Service - New							0	0	0	0	0	0
Developer Agreement Reimbursement/Credit							478,800	411,467	21,338	76,543	115,528	339,292
Loan Repayment							0	0	0	0	0	0
SPA 1 Total Uses of Funds							\$1,393,500	\$1,570,267	\$21,338	\$76,543	\$115,528	\$339,292
SPA 1 Annual Surplus/(Deficit)							\$728,554	(\$354,690)	\$1,645,234	\$1,878,831	\$1,965,546	\$1,549,038
SPA 1 Water Resource Fee Fund												
Beginning Balance							\$3,675,381	\$4,403,935	\$4,049,245	\$5,694,479	\$7,573,310	\$9,538,856
Ending Balance							\$4,403,935	\$4,049,245	\$5,694,479	\$7,573,310	\$9,538,856	\$11,087,894

City of Surprise, Arizona
Development Impact Fee Study
Cash Flow Analysis

Water Resource Fund Cash Flow Analysis							FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
SPA 2												
Recommended Water Resource Fees							\$796	\$873	\$900	\$927	\$954	\$983
Residential EDUs												
Revenue							0	0	0	2	0	3
Reimbursement/Credit							0	105	195	198	300	447
Waived							0	0	0	0	0	0
Non-Residential EDUs							0	11	20	163	38	175
Sources of Funds												
Development Impact Fees							\$0	\$101,309	\$193,405	\$336,335	\$322,567	\$614,357
Interest Income							3,502	3,537	3,669	3,885	5,453	5,870
Bond & Loan Proceeds							0	0	0	0	0	0
Loans from Operations Subfund							0	0	0	0	0	0
Unidentified Source							0	0	0	0	0	0
Total SPA 2 Water Resource Fee Revenue							\$3,502	\$104,846	\$197,074	\$340,220	\$328,020	\$620,227
Water Resource Fee Uses of Funds												
System Infrastructure Growth-Related Projects							\$0	\$0	\$0	\$0	\$0	\$0
Bond Issuance Costs and Reserve Deposits							0	0	0	0	0	0
Debt Service - Existing							0	0	0	0	0	0
Debt Service - New							0	0	0	0	0	0
Developer Agreement Reimbursement/Credit							0	91,702	175,414	183,456	286,302	439,388
Loan Repayment							0	0	0	0	0	0
SPA 2 Total Uses of Funds							\$0	\$91,702	\$175,414	\$183,456	\$286,302	\$439,388
SPA 2 Annual Surplus/(Deficit)							\$3,502	\$13,144	\$21,660	\$156,765	\$41,718	\$180,839
SPA 2 Water Resource Fee Fund												
Beginning Balance							\$350,225	\$353,727	\$366,871	\$388,531	\$545,296	\$587,014
Ending Balance							\$353,727	\$366,871	\$388,531	\$545,296	\$587,014	\$767,853

City of Surprise, Arizona
 Development Impact Fee Report
 Full IIP Project Listing

Project Type	Capital Project Name	SPA	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total
Water Resource	Mountain Vista Well #2	SPA 1	\$0	\$914,700	\$1,158,800	\$0	\$0	\$0	\$0	\$2,073,500

City of Surprise, Arizona
Development Impact Fee Report
Water Resource IIP Projects

Capital Project Name	Percent Growth	Percent Non-Growth	SPA	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total
Mountain Vista Well #2	100%	0%	SPA 1	\$0	\$914,700	\$1,158,800	\$0	\$0	\$0	\$0	\$2,073,500
SPA 2 Projects	100%	0%	SPA 2	0	0	0	0	0	0	0	0

City of Surprise, Arizona
Development Impact Fee Report
Water Resource IIP Projects - With Inflation

Capital Project Name	Percent Growth	Percent Non-Growth	SPA	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total
Mountain Vista Well #2	100%	0%	SPA 1	\$0	\$942,141	\$1,229,371	\$0	\$0	\$0	\$0	\$2,171,512
SPA 2 Projects	100%	0%	SPA 2	0	0	0	0	0	0	0	0

City of Surprise, Arizona
Development Impact Fee Model
Water EDU Projection

Water and Water Resource	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
Growth Rates							
SPA 1							
Non-Residential		6.50%	6.60%	7.40%	7.90%	7.90%	7.50%
Multi-Family		2.30%	3.70%	4.70%	5.10%	4.70%	4.10%
Irrigation		2.30%	3.70%	4.70%	5.10%	4.70%	4.10%
SPA 2							
Non-Residential					208.40%	7.10%	64.20%
Multi-Family		0.00%	8.10%	13.90%	13.90%	12.20%	15.40%
Irrigation		0.00%	8.10%	13.90%	13.90%	12.20%	15.40%

Water and Water Resource EDUs Added

SPA 1

Residential

Start of Fiscal Year	14,808	15,694	17,229	19,287	21,610	23,975
EDUs Added	886	1,535	2,058	2,323	2,365	2,030
End of Fiscal Year	14,808	15,694	17,229	19,287	21,610	26,005

Non-Residential

Start of Fiscal Year	1,247	1,328	1,416	1,521	1,641	1,771
EDUs Added	81	88	105	120	130	133
End of Fiscal Year	1,247	1,328	1,416	1,521	1,641	1,904

Multi-Family

Start of Fiscal Year	325	332	344	360	378	396
EDUs Added	7	12	16	18	18	16
End of Fiscal Year	325	332	344	360	378	412

Irrigation

Start of Fiscal Year	1,026	1,050	1,089	1,140	1,198	1,254
EDUs Added	24	39	51	58	56	51
End of Fiscal Year	1,026	1,050	1,089	1,140	1,198	1,305

