



AMENDED AGENDA
Regular Session
Queen Creek Town Council
Community Chambers, 20727 E. Civic Parkway
August 4, 2021
6:30 PM

Following the recommendations from the Center for Diseases Control and Prevention (CDC), the Arizona Department of Health Services, and the Governor’s Executive Orders, to help slow the spread of COVID-19, attendance at Town meetings may be limited, including members of the Town Council and staff, to maintain appropriate physical distancing as determined by the Town. Some members of the Town Council and staff may attend electronically.

The public can continue to watch the meeting live streamed at [QueenCreek.org/Watch Meetings](https://www.queen-creek.org/WatchMeetings) by selecting “video” next to the applicable meeting (once the meeting begins) or by visiting the Town’s Ustream account at <https://video.ibm.com/councilmeeting> .

Public comment: in addition to attending in-person, there are two options for residents to submit public comment for the August 4 Town Council meeting:

- *Email: submit a comment to PublicComment@QueenCreek.org. Every email received will be entered into the official record. Please include your name, address, comment and note if your comment is for call to the public.*
- *WebEx Online Meeting: Using a computer, tablet or smartphone, log into the meeting through WebEx (LINK) and provide a public comment. To participate, register with your name, address and comment. View detailed at [QueenCreek.org/Watch Meetings](https://www.queen-creek.org/WatchMeetings).*

Comments without identifying name and address will not be read or submitted as part of the written record.

Pursuant to A.R.S. §§ 38-431.02 and 38-431.03, notice is hereby given to the members of the Town Council and the general public that, at this Regular Meeting, the Town Council may vote at any time during the Council Meeting to go into Executive Session, which will not be open to the public, for legal advice and discussion with the Town Attorney(s) for legal advice on any item listed on the following agenda, pursuant to A.R.S. § 38-431.03(A)(3).

The Mayor or other presiding officer at the meeting may change the order of Agenda Items and/or take items on the Agenda in an order they determine is appropriate.

1. Call to Order:

2. Roll Call: (Members of the Town Council may attend electronically and/or telephonically)

Queen Creek Town Council

Regular Session

August 4, 2021

Page 2 of 5

3. Pledge of Allegiance:

4. Invocation/Moment of Silence:

5. Ceremonial Matters (Presentations, Proclamations, Awards, Guest Introductions and Announcements):

A. Proclamation: Drowning Impact Awareness Month

6. Committee Reports:

A. Council summary reports on meetings and/or conferences attended. This may include but is not limited to Phoenix-Mesa Gateway Airport; MAG; East Valley Partnership; CAG. The Council will not propose, discuss, deliberate or take legal action on any matter in the summary unless the specific matter is properly noticed for legal action.

B. Committee and outside agency reports (only as scheduled)

1. None.

7. Public Comments: *Members of the public may address the Town Council on items not on the printed agenda and during Public Hearings. Please address the Town Council by completing a Request to Speak Card and turn it into the Town Clerk, sending an email to PublicComment@queencreek.org by 6:30 p.m. on August 4, 2021 (limited to 500 words – identify your name, address and whether you wish your comment to be read at the meeting or just submitted as part of the written record). The Town Council may not discuss or take action on any issue raised during public comment until a later meeting. Speakers are limited to three (3) minutes each. Only one comment (either by email or by WebEx) per person per Agenda Item will be allowed and comments without identifying name and address will not be read or submitted as part of the written record.*

8. Consent Agenda: *Matters listed under the Consent Agenda are considered to be routine and will be enacted by one motion and one vote. Members of the Town Council and or staff may comment on any item without removing it from the Consent Agenda or remove any item for separate discussion and consideration.*

A. Consideration and possible approval of the July 21, 2021 Regular Session Minutes. - *New Agenda Item*

B. Consideration and possible approval of Expenditures Over \$25,000. (FY 21/22 Budgeted Items)

1. Western Fence Company Inc. - Fencing around Meridian & Queen Creek Wash Site: \$45,780 (Real Estate)

Queen Creek Town Council

Regular Session

August 4, 2021

Page 3 of 5

- C. Consideration and possible approval of the appointment of Jeff Nielson and the reappointment of David Gillette to the Planning and Zoning Commission.
 - D. Consideration and possible approval of the appointment of Lamar Keener and re-appointment of Spencer Hale, Cindy Barnes and David Goldman to the Transportation Advisory Committee - *Revised Agenda Language*
 - E. Consideration and possible approval of 60-day Notice of Intention to apply collections fee for delinquent accounts.
 - F. Consideration and possible approval of a contract with Logic Compensation Group in an amount not to exceed \$118,000 for the development of an updated comprehensive classification, compensation and performance management system.
 - G. Consideration and possible approval of Delegation Resolution 1418-21 authorizing and directing the Town Manager and/or Department Director to take any and all action necessary; and to sign any and all documents, contracts, and/or agreements related to construction and completion of the Sonoqui Wash Trail (CIP Project TE201) not to exceed \$2,531,173, and related budget adjustments.
 - H. Consideration and possible approval of Resolution 1419-21 authorizing the approval of a Contract for a Non-Indian Agricultural Priority Water Sub Subcontract among the United States of America, Central Arizona Water Conservation District, and the Town of Queen Creek, Arizona; and providing for the repeal of conflicting Resolutions.
 - I. Consideration and possible approval of Resolution 1421-21 directing staff to discontinue the Small Business Grant Program.
- 9. Public Hearing Consent Agenda:** *Matters listed under the Public Hearing Consent Agenda are considered to be routine and will be enacted by one motion and one vote. Please address the Town Council on any items on the Public Hearing Consent Agenda by completing a Request to Speak Card and turn it into the Town Clerk, sending an email to PublicComment@queencreek.org (limited to 500 words – identify your name, address and whether you wish your comment to be read at the meeting or just submitted as part of the written record) or by WebEx (instructions at QueenCreek.org/WatchMeetings). Speakers are limited to three (3) minutes each. Only one comment (either by email or by WebEx) per person per Agenda Item will be allowed and comments without identifying name and address will not be read or submitted as part of the written record.*

Queen Creek Town Council

Regular Session

August 4, 2021

Page 4 of 5

- A. Public Hearing on Case P21-0133 Town initiated annual update to the 2018 General Plan Update, a staff initiated annual update to provide a brief list of updates to the document's maps to reflect changes since its approval and provide additional clarification.

10. Public Hearings: *If you wish to speak to the Town Council on any of the items listed as a Public Hearing, please address the Town Council by sending an email to PublicComment@queencreek.org (limited to 500 words – identify your name, address and whether you wish your comment to be read at the meeting or just submitted as part of the written record) or by WebEx (instructions at QueenCreek.org/WatchMeetings). Speakers are limited to three (3) minutes each. Only one comment (either by email or by WebEx) per person per Agenda Item will be allowed and comments without identifying name and address will not be read or submitted as part of the written record.*

- A. None.

11. Items for Discussion: *These items are for Town Council discussion only and no action will be taken. In general, no public comment will be taken.*

- A. Discussion and presentation regarding the Town's upcoming Home Rule (alternative expenditure limitation) renewal.

12. Final Action: *If you wish to speak to the Town Council on any of the items listed under Final Action Please address the Town Council by completing a Request to Speak Card and turn it into the Town Clerk, sending an email to PublicComment@queencreek.org (limited to 500 words – identify your name, address and whether you wish your comment to be read at the meeting or just submitted as part of the written record) or by WebEx (instructions at QueenCreek.org/WatchMeetings). Speakers are limited to three (3) minutes each. Only one comment (either by email or by WebEx) per person per Agenda Item will be allowed and comments without identifying name and address will not be read or submitted as part of the written record.*

- A. Consideration and possible approval of a Reimbursement Agreement between the Town of Queen Creek and Union Pacific Railroad Company to provide preliminary engineering services work to review a project design for project TE101, a multi-use path crossing under the Union Pacific Railroad (UPRR) Bridge at Queen Creek Wash, for potential impacts on existing and future railroad facilities and operations in an amount not to exceed \$38,500 and necessary budget adjustments.

13. Adjournment

Pursuant to ARS 38-431.02 notice is hereby given to the members of the Queen Creek Town Council and to general public that the Queen Creek Town Council will hold a meeting open

Queen Creek Town Council

Regular Session

August 4, 2021

Page 5 of 5

to the public as set forth above.

I, Maria Gonzalez, do hereby certify that I caused to be posted this 3rd day of August the Agenda for the August 4, 2021 Regular and Possible Executive Session of the Queen Creek Town Council in the following places: 1) Queen Creek Town Hall; 2) Queen Creek Library; 3) Queen Creek Community Center bulletin board.

Maria E. Gonzalez, CMC

The Town of Queen Creek encourages the participation of disabled individuals in the services, activities, and programs provided by the Town. Individuals with disabilities who require reasonable accommodations in order to participate should contact the Town Clerk's office at (480) 358-3000.



Requesting Department

Town Clerk

TO: HONORABLE MAYOR AND TOWN COUNCIL
THROUGH: JOHN KROSS, ICMA-CM, TOWN MANAGER
FROM: MARIA GONZALEZ, TOWN CLERK
RE: CONSIDERATION AND POSSIBLE APPROVAL OF THE JULY 21, 2021
REGULAR SESSION MINUTES.
DATE: August 4, 2021

Staff Recommendation:

Approve the draft minutes as presented.

Proposed Motion:

To approve the draft minutes as presented.

Alternatives:

Council can request revisions to be made to the draft minutes and approve with revisions or continue to a future meeting.

Attachment(s):

1. Minutes 07-21-21



Regular Session Minutes
Queen Creek Town Council
Community Chambers, 20727 E. Civic Parkway
July 21, 2021
6:30 PM

1. Call to Order:

The meeting was called to order at 6:48 p.m.

2. Roll Call: (Members of the Town Council may attend electronically and/or telephonically)

Gail Barney	Mayor	Present
Dawn Oliphant	Vice Mayor	Present
Robin Benning	Council Member	Present
Jeff Brown	Council Member	Present
Leah Martineau	Council Member	Present
Emilena Turley	Council Member	Present
Julia Wheatley	Council Member	Present

3. Pledge of Allegiance:

Led by Mayor Barney.

4. Invocation/Moment of Silence:

A moment of silence was held for first responders and men and women in uniform that are keeping our country safe.

5. Ceremonial Matters (Presentations, Proclamations, Awards, Guest Introductions and Announcements):

A. Great Neighbor Recognition (Video)

Mayor Barney recognized Courtney Kleinebreil for her efforts to help her neighbors interested in the Covid vaccine get signed up. She assisted 50 neighbors with the process. A video highlighting Courtney was shown and the Mayor presented her with a certificate and gift bag from the Town.

6. Committee Reports:

- A. Council summary reports on meetings and/or conferences attended. This may include but is not limited to Phoenix-Mesa Gateway Airport; MAG; East Valley Partnership; CAG. The Council will not propose, discuss, deliberate or take legal action on any matter in the summary unless the specific matter is properly noticed for legal action.
See attached.

Attachment: Minutes 07-21-21 (Minutes)

Queen Creek Town Council
Regular Session Minutes
July 21, 2021
Page 2 of 13

- B. Committee and outside agency reports (only as scheduled)
1. None.

7. Public Comments: *Members of the public may address the Town Council on items not on the printed agenda and during Public Hearings. Please address the Town Council by completing a Request to Speak Card and turn it into the Town Clerk, sending an email to PublicComment@queencreek.org by 6:30 p.m. on July 21, 2021 (limited to 500 words – identify your name, address and whether you wish your comment to be read at the meeting or just submitted as part of the written record). The Town Council may not discuss or take action on any issue raised during public comment until a later meeting. Speakers are limited to three (3) minutes each. Only one comment (either by email or by WebEx) per person per Agenda Item will be allowed and comments without identifying name and address will not be read or submitted as part of the written record.*

- Joan Etzenhouser, 8488 W Sundance Drive, unincorporated Pinal County commented on earth fissures on her property and in the area. She said fissures have made her property worthless and does not want this to happen to others. She advocated for better mapping and awareness for those developing homes in the area.
- Tom Lang, 6875 West Hunt Highway spoke about fissures and sinkholes. He said people are filling the land with dirt and dumping in the area and was opposed to building homes near fissures. He said his neighbors lost a septic tank and a horse in a fissure.
- Bobby West, 8082 W. Sundance Drive was opposed to a proposed project by Toll Brothers and was against more apartments in Queen Creek. He lives at the base of San Tan Mountains and spoke on the problem of fissures and water run-off in this area.
- Sylvia Centos, 26226 S. Hawes Rd, commented on fissures and homes being built on illegal dumpsites. She said the topic of fissures must be re-opened to protect the citizens and the Town.

Assistant Town Manager Bruce Gardner read two email comments into the record:

- Brian Eslinger commented on the need for a crosswalk on Gary Road.
- Taylor McNeill, 4057 E. Santa Clara Drive commented on rapid development in Queen Creek and water resources.

8. Consent Agenda: *Matters listed under the Consent Agenda are considered to be routine and will be enacted by one motion and one vote. Members of the Town Council and or staff may comment on any item without removing it from the Consent Agenda or remove any item for separate discussion and consideration.*

Council Member Wheatley pulled Consent Item 8U for a separate vote.

Queen Creek Town Council
Regular Session Minutes
July 21, 2021
Page 3 of 13

MOTION:	To approve the Consent Agenda minus Item U
RESULT:	Approved unanimously (7-0)
MOVER:	Jeff Brown, Council Member
SECONDER:	Emilena Turley, Council Member
AYES:	Barney, Oliphant, Benning, Brown, Martineau, Turley, Wheatley

- A. Consideration and possible approval of the May 19, 2021 and June 2, 2021 Regular Session Minutes.
- B. Consideration and possible approval of the reappointment of Dru Alberti, Daniel Babcock, Adam NeVille, Michael Shirley and Sylvia Tarin to the Parks and Recreation Advisory Committee (PRAC)
- C. Consideration and possible approval of the FY22 Parks and Recreation Advisory Committee Work Program.
- D. Consideration and possible approval of a Budget Adjustment of \$248,102.00 to the Police Department Operating Budget for Two (2) Positions/FTEs Including One (1) Sworn Lieutenant and One (1) Crime Scene/Evidence Specialist AND RELATED EQUIPMENT NEEDS.
- E. Consideration and possible approval of a Warranty Deed for Ellsworth Road. A request by Cindy Barnes Family Trust.
- F. Consideration and Possible Approval of Expenditures Over \$25,000. (FY 21/22 Budgeted Items)
 1. Axon - Equipment and Annual Subscription Services: \$177,682 (Police)
 2. Graybar Electric Company - Electrical Components: \$50,000 (Utility Services)
 3. Courtesy Chevrolet - New Vehicle Purchase, Traffic: \$60,000 (Public Works)
- G. Consideration and possible approval of a Cooperative Purchase Agreement with RDH Environmental Services, LLC for wastewater flow monitoring services and supplies as needed in an amount not to exceed \$200,000 annually. (FY 21/22 Budgeted Item)
- H. Consideration and possible approval of a one-year electrical services contract, with up to four (4) possible one-year renewals, with Swain Electric, LLC for electrical services on an as-needed basis for an amount not to exceed \$585,000 annually.
- I. Consideration and possible approval of an Emergency Job Order with MGC Contractors, Inc. in an amount not to exceed \$671,002 for the completion of repairs for Pecan Creek South Tank 1 (WA206).

Queen Creek Town Council
Regular Session Minutes
July 21, 2021
Page 4 of 13

- J. Consideration and possible approval of a one-year bedding/shavings contracts, with up to four possible one-year renewals, with Winner's Circle Soil Products, Queen Horse Bedding of Texas, and Mallard Creek for bedding/shavings up to a cumulative amount of \$150,000 annually, on an as-needed basis.
- K. Consideration and possible approval of a Cooperative Purchase Agreement through Arizona State CONTRACT #ADEQ18-00007515 with East Valley Disaster Services, Inc. For Town wide disaster reconstruction in an amount not to exceed \$50,000 annually. (FY 21/22 Budgeted Item)
- L. Consideration and possible approval of a Cooperative Purchase Agreement through the State of Arizona Contract # ADSP018-207134 with Superior Protection Services for afterhours unarmed security guard services at the Field Operations Facility in an amount not to exceed \$155,000 annually. (FY 21/22 Budgeted Item)
- M. Consideration and possible approval of a five-year Master Agreement with Selectron Technologies, Inc. for an amount not to exceed \$250,475 for upgrades to interactive voice response system. (FY 21/22 Budgeted Item; Project IT044)
- N. Consideration and possible approval of the First Amendments to the Recovered Reclaimed Water Agreement and the Water Services Agreement between the Town and Sossaman Holdings, LLC and Taylor Morrison/Arizona, Inc. to facilitate development generally located at the northwest corner of Sossaman and Ocotillo Roads known as Legado Phase 1, 2 and 3.
- O. Consideration and possible approval of "Final Plats" for Empire Pointe Parcels 2, 3, 4, 5 and Empire Blvd., a request by Mattamy Arizona LLC and Arizona Thoroughbred Center Inc.
- P. Consideration and possible approval of the "Final Plat" for Picket Post, a request by Power and Riggs 72 LLC.
- Q. Consideration and possible approval of the "Final Plat" of Shops at the Pecans, a request by Meyer Ranch LLC.
- R. Consideration and possible approval of the "Final Replat" of Heritage Town Square Center Lot 16, a request by Wadsworth Queen Creek LLC and JKG LLC.
- S. Consideration and possible approval of Delegation Resolution 1415-21 authorizing and directing the Town Manager, and/or Utilities Director to take any and all action necessary; and to sign any and all documents, contracts or agreements related to the construction and completion of Harvest Well and Tank Site (Project WA202) in an amount not to exceed \$8,374,383; and necessary budget adjustments.

Queen Creek Town Council
Regular Session Minutes
July 21, 2021
Page 5 of 13

- T. Consideration and possible approval of Delegation Resolution 1416-21 authorizing and directing the Town Manager, and/or Utilities Director to take any and all action necessary; and to sign any and all documents, contracts or agreements related to the construction and completion of Barney Well and Tank Site (Project WA020) in an amount not to exceed \$8,026,163; and necessary budget adjustments.
- U. Item U was moved to Item(s) Pulled from the Consent Agenda

Item(s) Pulled from the Consent Agenda:

8(U). Consideration and possible approval of Delegation Resolution 1417-21 authorizing and directing the Town Manager and/or Department Director to take any and all action necessary; and to sign any and all documents, contracts, and/or agreements related to construction and completion of the Fire Resource & Skills Facility (CIP Project MF011) in an amount not to exceed \$4,817,394. (FY22 Budgeted Item)

MOTION:	To approve Consent Agenda Item 8U.
RESULT:	Approved (4-3)
MOVER:	Jeff Brown, Council Member
SECONDER:	Robin Benning, Council Member
AYES:	Barney, Oliphant, Benning, Brown
NAYES:	Martineau, Turley, Wheatley

Mayor Barney changed the order of the agenda items and moved Discussion Item 11A (Pinal County Partnership Update) ahead on the agenda before the Public Hearing Consent Agenda.

- 9. Public Hearing Consent Agenda:** *Matters listed under the Public Hearing Consent Agenda are considered to be routine and will be enacted by one motion and one vote. Please address the Town Council on any items on the Public Hearing Consent Agenda by completing a Request to Speak Card and turn it into the Town Clerk, sending an email to PublicComment@queencreek.org (limited to 500 words – identify your name, address and whether you wish your comment to be read at the meeting or just submitted as part of the written record) or by WebEx (instructions at QueenCreek.org/WatchMeetings). Speakers are limited to three (3) minutes each. Only one comment (either by email or by WebEx) per person per Agenda Item will be allowed and comments without identifying name and address will not be read or submitted as part of the written record.*

Mayor Barney opened the Public Hearing.

Queen Creek Town Council
Regular Session Minutes
July 21, 2021
Page 6 of 13

- Kaja-Anne Jezycki, 21920 S. 195th Street, spoke in opposition to Item 9B, Ordinance 763-21, Case P21-0051 Queen Creek 14, and said she had a petition signed by 26 neighbors opposing the project. She had concerns regarding privacy, views, and wants an easement on the east side of the project to create a reasonable transition to their properties. She also requested that only single story homes be built on the east side of the project.

There were no other public comments. The public hearing was closed.

- A. Discussion and possible action on Ordinance 761-21, Case P21-0134 Drive-Thru Conditional Use Permit, an amendment to the Zoning Ordinance Section 1.14, Definitions, Table 4.6-1, Permitted Uses, and Section 6.5, Supplemental Use Regulations, requiring a Conditional Use Permit for drive-thru restaurants that are located within 1,200-feet of a residential zoning district.

Staff pulled Item 9A for continuance to the August 18, 2021 Town Council meeting.

Council Member Robin Benning declared a conflict on Item 9A and recused himself.

MOTION:	To continue Public Hearing Consent Agenda Item 9A to the August 18, 2021 meeting
RESULT:	Approved (6-0)
MOVER:	Jeff Brown, Council Member
SECONDER:	Emilena Turley, Council Member
AYES:	Barney, Oliphant, Brown, Turley, Martineau, Wheatley
ABSTAIN:	Benning

- B. Public Hearing and possible action on Ordinance 763-21, Case P21-0051 Queen Creek 14, a request by Jessica Sarkissian (Upfront Planning & Entitlements) to rezone approximately 13.9 acres from R1-43 (Rural Estate) to R1-18 (Suburban Residential Type B) for a 19-lot residential subdivision, located east of Sossaman and north of Ocotillo roads (193rd Way alignment).

Queen Creek Town Council
 Regular Session Minutes
 July 21, 2021
 Page 7 of 13

MOTION: To approve Public Hearing Consent Agenda Item 9B, Ordinance 763-21, Case P21-0051 Queen Creek 14

RESULT: Approved (6-1)

MOVER: Emilena Turley, Council Member

SECONDER: Leah Martineau, Council Member

AYES: Barney, Benning, Turley, Oliphant, Martineau, Wheatley

NAYES: Brown

- C. Public Hearing and possible action on P20-0141 and P20-0143 Speedway Conditional Use Permit and Site Plan, a request from Todd Leslie (EPS Group, Inc.) for a Conditional Use Permit (CUP) for fuel sales and Site Plan approval on approximately 1.80 acres located at the southwest corner of Empire Blvd. and Ellsworth Road.

MOTION: To approve Public Hearing Consent Agenda 9C, Speedway Conditional Use Permit and Site Plan

RESULT: Approved unanimously (7-0)

MOVER: Jeff Brown, Council Member

SECONDER: Emilena Turley, Council Member

AYES: Barney, Oliphant, Benning, Brown, Martineau, Turley, Wheatley

- 10. Public Hearings:** *If you wish to speak to the Town Council on any of the items listed as a Public Hearing, please address the Town Council by sending an email to PublicComment@queencreek.org (limited to 500 words – identify your name, address and whether you wish your comment to be read at the meeting or just submitted as part of the written record) or by WebEx (instructions at QueenCreek.org/WatchMeetings). Speakers are limited to three (3) minutes each. Only one comment (either by email or by WebEx) per person per Agenda Item will be allowed and comments without identifying name and address will not be read or submitted as part of the written record.*

- A. Public Hearing for the Town’s Biennial Development Impact Fee Audit for fiscal years 2016-17 and 2017-18 and accept the Audit Report.

Finance Director Scott McCarty provided a brief presentation on the Town’s biennial audit process. He said the audit was presented to Council at the June 2 meeting and audit results were posted to the Town’s website. He said that tonight’s public hearing and acceptance of the audit is the final step in the process.

Mayor Barney opened the public hearing. There were no comments from the public or the Council and the public hearing was closed.

Queen Creek Town Council
 Regular Session Minutes
 July 21, 2021
 Page 8 of 13

MOTION:	To approve the Town’s Biennial Development Impact Fee Audit for fiscal years 2016-17 and 2017-18 and accept the Audit Report
RESULT:	Approved unanimously (7-0)
MOVER:	Jeff Brown, Council Member
SECONDER:	Julia Wheatley, Council Member
AYES:	Barney, Oliphant, Benning, Brown, Martineau, Wheatley, Turley

11. Items for Discussion: *These items are for Town Council discussion only and no action will be taken. In general, no public comment will be taken.*

A. Pinal Partnership Update presented by Tony Smith, President/CEO

Tony Smith, President and CEO of Pinal Partnership, thanked the Council and Town for their support and participation in Pinal Partnership. He introduced Rina Rien, their Executive Director, who recently succeeded Melissa Johnson in that position.

Mr. Smith provided an overview of the organization and recognized the various committees who are actively supporting issues facing Pinal County. He highlighted notable projects that were completed, and projects planned for the future. Mr. Smith invited Council to the August 20 Pinal Partnership Breakfast where they will discuss topics such as water supplies and water sources.

C. Recreation Survey Results

Marnie Schubert, Communications, Marketing and Recreation Director said this item is a follow-up from the April 7 Town Council Meeting regarding funding for the Parks Master Plan. Council asked staff to conduct a survey of our residents to gain insight on priorities and opinions related to new parks and new recreation facilities. Ms. Schubert said it was important that the residents knew the costs associated with the items and this was included in the survey. She said there was a lot of interest in this survey and emailed comments from those who were not part of the invitation survey were received and are part of the record.

Ms. Schubert introduced Kathryn DeBoer of WestGroup Research, who was contracted by the Town to conduct the survey. Ms. DeBoer said it was an online survey of randomly selected residents. She said 555 Queen Creek residents completed the survey, which was above our target number and provided a solid sample.

Ms. DeBoer explained that residents were shown descriptions of five possible new parks and asked to prioritize building each park by ranking them 1-5. They were also asked if they supported or opposed possible recreation center ideas for Queen Creek (multigenerational center; stand-alone aquatic center; or a combination aquatic/multi-generational center).

Queen Creek Town Council
Regular Session Minutes
July 21, 2021
Page 9 of 13

Ms. DeBoer provided an in-depth analysis of the key findings for each item. She reported that East Park Site was the most highly prioritized park followed by Desert Wells and Mansel Carter Oasis Park. Three-quarter of Queen Creek residents supported the idea of a combination aquatic/multi-general rec center or a stand-alone aquatic center. She said descriptions of possible amenities and costs to build and to maintain each item was included in the survey.

Finance Director Scott McCarty presented information on funding sources, which would come from impact fees and the operating budget. He noted that this is the same approach used for all of the Town's master plans. Mr. McCarty asked for direction on the outstanding policy issues, including possible final direction on remaining park sites and a multi-generational rec center and/or an aquatic center and the sequencing for any decisions on these options. He said that based on Council direction staff can come back with a funding plan for one, two, or all three options for review as soon as August 18. He noted that there will be no tax increases to do this, and this approach is no different from the process used for the other Town master plans.

Council discussed the timing of providing for parks now that the Transportation Master Plan and Public Safety Plan are being addressed. There was discussion on taxes, the use of impact fees and the survey results. Council discussed the importance of following the survey responses, which showed a preference for East Park and positive feedback for recreational centers.

Council asked staff for more information on the following:

- Funding amounts for East Park with a combined aquatic and multi-generational center; and East Park with each center separated out (not combined)
- More information on the ongoing costs of an aquatic center
- Provide funding amounts for each park site in the survey (in addition to East Park)
- More information on what will be covered by impact fees for the park sites

Mr. McCarty said there will be a lot of flexibility within the Master Plan and he will provide a menu of options for review.

C. Police Department Status Report/Update

Police Chief Randy Brice provided an update on monthly activity and goals for the Queen Creek Police Department. He thanked Town Council for their support and leadership throughout this process.

Queen Creek Town Council
Regular Session Minutes
July 21, 2021
Page 10 of 13

Chief Brice outlined the recruitment process and said officer testing is concluding. He expects to hire all positions by September/October, as allowed by budget. Chief Brice was very excited about the quality of people moving forward and encouraged Council and residents to watch an introduction video of recently hired QCPD supervisors on our website.

Chief Brice said they are solidifying an IGA with Mesa for dispatch services and several other IGA's are in the works for various needs, including a regional task force with East Valley Coalition for investigating officer-involved shootings.

Chief Brice said QCPD has been accepted into the AZ Law Enforcement Accreditation Program and we are the first agency to be accepted before we go live. He hopes to be accredited in our first year.

Chief Brice gave an overview new technology including body cameras, car cameras and tracking software.

Council said they appreciate the work Chief Brice and Town staff are doing. Council commented on the professionalism from the department and Human Resources in regards to the hiring process and the quality and accomplishments of the new hires. Council provided positive feedback on the new equipment being purchased to keep the officers safe and provide transparency.

D. Code changes Associated with the New Utility Billing System

Finance Director Scott McCarty introduce Jessica Platt, Enterprise Finance Manager who presented recommendations associated with the implementation of the new utility billing software.

Ms. Platt discussed two recommendations for Council feedback.

1. Monthly Billing Changes

Ms. Platt explained the current practice, which bills all accounts (water, wastewater, irrigation and solid waste services) at once on the same billing day each month. She said that we are experiencing significant growth and have 36,000 customers with an annual revenue of \$36M. The new approach proposes to continue monthly billing, but break the accounts into four (4) billing cycles and bill a different cycle each week. This would flatten out the workload for staff, which sees high volume calls for shut-offs, collections and billing inquiries.

Queen Creek Town Council
Regular Session Minutes
July 21, 2021
Page 11 of 13

2. Initiate Third Party Collection Services

Ms. Platt said we are currently one of the few towns who do not use a collection agency. She said staff performs limited collection efforts and a collection agency would achieve better results. Ms. Platt said unpaid accounts are written-off after one year and she explained the avenues we take before it would go to the collection agency. Ms. Platt presented two options regarding the 15% collection fee: Option 1) the Town could pay the fee or Option 2) customer pays the fee (staff recommended option). Ms. Platt explained the timeline for the State required public notice process if Option 2 is chosen:

- August 4 Town Council Meeting – consideration of 60-day Notice of Intent to apply collection fees for delinquent accounts
- September 15 Town Council Meeting – new utility billing software go-live presentation and consideration of an ordinance to amend the billing schedule
- October 6 Town Council Meeting – public hearing and consideration of approval of collection fees

Council agreed with staff's recommendation for Option 2, where the customer pays the collection fee. They directed staff to continue with the steps outlined to complete the process.

E. Transportation Improvement Plan Update

Public Works Director Troy White provided an update on the Transportation Improvement Plan and started by thanking the team in the Public Works Department.

Mr. White outlined the progress for the different phases of the program:

- Phase 1: Principal arterial roadways widened - completed
- Phase 2: New circulation roadways (critical piece to reroute traffic) - completed
- Phase 3: SR24 and road widening – in process. Mr. White said projects are either in construction, at bid, reviewed or in design. He reported on challenges due to Covid including supply chain issues and contractor labor shortages.
- Phase 4: Remaining projects in the queue – will be in design this year.

Mr. White provided an overview of the projects that have been completed since 2017 and said that 47 new lane miles have been completed.

Council thanked Mr. White for the presentation and recognized the accomplishment of completing 47 lane miles. They suggested that public outreach be performed to make residents aware of some of the delays due to COVID-19.

Queen Creek Town Council
Regular Session Minutes
July 21, 2021
Page 12 of 13

12. Final Action: *If you wish to speak to the Town Council on any of the items listed under Final Action Please address the Town Council by completing a Request to Speak Card and turn it into the Town Clerk, sending an email to PublicComment@queencreek.org (limited to 500 words – identify your name, address and whether you wish your comment to be read at the meeting or just submitted as part of the written record) or by WebEx (instructions at QueenCreek.org/WatchMeetings). Speakers are limited to three (3) minutes each. Only one comment (either by email or by WebEx) per person per Agenda Item will be allowed and comments without identifying name and address will not be read or submitted as part of the written record.*

- A. Consideration and possible adoption of Ordinance No. 762-21 amending Chapter 16 Utilities, Article 16-3-8 (C) creating a monthly bill cap for residential wastewater accounts.

Finance Director Scott McCarty said this is a follow up to the presentation at the June 2 meeting asking for approval of a bill cap for residential wastewater accounts. Mr. McCarty explained that the wastewater flow to the treatment plant is not metered (only the water is metered). He said the winter water average is used to calculate the monthly sewer rate for residential accounts. The cap will prevent customers using outdoor water that is not going into the treatment plant from being charged.

He provided information on how the cap is calculated, savings to the customer, and notification and outreach if approved.

MOTION:	To approve Ordinance 762-21 amending Chapter 16 Utilities, Article 16-3-8 (C) creating a monthly bill cap for residential wastewater accounts
RESULT:	Approved unanimously (7-0)
MOVER:	Gail Barney, Mayor
SECONDER:	Julia Wheatley, Council Member
AYES:	Barney, Oliphant, Benning, Brown, Martineau, Turley, Wheatley

Council Member Brown discussed possible unintended consequences of the water cap. He did not want to encourage additional usage with the lower costs. He asked staff to determine which accounts are high users and stressed the importance of water conservation and public awareness of water usage. He asked how soon this could be addressed by staff.

Mr. McCarty explained that customers would still pay for their water usage, just not the wastewater.

Queen Creek Town Council
Regular Session Minutes
July 21, 2021
Page 13 of 13

Town Manager Kross noted that we do have a water conservation program and added that we will follow up on this issue.

13. Adjournment

The Regular Session adjourned at 9:07 p.m.

TOWN OF QUEEN CREEK

Gail Barney, Mayor

ATTEST:

Maria E. Gonzalez, Town Clerk

I, Maria E. Gonzalez, do hereby certify that to the best of my knowledge and belief, the foregoing Minutes are a true and correct copy of the Regular Session Minutes of the July 21, 2021 Regular Session of the Queen Creek Town Council. I further certify that the meeting was duly called and that a quorum was present.

