



## AMENDED AGENDA

### Queen Creek Town Council Regular Session

Community Chambers, 20727 E Civic Parkway

May 4, 2022

6:30 PM

*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 public can continue to watch the meeting live streamed at [QueenCreek.org/WatchMeetings](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 May 4, 2022 Town Council meeting:*

- *Email: Submit a comment to [PublicComment@QueenCreekAZ.gov](mailto:PublicComment@QueenCreekAZ.gov). 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/WatchMeetings](https://www.queen-creek.org/WatchMeetings).*

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

*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. Some members of the Town Council and staff may attend electronically.*

- 1. Call to Order:**
- 2. Roll Call:** *(Members of the Town Council may attend electronically and/or telephonically)*
- 3. Pledge of Allegiance:**
- 4. Invocation/Moment of Silence:**
- 5. Ceremonial Matters (Presentations, Proclamations, Awards, Guest Introductions and Announcements):**
  - A. Proclamation - Economic Development Week
  - B. Proclamation - Travel/Tourism Week

- C. Proclamation - Small Business Week
- D. Proclamation - Public Works Week
- E. Proclamation – Professional Municipal Clerks Week
- F. Recognition of IACA Certification for QCPD Crime Analyst Kaileigh Wright

**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 summery 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](mailto:PublicComment@queencreek.org) by 6:30 p.m. on May 4, 2022 (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 April 6, 2022 and April 20. 2022 Regular Session minutes.
- B. Consideration and possible approval of Expenditures over \$25,000. (FY 21/22 Budgeted Items)
  - 1. Stanley Consultants - Amendment #2 to Design of Street Sweeper Washout Decant Station: \$55,136 (Public Works)
  - 2. Pride Outfitting - K9 platform and upfitting equipment: \$25,000 (Police)
- C. Consideration and possible approval for the purchase of a Ford Transit T350 High Roof Dual Rear Wheel Van in an amount not to exceed \$166,000 through GSA contract # GS-07F-9375S. This is in lieu of the estimated \$120,000 authorized spending authority of a crime scene van that was approved on December 1, 2021 due to Supply Chain Issues. No budget adjustment is necessary. (FY 21/22 Budgeted Item)
- D. Consideration and possible approval of the "Final Plats" for Legado Parcels EF, G, H, I & J, a request by VPTM Legado LB LLC.



- E. Consideration and possible approval of a Project Order #1 for Wood Environment & Infrastructure Solutions, Inc. in an amount not to exceed \$31,385 for Town-wide School Zone sign inventory and Compliance Evaluation. (FY 2021/22 Budgeted Item)
  - F. Consideration and possible approval of a Project Order #1 & #2 for Lee Engineering in an amount not to exceed \$162,580 for Traffic Signal Optimization for Corridors (Project # XX029) for Rittenhouse Rd - Germann Rd to Grange Rd and on Riggs Rd - Power Rd to Gantzel Rd. (FY 2021/22 Budgeted Item)
  - G. Consideration and possible approval of a Master Design contract and Project Task Order #1 with DWL Architects + Planners, Inc. for architectural design services of the Queen Creek Aquatic Center (CIP project RQ010) and Multi-Generational Recreation Center (CIP project RQ020) at Frontier Family Park in the amount of \$154,803. (This is a FY 2021/22 Budgeted Item).
  - H. Consideration and possible approval of a Professional Services Contract Project Work Order #2 with T.Y. Lin International for engineering design services for Power Road from Riggs Road to Hunt Highway (CIP Project A1406) in an amount not to exceed \$971,920 and the necessary budget adjustments.
  - I. Consideration and possible approval of a Design Professional Services Master Contract with Merge Architectural Group and Project Task Order No. 1 for the Public Works Field Operations Facility Phase 2 Public Works / CIP administration building project architectural design (CIP Project MF018) in an amount not to exceed \$308,233. (This is a FY 2021/22 Budgeted Item.)
  - J. Consideration and possible approval of the Intergovernmental Agreements with the City of Mesa, the Town of Gilbert, and the Superstition Fire and Medical Department for back up ambulance services.
  - K. Consideration and possible approval of an Intergovernmental Agreement with the City of Mesa to provide Paramedic Education Services.
  - L. Consideration and possible approval of Resolution 1451-22 creating Street Light Improvement District Number 134, (No. 2022-001 for Harvest Queen Creek Parcel 3-1); Resolution 1452-22 creating Street Light Improvement District Number 135, (No. 2022-002 for Harvest Queen Creek Parcel 3-2); and Resolution 1453-22 creating Street Light Improvement District Number 136, (No. 2022-003 for Harvest Queen Creek Parcel 3-3).
- 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](mailto: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](http://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 and possible action on Ordinance 785-22 P22-0032 Minimum Residency Requirement for Planning Commissioners Text Amendment, a staff initiated request for a Zoning Ordinance and Town Code Text Amendment to enact a minimum 1-year residency requirement for Planning Commissioner appointments.

- 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](mailto: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](http://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 on the 2022-2027 Town of Queen Creek Corporate Strategic Plan.
- B. Presentation of the financial terms of the \$21M Water Infrastructure Finance Authority of Arizona ("WIFA") refunding authorized by the Town Council on April 20, 2014.
- 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](mailto: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](http://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 Resolution 1457-22 authorizing a Drinking Water State Revolving Fund Program Loan ("DWSRF") through the Water Infrastructure Finance Authority of Arizona ("WIFA") for water capital improvement plan projects in the amount of \$45,518,694 and declaring an emergency to accommodate the closing date for the loan.
- B. Consideration and possible approval of Resolution 1458-22 authorizing a Clean Water State Revolving Fund Program Loan ("CWSRF") through the Water Infrastructure Finance Authority of Arizona ("WIFA") for wastewater capital improvement plan projects in the amount of \$10,098,396 and declaring an emergency to accommodate the closing date for the loan.
- C. Consideration and possible action on the Town's FY 2022-23 Tentative Budget of \$730.2M and Request to set the Public Hearing for May 18, 2022 for both the Final Budget and the Truth-In-Taxation per requirements under Arizona State Statutes.

**13. Adjournment:**

I, Maria Gonzalez, do hereby certify that I caused to be posted this 3rd day of May, the Amended Agenda for the May 4, 2022 Regular and Possible Executive Session of the Queen Creek Town Council at Town Hall and on the Town's website at [www.QueenCreekAZ.gov](http://www.QueenCreekAZ.gov).

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Maria E. Gonzalez, CMC  
Town Clerk

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.



## Council Committee Reports

- 04/07– Maricopa County Farm Bureau Breakfast on the Farm (Brown, Oliphant)
- 04/11 – Queen Creek Budget Committee Meeting (Wheatley, Benning, Oliphant)
- 04/12 – Queen Creek Chamber Network Luncheon (Brown)
- 04/12 – Queen Creek Parks and Recreation Advisory Committee Meeting (Brown, Benning)
- 04/14 – Queen Creek Economic Development Summit (Brown)
- 04/15 – Coffee and a Mic with Maricopa County Supervisor Jack Sellers (Brown, Oliphant)
- 04/16 – Queen Creek Fire Department Permanent Station #5 Ribbon Cutting (Brown, Benning, Oliphant, Turley)
- 04/18 – Pinal Regional Transportation Authority Board Meeting (Benning)



TOWN OF  
**QUEEN CREEK**  
ARIZONA

**TO:** HONORABLE MAYOR AND TOWN COUNCIL  
**THROUGH:** JOHN KROSS ICMA-CM, TOWN MANAGER  
**FROM:** MARIA GONZALEZ CMC, TOWN CLERK  
**RE:** CONSIDERATION AND POSSIBLE APPROVAL OF THE APRIL 6, 2022 AND APRIL 20, 2022 REGULAR SESSION MINUTES.  
**DATE:** May 4, 2022

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**Suggested Action:**

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 04-06-22\\_DRAFT](#)
2. [Minutes 04-20-22\\_DRAFT](#)



**Minutes**  
**Town Council Regular Session**  
Community Chambers, 20727 E. Civic Parkway  
Wednesday, April 6, 2022  
6:30 PM

**1) Call to Order:**

The meeting was called to order at 6:35 p.m.

**2) Roll Call:**

**PRESENT:**

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

Mayor Barney and Council Member Oliphant participated remotely via WebEx.

**3) Pledge of Allegiance:**

Led by Vice Mayor Brown.

**4) Invocation/Moment of Silence:**

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

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

**5.A) Proclamation - Child Abuse Prevention Month**

Council Member Martineau read the proclamation to recognize April as Child Abuse Prevention Month. Council presented the proclamation to Ms. Jessica Nicely, CEO and Founder of Winged Hope Family Advocacy Foundation.

**5.B) Proclamation - Week of the Young Child**


Vice Mayor Brown read the proclamation recognizing April 2-8 as the Week of the Young Child. Council presented the proclamation to First Things First Southeast Maricopa Regional Partnership Chair, Shiloh Murillo. Ms. Murillo gave a brief overview of early childhood programs and services.

5.C) Proclamation - Driving Awareness Month

Vice Mayor Brown read the proclamation for Driving Awareness Month.

6) **Committee Reports:**

6.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 summery unless the specific matter is properly noticed for legal action.

Committee Reports 

See attached report.

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

1. Economic Development Commission (March 23, 2022)

Council Member Whealey provided the update on the March 23 meeting. The Commission heard reports from Planner Evan Balmer on an update on General Plan Amendments and Deputy Finance Director Dan Olsen spoke on the Permanent Base Adjustment that will be on the August 2, 2022 Primary Election ballot. The Economic Development Summit is on April 14, 2022 and the next meeting is scheduled for May 25.

7) **Public Comments:**

Andrea Gillispie, 19738 E Augustus Ave, Queen Creek, owner of several daycare/child care centers, raised awareness on the childcare crisis in Queen Creek and advocated on behalf of families struggling to find daycare in the area.


Assistant Town Manager Bruce Gardner read a public comment received by Autum Rosenberger, 1493 E Lobo St, San Tan Valley in opposition to rezoning land to Urban Employment. The following were present and also spoke in opposition of the LG Plant:

- Lisa Horn, 43177 N Coyote Rd, San Tan Valley spoke in opposition of the LG Plant.
- Ellen Gross, 19336 E Timberline Rd, Queen Creek spoke in opposition of the lithium battery plant.
- Linda Manning, 18734 E Kingbird Drive, Queen Creek spoke in opposition of the LG plant.
- Linda Doty, 20379 E Appaloosa Drive, Queen Creek spoke in opposition of the LG plant.

8) **Consent Agenda:**


8.A) Consideration and possible approval of the March 16, 2022 Regular Session minutes.

Staff Report 

Minutes 03-16-22.pdf 

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

Staff Report 

April 6, 2022 Expenditures over \$25k.pdf 

8.C) Consideration and possible approval of the "Final Plat" for Ironwood Commercial Two, a request by Ironwood Commercial LLC.


Staff Report 

Aerial Map - Ironwood Commercial Two.pdf 

Final Plat - Ironwood Commercial Two.pdf 


- 8.D) Consideration and possible approval of a professional services contract with 65 North Group, LLC in an amount not to exceed \$54,093 to review the Town's current inventory management policies, procedures and internal controls (FY 2021/22 Budget Item).

Staff Report 

Professional Services Contract 65 North Group, LLC. 

- 8.E) Consideration and possible approval of authorization for the Town Manager and Town Attorney to take all necessary actions and execute any necessary agreements with Western Area Power Administration (WAPA) in relation to the preliminary evaluation of the relocation of a 230 kV power line, and approve the allocation of funding in an amount not to exceed \$200,000 and the necessary budget adjustments.


Staff Report 


Power Line Relocation Exhibit 

Draft Letter Agreement 

- 8.F) Consideration and possible approval of a Cooperative Purchase Agreement with Marc Taylor, Inc. for Professional Services in the Town's Capital Improvements Program utilizing the City of Goodyear Contract No. CON-21-5797 in an amount not to exceed \$1,051,468 and the necessary budget adjustments.


Staff Report 

Site Location Exhibit 

Cooperative Purchase Agreement with Marc Taylor.pdf 

- 8.G) Consideration and possible approval of Resolution 1450-22 and the Recovered Reclaimed Water Agreement between the Town of Queen Creek, Ocotillo & Ironwood Holdings LLC, Tri Pointe Homes Arizona 91 LLC and Ocotillo & Ironwood Property Owners Association to facilitate the use of a portion of the Town's stored Reclaimed Water supply to serve certain landscaped areas located within the development generally known as Ironwood Springs Ranch.

Staff Report 

Resolution 1450-22 

Ironwood Springs Ranch Recovered Reclaimed Water Agreement 

**MOTION:** To approve the Consent Agenda  
**RESULT:** Approved unanimously (7-0)  
**MOVER:** Robin Benning, Council Member  
**SECONDER:** Emilena Turley, Council Member  
**AYES:**




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

9) **Public Hearing Consent Agenda:**

- 9.A) Consideration and possible recommendation of approval on a new Series 9 Liquor Store license application submitted by Andrea Dahlman Lewkowitz on behalf of Costco Wholesale located at 20220 S Ellsworth Road, Queen Creek.

Staff Report 

Local Governing Body Report 

QCPD Report 

- 9.B) Consideration and possible recommendation of approval on a new Series 12 Restaurant Liquor License application submitted by Andrea Dahlman Lewkowitz on behalf of Mici Handcrafted Italian located at 24750 S Ellsworth Road, #101, Queen Creek.


Staff Report 

Local Governing Body Report 

QCPD Report 

- 9.C) Consideration and possible recommendation of approval on a new Series 12 Restaurant Liquor License application submitted by Mari Anne Burton on behalf of Sushi Creek located at 21805 S Ellsworth Road, #B103, Queen Creek.

Staff Report 


Local Governing Body Report 


QCPD Report 


- 9.D) Public hearing for Case P21-0053 Hudson Station Annexation, a proposed annexation of approximately 91 acres, located at the southwest corner of Signal Butte and Queen Creek roads

Staff Report 

Annexation Aerial.pdf 


General Plan Exhibit.pdf 


Existing Zoning Exhibit.pdf 

Hudson Station Blank Petition P21-0053 and Legal Description.pdf 

- 9.E) Public Hearing and possible action on Ordinance 783-22 P22-0034 Public Notification Process Zoning Ordinance Text Amendment, a staff initiated text amendment to the Zoning Ordinance recommending modifications to the public hearing sign posting process.