SPA 2

Residential

Start of Fiscal Year	1,016	1,016	1,121	1,316	1,516	1,816
EDUs Added	0	105	195	200	300	450
End of Fiscal Year	1,016	1,016	1,121	1,316	1,816	2,266

Non-Residential

Start of Fiscal Year	67	67	67	67	207	222
EDUs Added	0	0	0	140	15	143
End of Fiscal Year	67	67	67	207	222	365

Multi-Family

Start of Fiscal Year	0	0	0	0	0	0
EDUs Added	0	0	0	0	0	0
End of Fiscal Year	0	0	0	0	0	0

Irrigation

Start of Fiscal Year	132	132	143	163	186	209
EDUs Added	0	11	20	23	23	32
End of Fiscal Year	132	132	143	163	209	241

City of Surprise, Arizona
Development Impact Fee Model
Water Incremental EDU Projections

Total Water and Water Resource EDUs Added	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
SPA 1						
Residential						
Revenue	653	925	2,009	2,208	2,217	1,608
Waived	5	34	20	14	0	0
Reimbursement	228	576	29	101	148	422
Credit	0	0	0	0	0	0
Non-Residential	81	88	105	120	130	133
Multi-Family	7	12	16	18	18	16
Irrigation	24	39	51	58	56	51
SPA 1 Total	998	1,674	2,230	2,519	2,569	2,230
SPA 2						
Residential						
Revenue	0	0	0	2	0	3
Waived	0	0	0	0	0	0
Reimbursement	0	5	1	56	15	47
Credit	0	100	194	142	285	400
Non-Residential	0	0	0	140	15	143
Multi-Family	0	0	0	0	0	0
Irrigation	0	11	20	23	23	32
SPA 2 Total	0	116	215	363	338	625

City of Surprise, Arizona
Development Impact Fee Study
Cash Flow Analysis

Water Resource Fee Fund Proposed Debt Service	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
SPA 1 Proposed Debt Issues						
Amount of Issue	\$0	\$0	\$0	\$0	\$0	\$0
Interest During Construction	0	0	0	0	0	0
Equal Annual Debt Service	0	0	0	0	0	0
Bond Issuance Expense	0	0	0	0	0	0
Debt Service Reserve	0	0	0	0	0	0
Proposed Bond Debt Service Schedule						
FY 2014 Issue	\$0	\$0	\$0	\$0	\$0	\$0
FY 2015 Issue		0	0	0	0	0
FY 2016 Issue			0	0	0	0
FY 2017 Issue				0	0	0
FY 2018 Issue					0	0
FY 2019 Issue						0
Total	\$0	\$0	\$0	\$0	\$0	\$0
SPA 2 Proposed Debt Issues						
Amount of Issue	\$0	\$0	\$0	\$0	\$0	\$0
Interest During Construction	0	0	0	0	0	0
Equal Annual Debt Service	0	0	0	0	0	0
Bond Issuance Expense	0	0	0	0	0	0
Debt Service Reserve	0	0	0	0	0	0
Proposed Bond Debt Service Schedule						
FY 2014 Issue	\$0	\$0	\$0	\$0	\$0	\$0
FY 2015 Issue		0	0	0	0	0
FY 2016 Issue			0	0	0	0
FY 2017 Issue				0	0	0
FY 2018 Issue					0	0
FY 2019 Issue						0
Total	\$0	\$0	\$0	\$0	\$0	\$0

APPENDIX E

Wastewater System

City of Surprise, Arizona
Development Impact Fee Study
Wastewater Impact Fee Summary

SPA 1 Fees by Meter Size

Meter Size	Service Units	Impact Fee
3/4" and Less	1.00	\$3,265
1"	1.67	5,442
1.5"	3.33	10,884
2"	5.33	17,414
3"	10.00	32,651
4"	16.67	54,418
6"	33.33	108,836
8"	53.33	174,138

SPA 2 - Total Fee by Meter Size

Meter Size	Service Units	Impact Fee
3/4" and Less	1.00	\$3,361
1"	1.67	5,601
1.5"	3.33	11,202
2"	5.33	17,923
3"	10.00	33,606
4"	16.67	56,010
6"	33.33	112,019
8"	53.33	179,231

SPA 2 - Sewer Lines Only Fee by Meter Size

Meter Size	Service Units	Impact Fee
3/4" and Less	1.00	\$248
1"	1.67	414
1.5"	3.33	827
2"	5.33	1,324
3"	10.00	2,482
4"	16.67	4,137
6"	33.33	8,275
8"	53.33	13,240

SPA 2 - Total Fee Less Sewer Lines by Meter Size

Meter Size	Service Units	Impact Fee
3/4" and Less	1.00	\$3,112
1"	1.67	5,187
1.5"	3.33	10,374
2"	5.33	16,599
3"	10.00	31,123
4"	16.67	51,872
6"	33.33	103,745
8"	53.33	165,991

City of Surprise, Arizona
Development Impact Fee Study
Wastewater Impact Fee Calculations

Special Planning Area 1

Common To All Assets

Equipment	\$339,311
Misc.	826,275
Effluent Lines	306,615
Total Common to All Assets	\$1,472,201

Wastewater System EDUs	47,368
Cost Per New Connection	\$31.08

Growth Related Improvements and System Buy In

Growth Related CIP: Special Planning Area 1	\$2,800,000
SPA 1 Land	3,053,806
SPA 1 Lift Station	874,174
SPA 1 Misc.	9,826,770
SPA 1 WRF	171,108,010
SPA 1 Sewer Lines (1)	40,787,050
NPV Existing Growth-Related Interest Cost	22,570,223
NPV Future Growth-Related Interest Cost	0
Total Sewer System: Special Planning Area 1	\$251,020,033