Passed and approved on:

Attachment: Minutes 07-21-21 (Minutes)

Council Committee Reports (1)

- 06/03 – League Public Safety, Military Affairs & the Courts Policy Committee Meeting (Wheatley)
- 06/03 – League Budget, Finance & Economic Development Policy Committee Meeting (Wheatley)
- 06/04 – East Valley Transportation Infrastructure Action Subcommittee Meeting (Benning)
- 06/04 – Upfitter Tour (Oliphant, Martineau, Wheatley)
- 06/04 – Maricopa Association of Governments Transportation Policy Committee Meeting (Barney)
- 06/05 – Jeremiah's Italian Ice Pre-Grand Opening Event (Barney, Martineau, Wheatley)
- 06/14 – League Transportation, Infrastructure & Public Works Policy Committee Meeting (Brown)
- 06/15 – Phoenix-Mesa Gateway Airport Authority Board of Directors Meeting (Barney)
- 06/16 – Gilbert Public Safety Training Facility Tour (Brown)
- 06/16 – Maricopa Association of Governments Transportation Policy Committee Meeting (Barney)
- 06/17 – Arizona Rock Products Association Annual Conference Mayors' Roundtable (Barney)
- 06/17 – Valley Metro Board of Directors Meeting (Brown)
- 06/22 – Arizona Department of Transportation State Route 24 Interim Phase II: Ellsworth Road to Ironwood Drive Project Tour (Oliphant, Benning, Brown)

Attachment: Minutes 07-21-21 (Minutes)

Council Committee Reports (2)

- 06/22 – Maricopa Association of Governments Transportation Policy Committee Special Meeting (Barney)
- 06/23 – Maricopa Association of Governments Regional Council Meeting (Barney)
- 06/25 – East Valley Transportation Infrastructure Action Subcommittee Meeting (Benning)
- 06/25 – Jeremiah's Italian Ice Ribbon Cutting Ceremony (Brown)
- 06/29 – Supervisor Goodman's Economic Development Town Hall (Barney, Benning, Brown)
- 07/08 – Maricopa Association of Governments Transportation Policy Committee Special Meeting (Barney)
- 07/13 – Chamber Network QC Luncheon (Barney)
- 07/19 – Schnepf Elementary School Ribbon Cutting Ceremony (Barney, Wheatley)
- 07/20 – Ocotillo Widening Project Groundbreaking Ceremony (Barney, Oliphant, Benning, Wheatley)
- 07/20 – Phoenix-Mesa Gateway Airport Authority Board of Directors Meeting (Barney)
- 07/20 – Pinal Regional Transportation Authority Executive Committee Discussion (Benning)
- 07/21 – Maricopa Association of Governments Transportation Policy Committee (Barney)

Attachment: Minutes 07-21-21 (Minutes)



Maria Gonzalez <maria.gonzalez@queencreekaz.gov>

Crosswalk on Gary Rd.

beslinger5 <beslinger5@cox.net>
To: PublicComment@queencreek.org

Wed, Jul 21, 2021 at 4:25 PM

With the new Schnepf Elementary school opening today it is apparent that a crosswalk is badly needed. There are new housing developments in Harvest and Magnolia that are going to feeding into that school along with Circle cross ranch neighborhoods. The amount of cars that are lined up down Gary Rd and the amount of blind passing both north and southbound lanes will eventually cause a potentially grave result. I am not sure if we want to rely on the neighborhood, school districts or the city to paint the street but someone needs to take ownership of it. The school staff, city volunteers or PTO parents can all fill in the manning of the crosswalk for the safety if those kids. As the weather cools down more and more parents and kids will be walking and riding their bikes. 5 gallons of paint and a few hours of work should be not be debated over the safety of the pedestrians trying to cross the street. Please make this a quick decision and do what is best for the community. I will add that I know this a border street between 2 countries and 2 cities. If queen creek/Maricopa are not in charge of this section of road between riggs and empire on Gary directly east if Schnepf elementary pleas point me in the direction of who is so I can bring this up with them. If any further details are needed do not hesitate to reach out to me.

Brian Eslinger
Beslinger5@cox.net
480-578-4107

Sent from my Verizon, Samsung Galaxy smartphone

Attachment: Minutes 07-21-21 (Minutes)



Maria Gonzalez <maria.gonzalez@queencreekaz.gov>

Public Comment

Taylor McNeill <taylorismcneill@gmail.com>
To: PublicComment@queencreek.org

Wed, Jul 21, 2021 at 4:50 PM

My name is Taylor McNeill, I am 11 years old and a Boy Scout in Troop 10. I am concerned about the rapid development of housing in Queen Creek and surrounding areas, and if we will have enough water for everyone.

Could you tell me what is being done on this issue by the Town of Queen Creek and how young people like me can help make a difference.

-Taylor McNeill - Troop 10
(4057 E. Santa Clara Dr. Queen Creek, AZ 85140)

Attachment: Minutes 07-21-21 (Minutes)



Requesting Department

Finance

TO: HONORABLE MAYOR AND TOWN COUNCIL
THROUGH: JOHN KROSS, ICMA-CM, TOWN MANAGER
FROM: MELISSA BAUER, PROCUREMENT MANAGER
RE: CONSIDERATION AND POSSIBLE APPROVAL OF EXPENDITURES OVER \$25,000. (FY 21/22 BUDGETED ITEMS)
DATE: August 4, 2021

Staff Recommendation:

Staff recommends approval of expenditures \$25,000 and over.

Relevant Council Goal(s):

N/A

Proposed Motion:

Move to approve Town expenditures \$25,000 and over, pursuant to Town Purchasing Policy.

Discussion:

The following item being requested is:

1. Western Fence Company, Inc. - Fencing around Meridian/Queen Creek Wash site: \$45,780 (Real Estate)

Fiscal Impact:

The fiscal impact of the requested spending authority for the above expenditure is \$45,780. Funds have been identified within the line item budget as approved in the FY22 budget or subsequently approved by Council.

Attachment(s):

1. Rev-August 4, 2021 Expenditures over \$25k

**Attachment: Expenditures \$25,000 and Over
Budgeted in Fiscal Year 21/22
August 4, 2021**

Item #	Vendor(s)	Description	Purpose	Requesting Dept(s)	Fiscal Impact \$	Procurement Method	Alternative
1	Western Fence Company Inc.	Fencing around Meridian/Queen Creek Wash site	Spending authority as needed for the purchase of Fencing for the site- Meridian / Queen Creek Rd wash (10% contingency added)	Real Estate	\$45,780	State of Arizona Contract # CTR045279	Council can elect not to approve the budget request for fencing, and the site will remain unsecured and wide open to trespassing, dumping, off road vehicle riders as well as posing a liability to the Town for anybody injured while onsite. Since acquiring the pit property, park rangers have added this area to a routine patrol during their shifts and observed several instances where OHV riders were onsite, residents were practicing archery, and even illegal dumping.

Attachment: Rev-August 4, 2021 Expenditures over \$25k (Expenditures Over \$25,000)



Requesting Department

Development Services

TO: HONORABLE MAYOR AND TOWN COUNCIL

THROUGH: JOHN KROSS, ICMA-CM, TOWN MANAGER

FROM: BRETT BURNINGHAM, DEVELOPMENT SERVICES DIRECTOR ,ERIK SWANSON, PLANNING ADMINISTATOR AND SARAH CLARK, SENIOR PLANNER

RE: CONSIDERATION AND POSSIBLE APPROVAL OF THE APPOINTMENT OF JEFF NIELSON AND THE REAPPOINTMENT OF DAVID GILLETTE TO THE PLANNING AND ZONING COMMISSION.

DATE: August 4, 2021

Staff Recommendation:

Move to appoint Jeff Nielson and reappoint David Gillette to the Planning Commission for 3-year terms.

Relevant Council Goal(s):



Effective Government

Proposed Motion:

Move to appoint Jeff Nielson and reappoint David Gillette to the Planning Commission for 3-year terms.

Discussion:

Commissioner Sossaman stepped down from his seat on the Planning Commission in Summer 2021. Commissioner Sossaman's term on the Planning Commission was set to expire in August 2021. As such, Staff recommends the appointment of Jeff Nielson to the Planning Commission to fill the vacant position.

Jeff Nielson has background in real estate development, land planning, land development, home building and large scale construction. Jeff currently works for Oakwood Homes and has previously worked for Toll Brothers. Jeff has been a resident of Queen Creek for one-year.

The term for Commissioner Gillette is due to expire on August 31, 2021. Staff is recommending the reappointment of David Gillette to the Planning Commission. Commissioner Gillette has had a good attendance record and has been an active participant in the deliberations of the Commission.

Commissioner Gillette is the founder of a small apparel and footwear business, team manager for a real estate group in Town, founder of a non-profit, and a youth sports coach. Mr. Gillette

has been a resident of Queen Creek for over 10 years and is a graduate of Citizen Leadership Institute. Mr. Gillette was appointed to the Board of Adjustment June 2019 and appointed to the Planning Commission in August 2019.

The term for service on the Planning and Zoning Commission is three years, and members may be reappointed at the discretion of the Council. Appointments are reviewed on an annual basis.

Fiscal Impact:

There is no fiscal impact associated with making appointments to the Planning and Zoning Commission.

Alternatives:

The Town Council could choose to not appoint Jeff Nielson or reappoint David Gillette to the Planning Commission.

Attachment(s):

1. Jeff Nielson Notice of Interest Form
2. Planning and Zoning Commission Terms August 2021



Joy Maglione <joy.maglione@queencreekaz.gov>

Notice of Interest

1 message

communication@queencreek.org <communication@queencreek.org>
To: joyce.maglione@queencreek.org

Sun, May 16, 2021 at 4:12 PM

A new entry to a form/survey has been submitted.

Form Name: Notice of Interest
Date & Time: 05/16/2021 4:12 pm
Response #: 60
Submitter ID: 36085
IP address: 68.99.232.100
Time to complete: 14 min. , 46 sec.

Survey Details

[S]: This question is marked as sensitive, answers to sensitive questions are not sent by email. [Log in](#) to the CMS to view the answer to this question.

Page 1

The Town of Queen Creek depends on its citizens to help advance the community toward its goals. Residents can participate in local decision-making by serving on volunteer boards, commissions, committees and task forces. In most cases, volunteer members act in an advisory capacity making recommendations to the Town Council.

Appointments are made by approval of the Town Council. If you would like to be considered for an appointment, complete this form, attach a resume or letter about yourself and return all documents to:

Town of Queen Creek
 Town Clerk's Office
 22350 S. Ellsworth Road
 Queen Creek, AZ 85142
 Fax: 480-358-3001

1. **Date**
05/16/2021
2. **Name**

First	Jeff
Middle	Not answered
Last	Nielsen
3. **Home Address**
[20647 E Pummelos Rd, Queen Creek, AZ 85142](#)
4. **Mailing Address (if different than home address)**

Attachment: Jeff Nielson Notice of Interest Form (P&Z Appointments)

Not answered

5. Occupation

Home Builder

6. Phone

Home Phone (602) 558-7307
Work Phone Not answered
Best time to call (a.m. or p.m.) Anytime
Fax number Not answered

7. Email Address

jeffrey.nielsen@me.com

8. How long have you been a resident of Queen Creek?

Less than 1 year

9. Are you a registered voter?

Yes

10. Do you live within the Town's incorporated limits?

Yes

11. Have you participated in the Queen Creek Citizen Leadership Institute?

No

12. If yes, did you graduate?

No

13. Which boards, commissions, committees or task forces have you served on in the past, in Queen Creek or elsewhere?

None

14. I am interested in serving on: (Please rank the committees you are interested in, with 1 being your first choice.)

Board of Adjustment	Not answered
Economic Development Commission	Not answered
Downtown Arts & Placemaking Advisory Committee	Not answered
Parks and Recreation Advisory Board	Not answered
Planning and Zoning Commission	1
Transportation Advisory Committee	Not answered

15. Please describe why you would like to serve on this board, committee, commission, etc.

I have an extensive background in real estate development, land planning, land development, home building, and large scale construction. I would like to use this background to contribute to the Town of Queen Creek in evaluating future opportunities.

Taking this background, I would like to work with staff, elected officials and the public to create the best future for Queen Creek possible.

16. Please describe special knowledge or expertise you have that would benefit the Town.

With my background in real estate development, Commercial construction, and home building I have a distinct set of talents to understand, review, and evaluate the future growth of the Town.

Additionally I have worked with many of the staff and elected officials and would like to further the working relationships and help builder the future of the Town.

17. Please list community, civic, professional, social, cultural or athletic organizations you have been affiliated with and in what capacity.

Home Builders Association of Central Arizona - Member 2013 - present
City of Scottsdale Recreational Soccer League - Coach 2016 - 2018
Boy Scouts of America - Scoutmaster, Assitant Scoutmaster, Varsity Leader - 2003 - 2008 and 2015 - 2019
McDowell Sonoran Conservancy - Steward - 2016 - 2020

18. Are you available for evening meetings?

(o) Yes

19. Are you available for morning meetings?

(o) Yes

20. Are you available for lunch meetings?

(o) Yes

21. Are there days of the week you are not available for meetings? (Check all that apply)

Not answered

22. [S] Resume

I hereby acknowledge that all information provided on this application is subject to disclosure pursuant to the Arizona Public Records Law. I understand that members of boards, commissions, committees and task forces are subject to disclosure of conflicts of interest. I certify that the information contained herein is true and accurate to the best of my knowledge.

Note: Notice of Interest forms will be kept on file for 12 months. After that, they will expire and applicant's will need to submit a new form.

23. Signature

Jeff Nielsen

Thank you,
Queen Creek, AZ

This is an automated message generated by Granicus. Please do not reply directly to this email.

Attachment: Jeff Nielson Notice of Interest Form (P&Z Appointments)

**PLANNING AND ZONING COMMISSION
Proposed Terms**

COMMISSIONER	<u>TERM EXPIRES</u>
COMMISSIONER – Alex Matheson	Aug. 31, 2023
COMMISSIONER – Troy Young	Aug. 31, 2023
COMMISSIONER – Lea Spall	Aug. 31, 2023
COMMISSIONER – Matt McWilliams	Aug. 31, 2022
COMMISSIONER -- Bill Smith	Aug. 31, 2022
COMMISSIONER – David Gillette	Aug. 31, 2024
COMMISSIONER – Jeff Nielson	Aug. 31, 2024

Attachment: Planning and Zoning Commission Terms August 2021 (P&Z Appointments)



Requesting Department

Public Works

TO: HONORABLE MAYOR AND TOWN COUNCIL
THROUGH: JOHN KROSS, ICMA-CM, TOWN MANAGER
FROM: TROY WHITE, PUBLIC WORKS DIRECTOR
RE: CONSIDERATION AND POSSIBLE APPROVAL OF THE APPOINTMENT OF LAMAR KEENER AND RE-APPOINTMENT OF SPENCER HALE, CINDY BARNES AND DAVID GOLDMAN TO THE TRANSPORTATION ADVISORY COMMITTEE
DATE: August 4, 2021

Staff Recommendation:

It is the Mayor's recommendation to approve the appointment of Lamar Keener and re-appointment of Spencer Hale, Cindy Barnes and David Goldman to the Transportation Advisory Committee

Relevant Council Goal(s):



Community Involvement

Proposed Motion:

Motion to approve the appointment of Lamar Keener and re-appointment of Spencer Hale, Cindy Barnes and David Goldman to the Transportation Advisory Committee

Discussion:

As of August 31, 2021, the committee terms of four voting members, Chair Spencer Hale, Cindy Barnes, David Goldman and Susan Denton, will expire. Susan Denton, has served on the committee since March 2016 serving 3 consecutive terms. The Town's Standard Form Bylaws for Designated Town Committees and Task Forces Section II (b) states members may serve for three consecutive terms. At the end of the three consecutive terms, committee members must step down from the committee. Thus leaving a vacant seat on the committee.

Spencer Hale, if reappointed, will both serve his third consecutive term on the Transportation Advisory Committee. Whereas, David Goldman and Cindy Barnes, if reappointed, will serve their second consecutive term on the Transportation Advisory Committee.

The Mayor reviewed the Notice of Interest forms of the proposed applicants and is appointing Lamar Keener to the committee to fulfill the vacant two-year term seat on the committee.

All expressed their interest and willingness to serve on the Transportation Advisory Committee. If approved, the two-year appointment and re-appointments will expire on August 31, 2023,

providing the Transportation Advisory Committee with nine (9) voting members.

The Town's Standard Form Bylaws allows Town Committees to have a minimum of seven and a maximum of eleven voting members, maintaining an odd number of voting members.

Fiscal Impact:

There is no fiscal impact associated with making appointments to the Transportation Advisory Committee.

Alternatives:

1. The Town Council could choose not to approve the appointments/ reappointment's, and request presentation of alternative applicants for consideration.

Attachment(s):

1. Hale, Spencer NOI
2. Barnes, Cindy NOI
3. Keener, Lamar NOI
4. Goldman, David NOI

I am interested in serving on: (Please rank the committees you are interested in, with 1 being your first choice.)

- Board of Adjustment
- Economic Development Commission
- Parks and Recreation Advisory Board
- Transportation Advisory Committee
- Planning and Zoning Commission
- Downtown Arts & Placemaking Advisory Committee

*Note: Some citizen committees might be full at this time; indicated interest does not guarantee an appointment.

Please describe why you would like to serve on this board, committee, commission, etc.

Please describe special knowledge or expertise you have that would benefit the Town.

Please list community, civic, professional, social, cultural or athletic organizations you have been affiliated with and in what capacity.

Are you available for evening meetings? Yes No

Are you available for morning meetings? Yes No

Are you available for lunch meetings? Yes No

Are there days of the week you are NOT available for meetings? (Check all that apply)

- Monday
- Tuesday
- Wednesday
- Thursday
- Friday

I hereby acknowledge that all information provided on this application is subject to disclosure pursuant to the Arizona Public Records Law. I understand that members of boards, commissions, committees and task forces are subject to disclosure of conflicts of interest. I certify that the information contained herein is true and accurate to the best of my knowledge.

Note: Notice of Interest forms will be kept on file for 12 months. After that, they will expire and applicant's will need to submit a new form.

FOR OFFICE USE ONLY

Committee/Commission _____

New Appointment Re-Appointment

Date Appointed/Re-Appointed _____

Term Expiration _____

Date of Resignation (if applicable) _____

Applicant's Signature _____

I am interested in serving on: (Please rank the committees you are interested in, with 1 being your first choice.)

- Board of Adjustment
- Economic Development Commission
- Parks and Recreation Advisory Board
- Transportation Advisory Committee
- Planning and Zoning Commission
- Downtown Arts & Placemaking Advisory Committee

*Note: Some citizen committees might be full at this time; indicated interest does not guarantee an appointment.

Please describe why you would like to serve on this board, committee, commission, etc.

Please describe special knowledge or expertise you have that would benefit the Town.

Please list community, civic, professional, social, cultural or athletic organizations you have been affiliated with and in what capacity.

Are you available for evening meetings? Yes No

Are you available for morning meetings? Yes No

Are you available for lunch meetings? Yes No

Are there days of the week you are NOT available for meetings? (Check all that apply)

- Monday
- Tuesday
- Wednesday
- Thursday
- Friday

I hereby acknowledge that all information provided on this application is subject to disclosure pursuant to the Arizona Public Records Law. I understand that members of boards, commissions, committees and task forces are subject to disclosure of conflicts of interest. I certify that the information contained herein is true and accurate to the best of my knowledge.

Note: Notice of Interest forms will be kept on file for 12 months. After that, they will expire and applicant's will need to submit a new form.

FOR OFFICE USE ONLY

Committee/Commission _____

New Appointment Re-Appointment

Date Appointed/Re-Appointed _____

Term Expiration _____

Date of Resignation (if applicable) _____

Applicant's Signature _____

Submitter DB ID 23295
IP Address 184.164.144.104
Submission Recorded On 05/14/2019 9:17 am
Time to Take the Survey 23 minutes, 51 secs.

Received

8.D.c

MAY 14 2019
Town of Queen Creek

Page 1

The Town of Queen Creek depends on its citizens to help advance the community toward its goals. Residents can participate in local decision-making by serving on volunteer boards, commissions, committees and task forces. In most cases, volunteer members act in an advisory capacity making recommendations to the Town Council.

Appointments are made by approval of the Town Council. If you would like to be considered for an appointment, complete this form, attach a resume or letter about yourself and return all documents to:

Town of Queen Creek
Town Clerk's Office
22350 S. Ellsworth Road
Queen Creek, AZ 85142
Fax: 480-358-3001

[\[PDF version of this form\]](#)

1. Date

05/14/2019

2. Name

First Lamar

Middle Not answered

Last Keener

3. Home Address

23232 S. 216th St.

4. Mailing Address (if different than home address)

Not answered

5. Occupation

Executive Director of National Nonprofit Association

6. Phone

Home Phone (619) 846-6397

Work Phone Not answered

Best time to call (a.m. or p.m.) anytime

Fax number Not answered

7. Email Address

lamar@thekeeners.com

8. How long have you been a resident of Queen Creek?

2 yrs 4 mos

9. Are you a registered voter?

Attachment: Keener, Lamar NOI (TAC Appointments)

Yes

10. Do you live within the Town's incorporated limits?

Yes

11. Have you participated in the Queen Creek Citizen Leadership Institute?

Yes

12. If yes, did you graduate?

Yes

13. Which boards, commissions, committees or task forces have you served on in the past, in Queen Creek or elsewhere?

None at the municipal level. I am on the finance committee for our HOA (Villages at Queen Creek).

14. I am interested in serving on: (Please rank the committees you are interested in, with 1 being your first choice.)

Board of Adjustment 1

Economic Development Commission 2

Municipal Arts Commission 6

Parks and Recreation Advisory Board 5

Planning and Zoning Commission 3

Transportation Advisory Committee 4

15. Please describe why you would like to serve on this board, committee, commission, etc.

After moving permanently from CA in early 2017, I fell in love with QC and wanted to get some type of involvement. Participating in the Citizen Leadership Institute was a great learning experience, and I became very impressed with this town's governance. I'm looking for some kind of involvement where I think I can contribute some expertise.

16. Please describe special knowledge or expertise you have that would benefit the Town.

I've run a small business for 30 years and now manage a national nonprofit association. I am an entrepreneur with business and management skills and common sense.

17. Please list community, civic, professional, social, cultural or athletic organizations you have been affiliated with and in what capacity.

None -- running a small business for 30 years occupied all my time. Now, my schedule has discretionary time available for some other things.

18. Are you available for evening meetings?

Yes

19. Are you available for morning meetings?

Yes

20. Are you available for lunch meetings?

Yes

21. Are there days of the week you are not available for meetings? (Check all that apply)

Not answered

22. Resume

[Lamar Keener Resume QC.pdf](#)

Attachment: Keener, Lamar NOI (TAC Appointments)

I hereby acknowledge that all information provided on this application is subject to disclosure pursuant to the Arizona Public Records Law. I understand that members of boards, commissions, committees and task forces are subject to disclosure of conflicts of interest. I certify that the information contained herein is true and accurate to the best of my knowledge.

Note: Notice of Interest forms will be kept on file for 12 months. After that, they will expire and applicant's will need to submit a new form.

23. Signature

Lamar Keener

This question is marked as sensitive.

LAMAR H. KEENER

23232 S. 216th St., Queen Creek, AZ 85142
619-846-6397 cell

Resumé**SUMMARY OF SKILLS AND ATTRIBUTES**

Management	Operated a small business for 30 years with as many as 10 employees, some working from remote locations in other states. Now run a national nonprofit membership association.
Business	Purchased an out-of-state newspaper that had been operating in the red for most of its 28-year history. Analyzed operating costs, consolidated roles with some difficult layoffs, and turned it around into a profitable division in less than one year. Operated in the black for five years since then.
Organization	Developed a streamlined production process for publishing multiple newspapers that was nearly flawless in its accuracy for insuring the right ads got in the right publications at the right time.
Vision	Developed the largest independent Christian newspaper operation in North America in terms of regional editions, total circulation, and gross revenues. Sustained that level for more than two decades.
Initiative	Created new projects or evaluated ways to use new ideas to do things better, implementing the concept of "doing things smarter, not harder."
Versatility	Used skills of writing, editing, design, sales and marketing in building a publishing business from the ground up. Filled the role of business manager for EPA, which benefitted from my skills in financial and business management as well as database development.
Excellence	Perennial winner of publishing awards.

PROFESSIONAL HISTORY

Executive Director, Evangelical Press Association, 2015- (current)
Business Manager, Evangelical Press Association, 2012-2015
Owner/Publisher, Selah Media Group 1988- (current)
College Administration, 1977-1988

EDUCATION

B.S. Religion, Liberty University, 1976
M.A. Christian Education, Liberty Baptist Theological Seminary, 1983

SERVICE AND RECOGNITION

- Board member (Treasurer), Evangelical Press Association, 1997-1999
- Liberty University Alumni Association Eagle Award, 1997
- Board member, Christian Unified School District, 1999-2001
- Board member (President-elect), Evangelical Press Association, 2005-2007
- Founding board member, Association of Christian Newspapers, 2005-present
- Dealmaker of the Year Award finalist, Point Loma Nazarene University, 2007
- Board President, Evangelical Press Association, 2007-2009
- Board member, Advocates for Faith & Freedom, 2010-2016
- HOA finance committee, 2017-present

PERSONAL

Born in Lancaster, Pennsylvania.
Married Theresa in 1977. Four adult children. Seven grandchildren.

I am interested in serving on: (Please rank the committees you are interested in, with 1 being your first choice.)

- Board of Adjustment
- Economic Development Commission
- Parks and Recreation Advisory Board
- Transportation Advisory Committee
- Planning and Zoning Commission
- Other _____

*Note: Some citizen committees might be full at this time; indicated interest does not guarantee an appointment.

Please describe why you would like to serve on this board, committee, commission, etc.

Please describe special knowledge or expertise you have that would benefit the Town.

Please list community, civic, professional, social, cultural or athletic organizations you have been affiliated with and in what capacity.

Are you available for evening meetings? Yes No

Are you available for morning meetings? Yes No

Are you available for lunch meetings? Yes No

Are there days of the week you are NOT available for meetings? (Check all that apply)

- Monday
- Tuesday
- Wednesday
- Thursday
- Friday

I hereby acknowledge that all information provided on this application is subject to disclosure pursuant to the Arizona Public Records Law. I understand that members of boards, commissions, committees and task forces are subject to disclosure of conflicts of interest. I certify that the information contained herein is true and accurate to the best of my knowledge.

Note: Notice of Interest forms will be kept on file for 12 months. After that, they will expire and applicant's will need to submit a new form.

FOR OFFICE USE ONLY

Committee/Commission _____

New Appointment Re-Appointment

Date Appointed/Re-Appointed _____

Term Expiration _____

Date of Resignation (if applicable) _____

David S. Goldman _____

Attachment: Goldman, David NOI (TAC Appointments)



Requesting Department

Finance

TO: HONORABLE MAYOR AND TOWN COUNCIL
THROUGH: JOHN KROSS, ICMA-CM, TOWN MANAGER
FROM: SCOTT MCCARTY, FINANCE DIRECTOR
RE: CONSIDERATION AND POSSIBLE APPROVAL OF 60-DAY NOTICE OF INTENTION TO APPLY COLLECTIONS FEE FOR DELINQUENT ACCOUNTS.
DATE: August 4, 2021

Staff Recommendation:

Staff recommends the approval of the Notice of Intention setting the time (6:30 p.m.) and date (October 6, 2021) for the public hearing to apply a collections fee for delinquent accounts.

Relevant Council Goal(s):



Effective Government: Increase effectiveness and efficiency of government services.

Proposed Motion:

Move to approve the Notice of Intention as presented.

Discussion:

Background

The Town of Queen Creek currently does not contract with a collection agency to provide collection services for accounts greater than 60 days delinquent. However, limited collection efforts are performed by Town staff. To achieve better results and keep costs down for all customers, Town staff is recommending hiring a collection agency to achieve optimal results. Town staff has been in contact with Valley Collection Service. They provide collection services for many of the towns and cities in the Phoenix metro area including Gilbert, Mesa, Scottsdale, Chandler, Tempe, Buckeye, and Goodyear. A cooperative purchase agreement with Valley Collection Services can be initiated through the City of Scottsdale contract.

Prior to suspending water disconnections in 2020 due to the COVID pandemic, the Town's delinquent balance for utility bills increased by \$40,000 annually from 2017-2019. In 2020, the Town's delinquent balance grew by \$55,000, primarily due to suspension of water disconnections. If the Town is unable to collect past due balances after a year, these amounts are subsequently written off. Contracting with a collections agency could help the Town's debt recovery efforts and reduce write offs.

Valley Collection Service charges a 15% collections fee on the delinquent amount they collect.

Agencies have the option to reduce the 15% collections fee from the delinquent amount collected. Or, the 15% collection fee can be added to the amount owed by the debtor. In an effort to try and recoup the full balance owed to the Town, staff recommends applying the 15% collections fee to the debtor's account as discussed with Town Council on July 21st.

In order to apply the 15% collections fee to the debtor's account, the Town must follow a two-step process outlined in state law. One, provide a public notice for 60 days regarding the intent to recover the 15%. Two, after the 60-day notice period, hold a public hearing and amend the Town Code to apply a collections fee. Town staff also recommends incorporating an outstanding accounts receivable policy to the Town Code. The intent is to formalize the Town's collection policy and add the ability to apply a collection fee and recover all costs of litigation and collection on delinquent accounts. A draft ordinance is attached to this staff report adding Article 3-6 Revenue and Finance to the Town Code Chapter 3 Administration.

The Notice of Intention (step 1 of 2) sets the public hearing date as required by ARS § 9-511.01. If approved, a copy of the notice will be published in the newspaper not less than twenty days before the public hearing date as required. In this case, the date for the public hearing is scheduled for October 6, 2021 (step 2 of 2). The delinquent fee can then be applied 30 days after adoption of the ordinance, which would be November 6, 2021.

ARS § 9-511.01 requires projections for water and wastewater utilities indicating anticipated revenues and applicable expenses for the new fee. The third party collection service fee will be a pass-through and is anticipated to be minimal based on estimated collections. For Water and Wastewater, the annual fee is estimated to be \$1,500 based on anticipated collections. A copy of the projections for Water and Wastewater combined is attached to this staff report. Staff anticipates sending approximately four years of unpaid balances to the collection agency totaling approximately \$155,000 following council adoption of the ordinance in October 2021. For FY22, the collection fee is anticipated to be approximately \$5,000 based on estimated collections of \$35,000 which includes unpaid balances for prior years.

Fiscal Impact:

There are no anticipated funding impacts with initiating a third party collection service because this will be a pass-through fee (assuming the staff recommendation is implemented). For Water and Wastewater, the fee estimated to be collected in FY22 and paid to the collection agency is \$5,000 based on anticipated collections. In future years, the fee is estimated to be \$1,500 annually.

Attachment(s):

1. Notice of Intention
2. Cash Flow Projection for Water / Wastewater with Collection Fee
3. Draft Ordinance Related to Initiating Third Party Collection Services

TOWN OF QUEEN CREEK**Notice of Intention**

A public hearing has been set for October 6, 2021 in the Community Chambers, 20727 E. Civic Parkway, Queen Creek, Arizona at 6:30 p.m. for the purpose of receiving public comment on a change in the Town Code to apply a collections fee on delinquent accounts. Information relating to the fee change is available in the Town Clerk's office at 22358 S. Ellsworth Road, Queen Creek, Arizona.

**Water and Wastewater Combined Utility
Cash Flow Projection with Collection Fee**

Operating	FY22	FY23	FY24	FY25	FY26	FY27	FY28
Beginning Balance	\$ 1,387,092	\$ 9,922,045	\$ 16,049,743	\$ 21,985,102	\$ 27,196,754	\$ 33,011,187	\$ 39,010,840
Operating Revenues	\$ 37,342,000	\$ 38,660,791	\$ 40,042,950	\$ 41,461,302	\$ 43,011,678	\$ 44,263,500	\$ 45,587,092
Capacity Revenues	\$ 7,756,039	\$ 6,588,515	\$ 6,340,218	\$ 6,599,081	\$ 6,953,786	\$ 7,206,897	\$ 7,268,498
Other Non-Operating Revenues	\$ 854,000	\$ 876,960	\$ 889,337	\$ 916,017	\$ 943,498	\$ 971,803	\$ 1,000,957
Collection Fee	\$ 5,282	\$ 1,171	\$ 1,206	\$ 1,242	\$ 1,279	\$ 1,317	\$ 1,357
Total Sources	\$ 45,957,322	\$ 46,127,436	\$ 47,273,710	\$ 48,977,642	\$ 50,910,241	\$ 52,443,518	\$ 53,857,903
Operating Expenses	\$ 24,298,547	\$ 26,402,837	\$ 27,572,786	\$ 29,862,677	\$ 31,053,587	\$ 32,287,929	\$ 33,582,322
Collection Service	\$ 5,282	\$ 1,171	\$ 1,206	\$ 1,242	\$ 1,279	\$ 1,317	\$ 1,357
Total Uses	\$ 24,303,830	\$ 26,404,007	\$ 27,573,992	\$ 29,863,919	\$ 31,054,866	\$ 32,289,246	\$ 33,583,679
Net Revenue Available for Debt Service	\$ 21,653,492	\$ 19,723,429	\$ 19,699,718	\$ 19,113,723	\$ 19,855,375	\$ 20,154,272	\$ 20,274,224
Existing Debt Service							
Existing	\$ 4,664,106	\$ 4,658,720	\$ 4,657,500	\$ 4,658,589	\$ 4,655,680	\$ 4,656,669	\$ 4,651,792
Diversified Acquisition	\$ 239,979	\$ 592,021	\$ 592,021	\$ 592,021	\$ 592,021	\$ 592,021	\$ 592,021
New GWECs/Water Resources Debt	\$ 4,525,323	\$ 4,525,323	\$ 4,525,323	\$ 4,525,323	\$ 4,525,323	\$ 4,525,323	\$ 4,525,323
Total Debt Service	\$ 9,429,408	\$ 9,776,064	\$ 9,774,844	\$ 9,775,933	\$ 9,773,024	\$ 9,774,013	\$ 9,769,136
Other Activity Affecting Fund Balance							
ROI Expenses (reduces fund balance)	\$ (3,689,132)	\$ (3,819,667)	\$ (3,989,515)	\$ (4,126,138)	\$ (4,267,918)	\$ (4,380,606)	\$ (4,486,459)
Ending Fund Balance	\$ 9,922,045	\$ 16,049,743	\$ 21,985,102	\$ 27,196,754	\$ 33,011,187	\$ 39,010,840	\$ 45,029,469

Attachment: Cash Flow Projection for Water / Wastewater with Collection Fee (Notice of Intent for Collection Fees)

ORDINANCE NO.

AN ORDINANCE OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF QUEEN CREEK, ARIZONA, ADDING ARTICLE 3-6 REVENUE AND FINANCE TO THE TOWN CODE CHAPTER 3 ADMINISTRATION.

WHEREAS, the Town of Queen Creek, Arizona (the “Town”), serves a growing community; and

WHEREAS, the Town makes reasonable efforts to collect all money owing in compliance with policy and procedure; and

WHEREAS, needed adjustments have been identified in the Town Code.

NOW, THEREFORE, BE IT ORDAINED BY THE MAYOR AND COMMON COUNCIL OF THE TOWN OF QUEEN CREEK, ARIZONA, as follows:

Section 1: The Queen Creek Town Code, Arizona Article 3-6 Revenue and Finance is hereby added to read as follows:

Article 3-6 Revenue and Finance

Section 3-6-1 Outstanding Accounts Receivable

3-6-1.1 Collection.

The Town shall make reasonable attempts to collect all money owing in compliance with Town policy and procedure. The Town reserves the right to assess a late fee for the receivable if payment is not received by the specified date. If such attempts fail and at least 60 days have passed since the original due date, the receivable may be sent to a collection agency or attorney for collection. The Town may apply a collection fee not to exceed 15% of the balance and recover all costs of litigation and collection.

Section 2: If any section, subsection, sentence, clause, phrase or portion of this Ordinance or any part of this additional or modification adopted herein by reference is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions thereof.

Section 3: The Town Clerk is hereby directed to publish this adopting ordinance in full.

PASSED AND ADOPTED by the Mayor and Common Council of the Town of Queen Creek, Arizona, this ... day of 2021.

FOR THE TOWN OF QUEEN CREEK:

ATTESTED TO:

Gail Barney, Mayor

Maria Gonzalez, Town Clerk

REVIEWED BY:

APPROVED AS TO FORM:

John Kross, Town Manager

Dickinson Wright, PLLC
Attorneys for the Town

Attachment: Draft Ordinance Related to Initiating Third Party Collection Services (Notice of Intent for Collection Fees)



Requesting Department

Town Manager

TO: HONORABLE MAYOR AND TOWN COUNCIL

THROUGH: JOHN KROSS, ICMA-CM, TOWN MANAGER

FROM: BRUCE GARDNER, ASSISTANT TOWN MANAGER AND MICHELE BROWN, HUMAN RESOURCES DIVISION MANAGER

RE: CONSIDERATION AND POSSIBLE APPROVAL OF A CONTRACT WITH LOGIC COMPENSATION GROUP IN AN AMOUNT NOT TO EXCEED \$118,000 FOR THE DEVELOPMENT OF AN UPDATED COMPREHENSIVE CLASSIFICATION, COMPENSATION, AND PERFORMANCE MANAGEMENT SYSTEM.