Staff Report 


[Zoning Ordinance Redlines.pdf](#) 

[Ordinance 783-22.pdf](#) 

- 9.F) Public Hearing and possible action on Ordinance 782-22 P22-0033 Neighborhood Meeting Requirements Zoning Ordinance Text Amendment, a staff initiated text amendment to the Zoning Ordinance recommending flexibility for alternative neighborhood outreach and meeting procedures.

[Staff Report](#) 

[Zoning Ordinance Redlines.pdf](#) 

[Ordinance 782-22.pdf](#) 

Vice Mayor opened the Public Hearing; there were no comments. The Public Hearing was closed.

<p><b>MOTION:</b> To approve the Public Hearing Consent Agenda: <b>RESULT:</b> Approved unanimously (7-0) <b>MOVER:</b> Julia Wheatley, Council Member <b>SECONDER:</b> Leah Martineau, Council Member <b>AYES:</b> Gail Barney, Mayor, Jeff Brown, Vice Mayor, Robin Benning, Council Member, Leah Martineau, Council Member, Dawn Oliphant, Council Member, Emilena Turley, Council Member, Julia Wheatley, Council Member</p>
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**10) Public Hearings:**

None.

**11) Items for Discussion:**

None.

**12) Final Action:**


- 12.A) Consideration and possible adoption of Resolution 1449-22 authorizing the execution and delivery of a Purchase Agreement, a Trust Agreement, a Continuing Disclosure Undertaking and an Obligation Purchase Contract as well as agreements with a Financial Advisor and Special Counsel; approving the sale and execution and delivery of Excise Tax and State Shared Revenue Obligations, Series 2022, evidencing a proportionate interest of the owners thereof in such purchase agreement; approving an official statement; adopting post-issuance continuing disclosure compliance procedures in connection with issuance of Obligations of the Town; delegating the determination of certain terms of such Obligations and matters related thereto to the Manager and Chief Financial Officer of the Town; authorizing the taking of all other actions necessary to the consummation of the transactions contemplated by this Resolution.

[Staff Report](#) 


[Presentation](#) 

[Authorizing Resolution No. 1449-22](#) 

[Preliminary Official Statement](#) 

Fifth Purchase Agreement 

Fifth Trust Agreement 

Obligation Purchase Contract 

Finance Director Scott McCarty provided a follow up on previous direction from Town Council regarding the funding and construction of Phase I of the Parks Master Plan. He said Phase I includes construction of parks and amenities, a multi-generational center and an aquatic center.

Mr. McCarty reviewed levels of services, the phases to construct the master plan, affordability metrics and the bond timeline. He said the total construction cost is \$156M and comes from two funding sources. He said only the non-growth share of \$138M is included in bond issue and the growth share of the construction costs will be funded with cash collected from park impact fees.

Mr. McCarty announced that the Town's bond rating recently increased from AA to AA+. He said the highest rating is AAA, which is the next rating and QC is one notch away. He reviewed the bond rating process and said Queen Creek is in good financial standing, and will continue to focus on long-term financial strategies and policies.

Council Member Wheatley said we collect impact fees for the parks and she supports making parks a priority.

Vice Mayor Brown said that the ability to issue debt at low rates ensures generational equity over the years.


Council Members Turley and Martineau commented that they were not in support of \$138M for parks.

Council Member Benning supports the responsible development of parks.

<b>MOTION:</b>	<b>To adopt Resolution 1449-22 as presented.</b>
<b>RESULT:</b>	<b>Approved (5-2)</b>
<b>MOVER:</b>	Robin Benning, Council Member
<b>SECONDER:</b>	Julia Wheatley, Council Member
<b>AYES:</b>	Gail Barney, Mayor, Jeff Brown, Vice Mayor, Robin Benning, Council Member, Dawn Oliphant, Council Member, Julia Wheatley, Council Member
<b>NAYS:</b>	Leah Martineau, Council Member, Emilena Turley, Council Member

12.B) Reconsideration and possible approval of the naming of Queen Creek Sports Complex (formerly East Park).

Staff Report 

Park Names Submitted & Naming Policy. 

Council discussed a name change for the new 90-acre park to be constructed on the northeast quadrant of the community on the East Park site. The reason for this name change has to do with some similarly named facilities in the area using "sports complex" in the name, which could cause confusion.

Council discussed the need for something simple and unique to Queen Creek. Suggestions from a

list of names from previous public input were mentioned including Doodle Bug Park, Pickett Post, Pecan Park, and Frontier Park.

<b>MOTION:</b>	<b>To approve "Frontier Family Park" as the new name for the Queen Creek Sports Complex (East Park site).</b>
<b>RESULT:</b>	<b>Approved unanimously (7-0)</b>
<b>MOVER:</b>	Emilena Turley, Council Member
<b>SECONDER:</b>	Dawn Oliphant, Council Member
<b>AYES:</b>	Gail Barney, Mayor, Jeff Brown, Vice Mayor, Robin Benning, Council Member, Leah Martineau, Council Member, Dawn Oliphant, Council Member, Emilena Turley, Council Member, Julia Wheatley, Council Member

- 12.C) Consideration and possible approval: 1) to purchase five (5) ambulance vehicles along with related equipment, including; gurney and patient loading system, mobile and portable radios, and mobile computer terminals (MCT) in an amount not to exceed \$1,975,527 through cooperative purchase contracted vendors: 2) authorizing the Town Manager to finalize and execute any and all agreements and/or contracts necessary to provide for fully equipped and operational ambulances consistent with this approval; and 3) for related budget adjustments.  
Consideration and possible approval: 1) to purchase five (5) ambulance vehicles along with related equipment, including; gurney and patient loading system, mobile and portable radios, and mobile computer terminals (MCT) in an amount not to exceed \$1,975,527 through cooperative purchase contracted vendors: 2) authorizing the Town Manager to finalize and execute any and all agreements and/or contracts necessary to provide for fully equipped and operational ambulances consistent with this approval; and 3) for related budget adjustments.

#### Staff Report

Fire Chief Gray introduced the item and Deputy Chief Lee Barnes provided a detailed presentation to the Council. Deputy Chief Barnes said the Queen Creek Fire and Medical Department is recommending that Queen Creek change to a full service emergency transportation services, purchase five new ambulances and change the service model from private provider to a municipal service. Mr. Barnes discussed the decline in levels of services with our current private contractor American Medical Response (AMR), including reduced amount of AMR ambulances located in in the region, response times and staffing shortages. Deputy Barnes explained the steps needed to transition to a new service model; costs; and a timeline for implementation.

David Tantone, Regional Director AMR, discussed the concerns raised by the Town and said they are trying to resolve issues. He was confused as to why this is the direction the Town is choosing to go would like to take steps to work with Queen Creek and he hopes to stay as town provider for the long term. He said the costs associated with establishing and maintaining an ambulance system is expensive for the Town.

John Valentine, 21304 S 200<sup>th</sup> Place, Queen Creek spoke in opposition of the item. He is a regional Director for AMR and spoke on costs and liability for the Town and asked Council to take an appropriate amount of time to vet the process before making a decision.

Scott Figgins, 19087 S 211<sup>th</sup> Way, Queen Creek, spoke in support of the item. Mr. Figgins is a Mesa firefighter and is speaking as a Queen Creek resident. He discussed his experience with both sides and see benefits of in-house services.

#### Public Comment\_Figgins

Council was in agreement that public safety is a priority. They discussed response times, the number of units needed for the Town, costs, the decline in performance by AMR and different

options to address the issue. There was debate on whether to try to work out the issues with the current provider and take more time to analyze the data or if now is the time to add more ambulance units, and begin the process of providing a full service emergency transportation service.

**MOTION:** To approve the purchase of five (5) ambulance units along with related equipment, including; gurney and patient loading system, mobile and portable radios, and mobile computer terminal (MCT) in an amount not to exceed \$1,975,527 through Cooperative Purchase Contracted vendors and to authorize the Town Manager to finalize and execute the necessary contracts.

**RESULT:** Approved (5-2)

**MOVER:** Robin Benning, Council Member

**SECONDER:** Julia Wheatley, Council Member

**AYES:** Gail Barney, Mayor, Jeff Brown, Vice Mayor, Robin Benning, Council Member, Dawn Oliphant, Council Member, Julia Wheatley, Council Member

**NAYS:** Leah Martineau, Council Member, Emilena Turley, Council Member

The Mayor and Council reconvened into Executive Session at @ 9:25 PM

**13) Adjournment:**

The Regular Session reconvened and adjourned at 10:04 PM

ATTEST:

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Maria E. Gonzalez, Town Clerk  
TOWN OF QUEEN CREEK

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Gail Barney, Mayor

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 Town Council Regular Session Minutes of the April 6, 2022 Town Council 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: \_\_\_\_\_



**Minutes**  
**Town Council Regular Session**  
Community Chambers, 20727 E. Civic Parkway  
Wednesday, April 20, 2022  
6:30 PM

**1) Call to Order:**

The meeting was called to order at 6:30 p.m.

**2) Roll Call:**

**PRESENT:**

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

**ABSENT:**

Gail Barney, Mayor

Council Member Turley was present by telephone for Final Action - Item #12 only.

**3) Pledge of Allegiance:**


Led by Vice Mayor Brown.

*Vice Mayor Brown invoked the Chair's privilege and moved Final Action Item 12(A) ahead of the Invocation/Moment of Silence.*


**12) Final Action:**

12.A) Consideration and possible approval of Resolution 1454-22 authorizing the refinancing and redemption of a 2008 Water Infrastructure Finance Authority of Arizona ("WIFA") Drinking Water Loan and accelerating the refinancing and redemption of the loan by declaring an emergency due to the timing of the market and to benefit from a positive net present value savings over the life of the loan.


Staff Report 

Letter to WIFA dated April 6, 2022 requesting early redemption of the 2008 WIFA Drinking Water Loan No. 920132-08 

Resolution 1454-22 authorizing the refinancing and redemption of a 2008 Water Infrastructure Finance Authority of Arizona Drinking Water Loan 

Form of Series 2022 Senior Lien Utility System Revenue Purchase Agreement 

Form of Series 2022 Senior Lien Revenue Obligation Indenture 

Senior Lien Utility System Revenue Refunding Obligations, Series 2022 Request for Funding.pdf 

Finance Director Scott McCarty introduced the item. He discussed refinancing of the 2008 WIFA Loan and provided background information on interest rates, terms and balances. Mr. McCarty said this is a time-sensitive item due to the volatile current economic market and in order to get the best interest rate and achieve a minimum net value savings of \$1M an emergency clause is required. The emergency clause will allow the resolution to take effect immediately and avoid the 30 day waiting period. Mr. McCarty said if they are able to move forward and interest rates are favorable the refinancing results will be presented at the May Council meeting.

Council Member Turley voted remotely and left the meeting after the Final Action vote.

**MOTION:** To approve To approve Resolution 1454-22 as presented. **NOTE:** Without an emergency clause, resolution takes effect 30 days after approval and could negatively impact the savings due to the current market and would delay the closing of the proposed new WIFA Loans. The resolution requires six affirmative votes to pass with the emergency clause.

**RESULT:** Approved unanimously (6-0)

**MOVER:** Julia Wheatley, Council Member

**SECONDER:** Leah Martineau, Council Member

**AYES:** Jeff Brown, Vice Mayor, Robin Benning, Council Member, Leah Martineau, Council Member, Dawn Oliphant, Council Member, Emilena Turley, Council Member, Julia Wheatley, Council Member

**ABSENT:** Gail Barney, Mayor

4) **Invocation/Moment of Silence:**

A moment of silence was held for first responders and men and women in uniform.

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

5.A) Queen Creek Roots N' Boots Rodeo Performer Emily Hinkle (Singing the Star Spangled Banner)

6) **Committee Reports:**

6.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 summery unless the specific matter is properly noticed for legal action.

Committee Reports 

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

1. Parks and Recreation Advisory Committee (April 12, 2022).



David Dobbs, Chair of the Parks and Recreation Advisory Committee presented the report. Mr. Dobbs said the Committee heard end-of-year reports from the Arizona Soccer Club and Santan Youth Football League and commented that both leagues saw an increase in enrollment. The Committee heard a presentation from Deputy Finance Director Dan Olsen on the Permanent Base Adjustment proposition that will be on the August 2, 2022 Primary Election ballot. Mr. Dobbs said staff shared two options for the initial design concepts for Mansel Park Phase II with the committee and he briefly outlined some of the features that the committee preferred.

**7) Public Comments:**


Vice Mayor Brown recognized the recent announcement of the Arizona State Land Department auction for a portion of property located in the northeast area of Queen Creek. He gave assurance that all applicable state, local and county processes will be adhered to and said there will be no action related to state land or LG Energy Solutions this evening.


The following spoke in opposition of the LG Plant.


Thomas Butka, 42028 N. Outback, Queen Creek  
Shanda Newsom, 4370 N Coyote Rd, San Tan Valley  
Lori Butka, 42028 N. Outback Rd, Queen Creek  
Daniel Taylor, 242 W Sweet Shrub Ave, Queen Creek  
Noelle Jackowiak, 40556 N. Domiano St, San Tan Valley  
Diane McCullen, 43809 N. Jackrabbit Rd, San Tan Valley  
Jared McGowan, 1148 E Press Rd, San Tan Valley  
Greg LeCheminant, 20832 S. Titus St, Queen Creek  
Katrinna Pint, 437 E Germann Rd, San Tan Valley  
Heather Moreheart, 42657 N. Suburban Ave, San Tan Valley  
Katie Judy, 43607 N. Coyote Rd, San Tan Valley  
Linda Manning, 18734 E Kingbird Dr., Queen Creek  
Linda Doty, 20379 E Appaloosa Dr., Queen Creek  
Alex Theodore, 20606 S. 187th Way, Queen Creek

The following public comments were emailed in opposition to the LG Plant and were read by Assistant Town Manager Bruce Gardner:

Tracy Van Cuyck, 18833 E Arrowhead Trail, Queen Creek 

Kenzie Haley, 2950 E Pima Road, San Tan Valley 

Vicki Baack, 1756 E Loveland Lane, San Tan Valley 

Breann Nichols, 42941 N Suburban Ave, San Tan Valley 

Sherry Land, 18530 E Apricot Lane, Queen Creek 

Lisa Horne, 43177 N Coyote Rd, San Tan Valley 

Autum Rosenberger, 1493 E Lobo St., San Tan Valley 

Tiffany Nedrow, 1804 E Loveland Ln, San Tan Valley 

Jeff Comaianni, 22251 E Stone Crest Court, Queen Creek commented on oversized vehicles. 