Available Sewer Capacity	16.30
Sewer System Unit Cost of Capacity (GPD)	\$15.40

Residential Daily Sewer Use Per EDU (GPD)	210.00
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Sewer Development Fee per 3/4-Inch Residential Meter	\$3,265.08
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(1) The Sewer lines are split between SPA 1 and SPA 2. The replacement cost is based on the percentage of non-local lines which is 34.18% for wastewater as indicated on "Wastewater Pipeline Allocation" in Appendix F of the IIP Report

City of Surprise, Arizona
Development Impact Fee Study
Wastewater Impact Fee Calculations

Special Planning Area 2

Common To All Assets	
Equipment	\$339,311
Misc.	826,275
Effluent Lines	306,615
Total Common to All Assets	\$1,472,201
Wastewater System EDUs	47,368
Cost Per New Connection	\$31.08
Growth Related Improvements and System Buy In	
Growth Related CIP: Special Planning Area 2	\$0
SPA 2 Land	582,039
SPA 2 Misc.	33,961
SPA 2 WRF	28,729,293
NPV Existing Growth-Related Interest Cost	0
NPV Future Growth-Related Interest Cost	0
Total Sewer System: Special Planning Area 2	\$29,345,293
Available Sewer Capacity	2.00
Sewer System Unit Cost of Capacity (GPD)	\$14.67
Residential Daily Sewer Use Per EDU (GPD)	210.00
Sewer Development Fee per 3/4-Inch Residential Meter (No Sewer Lines)	\$3,112.34
Buy In to Sewer Lines	
SPA 2 Sewer Lines (1) (2)	\$2,364,242
Total Sewer System With Sewer Lines: Special Planning Area 2	\$2,364,242
Available Sewer Capacity	2.00
Sewer Line Unit Cost of Capacity (GPD)	\$1.18
Residential Daily Sewer Use Per EDU (GPD)	210.00
Sewer Line Development Fee per 3/4-Inch Residential Meter	\$248.25
Sewer Development Fee per 3/4-Inch Residential Meter (With Sewer Lines)	\$3,360.58

- (1) The Sewer lines are split between SPA 1 and SPA 2. The replacement cost is based on the percentage of non-local lines which is 34.18% for wastewater as indicated on "Wastewater Pipeline Allocation" in Appendix F of the IIP Report
- (2) Excludes SPA 2 Sewer Interceptor lines per SPA 2 Sewer Interceptor Development Agreement with participation by developers served by lines. Buy-In fee applies to other utilities connecting to other sewer lines.

City of Surprise, Arizona
Development Impact Fee Study
Cash Flow Analysis

Wastewater DIF Fund Cash Flow Analysis							FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
SPA 1												
Recommended Wastewater Impact Fees							\$3,853	\$3,265	\$3,363	\$3,464	\$3,568	\$3,675
Residential EDUs												
Revenue							881	1,494	556	1,667	1,025	593
Reimbursement/Credit							0	7	1,482	642	1,340	1,437
Waived							5	34	20	14	0	0
Non-Residential EDUs							142	154	184	211	227	233
Sources of Funds												
Development Impact Fees							\$3,941,619	\$5,403,708	\$7,472,659	\$8,729,088	\$9,247,846	\$8,316,246
Interest Income							0	0	0	0	0	0
Bond & Loan Proceeds							0	0	0	0	0	0
Loans from Operations Subfund							5,371,914	0	2,406,078	3,641,348	0	1,581,664
Unidentified Source							0	0	0	0	0	0
Total SPA 1 Wastewater Impact Fee Revenue							\$9,313,533	\$5,403,708	\$9,878,737	\$12,370,437	\$9,247,846	\$9,897,911
Wastewater Impact Fee Uses of Funds												
System Infrastructure Growth-Related Projects							\$0	\$150,000	\$1,250,000	\$0	\$140,000	\$1,260,000
Bond Issuance Costs and Reserve Deposits							0	0	0	0	0	0
Debt Service - Existing							8,518,336	3,641,423	3,644,723	10,146,598	3,354,473	3,357,113
Debt Service - New							0	0	0	0	0	0
Developer Agreement Reimbursement/Credit							0	22,856	4,984,015	2,223,839	4,780,908	5,280,798
Loan Repayment							0	1,589,430	0	0	972,465	0
SPA 1 Total Uses of Funds							\$8,518,336	\$5,403,708	\$9,878,737	\$12,370,437	\$9,247,846	\$9,897,911
SPA 1 Annual Surplus/(Deficit)							\$795,197	\$0	\$0	\$0	\$0	\$0
SPA 1 Wastewater Fee Fund												
Beginning Balance							(\$795,197)	\$0	\$0	\$0	\$0	\$0
Ending Balance							\$0	\$0	\$0	\$0	\$0	\$0