DATE: August 4, 2021

Staff Recommendation:

Consideration and possible approval of a contract with Logic Compensation Group in an amount not to exceed \$118,000 for the development of an updated comprehensive classification, compensation and performance management system.

Relevant Council Goal(s):

Effective

Government

- 1.4 Continue to monitor and update employee benefits strategies and evaluate trends.
1.5 Continue progressive strategies to attract and retain high-performing staff.

Proposed Motion:

Move to approve the contract with Logic Compensation Group in an amount not to exceed \$118,000 for the development of an updated comprehensive classification, compensation, and performance management system.

Discussion:

The Town is challenged to compete in the urban Phoenix metropolitan area by implementing competitive classification, compensation, benefit, and performance management practices. Due to the marketplace and with the uptick in the economy, the Town is competing with other municipalities that are also growing at a rapid rate. The last compensation and classification study was completed by Fox Lawson and Associates and implemented in 2013. The current compensation and classification system was built for a 5-7 year timeframe, understanding that the Town would continue to grow and a new system to be evaluated. Since then, the Town has added staff in a number of areas including the new police department and have implemented a step system in the public safety areas (fire and police). The current classification system is not practical, needs to be updated and a new pay system needs to be identified that meets the current realities of the economy while maintaining the organization's competitiveness for a

quality workforce. The past few months, the Town of Gilbert, Town of Buckeye, City of Scottsdale, and others have completed similar studies as this request.

Additionally, this contract will revamp the Town's performance management system. Aspects of the current system has been in place since 2004. With the creation of public safety and utility departments since then, it is time to implement a new evaluation system to match the needs of the organization and individual departments.

Since 2013, the Human Resources Division has conducted two separate market reviews to evaluate whether the Town's compensation practices remain competitive. A market review, though, differs from a comprehensive classification and compensation study. A market review is limited in its scope and utilizes data on current established salary ranges. In contrast, the recommended comprehensive classification and compensation review is a significantly more exhaustive process and accomplishes the following:

1. Ensures proper job descriptions are in place (based on in-depth position description questionnaires with employees, supervisors, and occupational panels to gather job content);
2. Ensures an appropriate hierarchy of jobs is established based on the current employee population and future growth trends, which provides for a reasonable supervisory scope and promotional opportunities for the employees;
3. Ensures pay philosophies are established, updated and approved by the Town Manager and Council and in which future market reviews will be based to ensure market competitiveness within the labor market; and,
4. A new pay structure is developed, with established salary ranges including the manner in which employees move through the ranges, such as merit increases, bonuses, and reclassification increases.
5. The classification and compensation study results should also work in conjunction with a newly established performance management process, to partner together as effective tools in identifying effective employee performance.

Classification and compensation studies are normally completed by a third-party contractor which conducts unbiased and comprehensive job evaluations, while market reviews are completed in-house based on the philosophies established by the Council through the study. Evaluating the current and future needs of the organization in regards to classifications, the third-party contractor utilizes a reliable job evaluation system to judge the relative importance of a job to the organization in a consistent, fair, and legal process. An effective compensation and classification plan will be able to:

- Provide the Town a template to ensure that salaries are based on the ***importance and value of each classification to the organization***;
- ***Assist in attracting a high-performing workforce*** and be used as a recruitment tool to fill positions ***as efficiently*** as possible;
- ***Improve employee retention*** through offering competitive salaries based on current market conditions, ***align*** the employee's job structure with critical needs to be performed (***job***

enlargement), and *motivate* employees to develop desired skills and by *rewarding performance*; and,

- **Create a flexible and compensation and classification plan** that changes with the Town's dynamic needs due to internal and external forces without having to completely and immediately redesign the plan to meet those needs.

In order to maintain continuity with the current classification system and performance evaluation system, Human Resources is recommending contracting with Logic Compensation Group to develop an updated job classification and compensation plan. Lori Messer, Managing Director of Logic Compensation Group, was involved in the 2013 Fox Lawson study. As a result, using Logic Compensation Group will save approximately 35-45% of the cost, plus ensure some continuity with the current system. Additionally, staff's current knowledge of a similar system will ensure the process is more efficient and will not require any additional learning curve.

Fiscal Impact:

The Town Manager FY 21/22 approved budget for the study was estimated to be \$200,000, which was recommended based on estimates of what other municipalities were contracting at the time in preparation for the budget. However, as previously discussed, the Town was able to receive deep discounts due to Logic Compensation Group's prior work and knowledge of the Town's systems. As such, the fiscal impact for the study will be \$118,000.

The completion date goal is January 2022, with a possible month extension, so that Council will have an opportunity to evaluate the results and determine whether to implement any recommended salary changes and pay philosophies for the current or following budget year(s).

Alternatives:

Postpone the comprehensive classification and compensation study to a future fiscal year.

Request for current Human Resources Division staff to complete the comprehensive study utilizing the Fox Lawson and Associates procedures implemented in 2013. Limitations to this alternative are the limited availability of time for staff to focus on the study, the perceived bias of having internal staff in conducting such a study, and the significant changes to Town staffing as previously discussed that were not considered or part of the original Fox Lawson and Associates study.

Attachment(s):

1. Logic Compensation Group Classification, Compensation and Performance Management Study proposal (July 14, 2021)



Classification, Compensation & Performance Management Study

Prepared for the Town of Queen Creek
Arizona

July 14, 2021

Submitted By:

Lori Messer, MA, CCP
Managing Director
Logic Compensation Group
112 E. Palmcroft Drive
Tempe, AZ 85282
Phone: 480.431.4702
Email:
Lori.Messer@LogicCompGroup.com

Attachment: Logic Compensation Group Classification, Compensation and Performance Management Study proposal (July 14, 2021) (Contract

TABLE OF CONTENTS

History 3

Statement of Qualifications 4

Proposed Project Members 4

Proposed Methodology 7

 Project Methodology..... 9

 Town Assistance 10

 Project Process and Work Plan 11

 Phase 1: Study Initiation and Philosophy Development 11

 Phase 2: Classification Study 12

 Phase 3: Job Evaluation Study 13

 Phase 4: Compensation & Benefits Study 14

 Phase 5: Performance Management Study 15

 Phase 6: Study Recommendations & Report 16

 Phase 7: Program Maintenance & Client Support 16

Time Schedule 17

Price Proposal 19

Project Lists and References 20

 Project List 20

 References 21

Conclusion 22

Attachment: Logic Compensation Group Classification, Compensation and Performance Management Study proposal (July 14, 2021) (Contract

July 14, 2021

Mr. Bruce Gardner
Assistant Town Manager
Town of Queen Creek
22358 South Ellsworth Road
Queen Creek, AZ 85142

RE: Classification, Compensation and Performance Management Study

Dear Bruce:

Logic Compensation Group (LCG) is pleased to submit our proposal to the Town of Queen Creek (the Town) to conduct a compensation and classification study encompassing approximately 325 full-time and 25 part-time seasonal positions in 165 job titles. Additionally, the Town is looking to update the performance management system, utilizing the existing NeoGov Perform software, ensuring appropriate integration with the compensation and classification system. This seven-phase study will develop systems that will assist the Town in recruiting, developing and engaging the talent required to meet the Town's mission, vision and goals.

Logic Compensation Group is a client-focused, boutique consulting firm offering our clients the advantages of flexible, responsive, and highly tailored strategies and solutions in the areas of classification and total rewards. Our practice approach provides high-contact service and cost-effective solutions for small and mid-sized public sector organizations. Our consulting team has significant experience performing similar studies in the state of Arizona.

Logic Compensation Group:

- Has over 125 years of combined experience as compensation consultants to and managers of public sector organizations.
- Has a low overhead model providing cost savings that are passed directly to our clients.
- Has the resources and experience of the big firms but remains flexible and responsive to our clients' needs. LCG is mindful that each client deserves considerable attention, their own approach, and tailored solutions.
- Our senior staff responsible for managing client engagements have, at a minimum, a master's degree and more than 20 years of human resources, classification, compensation, and public sector experience. These team members have also worked together for several years at another national consulting practice.

- Makes a commitment to our clients to limit the number of studies we undertake simultaneously to ensure focus on and timely response to their needs.

With decades of experience, the Logic Compensation Group team is highly qualified to assist the Town in conducting this important study. LCG appreciates the opportunity to submit this proposal and would consider it a privilege to serve the Town. I will be the primary contact for the proposal discussion and am responsible for negotiating all terms and conditions with the Town. Our proposal is valid for a minimum of 90 days.

Should you need additional information regarding this proposal, please contact me directly at (480) 431-4702 or Lori.Messer@LogicCompGroup.com.

Respectfully,

LOGIC COMPENSATION GROUP, LLC



Lori Messer, MA, CCP
Managing Director

History

LCG was formed to bridge the disconnect between the revenue and volume objectives of a large consulting firm and the personalized attention and solution needs of public sector clients. LCG is committed to providing high-touch and cost-effective services that are customized based on the needs of our clients while limiting the number of studies we are engaged in simultaneously so we can focus on client needs, quality of work and successful study implementation. Our processes are highly collaborative and designed to educate and involve all stakeholders, increasing the likelihood of a successful study and positive implementation experience.

LCG is staffed by five (5) senior level total rewards professionals, each with over twenty (20) years of experience performing compensation studies, classification studies, job evaluation and performance management studies. Members of the team have previous ownership of other consulting businesses and hands-on practitioner and leadership experience working in public and private sector organizations.

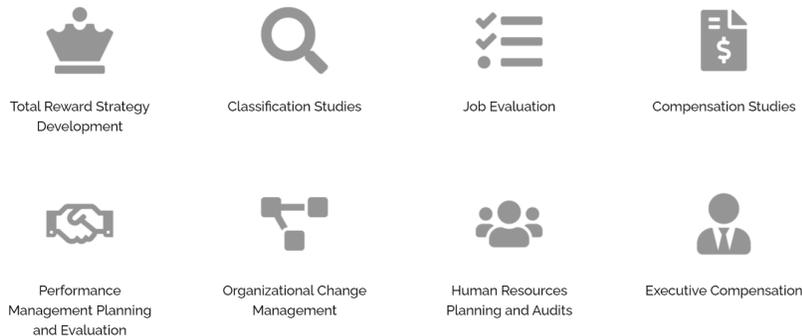
Prior to the formation of Logic Compensation Group, the team worked together for a Fortune 500 consulting firm for seven (7) years in a regional office of a Fortune 500 public sector human resources consulting firm that focused on the conduct of classification and compensation studies. Our team has performed compensation, classification and performance management studies for public sector organizations ranging from 3 employees to over 10,000 employees.

We have offices in Tempe, Arizona and Marion, Iowa each staffed by a Managing Director or Principal Consultant. Our contact information is as follows:

ARIZONA	IOWA
112 E. Palmcroft Drive Tempe, AZ 85282 Phone: (480) 431-4702 Managing Director: Lori Messer, MA, CCP Lori.Messer@LogicCompGroup.com	4395 Flagstick Drive Marion, Iowa 52302 Phone: (319) 377-3771 or (303) 916-9180 Principal Consultant: Annette Hoefler, MBA, CCP Annette.Hoefler@LogicCompGroup.com
FEIN Number: 84-2864177 URL: https://logiccompgroup.com Firm Certifications: Small Business Enterprise (Arizona) Disadvantaged Business Enterprise (Arizona)	

Statement of Qualifications

Our business model, knowledge base and expertise are focused on the public sector. With extensive public sector and human resources experience, and a team with collective experience of over 100 years, our firm can offer our clients a variety of core and value-added services, including:



Proposed Project Members

The LCG team includes senior level total rewards professionals, all with over 20 years of experience in public and private sector compensation and classification. Our senior staff have worked together as colleagues over ten (10) years. Our consultants are members of *WorldatWork*, *ICMA*, and/or *IPMA* ensuring that we remain up to date on the latest classification and compensation trends and best practices.

Each project is managed by either our Managing Director or Principal Consultant who each have over 25 years of providing direct service to public sector clients and have a direct line of sight to all deliverables within a project. Our consultants not only manage studies but also perform technical work, such as writing job descriptions, interviewing employees and managers, following up on survey responses, analyzing pay and benefits data and making executive presentations. Because of our hands-on approach, all consultants at each level maintain and continue to upgrade their technical skills in the delivery of client work.

Each deliverable is reviewed by multiple LCG consultants to ensure that the best work product is provided to our clients. Our process also ensures that during each phase of the study, results are shared with our clients through frequent and regularly scheduled meetings and presentation and discussion of each deliverable. We ensure our clients understand, evaluate and approve study phase outcomes before moving on to the next step. Our business model is based on exceeding client expectations and promoting long term relationships. Several of our

clients have utilized our consultants' services for a decade and longer. The Town's consulting team includes:

LORI MESSER, MA, CCP – Managing Director

Study Responsibilities: Lori is the Managing Director of the firm. During the Town's study, Lori will be responsible for overall study management, the performance management phase, and oversight of all study deliverables. Her additional responsibilities include providing quality assurance in classification and compensation technical work.

Professional Background: Lori has over 30 years of compensation experience as a consultant and practitioner. Lori has worked with a variety of public and private sector organizations, including states, cities, counties, school districts, colleges and universities, and special districts. Immediately prior to starting the firm, Lori spent seven years working as a Senior Consultant, and subsequently, as the west coast office Principal Consultant for Gallagher Benefit Services' Human Resources and Compensation Consulting public sector practice. Prior to this, Lori held a variety of consultative human resources and compensation positions in high tech, distribution, healthcare, and local government organizations.

Lori has a bachelor's degree in business administration from Arizona State University and a master's degree in education from the University of Phoenix. She is also a member of *WorldatWork* and has earned her CCP certification. Lori also serves on the Merit Board for the City of Tempe, Arizona.

ANNETTE HOEFER, MBA, CCP – Principal Consultant

Study Responsibilities: Annette is a Principal Consultant of the firm. During the Town's study, Annette will be an additional primary contact to the Town for the study as well as providing direct service in the provision of the classification and compensation technical work.

Professional Background: Annette has spent over 25 years performing classification and compensation studies for the public sector as a Senior Consultant with Lee & Burgess Associates, Fox Lawson & Associates and Gallagher Benefit Services' Human Resources and Compensation Consulting public sector practice. Clients include cities, counties, states, and special districts such as utility and transit organizations. She has also occupied human resources positions in the healthcare, energy, and insurance industries as a compensation specialist.

Annette has a bachelor's and master's degree in business administration from the University of Iowa. She has earned her CCP certification. She has previously served as a board member for the Rocky Mountain Compensation Association.

NICHOLE ARKO, MBA, CCP – Senior Consultant

Study Responsibilities: Nichole will provide primary support for all phases of the Town's study with primary emphasis on the compensation phase.

Professional Background: Nichole has 20 years of comprehensive human resources and compensation experience in the public and private sector. She was a former Consultant at Gallagher Benefit Services' Human Resources and Compensation Consulting public sector practice. Nichole has worked with a variety of public and private sector organizations, including cities, counties, museums, and colleges. Prior to joining the firm, Nichole spent time in a variety of consultative compensation positions in healthcare, environmental services, and manufacturing organizations.

Nichole has a bachelor's degree in marketing from Arizona State University and a master's degree in business administration from the same institution. She is also a member of the Arizona Total Rewards Association and *WorldatWork*. She holds a CCP certification.

BRUCE G. LAWSON, MPA, CCP, IPMA-SCP – Technical Advisor

Study Responsibilities: Bruce is a Technical Advisor to the firm, providing technical direction and quality assurance on client studies.

Professional Background: Bruce has directed and performed classification and compensation studies for more than 35 years both domestically and internationally. Bruce was a founder and Managing Partner with Fox Lawson & Associates LLC. Prior to forming Fox Lawson, he spent 15 years with the firm of Ernst & Young LLP where he served as the National Director of their public sector compensation consulting practice. Bruce was a past National Managing Director for Gallagher Benefit Services' Human Resources and Compensation Consulting public sector practice. He also served as City Manager in two California cities (Los Altos Hills and Belvedere), was the County Administrative Officer in Multnomah County (Portland) Oregon, Assistant City Manager/Personnel Director in Corvallis, Oregon, and Assistant to the City Administrator/Personnel Director in Placentia, CA. Bruce served on the City of Phoenix's (AZ) Public Safety Employees Retirement Board for 12 years.

Bruce has a master's degree in public administration from California State University at Fullerton, is a.b.d. in public administration from Golden Gate University in San Francisco and has earned his CCP certification from *WorldatWork*. He is also an active member of several professional associations including the College & University Professional Association for Human Resources, the International City & County Management Association, the International Public Management Association for Human Resources, the Society for Human Resources Management and *WorldatWork*.

SANDY SPELLMAN, MBA – Technical Advisor

Study Responsibilities: Sandy provides technical review on classification, performance management and communications activities.

Professional Background: Sandy has over 30 years of comprehensive consulting experience with public sector organizations. She has conducted studies for over 15 years and specializes in the areas of classification, communications, human resource strategy and process, performance management and employee and management focus group meetings. Sandy has worked with various types of organizations including states, cities, counties, colleges and universities, and the federal government. Prior to joining the firm, Sandy was a Senior Consultant at Gallagher Benefit Services' Human Resources and Compensation Consulting public sector practice. Prior to Gallagher, she spent 18 years with Ernst & Young's consulting practices where she was responsible for client and internal change management, communications, and training strategies. She has also held state executive and legislative positions addressing a wide range of human resource and related issues.

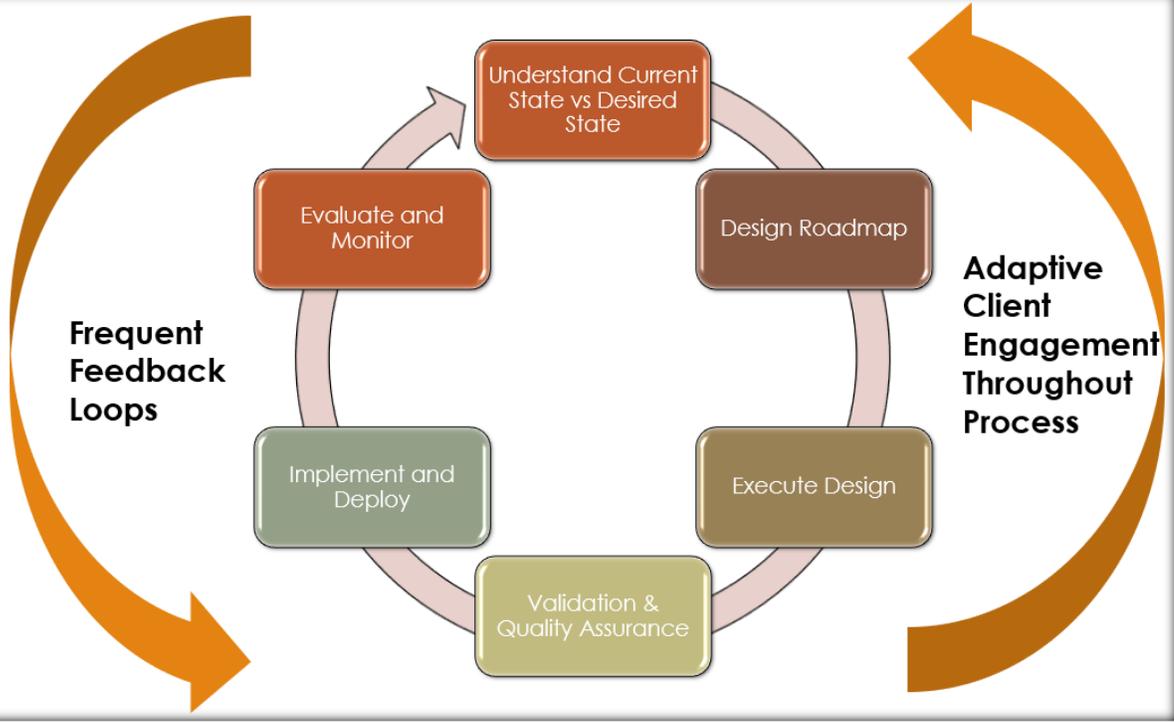
Sandy has a bachelor's degree in Sociology/Political Science from Arizona State University and a master's degree in Public Administration with an emphasis in Organizational Development from the same institution. She is a member of several professional associations, including the College & University Professional Association for Human Resources and International Public Management Association for Human Resources.

Proposed Methodology

The conduct of a comprehensive classification, compensation and performance management study requires an experienced partner with the expertise to identify, implement and strategically guide the entire spectrum of options. Specifically, you need programs that allow you to recruit, retain and reward the best employees, while carefully managing your cost structure.

Our execution strategy incorporates proven methodologies, extremely qualified personnel, and a highly responsive approach to managing deliverables. We fully understand that as we move through the process, there may be situations in which we need to adjust based on information we obtain throughout each phase of the study. Therefore, we have developed a thoughtful process which is designed to facilitate a successful outcome. Our agile project management approach, summarized on the following page, entails processes that incorporates an adaptive approach and frequent feedback loops to achieve the Town's desired outcomes.

AGILE PROJECT MANAGEMENT APPROACH



Attachment: Logic Compensation Group Classification, Compensation and Performance Management Study proposal (July 14, 2021) (Contract

Project Methodology

Our significant experience has resulted in a comprehensive understanding of the jobs under study and best practices employed by many organizations throughout the country. Some key factors that we have found to be instrumental in the success of a project of this nature include:

- **Employee Involvement.** The study should be introduced to employees so they know what will happen and can ask questions. We suggest summarizing the study findings at the end of the project so employees can understand the results. Communication updates throughout the process will go a long way toward acceptance of the results. We believe that if employees know how and why they are compensated, they will accept compensation practices more readily than if the system was created without their involvement.
- **Leadership Sponsorship.** Updating classification, compensation and performance management systems requires strong and visible support of an organization's management and governance. We will meet with your leadership team at regular intervals throughout the project to ensure clear understanding and open communications throughout the entire study. This goes a long way in obtaining leadership support which is critical to the success of the project.
- **Internal Equity.** While market parity is important, most employees want to make sure that they are paid fairly in relation to other employees.
- **Project Timing.** Doing it right allowing time for understanding and acceptance produces a better study outcome than trying to meet unrealistic deadlines.
- **Data/Exceptions.** Rely on data, but make decisions based on your organization. It has been our philosophy that the results and recommendations should be based on verifiable, auditable and valid data and professional standards. Once the basic structure is in place, an organization should be open for adjustment as there may need to be updates for special conditions or other factors that were not anticipated.
- **Communication.** These systems need to be simple, straightforward and transparent and require consistent and long-term education of managers and employees to ensure understanding and acceptance.

- **Pay Compression.** Attention needs to be paid to implementation costs when employees are placed in the pay ranges and the potential for creating or increasing pay compression. Organizations should be aware of how their actions contribute to pay compression and understand that pay administration practices may need to be adjusted.

Town Assistance

During this project, we are mentors to the Town and provide work products that fit your needs. In order to successfully complete this project, we anticipate reasonable support from the Town in the following areas, in general:

- ❖ Provision of accurate and timely information to the study. We trust that data provided by the Town is current and accurate.
- ❖ Collection of any classification and compensation information, job descriptions, performance management tools, and related material.
- ❖ Discussion of the Town's current systems.
- ❖ The Town's timely completion of all survey documents as if a participant.
- ❖ Review and approval of consultant deliverables/recommendations, draft reports and other deliverables in timely fashion providing consolidated written feedback.
- ❖ Scheduling of meetings with Town staff.
- ❖ Access to employees and their supervisors if needed.
- ❖ Provision of Town developed communication materials to LCG for review in advance of distribution.
- ❖ Attendance at biweekly study team meetings.

Based on our understanding of your needs, we have prepared a detailed summary of the phases of work we believe addresses your stated issues. The work plan follows on the subsequent pages.

Project Process and Work Plan

Phase 1: Study Initiation and Philosophy Development

LCG will conduct activities that will establish the process and objectives for an on-time, on budget and successful study. LCG will meet with the Town's project team to initiate the study process by discussing the Town's current classification, compensation and performance management needs, issues and goals in addition to conducting a review of classification and compensation documents. Utilizing the information gained from these interviews and document reviews, LCG will collaborate with the Town's study team and develop an updated or new classification and compensation philosophy document that will provide a roadmap for the study and the update of the applicable systems. We will also initiate bi-weekly meetings by video or conference call with the Town's project manager and/or team to inform on study progress and address any concerns.

Our general approach, which is consistent with best practices for the success of a study of this nature, is to start by defining an overall compensation philosophy and associated strategies with our clients. This statement helps to define the comparative market, where in relation to the market the client wants to position itself (e.g., average, lead, lag), the strengths and weaknesses of the current systems, and any other relevant information that would be beneficial as we embark on the study. Once this strategy is defined, it is then possible to establish a compensation system that ensures employees are paid equitably in relation to other jobs in the organization and relative to the market.

Activities and Deliverables

Organization, classification, compensation, job description and performance management materials collected and reviewed.

Initial meetings conducted with management, HR, and other Town staff as appropriate to address current issues related to compensation, pay practices, performance management, policies, philosophies, and strategies.

Meetings with department directors to gain an understanding of specific departmental needs and challenges

Discussion on the Town's current process for establishing internal equity across positions within the organization.

Project timetable refined.

Communication plan developed.

Discussion of comparable organizations to survey.

Pay strategy clarified and defined.

Employee meetings to introduce them to the study and walk them through the Position Description Questionnaire (PDQ).

Phase 2: Classification Study

Classification is the process of understanding, verifying, and describing the nature and level of work of each job in the organization. We begin with a review of existing classification structures and job descriptions. During Phase 1 we will identify the Town's desired outcome of the classification study (e.g., broad classifications, narrowly defined classifications). Also, during Phase 1, we will orient employees to the Position Description Questionnaire and educate them on the proper completion of the questionnaire in order to ensure we receive the information to assess the types and levels of work being performed at the Town.

Following LCG's review of the completed PDQs, LCG will facilitate employee focus groups to clarify information obtained from the PDQs and ensure understanding of all positions within the Town. Classification updates will be recommended to the Town that may combine like or similar jobs, add or eliminate job titles, and/or create career ladders within job families which will align with the Town's organization and strategy.

Activities and Deliverables

LCG will review existing job descriptions, employee completed PDQs, and other available classification information.

Meetings with employees regarding the PDQ process to explain the how to complete the form (performed in Phase 1). The Town will collect the PDQs and forward on to LCG.

As scheduled by Town, LCG will conduct focus group interviews of employees by job family to obtain input regarding the type and level of work performed by employees.

Development of a recommended classification structure, incorporating standardized job titling and appropriate FLSA designations, that defines career ladders by job family.

Meetings with department directors to discuss and review recommendations regarding the classification structure.

Finalized classification structure and crosswalk provided to the Town.

Classification structure finalized.

Allocation recommendations of employees based on information gained from PDQs, focus groups, and meetings with department directors. The Town to administer the internal review process and provide feedback to LCG. Allocations finalized.

Provide Town with recommendations on policy and procedure issues associated with reclassification methodologies, maintenance processes and related administrative issues.

Development and approval of the job description format appropriate to electronic maintenance in draft form. The Town to administer the internal review process and provide feedback to LCG with one set of revisions (priced according to the number of job descriptions).

Development of a reconsideration process for employees who believe they have been improperly allocated to a classification that incorporates reviews by the Town and LCG; LCG to present written recommendations on appeals submitted to the Town; the Town designee will make the final decision in the process.

Phase 3: Job Evaluation Study

During this phase, LCG will discuss options for managing internal alignment among its jobs, otherwise known as job evaluation. LCG utilizes four options for the organization's consideration. LCG will apply the selected job evaluation system that establishes the internal hierarchy of jobs relative to each other within your organization. LCG will apply the selected method to recommended and approved job classifications. The results of job evaluation will be coordinated with the market data obtained in Phase 4 to develop a new or updated pay plan.

Activities and Deliverables

LCG will present available job evaluation methodologies to the Town.

LCG will apply the selected job evaluation system to recommended and approved job classifications, which will establish the internal hierarchy of jobs.

Meetings with the study team and department directors to discuss and review job evaluation recommendations.

Finalized job evaluations results provided to the Town.

Training scheduled and conducted for HR as appropriate in the use of the new job evaluation system.

Phase 4: Compensation & Benefits Study

This phase will assess how the Town's compensation and benefits program compares to the relevant labor market. Through the survey process, data is collected and analyzed to develop the Town's updated pay system and make benefit recommendations. LCG will collaborate with the Town to identify comparator organizations. At this point, the Town is anticipating sixteen (16) organizations for survey and we will discuss with the Town and appropriate number to ensure sufficient data is collected in which to draw conclusions.

A survey document is developed to collect the appropriate pay and benefits data. LCG will ensure that data received is accurate and a competitive analysis is conducted. An updated pay plan will be developed based on data collected and an analysis of internal relationships of the Town's jobs. Recommendations for benefit program improvements will also be provided. LCG will provide up to three (3) implementation strategies and discuss with the Town how it can transition from the existing system to the updated system. Considerations will be given to budget constraints and current personnel practices.

Activities and Deliverables

LCG will partner with the Town to select organizations to survey within the Town's defined labor market. When determining organizations to include in the survey, major considerations are size, geographic location, recruitment and retention markets, and other relevant factors.

LCG will recommend benchmark jobs to be surveyed and coordinate any modifications to the benchmark list with the Town.

Survey specifications detailing the survey and data collection process are provided by LCG and approved by the Town.

A customized survey document is developed to collect comparable pay and benefits data from the Town's specific labor market organizations.

The survey document is distributed by email and LCG consultants' follow-up with surveyed organizations to encourage participation, answer questions, and ensure data quality.

Survey data is reviewed and analyzed according to survey specifications determined in partnership with the Town. Time and location adjustments are considered and applied to the data as appropriate to ensure that the data are reflective of the Town's labor market, economic conditions, and plan implementation date.

LCG conducts an analysis to determine the competitive position of the Town's pay and benefits levels in relationship to the market.

The results of the market survey and classification recommendations are coordinated to develop or update pay structure options in alignment with the Town's philosophy.

Recommendations for updates to the Town's benefits offerings are made by LCG.

Transition from the existing to the updated system is discussed with the Town. Considerations will be given to budget constraints and current personnel practices. The estimated cost for up to three (3) transition options will be developed and analyzed

Phase 5: Performance Management Study

In addition to the review and revision of the classification and compensation systems, the Town wants to ensure that performance management is aligned with the Town's culture, values and organizational strategies. The effective management of human talent can lead to increased organizational performance. We will review your current performance management system, tools and practices, identifying those aspects that are effective, areas that need to be revised, how employee performance contributes to Town objectives, and key performance indicators.

The recommended approach involves a process of meetings with the Town's study team to ensure a clear understanding of the objectives of the performance management system in order to improve the effectiveness of performance management and the link to pay for the Town. Once objectives are identified, a variety of steps will follow to ensure a performance management system that is tailored to the needs of the Town. New or updated performance management tools and documents, training of employees, and a process will result.

Activities and Deliverables

- Review the strengths and weaknesses of the Town's current performance management system (will be addressed in Phase 1).
- Confirmed or updated philosophies and strategies regarding performance management and performance pay (will be addressed in Phase 1).
- Examination of the City's current system, methodologies, performance metrics, and related information.
- Develop/update performance management metrics and procedures to ensure they support the Town's goals and objectives.
- Develop processes and policies to support the linkage of performance management results and pay.
- Develop training materials to be presented to managers, supervisors and employees regarding processes, roles and responsibilities related to the performance management process.

Phase 6: Study Recommendations & Report

LCG will be communicating the results of each phase, along with our recommendations, at key milestones and critical junctures during the project with the Town's Project Team. Throughout the project, draft reports for each phase of the project will be prepared and delivered to the Town.

Because LCG consultants will be providing in-depth explanation and approved deliverables throughout the process, the final report will be a culmination of the comprehensive results of all study activities. At the conclusion of the study, a draft report is prepared and presented by LCG that combines all prior phase reports into a consolidated document detailing the study's processes, methodologies, findings and recommendations. Based on discussions with the Town, the report will be finalized. The final report will be presented by LCG consultants that have been involved in the study each step of the way if requested by the Town.

Activities

LCG develops draft reports for each Phase and leads discussions of each draft with the Town's study team. LCG develops a draft report for all phases and leads a discussion of the draft with the study team.

A subsequent final report outlining all processes, methodologies, findings, and recommendations of the study is presented to the Town.

LCG presents the report to the Town and leads the discussion with stakeholders concerning the recommendations.

LCG will provide training to the Town's Human Resources staff on the use, administration and maintenance of the approved classification, compensation and performance management systems.

Phase 7: Program Maintenance & Client Support

Change management is a process and goes beyond the initial study. Because our business model is focused on the quality of client relationships and systems, LCG intends to be a resource for our clients long after completion of the immediate study. Within our proposed study timeline, LCG accounts for the on-going program implementation and maintenance process by incorporating complimentary follow-up meetings with the Town at 3, 6, 9 and 12 months following the completion of our work.

Activities and Deliverables

LCG continues to assist the Town by conducting complimentary follow-up meetings with the Town at 3, 6, 9 and 12-months following study implementation. These meetings are critical in ensuring that the systems are meeting your needs.

LCG can provide additional guidance for any unanticipated issues or concerns that may have arisen following the completion of the study.

Time Schedule

Logic Compensation Group takes pride in meeting established timelines. If timelines are within our control, our clients can be assured that LCG will deliver results on-time.

Our firm considers senior management, human resources and employee engagement essential to project success. We confirm with key stakeholders, a communications approach to ensure staff are apprised of all project activities and we provide periodic status updates on study progress throughout the engagement. In addition, we provide training to ensure staff knowledge of and the ability to manage adopted classification and compensation systems. During and after projects, we serve as mentors to HR staff and provide work products that fit client needs.

We are prepared to commence the work immediately upon receiving your authorization to proceed. In today's world, speed is very important. However, given the significance of this project, it is just as important for the Town to have sufficient time to review and approve the recommendations of LCG and to ensure proper communications occur.

LCG has prepared an estimate of the time required to complete each phase by month. We will discuss the details of each phase during Phase 1 and identify specific deadlines for the project at that time. Our project management partnership approach ensures that the Town is aware of all documentation and time required to ensure that collectively we meet our agreed upon project deadlines. We will conduct regular project status updates in a manner that is acceptable to the Town.

Following the meetings with Town staff during Phase 1, LCG will prepare and provide the Town with a detailed timeline that provides a comprehensive outline of all major milestones, associated tasks and key dates.

In order to meet the Town's desired timeframe of completion, Phases 2, 3 and 4 will be performed simultaneously to meet timeframes of the budget process. Phase 5 will begin near the completion of Phases 2, 3 and 4. A high-level overview of the study's timeline by phase is as follows:

Phase	Months ¹					
	1	2	3	4	5	2022
1. Study Initiation & Philosophy Development						
2. Classification Study				Write Job Descriptions	Write Job Descriptions	
3. Job Evaluation Study						
4. Compensation & Benefits Study						
5. Performance Management Study ²						
6. Study Recommendations & Report						
7. Program Maintenance & Client Support						

¹Timeline will be finalized in collaboration with the Town during Phase 1 of the study.