**8) Consent Agenda:**

8.A) Consideration and possible approval of Expenditures over \$25,000. (FY 21/22 Budgeted

Items)

**Department:** Finance

Staff Report 


April 20, 2022 Expenditures over \$25k.pdf 

- 8.B) Consideration and possible approval of the "Final Plats" for Madera Phases 3A & 3B, a request by QC320 Residential Land IV LP.

**Department:** Development Services

Staff Report 

Aerial Exhibit - Madera Subdivision.pdf 


Final Plat - Madera Phase 3A.pdf 

Final Plat - Madera Phase 3B.pdf 

- 8.C) Consideration and possible approval of the emergency procurement for repair work to the sound system at Horseshoe Park & Equestrian Centre by CCS Presentation Systems in an amount not to exceed \$74,773 and the necessary budget adjustments.

**Department:** Economic Development

Staff Report 


Emergency Procurement Authorization 

CCS Presentation Systems Proposal 

- 8.D) Consideration and possible approval of an Intergovernmental Agreement between The Town of Queen Creek and the Queen Creek Unified School District (QCUSD) for contribution toward the construction of Traffic Signal: QCUSD Crismon High School and Riggs Road (CIP project I0049) in the amount of \$375,000 and the necessary budget adjustments.

**Department:** Capital Improvement Projects

Staff Report 

Site Location Exhibit 

IGA with QCUSD for Traffic Signal at Crismon High School and Riggs Road 

- 8.E) Consideration and possible approval of an Intergovernmental Agreement between the Town of Queen Creek and the Arizona Child Abduction Response Team (AZCART) to provide a pool of specialized investigators for cases involving abducted or at-risk missing children.

**Department:** Police


Staff Report 

AZCART IGA.pdf 

- 8.F) Consideration and possible approval of a Cooperative Purchase Agreement (CPA) with Flock Group, LLC for a fixed camera ALPR solution utilizing the City of Tempe contract not to exceed \$46,000. (FY 21/22 Budgeted Item)

**Department:** Police

Staff Report 

TOQC Cooperative Purchase Agreement.pdf 

- 8.G) Consideration and possible approval of a one-year On-Call Professional Services Contracts for Engineering Plan Review Services with up to four possible one-year renewals, with Entellus, Inc.; Michael Baker International, Inc.; Sunrise Engineering Inc.; Westwood Professional Services.

**Department:** Capital Improvement Projects


Staff Report 

On Call Contract for Engineering Plan Review Services 

- 8.H) Consideration and possible approval of a one-year On-Call Professional Services Contracts for Environmental & Cultural Review Services with up to four possible one-year renewals, with AZTEC Engineering Group; Logan Simpson Design, Inc.; Terracon Consultants, Inc.; Western Technologies, Inc.

**Department:** Capital Improvement Projects


Staff Report 

Contracts for Environmental & Cultural Review Services 

- 8.I) Consideration and possible approval of a one-year On-Call Professional Services Contracts for Landscape Architecture Services with up to four possible one-year renewals, with AZTEC Engineering Group; Dig Studio; Environmental Planning Group, LLC; Gavan & Barker, Inc.; J2 Engineering & Environmental Design. LLC; Kimley-Horn and Associates, Inc.

**Department:** Capital Improvement Projects

Staff Report 

On Call Contracts for Landscape Architecture 

- 8.J) Consideration and possible approval of a one-year On-Call Professional Services Contracts for Storm Water Management Services with up to four possible one-year renewals, with Entellus, Inc.; EPS Group Inc.; HilgartWilson LLC; J2 Engineering & Environmental Design LLC; Michael Baker International, Inc.

**Department:** Capital Improvement Projects


Staff Report 

Storm Water Management Professional Services Contracts 

- 8.K) Consideration and possible approval of a one-year On-Call Professional Services Contracts for Survey Services with up to four possible one-year renewals, with Bowman Consulting Group Ltd.; Dibble & Associates Consulting Engineers, Inc.; Sunrise Engineering, Inc.

**Department:** Capital Improvement Projects


Staff Report 


On Call Contracts for Survey Services 


- 8.L) Consideration and possible approval of Delegation Resolution 1456-22 authorizing and directing the Town Manager and/or Capital Improvement Projects Department Director to take any and all action necessary; and to sign any and all documents, contracts, and/or agreements related to the ASLD Infrastructure Improvements (CIP project AR100) that will cover the area from Germann Road north to SR24 and from Meridian Road to Kenworthy Road, in the Arizona State Lands portion of the Town in an amount not to exceed \$2,000,000 and the necessary budget adjustments.

**Department:** Capital Improvement Projects

Staff Report 

Site Location Exhibit 


Delegation Resolution 1456-22 ASLD Improvements 

Delegation #1456-22 Exhibit 1 

- 8.M) Consideration and possible approval of Ordinance No. 784-22, an Ordinance of the Mayor and Council of the Town of Queen Creek, Arizona, amending and creating certain section of Chapter 7 Buildings and Building Regulations and amending Chapter 9 Offenses; and provide for consistency and proper coordination between amended Chapters of the Town Code, and between the impacted Town departments and the police department; providing for penalties and permit processes; and providing for repeal of conflicting ordinances.

**Department:** Town Manager's Office

Staff Report 

Ordinance No. 784-22.pdf 

Council Member Martineau removed Item C for a separate vote.

<b>MOTION:</b>	<b>To approve the Consent Agenda minus Item 8(C).</b>
<b>RESULT:</b>	<b>Approved unanimously (5-0)</b>
<b>MOVER:</b>	Robin Benning, Council Member
<b>SECONDER:</b>	Julia Wheatley, Council Member
<b>AYES:</b>	Jeff Brown, Vice Mayor, Robin Benning, Council Member, Leah Martineau, Council Member, Dawn Oliphant, Council Member, Julia Wheatley, Council Member
<b>ABSENT:</b>	Gail Barney, Mayor, Emilena Turley, Council Member

<b>MOTION:</b>	<b>To approve Item 8(C) of the Consent Agenda.</b>
<b>RESULT:</b>	<b>Approved (4-1)</b>
<b>MOVER:</b>	Robin Benning, Council Member
<b>SECONDER:</b>	Dawn Oliphant, Council Member

<b>AYES:</b>	Jeff Brown, Vice Mayor, Robin Benning, Council Member, Dawn Oliphant, Council Member, Julia Wheatley, Council Member
<b>NAYS:</b>	Leah Martineau, Council Member
<b>ABSENT:</b>	Gail Barney, Mayor, Emilena Turley, Council Member


9) **Public Hearing Consent Agenda:**

None.

10) **Public Hearings:**


10.A) Public hearing for Case P21-0168 Mayberry on Rittenhouse Annexation, a proposed annexation of approximately 1.42 acres, east of the southeast corner of Sossaman and Rittenhouse roads.

Staff Report 

1. Aerial Map.pdf 

2. General Plan Map.pdf 

3. Current Zoning Map.pdf 

4. Annexation Petition and Legal Description.pdf 

Vice Mayor Brown said this item is on the agenda for a public hearing only and there will be no vote this evening. He opened the Public Hearing and there were no comments and the Public Hearing was closed.

11) **Items for Discussion:**

11.A) Discussion and presentation on an update to the request for Permanent Base Adjustment.

Deputy Finance Director Dan Olsen reviewed the updated calculations and approved changes that were received from the Auditor General based on population and inflation factors. Mr. Olsen displayed the information that will be presented to voters on the ballot and said the \$5,500,000 increase to the expenditure limit did not change. Mr. Olsen concluded with a summary of public outreach efforts and the remaining steps in the election calendar.

11.B) Discussion and update on Town events and outreach programs.

Communications and Marketing Manager Constance Halonen-Wilson reviewed the Town's special events and outreach programs and introduced a potential change for 2022 in regards to format, dates and timing. Ms. Halonen-Wilson proposed a new event, What's Poppin' QC, for spring (May/June) which will allow for more in-depth discussion of timely topics. This event would replace Ice-Cream Social that was last held in spring 2019. She said there are several events held for children throughout the year and this event would be informational outreach geared towards adults and held in the evening.

Council was open to the new format and the consensus was to try "What's Poppin' QC" this spring.

13) **Adjournment:**

The Mayor and Council reconvened into Executive Session at 8:05 p.m. The Regular Session reconvened and adjourned at 8:30 p.m.

ATTEST:

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Maria E. Gonzalez, Town Clerk  
TOWN OF QUEEN CREEK

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Gail Barney, Mayor

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 Town Council Regular Session Minutes of the April 20, 2022 Town Council 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: \_\_\_\_\_



TOWN OF  
**QUEEN CREEK**  
ARIZONA

**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:** May 4, 2022

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**Suggested Action:**

To approve the Expenditures \$25,000 and over.

**Discussion:**

The following item being requested is:

1. Stanley Consultants - Amendment #2 to Design of Street Sweeper Washout Decant Station : \$55,136 (Public Works)
2. Pride Outfitting - K9 platform and upfitting equipment: \$25,000 (Police)

**Fiscal Impact:**

The fiscal impact of the requested spending authority for the above expenditures is \$80,136. Funds have been identified within the line item budget as approved in the FY22 budget or subsequently approved by Council.

**Attachment(s):**

1. [Expenditures Over \\$25,000-May4.pdf](#)



**Attachment: Expenditures \$25,000 and Over  
Budgeted in Fiscal Year 21/22  
May 4, 2022**

<b>Item #</b>	<b>Vendor(s)</b>	<b>Description</b>	<b>Purpose</b>	<b>Requesting Dept(s)</b>	<b>Fiscal Impact \$</b>	<b>Procurement Method</b>	<b>Alternative</b>
1	Stanley Consultants	Amendment #2 for Street Sweeper Washout Decant Station	Amendment #2 to add redesign services for the Street Sweeper Washout Decant Station	CIP Department	\$55,136	Town Contract 2017-043 Project Order #4	To exclude some recent value engineering proposals that will improve safety and operability particularly with regard to maintenance of the outlet channel, while also reducing construction costs.
2	Pride Outfitting	K9 platform and upfitting equipment	K9 insert for chevy tahoes with related safety equipment including heat sensors, window regulators, alarms, door poppers, etc.	Police Department	\$25,000	City of Chandler Cooperative Contract #PD2-055-4378	Council could choose not to approve this request. The alternative would be to find a different vendor to provide this type of equipment. However, this will result in a significant delay in delivery and install of the essential safety equipment.



TOWN OF  
**QUEEN CREEK**  
 ARIZONA

**TO: HONORABLE MAYOR AND TOWN COUNCIL**

**THROUGH: JOHN KROSS ICMA-CM, TOWN MANAGER**

**FROM: RANDY BRICE, CHIEF OF POLICE**

**RE: CONSIDERATION AND POSSIBLE APPROVAL FOR THE PURCHASE OF A FORD TRANSIT T350 HIGH ROOF DUAL REAR WHEEL VAN IN AN AMOUNT NOT TO EXCEED \$166,000 THROUGH GSA CONTRACT # GS-07F-9375S. THIS IS IN LIEU OF THE ESTIMATED \$120,000 AUTHORIZED SPENDING AUTHORITY OF A CRIME SCENE VAN THAT WAS APPROVED ON DECEMBER 1, 2021 DUE TO SUPPLY CHAIN ISSUES. NO BUDGET ADJUSTMENT IS NECESSARY. (FY 21/22 BUDGETED ITEM)**

**DATE: May 4, 2022**

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**Suggested Action:**

To approve the purchase of a Ford Transit T350 High Roof Dual Rear Wheel Van in an amount not to exceed \$166,000 through GSA contract # GS-07F-9375S. (FY 21/22 Budgeted Item)

**Relevant Council Goal(s):**

Safe Community (Public Safety)

**Discussion:**

On December 15, 2021, Council approved a series of expenditures that included long lead purchases for FY23 due to supply chain issues. One item in particular was for a crime scene van estimated at \$120,000. This van configuration no longer meets the needs of the department. As such we are requesting the purchase of a Ford Transit T350 High Roof Dual Rear Wheel Van.

This vehicle will provide a support platform for multiple missions including large scale events, field force operations, immediate response activities, negotiations, tactical functions, and other essential actions.

**Fiscal Impact:**

This action authorizes a purchase with Armored Group, LLC through GSA contract # GS-07F-9375S for a cost not to exceed \$166,000. This includes a purchase price of \$137,945, shipping/freight at approximately \$5,255, tax estimated at \$7,800, and contingency of \$15,000. If authorized, funding for the previously authorized purchase of a crime scene van estimated at \$120,000 will be redirected to

this purchase. Costs associated with the remaining \$46,000 needed to acquire this vehicle have been included in the FY21-22 Budget.