City of Surprise, Arizona
Development Impact Fee Study
Cash Flow Analysis

Wastewater DIF Fund Cash Flow Analysis							FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
SPA 2												
Current Wastewater Impact Fees							\$3,039					
Wastewater Fee (No Sewer Lines)								\$3,112	\$3,206	\$3,302	\$3,401	\$3,503
Wastewater Fee (Sewer Lines Only)								248	256	263	271	279
Total Wastewater Fee								3,361	3,461	3,565	3,672	3,782
Residential EDUs												
Revenue							0	0	0	2	0	3
Reimbursement/Credit							0	105	195	198	300	447
Waived							0	0	0	0	0	0
Non-Residential EDUs							0	0	0	94	10	96
Sources of Funds												
Development Impact Fees							\$0	\$41,627	\$53,066	\$243,655	\$132,393	\$300,041
Interest Income							3,164	3,196	3,228	3,260	3,359	3,393
Bond & Loan Proceeds							0	0	0	0	0	0
Loans from Operations Subfund							0	0	0	0	0	0
Unidentified Source							0	0	0	0	0	0
Total SPA 2 Wastewater Impact Fee Revenue							\$3,164	\$44,823	\$56,294	\$246,915	\$135,752	\$303,434
Wastewater Impact Fee Uses of Funds												
System Infrastructure Growth-Related Projects							\$0	\$0	\$0	\$0	\$0	\$0
Bond Issuance Costs and Reserve Deposits							0	0	0	0	0	0
Debt Service - Existing							0	0	0	0	0	0
Debt Service - New							0	0	0	0	0	0
Developer Agreement Reimbursement/Credit							0	41,627	53,066	237,051	132,393	289,532
Loan Repayment							0	0	0	0	0	0
SPA 2 Total Uses of Funds							\$0	\$41,627	\$53,066	\$237,051	\$132,393	\$289,532
SPA 2 Annual Surplus/(Deficit)							\$3,164	\$3,196	\$3,228	\$9,864	\$3,359	\$13,902
SPA 2 Wastewater Impact Fee Fund												
Beginning Balance							\$316,447	\$319,611	\$322,807	\$326,035	\$335,899	\$339,258
Ending Balance							\$319,611	\$322,807	\$326,035	\$335,899	\$339,258	\$353,160

City of Surprise, Arizona
Development Impact Fee Report
Full IIP Project Listing

Project Type	Capital Project Name	SPA	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total
Sewer	21" Sewer Line Cotton Rd (W Cactus Rd to W Peoria Ave)	SPA 1	\$0	\$0	\$0	\$0	\$0	\$140,000	\$1,260,000	\$1,400,000
Sewer	Cactus Rd Sewer Line - Sarival to Reems (GAP Study)	SPA 1	0	0	150,000	1,250,000	0	0	0	1,400,000

City of Surprise, Arizona
Development Impact Fee Report
Wastewater IIP Projects

Capital Project Name	Percent Growth	Percent Non-Growth	SPA	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total
Cactus Rd Sewer Line - Sarival to Reems (GAP Study)	100%	0%	SPA 1	\$0	\$0	\$150,000	\$1,250,000	\$0	\$0	\$0	\$1,400,000
21" Sewer Line Cotton Rd (W Cactus Rd to W Peoria Ave)	100%	0%	SPA 1	0	0	0	0	0	140,000	1,260,000	1,400,000
SPA 1 Total				\$0	\$0	\$150,000	\$1,250,000	\$0	\$140,000	\$1,260,000	\$2,800,000
SPA 2 Projects	100%	0%	SPA 2	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

City of Surprise, Arizona
Development Impact Fee Report
Wastewater IIP Projects - With Inflation

Capital Project Name	Percent Growth	Percent Non-Growth	SPA	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total
Cactus Rd Sewer Line - Sarival to Reems (GAP Study)	100%	0%	SPA 1	\$0	\$0	\$159,135	\$1,365,909	\$0	\$0	\$0	\$1,525,044
21" Sewer Line Cotton Rd (W Cactus Rd to W Peoria Ave)	100%	0%	SPA 1	0	0	0	0	0	162,298	1,504,506	1,666,804
SPA 1 Total				\$0	\$0	\$159,135	\$1,365,909	\$0	\$162,298	\$1,504,506	\$3,191,848
SPA 2 Projects	100%	0%	SPA 2	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

City of Surprise, Arizona
Development Impact Fee Model
Wastewater EDU Projection

Wastewater	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
Growth Rates							
SPA 1							
Non-Residential		6.50%	6.60%	7.40%	7.90%	7.90%	7.50%
Multi-Family		2.30%	3.70%	4.70%	5.10%	4.70%	4.10%
Irrigation		2.30%	3.70%	4.70%	5.10%	4.70%	4.10%
SPA 2							
Non-Residential					208.40%	7.10%	64.20%
Multi-Family		0.00%	8.10%	13.90%	13.90%	12.20%	15.40%
Irrigation		0.00%	8.10%	13.90%	13.90%	12.20%	15.40%
Sewer EDUs Added							
SPA 1							
Residential							
Start of Fiscal Year		44,354	45,240	46,775	48,833	51,156	53,521
EDUs Added		886	1,535	2,058	2,323	2,365	2,030
End of Fiscal Year	44,354	45,240	46,775	48,833	51,156	53,521	55,551
Non-Residential							
Start of Fiscal Year		2,185	2,327	2,481	2,665	2,876	3,103
EDUs Added		142	154	184	211	227	233
End of Fiscal Year	2,185	2,327	2,481	2,665	2,876	3,103	3,336
SPA 2							
Residential							
Start of Fiscal Year		784	784	889	1,084	1,284	1,584
EDUs Added		0	105	195	200	300	450
End of Fiscal Year	784	784	889	1,084	1,284	1,584	2,034
Non-Residential							
Start of Fiscal Year		45	45	45	45	139	149
EDUs Added		0	0	0	94	10	96
End of Fiscal Year	45	45	45	45	139	149	245