²Depending on the needs of the Town, training for managers and employees on the approved Performance Management system may occur at a later date than indicated in the proposed timeline.

Price Proposal

LCG's fees to conduct the study will not exceed **\$118,000** and includes a minimum of 13 days on-site for meetings, as outlined in the project work plan. LCG can provide activity and fee alternatives to assist the organization in meeting its financial objectives if the Town requires a reduced scope and cost. Logic Compensation Group bills monthly based on work completed.

Phase	Days On-Site	Fees
1. Study Initiation & Philosophy Development	3	\$9,500
2. Classification Study	4	\$42,500 ^{1,2}
3. Job Evaluation Study	1	\$10,000
4. Compensation & Benefits Study	0	\$25,000
5. Performance Management Study	3	\$18,500
6. Study Recommendations & Report	2	\$12,500
7. Program Maintenance & Client Support	0	Complimentary
Fee Estimate		\$118,000

¹The classification study fees include writing up to 150 job descriptions. In the event more than 150 job descriptions result from the study, additional fees of \$200 per job description written would be incurred.

²Classification study fees include up to 10 employee classification appeals.

For work beyond that specified in this proposal, additional fees and out of pocket expenses will be involved. We are available for discussion if the Town requests services beyond the stated scope. We guarantee our rates, shown below, for a minimum of one (1) year following completion of the Town's study.

Level	Rate
Managing Director	\$325
Principal Consultant	\$300
Technical Advisor	\$300
Senior Consultant	\$225

Project Lists and References

Project List

The LCG team has had extensive experience working with a variety of clients in Arizona and across the country in the conduct of compensation and classification studies. A sampling of organizations include:

Sampling of Current and Former Arizona Clients	
Adelante Healthcare ¹	KE&G Construction, Inc. ¹
AK Chin Indian Community	KinetX ¹
City of Buckeye ¹	Maricopa Community College ¹
City of El Mirage	Northern Arizona Regional Behavioral Health Authority ¹
City of Litchfield Park ¹	Pascua Yaqui Tribe ¹
City of Surprise ¹	Phoenix Art Museum
City of Tolleson	Phoenix Mesa Gateway District Authority ¹
City of Litchfield Park ¹	Town of Paradise Valley ¹
Family Healthreach ¹	Town of Queen Creek ¹
Fender Musical Instruments ¹	Mesa Public Schools ¹
Creighton School District ¹	Scottsdale Unified School District ¹
Dysart Unified School District ¹	Tempe Elementary School District
Kyrene School District ¹	
Sampling of Other Public Sector Clients	
City of Angleton TX	City of Pittsburg KS
City of Deer Park TX	City of Tonganoxie KS
City of Richmond TX	City of Frisco CO
City of Sugar Land TX ¹	City of Ridgway CO
City of Bellaire TX ¹	Port of Tacoma WA
City of Webster TX ¹	Community Transit WA
City of West University Place TX ¹	City of La Quinta CA
Summit County CO	Gunnison County CO
La Plata County CO	Linn County IA
Dallas Police & Fire Pension Fund TX	Austin Firefighter Relief & Retirement System TX

¹Members of the LCG team served as Project Director and/or Project Manager for these organizations while employed with another consulting firm.

References

REFERENCE #1

Client Organization: City of Tolleson, AZ

Client Contact: Ms. Wendy Jackson, Employee Resources Director, (623) 936-2703

Client Email: Wendy.Jackson@tolleson.az.org

Years of Service: 2013 to Present

Summary: LCG's study team has worked on multiple engagements with the City, dating back to 2013. LCG recently completed a comprehensive classification, job evaluation and compensation study covering approximately 215 employees across all departments in this full-service City. Due to the pandemic, this study was conducted remotely with all meetings, interviews and focus groups conducted by video and conference calls with success and cost savings for the client.

REFERENCE #2

Client Organization: City of El Mirage, AZ

Client Contact: Ms. Dawn Kurek, Human Resources Director, (623)876-2945

Client Email: dkurek@elmirage.gov

Years of Service: 2013 to Present

Summary: LCG's study team has worked on multiple engagements with the City, dating back to 2013. LCG recently concluded a comprehensive classification, job evaluation, and compensation study covering approximately 190 employees in 75 job classifications across all departments in this full-service City.

REFERENCE #3

Client Organization: Creighton Elementary School District, AZ

Client Contact: Dr. Susan Lugo, Human Resources Director, (480) 543-8063

Client Email: slugo@creightonschools.org

Years of Service: 2019

Summary: Bruce served as Project Director and Lori served as Project Manager for the District's comprehensive classification and compensation study that encompassed approximately 1,000 employees in 83 job classifications covering certified, classified and administrative staff in 12 separate salary structures and various work calendars. Lori departed her prior firm and Bruce completed the management of the District's study.

Reference #4:

Client Organization: La Plata County, CO

Client Contact: Kelli Ganevsky, Human Resources Director, (970) 382-6362

Client Email: kelli.ganevsky@co.laplata.co.us

Years of Service: 2013 to Present

Summary: Since 2013, a county-wide compensation study is conducted every three years which provides for updates to the County's classification and pay structures. Annette also assists the County with individual job market studies, internal equity reviews and other special classification and compensation projects. We recently completed a study for the District Attorney's Office.

Conclusion

The Logic Compensation Group team is comprised of senior-level, highly-skilled classification and compensation professionals. Our focus, mission and expertise are centered on public sector organizations like yours. LCG offers a level of client interaction, familiarity and value-added services rarely found in larger firms. LCG is pleased to be considered as your compensation and classification resource for this study and years to come.

Thank you for this opportunity to present our services. We look forward to hearing from you soon.



Requesting Department

Public Works

TO: HONORABLE MAYOR AND TOWN COUNCIL

THROUGH: JOHN KROSS, ICMA-CM, TOWN MANAGER

FROM: TROY WHITE, PUBLIC WORKS DIRECTOR

RE: CONSIDERATION AND POSSIBLE APPROVAL OF DELEGATION RESOLUTION 1418-21 AUTHORIZING AND DIRECTING THE TOWN MANAGER AND/OR DEPARTMENT DIRECTOR TO TAKE ANY AND ALL ACTION NECESSARY; AND TO SIGN ANY AND ALL DOCUMENTS, CONTRACTS, AND/OR AGREEMENTS RELATED TO CONSTRUCTION AND COMPLETION OF THE SONOQUI WASH TRAIL (CIP PROJECT TE201) NOT TO EXCEED \$2,531,173, AND RELATED BUDGET ADJUSTMENTS.

DATE: August 4, 2021

Staff Recommendation:

Staff recommends approval of Delegation Resolution 1418-21 authorizing and directing the Town Manager and/or Department Director to take any and all action necessary; and to sign any and all documents, contracts, and/or agreements related to construction and completion of the Sonoqui Wash Trail (CIP Project TE201) not to exceed \$2,531,173, and related budget adjustments.

Relevant Council Goal(s):



Superior Infrastructure - Capital Improvement Program

Proposed Motion:

Motion to approve Delegation Resolution 1418-21 authorizing and directing the Town Manager and/or Department Director to take any and all action necessary; and to sign any and all documents, contracts, and/or agreements related to construction and completion of the Sonoqui Wash Trail (CIP Project TE201) not to exceed \$2,531,173, and related budget adjustments.

Discussion:

On March 18, 2020@ Town Council approved Project Order #4 (Master On-Call Contract 2016-114) with Kimley-Horn and Associates in an amount not to exceed \$341,000 for the engineering design of a multi-use path along Sonoqui Wash, between Hawes Road and Crismon Road.

Construction of the Town's multi-use trail will tie into the existing trail just north of the Hawes Road overpass crossing the Sonoqui Wash, and will follow the wash on the south side of Riggs

Road terminating prior to the Crismon Road alignment.

Hawes Road to Ellsworth Road will include widening the existing asphalt path, approximately 0.7 miles from a 10 feet wide path to 15 feet wide. For the Ellsworth Road to Crismon Road Alignment a new 15 foot asphalt path, approximately 0.9 miles, will be installed. Improvements will include asphalt paving, concrete curb, gutter, and equestrian ramp construction. Other elements to be installed consist of: decomposed granite, wayfinding signs, hardscape, drainage, irrigation, landscaping, and decorative crosswalks.

The trail system is a part of the approved 2018 Parks & Recreation Master Plan. The trail improvements along the Sonoqui Wash will provide connectivity to the overall trail loop system that serves walkers, runners, bicyclists, and equestrians.

The CIP project team determined a low-bid procurement approach would be beneficial to the project to minimize construction costs. With the project heading to the construction stage, staff proposes a Delegation Resolution to progress forward.

Therefore, the CIP Project Team presents to Council for their consideration Delegation Resolution 1418-21. Construction is anticipated to begin in September 2021 with completion estimated in late 2022. A general description of future expenditures to complete the construction of the Sonoqui Wash Trail includes:

- Construction Contractor Contract
- Engineering Post-design Service
- Quality Assurance Materials Testing
- Public Outreach
- Administrative Costs

Fiscal Impact:

Project TE201, Sonoqui Wash Trail-Hawes to Crismon, was included in the FY 2020/21 adopted budget with a total project budget of \$2,530,931. After design, review and outreach services, the remaining project budget is \$2,186,469, which amount will be carried forward into the FY 2021/22 budget but is not sufficient to cover the construction and completion costs as outlined above. A budget adjustment of \$344,704 from General CIP Contingency is required to complete the project.

This project is included in the Town's 5-year Capital Improvement Plan (CIP) and the Town's most recently adopted Infrastructure Improvement Plan (IIP). The project will be funded 100% from impact fees.

Alternatives:

The Town Council may decide not to approve Resolution 1418-21. If the resolution is not approved, the project construction schedules will be delayed until further direction from the Council.

Attachment(s):

1. DR 1418-21 - Sonoqui Wash
2. Site Map

RESOLUTION 1418-21

A RESOLUTION OF THE MAYOR AND COMMON COUNCIL OF THE TOWN COUNCIL OF QUEEN CREEK, ARIZONA, AUTHORIZING AND DIRECTING THE TOWN MANAGER, AND/OR UTILITIES DEPARTMENT DIRECTOR TO TAKE ANY AND ALL ACTIONS NECESSARY; AND TO SIGN ANY AND ALL DOCUMENTS, CONTRACTS AND AGREEMENTS RELATED TO CONSTRUCTION AND COMPLETION OF THE SONOQUI WASH TRAIL: HAWES ROAD TO CRISMON ROAD PROJECT (TE201).

WHEREAS, the Town Council finds that it is in the interest of the Town to enter into Contracts and/or Agreements to complete the Sonoqui Wash Trail Hawes Road to Crismon Road TE201 (the Project), as more specifically described in the Staff Report presented to the Council in support of this Resolution for the Project and the summary of items included in the Project set forth in Exhibit 1 attached hereto, both of which are incorporated herein by this reference.

WHEREAS, Article 5 of the Town's Procurement Policy authorizes the Town Council to delegate signature authority to the Town Manager and/or Department Director for certain contracts related to the Project.

WHEREAS, funding for the Project is included in the Town's Capital Improvement Plan (CIP) Budget:

NOW, THEREFORE, the Mayor and Common Council resolve as follows:

Section 1. That the total authorized budget amount for the Project is hereby affirmed to be \$2,531,173.00.

Section 2. That the Town Manager has the authority to sign and enter into, on the Town's behalf, individual contracts and/or agreements up to an aggregate limit of the total authorized budget amount, for the completion of the Project.

Section 3. That the Utilities Director has the authority to sign and enter into, on the Town's behalf, individual contracts and/or agreements valued at less than \$100,000, up to an aggregate limit of the total authorized budget amount, for the completion of the Project.

Section 4. That the Town Manager, Utilities Director and Town Attorney are authorized to sign such documents in such form as is finally approved and take such actions as are reasonably necessary to effectuate the terms of the contracts, services, and/or agreements.

Section 5. This delegation of signature authority shall remain in force until the Project is delivered, completed, and placed into service, or until revoked by a subsequent, validly passed resolution of the Town Council.

PASSED AND ADOPTED by the Mayor and Common Council of the Town of Queen Creek this 4th day of August, 2021.

FOR THE TOWN OF QUEEN CREEK:

ATTESTED TO:

Gail Barney, Mayor

Maria Gonzalez, Town Clerk

REVIEWED BY:

APPROVED AS TO FORM

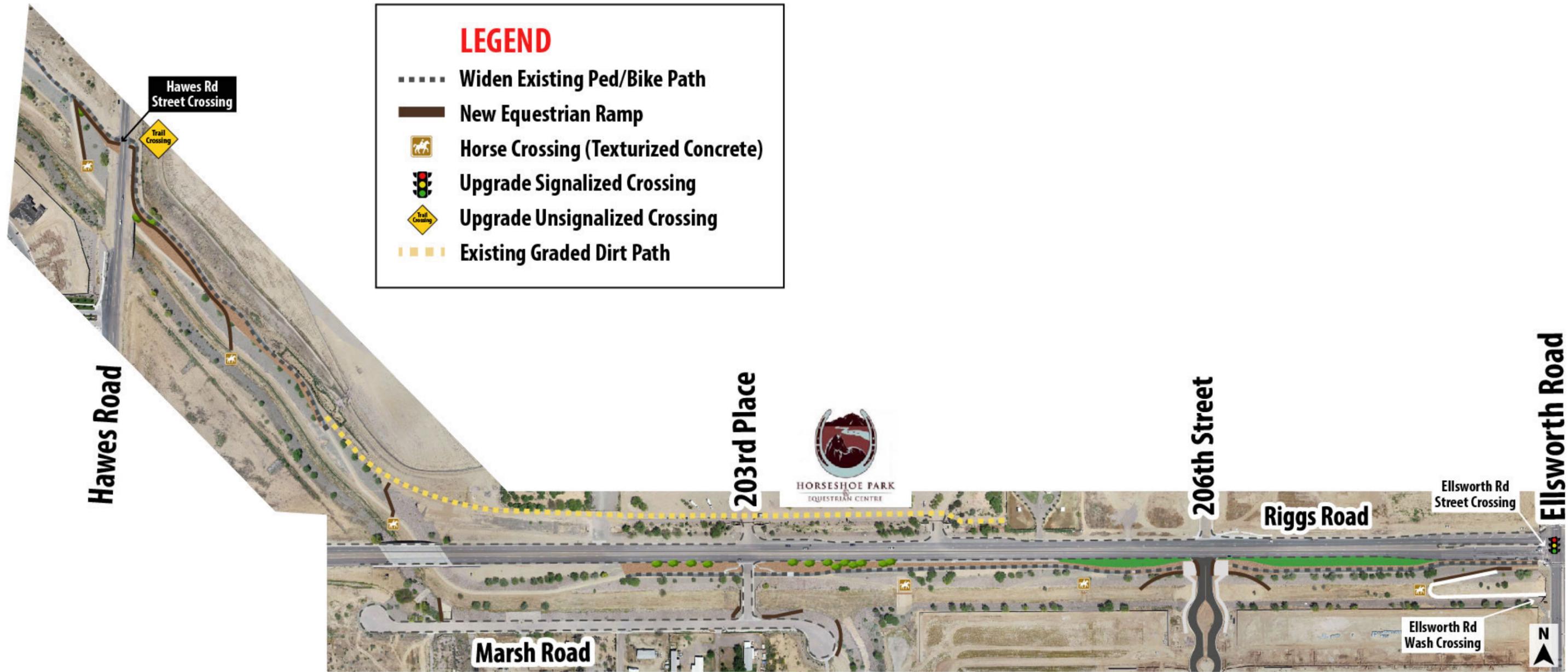
John Kross, ICMA-CM
Town Manager

Dickinson Wright PLLC
Town Attorneys

Attachment: DR 1418-21 - Sonoqui Wash (Sonoqui Wash Trail)

Project TE201 Sonoqui Wash Trail		Estimated Cost	10% Contingency	Extend Cost	Justification
Construction	Nesbitt Contract	\$2,216,066.00	\$221,607.00	\$2,437,673.00	<i>Bid Award</i>
	Quality Assurance Testing	\$20,000.00	\$2,000.00	\$22,000.00	<i>Proposal</i>
	Post-Design Svcs	\$45,000.00	\$4,500.00	\$49,500.00	<i>Proposal</i>
	Proposed Construction Subtotal:	\$2,281,066.00	\$228,107.00	\$2,509,173.00	
Miscellaneous	Administration Expenses	\$15,000.00	\$1500.00	\$16,500	<i>Per previous Projects</i>
	Public Outreach	\$5,000.00	\$500.00	\$5,500	<i>Proposal</i>
	Miscellaneous Expenses Subtotal:	\$20,000.00	\$2,000.00	\$22,000.00	
Total Project Budget Amount		\$2,301,066.00	\$230,107.00	\$2,531,173.00	
Total Delegation Resolution Amount				\$2,531,173.00	

Attachment: DR 1418-21 - Sonoqui Wash (Sonoqui Wash Trail)



Attachment: Site Map (Sonoqui Wash Trail)

Ellsworth Road

Crimson Road Alignment



Ellsworth Rd Street Crossing

Riggs Road

Future Riggs Rd Curb Line Edge

Ellsworth Rd Wash Crossing

Marsh Road

LEGEND

-  New Asphalt Ped/Bike Path
-  New Equestrian Ramp
-  Bike Lane Connection to Ped/Bike Path
-  Horse Crossing (Texturized Concrete)
-  Upgraded Signalized Crossing

Attachment: Site Map (Sonoqui Wash Trail)



Requesting Department

Utilities

TO: HONORABLE MAYOR AND TOWN COUNCIL

THROUGH: JOHN KROSS, ICMA-CM, TOWN MANAGER

FROM: PAUL GARDNER, UTILITIES DIRECTOR

RE: CONSIDERATION AND POSSIBLE APPROVAL OF RESOLUTION 1419-21 AUTHORIZING THE APPROVAL OF A CONTRACT FOR A NON-INDIAN AGRICULTURAL PRIORITY WATER SUB SUBCONTRACT AMONG THE UNITED STATES OF AMERICA, CENTRAL ARIZONA WATER CONSERVATION DISTRICT, AND THE TOWN OF QUEEN CREEK, ARIZONA; AND PROVIDING FOR THE REPEAL OF CONFLICTING RESOLUTIONS.

DATE: August 4, 2021

Staff Recommendation:

Staff recommends approval of Resolution 1419-21 authorizing the approval of a Contract for a Non-Indian Agricultural Priority Water Sub Subcontract among the United States of America, Central Arizona Water Conservation District, and the Town of Queen Creek, Arizona; and providing for the repeal of conflicting Resolutions.

Relevant Council Goal(s):



Secure Future: KRA Environment

Proposed Motion:

Move to approve to approve Resolution 1419-21 authorizing the approval of a Contract for a Non-Indian Agricultural Priority Water Sub Subcontract among the United States of America, Central Arizona Water Conservation District, and the Town of Queen Creek, Arizona; and providing for the repeal of conflicting Resolutions

Discussion:

History

In 2013, after nearly 30 years after the initial CAP water allocations, approximately 34,600 acre feet (AF) of Non-Indian Agricultural (NIA) water was reallocated through an open application process with the Arizona Department of Water Resources (ADWR). In June of 2013, the Queen Creek Council approved Resolution 943-13, which authorized the Town to submit an application for up to 5,000 AF of NIA water, for inclusion into the Town's water resource portfolio.

Queen Creek submitted its application and ADWR recommended to the Secretary of the

Interior that the Town receive an allocation of 4,162 AF of this water supply (see attachment). Because this is a federal action, and as required under the National Environmental Policy Act (NEPA), all federal agencies are required to assess the environmental effects of proposed major federal actions prior to making a final decision. The Town was informed that all clearances and approvals had been completed in May of 2021.

In order to complete the acquisition of this water supply, the Town must now enter into a contract with both the US Bureau of Reclamation and the Central Arizona Water Conservation District. The NIA water supply is for permanent service and the Contract will be renewed in 100 years beginning in January of 2022. Once approved by all parties, the agreement will need to be submitted for Judicial Validation, which is anticipated before the end of calendar year 2021.

Queen Creek's Water Demand and Supply

Currently, the Town meets all of its water demands with an allocation of 495 AF of CAP water and the balance, over 20,000 AF, from groundwater. The Town, through the progressive vision of the Council, has been aggressively pursuing renewable water supplies to offset the Town's long-term reliance on groundwater pumping. These acquisitions have included, to date: the pending Cibola Water Transfer of 2,033 AF, the Effluent Exchange Agreement with Encanterra, and the maximization of the Town's reuse and recovery of its own treated effluent. In addition to those efforts, the addition of this NIA allocation, and possible future allocations, are an essential part of the Town's goal of minimizing its long-term reliance on groundwater.

Once approved, it would be the intention of the Town to utilize this NIA water directly, where possible, and indirectly through a current Groundwater Savings Facility agreement with the Roosevelt Water Conservation District and a future potential agreement with the Queen Creek Irrigation District. In any event, the availability of this water will directly reduce the Town's reliance on groundwater to meet current water demands.

Additionally, this water supply would allow the Town to reduce the current groundwater replenishment obligations due to the Central Arizona Groundwater Replenishment District (CAGRDR) as part of the Town's annual use of groundwater.

NIA Water Reliability

Over the last several decades, NIA water has been a highly reliable source of water for AZ water providers. Given the current status of the drought facing the Colorado River Basin States and the requirements of the 2019 Colorado River Drought Contingency Plan (DCP), however, the current reliability of NIA water has been compromised. In order to maintain the ability to deliver other higher priority sources of water, NIA water is the first water to be cut under the current DCP requirements, and it is not expected to return as a reliable resources until the current drought improves to a point where normal water deliveries are once again possible.

Under the requirements of this allocation, NIA subcontracts will be grouped into 2 allocations, NIA A (those entities with current allocations) and NIA B (those entities that are a part of this and future NIA allocations). NIA B allocations will be subordinate to NIA A allocations until such time as the full normal allocation can be delivered, at which time the existing NIA B allocations

will be added to the NIA A allocation pool.

There are many studies that have been completed and that are currently underway that seek to determine when water flow on the Colorado River will return to normal, if there is a new normal that should be considered, and/or what is the correct balance of supply and demand given all of the predictive models that are available. Predictive models show that the probability of a return to normal will increase over time. Those same models also show, however, that there is a high probability that the status of the current drought remains unchanged over the next several decades.

Staff's review of this resource and its status, given the current drought, identify it as a long-term water resource with short-term volatility. While the reliability of this source is not currently high, staff anticipates it will be an integral part of the Town's water resources portfolio at build-out and beyond.

Given its current non-availability, the Central Arizona Conservation District has taken steps to provide temporary alternate water (mitigation supplies) over the next several years to water suppliers that are part of the NIA B allocation. Mitigation water will be provided at 100% for 2022 (4,162 AF), 70% for 2023 (2,913 AF), and 50% for 2024 & 2025 (2,081 AF). There are no plans for any additional mitigation water outside of the 2022-2025 time frame and all mitigation water will be terminated if the status of the current drought worsens.

In addition, the availability and reliability of NIA water discussed above are made under the current conditions as established in the 2019 DCP, which is set to expire in 2026. While discussions are currently being planned for a successor DCP, there are no indications of the status of NIA water post 2026. NIA water has historically been included in many water provider portfolios and has been recognized by ADWR as part of a long term designated water supply.

Staff is currently reviewing additional alternative mitigation measures that the Town could take that may provide firming of this water source in the short term. While not part of this specific transaction, those options may allow the Town to remedy the reliability of this water source over both the near and long-term.

Fiscal Impact:

As part of the allocation of this water, Queen Creek is required to pay one-time Back Capital Charges and 9(d) Debt. Those costs have been identified at \$1,962 per AF, with the Town's allocation totaling approximately \$8.2M. These one-time costs will be due within 30 days of the final execution of the agreement between all of the parties, which is anticipated in September of 2021.

Current options for payment of this obligation include: lump sum payment (cash), a 5 year payment agreement with CAWCD @ 2.5% interest, or local financing to be determined by Queen Creek (WIFA or other tax exempt long-term financing). Staff will be reviewing various financing approaches and will be bringing back a recommendation to Council for consideration over the next 30-60 days.

In addition to the one-time capital charges identified above, the Town will also be responsible

for the ongoing operating and capital charges as required for all CAP deliveries. These ongoing charges will be included in the operating budget and incorporated in customer's rates and charges going forward.

Alternatives:

There are several options available as alternatives to the approval of the agreement, including: a delay of the approval to a future date or to reject the award of NIA water all together.

Staff has held extensive discussions on the specific merits of each alternative and has determined that current approval is in the best interest of the Town. If the Town were to reject the award, it would continue to look for other non-groundwater water sources, which are all anticipated to be available at a higher cost with varying rates of reliability.

Attachment(s):

1. Resolution 1419-21
2. NIA Allocation Summary
3. NIA Subcontract No. 21-XX-30-W0696
4. Exhibit A - Paragraph 8.11 of the Repayment Contract, as amended

RESOLUTION 1419-21**A RESOLUTION OF THE MAYOR AND COMMON COUNCIL OF THE TOWN COUNCIL OF QUEEN CREEK, ARIZONA, AUTHORIZING THE MAYOR TO EXECUTE THE NON-INDIAN AGRICULTURAL PRIORITY WATER SUBCONTRACT AMONG THE UNITED STATES OF AMERICA, THE CENTRAL ARIZONA WATER CONSERVATION DISTRICT, AND THE TOWN OF QUEEN CREEK, ARIZONA; AND PROVIDING FOR REPEAL OF CONFLICTING RESOLUTIONS**

WHEREAS, the Town of Queen Creek ("Queen Creek") has identified sustainable renewable water supplies as essential to reduce the Town's reliance on groundwater and has established a strategic priority of the same; and

WHEREAS, the Arizona Water Settlements Act of 2004 required, among other things, the Secretary of Interior to reallocate 96,295 acre-feet ("AF") of Non-Indian Agriculture (NIA) Priority Water to the Arizona Department of Water Resources to be held in trust for further reallocation to non-Indian municipal and industrial users in Arizona; and

WHEREAS, in 2013, Queen Creek requested an allocation of NIA Priority Water; and

WHEREAS, in its January 16, 2014 recommendation to the Secretary of Interior, ADWR recommended the reallocation of 46,629 AF of NIA Priority Water, with 4,162 AF allocated to Queen Creek; and

WHEREAS, on January 15, 2021, the Department of Interior issued notice in the Federal Register of its final decision to reallocate 46,629 AF of CAP NIA Priority Water consistent with the Arizona Department of Water Resources' recommendation; and

WHEREAS, the United States and the Central Arizona Water Conservation District have developed a standard form subcontract to be offered to the reallocation entities; and

WHEREAS, the Town Council finds that the consideration to be paid to the Central Arizona Water Conservation District for the repayment of Back Capital Charges and 9(d) debt represents fair value of the CAP NIA Water; and

WHEREAS, the Town Council finds that is appropriate, proper, and in the best interests of the residents, businesses and water customer of Queen Creek for the Town Council to authorize execution of the NIA Priority Water Subcontract with the Central Arizona Water Conservation District and the United States.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COMMON COUNCIL OF THE TOWN OF QUEEN CREEK, ARIZONA, that the Subcontract among the United States of America, the Central Arizona Water Conservation District and the Town of Queen Creek (the "NIA Priority Water Subcontract") is hereby approved in the form attached hereto, subject to revisions approved by the Town Attorney if such revisions do not materially impact the key provisions of the agreement; and

FURTHER RESOLVED, that the Mayor, the Town Manager, the Town Clerk, and the Town Attorney are hereby authorized to take all actions necessary to carry out the NIA Priority Water Subcontract in accordance with its terms and intent; and

FURTHER RESOLVED, that all resolutions and parts of resolutions in conflict with this Resolution are hereby repealed.

PASSED AND ADOPTED by the Mayor and Common Council of the Town of Queen Creek this 4th day of August, 2021.

FOR THE TOWN OF QUEEN CREEK:

ATTESTED TO:

Gail Barney, Mayor

Maria Gonzalez, Town Clerk

REVIEWED BY:

APPROVED AS TO FORM

John Kross, Town Manager

Dickinson Wright PLLC
Town Attorney

Attachment: Resolution 1419-21 (NIA Allocation)

PROPOSED NIA SUBCONTRACT NUMBERS*

Proposed Contract Number	Entity	Volume (AF)
21-XX-30-W0693	NIA SUBCONTRACT WITH CAREFREE WATER COMPANY	112
21-XX-30-W0694	NIA SUBCONTRACT WITH TOWN OF CAVE CREEK	386
21-XX-30-W0695	NIA SUBCONTRACT WITH EPCOR-SUN CITY WEST	1,000
21-XX-30-W0696	NIA SUBCONTRACT WITH TOWN OF QUEEN CREEK	4,162
21-XX-30-W0697	NIA SUBCONTRACT WITH TOWN OF MARANA	515
21-XX-30-W0698	NIA SUBCONTRACT WITH APACHE JUNCTION WATER UTILITIES COMMUNITY FACILITIES DISTRICT	817
21-XX-30-W0699	NIA SUBCONTRACT WITH CITY OF EL MIRAGE	1,318
21-XX-30-W0700	NIA SUBCONTRACT WITH TOWN OF GILBERT	1,832
21-XX-30-W0701	NIA SUBCONTRACT WITH CITY OF BUCKEYE	2,786
21-XX-30-W0702	NIA SUBCONTRACT WITH JOHNSON UTILITIES	3,217
21-XX-30-W0703	NIA SUBCONTRACT WITH CAGRD	18,185
21-XX-30-W0704	NIA SUBCONTRACT WITH VIEWPOINT RV AND GOLF RESORT	400
21-XX-30-W0705	NIA SUBCONTRACT WITH NEW HARQUAHALA GENERATING COMPANY	400
21-XX-30-W0706	NIA SUBCONTRACT WITH ROSEMONT COPPER COMPANY	1,124
21-XX-30-W0707	NIA SUBCONTRACT WITH SALT RIVER PROJECT	2,160
21-XX-30-W0708	NIA SUBCONTRACT WITH RESOLUTION COPPER MINING	2,238
21-XX-30-W0709	NIA SUBCONTRACT WITH FREEPORT-MCMORAN-SIERRITA INC.	5,678

*Excludes 299 AF declined by Metropolitan Domestic Water Improvement District

Attachment: NIA Allocation Summary (NIA Allocation)

NIA Subcontract No. 21-XX-30-W0696

**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF RECLAMATION**

**SUBCONTRACT AMONG THE UNITED STATES,
THE CENTRAL ARIZONA WATER CONSERVATION DISTRICT,
AND THE TOWN OF QUEEN CREEK, ARIZONA
PROVIDING FOR WATER SERVICE**

CENTRAL ARIZONA PROJECT

1. PREAMBLE:

THIS SUBCONTRACT, made this ____ day of _____, 20____, in pursuance generally of the Act of June 17, 1902 (32 Stat. 388), and acts amendatory thereof or supplementary thereto, including but not limited to the Boulder Canyon Project Act of December 21, 1928 (45 Stat. 1057), as amended, the Reclamation Project Act of August 4, 1939 (53 Stat. 1187), as amended, the Reclamation Reform Act of October 12, 1982 (96 Stat. 1263), and particularly the Colorado River Basin Project Act of September 30, 1968 (82 Stat. 885), as amended, and the Arizona Water Settlements Act (118 Stat. 3478) ("AWSA"), all collectively hereinafter referred to as the "Federal Reclamation Laws," among the UNITED STATES OF AMERICA, hereinafter referred to as the "United States" or "Contracting Officer" acting through the Secretary of the Interior, the CENTRAL ARIZONA WATER CONSERVATION DISTRICT, hereinafter referred to as the "Contractor," a water conservation district organized under the laws of Arizona, with its principal place of business in Phoenix, Arizona, and the TOWN OF QUEEN CREEK, ARIZONA, an Arizona municipal corporation, hereinafter referred to as the "Subcontractor," with its principal place of business in Queen Creek, Arizona;

WITNESSETH, THAT:**2. EXPLANATORY RECITALS:**

1
2 **WHEREAS**, the Colorado River Basin Project Act provides, among other
3 things, that for the purposes of furnishing irrigation and municipal and industrial water
4 supplies to water deficient areas of Arizona and western New Mexico through direct
5 diversion or exchange of water, control of floods, conservation and development of fish
6 and wildlife resources, enhancement of recreation opportunities, and for other purposes,
7 the Secretary of the Interior shall construct, operate, and maintain the Central Arizona
8 Project; and

9 **WHEREAS**, pursuant to the provisions of Arizona Revised Statutes §§ 48-
10 3701, *et seq.*, the Contractor has been organized with the power to enter into a contract
11 or contracts with the Secretary of the Interior to accomplish the purposes of Arizona
12 Revised Statutes, §§ 48-3701, *et seq.*; and

13 **WHEREAS**, pursuant to Section 304(b)(1) of the Colorado River Basin
14 Project Act, the Secretary of the Interior has determined that it is necessary to effect
15 repayment of the cost of constructing the Central Arizona Project pursuant to a master
16 contract and that the United States, together with the Contractor, shall be a party to
17 contracts that are in conformity with and subsidiary to the master contract; and

18 **WHEREAS**, the United States and the Contractor entered into Contract No.
19 14-06-W-245, Amendment No. 1, dated December 1, 1988, hereinafter referred to as the
20 "Repayment Contract," and by this reference made a part hereof, whereby the Contractor
21 agrees to repay to the United States the reimbursable costs of the Central Arizona Project
22 allocated to the Contractor;

23 **WHEREAS**, as of the date of execution of this Subcontract, and pursuant
24 to the provisions of the Contract between the United States of America and the Central
25 Arizona Water Conservation District for the Transfer of Operation and Maintenance of
26 Facilities dated August 5, 1987, Contract No. 7-07-30-W0167, as amended ("O&M
Transfer Agreement"), CAWCD is the Operating Agency.

1 **WHEREAS**, the United States and CAWCD have entered into the Stipulated
2 Judgment and the Stipulation for Judgment (including any exhibits to those documents)
3 entered on November 21, 2007, in the United States District Court for the District of Arizona
4 in the consolidated civil action styled Central Arizona Water Conservation District v. United
5 States, et al., and numbered CIV 95-625-TUC-WDB (EHC) and CIV 95-1720-PHX-EHC
6 (“Stipulation”), which modifies the Repayment Contract in certain respects;

7 **WHEREAS**, section 104(a)(2) of the AWSA authorizes the reallocation of up
8 to 96,295 acre-feet of CAP NIA Priority Water to the Arizona Department of Water
9 Resources (“ADWR”) for further allocation;

10 **WHEREAS**, on January 16, 2014, the ADWR recommended to the
11 Secretary of the Interior the reallocation of 46,629 acre-feet of CAP NIA Priority Water for
12 municipal and industrial uses.

13 **WHEREAS**, On January 15, 2021, the Department of the Interior issued
14 notice in the Federal Register of its final decision to reallocate 46,629 acre-feet of CAP
15 NIA Priority Water consistent with ADWR’s recommendation. 86 Fed. Reg. 4119 (Jan.
16 15, 2021).