**Alternatives:**

1. Council could choose not to approve this change in spending authority and PD could proceed with the original purchase. However, the police department would not have the proper vehicle/tool for our current needs.
2. Council could direct staff to change or modify the proposed spending authority. However, this would lead to a delay in acquiring the needed equipment

**Attachment(s):**

1. [GSA Quote Ford T350.pdf](#)



**5221 N. Saddle Rock Drive**  
**Phoenix, AZ 85018**  
**Contact: Jeremy Johnson**  
**Office: 602-840-2271 Fax: 602-840-6162**  
**Cell: 817-291-4956**  
**Email: jeremy@armoredcars.com**

<b>Customer:</b>	Queen Creek Police Department 22358 S Ellsworth Road Queen Creek, AZ 85142
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<b>Quote #: GSAJJ220413B</b> Quote Date: April 13,, 2022 Tax ID #: 86-09877046	Payment Terms: Net 30 Days of Acceptance Acceptance at TAG Facility
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Terms & Conditions: Net 30 Days-Transfer of Certificate of Origin Upon Acceptance of BATT  
 Inspection & Acceptance: TAG Facility

**GSA Contract #: GS-07F-9375S**

<b>Item &amp; Options</b>	<b>Pricing</b>
Ford Transit T350 High Roof Extended Length with Tactical Package	\$ 174,375.00
Discount	\$ (36,430.00)
<b>Total Cost of BATT:</b>	<b>\$ 137,945.00</b>

- \*Price Does Not Include Freight. Ex Works TAG Armoring Facility
- \*TAG nor GSA collect Sales Tax.
- \*Refer to Our GSA Contract # on PO. GS-07F-9375S

**ARMOR WARRANTY**  
**24 Months/Unlimited Miles**

**Jeremy Johnson**  
**Global Fleet Manager**  
**The Armored Group, LLC**

**Authorized Signature**  
**Queen Creek Police Department**



TOWN OF  
**QUEEN CREEK**  
 ARIZONA

**TO:** HONORABLE MAYOR AND TOWN COUNCIL

**THROUGH:** JOHN KROSS ICMA-CM, TOWN MANAGER

**FROM:** BRETT BURNINGHAM, DEVELOPMENT SERVICES DIRECTOR, CHRIS DOVEL,  
 TOWN ENGINEER, MARC PALICHUK, PRINCIPAL ENGINEER

**RE:** CONSIDERATION AND POSSIBLE APPROVAL OF THE "FINAL PLATS" FOR LEGADO  
 PARCELS EF, G, H, I & J, A REQUEST BY VPTM LEGADO LB LLC.

**DATE:** May 4, 2022

---

**Suggested Action:**

Staff recommends approval of the "Final Plats" for Legado Parcels EF, G, H, I & J, a request by VPTM Legado LB LLC.

**Relevant Council Goal(s):**

Superior Infrastructure

**Discussion:**

*History:*

December 15, 1999

- The Town Council approved Ordinance 177-99, authorizing the original zoning of R1-7, R1-9 & R1-12 for the subject property, as a portion of the Sossaman Estates Planned Area Development.

May 13, 2015

- The Planning and Zoning Commission recommended approval of RZ14-044 "Sossaman 300 PAD Amendment".

June 17, 2015

- The Town Council approved Ordinance 569-15, RZ14-044 "Sossaman 300 PAD Amendment".

January 9, 2019

- The Planning and Zoning Commission approved the P18-0164 "Legado Phase I Preliminary Plat".

November 20, 2019

- The Town Council approved the Final Plats for Legado Parcels A, B, C, & D.

July 14, 2021

- The Planning and Zoning Commission approved P21-0086 “Legado Phases 2&3 Preliminary Plat”.

**Background:**

The applicant is requesting approval of five Parcels within the Legado subdivision (Phases 2&3), which consists of Parcels EF, G, H, I, & J Final Plats. Legado Parcels EF, G, H, I, & J total 405 lots in a single-family residential subdivision situated on approximately 179.8 gross acres located at the northwest corner of Ocotillo Road and Sossaman Road. The subdivision has underlying Planned Area Development PAD/R1-7, R1-9 & R1-12 zoning which is consistent with the General Plan land use designation. The overall density is 2.3 dwelling units per acre. The number of Lots and net acreage of each parcel is summarized below:

- Parcel EF, 127 Lots, 44.8 Acres
- Parcel G, 47 Lots, 36.2 Acres
- Parcel H, 98 Lots, 54.0 Acres
- Parcel I, 62 Lots, 21.2 Acres
- Parcel J, 71 Lots, 23.6 Acres

Total Number of Lots: 405

Total Acreage: 179.8

The Final Plats for Parcels EF, G, H, I, & J establish the local street and lot layout within the Legado subdivision. Parcels EF, G, H, I, & J comprise Phases 2 & 3 of the project. The streets within these Parcels will be public streets. Parcels EF, G, H, I, & J are the remaining parcels to be platted within the approved subdivision.

Legado Parcels EF, G, H, I, & J provides one (1) point of access onto Sossaman Road, one (1) point of access onto Ocotillo Road, and one (1) point of access into the existing Legado Phase 1. Onsite and offsite roadway improvements will be constructed per the approved phasing plan.

**Fiscal Impact:**

The Town will receive building permit fees for all homes that develop within the 405 lot subdivision.

The Owner (VPTM Legado LB LLC) will complete onsite and offsite improvements for the public streets that will require future maintenance costs by the Town.

**Alternatives:**

Not to accept the Final Plats for Legado Parcels EF, G, H, I, & J. If the Town does not accept the Final Plats, the subdivision will not be developed at this time and the Town will not collect building permit fees.

**Attachment(s):**

1. [Aerial Exhibit - Legado Phases 2&3.pdf](#)
2. [Final Plat - Legado Parcel EF.pdf](#)
3. [Final Plat - Legado Parcel G.pdf](#)

4. [Final Plat - Legado Parcel H.pdf](#)
5. [Final Plat - Legado Parcel I.pdf](#)
6. [Final Plat - Legado Parcel J.pdf](#)



Aerial Exhibit - Legado Phases 2 & 3





**DEDICATION**

STATE OF ARIZONA }  
COUNTY OF MARICOPA }SS

KNOW ALL MEN BY THESE PRESENTS:

THAT VPTM LEGADO LB LLC, A DELAWARE LIMITED LIABILITY COMPANY, AS OWNER, HAVE SUBDIVIDED UNDER THE NAME OF "LEGADO - PHASE 2 & 3 - PARCEL EF" BEING A REPLAT OF THE FINAL PLAT OF "LEGADO SCHOOL SITE", AS FILED IN BOOK 1486, PHASE 15, RECORDS OF MARICOPA COUNTY AND A PORTION OF TRACT A OF THE MAP OF DEDICATION FOR "LEGADO PHASE 1 COLLECTOR ROADWAYS" AS FILED IN BOOK 1499, PAGE 2, RECORDS OF MARICOPA COUNTY, LOCATED IN A PORTION OF THE EAST HALF OF SECTION 18, TOWNSHIP 2 SOUTH, RANGE 7 EAST, OF THE GILA AND SALT RIVER MERIDIAN, MARICOPA COUNTY, ARIZONA, AS SHOWN AND PLATTED HEREON, AND HEREBY PUBLISHES THIS PLAT AS AND FOR THE PLAT FOR "LEGADO - PHASE 2 & 3 - PARCEL EF" A RESIDENTIAL SUBDIVISION, AND HEREBY DECLARES THAT SAID PLAT SETS FORTH THE LOCATION AND GIVES THE DIMENSIONS OF ALL LOTS, TRACTS, EASEMENTS, AND STREETS, CONSTITUTING SAME, AND THAT EACH LOT, TRACT EASEMENT AND STREET SHALL BE KNOWN BY THE NUMBER AND NAME GIVEN, EACH RESPECTIVELY ON SAID PLAT.

EASEMENTS ARE DEDICATED AS SHOWN ON THIS PLAT.

VPTM LEGADO LB LLC, A DELAWARE LIMITED LIABILITY COMPANY, AS OWNER, AS LISTED ABOVE HEREBY DEDICATES TO THE TOWN OF QUEEN CREEK, FOR USE AS PUBLIC RIGHT-OF-WAY, THE STREETS AS SHOWN ON SAID PLAT.

THE MAINTENANCE OF LANDSCAPING WITHIN THE PUBLIC RIGHT-OF-WAY TO BACK OF CURB SHALL BE THE RESPONSIBILITY OF THE HOMEOWNERS ASSOCIATION OR ADJUTING PROPERTY OWNER.

ALL TRACTS THAT WILL NOT BE CONVEYED TO THE TOWN OF QUEEN CREEK AND ALL COMMON PROPERTY SHALL BE IMPROVED IN ACCORDANCE WITH PLANS APPROVED BY THE TOWN OF QUEEN CREEK AND SHALL BE CONVEYED BY WARRANTY (OR SPECIAL WARRANTY) DEED TO THE HOMEOWNERS ASSOCIATION. THE HOMEOWNERS ASSOCIATION SHALL BE RESPONSIBLE FOR THE MAINTENANCE OF THE COMMON PROPERTY.

TRACTS A THROUGH P, ARE NOT DEDICATED TO THE PUBLIC, BUT ARE PLATTED AS COMMON PROPERTY FOR THE USE AND ENJOYMENT OF LEGADO COMMUNITY ASSOCIATION, AN ARIZONA NON-PROFIT CORPORATION, AS MORE FULLY SET FORTH IN THE DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS.

VPTM LEGADO LB LLC, A DELAWARE LIMITED LIABILITY COMPANY, AS OWNERS OF, WARRANT AND REPRESENT TO BE THE OWNERS OF THE PROPERTY CONVEYED HEREBY AND THAT EVERY LENDER, EASEMENT HOLDER OR OTHER PERSON, OR ENTITY, HAVING ANY INTEREST IN THE LAND ADVERSE TO OR INCONSISTENT WITH THE DEDICATIONS, CONVEYANCES, OR OTHER REAL PROPERTY INTEREST CREATED OR TRANSFERRED BY THIS PLAT HAS CONSENTED TO, OR JOINED IN THIS PLAT, AS EVIDENCED BY INSTRUMENTS WITH THE MARICOPA COUNTY RECORDERS OFFICE, OR WHICH OWNER WILL RECORD NOT LATER THAN THE DATE ON WHICH THIS PLAT IS RECORDED.

IN WITNESS WHEREOF:

VPTM LEGADO LB LLC, A DELAWARE LIMITED LIABILITY COMPANY, AS OWNER, HAS HEREUNTO CAUSED ITS NAME TO BE SIGNED AND THE SAME TO BE ATTESTED BY THE SIGNATURE OF ITS OFFICER, THEREUNTO DULY AUTHORIZED THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2022.

VPTM LEGADO LB LLC, A DELAWARE LIMITED LIABILITY COMPANY

BY: VP CARAVAN NOTECO LLC,  
ITS SOLE MEMBER

BY: VÄRDE PARTNERS, INC.,  
ITS MANAGER

BY: \_\_\_\_\_

NAME: \_\_\_\_\_

ITS: \_\_\_\_\_

**ACKNOWLEDGMENT**

STATE OF ARIZONA }  
COUNTY OF MARICOPA }SS

ON THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2022, BEFORE ME, THE UNDERSIGNED OFFICER, PERSONALLY APPEARED \_\_\_\_\_ WHO ACKNOWLEDGED HIMSELF/HERSELF TO BE THE \_\_\_\_\_ OF VPTM LEGADO LB LLC, A DELAWARE LIMITED LIABILITY COMPANY AND ACKNOWLEDGES AS SUCH OFFICER, BEING DULY AUTHORIZED SO TO DO, EXECUTED THE FOREGOING INSTRUMENT FOR THE PURPOSES HEREIN CONTAINED.

BY: \_\_\_\_\_ MY COMMISSION EXPIRES: \_\_\_\_\_  
NOTARY PUBLIC

**LEGADO COMMUNITY ASSOCIATION RATIFICATION**

BY THIS RATIFICATION \_\_\_\_\_ DULY ELECTED \_\_\_\_\_ OF LEGADO COMMUNITY ASSOCIATION, AN ARIZONA NON-PROFIT CORPORATION, ACKNOWLEDGES THE RESPONSIBILITIES DEDICATED HEREON.

BY: \_\_\_\_\_

ITS: \_\_\_\_\_

**ACKNOWLEDGMENT**

STATE OF ARIZONA }  
COUNTY OF MARICOPA }SS

ON THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2022, BEFORE ME, THE UNDERSIGNED OFFICER, PERSONALLY APPEARED \_\_\_\_\_ WHO ACKNOWLEDGED HIMSELF/HERSELF TO BE THE \_\_\_\_\_ OF LEGADO COMMUNITY ASSOCIATION, AN ARIZONA NON-PROFIT CORPORATION, AND ACKNOWLEDGES AS SUCH OFFICER, BEING DULY AUTHORIZED SO TO DO, EXECUTED THE FOREGOING INSTRUMENT FOR THE PURPOSES HEREIN CONTAINED.

BY: \_\_\_\_\_ MY COMMISSION EXPIRES: \_\_\_\_\_  
NOTARY PUBLIC

**REFERENCE DOCUMENTS**

- 1. PARCEL E1, SOSSAMAN ESTATES BOOK 572, PAGE 34, MCR
- 2. PARCEL H, SOSSAMAN ESTATES BOOK 636, PAGE 11, MCR
- 3. SOSSAMAN ESTATES PHASE II BOOK 926, PAGE 47, MCR
- 4. GDAC'S SURVEY BOOK 1143, PAGE 21, MCR