City of Surprise, Arizona
Development Impact Fee Model
Wastewater Incremental EDU Projections

Total Wastewater EDUs Added	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
SPA 1						
Residential						
Revenue	881	1,494	556	1,667	1,025	593
Waived	5	34	20	14	0	0
Reimbursement	0	7	1,482	642	1,340	1,437
Credit	0	0	0	0	0	0
Non-Residential	142	154	184	211	227	233
SPA 1 Total	1,028	1,689	2,242	2,534	2,592	2,263
SPA 2						
Residential						
Revenue	0	0	0	2	0	3
Waived	0	0	0	0	0	0
Reimbursement	0	5	1	56	15	47
Credit	0	100	194	142	285	400
Non-Residential	0	0	0	94	10	96
SPA 2 Total	0	105	195	294	310	546

City of Surprise, Arizona
Development Impact Fee Report
Wastewater Customers and EDUs as of 07/01/2013

Meter Size	Current Meters	Capacity Ratio (3/4")	2013 EDUs
SPA 1			
Residential			
3/4" and Less	44,354	1.00	44,354
1"	0	1.67	0
2"	0	5.33	0
Non-Residential			
3/4" and Less	182	1.00	182
1"	52	1.67	87
1 1/2"	111	3.33	370
2"	278	5.33	1,483
3"	3	10.00	30
6"	1	33.33	33
8"	0	53.33	0
TOTAL SPA 1 EDUs	44,981		46,539
SPA 2			
Residential			
3/4" and Less	784	1.00	784
1"	0	1.67	0
Non-Residential			
1"	0	1.67	0
1 1/2"	4	3.33	13
2"	6	5.33	32
3"	0	10.00	0
TOTAL SPA 2 EDUs	794		829
TOTAL WASTEWATER SYSTEM EDUs			47,368

City of Surprise, Arizona
Development Impact Fee Study
Debt Service Interest Costs

2000 / 2003 MPC DEBT SERVICE ALLOCATION (30%)

Fiscal Year Ending	Principal	Interest	Total
2014	\$1,054,500	\$391,148	\$1,445,648
2015	1,104,000	338,423	1,442,423
2016	1,162,500	283,223	1,445,723
2017	1,222,500	225,098	1,447,598
2018	1,284,000	163,973	1,447,973
2019	1,338,000	112,613	1,450,613
2020	1,392,000	57,420	1,449,420
2021			
2022			
2023			
2024			
2025			
2026			
2027			
2028			
2029			
2030			
2031			
2032			
Totals	\$8,557,500	\$1,571,895	\$10,129,395

Interest Rate
NPV

4.73%
\$1,372,719

2007 MPC DEBT SERVICE

Principal	Interest	Total
\$4,675,000	\$2,397,688	\$7,072,688
0	2,199,000	2,199,000
0	2,199,000	2,199,000
6,500,000	2,199,000	8,699,000
0	1,906,500	1,906,500
0	1,906,500	1,906,500
0	1,906,500	1,906,500
0	1,906,500	1,906,500
14,500,000	1,906,500	16,406,500
0	1,225,000	1,225,000
0	1,225,000	1,225,000
0	1,225,000	1,225,000
0	1,225,000	1,225,000
0	1,225,000	1,225,000
0	1,225,000	1,225,000
0	1,225,000	1,225,000
0	1,225,000	1,225,000
0	1,225,000	1,225,000
25,000,000	1,225,000	26,225,000
\$50,675,000	\$30,777,188	\$81,452,188

4.78%
\$21,197,504

City of Surprise, Arizona
Development Impact Fee Study
Cash Flow Analysis

Wastewater Impact Fee Fund Proposed Debt Service	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
SPA 1 Proposed Debt Issues						
Amount of Issue	\$0	\$0	\$0	\$0	\$0	\$0
Interest During Construction	0	0	0	0	0	0
Equal Annual Debt Service	0	0	0	0	0	0
Bond Issuance Expense	0	0	0	0	0	0
Debt Service Reserve	0	0	0	0	0	0
Proposed Bond Debt Service Schedule						
FY 2014 Issue	\$0	\$0	\$0	\$0	\$0	\$0
FY 2015 Issue		0	0	0	0	0
FY 2016 Issue			0	0	0	0
FY 2017 Issue				0	0	0
FY 2018 Issue					0	0
FY 2019 Issue						0
Total	\$0	\$0	\$0	\$0	\$0	\$0
SPA 2 Proposed Debt Issues						
Amount of Issue	\$0	\$0	\$0	\$0	\$0	\$0
Interest During Construction	0	0	0	0	0	0
Equal Annual Debt Service	0	0	0	0	0	0
Bond Issuance Expense	0	0	0	0	0	0
Debt Service Reserve	0	0	0	0	0	0
Proposed Bond Debt Service Schedule						
FY 2014 Issue	\$0	\$0	\$0	\$0	\$0	\$0
FY 2015 Issue		0	0	0	0	0
FY 2016 Issue			0	0	0	0
FY 2017 Issue				0	0	0
FY 2018 Issue					0	0
FY 2019 Issue						0
Total	\$0	\$0	\$0	\$0	\$0	\$0

APPENDIX F

Assumptions

City of Surprise, Arizona
Development Impact Fee Study
Cash Flow Analysis Assumptions