17 **WHEREAS**, the Subcontractor is in need of a water supply and desires to
18 subcontract with the United States and the Contractor for water service from CAP NIA
19 Priority Water supplies available under the Central Arizona Project; and

20 **WHEREAS**, in accordance with the terms of this Subcontract, water shall
21 be available for delivery to the Subcontractor;

22 **NOW THEREFORE**, in consideration of the mutual and dependent
23 covenants herein contained, it is agreed as follows:
24
25
26

1 **3. DEFINITIONS:**

2 Definitions included in the Repayment Contract and the Stipulation are
3 applicable to this subcontract. The first letters of terms so defined are capitalized herein.
4 In addition, the following definitions shall apply to this subcontract

5 (a) “Available CAP Supply” shall mean for any given Year all Fourth
6 Priority Water available for delivery through the Central Arizona Project, water available
7 from CAP dams and reservoirs other than Modified Roosevelt Dam, and return flows
8 captured by the Secretary for CAP use.

9 (b) “CAP Indian Priority Water” shall mean that water within the Available
10 CAP Supply having an Indian delivery priority.

11 (c) “CAP M&I Priority Water” shall mean that water within the Available
12 CAP Supply having a municipal and industrial delivery priority.

13 (d) “CAP NIA Priority Water” shall mean that water within the available
14 CAP Supply having a non-Indian agricultural delivery priority.

15 (e) “Operating Agreement” shall mean the Operating Agreement
16 between the United States of America and the Central Arizona Water Conservation District
17 for Operation and Maintenance of the Central Arizona Project, dated June 15, 2000.

18 (f) “System Use Agreement” shall mean the Central Arizona Project
19 System Use Agreement between the United States and the Central Arizona Water
20 Conservation District, Agreement No. 17-XX-30-W0622, dated February 2, 2017,
21 including any amendments thereto.

22 **4. DELIVERY OF WATER:**

23 4.1 Obligations of the United States. Subject to the terms, conditions,
24 and provisions set forth herein and in the Repayment Contract, during such periods as it
25 operates and maintains the Project Works, the United States shall deliver Project Water
26 for M&I use by the Subcontractor. The United States shall use all reasonable diligence to

1 make available to the Subcontractor the quantity of Project Water specified in the schedule
2 submitted by the Subcontractor in accordance with Article 4.4. After transfer of OM&R to
3 the Operating Agency, the United States shall make deliveries of Project Water to the
4 Operating Agency which shall make subsequent delivery to the Subcontractor as provided
5 herein.

6 4.2 Term of Subcontract. This subcontract shall become effective upon
7 the later of: (i) the date on which it is confirmed as provided for in Article 6.12; and (ii) the
8 date on which the Subcontractor has paid or provided for payment of past CAP NIA Priority
9 water service capital charges and 9(d) debt charges as required by the Contractor. This
10 subcontract shall be for permanent service as that term is used in Section 5 of the Boulder
11 Canyon Project Act of 1928, 43 U.S.C. §617d. Project Water shall be delivered under the
12 terms of this subcontract for a period of 100 years beginning January 1 of the Year
13 following that in which the subcontract becomes effective; provided, that this subcontract
14 may be renewed upon written request by the Subcontractor upon terms and conditions of
15 renewal to be agreed upon not later than 1 year prior to the expiration of this subcontract;
16 and provided, further, that such terms and conditions shall be consistent with Article 9.9
17 of the Repayment Contract.

18 4.3 Conditions Relating to Delivery and Use. Delivery and use of water
19 under this subcontract is conditioned on the following, and the Subcontractor hereby
20 agrees that:

21 (a) All uses of Project Water and Return Flow shall be consistent
22 with Arizona water law unless such law is inconsistent with the Congressional directives
23 applicable to the Central Arizona Project.

24 (b) The system or systems through which water for Agricultural,
25 M&I (including underground storage), and Miscellaneous purposes is conveyed after
26 delivery to the Subcontractor shall consist of pipelines, canals, distribution systems, or

1 other conduits provided and maintained with linings adequate in the Contracting Officer's
2 judgment to prevent excessive conveyance losses.

3 (c) The Subcontractor shall not pump, or within its legal authority,
4 permit others to pump ground water from within the exterior boundaries of the
5 Subcontractor's service area, which has been delineated on a map filed with the Con-
6 tractor and approved by the Contractor and the Contracting Officer, for use outside of said
7 service area unless such pumping is permitted under Title 45, Chapter 2, Arizona Revised
8 Statutes, as it may be amended from time to time, and the Contracting Officer, the
9 Contractor, and the Subcontractor shall agree, or shall have previously agreed, that a
10 surplus of ground water exists and drainage is or was required; provided, however, that
11 such pumping may be approved by the Contracting Officer and the Contractor, and
12 approval shall not be unreasonably withheld, if such pumping is in accord with the Basin
13 Project Act and upon submittal by the Subcontractor of a written certification from the
14 Arizona Department of Water Resources or its successor agency that the pumping and
15 transportation of ground water is in accord with Title 45, Chapter 2, Arizona Revised
16 Statutes, as it may be amended from time to time.

17 (d) The Subcontractor shall not sell, lease, exchange, forbear or
18 otherwise transfer Project Water; provided, however, that this does not prohibit exchanges
19 of Project Water within the State of Arizona covered by separate agreements approved by
20 the Contracting Officer and Contractor; and provided, further, that this does not prohibit
21 effluent exchanges with Indian tribes pursuant to Article 6.2; and provided, further, that
22 this does not prohibit the resale or exchange of Project Water within the State of Arizona
23 pursuant to Subarticle 4.3(e).

24 (e) (i) Project Water scheduled for delivery in any Year under
25 this subcontract may be used by the Subcontractor or resold, or exchanged by the
26 Subcontractor pursuant to appropriate agreements approved by the Contracting Officer

1 and the Contractor. If said water is resold or exchanged by the Subcontractor for an
2 amount in excess of that which the Subcontractor is obligated to pay under this
3 subcontract, the excess amount shall be paid forthwith by the Subcontractor to the
4 Contractor for application against the Contractor's Repayment Obligation to the United
5 States; provided, however, that the Subcontractor shall be entitled to recover actual costs
6 of transportation, treatment, and distribution, including but not limited to capital costs and
7 OM&R costs.

8 (ii) Project Water scheduled for delivery in any Year under
9 this subcontract that cannot be used, resold, or exchanged by the Subcontractor may be
10 made available by the Contracting Officer and Contractor to other users. If such Project
11 Water is sold to or exchanged with other users, the Subcontractor shall be relieved of its
12 payments hereunder only to the extent of the amount paid to the Contractor by such other
13 users, but not to exceed the amount the Subcontractor is obligated to pay under this
14 subcontract for said water.

15 (iii) In the event the Subcontractor or the Contracting Officer
16 and the Contractor are unable to sell any portion of the Subcontractor's Project Water
17 scheduled for delivery and not required by the Subcontractor, the Subcontractor shall be
18 relieved of the pumping energy portion of the OM&R charges associated with the
19 undelivered water as determined by the Contractor.

20 (f) Notwithstanding any other provision of this subcontract,
21 Project Water shall not be delivered to the Subcontractor unless and until the
22 Subcontractor has obtained final environmental clearance from the United States for the
23 system or systems through which Project Water is to be conveyed after delivery to the
24 Subcontractor at project turnout(s). Such system(s) shall include all pipelines, canals,
25 distribution systems, treatment, storage, and other facilities through or in which Project
26 Water is conveyed, stored, or treated after delivery to the Subcontractor at the

1 Subcontractor's Project turnout(s). In each instance, final environmental clearance will be
2 based upon a review by the United States of the Subcontractor's plans for taking and using
3 Project Water and will be given or withheld by the United States in accordance with the
4 Final Environmental Assessment - Arizona Department of Water Resources
5 Recommendation for the Reallocation of Non-Indian Agricultural Priority Central Arizona
6 Project Water in Accordance with the Arizona Water Settlements Act of 2004 (November
7 8, 2019) and the National Environmental Policy Act of 1969 (83 Stat. 852). Any additional
8 action(s) required on behalf of the Subcontractor in order to obtain final environmental
9 clearance from the United States will be identified to the Subcontractor by the United
10 States, and no Project Water shall be delivered to the Subcontractor unless and until the
11 Subcontractor has completed all such action(s) to the satisfaction of the United States.

12 4.4 Procedure for Ordering Water.

13 (a) The amounts, times, and rates of delivery of Project Water to
14 the Subcontractor shall be in accordance with a water delivery schedule for that Year.
15 Such schedule shall be determined in the following manner:

16 (i) On or before October 1 of each Year, the Subcontractor
17 shall submit in writing to the Contractor a water delivery schedule indicating the amounts
18 of Project Water desired by the Subcontractor during each month of the following Year
19 along with a preliminary estimate of Project Water desired for the succeeding 2 years.

20 (ii) Upon receipt of the schedule, the Contractor shall
21 review it and, after consultation with the Subcontractor, and except as provided in
22 Subarticle 4.4(a)(iii), shall make only such modifications to the schedule as are necessary
23 to ensure that the amounts, times, and rates of delivery to the Subcontractor are consistent
24 with the delivery capability of the Project, considering, among other things, the availability
25 of water, the delivery schedules of all subcontractors and Section 11 of the System Use
26

1 Agreement; provided, that this provision shall not be construed to reduce annual deliveries
2 to the Subcontractor.

3 (iii) If the Contracting Officer determines, in consultation
4 with the Operating Agency, that the amount of Project Water that will be available for
5 delivery as CAP NIA Priority Water is insufficient to meet all the requests for delivery of
6 CAP NIA Priority Water for the following Year as set forth in Article 4.7, the Contractor
7 shall notify the Subcontractor of the quantity of CAP NIA Priority Water available to the
8 Subcontractor for that following Year. Within five (5) business days of such notice, the
9 Subcontractor shall submit an amended water delivery schedule to the Contractor
10 reflecting the amount of CAP NIA Priority Water requested by the Subcontractor for the
11 following Year up to the reduced quantity available. Upon receipt of the amended
12 schedule, the Contractor shall review it and, after consultation with the Subcontractor,
13 shall make only such modifications to the schedule as are necessary to ensure that the
14 amounts, times, and rates of delivery to the Subcontractor are consistent with the delivery
15 capability of the Project, considering, among other things, the availability of water, the
16 delivery schedules of all subcontractors and Section 11 of the System Use Agreement;
17 provided, that this provision shall not be construed to reduce annual deliveries to the
18 Subcontractor, except as required by Article 4.7.

19 (iv) On or before November 15 of each Year, the Contractor
20 shall determine and furnish to the Subcontractor the water delivery schedule for the
21 following Year which shall show the amount of water to be delivered to the Subcontractor
22 during each month of that Year, contingent upon the Subcontractor remaining eligible to
23 receive water under all terms contained herein.

24 (b) The monthly water delivery schedules may be amended upon
25 the Subcontractor's written request to the Contractor. Proposed amendments shall be
26 submitted by the Subcontractor to the Contractor no later than 15 days before the desired

1 change is to become effective, and shall be subject to review and modification in like
2 manner as the schedule. The Contractor shall notify the Subcontractor of its action on the
3 Subcontractor's requested schedule modification within 10 days of the Contractor's receipt
4 of such request.

5 (c) The Contractor and the Subcontractor shall hold the United
6 States, its officers, agents, and employees, harmless on account of damage or claim of
7 damage of any nature whatsoever arising out of or connected with the actions of the
8 Contractor regarding water delivery schedules furnished to the Subcontractor.

9 (d) In no event shall the Contracting Officer or the Contractor be
10 required to deliver to the Subcontractor from the Water Supply System in any one month
11 a total amount of Project Water greater than eleven percent (11%) of the Subcontractor's
12 maximum entitlement; provided, however, that the Contractor may deliver a greater
13 percentage in any month if such increased delivery is compatible with the overall delivery
14 of Project Water as determined by the Contracting Officer and the Contractor and if the
15 Subcontractor agrees to accept such increased deliveries.

16 4.5 Points of Delivery--Measurement and Responsibility for Distribution
17 of Water.

18 (a) The water to be furnished to the Subcontractor pursuant to this
19 subcontract shall be delivered at existing turnouts, or new turnouts at such points on the
20 Water Supply System as may be agreed upon in writing by the Contracting Officer and the
21 Contractor pursuant to Article 6(d) of the O&M Transfer Contract and Section 12.1 of the
22 Operating Agreement.

23 (b) Unless the United States and the Subcontractor agree by
24 contract to the contrary, the Subcontractor shall construct and install, at its sole cost and
25 expense, connection facilities required to take and convey the water from the turnouts to
26 the Subcontractor's service area. The Subcontractor shall furnish, for approval of the

1 Contracting Officer, drawings showing the construction to be performed by the
2 Subcontractor within the Water Supply System right-of-way 6 months before starting said
3 construction. The facilities may be installed, operated, and maintained on the Water
4 Supply System right-of-way subject to such reasonable restrictions and regulations as to
5 type, location, method of installation, operation, and maintenance as may be prescribed
6 by the Contracting Officer in consultation with the Contractor.

7 (c) All water delivered from the Water Supply System shall be
8 measured with equipment furnished, installed, operated and maintained by the United
9 States or the Operating Agency. Upon the request of the Subcontractor or the Contractor,
10 the accuracy of such measurements shall be investigated by the Contracting Officer or the
11 Operating Agency, Contractor, and Subcontractor, and any errors which may be mutually
12 determined to have occurred therein shall be adjusted; provided, that in the event the
13 parties cannot agree on the required adjustment, the Contracting Officer's determination
14 shall be conclusive.

15 (d) Neither the United States, the Contractor, nor the Operating
16 Agency shall be responsible for the control, carriage, handling, use, disposal, or
17 distribution of Project Water beyond the turnouts agreed to pursuant to Subarticle 4.5(a).
18 The Subcontractor shall hold the United States, the Contractor, and the Operating Agency
19 harmless on account of damage or claim of damage of any nature whatsoever for which
20 there is legal responsibility, including property damage, personal injury, or death arising
21 out of or connected with the Subcontractor's control, carriage, handling, use, disposal, or
22 distribution of such water beyond said delivery point(s).

23 4.6 Temporary Reductions. In addition to the right of the United States
24 under Subarticle 8.3(a)(iv) of the Repayment Contract temporarily to discontinue or reduce
25 the amount of water to be delivered, the United States or the Operating Agency may, after
26 consultation with the Contractor and Contracting Officer, temporarily discontinue or reduce

1 the quantity of water to be furnished to the Subcontractor as herein provided for the
2 purposes of investigation, inspection, maintenance, repair, or replacement of any of the
3 Project facilities or any part thereof necessary for the furnishing of water to the
4 Subcontractor, but so far as feasible the United States or the Operating Agency shall
5 coordinate any such discontinuance or reduction with the Subcontractor and shall give the
6 Subcontractor due notice in advance of such temporary discontinuance or reduction,
7 except in case of emergency, in which case no notice need be given. Neither the United
8 States, its officers, agents, and employees, nor the Operating Agency, its officers, agents,
9 and employees, shall be liable for damages when, for any reason whatsoever, any such
10 temporary discontinuance or reduction in delivery of water occurs. If any such
11 discontinuance or temporary reduction results in deliveries to the Subcontractor of less
12 water than what has been paid for in advance, the Contractor shall reconcile any such
13 advance payments as provided in Subarticle 5.1(c).
14

15 4.7 Priority in Case of Shortage. As soon as is practicable after
16 October 1, the Contracting Officer shall determine, in consultation with the Operating
17 Agency, the availability of CAP NIA Priority Water consistent with the Available CAP
18 Supply and delivery schedules submitted by CAP contractors and subcontractors. The
19 determination of such supply shall be consistent with the AWSA and Paragraph 4 of
20 Amendment 2 to the Repayment Contract dated November 30, 2007, as set forth in
21 Exhibit A.
22

23 (a) Any Available CAP Supply remaining after all requests for
24 delivery of CAP Indian Priority Water and CAP M&I Priority Water have been satisfied
25 shall become available for delivery as CAP NIA Priority Water.
26

1 (b) If the Available CAP Supply is insufficient to meet the requests
2 for delivery of CAP NIA Priority Water by CAP NIA Priority Contractors and CAP NIA
3 Priority Subcontractors, then the Secretary and the Operating Agency shall pro-rate the
4 CAP NIA Priority Water to the CAP Contractors and CAP Subcontractors holding such
5 entitlements on the basis of the quantity of CAP NIA Priority Water used by each such
6 CAP NIA Priority Contractor or CAP NIA Priority Subcontractor in the last Year in which
7 the Available CAP Supply was sufficient to fill all orders for CAP NIA Priority Water,
8 consistent with the settlements authorized, ratified and confirmed in the AWSA.
9

10 (c) Any CAP NIA Priority Water remaining after the pro-rata
11 distribution set forth in Subarticle 4.7(b) will be made available to CAP NIA Priority Water
12 Contractors and Subcontractors pro-rata on the basis of the difference between the
13 volume of water requested for delivery and the volume of water distributed under
14 Subarticle 4.7(b).
15

16 (d) Nothing in this Article 4.7 shall be construed to allow or
17 authorize any CAP Contractor or CAP Subcontractor to receive, pursuant to such
18 contracts, CAP water in amounts greater than such contractor's entitlement.
19

20 4.8 Secretarial Control of Return Flow.

21 (a) The Secretary reserves the right to capture all Return Flow
22 flowing from the exterior boundaries of the Contractor's Service Area as a source of supply
23 and for distribution to and use of the Central Arizona Project to the fullest extent
24 practicable. The Secretary also reserves the right to capture for Project use Return Flow
25 which originates or results from water contracted for from the Central Arizona Project
26 within the boundaries of the Contractor's Service Area if, in his judgment, such Return

1 Flow is not being put to a beneficial use. The Subcontractor may recapture and reuse or
2 sell its Return Flow; provided, however, that such Return Flow may not be sold for use
3 outside Maricopa, Pinal, and Pima Counties; and provided, further, that this does not
4 prohibit effluent exchanges with Indian tribes pursuant to Article 6.2. The Subcontractor
5 shall, at least 60 days in advance of any proposed sale of such water, furnish the following
6 information in writing to the Contracting Officer and the Contractor:
7

- 8 (i) The name and address of the prospective buyer.
- 9 (ii) The location and proposed use of the Return Flow.
- 10 (iii) The price to be charged for the Return Flow.

11 (b) The price charged for the Return Flow may cover the cost
12 incurred by the Subcontractor for Project Water plus the cost required to make the Return
13 Flow usable. If the price received for the Return Flow is greater than the costs incurred
14 by the Subcontractor, as described above, the excess amount shall be forthwith returned
15 by the Subcontractor to the Contractor for application against the Contractor's Repayment
16 Obligation to the United States. Costs required to make Return Flow usable shall include
17 but not be limited to capital costs and OM&R costs including transportation, treatment, and
18 distribution, and the portion thereof that may be retained by the Subcontractor shall be
19 subject to the advance approval of the Contractor and the Contracting Officer.
20

21 (c) Any Return Flow captured by the United States and
22 determined by the Contracting Officer and the Contractor to be suitable and available for
23 use by the Subcontractor may be delivered by the United States or Operating Agency to
24 the Subcontractor as a part of the water supply for which the Subcontractor subcontracts
25
26

1 hereunder and such water shall be accounted and paid for pursuant to the provisions
2 hereof.

3 (d) All capture, recapture, use, reuse, and sale of Return Flow
4 under this article shall be in accord with Arizona water law unless such law is inconsistent
5 with the Congressional directives applicable to the Central Arizona Project.
6

7 4.9 Water and Air Pollution Control. The Subcontractor, in carrying out
8 this subcontract, shall comply with all applicable water and air pollution laws and
9 regulations of the United States and the State of Arizona and shall obtain all required
10 permits or licenses from the appropriate Federal, State, or local authorities.

11 4.10 Quality of Water. The operation and maintenance of Project facilities
12 shall be performed in such manner as is practicable to maintain the quality of water made
13 available through such facilities at the highest level reasonably attainable as determined
14 by the Contracting Officer. Neither the United States, the Contractor, nor the Operating
15 Agency warrants the quality of water and is under no obligation to construct or furnish
16 water treatment facilities to maintain or better the quality of water. The Subcontractor
17 waives its right to make a claim against the United States, the Operating Agency, and the
18 Contractor, because of changes in water quality caused by the commingling of Project
19 Water with other water.
20

21 4.11 Exchange Water.

22 (a) Where the Contracting Officer determines the Subcontractor is
23 physically able to receive Colorado River mainstream water through the Project Works in
24 exchange for or in replacement of existing supplies of water from surface sources other
25 than the Colorado River, the Contracting Officer may require that the Subcontractor accept
26

1 said mainstream water in exchange for or in replacement of said existing supplies pursuant
2 to the provisions of Section 304(d) of the Basin Project Act; provided, however, that a
3 subcontractor on the Project aqueduct shall not be required to enter into exchanges in
4 which existing supplies of water from surface sources are diverted for use by other
5 subcontractors downstream on the Project aqueduct.

6
7 (b) If, in the event of reductions to the Available CAP Supply, the
8 Subcontractor has yielded water from other surface water sources in exchange for
9 Colorado River mainstream water supplied by the Contractor or the Operating Agency,
10 the Subcontractor shall have first priority against other users supplied with Project Water
11 that have not yielded water from other surface water sources but only in quantities
12 adequate to replace the water so yielded.

13
14 4.12 Entitlement to CAP NIA Priority Water.

15 (a) The Subcontractor is entitled to delivery of an annual
16 maximum of 4,162 acre-feet of CAP NIA Priority Water for M&I uses including but not
17 limited to underground storage.

18 (b) The Subcontractor's entitlement to CAP NIA Priority Water
19 under this subcontract shall be separate from any other entitlement to Project Water
20 available to the Subcontractor. This Subcontract neither modifies nor supersedes the
21 Subcontractor's existing entitlements or subcontracts, if any.

22
23 4.13 Retention of Priority. In accordance with section 104(a)(3) of the
24 AWSA, all Project Water delivered for M&I use under this Subcontract shall remain CAP
25 NIA Priority Water.

1 **5. PAYMENTS:**

2 5.1 Water Service Charges for Payment of Operation, Maintenance, and
3 Replacement Costs.

4 (a) Prior to October 1 of each Year, the Contractor shall notify the
5 Subcontractor of the published OM&R rate per acre foot of water based on the estimated
6 OM&R costs and water deliveries for the following Year. All estimates of OM&R costs
7 shall be accompanied by data and computations relied on by the Contractor in determining
8 the amounts of the estimated OM&R costs and shall be subject to joint review by the
9 Subcontractor and the Contractor. Provided, however, if during the Year, in the opinion of
10 the Contractor the amount of any annual OM&R estimated costs is likely to be insufficient
11 to cover the above-mentioned costs during such period, the Contractor may, at the
12 Contractor's discretion, increase the annual estimate of the Subcontractor's OM&R costs
13 by written notice thereof to the Subcontractor, and the revised OM&R rate shall apply to
14 all remaining monthly invoices.
15

16 (b) Subject to the provisions of Article 5.4 hereof, the Subcontractor
17 shall pay in advance for its share of Project OM&R costs estimated to be incurred by the
18 United States or the Operating Agency. The Contractor will submit monthly invoices for
19 the monthly volumes of water scheduled by the Subcontractor, due in the month prior to
20 delivery. All invoices have net 30-day terms. The Contractor may, at the Contractor's
21 discretion, offer equalized or alternative payment schedules.
22

23 (c) By March 1 of each Year, the Contractor shall reconcile amounts
24 paid in the prior Year by the Subcontractor to the volume of water delivered and any
25 applicable provisions of Subarticle 4.3(e).
26

1 (d) By May 1 of each Year, the Contractor shall determine the actual
2 OM&R rate for the prior Year based on actual OM&R costs and water volumes and shall
3 calculate the difference between the actual OM&R rate and the published OM&R rate.
4 Based on the Subcontractor's actual deliveries and any applicable provisions of Subarticle
5 4.3(e), the Contractor shall issue an invoice or credit to the Subcontractor for any
6 difference.
7

8 5.2 M&I Water Service Charges.

9 (a) Subject to the provisions of Article 5.4 hereof and in addition
10 to the OM&R payments required in Article 5.1 hereof, the Subcontractor shall, in advance
11 of the delivery of CAP NIA Priority Water by the United States or the Operating Agency,
12 make payment to the Contractor in equal semiannual installments of an M&I Water service
13 capital charge based on a maximum entitlement of 4,162 acre-feet per year multiplied by
14 the rate established by the Contractor for that year.
15

16 (b) The M&I Water service capital charge may be adjusted
17 periodically by the Contractor as a result of repayment determinations provided for in the
18 Repayment Contract and Stipulation and to reflect all sources of revenue, but said charge
19 per acre-foot shall not be greater than the amount required to amortize Project capital
20 costs allocated to the M&I function and determined by the Contracting Officer to be a part
21 of the Contractor's Repayment Obligation. Such amortization shall include interest at
22 3.342 percent per annum. If any adjustment is made in the M&I Water service capital
23 charge, notice thereof shall be given by the Contractor to the United States and to the
24 Subcontractor on or before June 30 of the Year preceding the Year the adjusted charge
25 becomes effective. The M&I Water service capital charge payment for the initial Year shall
26

1 be advanced to the Contractor in equal semiannual installments on or before December 1
2 preceding the initial Year and June 1 of said initial Year. Thereafter, for each subsequent
3 Year, payments by the Subcontractor in accordance with the foregoing provisions shall be
4 made in equal semiannual installments on or before the December 1 preceding said
5 subsequent Year and the June 1 of said subsequent Year as may be specified by the
6 Contractor in written notices to the Subcontractor.
7

8 (c) Payment of all M&I Water service capital and corresponding
9 OM&R charges becoming due hereunder prior to or on the dates stipulated in Articles 5.1
10 and 5.2 is a condition precedent to receiving Project Water under this subcontract.

11 (d) All payments to be made to the Contractor or the United States
12 under Articles 5.1 and 5.2 hereof shall be made by the Subcontractor as such payments
13 fall due from revenues legally available to the Subcontractor for such payment from the
14 sale of water to its water users and from any and all other sources which might be legally
15 available; Provided, That no portion of the general taxing authority of the Subcontractor,
16 nor its general funds, nor funds from ad valorem taxes are obligated by the provisions of
17 this subcontract, nor shall such sources be liable for the payments, contributions, and
18 other costs pursuant to this subcontract, or to satisfy any obligation hereunder unless duly
19 and lawfully allocated and budgeted for such purpose by the Subcontractor for the
20 applicable budget year; and Provided, further, That no portion of this agreement shall ever
21 be construed to create an obligation superior in lien to or on a parity with the
22 Subcontractor's revenue bonds now or hereafter issued. The Subcontractor shall levy and
23 impose such necessary water service charges and rates and use all the authority and
24 resources available to it to collect all such necessary water service charges and rates in
25
26

1 order that the Subcontractor may meet its obligations hereunder and make in full all
2 payments required under this subcontract on or before the date such payments become
3 due.

4 5.3 Loss of Entitlement. The Subcontractor shall have no right to delivery
5 of water from Project facilities during any period in which the Subcontractor may be in
6 arrears in the payment of any charges due the Contractor. The Contractor may sell to
7 another entity any water determined to be available under the Subcontractor's entitlement
8 for which payment is in arrears; provided, however, that the Subcontractor may regain the
9 right to use any unsold portion of the water determined to be available under the original
10 entitlement upon payment of all delinquent charges plus any difference between the
11 subcontractual obligation and the price received in the sale of the water by the Contractor
12 and payment of charges for the current period.

13 5.4 Refusal to Accept Delivery. In the event the Subcontractor fails or
14 refuses in any Year to accept delivery of the quantity of water available for delivery to and
15 scheduled for delivery by the Subcontractor pursuant to this subcontract, said failure or
16 refusal shall not relieve the Subcontractor of its obligation to make the payments required
17 in this subcontract under Article 5.1, except as provided in Article 4.3(e). The
18 Subcontractor's obligation to make the payments required under Article 5.2(a) shall apply
19 regardless of the quantity of water scheduled or available for delivery in any Year.
20

21 5.5 Charge for Late Payments. The Subcontractor shall pay a late
22 payment charge on installments or charges that are received after the due date. The late
23 payment charge percentage rate calculated by the Department of the Treasury and
24 published quarterly in the Federal Register shall be used; provided, that the late payment
25
26

1 charge percentage rate shall not be less than 0.5 percent per month. The late payment
 2 charge percentage rate applied on an overdue payment shall remain in effect until
 3 payment is received. The late payment rate for a 30-day period shall be determined on
 4 the day immediately following the due date and shall be applied to the overdue payment
 5 for any portion of the 30-day period of delinquency. In the case of partial late payments,
 6 the amount received shall first be applied to the late charge on the overdue payment and
 7 then to the overdue payment.
 8

9 **6. GENERAL PROVISIONS:**

10 6.1 Repayment Contract and the Stipulation Controlling. Pursuant to the
 11 Repayment Contract, the United States has agreed to construct and, in the absence of an
 12 approved Operating Agency, to operate and maintain the works of the Central Arizona
 13 Project and to deliver Project Water to the various subcontractors within the Project
 14 Service Area; and the Contractor has obligated itself for the payment of various costs,
 15 expenses, and other amounts allocated to the Contractor pursuant to Article 9 of the
 16 Repayment Contract and the Stipulation. The Subcontractor expressly approves and
 17 agrees to all the terms presently set out in the Repayment Contract including Subarticle
 18 8.8(b)(viii) thereof and the Stipulation, or as such terms may be hereafter amended, and
 19 agrees to be bound by the actions to be taken and the determinations to be made under
 20 that Repayment Contract and the Stipulation, except as otherwise provided herein.

21 6.2 Effluent Exchanges. The Subcontractor may enter into direct effluent
 22 exchanges with Indian entities that have received an allocation of Project Water and
 23 receive all benefits from the exchange.

24 6.3 Notices. Any notice, demand or request authorized or required by
 25 this subcontract shall be deemed to have been given when mailed, postage prepaid, or
 26 delivered to the Regional Director, Lower Colorado Basin Region, Bureau of Reclamation,

1 P.O. Box 61470, Boulder City, Nevada 89006-1470, on behalf of the Contractor or
2 Subcontractor; to the Central Arizona Water Conservation District, P. O. Box 43020,
3 Phoenix, Arizona 85080, on behalf of the United States or Subcontractor; and to Scott A.
4 Holcomb, Town of Queen Creek Attorney, Dickinson Wright, PLLC, 1850 North Central
5 Avenue, Suite 1400, Phoenix, Arizona 85004, on behalf of the United States or Contractor.
6
7 The designation of the addressee or the address may be changed by notice given in the
8 same manner as provided in this Article for other notices.

9 6.4 Change in Operating Agency. If at any time during the term of this
10 Subcontract the Contractor and the Operating Agency are not the same entity, the
11 Contractor agrees to coordinate and cooperate with the Operating Agency on any
12 obligations of the Contractor under this Subcontract that pertain to the operation of the
13 Central Arizona Project and delivery of Project Water hereunder.
14

15 6.5 Rules, Regulations, and Determinations.

16 (a) The Contracting Officer shall have the right to make, after an
17 opportunity has been offered to the Contractor and Subcontractor for consultation, rules
18 and regulations consistent with the provisions of this subcontract, the laws of the United
19 States and the State of Arizona, to add to or to modify them as may be deemed proper
20 and necessary to carry out this subcontract, and to supply necessary details of its
21 administration which are not covered by express provisions of this subcontract. The
22 Contractor and Subcontractor shall observe such rules and regulations.
23

24 (b) Where the terms of this subcontract provide for action to be
25 based upon the opinion or determination of any party to this subcontract, whether or not
26 stated to be conclusive, said terms shall not be construed as permitting such action to be

1 predicated upon arbitrary, capricious, or unreasonable opinions or determinations. In the
2 event that the Contractor or Subcontractor questions any factual determination made by
3 the Contracting Officer, the findings as to the facts shall be made by the Secretary only
4 after consultation with the Contractor or Subcontractor and shall be conclusive upon the
5 parties.

6
7 6.6 Officials Not to Benefit.

8 (a) No Member of or Delegate to Congress or Resident
9 Commissioner shall be admitted to any share or part of this subcontract or to any benefit
10 that may arise herefrom. This restriction shall not be construed to extend to this
11 subcontract if made with a corporation or company for its general benefit.

12 (b) No official of the Subcontractor shall receive any benefit that
13 may arise by reason of this subcontract other than as a water user within the Project and
14 in the same manner as other water users within the Project.

15
16 6.7 Assignment Limited--Successors and Assigns Obligated. The
17 provisions of this subcontract shall apply to and bind the successors and assigns of the
18 parties hereto, but no assignment or transfer of this subcontract or any part or interest
19 therein shall be valid until approved by the Contracting Officer.

20 6.8 Judicial Remedies Not Foreclosed. Nothing herein shall be construed
21 (a) as depriving any party from pursuing and prosecuting any remedy in any appropriate
22 court of the United States or the State of Arizona which would otherwise be available to
23 such parties even though provisions herein may declare that determinations or decisions
24 of the Secretary or other persons are conclusive or (b) as depriving any party of any
25 defense thereto which would otherwise be available.
26

1 6.9 Books, Records, and Reports. The Subcontractor shall establish and
2 maintain accounts and other books and records pertaining to its financial transactions,
3 land use and crop census, water supply, water use, changes of Project works, and to other
4 matters as the Contracting Officer may require. Reports thereon shall be furnished to the
5 Contracting Officer in such form and on such date or dates as he may require. Subject to
6 applicable Federal laws and regulations, each party shall have the right during office hours
7 to examine and make copies of each other's books and records relating to matters covered
8 by this subcontract.
9

10 6.10 Equal Employment Opportunity.

11 During the performance of this subcontract, the Subcontractor agrees as
12 follows:
13

14 (a) The Subcontractor will not discriminate against any employee or
15 applicant for employment because of race, color, religion, sex, sexual orientation, gender
16 identity, or national origin. The Subcontractor will take affirmative action to ensure that
17 applicants are employed, and that employees are treated during employment, without
18 regard to their race, color, religion, sex, sexual orientation, gender identity, or national
19 origin. Such action shall include, but not be limited to the following: employment,
20 upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or
21 termination; rates of pay or other forms of compensation; and selection for training,
22 including apprenticeship. The Subcontractor agrees to post in conspicuous places,
23 available to employees and applicants for employment, notices to be provided by the
24 Contracting Officer setting forth the provisions of this nondiscrimination clause.
25
26

1 (b) The Subcontractor will, in all solicitations or advancements for
2 employees placed by or on behalf of the Subcontractor, state that all qualified applicants
3 will receive consideration for employment without regard to race, color, religion, sex,
4 sexual orientation, gender identity, or national origin.