**SITE DATA - PARCEL EF**

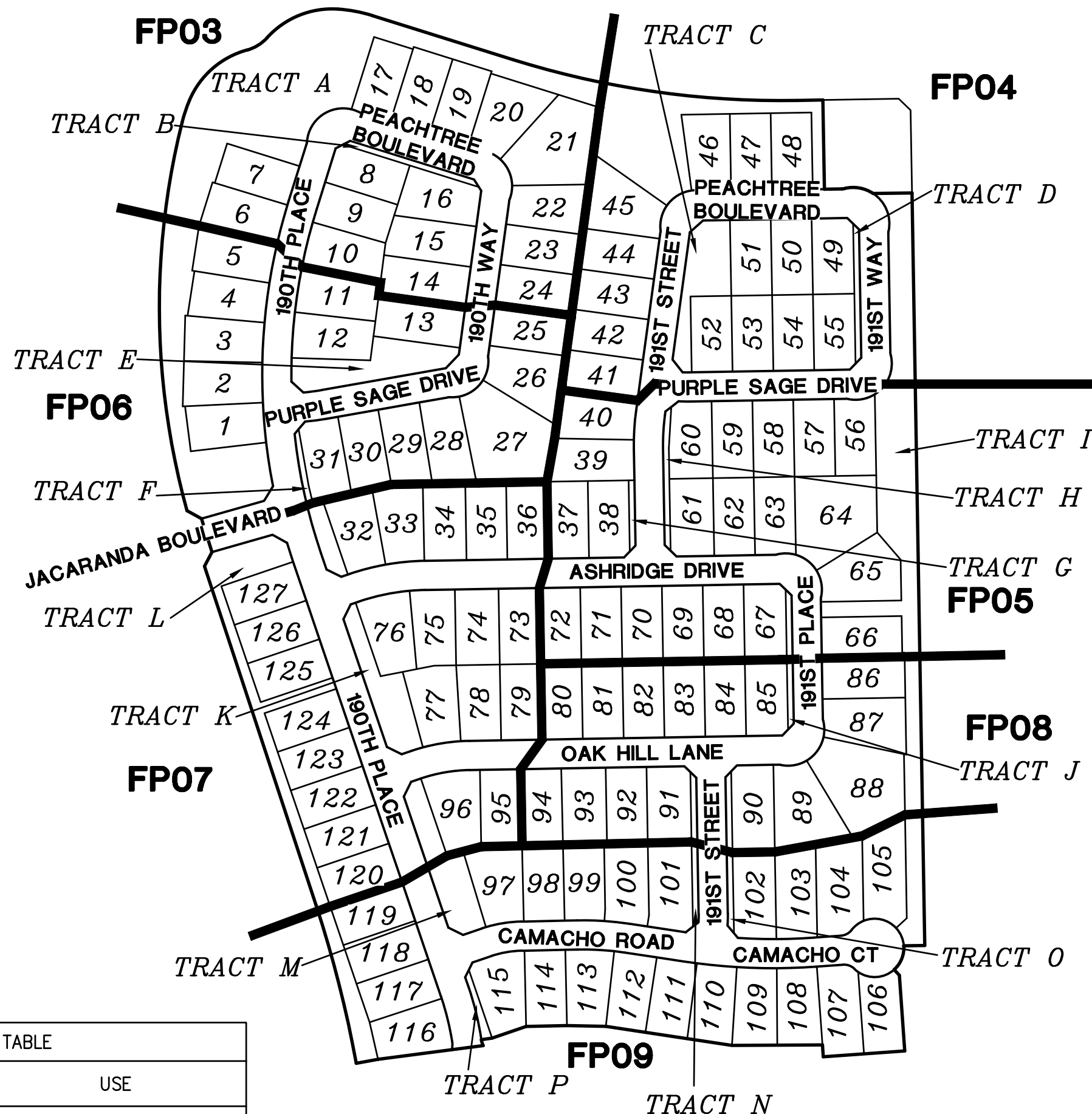
TOTAL LOTS:	127
TYPICAL LOT SIZE:	70' X 130'
MINIMUM LOT SIZE:	9,100 SQ. FT.
MAXIMUM LOT SIZE:	20,641 SQ. FT.
AVERAGE LOT SIZE:	10,055 SQ. FT.
LOTS AREA:	1,276,985 SQ. FT. OR 29.3155 AC.
GROSS PARCEL AREA:	1,953,329 SQ. FT. OR 44.8423 AC.
GROSS PARCEL DENSITY:	2.8 DU/AC
NET PROJECT AREA:	1,584,620 SQ. FT. OR 36.3779 AC.
PAD DENSITY:	3.5 DU/AC (EXCLUSIVE OF OPEN SPACE & COLLECTOR R/W)
ZONING:	R1-9
COMMON AREAS / OPEN SPACE:	307,635 SQ. FT. OR 7.0623 AC.
ACTIVE OPEN SPACE AREA:	1.48 AC

TRACT TABLE		
TRACT	AREA (ACRES)	USE
TRACT A	3.3260	COMMON AREA & DRAINAGE
TRACT B	0.0535	COMMON AREA & DRAINAGE
TRACT C	0.2948	COMMON AREA & DRAINAGE
TRACT D	0.0528	COMMON AREA
TRACT E	0.3335	COMMON AREA & DRAINAGE
TRACT F	0.1202	COMMON AREA & DRAINAGE
TRACT G	0.0269	COMMON AREA
TRACT H	0.0555	COMMON AREA
TRACT I	1.3122	COMMON AREA & DRAINAGE
TRACT J	0.0528	COMMON AREA
TRACT K	0.2764	COMMON AREA & DRAINAGE
TRACT L	0.6927	COMMON AREA & DRAINAGE
TRACT M	0.3119	COMMON AREA & DRAINAGE
TRACT N	0.0588	COMMON AREA
TRACT O	0.0613	COMMON AREA
TRACT P	0.0330	COMMON AREA & DRAINAGE

- 1. COMMON AREAS MAY INCLUDE OPEN SPACE, LANDSCAPING, PEDESTRIAN PATHS AND/OR AMENITIES.
- 2. THE USES SHOWN IN THE TRACT TABLE ABOVE DO NOT INTEND TO GRANT EASEMENTS THAT ARE BLANKET IN NATURE OVER THE ENTIRE TRACT.
- 3. SPECIFIC EASEMENTS THAT ARE BEING DEDICATED AS PART OF THIS PLAT ARE FULLY DELINEATED ON THE FOLLOWING SHEETS.

**FINAL PLAT**  
OF  
**LEGADO - PHASE 2 & 3 - PARCEL EF**

A REPLAT OF THE FINAL PLAT OF "LEGADO SCHOOL SITE", AS FILED IN BOOK 1486, PAGE 15, RECORDS OF MARICOPA COUNTY, A REPLAT OF A PORTION OF TRACT A OF THE MAP OF DEDICATION FOR "LEGADO PHASE 1 COLLECTOR ROADWAYS" AS FILED IN BOOK 1499, PAGE 2, RECORDS OF MARICOPA COUNTY, AND A PORTION OF THE EAST HALF OF SECTION 18, TOWNSHIP 2 SOUTH, RANGE 7 EAST OF THE GILA AND SALT RIVER MERIDIAN, MARICOPA COUNTY, ARIZONA



**LEGEND**

- FOUND MONUMENT AS NOTED
- ⊗ FOUND BRASS CAP IN HAND HOLE
- ⊙ FOUND BRASS CAP FLUSH
- SET 1/2" REBAR W/ CAP, RLS 32222 OR AS NOTED
- BOUNDARY LINE
- - - SECTION LINE
- - - CENTER LINE
- - - RIGHT OF WAY
- - - PARCEL LINE
- - - EASEMENT LINE
- - - RIGHT-OF-WAY
- R/W PUBLIC UTILITY EASEMENT
- VNAE VEHICLE NON-ACCESS EASEMENT
- MCR MARICOPA COUNTY RECORDS
- DOC. DOCUMENT
- NO. NUMBER
- RLS REGISTERED LAND SURVEYOR
- APN ASSESSOR PARCEL NUMBER
- P.O.B. POINT OF BEGINNING
- P.O.C. POINT OF COMMENCEMENT

**OWNER/DEVELOPER**

VPTM LEGADO LB LLC  
C/O VÄRDE PARTNERS, INC.  
901 MARQUETTE AVE. S., SUITE 3300  
MINNEAPOLIS, MN 55402  
(952) 374-6963

**ZONING DESIGNATION**

ZONING: R1-9

**SHEET INDEX**

FP01	COVER SHEET, SHEET INDEX MAP
FP02	LOT TABLE, LOT DETAILS, LEGAL DESCRIPTION & NOTES
FP03-FP09	FINAL PLAT

**BASIS OF BEARING**

BASIS OF BEARING IS N87°26'14"W ALONG THE SOUTH LINE OF THE SOUTHWEST QUARTER OF SECTION 18, TOWNSHIP 2 SOUTH, RANGE 7 EAST OF THE GILA AND SALT RIVER MERIDIAN, MARICOPA COUNTY, ARIZONA AS SHOWN ON THE RECORD OF SURVEY RECORDED IN BOOK 725, PAGE 32, MARICOPA COUNTY RECORDS, BETWEEN THE MONUMENTS AS SHOWN HEREON.

**ASSURED WATER SUPPLY**

THE ARIZONA DEPARTMENT OF WATER RESOURCES HAS GRANTED A CERTIFICATE OF ASSURED WATER SUPPLY, DWR FILE NO. \_\_\_\_\_

**ASSURANCE STATEMENT**

ASSURANCE IN THE FORM OF A CASH, PERFORMANCE OR SUBDIVISION BOND, IRREVOCABLE LETTER OF CREDIT, OR SIGNED CERTIFICATE OF OCCUPANCY HOLD AGREEMENT HAS BEEN DEPOSITED WITH THE TOWN ENGINEERING TO GUARANTEE CONSTRUCTION OF THE REQUIRED SUBDIVISION IMPROVEMENTS.

**LEGAL DESCRIPTION**

SEE SHEET 2 OF 9 FOR LEGAL DESCRIPTION

**APPROVALS**

APPROVED BY THE TOWN COUNCIL OF QUEEN CREEK, ARIZONA, ON THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2022.

BY: \_\_\_\_\_ MAYOR \_\_\_\_\_ DATE \_\_\_\_\_

ATTEST: \_\_\_\_\_ TOWN CLERK \_\_\_\_\_ DATE \_\_\_\_\_

**DEPARTMENT APPROVALS**

THIS PLAT WAS APPROVED AS TO FORM BY THE TOWN ENGINEERING MANAGER AND THE TOWN PLANNING MANAGER.

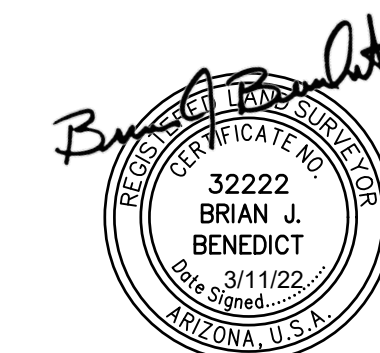
BY: \_\_\_\_\_ TOWN ENGINEER MANAGER \_\_\_\_\_ DATE \_\_\_\_\_

BY: \_\_\_\_\_ TOWN PLANNING ADMINISTRATOR \_\_\_\_\_ DATE \_\_\_\_\_

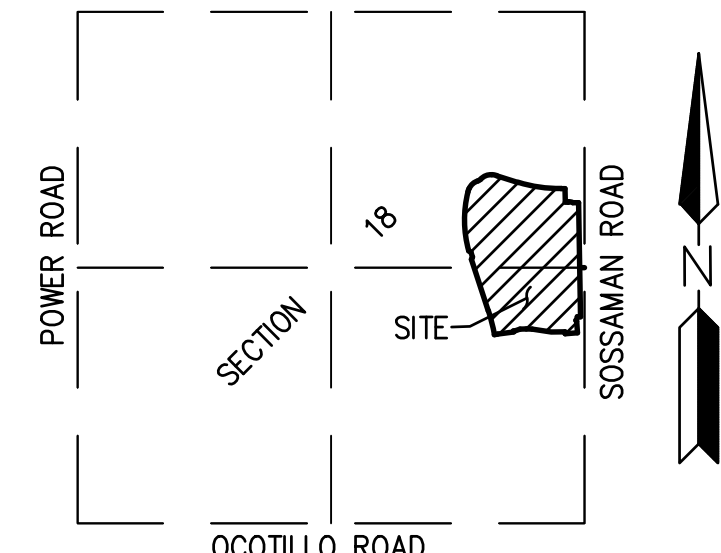
**SURVEYOR CERTIFICATION**

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

BRIAN BENEDICT, RLS  
RLS 32222  
HILGARTWILSON, LLC  
2141 E. HIGHLAND AVENUE, SUITE 250  
PHOENIX, ARIZONA 85016  
P: (602) 490-0535  
bbenedict@hilgartwilson.com



NOTE:  
A.R.S. 32-151 STATES THAT THE USE OF THE WORD "CERTIFY" OR "CERTIFICATION" BY A PERSON OR FIRM THAT IS REGISTERED OR CERTIFIED BY THE BOARD IS AN EXPRESSION OF PROFESSIONAL OPINION REGARDING FACTS OR FINDINGS THAT ARE SUBJECT OF THE CERTIFICATION AND DOES NOT CONSTITUTE AN EXPRESS OR IMPLIED WARRANTY OR GUARANTEE.



**VICINITY MAP**  
NOT TO SCALE

**SURVEYOR**

HILGARTWILSON, LLC  
2141 E. HIGHLAND AVENUE, STE 250  
PHOENIX, ARIZONA 85016  
PHONE: (602) 490-0535  
CONTACT: BRIAN BENEDICT, RLS

**LOT TABLE**

SITE CONTAINS 127 LOTS (29.3155 ACRES)  
SEE SHEET 2 OF 9 FOR LOT TABLE

LEGADO - PHASE 2 & 3 - PARCEL E & F  
QUEEN CREEK AND SOSSAMAN ROAD  
QUEEN CREEK, ARIZONA  
FINAL PLAT

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STATUS: \_\_\_\_\_  
PROJ. NO.: 1417  
DATE: MAR 2022  
SCALE: NONE  
DRAWN: RG/GS  
APPROVED: BJB

DWG. NO.  
**FP01**  
SHT. 1 OF 9

**LEGAL DESCRIPTION**

A REPLAT OF THE FINAL PLAT OF "LEGADO SCHOOL SITE", AS FILED IN BOOK 1486, PAGE 15, RECORDS OF MARICOPA COUNTY AND A PORTION OF TRACT A OF THE MAP OF DEDICATION FOR "LEGADO PHASE 1 COLLECTOR ROADWAYS" AS FILED IN BOOK 1499, PAGE 2, RECORDS OF MARICOPA COUNTY, LOCATED IN A PORTION OF LAND BEING SITUATED WITHIN SECTION 18, TOWNSHIP 2 SOUTH, RANGE 7 EAST OF THE GILA AND SALT RIVER MERIDIAN, MARICOPA COUNTY, ARIZONA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHEAST CORNER OF SAID SECTION 18, BEING A 3 INCH BRASS CAP FROM WHICH THE EAST QUARTER CORNER OF SAID SECTION 18, BEING A 1/2 INCH REBAR BEARS NORTH 00°58'21" WEST, 2666.81 FEET;

THENCE NORTH 00°58'21" WEST 1931.30 FEET ALONG THE EAST LINE OF THE SOUTHEAST QUARTER;

THENCE LEAVING SAID EAST LINE, SOUTH 89°01'39" WEST, 92.31 FEET TO THE POINT OF BEGINNING;

THENCE SOUTH 85°54'53" WEST, 140.00 FEET;

THENCE NORTH 04°05'07" WEST, 20.45 FEET;

THENCE SOUTH 89°40'00" WEST, 155.02 FEET;