Line No	Description	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027
1	Interest Income	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%
2	Development Impact Fee Escalation	0.0%	0.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
3	CIP Inflation - Current Year	0.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
4	CIP Inflation - Cumulative	0.0%	3.0%	6.1%	9.3%	12.6%	15.9%	19.4%	23.0%	26.7%	30.5%	34.4%	38.4%	42.6%	46.9%
Debt Assumptions															
5	Payment Period, years	20	20	20	20	20	20	20	20	20	20	20	20	20	20
6	Interest Rate, %	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
7	Month of Issue (1-12)	1	1	1	1	1	1	1	1	1	1	1	1	1	1
8	Repayment Delay, years	0	0	0	0	0	0	0	0	0	0	0	0	0	0
9	Debt Service Reserve, %	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
10	Debt Issuance Expense	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
11	Include Interest During Construction/Repayment Delay?	N	N	N	N	N	N	N	N	N	N	N	N	N	N

City of Surprise, Arizona
Development Impact Fee Study
Current Non-Utility Development Impact Fees

Development Type	City-Wide					Roads of Regional Significance (I)	Roads of Regional Significance (I)	SPA 1 Total	SPAs 2, 4 and 6 Total	SPAs 3 and 5 Total
	Fire & EMS	Police	Library	Parks & Recreation	General Government	Public Works				
Residential										
Single Family Detached	\$688	\$371	\$133	\$785	\$661	\$109	\$5,715	\$5,396	\$2,747	\$8,143
Single Family Attached	641	346	124	732	616	79	4,013	3,789	2,538	6,327
Multi-family	508	274	98	580	489	77	4,013	3,789	2,026	5,815
All Other Housing Types	609	328	118	695	584	60	2,980	2,814	2,394	5,208
Non-Residential										
Com/Shop Ctr 25,000 SF or less	906	689			740	653	16,322	15,411	2,988	18,399
Com/Shop Ctr 25,001-50,000 SF	778	599			636	567	14,179	13,388	2,580	15,968
Com/Shop Ctr 50,001-100,000 SF	680	500			556	474	11,842	11,181	2,210	13,391
Com/Shop Ctr 100,001-200,000 SF	604	428			493	406	10,135	9,570	1,931	12,066
Com/Shop Ctr over 200,000 SF	544	363			445	345	8,614	8,133	1,697	10,311
Office/Inst 10,000 SF or less	1,219	252			996	252	6,603	6,234	2,719	9,322
Office/Inst 10,001-25,000 SF	1,129	204			923	206	5,347	5,049	2,462	7,511
Office/Inst 25,001-50,000 SF	1,064	174			869	177	4,560	4,306	2,284	6,590
Office/Inst 50,001-100,000 SF	1,004	148			821	153	3,887	3,670	2,126	5,796
Office/Inst over 100,000 SF	911	126			745	131	3,313	3,128	1,913	5,041
Business Park	860	142			703	144	3,718	3,511	1,849	5,360
Light Industrial	628	77			513	81	2,031	1,918	1,299	3,217
Warehousing	348	55			284	56	1,445	1,365	743	2,188
Manufacturing	487	42			398	46	1,113	1,051	973	2,024
Hotel(per room)	119	23			97	60	1,641	1,549	299	1,848

(1) Roads of Regional Significance is not assessed within SPA 1. Two Roads of Regional Significance fee assessment schedules outline separate fees assessed within SPAs 2, 4 and 6 and SPAs 3 and 5.

City of Surprise, Arizona
Development Impact Fee Study
Current Utility Development Fees

Meter Size	Meter Type	Water Resource	SPA 1				SPAs 2 through 6				SPA 1		SPA 1		SPAs 2 through 6	
			Water System - Drinking		Water System - Dual		Water Resource		Wastewater		Water System - Drinking		Water System - Dual		Wastewater	
			Drinking	Dual	Drinking	Dual	Water Resource	Wastewater	Drinking	Dual	Drinking	Dual	Drinking	Dual	Drinking	Dual
3/4-inch	Displacement	\$2,100	\$3,895	\$3,923	\$3,853	\$796	\$3,895	\$3,923	\$3,895	\$3,923	\$3,039	\$9,848	\$9,876	\$7,730		
1-inch	Displacement	2,673	4,958	4,993	4,896	1,013	4,958	4,993	4,958	4,993	3,860	12,527	12,562	9,831		
1 1/2-inch	Displacement	6,933	12,858	12,950	12,637	2,628	12,858	12,950	12,858	12,950	9,970	146,148	146,240	25,456		
2-inch	Displacement	11,085	20,559	20,705	20,221	4,202	20,559	20,705	20,559	20,705	15,925	51,865	52,011	40,686		
3-inch	Compound	22,403	41,551	41,846	40,840	8,493	41,551	41,846	41,551	41,846	32,159	104,794	105,089	82,203		
3-inch	Turbine	25,125	46,601	46,932	45,800	9,525	46,601	46,932	46,601	46,932	36,063	117,526	117,857	92,189		
4-inch	Compound	35,685	66,186	66,656	65,037	13,528	66,186	66,656	66,186	66,656	51,209	166,908	167,378	130,923		
4-inch	Turbine	43,045	79,838	80,405	78,447	16,318	79,838	80,405	79,838	80,405	61,766	201,330	201,897	157,922		
6-inch	Compound	69,328	128,584	129,498	126,329	26,282	128,584	129,498	128,584	129,498	99,463	324,241	325,155	254,329		
6-inch	Turbine	86,538	160,505	161,646	157,683	32,806	160,505	161,646	160,505	161,646	124,148	404,726	405,867	317,459		
8-inch	Compound	112,013	207,755	209,231	204,094	42,464	207,755	209,231	207,755	209,231	160,687	523,862	525,338	410,906		
8-inch	Turbine	126,360	234,364	236,030	230,231	47,903	234,364	236,030	234,364	236,030	181,265	590,955	592,621	463,532		