5 (c) The Subcontractor will not discharge or in any other manner
6 discriminate against any employee or applicant for employment because such employee
7 or applicant has inquired about, discussed, or disclosed the compensation of the
8 employee or applicant or another employee or applicant. This provision shall not apply to
9 instances in which an employee who has access to the compensation information of other
10 employees or applicants as a part of such employee's essential job functions discloses
11 the compensation of such other employees or applicants to individuals who do not
12 otherwise have access to such information, unless such disclosure is in response to a
13 formal complaint or charge, in furtherance of an investigation, proceeding, hearing, or
14 action, including an investigation conducted by the employer, or is consistent with the
15 contractor's legal duty to furnish information.
16

17 (d) The Subcontractor will send to each labor union or representative
18 of workers with which he has a collective bargaining agreement or other contract or
19 understanding, a notice, to be provided by the agency Contracting Officer, advising the
20 labor union or workers' representative of the Subcontractor's commitments under section
21 202 of Executive Order No. 11246 of September 24, 1965, and shall post copies of the
22 notice in conspicuous places available to employees and applicants for employment.
23
24
25
26

1 (e) The Subcontractor will comply with all provisions of Executive
2 Order No. 11246 of Sept. 24, 1965, and of the rules, regulations, and relevant orders of
3 the Secretary of Labor.

4 (f) The Subcontractor will furnish all information and reports required
5 by Executive Order No. 11246 of September 24, 1965, and by the rules, regulations, and
6 orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books,
7 records, and accounts by the Contracting Agency and the Secretary of Labor for purposes
8 of investigation to ascertain compliance with such rules, regulations, and orders.
9

10 (g) In the event of the Subcontractor's noncompliance with the
11 nondiscrimination clauses of this contract or with any of such rules, regulations, or orders,
12 this subcontract may be canceled, terminated or suspended in whole or in part and the
13 Subcontractor may be declared ineligible for further Government contracts in accordance
14 with procedures authorized in Executive Order No. 11246 of Sept. 24, 1965, and such
15 other sanctions may be imposed and remedies invoked as provided in Executive Order
16 No. 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor,
17 or as otherwise provided by law.
18

19 (h) The Subcontractor will include the provisions of paragraphs (a)
20 through (h) in every subcontract or purchase order unless exempted by the rules,
21 regulations, or orders of the Secretary of Labor issued pursuant to section 204 of
22 Executive Order No. 11246 of September 24, 1965, so that such provisions will be binding
23 upon each subcontractor or vendor. The Subcontractor will take such action with respect
24 to any subcontract or purchase order as may be directed by the Secretary of Labor as a
25 means of enforcing such provisions, including sanctions for noncompliance: Provided,
26

1 however, that in the event the Subcontractor becomes involved in, or is threatened with,
2 litigation with a subcontractor or vendor as a result of such direction, the Subcontractor
3 may request the United States to enter into such litigation to protect the interests of the
4 United States.

5
6 6.11 Compliance With Civil Rights Laws and Regulations

7 (a) The Subcontractor shall comply with Title VI of the Civil Rights
8 Act of 1964 (Pub. L. 88-352; 42 U.S.C. § 2000d), the Rehabilitation Act of 1973 (Pub. L.
9 93-112, Title V, as amended; 29 U.S.C. § 791, et seq.), the Age Discrimination Act of 1975
10 (Pub. L. 94-135, Title III; 42 U.S.C. § 6101, et seq.), Title II of the Americans with
11 Disabilities Act of 1990 (Pub. L. 101-336; 42 U.S.C. § 12131, et seq.), and any other
12 applicable civil rights laws, and with the applicable implementing regulations and any
13 guidelines imposed by the U.S. Department of the Interior and/or Bureau of Reclamation.
14

15 (b) These statutes prohibit any person in the United States from being
16 excluded from participation in, being denied the benefits of, or being otherwise subjected
17 to discrimination under any program or activity receiving financial assistance from the
18 Bureau of Reclamation on the grounds of race, color, national origin, disability, or age. By
19 executing this subcontract, the Subcontractor agrees to immediately take any measures
20 necessary to implement this obligation, including permitting officials of the United States
21 to inspect premises, programs, and documents.
22

23 (c) The Subcontractor makes this agreement in consideration of and
24 for the purpose of obtaining any and all Federal grants, loans, contracts, property
25 discounts, or other Federal financial assistance extended after the date hereof to the
26 Subcontractor by the Bureau of Reclamation, including installment payments after such

1 date on account of arrangements for Federal financial assistance which were approved
2 before such date. The Subcontractor recognizes and agrees that such Federal assistance
3 will be extended in reliance on the representations and agreements made in this article
4 and that the United States reserves the right to seek judicial enforcement thereof.

5 (d) Complaints of discrimination against the Subcontractor shall be
6 investigated by the Contracting Officer's Office of Civil Rights.
7

8 6.12 Confirmation of Subcontract. The Subcontractor shall promptly seek
9 a final decree of the proper court of the State of Arizona approving and confirming the
10 subcontract and decreeing and adjudging it to be lawful, valid, and binding on the
11 Subcontractor. The Subcontractor shall furnish to the United States a certified copy of
12 such decree and of all pertinent supporting records. This subcontract shall not be binding
13 on the United States, the Contractor, or the Subcontractor until such final decree has been
14 entered.
15

16 6.13 Contingent on Appropriation or Allotment of Funds. The expenditure
17 or advance of any money or the performance of any work by the United States hereunder
18 which may require appropriation of money by the Congress or the allotment of funds shall
19 be contingent upon such appropriation or allotment being made. The failure of the
20 Congress to appropriate funds or the absence of any allotment of funds shall not relieve
21 the Subcontractor from any obligation under this subcontract. No liability shall accrue to
22 the United States in case such funds are not appropriated or allotted.
23

24 IN WITNESS WHEREOF, the parties hereto have executed this subcontract
25 No. 21-XX-30-W0696 the day and year first above-written.
26

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26

THE UNITED STATES OF AMERICA

By: _____
Regional Director
Lower Colorado Basin Region
Bureau of Reclamation

**CENTRAL ARIZONA WATER
CONSERVATION DISTRICT**

Attest: _____
Alexandra M. Arboleda
Secretary

By: _____
Terry Goddard
President

TOWN OF QUEEN CREEK, ARIZONA

Attest: _____

By: _____

Title: _____

Title: _____

Approved as to form and as within the authority of the Town of Queen Creek, Arizona:

Scott A. Holcomb, Town Attorney

Attachment: NIA Subcontract No. 21-XX-30-W0696 (NIA Allocation)

EXHIBIT A

Paragraph 8.11 of the Repayment Contract, as amended by Paragraph 4 of the Repayment Contract, Amendment No. 2 (Nov. 30, 2007), Contract No. 14-06-W-245

8.11 Priority in Case of Shortage. On or before June 1 of each Year, the Secretary shall announce the Available CAP Supply for the following Year in a written notice to the Contractor.

(a) Prior to January 1, 2044, a time of shortage shall exist in any Year in which the Available CAP Supply for that Year is insufficient to satisfy all of the entitlements set forth in subparagraphs (i) through (iii) below:

- (i) Three hundred forty-three thousand seventy-nine (343,079) acre-feet of CAP Indian Priority Water;
- (ii) Six hundred thirty-eight thousand eight hundred twenty-three (638,823) acre- feet of CAP M&I Priority Water; and
- (iii) Up to one hundred eighteen (118) acre-feet of CAP M&I Priority Water converted from CAP NIA Priority Water under the San Tan Irrigation District’s CAP Subcontract.

(b) On or after January 1, 2044, a time of shortage shall exist in any Year in which the Available CAP Supply for that Year is insufficient to satisfy all of the entitlements as set forth in subparagraphs (i) through (iv) below:

- (i) Three hundred forty-three thousand seventy-nine (343,079) acre-feet of CAP Indian Priority Water;
- (ii) Six hundred thirty-eight thousand eight hundred twenty-three (638,823) acre- feet of CAP M&I Priority Water;
- (iii) Up to forty-seven thousand three hundred three (47,303) acre-feet of CAP M&I Priority Water converted from CAP ~~M~~NIA Priority Water pursuant to the Hohokam Agreement; and
- (iv) Up to one hundred eighteen (118) acre-feet of CAP M&I Priority Water converted from CAP NIA Priority Water under the San Tan Irrigation District’s CAP Subcontract.

(c) Initial distribution of water in time of shortage.

- (i) If the Available CAP Supply is equal to or less than eight hundred fifty-three thousand seventy-nine (853,079) acre-feet, then 36.37518% of the Available CAP Supply shall be available for delivery as CAP Indian Priority Water and the remainder shall be available for delivery as CAP M&I Priority Water.

Attachment: Exhibit A - Paragraph 8.11 of the Repayment Contract, as amended (NIA Allocation)

- (ii) If the Available CAP Supply is greater than eight hundred fifty-three thousand seventy-nine (853,079) acre-feet, then the quantity of water available for delivery as CAP Indian Priority Water shall be determined in accordance with the following equation and the remainder shall be available for delivery as CAP M&I Priority Water:

$$I = \{ [32,770 \div (E - 853,079)] \times W \} + (343,079 - \{ [32,770 \div (E - 853,079)] \times E \})$$

Where

I=the quantity of water available for delivery as CAP Indian Priority Water

E=the sum of entitlements to CAP Indian Priority Water and CAP M&I Priority Water as described in subparagraphs 8.11 (a) or (b), whichever is applicable; and

W=the Available CAP Supply

Example A. If, before January 1, 2044, the sum of the entitlements to CAP Indian Priority Water and CAP M&I Priority Water as described in subparagraph 8.11 (a) is nine hundred eighty-one thousand nine hundred two (343,079 + 638,823 + 0) acre-feet, then the quantity of water available for delivery as CAP Indian Priority Water would be ninety-three thousand three hundred three (93,303) acre-feet plus 25.43800% of the Available CAP Supply.

Example B. If, after January 1, 2044, the sum of the entitlements to CAP Indian Priority Water and CAP M&I Priority Water as described in subparagraph 8.11 (b) is one million twenty-nine thousand three hundred twenty-three (1,029,323) acre-feet (343,079 + 638,823 + 47,303 + 118), then the quantity of water available for delivery as CAP Indian Priority Water would be one hundred fifty-one thousand six hundred ninety-one (151,691) acre-feet plus 18.59354% of the Available CAP Supply

- (d) In time of shortage unscheduled CAP Water shall be redistributed as follows:
 - (i) Any water available for delivery as CAP Indian Priority Water that is not scheduled for delivery pursuant to contract, leases or exchange agreements for the delivery of CAP Indian Priority Water shall become available for delivery as CAP M&I Priority Water.
 - (ii) CAP M&I Priority Water shall be distributed among those entities with contracts for the delivery of CAP M&I Priority Water in a manner determined by the Secretary and the CAP Operating Agency in consultation with M&I water users to fulfill all delivery requests to the greatest extent possible. Any water available for delivery as CAP M&I Priority Water that is not scheduled for delivery pursuant to contracts, leases or exchange agreements for the delivery of CAP M&I Priority Water shall become available for delivery as CAP Indian Priority Water.

Attachment: Exhibit A - Paragraph 8.11 of the Repayment Contract, as amended (NIA Allocation)

(e) Any water remaining after all requests for delivery of CAP Indian Priority Water and CAP M&I Priority Water have been satisfied shall become available for delivery as CAP NIA Priority Water.

(f) Nothing in this paragraph 8.11 shall be construed to allow or authorize any CAP Contractor or CAP Subcontractor to receive, pursuant to such contracts, CAP water in amounts greater than such contractor's entitlement.

(g) Any Project water, as defined in Subarticles 5.27(b), (c) and (d) hereof, shall retain its priority relative to Project water as defined in Subarticle 5.27(a) hereof.



Requesting Department

Economic Development

TO: HONORABLE MAYOR AND TOWN COUNCIL
THROUGH: JOHN KROSS, ICMA-CM, TOWN MANAGER
FROM: DOREEN COTT, ECONOMIC DEVELOPMENT DIRECTOR
RE: CONSIDERATION AND POSSIBLE APPROVAL OF RESOLUTION 1421-21 DIRECTING STAFF TO DISCONTINUE THE SMALL BUSINESS GRANT PROGRAM.
DATE: August 4, 2021

Staff Recommendation:

Staff recommends approval of Resolution 1421-21 directing staff to discontinue the Small Business Grant Program.

Proposed Motion:

Move to approve Resolution 1421-21 directing staff to discontinue the Small Business Grant Program.

Discussion:

On July 1, 2020 Council approved Resolution 1361-20 directing staff to implement the Small Business Grant Program allocating \$500,000 for the initial launch of the program. The program was designed to assist the Town's business community (brick-and-mortar and home based businesses with a current Queen Creek business license) with economic relief related to costs incurred in connection with enhanced sanitation, employee safety, and customer safety.

Grant money was distributed based on the number of Full-Time Equivalent Employees (FTE) or independent contractors the business employs. For each FTE, the grant program provided \$500 per employee to be used to offset the expenses in connection with enhanced sanitization, employee safety, and customer safety. Maximum eligible award per business was \$12,500.

Applications for the grant program became available online on Monday July 20th and the program was promoted via social media, press release, direct emails, phone calls, and in the Economic Development newsletter. As of February 20, 2021 staff received 125 applications totaling \$520,385. Staff approved and funded all of the \$500,000, leaving three applications unfunded and one application for \$12,500 partially funded at \$11,615.

On March 17, 2021 Council directed staff to increase the funding limit for the Small Business Grant Program by \$150,000, and end the program when the total amount of the funds were awarded.

Since March 17, 2021 staff has received nine new applications (and fully funded the four applications that were received prior to March 17) bringing the total amount funded to

\$553,885. Based on the small amount of new applications received since March, and no new applications received in the last four weeks, staff recommends discontinuing the program.

Summary data:	
Total Unique Applications Received	134
Total Amount Funded	\$650,000
Total Amount of Money Requested	\$553,885.00
Average Amount Requested	\$4,133.47
Home-based businesses	39
Brick and mortar businesses	95
Total Amount of Money Remaining Unrequested	\$96,115.00

Staff is currently evaluating different options to assist Queen Creek businesses, possibly utilizing federal funding as part of the American Recovery Plan, and will come back to Council with recommendations for consideration at a future meeting.

Fiscal Impact:

The original program was funded with a one-time appropriation of \$500,000 from the Operating Budget, and a budget adjustment for \$150,000 was made from Operating Contingency after Council’s direction at the March 17, 2021 meeting. The program has generated requests for \$553,885 to date, leaving a balance of \$96,115 of unspent funding.

If the Town Council chooses to continue the program or develop a new program, the remaining funds can be used to funds those activities. If the Town Council chooses to end the program and not proceed with other options, the remaining funds will go back into the Operating Contingency.

Alternatives:

1. Continue the Small Business Grant Program until the remaining \$96,115 is awarded to eligible applicants. Increase the marketing and promotion of the program with an enhanced marketing campaign.
2. End the program now, and direct staff to develop a new program or programs to assist small businesses using the remaining \$96,115.
3. End the program now and discontinue any further small business assistance programs.

Attachment(s):

1. Resolution 1421-21

RESOLUTION 1421-21

A RESOLUTION OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF QUEEN CREEK, ARIZONA, APPROVING THE DISCONTINUATION OF A HEALTH AND SAFETY GRANT PROGRAM FOR SMALL BUSINESSES LOCATED IN THE TOWN OF QUEEN CREEK.

WHEREAS, businesses play a vital role in the overall health of the Town of Queen Creek; and

WHEREAS, the Mayor and Town Council determined that it was in the best interest of the Town to assist the Town’s business community with economic relief during the COVID-19 health emergency and enhance the health, safety and welfare of the residents and others who frequent businesses in the Town of Queen Creek by reimbursing businesses for expenses incurred in connection with enhanced sanitization, employee safety, and customer safety; and

WHEREAS, the Small Business Grant Program provided small businesses with financial assistance; and

WHEREAS, no new applications have been submitted for the Small Business Grant Program in the last 30 days, staff recommends ending the program, and it is in the best interest of the Town and its residents to discontinue the program at this time.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COMMON COUNCIL OF THE TOWN OF QUEEN CREEK, ARIZONA, AS FOLLOWS:

Section 1: The Town shall discontinue the small business grant program designed to assist the Town’s business community with economic relief during the COVID-19 health emergency and enhance the health, safety and welfare of the residents and others who frequent businesses in the Town of Queen Creek by reimbursing businesses for expenses incurred in connection with enhanced sanitization, employee safety, and customer safety due to the lack of new applications.

Section 2: This Resolution shall become effective thirty days after passage by the Council and approval by the Mayor.

PASSED AND ADOPTED by the Mayor and Common Council of the Town of Queen Creek, Arizona, this 4th day of August 2021.

FOR THE TOWN OF QUEEN CREEK:

ATTEST TO:

Gail Barney, Mayor

Maria Gonzalez, Town Clerk

REVIEWED BY:

APPROVED AS TO FORM:

Attachment: Resolution 1421-21 (Discontinue the Small Business Grant Program)

John Kross, Town Manager

Scott Holcomb
Dickinson Wright PLLC
Town Attorneys

4831-7784-2675 v1 [53749-1]

DRAFT

Attachment: Resolution 1421-21 (Discontinue the Small Business Grant Program)



Requesting Department

Development Services

TO: HONORABLE MAYOR AND TOWN COUNCIL

THROUGH: JOHN KROSS, ICMA-CM, TOWN MANAGER

FROM: BRETT BURNINGHAM, DEVELOPMENT SERVICES DIRECTOR , ERIK SWANSON, PLANNING ADMINISTRATOR AND SARAH CLARK, SENIOR PLANNER/PROJECT MANAGER

RE: PUBLIC HEARING ON CASE P21-0133 TOWN INITIATED ANNUAL UPDATE TO THE 2018 GENERAL PLAN UPDATE, A STAFF INITIATED ANNUAL UPDATE TO PROVIDE A BRIEF LIST OF UPDATES TO THE DOCUMENT'S MAPS TO REFLECT CHANGES SINCE ITS APPROVAL AND PROVIDE ADDITIONAL CLARIFICATION.

DATE: August 4, 2021

Staff Recommendation:

This is an introduction to the proposed 2021 annual update to the 2018 General Plan. This meeting is the first of two meetings, as such the item is presented for informational purposes only, and a vote will not be taken. A second hearing is scheduled for the August 18 Town Council hearing at which a vote will be taken.

Relevant Council Goal(s):



Secure Future



Effective Government

Proposed Motion:

No motion is needed at this time. This is an introductory public hearing for the proposed 2021 annual update to the 2018 General Plan.

Summary:

Each year, Staff conducts a review of the Town's General Plan to analyze the document to determine if updates are necessary to reflect changes since its adoption. As part of this year's annual review of the Plan, Town Staff has initiated an update to the document to provide a brief list of updates to the document's maps to reflect changes since its approval and provide additional clarification. The updates are summarized as follows:

- Update all maps to reflect new growth to the Planning Area including the ASLD expansion, Fulton Homes Promenade and Encanterra

- Clarify that Major General Plan Amendments to the General Plan follow the same public notice procedures as a rezone request
- Clarify that Special District Boundaries may be expanded through the rezoning process
- Update the Land Use Characteristics table to include new Downtown Core and Residential Commercial zoning districts

These updates are minor in nature and focused on ensuring the information in the document is easy to understand and up to date. No changes to the *Elements, Goals, Strategies, and Actions* sections of the General Plan are required or proposed at this time.

History:

Sept. 20, 2017	Town Council accepted the 2018 General Plan Update
May 15, 2018	2018 General Plan Update was ratified by voters with an 84% approval.
July 21, 2021	Proposed annual update was introduced to the Planning and Zoning Commission at a public hearing.

Discussion:

Town Staff has initiated an annual update to the document to provide a brief list of updates to the document’s maps to reflect changes since its approval and provide additional clarification.

The proposed text updates are minor in nature and focused on ensuring the information in the document is easy to understand and up to date. No additional analysis has been conducted and no additional amendments to the *Planning Considerations, and Goals, Strategies, and Actions* sections are proposed. The next large scale update to the General Plan document is anticipated to follow the 10-year update timeframe as required by State statute and is anticipated to begin in 2025 for a 2028 adoption.

Major General Plan Amendment Notice Requirements:

This amendment proposes to add the following statement to the Amendments Section of the Plan to clarify the Major GPA public notice requirements:

Section III: General Plan Administration - General Plan Amendments (Page 89)

All Amendments to the General Plan must be approved by the Town Council. A Major General Plan Amendment can only be considered by the Council after public notice in accordance with ARS 9.461.5, posting on the Town website, and two Planning and Zoning Commission public hearings held in different locations in the Town. Major Amendments must follow the same public notice procedures as a rezone. Additional public outreach may be required. A Major Amendment request must be approved by an affirmative vote of at least two-thirds of the Town Council.

Special District Amendments:

This proposed text amendment adds a bullet to the Special District Amendment Section,

clarifying the amendment process for Special Districts:

Section III: General Plan Administration - General Plan Amendments (Page 90) - Add a bullet for “Special District boundaries may be expanded to accommodate extensions/modifications of its associated master plan or PAD through the rezoning process”.

Zoning Updates and Updates to the Land Use Categories Tables

- Corrected a scrivener’s error, allowing Agritainment Zoning districts in Rural, Neighborhood, and Commercial categories
- Updated the references to Town Center Mixed Use zoning district to the Downtown Core zoning district (The Town Center Mixed Use district was removed from the Zoning Ordinance and updated to the Downtown Core zoning district)
- Updated the references to Neighborhood Commercial zoning district to the Residential Commercial zoning district. (The Neighborhood Commercial district was removed from the Zoning Ordinance and updated to Residential Commercial zoning district)
- In the Types of Allowed Uses under the Neighborhood Category, clarified that office is a permitted employment use
- Corrected a scrivener’s error in the Land Use Categories Requirements Table to add an X for the Mixed Use Zoning Category in the Urban Land Use Category
- Corrected a scrivener’s error to allow community parks in all Land Use Categories

Map Updates

All maps were updated to reflect new growth to the Planning Area including the ASLD expansion, the Fulton Homes Promenade, and Encanterra communities including maps for *Growth Areas, Transportation System, Parks and Trails, Water and Wastewater Service Areas, and Public Safety*. The proposed updated maps are provided as an attachment to this report.

Attachment(s):

1. Proposed Text Edits to the 2018 General Plan
2. Proposed Updates to General Plan Maps

Figure 2: Land Use Categories

Figure 2: Land Use Categories describes the types of allowed land uses, land use character, and appropriate zoning districts for each of the Land Use Categories on the Plan Land Use Map.

Plan Land Use Map: Land Use Categories							
Land Use	Rural*	Neighborhood*	Urban*	Commercial*	Industrial*	Open Space*	Special Districts
Types of Allowed Land Uses	<p>Residential: very low-density single family (up to 1 dwelling unit per acre)</p> <p>Commercial: agriculture related (farm stands)</p> <p>Employment: agriculture and recreation-related; home office; garage industry</p> <p>Open Space: trails, trailheads, open space (washes), community parks</p>	<p>Residential: single family, patio homes, multifamily or other forms of residential uses up to 20 dwelling units per acre.</p> <p>Commercial: neighborhood retail and services with requirements</p> <p>Employment: home office, limited live/work; office</p> <p>Public & Quasi Public: civic/institutional</p> <p>Open Space: buildings, neighborhood/community parks, pocket parks, tot lot</p>	<p>Residential: single family (above 6 dwelling units per acre), multifamily, patio homes</p> <p>Commercial: commercial retail, office,</p> <p>Public & Quasi Public: civic/institutional buildings</p> <p>Open Space: plazas, parks</p>	<p>Commercial: Town-wide commercial center and other auto-oriented commercial centers</p> <p>Public & Quasi Public: civic/institutional buildings</p> <p>Open Space: plazas, parks</p>	<p>Employment: warehouse; manufacturing; office</p> <p>Open Space: plazas, parks</p>	<p>Open Space: park shelters, restroom facilities; community and Town-wide parks; conservation areas; Sonoqui & Queen Creek washes, protected natural features</p>	<p>Economic: Agritainment</p> <p>Residential: Mac planned comm</p> <p>Other: Arizona Land Department managed land, State Academy property</p>
Land Use Character	<ul style="list-style-type: none"> •Predominantly large lot single family residential up to 1 dwelling unit per acre. •Buildings spaced significantly apart to create a sense of intermittent rather than lined up buildings. •A variety of deep setbacks from the road, creating an informal pattern. •Roadways without curb, gutter, or sidewalk. •Informal streetscapes and tree placement. 	<ul style="list-style-type: none"> •Predominantly residential with range of densities up to 20 dwelling units per acre allowed with requirements. •Adequate transitions and/or buffering abutting Rural or Urban areas will be required. •Higher densities should decrease towards edges when abutting single family developments within this Land Use Category. •Densities above 8 dwelling units per acre require direct access to collector or arterial streets. •Commercial sites less than 20 acres. All commercial uses require direct access to at least one arterial or collector street. •Buildings spaced to create separation while maintaining cohesive street wall. •Modest building setbacks, generally aligned with neighboring buildings. •Streets with curb, gutter, planter strips, and sidewalk. 	<ul style="list-style-type: none"> •Walkable development pattern with a variety of residential uses above 6 dwelling units per acre, mixed-use, commercial, and civic/cultural within walking distance (1/4 mile) of each other. •Buildings close together with significant street frontage. •Building façades at or near sidewalk. •Pedestrian-friendly streets with curb and gutter, planters or tree wells, and generous sidewalks; sidewalk width scaled to context, with greater sidewalk widths abutting retail frontages. •Formalized streetscape with equally spaced street trees. •May include civic park/plaza/gathering space. •Buildings with active ground-floor uses and entries, storefronts and windows oriented toward sidewalks. •On-street parking, especially along streets with retail 	<ul style="list-style-type: none"> •Commercial development; accommodates existing conventional suburban shopping centers. •Flexible configuration of buildings; building facades and entries may be associated with site-internal circulation rather than street frontage. •Streets with curb and gutter, planters and sidewalks. •Streetscape with street trees and shrubs intended to screen surface parking and service areas from view and buffer sidewalks from vehicle traffic. •Generally, auto-oriented development with safe and comfortable pedestrian routes and streetscape 	<ul style="list-style-type: none"> •Reserved for employment-focused development not appropriate in other categories, including warehouses, manufacturing facilities, and office buildings. •Building siting accommodates truck access, loading and storage areas. •Roadways designed to accommodate larger vehicles while maintaining a safe, shaded, and comfortable sidewalk; natural 	<ul style="list-style-type: none"> •Largely undeveloped land intended to protect and preserve the natural environment and provide recreational opportunities and public parks. •Development limited to use-specific structures and recreation facilities, including trails, picnic shelters, restroom facilities, and equestrian facilities. 	<ul style="list-style-type: none"> •Set aside for development appropriate for any of the other categories an requiring great flexibility. •Development governed by Plan.
Appropriate Zoning Districts	<p>Rural Development: R1-190</p> <p>General Rural Development: R1-54</p> <p>Rural Estate: R1-43</p> <p>Planned Area Development Overlay: PAD</p> <p>Agritainment: AT</p>	<p>Rural Estate: R1-43,</p> <p>Suburban Residential: R1-35, R1-18</p> <p>Suburban Development R1-15, R1-12</p> <p>Urban Development – Type A: R1-7, R1-9</p> <p>Urban Development Type B: MDR, HDR</p> <p>Urban Development: R1-4, R1-5</p> <p>Light Commercial: C-1</p> <p>General Commercial: C-2</p> <p>Public/Quasi Public: P/QP</p> <p>Residential Commercial: RC</p> <p>Planned Area Development Overlay: PAD</p> <p>Agritainment: AT</p>	<p>Urban Development: MDR, HDR, R1-4</p> <p>General Commercial: C-2</p> <p>Public/Quasi Public: P/QP</p> <p>Residential Commercial: RC</p> <p>Downtown Core: DC</p> <p>Mixed-use: MU</p> <p>Planned Area Development Overlay: PAD</p>	<p>General Commercial: C-2</p> <p>Regional Commercial Center: C-3</p> <p>Residential Commercial: RC</p> <p>Office/Industrial Park: EMPA</p> <p>Public/Quasi Public: P/QP</p> <p>Planned Area Development Overlay: PAD</p> <p>Agritainment: AT</p>	<p>Office/Industrial Park: EMP-A</p> <p>General Industrial: EMP-B</p> <p>Public/Quasi Public: P/QP</p> <p>Planned Area Development Overlay: PAD</p>	<p>Parks, Recreation, and Conservation: PRC</p> <p>Public/Quasi Public: P/QP</p> <p>Planned Area Development Overlay: PAD</p> <p>*Other types of open space can be included in all other zoning districts including parks, plazas, etc.</p>	<p>Agritainment: Agritainment</p> <p>Planned Commercial: PCD</p> <p>Planned Area Development: PAD</p> <p>Non-Traditional Housing: N/A</p> <p>Public/Quasi Public: P/QP</p>

Clarified community parks were allowed types of open space in Rural and Neighborhood categories

Clarified office is an allowed employment type use in Neighborhood

Clarified Agritainment is an appropriate zoning district in Rural, Neighborhood, and Commercial categories

Revised references of Neighborhood Commercial to Residential Commercial and revised references of Town Center to Downtown Core to reflect the recent updates to the zoning districts

*Transitions and other requirements provided in the Land Use Categories Requirements Table

Attachment: Proposed Text Edits to the 2018 General Plan (Town Initiated Annual Update to the 2018 General Plan Update)

Figure 3: Land Use Categories Requirements Table

Zoning Districts		Rural	Neighborhood	Urban	Commercial	Industrial	Open Space	Special District	Special Consideration and Notes
District	Zoning								
Residential Districts	Rural Development	R1-190	X						• Appropriate in RURAL Land Use Category.
	General Rural Development	R1-54	X						
	Rural Estate	R1-43	X	X					
	Suburban Residential	Type A	R1-35		X				• Appropriate zoning adjacent to RURAL.
		Type B	R1-18		X				
	Suburban Development	Type B	R1-15		X				• May be considered adjacent to properties designated as RURAL and adjacent to lower density residential zoning districts if appropriate measures are provided to create a compatible transition between adjacent properties using methods such as: compatible lot widths/sizes; open space/landscape buffers; and roadways. Specific buffering and transition details shall be determined through the rezoning process.
		Type B	R1-12		X				
	Urban Development	Type A	R1-9		X				
		Type A	R1-7		X				
		-	R1-5		X				
-		R1-4		X					
Type B		MDR		X	X			<ul style="list-style-type: none"> • Within NEIGHBORHOOD Land Use Category densities above 8 du/ac require direct access to collector or arterial roadway, or placement directly abutting commercial uses • Within URBAN Land Use Category: Minimum density of 6 du/ac required. • May be considered adjacent properties designated as RURAL on the General Plan Land Use Map within, or adjacent to, any properties designated NEIGHBORHOOD on the General Plan Land Use and adjacent to lower residential density zoning districts if appropriate measures are provided to a compatible transition between adjacent properties using methods such as: compatible lot widths/sizes; open space/landscape buffers; and roadways. Specific buffering and transition details shall be determined through the rezoning process. 	
Type B		HDR		X	X				
Non-Residential Districts	Light Commercial	C-1		X				• Within NEIGHBORHOOD Land Use Category: Permitted on sites up to 20 acres, adjacent to a one arterial or collector roadway. Site layout, parking orientation, and building design to include pedestrian access from surrounding neighborhoods.	
	General Commercial	C-2		X	X	X		<ul style="list-style-type: none"> • Within NEIGHBORHOOD Land Use Category: Permitted on sites up to 20 acres, adjacent to a one arterial or collector roadway. Site layout, parking orientation, and building design to include pedestrian access from surrounding neighborhoods. • Within URBAN Land Use Category: Site layout, parking orientation and building design to emphasize pedestrian orientation, including active facades abutting sidewalks. • Within URBAN Land Use Category: Drive-thrus are prohibited. Auto-oriented uses are discouraged. 	
	Regional Commercial Center							<div style="border: 1px solid red; padding: 5px; width: fit-content;"> Revised references of Neighborhood Commercial to Residential Commercial and revised references of Town Center to Downtown Core to reflect the recent updates to the zoning districts </div>	
	Office/Industrial Park								
	General/Industrial								
	Parks, Recreation, and Conservation Zone								
	Public/Quasi-Public								
	Residential Commercial	RC		X	X	X			<ul style="list-style-type: none"> • Within NEIGHBORHOOD Land Use Category: Permitted on sites up to 20 acres, adjacent to one arterial or collector roadway. Site layout, parking orientation, and building design to include pedestrian access from surrounding neighborhoods. • Within URBAN Land Use Category: Site layout, parking orientation and building design to emphasize pedestrian orientation, including active facades abutting sidewalks. • Within URBAN Land Use Category: Drive-thrus are prohibited. Auto-oriented uses are discouraged.
Downtown Core	DC			X				<div style="border: 1px solid red; padding: 5px; width: fit-content;"> Corrected a Scrivener's Error and added an "X" for Mixed Use under the Urban Category </div>	
Mixed-Use	MU			X			X		
Agritainment	AT	X	X		X			X	<div style="border: 1px solid red; padding: 5px; width: fit-content;"> Clarified Agritainment is an appropriate zoning district in Rural, Neighborhood, and Commercial categories </div>
Planned Community	PCD							X	
Planned Area Development Overlay	PAD	X	X	X	X	X	X	X	
Overlay Districts	Non-Traditional Housing Product	-							X

Attachment: Proposed Text Edits to the 2018 General Plan (Town Initiated Annual Update to the 2018 General Plan Update)

Development Patterns (Land Use Categories)

RURAL



LAND USE CHARACTER

- Predominantly large lot single family residential up to 1 dwelling unit per acre (du/ac).
- Buildings spaced significantly apart to create a sense of intermittent rather than lined up buildings.
- A variety of deep setbacks from the road, creating an informal pattern.
- Roadways without curb, gutter, or sidewalk.
- Informal streetscapes and tree placement.

LAND USE TYPES

- Residential: very low-density single family (up to 1 dwelling unit per acre)
- Commercial: agriculture related (farm stands)
- Employment: agriculture and recreation-related; home office; garage industry
- Public & Quasi Public: not permitted
- Open Space: trails, trailheads, open space (washes)

APPROPRIATE ZONING DISTRICTS*

- Rural Development: R1-190
- General Rural Development: R1-54
- Rural Estate: R1-43
- Public/Quasi Public: P/QP
- Planned Area Development Overlay: PAD
- Agritainment: AT

Clarified Agritainment is an appropriate zoning district in Rural, Neighborhood, and Commercial categories

* Transitions and other requirements provided in the Land Use Categories Requirements Table

NEIGHBORHOOD



LAND USE CHARACTER

- Predominantly residential with range of densities up to 20 dwelling units per acre allowed *.
- Adequate transitions and/or buffering abutting Rural or Urban areas will be required.
- Higher densities should decrease towards edges when abutting single family developments within this Land Use Category.
- Densities above 8 du/ac require direct access to collector or arterial streets.
- Commercial sites less than 20 acres. All commercial uses require direct access to at least one arterial or collector street.
- Buildings spaced to create
- Modest building setbacks, generally aligned with neighboring buildings.
- Streets with curb,
- Semi-formal streets
- Diversity provided by a variety of building styles and sizes.
- Guest parking accommodated on-street.
- Materials and detailing should evoke residential

Clarified office was an allowed employment type use in Neighborhood

Revised references of Neighborhood Commercial to Residential Commercial to reflect the recent update to the zoning district

Clarified Agritainment is an appropriate zoning district in Rural, Neighborhood, and Commercial categories

LAND USE TYPES

- Residential: single family, patio homes, and multifamily* or other forms of residential uses up to 20 dwelling units per acre.
- Commercial: office, neighborhood office, retail and services *
- Employment: home office; limited live/work; office
- Public & Quasi Public: civic/institutional
- Open Space: buildings, neighborhood parks, lot lots

APPROPRIATE ZONING DISTRICTS*

- Rural Estate: R1-43
- Suburban Residential: R1-35, R1-18
- Suburban Development R1-15, R1-12
- Urban Development- Type A: R1-7, R1-9
- Urban Development- Type B: MDR, HDR
- Urban Development: R1-4, R1-5,
- Light Commercial: C-1
- General Commercial: C2
- Public/Quasi Public: P/QP
- Residential Commercial: RC
- Planned Area Development Overlay: PAD
- Agritainment: AT

* Transitions and other requirements provided in the Land Use Categories Requirements Table

URBAN



LAND USE CHARACTER

- Walkable development pattern with a variety of residential uses above 6 dwelling units per acre and within 1/4 mile of mixed-use, commercial and civic/cultural uses.
- Buildings close together with significant street frontage.
- Building facades at or near sidewalk.
- Pedestrian-friendly streets with curb and gutter, planters or tree wells, and generous sidewalks; sidewalk width scaled to context with greater sidewalk widths abutting retail frontages.
- Formalized streetscape with equally spaced street trees.
- May include civic park/plaza/gathering space.
- Buildings with active ground-floor uses and entries, storefronts and windows oriented toward sidewalks.
- On-street parking, especially along streets with retail.
- Drive-thru commercial uses prohibited.
- Off street parking located behind buildings when possible and practical.
- Adequate transition to abutting areas (Neighborhood or Rural) required.