THENCE NORTH 81°24'34" WEST, 218.69 FEET;

THENCE NORTH 88°50'47" WEST, 66.64 FEET;

THENCE SOUTH 88°43'44" WEST, 70.00 FEET;

THENCE SOUTH 71°13'24" WEST, 61.71 FEET;

THENCE SOUTH 81°25'08" WEST, 18.58 FEET TO A NON-TANGENT CURVE, CONCAVE NORTHEASTERLY, HAVING A RADIUS OF 35.00 FEET, THE CENTER OF WHICH BEARS NORTH 81°25'08" EAST;

THENCE SOUTHEASTERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 17°32'43", AN ARC LENGTH OF 10.72 FEET TO A NON-TANGENT LINE;

THENCE SOUTH 82°34'00" WEST, 181.72 FEET;

THENCE SOUTH 79°43'18" WEST, 38.06 FEET TO A NON-TANGENT CURVE, CONCAVE SOUTHWESTERLY, HAVING A RADIUS OF 2018.00 FEET, THE CENTER OF WHICH BEARS SOUTH 79°43'18" WEST;

THENCE NORTHWESTERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 07°56'24", AN ARC LENGTH OF 279.65 FEET TO A TANGENT LINE;

THENCE NORTH 18°13'06" WEST, 612.13 FEET;

THENCE NORTH 27°56'31" EAST, 27.71 FEET;

THENCE NORTH 17°33'44" WEST, 60.03 FEET;

THENCE NORTH 60°54'35" WEST, 28.29 FEET TO THE SOUTHEASTERLY RIGHT OF WAY LINE OF LEGADO BOULEVARD AS SHOWN IN THE MAP OF DEDICATION FOR LEGADO PHASE 1 COLLECTOR ROADWAYS AS RECORDED IN BOOK 1499, PAGE 2, MARICOPA COUNTY RECORDS, BEING A NON-TANGENT CURVE, CONCAVE NORTHEASTERLY, HAVING A RADIUS OF 1307.00 FEET, THE CENTER OF WHICH BEARS NORTH 74°31'00" EAST;

THENCE THE FOLLOWING NINE (9) COURSES ALONG SAID SOUTHEASTERLY RIGHT OF WAY LINE;

THENCE NORTHWESTERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 29°31'12", AN ARC LENGTH OF 673.39 FEET TO THE BEGINNING OF A COMPOUND CURVE, CONCAVE SOUTHEASTERLY, HAVING A RADIUS OF 257.00 FEET;

THENCE NORTHEASTERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 08°46'50", AN ARC LENGTH OF 39.38 FEET TO THE BEGINNING OF A COMPOUND CURVE, CONCAVE SOUTHEASTERLY, HAVING A RADIUS OF 150.00 FEET;

THENCE NORTHEASTERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 51°53'44", AN ARC LENGTH OF 135.86 FEET TO THE BEGINNING OF A REVERSE CURVE, CONCAVE TO THE NORTHWESTERLY, HAVING A RADIUS OF 72.00 FEET;

THENCE NORTHEASTERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 32°35'22", AN ARC LENGTH OF 40.95 FEET TO THE BEGINNING OF A REVERSE CURVE, CONCAVE TO THE SOUTHEASTERLY, HAVING A RADIUS OF 150.00 FEET;

THENCE NORTHEASTERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 51°53'44", AN ARC LENGTH OF 135.86 FEET TO THE BEGINNING OF A COMPOUND CURVE, CONCAVE SOUTHWESTERLY, HAVING A RADIUS OF 257.00 FEET;

THENCE SOUTHEASTERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 13°21'14", AN ARC LENGTH OF 59.90 FEET TO A TANGENT LINE;

THENCE SOUTH 72°37'38" EAST, 253.00 FEET TO THE BEGINNING OF A TANGENT CURVE, CONCAVE NORTHEASTERLY, HAVING A RADIUS OF 1538.00 FEET;

THENCE SOUTHEASTERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 18°22'07", AN ARC LENGTH OF 493.07 FEET TO A TANGENT LINE;

THENCE NORTH 89°00'15" EAST, 44.83 FEET;

THENCE LEAVING SAID SOUTHEASTERLY RIGHT OF WAY LINE, SOUTH 00°58'05" EAST, 153.00 FEET ALONG THE WEST LINE OF TRACT A OF SAID MAP OF DEDICATION;

THENCE LEAVING SAID WEST LINE, NORTH 89°00'15" EAST, 30.19 FEET TO THE BEGINNING OF A TANGENT CURVE, CONCAVE NORTHWESTERLY, HAVING A RADIUS OF 20.00 FEET;

THENCE NORTHEASTERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 12°40'49", AN ARC LENGTH OF 4.43 FEET TO THE BEGINNING OF A REVERSE CURVE, CONCAVE SOUTHWESTERLY, HAVING A RADIUS OF 62.00 FEET;

THENCE SOUTHEASTERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 46°52'11", AN ARC LENGTH OF 50.72 FEET TO THE SOUTH LINE OF SAID TRACT A;

THENCE NORTH 89°19'50" EAST, 66.96 FEET ALONG SAID SOUTH LINE TO THE WESTERLY RIGHT-OF-WAY LINE OF SOSSAMAN ROAD AS RECORDED IN DOCUMENT NO. 2006-0330784, MARICOPA COUNTY RECORDS;

THENCE SOUTH 00°58'05" EAST, 732.30 FEET ALONG SAID WESTERLY RIGHT-OF WAY LINE;

THENCE CONTINUING ALONG SAID WESTERLY RIGHT-OF WAY LINE, SOUTH 00°58'21" EAST, 558.22 FEET;

THENCE LEAVING SAID WESTERLY RIGHT-OF-WAY LINE, SOUTH 89°01'39" WEST, 36.07 FEET TO A NON-TANGENT CURVE, CONCAVE NORTHWESTERLY, HAVING A RADIUS OF 50.00 FEET, THE CENTER OF WHICH BEARS SOUTH 85°54'53" WEST;

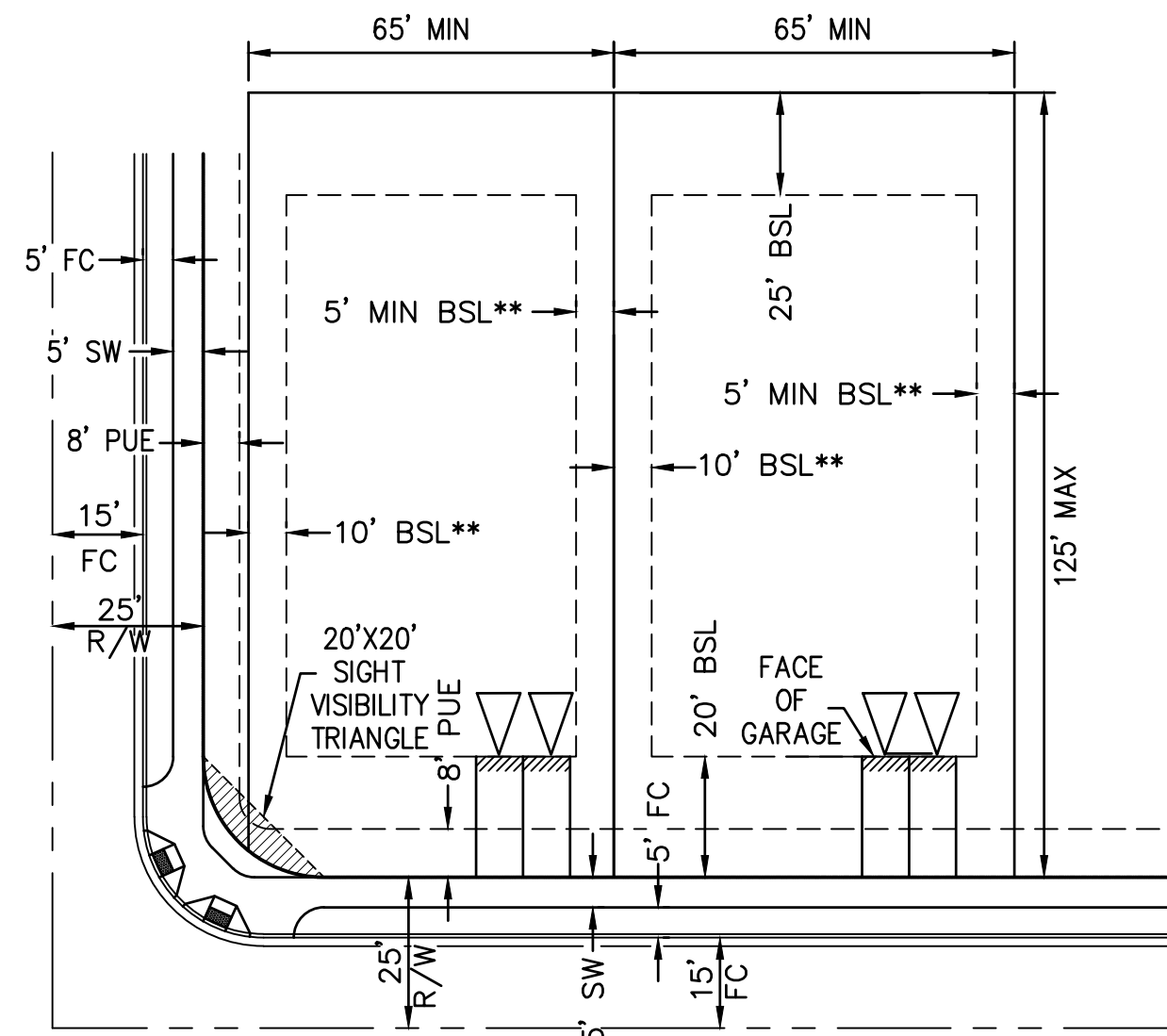
THENCE SOUTHWESTERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 52°03'40", AN ARC LENGTH OF 45.43 FEET TO A NON-TANGENT LINE;

THENCE SOUTH 42°01'27" EAST, 13.40 FEET;

THENCE SOUTH 04°05'07" EAST, 130.00 FEET TO THE POINT OF BEGINNING.