City of Surprise, Arizona
Development Impact Fee Study
Engineering News Record Construction Cost Index (ENR-CCI)

Area	Year	Period	Index Source	ENR-CCI	
				Index	ENR-CCI Ratio
United States	2013	September	ENR Construction Cost Index	9,552	1.000
United States	2012	Annual	ENR Construction Cost Index	9,308	1.026
United States	2011	Annual	ENR Construction Cost Index	9,070	1.053
United States	2010	Annual	ENR Construction Cost Index	8,802	1.085
United States	2009	Annual	ENR Construction Cost Index	8,570	1.115
United States	2008	Annual	ENR Construction Cost Index	8,310	1.149
United States	2007	Annual	ENR Construction Cost Index	7,966	1.199
United States	2006	Annual	ENR Construction Cost Index	7,751	1.232
United States	2005	Annual	ENR Construction Cost Index	7,446	1.283
United States	2004	Annual	ENR Construction Cost Index	7,115	1.343
United States	2003	Annual	ENR Construction Cost Index	6,695	1.427
United States	2002	Annual	ENR Construction Cost Index	6,538	1.461
United States	2001	Annual	ENR Construction Cost Index	6,334	1.508
United States	2000	Annual	ENR Construction Cost Index	6,221	1.535
United States	1999	Annual	ENR Construction Cost Index	6,059	1.576
United States	1998	Annual	ENR Construction Cost Index	5,920	1.614
United States	1997	Annual	ENR Construction Cost Index	5,826	1.640
United States	1996	Annual	ENR Construction Cost Index	5,620	1.700
United States	1995	Annual	ENR Construction Cost Index	5,471	1.746
United States	1994	Annual	ENR Construction Cost Index	5,408	1.766
United States	1993	Annual	ENR Construction Cost Index	5,210	1.833
United States	1992	Annual	ENR Construction Cost Index	4,985	1.916
United States	1991	Annual	ENR Construction Cost Index	4,835	1.976
United States	1990	Annual	ENR Construction Cost Index	4,732	2.019
United States	1989	Annual	ENR Construction Cost Index	4,615	2.070
United States	1988	Annual	ENR Construction Cost Index	4,519	2.114
United States	1987	Annual	ENR Construction Cost Index	4,406	2.168
United States	1986	Annual	ENR Construction Cost Index	4,295	2.224
United States	1985	Annual	ENR Construction Cost Index	4,195	2.277
United States	1984	Annual	ENR Construction Cost Index	4,146	2.304
United States	1983	Annual	ENR Construction Cost Index	4,066	2.349
United States	1982	Annual	ENR Construction Cost Index	3,825	2.497
United States	1981	Annual	ENR Construction Cost Index	3,535	2.702
United States	1980	Annual	ENR Construction Cost Index	3,237	2.951
United States	1979	Annual	ENR Construction Cost Index	3,003	3.181
United States	1978	Annual	ENR Construction Cost Index	2,776	3.441
United States	1977	Annual	ENR Construction Cost Index	2,576	3.708
United States	1976	Annual	ENR Construction Cost Index	2,401	3.978
United States	1975	Annual	ENR Construction Cost Index	2,212	4.318
United States	1974	Annual	ENR Construction Cost Index	2,020	4.729
United States	1973	Annual	ENR Construction Cost Index	1,895	5.041
United States	1972	Annual	ENR Construction Cost Index	1,753	5.449
United States	1971	Annual	ENR Construction Cost Index	1,581	6.042
United States	1970	Annual	ENR Construction Cost Index	1,381	6.917
United States	1969	Annual	ENR Construction Cost Index	1,269	7.527
United States	1968	Annual	ENR Construction Cost Index	1,155	8.270
United States	1967	Annual	ENR Construction Cost Index	1,074	8.894
United States	1966	Annual	ENR Construction Cost Index	1,019	9.374
United States	1965	Annual	ENR Construction Cost Index	971	9.837

APPENDIX G

Development Impact Fee Assessment and Implementation

Development Impact Fee Assessment and Implementation

This appendix includes additional information regarding the modified assessment categories for assessment and implementation. The proposed Fire & EMS and 163rd Avenue Roadway development impact fees consolidate current residential and non-residential categories into six assessment categories. The definitions for the proposed assessment categories are detailed below.

Single-Family Residential: 1 detached housing unit in a single structure.

Multi-Family Residential: 1 or more attached housing units in a single structure as well as all other housing units (e.g., Mobile Homes).

Retail: Retail, service, restaurant, hotel or other commercial developments in separate structures or combined within malls or shopping centers with multiple units in a single structure or series of structures.

Office: General office building with primary uses of administrative, professional or medical office tenants and office portion of business park or flex-type developments.

Public / Institutional: Public or governmental buildings as separate structures as well as institutional developments such as schools, hospitals, churches, and libraries.

Industrial: Includes manufacturing, light industrial, and warehousing and the industrial or warehousing components of a business park or flex-type developments.

The City has requested a summary of non-residential assessment categories tied to North American Industry Classification System (NAICS) two-digit industry codes summarized in the table below. While the majority of the two-digit NAICS codes apply to a single non-residential assessment category, some two-digit NAICS codes could apply to more than one category as noted in the subsequent table. Establishing a link between the non-residential development impact fee assessment category and the two-digit NAICS codes will reduce subjective determinations made by City permit technicians during a permit application and like any standardized or partially automated process, City staff will need to identify atypical developments which may not fit the standard assessment category or may be subject to the City's exception policy. Additionally, NAICS codes (e.g., Mining) may also require a review to determine the correct assessment category or review by the City as part of the City's development impact fee exception policy, as may be amended, since these developments may not fit well into the standard assessment categories or provide an impact to City services significant enough to warrant an independent review.