LAND USE TYPES

- Residential: single family (above 6 dwelling units per acre), multifamily, patio homes
- Commercial: retail, office, employment, service buildings; live/work
- Public & Quasi Public: civic/institutional buildings
- Open Space: plazas, parks

Revised of Town Center to Downtown Core to reflect the recent update to the zoning district

APPROPRIATE ZONING DISTRICTS*

- Urban Development: MDR, HDR, R1-4
- General Commercial: C-2
- Public/Quasi Public: P/QP
- Neighborhood Commercial: NC
- **Downtown Core: DC**
- Mixed-use: MU
- Planned Area Development Overlay: PAD

* Transitions and other requirements provided in the Land Use Categories Requirements Table

Attachment: Proposed Text Edits to the 2018 General Plan (Town Initiated Annual Update to the 2018 General Plan Update)

COMMERCIAL



LAND USE CHARACTER

- Commercial development; accommodates existing conventional suburban shopping centers.
- Flexible configuration of buildings; building facades and entries may be associated with internal circulation rather than street frontage.
- Streets with curb and gutter, planters and sidewalks.
- Streetscape with street trees and shrubs intended to screen surface parking and service areas from view and buffer sidewalks from vehicle traffic.
- Generally auto-oriented development with safe and comfortable pedestrian routes and streetscapes.
- Adequate transition to abutting areas (Neighborhood or Rural) required.

LAND USE TYPES

- Residential: not permitted
- Commercial: auto-oriented commercial centers and existing office buildings
- Public & Quasi Public: civic and institutional buildings
- Open Space: plazas, parks

Revised references of Neighborhood Commercial to Residential Commercial to reflect the recent updates to the zoning district

APPROPRIATE ZONING DISTRICTS*

- General Commercial: C-2
- Regional Commercial Center: C-3
- Public/Quasi Public: P/QP
- Residential Commercial: RC
- Planned Area Development Overlay: PAD
- Agritainment: AT

* Transitions and other requirements provided in the Land Use Categories Requirements Table

GENERAL PLAN AMENDMENTS

The General Plan provides a framework for Town staff and elected and appointed officials as they make decisions to guide future growth and development. Over time, unanticipated or unforeseen changes in technology, economy, environment, population growth and demographics, transportation systems, and other factors may occur and require Major or Minor Amendments to this General Plan. This section of the Plan defines Major and Minor General Plan Amendments and the General Plan Major and Minor Amendment process.

Who Can Request a General Plan Amendment?

Amendments to the General Plan may be initiated by the Town or requested by landowners or their designated representatives, residents, or the owners of businesses located within the Town.

Who Can Approve a General Plan Amendment?

All Amendments to the General Plan can only be considered by the Council. Major General Plan Amendments must follow the same public notice procedures as a rezone. Additional public outreach may be required. A Major Amendment request must be approved by an affirmative vote of at least two-thirds of the Town Council.

Clarified that Major General Plan Amendments to the General Plan follow the same public notice procedures as a rezone request

General Plan Amendment Process?

Major General Plan Amendment 9.461.5, posting on the Town website, and two Planning and Zoning Commission public hearings held in different locations in the Town.

A Minor General Plan Amendment shall be noticed according to the same procedure as a rezone, and shall be recommended for approval, denial, or continuance at a public hearing by Planning and Zoning Commission, and can be approved, denied, or continued to a date certain by the Town Council at a public hearing.

MAJOR AMENDMENTS

Major Amendments to the General Plan may be considered annually by the Town. Major Amendment applications may be submitted annually, and will be considered within the same calendar year they are submitted.

What Constitutes a Major General Plan Amendment?

State law requires that zoning conform to the General Plan and the General Plan Land Use Categories and Map. This General Plan's Land Use Categories define the permitted zoning for each General Plan Land Use Category, and lists additional conditions to ensure that zoning is compatible within each Land Use Category. This General Plan Land Use Map and Land Use Categories provide a flexible framework that promote high quality design and development. The Land Use Map and Land Use Categories provide wide latitude that provide and enable landowners a variety of development options that can be used to help the Town achieve the General Plan goals, which are ratified by voters. Because the General Plan offers flexible options, it is not anticipated that Major Amendments to the General Plan will be requested every year. Should a Major Amendment to the General Plan be necessary, one or more of the following would need to be true:

Rural Land-Use Category & General Plan Map

- Rezoning request for 10 or more acres of land that is not in conformance with the Land Use Character, Land Use Types, Appropriate Zoning Districts, or the Land Use Categories Requirements Table.
- A rezoning request that would create 10 or more contiguous acres of zoning not in conformance with the General Plan.

Neighborhood Land-Use Category & General Plan Map

- Rezoning request for 5 or more acres of land that is not in conformance with the Land Use Character, Land Use Types, Appropriate Zoning Districts, or the Land Use Categories Requirements Table.
- A rezoning request that would create 5 or more contiguous acres of zoning not in conformance with the General Plan.

Attachment: Proposed Text Edits to the 2018 General Plan (Town Initiated Annual Update to the 2018 General Plan Update)

Urban Land-Use Category & General Plan Map

- Rezoning request for land greater than one acre that is not in conformance with the Land Use Character, Land Use Type, Appropriate Zoning Districts, or the Land Use Categories Requirements Table.
- Any rezoning request for a different use.
- Any rezoning request that creates a contiguous 5-acre area not in conformance with the General Plan.

Clarify that Special District Boundaries may be expanded through the rezoning process

Special District, Open Space, or Agritainment Categories & General Plan Map

- Any rezoning request not in conformance in the Special District, Open Space, or Agritainment Land Use Categories.
- Special District boundaries may be expanded to accommodate extensions/modifications of its associated master plan or PAD through the rezoning process.

Text Changes

- Changes to the text of the Land Use Categories, Land Use Categories Additional Requirements table, descriptions on the Land Use legend, or the elimination or substantial modification of any goals or strategies to the General Plan.

Commercial and Industrial Land-Use Categories & General Plan Map

- Rezoning request for land greater than 20 acres that is not in conformance with the Land Use Character, Land Use Type, Appropriate Zoning Districts, or the Land Use Categories Requirements Table.
- A rezoning request that would create 20 or more contiguous acres of zoning not in conformance with the General Plan.

Any rezoning request that is less than the size limit established in the above sections may be approved through the rezoning process and will not require a Major General Plan Amendment. During the rezone review request, consideration will be given to maintain a compatible transition between adjacent properties.

MINOR AMENDMENTS

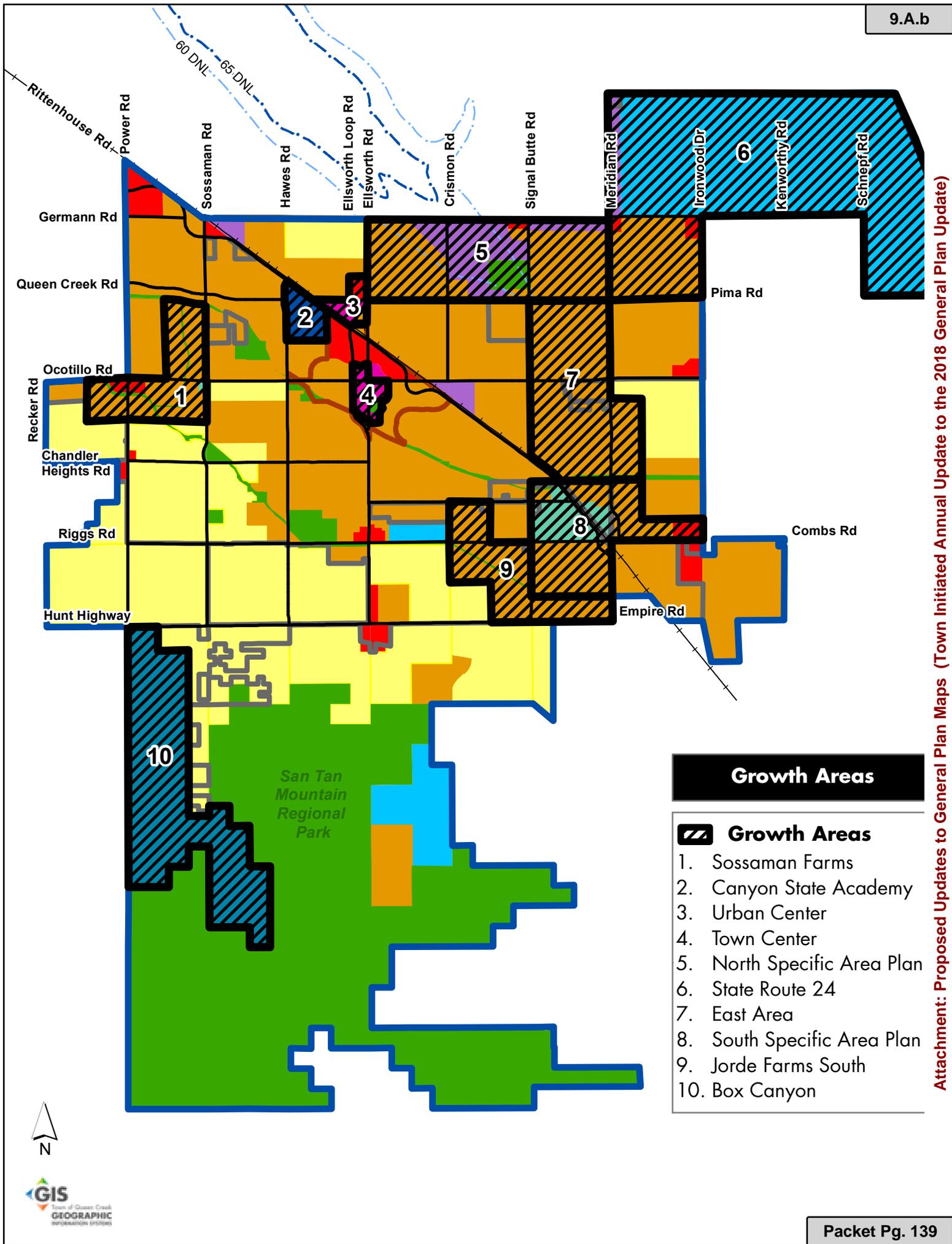
Minor Amendments include text amendments, such as updates to goals and strategies which do not change their meaning or intent, to demographic or statistical information, and updates or modifications to actions. Updates to maps included in this General Plan (excluding the Land Use Map) may be done through a Minor General Plan Amendment request. Requests for Minor Amendments would be recommended by the Planning and Zoning Commission to the Town Council. Minor Amendment requests can be considered at any Planning and Zoning Commission and Town Council public meeting.

Any rezoning request that is less than the size limit established in the above sections may be approved through the rezoning process and will not require a Minor General Plan Amendment. During the rezone review request, consideration will be given to maintain a compatible transition between adjacent properties.

FINDINGS OF FACT

In determining whether the proposed amendment should be approved, the Commission and Town Council shall consider the following factors:

1. Whether this change in the General Plan land use map will result in a shortage of land for other planned uses (for example and not limited to, will this change result in a substantial and undesirable reduction in the amount of available land for employment or higher density housing development?)
2. Does the proposed amendment constitute an overall improvement to the Queen Creek General Plan and is not solely for the good or benefit of a particular landowner or owners at a particular point in time.
3. The degree to which the proposed amendment will impact the whole community or a portion of the community by:
 - a. Significantly altering acceptable existing land use patterns in a way that is contrary to the goals, strategies and actions identified in the adopted General Plan.
 - b. Affecting the livability of the surrounding area or the health and safety of present or future residents.

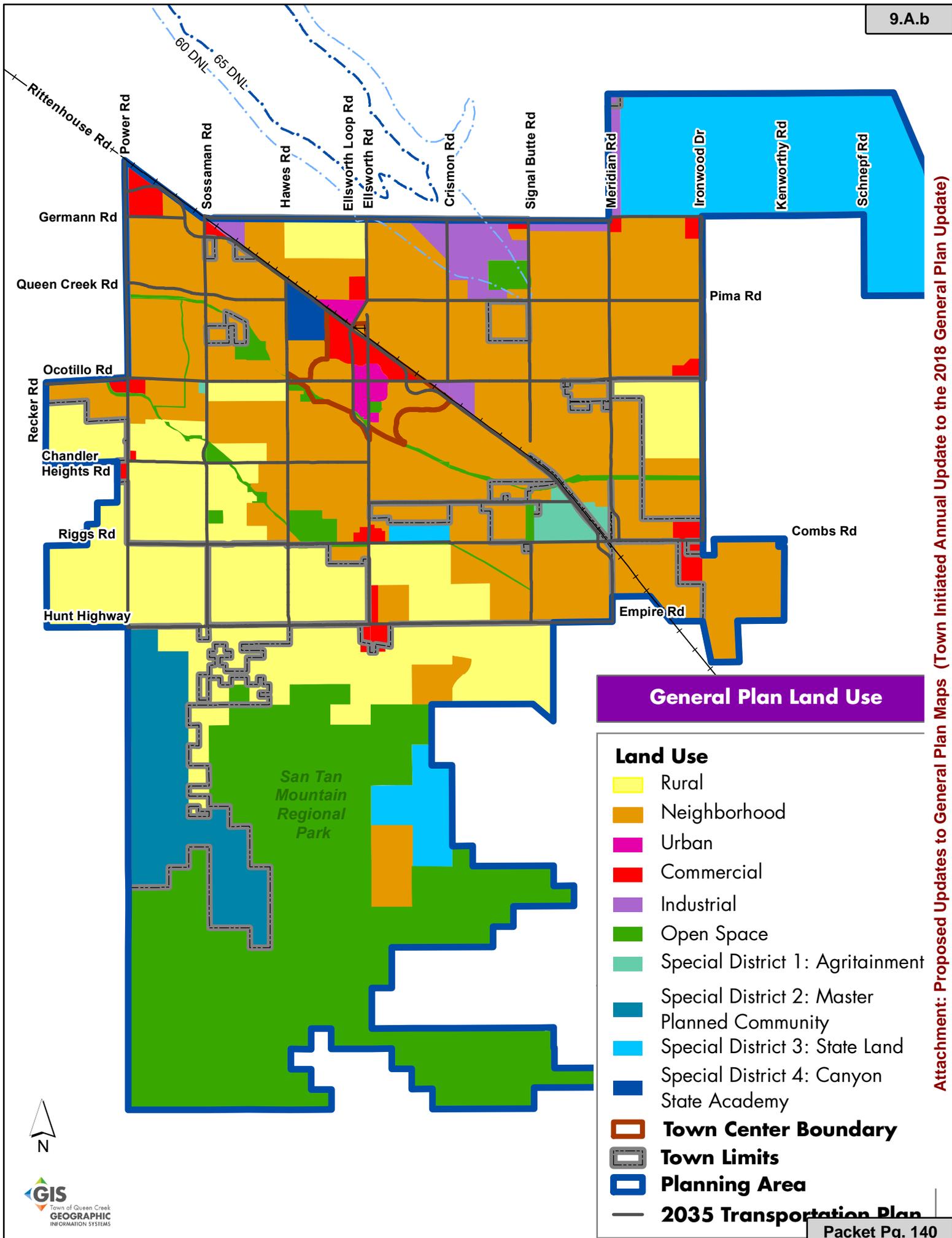


Growth Areas

-  **Growth Areas**
- 1. Sossaman Farms
- 2. Canyon State Academy
- 3. Urban Center
- 4. Town Center
- 5. North Specific Area Plan
- 6. State Route 24
- 7. East Area
- 8. South Specific Area Plan
- 9. Jorde Farms South
- 10. Box Canyon

Attachment: Proposed Updates to General Plan Maps (Town Initiated Annual Update to the 2018 General Plan Update)

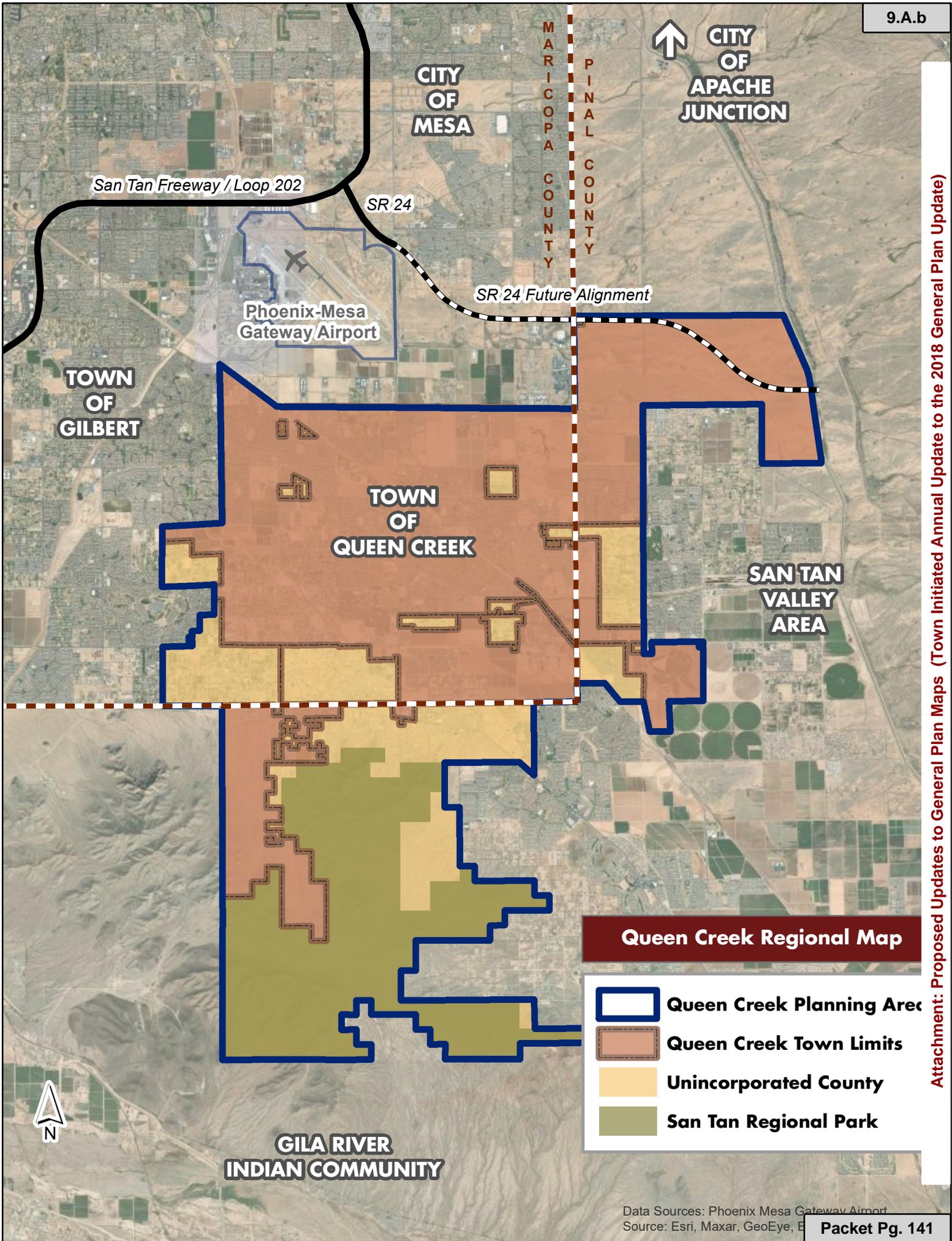




General Plan Land Use

- Land Use**
- Rural
 - Neighborhood
 - Urban
 - Commercial
 - Industrial
 - Open Space
 - Special District 1: Agritainment
 - Special District 2: Master Planned Community
 - Special District 3: State Land
 - Special District 4: Canyon State Academy
 - Town Center Boundary**
 - Town Limits**
 - Planning Area**
 - 2035 Transportation Plan**

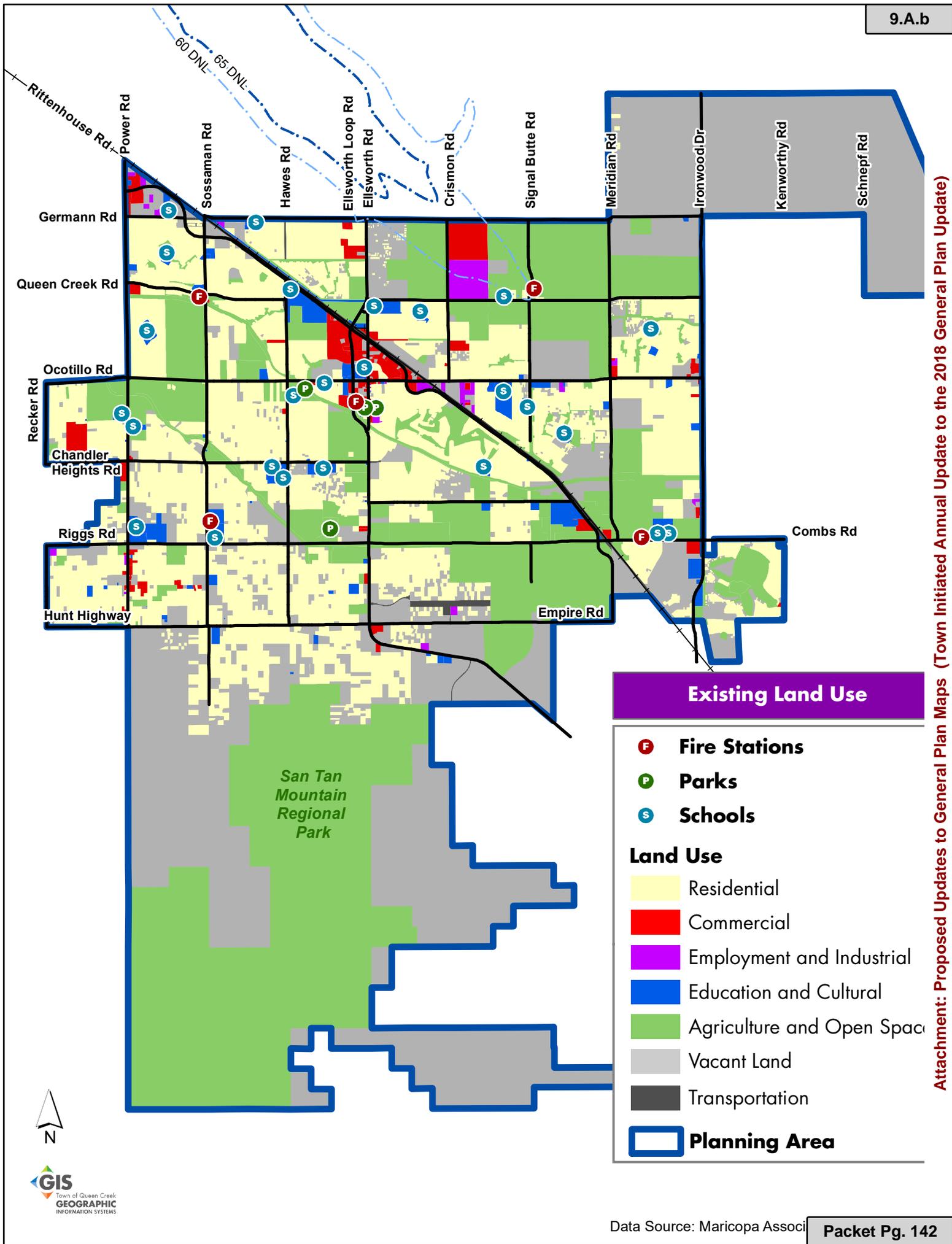
Attachment: Proposed Updates to General Plan Maps (Town Initiated Annual Update to the 2018 General Plan Update)



Queen Creek Regional Map

-  Queen Creek Planning Area
-  Queen Creek Town Limits
-  Unincorporated County
-  San Tan Regional Park

Attachment: Proposed Updates to General Plan Maps (Town Initiated Annual Update to the 2018 General Plan Update)



Existing Land Use

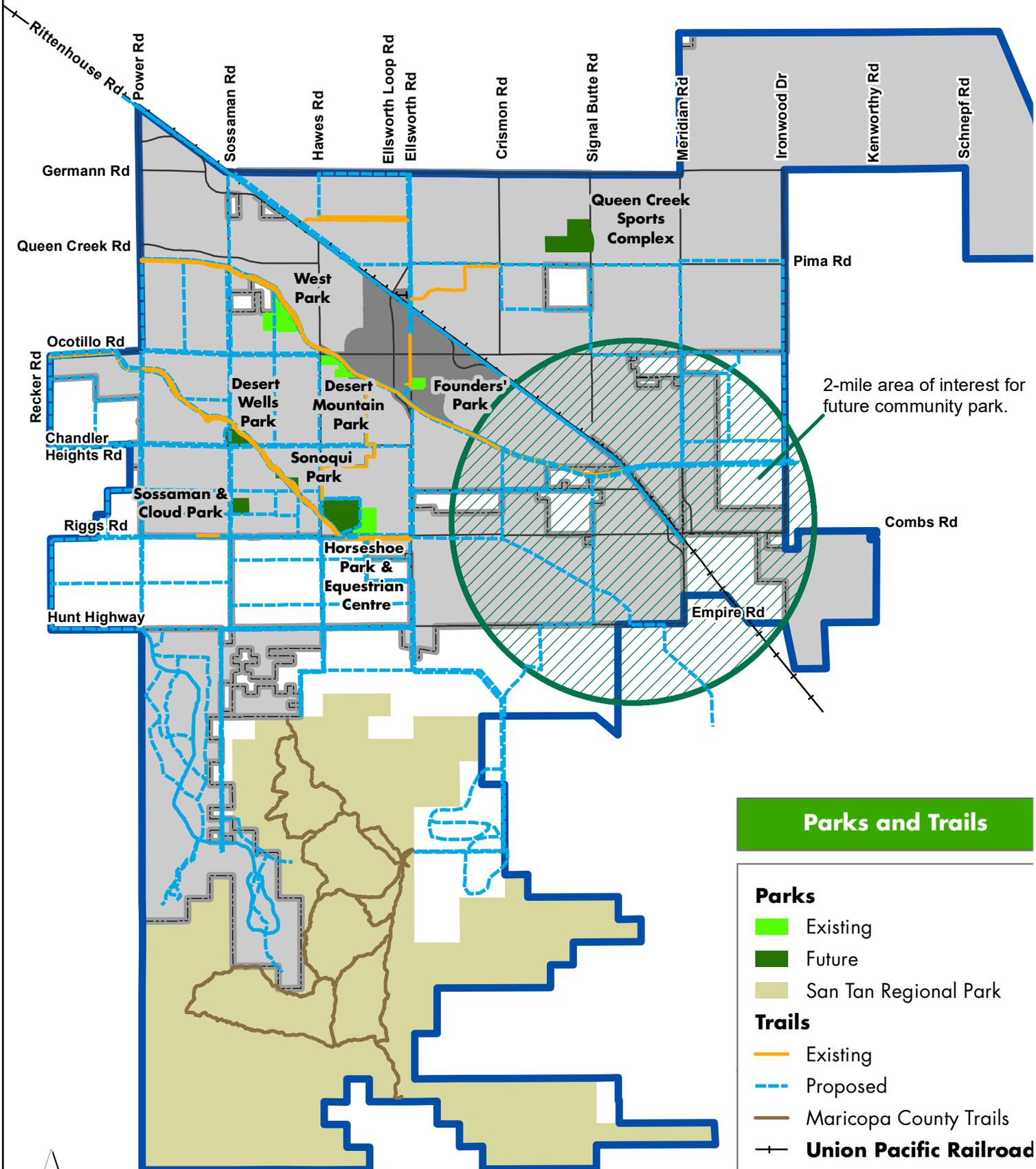
- F **Fire Stations**
- P **Parks**
- S **Schools**

Land Use

- Residential
- Commercial
- Employment and Industrial
- Education and Cultural
- Agriculture and Open Space
- Vacant Land
- Transportation
- Planning Area**

Attachment: Proposed Updates to General Plan Maps (Town Initiated Annual Update to the 2018 General Plan Update)





Parks and Trails

Parks

- Existing
- Future
- San Tan Regional Park

Trails

- Existing
- Proposed
- Maricopa County Trails

Union Pacific Railroad

Town Limits

Town Center

Planning Area



MESA

San Tan Freeway / Loop 202

SR 24

Phoenix-Mesa Gateway Airport

SR 24 Future Alignment

Rittenhouse Rd
Power Rd

Sossaman Rd

Hawes Rd

Ellsworth Loop Rd

Ellsworth Rd

Crismon Rd

Signal Butte Rd

Meridian Rd

Ironwood Dr

Kenworthy Rd

Schnepf Rd

Germann Rd

Queen Creek Rd

Pima Rd

GILBERT

SAN TAN VALLEY

Ocotillo Rd

Recker Rd

Chandler Heights Rd

Riggs Rd

Combs Rd

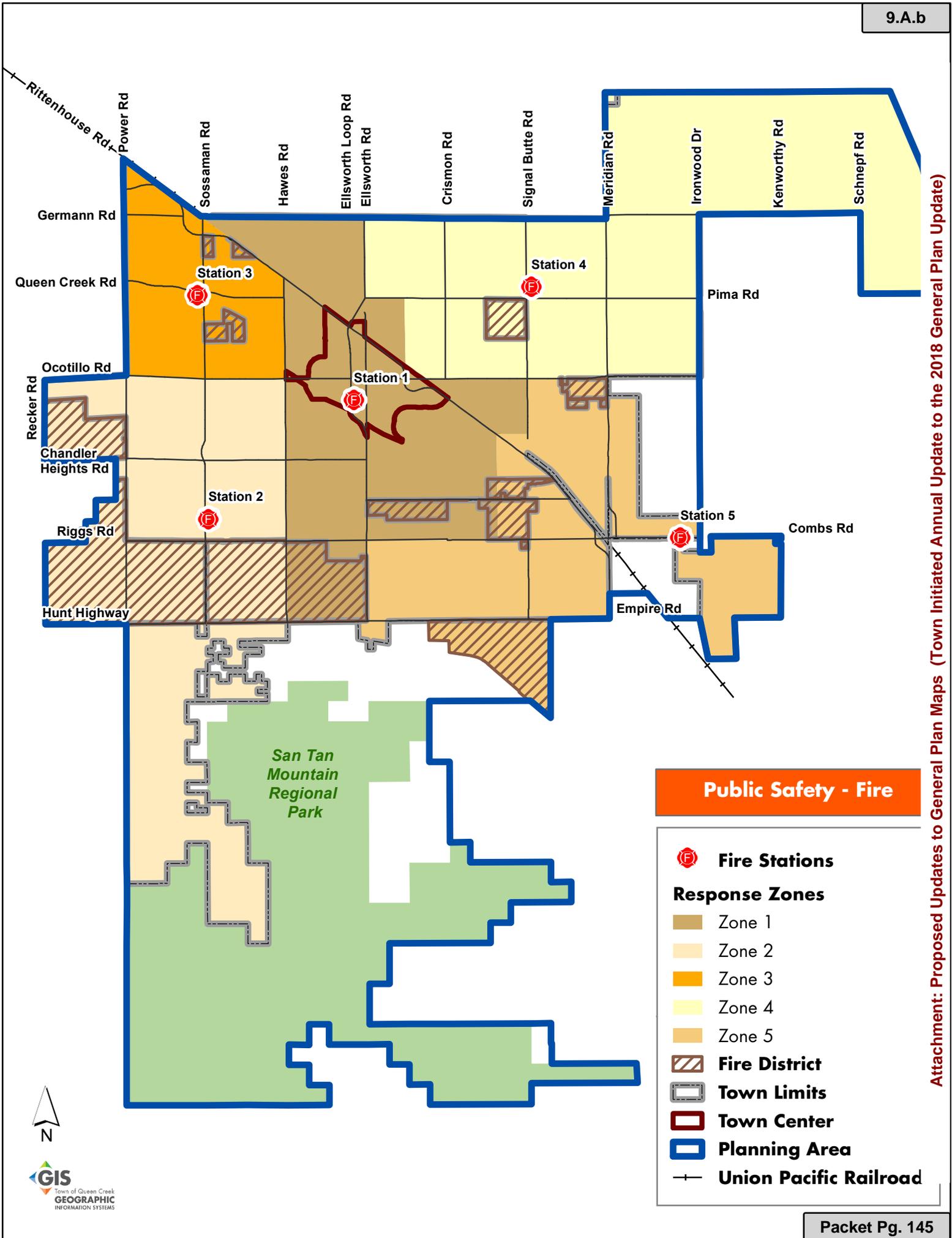
Hunt Highway

Empire Rd

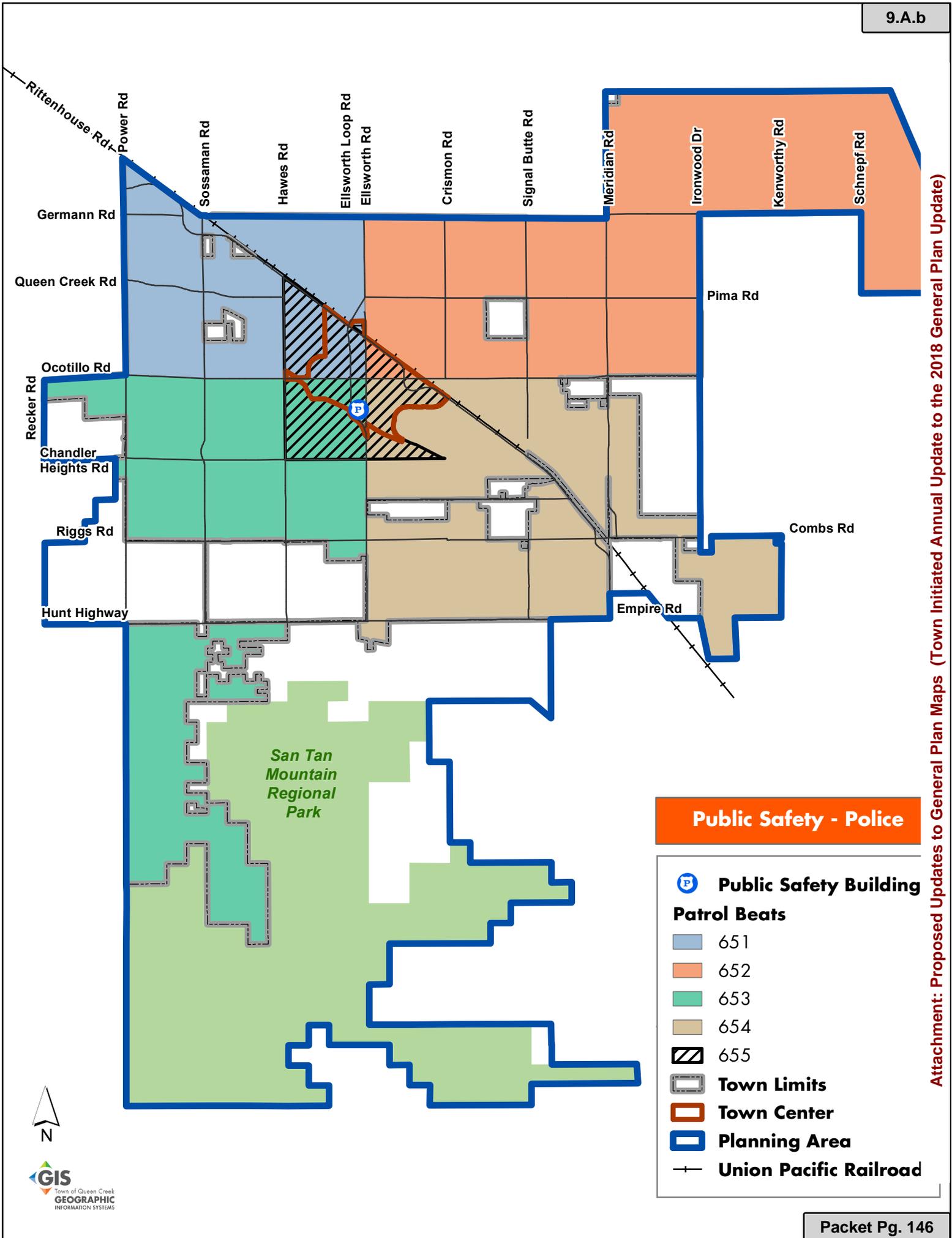
Transportation

-  2035 Transportation Plan
-  Bike Lanes
-  Union Pacific Railroad (Potential Future Commuter Rail)
-  Potential Commuter Rail Station
-  UPRR Grade Separated Crossing
-  Town Limits
-  Town Center
-  Planning Area
-  North-South Freeway Planning Corridor