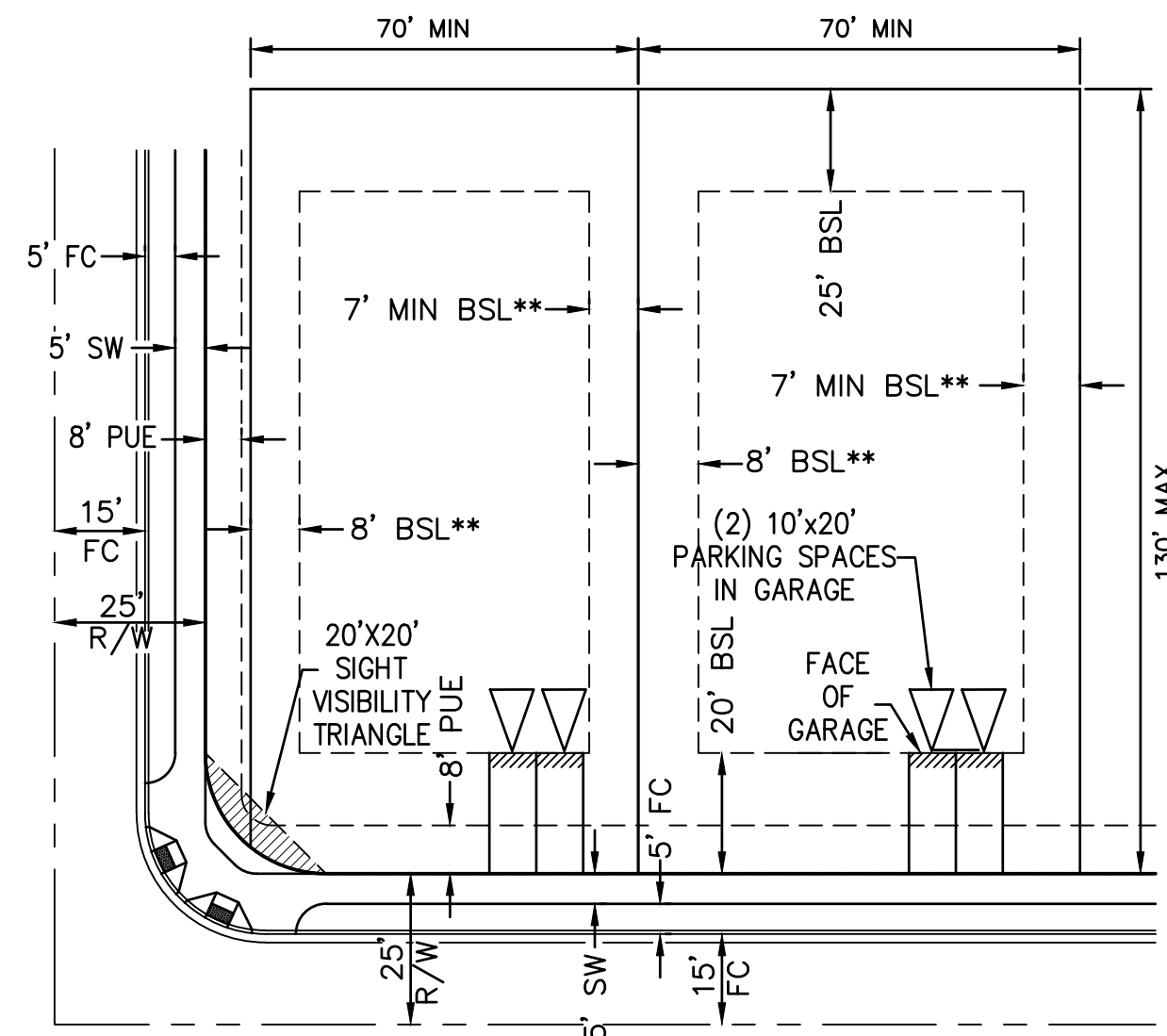
**NOTES:**

- 1. THE LEGADO COMMUNITY ASSOCIATION, AN ARIZONA NON-PROFIT CORPORATION, SHALL BE RESPONSIBLE FOR MAINTENANCE OF ALL LANDSCAPED ISLANDS AND MEDIANS WITH THE EXCEPTION OF THOSE LOCATED WITHIN ARTERIAL ROADWAYS.
2. CONSTRUCTION WITHIN UTILITY EASEMENTS SHALL BE LIMITED TO UTILITIES AND DRIVEWAYS.
3. NO STRUCTURES OF ANY KIND MAY BE CONSTRUCTED, NOR ANY VEGETATION PLANTED NOR ALLOWED TO GROW WITHIN DRAINAGE EASEMENTS WHICH WOULD IMPEDE THE FLOW OF WATER THROUGH THE EASEMENTS.
4. IN EASEMENTS FOR THE EXCLUSIVE USE OF WATER, SANITARY SEWER, OR A COMBINATION THEREOF, ONLY GROUND COVER AND BUSHES ARE ALLOWED TO BE PLANTED WITHIN THE EASEMENT AREA. NO TREES ARE ALLOWED.
5. ALL TRACTS THAT WILL NOT BE CONVEYED TO THE TOWN OF QUEEN CREEK AND ALL COMMON PROPERTY SHALL BE IMPROVED IN ACCORDANCE WITH PLANS APPROVED BY THE TOWN OF QUEEN CREEK AND SHALL BE CONVEYED BY WARRANTY (OR SPECIAL WARRANTY) DEED TO THE HOMEOWNERS ASSOCIATION. THE HOMEOWNERS ASSOCIATION SHALL BE RESPONSIBLE FOR THE MAINTENANCE OF THE COMMON PROPERTY.
6. ALL NEW OR RELOCATED UTILITIES WILL BE PLACED UNDERGROUND WITH THE EXCEPTION OF POWER LINES WHICH ARE 69KV LINES OR MORE.
7. 69KV ELECTRICAL LINES MUST BE RELOCATED OUTSIDE OF THE RIGHT OF WAY OR TO THE EDGE OF THE RIGHT OF WAY.
8. ELECTRICAL LINES SHALL BE CONSTRUCTED UNDERGROUND AS REQUIRED BY ARIZONA CORPORATE COMMISSION.
9. ALL RETENTION BASINS MUST DRAIN ANY STORM EVENT UP TO AND INCLUDING THE 100-YEAR, 2-HOUR STORM WITHIN 36 HOURS. OWNER(S) OF ANY BASIN FAILING TO MEET THIS REQUIREMENT MUST TAKE CORRECTIVE ACTION TO BRING THE BASIN INTO COMPLIANCE.
10. THE TOWN OF QUEEN CREEK IS NOT RESPONSIBLE FOR AND WILL NOT ACCEPT MAINTENANCE OF ANY LANDSCAPED AREAS WITHIN THIS PROJECT. THE OWNERS ASSOCIATION OR PROPERTY OWNERS SHALL BE RESPONSIBLE FOR MAINTENANCE OF ALL LANDSCAPED ISLANDS AND MEDIANS WITH THE EXCEPTION OF THOSE LOCATED WITHIN ARTERIAL ROADWAYS.
11. THE LOCATION OF THE EMERGENCY ACCESS EASEMENTS AND PRIVATE UTILITY EASEMENTS SHALL BE DEFINED WITHIN THE RECORDED CC&R AGREEMENT.
12. THIS PROPERTY, DUE TO ITS PROXIMITY TO PHOENIX MESA GATEWAY AIRPORT, WILL EXPERIENCE AIRCRAFT OVERFLIGHTS, WHICH ARE EXPECTED TO GENERATE NOISE LEVELS THAT MAY BE OF CONCERN TO SOME INDIVIDUALS. THE MIX OF AVIATION ACTIVITIES AND TYPES OF AIRCRAFT EXPECTED TO BE LOCATED AND OPERATE AT THE AIRPORT NOW AND IN THE FUTURE INCLUDE: SCHEDULED AND UNSCHEDULED COMMERCIAL CHARTERS, COMMERCIAL AIR CARRIERS AND COMMERCIAL AIR CARGO OPERATIONS, ALL OF WHICH ARE EXPECTED TO USE LARGE COMMERCIAL AIRCRAFT; GENERAL AVIATION ACTIVITY USING CORPORATE AND EXECUTIVE JETS, HELICOPTERS, AND PROPELLER AIRCRAFT; AVIATION FLIGHT TRAINING SCHOOLS USING TRAINING AIRCRAFT; AND MILITARY ACTIVITY USING HIGH PERFORMANCE MILITARY JETS. THE SIZE OF AIRCRAFT AND FREQUENCY OF USE OF SUCH AIRCRAFT MAY CHANGE OVER TIME DEPENDING ON MARKET AND TECHNOLOGY CHANGES.



TYPICAL LOT DETAIL

R1-7 PAD (PARCEL E)
\*PERIMETER SETBACK WHERE SHOWN ON PLAN
SCALE: N.T.S.
\*\* 5' MIN SIDELYARD SETBACK; 15' MIN
AGGREGATE SIDELYARD SETBACK.



TYPICAL LOT DETAIL

R1-9 PAD (PARCEL F)
\*PERIMETER SETBACK WHERE SHOWN ON PLAN
SCALE: N.T.S.
\*\* 7' MIN SIDELYARD SETBACK; 15' MIN
AGGREGATE SIDELYARD SETBACK.
NOTE: NO TWO-STORY HOMES SHALL BE
PERMITTED ALONG THE QUEEN CREEK WASH,
SOSSAMAN ROAD, OR Ocotillo ROAD

Table with 3 columns: LOT NO., AREA (SQ.FT), AREA (ACRES). Rows 1-22.

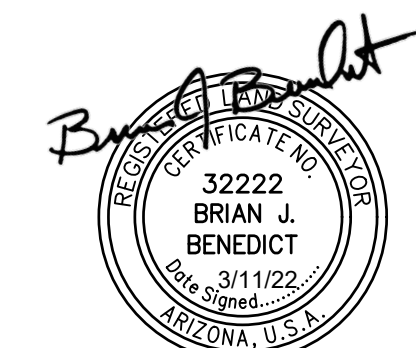
Table with 3 columns: LOT NO., AREA (SQ.FT), AREA (ACRES). Rows 23-44.

Table with 3 columns: LOT NO., AREA (SQ.FT), AREA (ACRES). Rows 45-66.

Table with 3 columns: LOT NO., AREA (SQ.FT), AREA (ACRES). Rows 67-88.

Table with 3 columns: LOT NO., AREA (SQ.FT), AREA (ACRES). Rows 89-110.

Table with 3 columns: LOT NO., AREA (SQ.FT), AREA (ACRES). Rows 111-127.

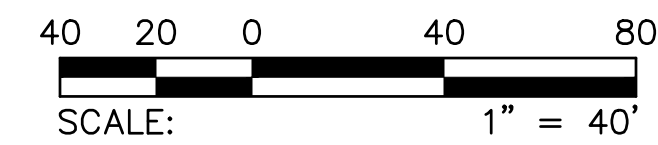
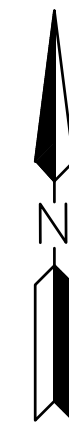


LEGADO - PHASE 2 & 3 - PARCEL E & F
QUEEN CREEK AND SOSSAMAN ROAD
QUEEN CREEK, ARIZONA
FINAL PLAT

HILGARTWILSON
ENGINEER | PLANNING | SURVEY | MANAGEMENT
2141 E. HIGHLAND AVE., STE. 250 | PHOENIX, AZ 85016
www.hilgartwilson.com

Project information fields: PROJ. NO.: 1417, DATE: MAR 2022, SCALE: NONE, DRAWN: RG/GS, APPROVED: BJB, DWG. NO. FP02, SHT. 2 OF 9.



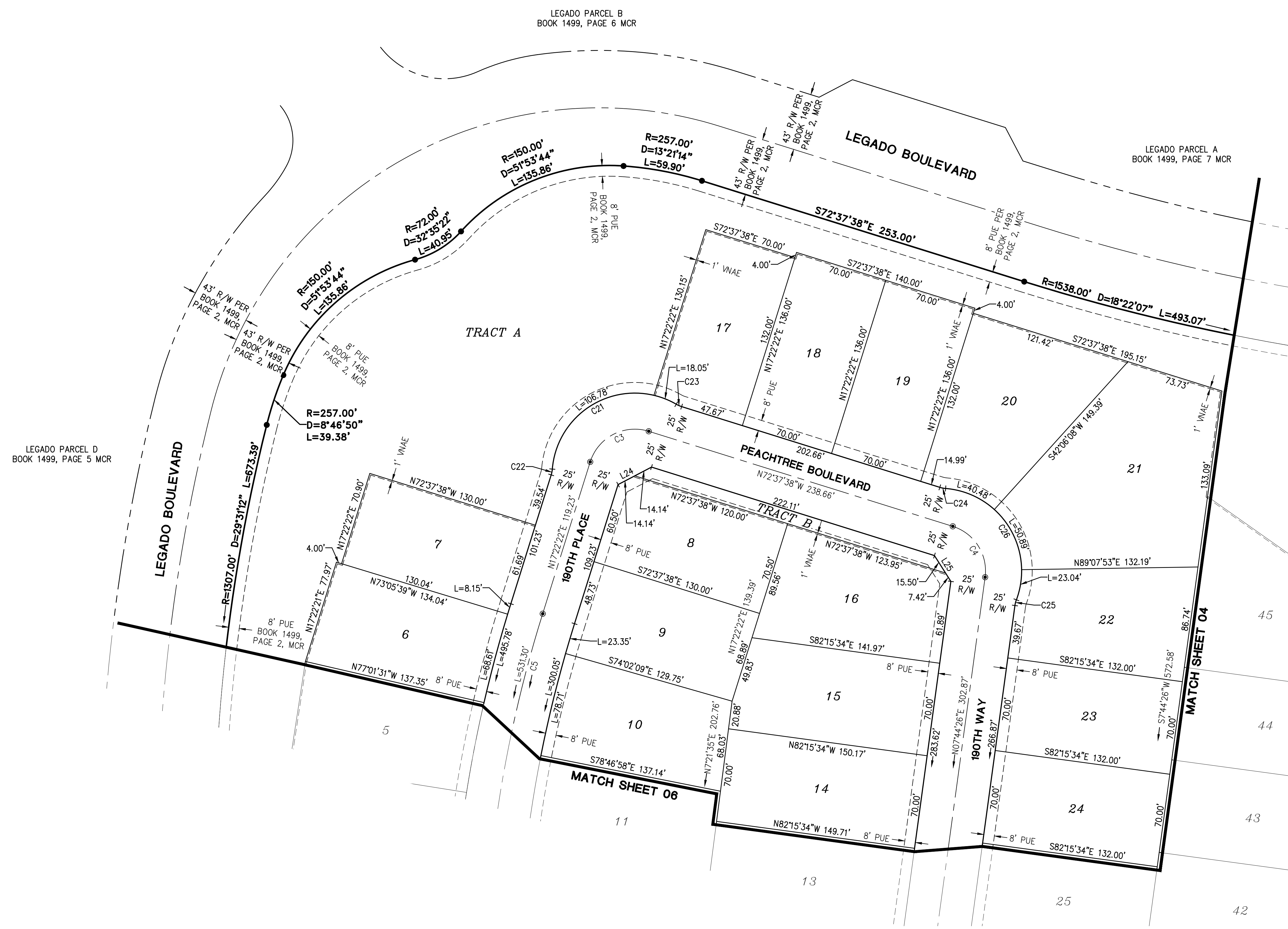
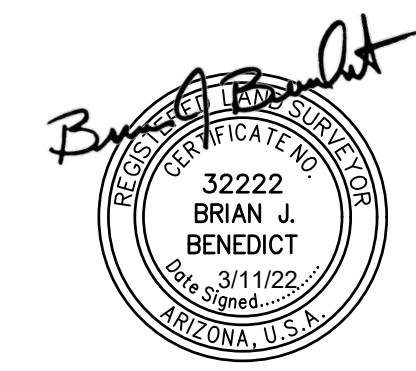


**LEGEND**

- FOUND MONUMENT AS NOTED
- ⊠ FOUND BRASS CAP IN HAND HOLE
- ⊙ FOUND BRASS CAP FLUSH
- SET 1/2" REBAR W/ CAP, RLS 32222 OR AS NOTED
- BOUNDARY LINE
- - - SECTION LINE
- · - · - CENTER LINE
- · - · - RIGHT OF WAY
- · - · - PARCEL LINE
- · - · - EASEMENT LINE
- · - · - RIGHT-OF-WAY
- · - · - PUBLIC UTILITY EASEMENT
- · - · - VEHICLE NON-ACCESS EASEMENT
- · - · - MARICOPA COUNTY RECORDS
- · - · - DOCUMENT
- · - · - NUMBER
- · - · - REGISTERED LAND SURVEYOR
- · - · - ASSESSOR PARCEL NUMBER
- · - · - POINT OF BEGINNING
- · - · - POINT OF COMMENCEMENT

LINE TABLE		
LINE NO.	DIRECTION	LENGTH
L24	N62°22'22"E	28.28'
L25	S32°26'36"E	22.92'

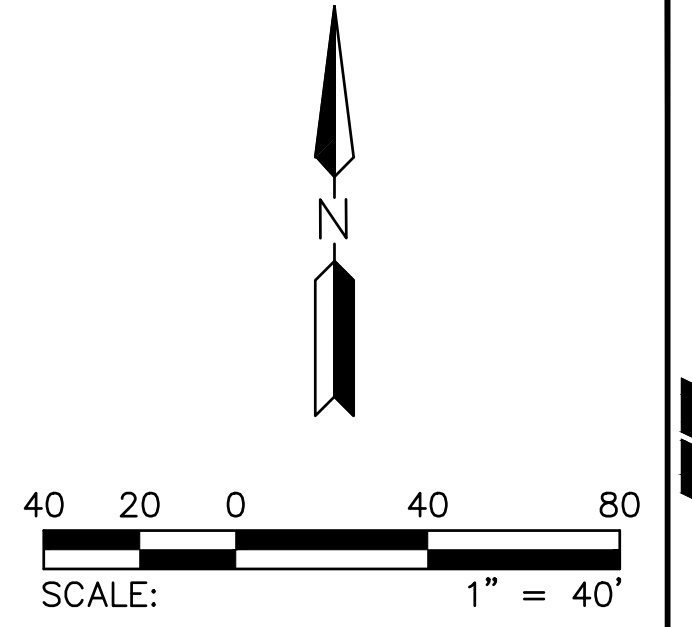
CURVE TABLE			
CURVE NO.	RADIUS	DELTA	LENGTH
C3	35.00'	90°00'00"	54.98'
C4	35.00'	80°22'04"	49.09'
C5	975.00'	20°48'39"	354.14'
C21	62.00'	115°21'39"	124.83'
C22	20.00'	12°40'49"	4.43'
C23	20.00'	12°40'49"	4.43'
C24	20.00'	12°40'49"	4.43'
C25	20.00'	12°40'49"	4.43'
C26	62.00'	105°43'43"	114.41'