		New Development Impact Fee Category (Non-Residential Developments Only)
NAICS Code	Industry Title	
11	Agriculture, Forestry, Fishing and Hunting	Exception (1)
21	Mining	Exception (1)
22	Utilities	Exception (1)
23	Construction	Retail
31-33	Manufacturing	Industrial
42	Wholesale Trade	Retail
44-45	Retail Trade	Retail
48-49	Transportation and Warehousing	Industrial
51	Information	Office
52	Finance and Insurance	Office
53	Real Estate Rental and Leasing	Office
54	Professional, Scientific, and Technical Services	Office
55	Management of Companies and Enterprises	Office
56	Administrative and Support and Waste Management and Remediation Services	Retail
61	Educational Services (2)	Public
62	Health Care and Social Assistance (3)	Public
71	Arts, Entertainment, and Recreation	Retail
72	Accommodation and Food Services	Retail
81	Other Services (except Public Administration)	Retail
92	Public Administration	Public

(1) Developments falling within these categories include those which typically do not involve significant buildings and/or require a separate calculation or exception policy review to determine the category with the best fit.

(2) Applies to schools, Universities and colleges, but not all Education Services. For example, Exam and Preparation and Tutoring business will be assessed as Retail or Commercial developments.

(3) Medical offices or similar businesses will be assessed within the Office category while hospitals will be assessed within the Public category.

Exhibit B

DEVELOPMENT IMPACT FEES

RESIDENTIAL - PER UNIT

Single Family – Residential

Fire/EMS	\$680
163 rd Avenue Roadway Service Area (SPA 2 & partial SPA 4; service area as defined in the Infrastructure Improvement Plan)	

Multi-family- Residential

Fire/EMS	\$499
163 rd Avenue Roadway Service Area (SPA 2 & partial SPA 4; service area as defined in the Infrastructure Improvement Plan)	\$209

NON-RESIDENTIAL – PER THOUSAND SQUARE FEET OF FLOOR AREA

Retail

Fire/EMS	\$779
163 rd Avenue Roadway Service Area (SPA 2 & partial SPA 4; service area as defined in the Infrastructure Improvement Plan)	\$3,958

Office

Fire/EMS	\$1,247
163 rd Avenue Roadway Service Area (SPA 2 & partial SPA 4; service area as defined in the Infrastructure Improvement Plan)	\$240

Public

Fire/EMS	\$1,247
163 rd Avenue Roadway Service Area (SPA 2 & partial SPA 4; service area as defined in the Infrastructure Improvement Plan)	\$304

Industrial

Fire/EMS	\$519
163 rd Avenue Roadway Service Area (SPA 2 & partial SPA 4; service area as defined in the Infrastructure Improvement Plan)	\$150

WATER SYSTEM DEVELOPMENT IMPACT FEES

Meter Size	Service Units	SPA 1	SPA 2
3/4"and less	1.00	\$1,393	\$1,544
1.00"	1.67	\$2,322	\$2,574
1.50"	3.33	\$4,644	\$5,148
2.00"	5.33	\$7,431	\$8,237
3.00"	10.00	\$13,933	\$15,445
4.00"	16.67	\$23,222	\$25,742
6.00"	33.33	\$46,444	\$51,483
8.00"	53.33	\$74,310	\$82,373

WATER RESOURCE DEVELOPMENT IMPACT FEES

Meter Size	Service Units	SPA 1	SPA 2
3/4"and less	1.00	\$714	\$873
1.00"	1.67	\$1,191	\$1,456
1.50"	3.33	\$2,381	\$2,911
2.00"	5.33	\$3,810	\$4,658
3.00"	10.00	\$7,144	\$8,734
4.00"	16.67	\$11,906	\$14,556
6.00"	33.33	\$23,812	\$29,112
8.00"	53.33	\$38,099	\$46,579

WASTEWATER SYSTEM DEVELOPMENT IMPACT FEE

Meter Size	Service Units	SPA 1	SPA 2
3/4"and less	1.00	\$3,265	\$3,361
1.00"	1.67	\$5,442	\$5,601
1.50"	3.33	\$10,884	\$11,202
2.00"	5.33	\$17,414	\$17,923
3.00"	10.00	\$32,651	\$33,606
4.00"	16.67	\$54,418	\$56,010
6.00"	33.33	\$108,836	\$112,019
8.00"	53.33	\$174,138	\$179,231



CITY OF SURPRISE
Regular City Council Meeting

May 20, 2014 @ 6:00:00 PM

[Back](#) [Print](#)

Council Meeting Date: May 20, 2014

Contact Person: Misty Leslie, City Attorney

Submitting Department:

District: Internal

Staff Recommendations: No Action

Consent

Regular

Public Hearing

Report/Discussion

Agenda Wording:

Discussion/consultation with the City Attorney to receive legal advice; and to consider its position on contract negotiations and pending/contemplated litigation regarding development on property bounded by Bell, Litchfield, Greenway and Bullard Roads. (A.R.S. §38-431.03(A)(3) &(4)).

Motion:

Background:

Financial Impact Statement:

ATTACHMENTS:

[Click to download](#)

No Attachments Available

External Attachment Links:

Meeting Requirements:

Powerpoint x

Video

White Board

Other x

Presentation Speaker Names (spelling and titles for TV captions):