Attachment: Proposed Updates to General Plan Maps (Town Initiated Annual Update to the 2018 General Plan Update)



Attachment: Proposed Updates to General Plan Maps (Town Initiated Annual Update to the 2018 General Plan Update)

Public Safety - Police

Public Safety Building

Patrol Beats

- 651
- 652
- 653
- 654
- 655

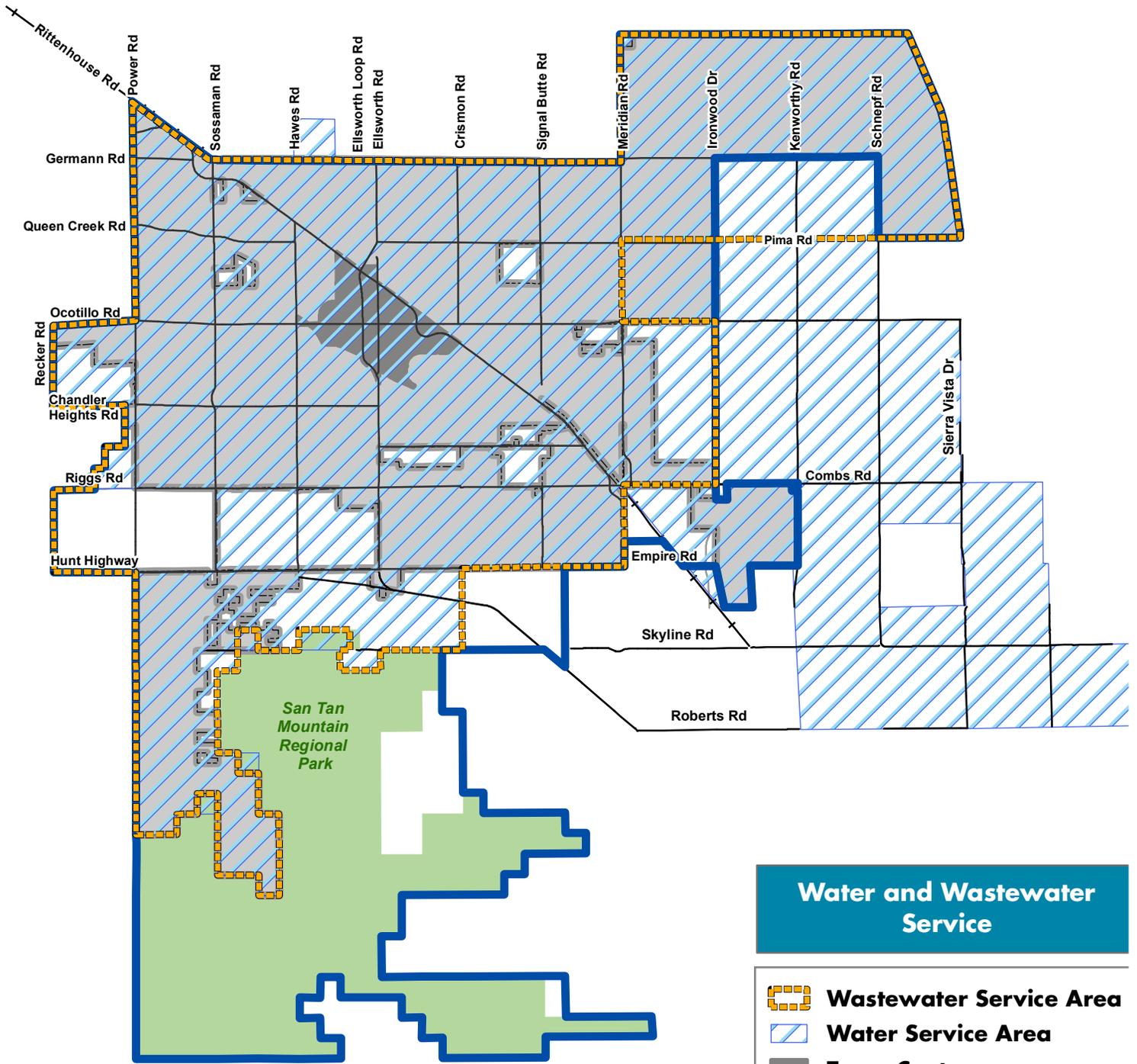
Town Limits

Town Center

Planning Area

Union Pacific Railroad





Water and Wastewater Service

-  **Wastewater Service Area**
-  **Water Service Area**
-  **Town Center**
-  **Town Limits**
-  **Planning Area**
-  **Union Pacific Railroad**





Requesting Department

Finance

TO: HONORABLE MAYOR AND TOWN COUNCIL

THROUGH: JOHN KROSS, ICMA-CM, TOWN MANAGER

FROM: SCOTT MCCARTY, FINANCE DIRECTOR

RE: DISCUSSION AND PRESENTATION REGARDING THE TOWN'S UPCOMING HOME RULE (ALTERNATIVE EXPENDITURE LIMITATION) RENEWAL.

DATE: August 4, 2021

Staff Recommendation:

Proceed with the process of seeking voter approval for the Home Rule Option (Alternative Expenditure Limitation), during the August 2022 Primary Election with Home Rule taking effect beginning FY 2023/24, and during the four-year Home Rule period, consider seeking a Permanent Base Adjustment that would become effective FY 2027/28.

Relevant Council Goal(s):



Effective Government: Financial Management, Internal Services & Sustainability

Proposed Motion:

Discussion and direction for staff only, no formal action is required.

Discussion:

In 1979/80, the Arizona Legislature enacted an Expenditure Limitation as a means to limit municipal expenditures in response to property taxes increasing at a greater rate than personal incomes. The formula is not practical for Queen Creek given the current size of our community now versus our initial limitation amount. The law contemplated situations such as the Town's in which the formula would be detrimental to the city or town, and the law allows for "local options" to set an alternative expenditure limitation. Two options are the Home Rule Option and the Permanent Base Adjustment.

The Town of Queen Creek currently operates under the Home Rule Option and has done so since incorporation. Home Rule requires renewal by the voters every four years. The current voter approved four year cycle will expire in June 2023, with the completion of FY 2022/23. In order to renew the Home Rule option, the Town will need voter approval in the August 2022 Primary Election. The election must be held at this time - there are no other options for the election. Renewal is critical to maintain existing service levels.

If approved by voters, the Home Rule renewal would take effect on July 1, 2023. Fiscal Year 2023/24 would be the first year of the four-year renewal period (FY 2023/24 to FY 2026/27).

Operating under the Home Rule Option gives the Town flexibility to set the upper limit of its budget each year through the annual budget process - managing our expenses as we have since incorporation. While the Town cannot spend more than it receives, there is inherent flexibility under Home Rule for the Town Council to provide services to meet the demands of a fast-growing community.

Assuming the voters approve the renewal for the four fiscal years (FY 2023/24 to FY 2026/27), the Town staff recommends planning for a transition to the second option, the Permanent Base Adjustment. Given the sheer growth of the Town, staff feels a Permanent Base Adjustment may be a better long-term solution than continuing with a four-year election cycle for Home Rule.

A Permanent Base Adjustment establishes a new, permanent expenditure base that increases annually and does not require an election every four years. As a result, the Permanent Base Adjustment would be established with enough capacity to allow for expected future growth.

Under a Permanent Base Adjustment, the annual limit is increased automatically by factors for inflation and increased population. This decision is not required at this time but is an issue the Town staff wants to raise now and receive feedback from the Town Council in conjunction with the upcoming Home Rule renewal.

Calendar

Given the importance of this renewal to maintain existing and expected service levels, community outreach is critical. The current renewal was passed in August 2018 with a 76% approval rate.

Two public hearings are required to prepare for the August Election. These will occur on March 2 and March 16, 2022, and are necessary to set the expenditure amount, which must be communicated to the Auditor General by April 5th to allow for its review process.

Town staff will also roll out an extensive communication plan that will begin in March and continue until August when voting occurs.

Fiscal Impact:

The fiscal impact of the alternative expenditure limitation is unique. It is a limit solely on expenditures; it is not about revenues. Existing revenues are unchanged and are not affected by the voter approval of the alternative expenditure limitation.

Approval of the alternative expenditure limitation will ensure the Town Council can meet the needs of existing and future services. If it is not renewed, we cannot.

If the renewal is not approved, it would be devastating to the Town and would result in drastic reductions in the Town's basic and core services. Specifically, for the fiscal year that just ended (FY 2020/21) the Town would have been required to reduce expenses by about \$135 million (from \$192.3 million to \$57.4 million). The \$57.4 million limit amount for FY 2020/21 was calculated using a combination of population and inflation growth factors from the 1978 base year.

The current year (FY 2021/22) statutory expenditure limit is \$63.5 million. For perspective, the Town's Operating Budget is \$76.5 million, including \$33.1 million for public safety and fire

services alone. This means all other services, including running a water and wastewater utility, building infrastructure, and paying debt service could not exceed the remaining \$30.4 million. Under such a scenario, we could not complete planned transportation, water, or wastewater projects and could not serve all of the needs of existing or new residents and businesses. The impacts would be devastating.

Alternatives:

None

Attachment(s):

1. Presentation



Town of Queen Creek

Arizona Expenditure Limitation – Home Rule Renewal Option

Town Council Meeting

August 4, 2021



Background

- **Enacted in 1979/80 by the Arizona Legislature to Limit Government Spending**
 - Property taxes were increasing at a greater rate than personal incomes
 - Uses 1978 population and 1979/80 “Base Limit”
 - Base adjusts every year for population and inflation
 - Queen Creek: 2,525 population (estimate)
 - \$818,277 base (estimate)

- **Local Options Exist to Override the Limit**
 1. Home Rule
 2. Permanent Base Adjustment

Home Rule

- **Voter Approval is Required**
 - Current Home Rule Expires FY 2022/23
- **Effective for Four Years**
 - FY 2022/24 to FY 2026/27
- **Expenditure Limit is the Adopted Budget**
 - Exclusions may apply (e.g., Kingman excluded enterprise funds [water, sewer, airport])
- **Town's Approach Since Incorporation**
 - Last Election (2018): 76% Voter Approval



Expenditure Limitation – by the numbers

(in millions)

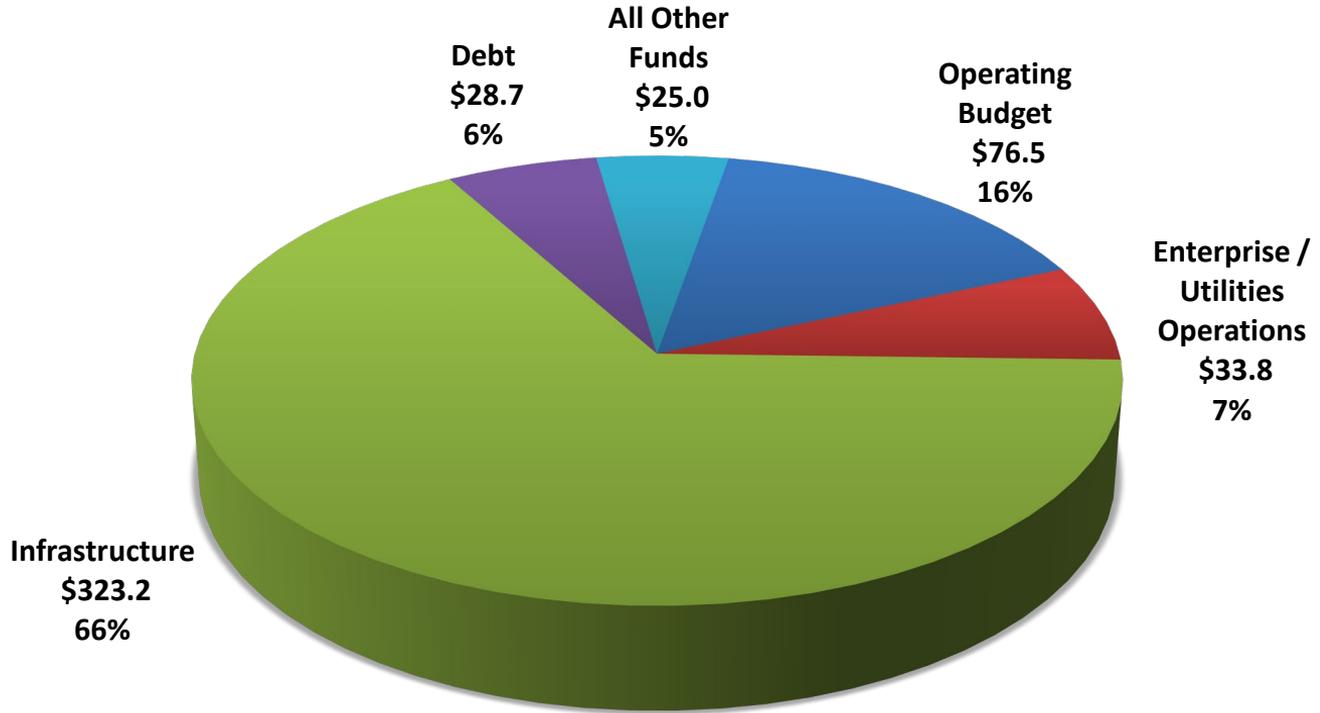
Fiscal Year	Home Rule Expenditure Limit (Adopted Budget) (A)	Actual Expenditures (B)	Expenditure Limit w/o Home Rule (C)	Amount Subject to Cuts (C – B)
2019/20	\$452.7	\$239.3	\$49.2	(\$190.1)
2020/21	\$409.1	\$192.3*	\$57.4	(\$134.9)*
2021/22	\$487.2	n/a	\$63.5	n/a

* Preliminary Estimate – final amount will be known after FY 2020/21 audit is complete.

Attachment: Presentation (Home Rule Renewal)

FY 21-22 FINAL BUDGET – ALL FUNDS

\$487.2M



FY 21-22 OPERATING BUDGET \$76.5M BY PROGRAM

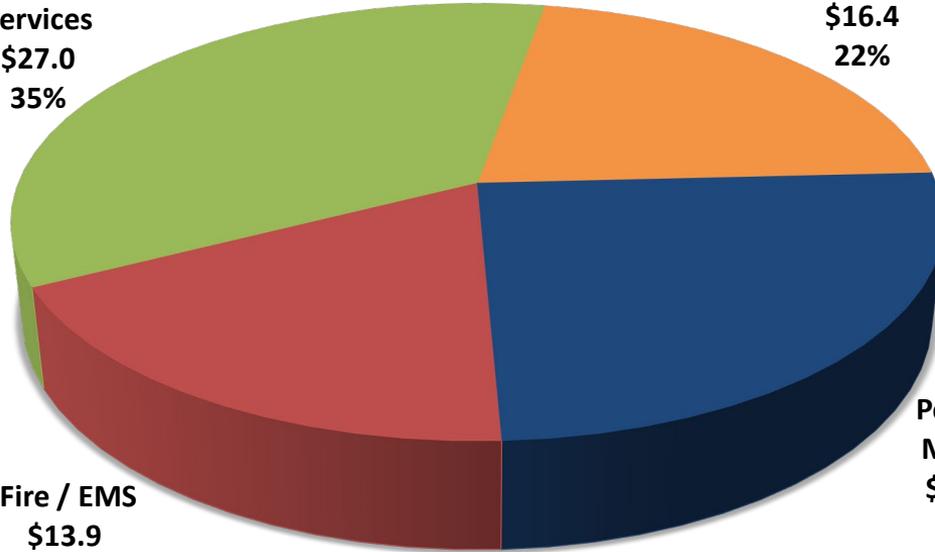
11.A.a

All Other
Services
\$27.0
35%

Transportation
\$16.4
22%

Fire / EMS
\$13.9
18%

Police /
MCSO
\$19.2
25%



Attachment: Presentation (Home Rule Renewal)

Renewal Is Critical

- Requires a 2/3 Town Council Vote to be Placed on the Ballot
- Unable to Provide Current Service Levels to Existing or Future Residents and Businesses
 - ~\$135M Expenditure Reduction Required
- Infrastructure Spending Would be Inadequate
- Not About Revenues – They Remain Unchanged



Comparison – Home Rule vs. Permanent Base Adjustment

	Home Rule	Permanent Base Adjustment
Voter Approval	Every 4 Years	One Time
Expenditure Limit	Annual Adopted Budget	Approved Base, Adjusted for Population and Inflation
Exclusions	TBD	TBD
Example Cities	Gilbert Scottsdale Tempe	Mesa Chandler

Why Raise This Issue Now?

- **First Deadlines are in February**
 - Only 6 months away
 - Updated numbers presented to Town Council in late 2021
 - Public notices & outreach begin Spring 2022
- **Other Ballot Items in August 2022:**
 - Mayor and 3 Town Council Seats
 - Utility Franchise Agreement



Council Options

	Home Rule	Permanent Base Adjustment
Voter Approval	Every 4 Years	One Time
Expenditure Limit	Annual Adopted Budget	Approved Base, Adjusted for Population and Inflation
Exclusions	TBD	TBD
Example Cities	Gilbert Scottsdale Tempe	Mesa Chandler

Attachment: Presentation (Home Rule Renewal)



Discussion and Questions



Requesting Department

Public Works

TO: HONORABLE MAYOR AND TOWN COUNCIL

THROUGH: JOHN KROSS, ICMA-CM, TOWN MANAGER

FROM: TROY WHITE, PUBLIC WORKS DIRECTOR

RE: CONSIDERATION AND POSSIBLE APPROVAL OF A REIMBURSEMENT AGREEMENT BETWEEN THE TOWN OF QUEEN CREEK AND UNION PACIFIC RAILROAD COMPANY TO PROVIDE PRELIMINARY ENGINEERING SERVICES WORK TO REVIEW A PROJECT DESIGN FOR PROJECT TE101, A MULTI-USE PATH CROSSING UNDER THE UNION PACIFIC RAILROAD (UPRR) BRIDGE AT QUEEN CREEK WASH, FOR POTENTIAL IMPACTS ON EXISTING AND FUTURE RAILROAD FACILITIES AND OPERATIONS IN AN AMOUNT NOT TO EXCEED \$38,500 AND NECESSARY BUDGET ADJUSTMENTS.

DATE: August 4, 2021

Staff Recommendation:

Staff recommends approval of a Reimbursement Agreement between the Town of Queen Creek and Union Pacific Railroad Company to provide preliminary engineering services work to review a project design for project TE101, a multi-use path crossing under the Union Pacific Railroad (UPRR) Bridge at Queen Creek Wash, for potential impacts on existing and future railroad facilities and operations in an amount not to exceed \$38,500 and necessary budget adjustments.

Relevant Council Goal(s):



Superior Infrastructure - Capital Improvement Program

Proposed Motion:

Motion to approve the Reimbursement Agreement between the Town of Queen Creek and Union Pacific Railroad Company to provide preliminary engineering services work to review a project design for project TE101, a multi-use path crossing under the Union Pacific Railroad (UPRR) Bridge at Queen Creek Wash, for potential impacts on existing and future railroad facilities and operations in an amount not to exceed \$38,500 and necessary budget adjustments.

Discussion:

On June 17, 2020 the Town Council approved 828B-0L-IGA authorizing a project assessment and 15% design to be completed for the Queen Creek Wash Multi-Use Path Phase 2 in partnership with the Maricopa Association of Governments (MAG).

Phase 2 extends the path along the Queen Creek Wash from Rittenhouse Road to Meridian Road and then continues south to the Olive Mill property; thereby providing trail connectivity to the eastern Town limits and major Agritainment destinations. The path is proposed to pass under the UPRR Bridge that crosses over the Queen Creek Wash. Therefore Union Pacific Railroad (UPRR) will require a construction maintenance agreement (C&M Agreement) and easement as an approval condition allowing a pedestrian crossing and construction within the UPRR right-of-way.

The initial project application is estimated to take 180 days. Once UPRR reviews and approves the initial application, a hydrologic and hydraulic study will need to be prepared and submitted to UPRR for review and acceptance. Following study acceptance additional UPRR reviews will occur with regard to the proposed design. The total UPRR application review and approval process is estimated to take 1.5 to 2 years.

In order to review the project application UPRR requires applicants to fund their preliminary engineering services review. The preliminary engineering services work is estimated to be \$38,500 which includes a 10% contingency.

If the Town Council approves the agreement, UPRR may still reject the Town's application to construct a pedestrian crossing under the existing bridge in their right-of-way. If the application for a crossing under the bridge is not approved by UPRR, Town staff can review more expensive alternative path alignments that do not cross under the UPRR Bridge. Those alternatives could also face rejection by UPRR.

Fiscal Impact:

Project TE101, QC Wash Trail Improvements-Rittenhouse to Meridian, is included in the Town's 5-year CIP Capital Plan and is programmed for construction in FY 2023/24. For this reason, no funding was included in the current fiscal year budget for this project. A budget adjustment of \$38,500 from General CIP Contingency will be required to approve this contract and keep the timeline on track given the long lead times required by UPRR. This project is funded 100% from impact fees.

Alternatives:

The Town Council may decide not to approve the UPRR Reimbursement Agreement at this time. UPRR will not approve a crossing of their right-of-way without such an agreement. Therefore, non-approval of the agreement will prevent the multi-use path continuing eastward across the UPRR right-of-way at this time.

Attachment(s):

1. UPRR Reimbursement Agreement
2. Site Map

Contract/Agreement Review Cover Sheet

12.A.a

INSTRUCTIONS: Legal Review is required prior to submittal for Town Council and/or Town Manager approval. Public Works Director review and approval is required on all Public Works and/or Construction and A&E projects. Real Estate review and approval is required on all Real Estate matters. Purchasing review is also required. Complete this form for all contracts/agreements/IGA's/change orders/work orders/proposals/MOU's and submit to the Purchasing office for review/approval routing. Be sure to attach a staff report and all supporting documents for review(s).

ALLOW THREE WEEKS FOR THE REVIEW PROCESS

Document Type: Contact Person:

Council Date: S.A.M. verification

Department Name:

Vendor/Contractor: Vendor ID#:

Brief Description:

Terms of Contract: Start: End:

\$ Amount or Not to Exceed: Account Line Item #:

Procurement Method:

Attachments: *Reference original contract number.

Check all that apply:

<input checked="" type="checkbox"/> Contract	<input type="checkbox"/> Cooperative Agreement	Original Contract #	Cooperative Agreement #	Change Order#
<input type="checkbox"/> Staff Report	<input type="checkbox"/> IGA	<input type="text" value="UPRR REMS Project 779322"/>	<input type="text"/>	<input type="text"/>
<input type="checkbox"/> Amendment	<input type="checkbox"/> *Change Order/Work Order No.			
<input type="checkbox"/> Easement				

Approved:

N/A <input checked="" type="checkbox"/>	Real Estate: _____	Date: <input type="text"/>
N/A <input type="checkbox"/>	Dept Director: <u>Troy White</u> <small>Troy White (Jul 14, 2021 10:01 PDT)</small>	Date: <input type="text" value="Jul 14, 2021"/>
N/A <input checked="" type="checkbox"/>	Dept Director: _____	Date: <input type="text"/>
N/A <input type="checkbox"/>	Purchasing: <u>Lorina Gillette</u> <small>Lorina Gillette (Jul 14, 2021 09:47 PDT)</small>	Date: <input type="text" value="Jul 14, 2021"/>
N/A <input type="checkbox"/>	Town Attorney: <u>Todd A Baxter</u>	Date: <input type="text"/>
N/A <input checked="" type="checkbox"/>	Town Clerk: _____	Date: <input type="text"/>

Attachment: UPRR Reimbursement Agreement (UPRR Reimbursement)

**REIMBURSEMENT AGREEMENT
PRELIMINARY ENGINEERING SERVICES**

Effective Date:**Agency: TOWN OF QUEEN CREEK, ARIZONA****Estimate: \$35,000.00**

THIS REIMBURSEMENT AGREEMENT (**Agreement**) is made and entered into as of the **Effective Date**, by and between UNION PACIFIC RAILROAD COMPANY, a Delaware corporation (**Railroad**), and AGENCY (**Agency**).

RECITALS

A. Agency desires to initiate the project more particularly described on Exhibit A attached hereto (**the Project**).

B. The Project will affect Railroad's track and right of way at or near the Project area more particularly described on Exhibit A.

C. Railroad agrees to collaborate with Agency on the conceptualization and development of the Project in accordance with the terms and conditions of this Agreement.

AGREEMENT

1. NOW THEREFORE, the parties hereto agree as follows:

2. Railroad, and/or its representatives, at Agency's sole cost and expense, agrees to perform (or shall cause a third-party consultant to perform on Railroad's behalf) the preliminary engineering services work described on Exhibit B attached hereto (**PE Work**). Agency acknowledges and agrees that: (a) Railroad's review of any Project designs, plans and/or specifications, as part of the PE Work, is limited exclusively to potential impacts on existing and future Railroad facilities and operations; (b) Railroad makes no representations or warranties as to the validity, accuracy, legal compliance or completeness of the PE Work; and (c) Agency's reliance on the PE Work is at Agency's own risk.

3. Notwithstanding the Estimate (**Estimate**), Agency agrees to reimburse Railroad and/or Railroad's third-party consultant, as applicable, for one hundred percent (100%) of all actual costs and expenses incurred for the PE Work. During the performance of the PE Work, Railroad will provide (and/or will cause its third-party consultant to provide) progressive billing to Agency based on actual costs in connection with the PE Work. Within sixty (60) days after completion of the PE Work, Railroad will submit (and/or will cause its third-party consultant to submit) a final billing to Agency for any balance owed for the PE Work. Agency shall pay Railroad (and/or its third-party consultant, as applicable) within thirty (30) days after Agency's receipt of any progressive and final bills submitted for the PE Work. Bills will be submitted to the Agency using the contact information provided on **Exhibit C**. Agency's obligation hereunder to reimburse Railroad (and/or its third-party consultant, as applicable) for the PE Work shall apply regardless if Agency declines to proceed with the Project or Railroad elects not to approve the Project.

4. Agency acknowledges and agrees that Railroad may withhold its approval for the Project for any reason in its sole discretion, including without limitation, impacts to Railroad's safety, facilities or operations. If Railroad approves the Project, Railroad will continue to work with Agency to develop final plans and specifications and prepare material and force cost estimates for any Project related work performed by Railroad.

5. If the Project is approved by Railroad, Railroad shall prepare and forward to Agency a Construction and Maintenance Agreement (**C&M Agreement**) which shall provide the terms and conditions for the construction and ongoing maintenance of the Project. Unless otherwise expressly set forth in the C&M Agreement, the construction and maintenance of the Project shall be at no cost to Railroad. No construction work on the Project affecting Railroad's property or operations shall commence until the C&M Agreement is finalized and executed by Agency and Railroad.

6. Neither party shall assign this Agreement without the prior written consent of the other party, which consent shall not be unreasonably withheld, conditioned or delayed.

7. No amendment or variation of the terms of this Agreement shall be valid unless made in writing and signed by the parties.

8. This Agreement sets forth the entire agreement between the parties regarding the Project and PE Work. To the extent that any terms or provisions of this Agreement regarding the PE Work are inconsistent with the terms or provisions set forth in any existing agreement related to the Project, such terms and provisions shall be deemed superseded by this Agreement to the extent of such inconsistency.

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement as of the Effective Date.

TOWN OF QUEEN CREEK, ARIZONA

UNION PACIFIC RAILROAD COMPANY,
a Delaware Corporation

Signature

Signature

Printed Name

Kenneth Tom

Printed Name

Title

Manager I, Engineering – Public Projects

Title

Attachment: UPRR Reimbursement Agreement (UPRR Reimbursement)

Exhibit A

Project Description and Location

Project Description

Town of Queen Creek, AZ proposes to construct a pedestrian underpass at the location referred to below.

Location

Phoenix Subdivision

DOT	Crossing Type	Milepost	Street Name
TBD	Pedestrian	941.14	Pedestrian

Attachment: UPRR Reimbursement Agreement (UPRR Reimbursement)

Exhibit B

Scope of Project Services

Scope of work includes, but is not limited to the following

- Field diagnostic(s) and inspections
- Plan, specification and construction review
- Project design
- Preparation of Project estimate for force account or other work performed by the Railroad
- Meetings and travel

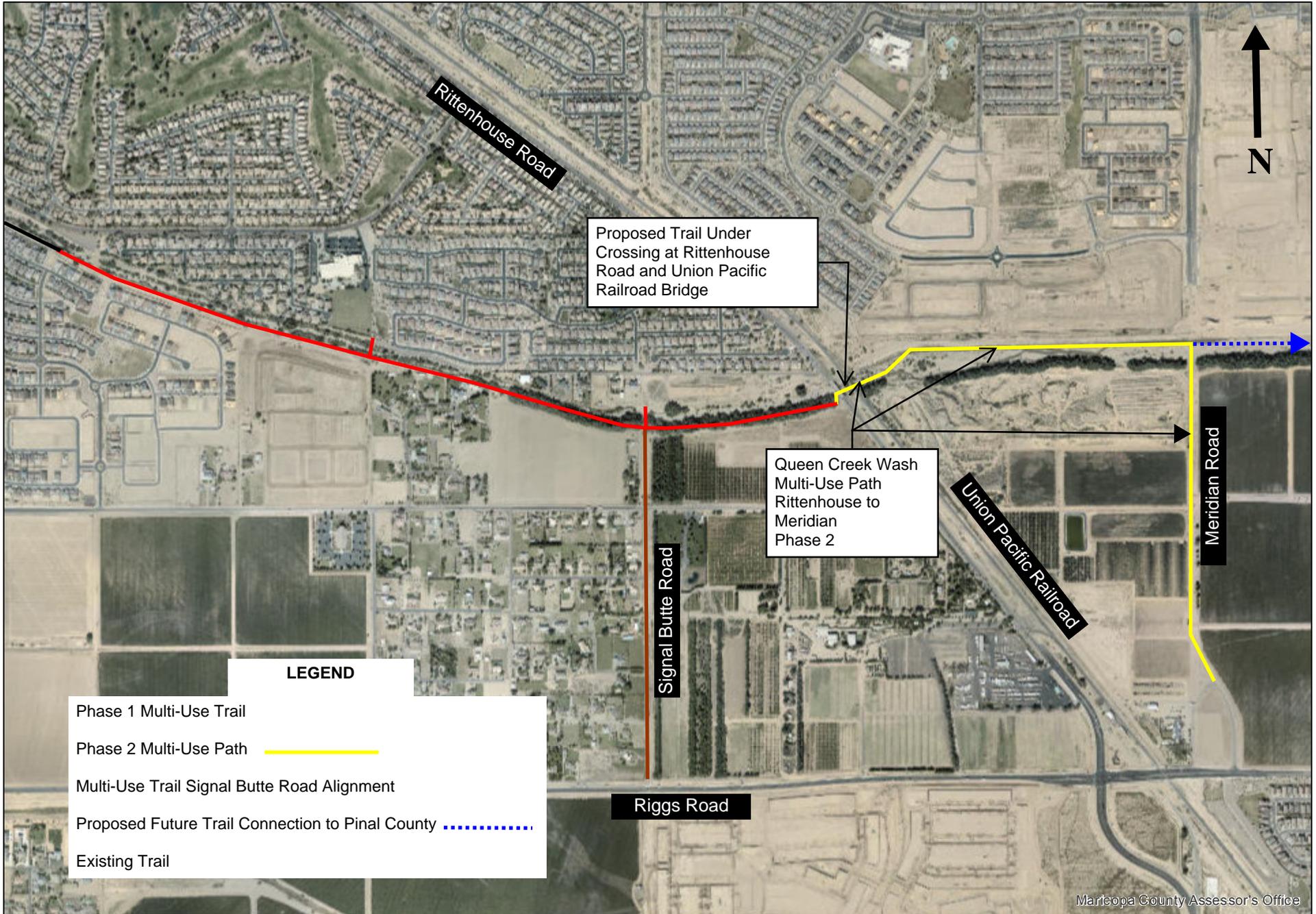
Exhibit C Billing Contact Information

Name	Andrea Hamilton
Title	Assistant Project Manager
Address	22358 S. Ellsworth Road, Queen Creek, AZ, 85142
Work Phone	(480) 350-3832
Cell Phone	
Email	andrea.hamilton@queencreekaz.gov
Agency Project No.	TE101 QC Wash Trail

Attachment: UPRR Reimbursement Agreement (UPRR Reimbursement)



Map



Proposed Trail Under Crossing at Rittenhouse Road and Union Pacific Railroad Bridge

Queen Creek Wash Multi-Use Path Rittenhouse to Meridian Phase 2

LEGEND

- Phase 1 Multi-Use Trail
- Phase 2 Multi-Use Path ———
- Multi-Use Trail Signal Butte Road Alignment
- Proposed Future Trail Connection to Pinal County ⋯⋯⋯
- Existing Trail

Attachment: Site Map (UPRR Reimbursement)