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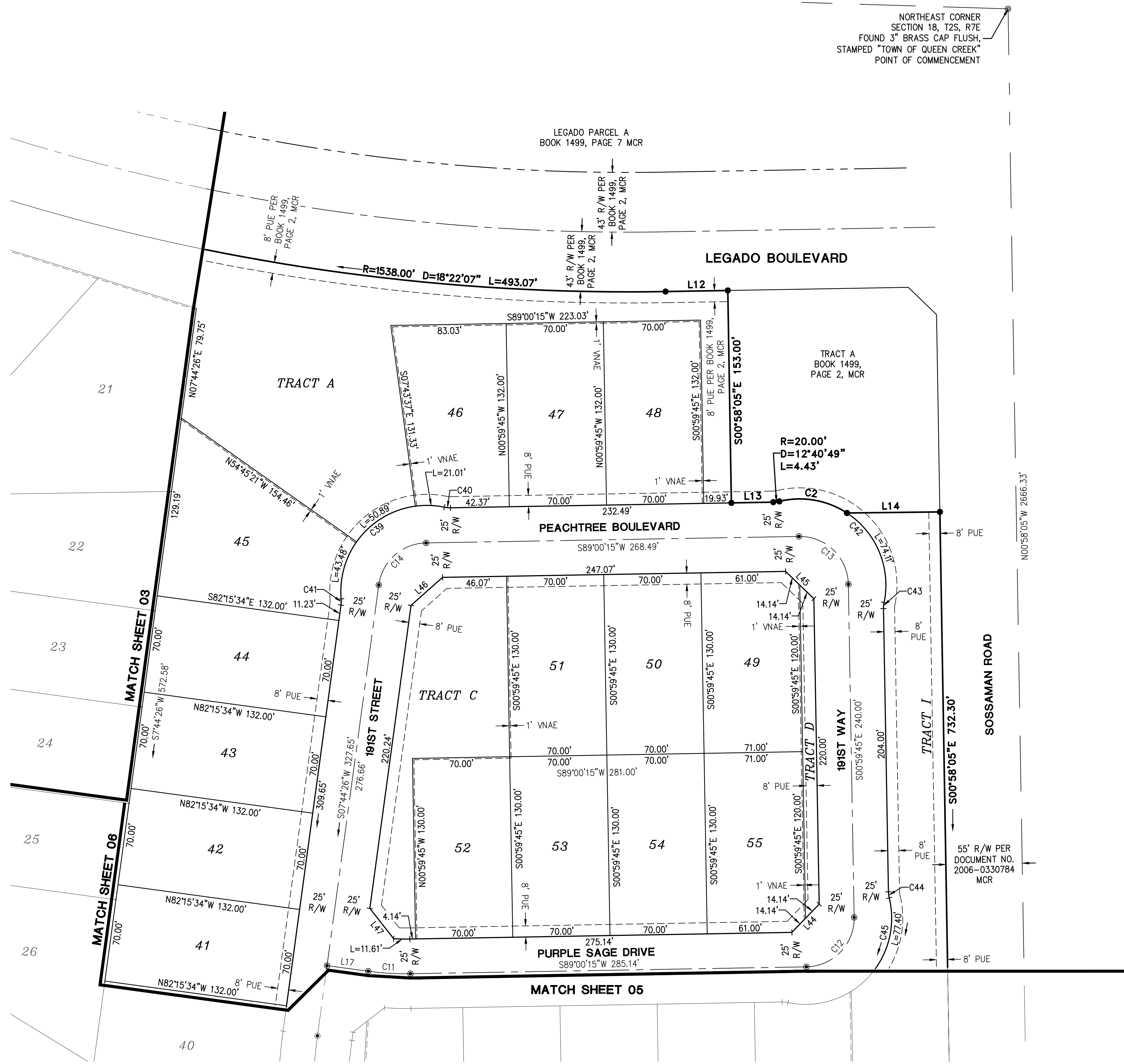
PROJ. NO.: 1417  
DATE: MAR 2022  
SCALE: AS SHOWN  
DRAWN: RG/GS  
APPROVED: BJB

DWG. NO.  
**FP03**  
SHT. 3 OF 9



**LEGEND**

- FOUND MONUMENT AS NOTED
- ◻ FOUND BRASS CAP IN HAND HOLE
- ⊙ FOUND BRASS CAP FLUSH
- SET 1/2" REBAR W/ CAP, RLS 32222 OR AS NOTED
- BOUNDARY LINE
- SECTION LINE
- CENTER LINE
- RIGHT OF WAY
- PARCEL LINE
- EASEMENT LINE
- R/W RIGHT-OF-WAY
- PUE PUBLIC UTILITY EASEMENT
- VNAE VEHICLE NON-ACCESS EASEMENT
- MCR MARICOPA COUNTY RECORDS
- DOC. DOCUMENT
- NO. NUMBER
- RLS REGISTERED LAND SURVEYOR
- APN ASSESSOR PARCEL NUMBER
- P.O.B. POINT OF BEGINNING
- P.O.C. POINT OF COMMENCEMENT



NORTHEAST CORNER  
 SECTION 18, T2S, R7E  
 FOUND 3" BRASS CAP FLUSH,  
 STAMPED "TOWN OF QUEEN CREEK"  
 POINT OF COMMENCEMENT

LINE TABLE

LINE NO.	DIRECTION	LENGTH
L12	N89°00'15"E	44.83'
L13	N89°00'15"E	30.19'
L14	N89°19'50"E	66.96'
L17	N82°15'34"W	29.94'
L44	S44°00'15"W	28.28'
L45	N45°59'45"W	28.28'
L46	N48°22'21"E	30.36'
L47	S38°11'19"E	27.82'

CURVE TABLE

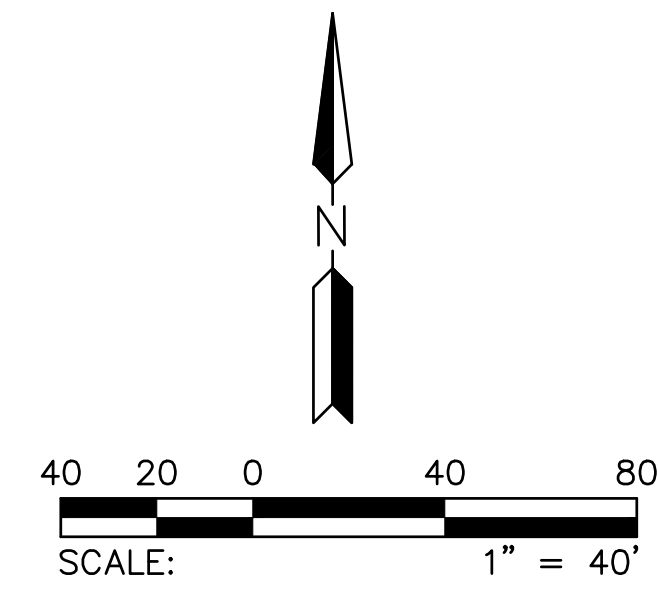
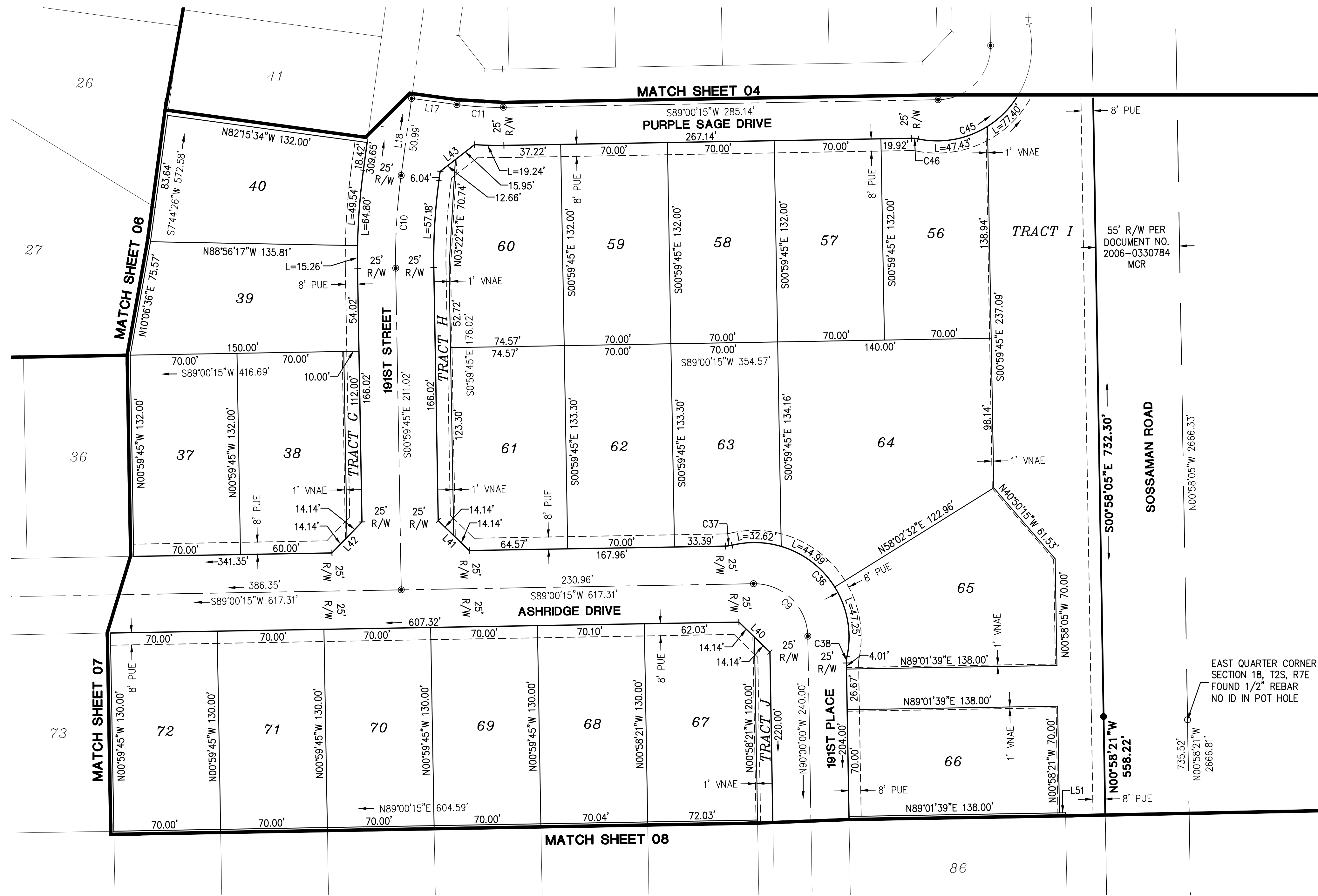
CURVE NO.	RADIUS	DELTA	LENGTH
C2	62.00'	46°52'11"	50.72'
C11	200.00'	8°44'12"	30.50'
C12	35.00'	90°00'00"	54.98'
C13	35.00'	90°00'00"	54.98'
C14	35.00'	81°15'48"	49.64'
C39	62.00'	106°37'27"	115.38'
C40	20.00'	12°40'49"	4.43'
C41	20.00'	12°40'49"	4.43'
C42	62.00'	115°21'39"	124.83'
C43	20.00'	12°40'49"	4.43'
C44	20.00'	12°40'49"	4.43'
C45	62.00'	115°21'39"	124.83'



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PROJ. NO.: 1417  
 DATE: MAR 2022  
 SCALE: AS SHOWN  
 DRAWN: RG/GS  
 APPROVED: BJB

DWG. NO.  
**FP04**  
 SHT. 4 OF 9



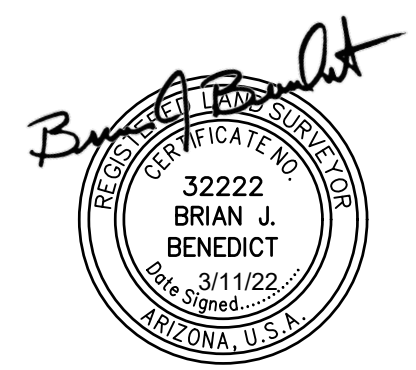
**LEGEND**

- FOUND MONUMENT AS NOTED
- ⊙ FOUND BRASS CAP IN HAND HOLE
- ⊗ FOUND BRASS CAP FLUSH
- SET 1/2" REBAR W/ CAP, RLS 32222 OR AS NOTED
- BOUNDARY LINE
- SECTION LINE
- CENTER LINE
- RIGHT OF WAY
- PARCEL LINE
- EASEMENT LINE
- R/W RIGHT-OF-WAY
- PUE PUBLIC UTILITY EASEMENT
- VNAE VEHICLE NON-ACCESS EASEMENT
- MCR MARICOPA COUNTY RECORDS
- DOC. DOCUMENT
- NO. NUMBER
- RLS REGISTERED LAND SURVEYOR
- APN ASSESSOR PARCEL NUMBER
- P.O.B. POINT OF BEGINNING
- P.O.C. POINT OF COMMENCEMENT

LINE TABLE		
LINE NO.	DIRECTION	LENGTH
L17	N82°15'34"W	29.94'
L18	S07°44'26"W	327.65'
L40	N45°59'03"W	28.28'
L41	S45°59'45"E	28.28'
L42	N44°00'15"E	28.28'
L43	S52°05'44"W	28.60'
L51	N89°01'39"E	4.00'

CURVE TABLE			
CURVE NO.	RADIUS	DELTA	LENGTH
C9	35.00'	90°01'24"	54.99'
C10	400.00'	8°44'12"	60.99'
C11	200.00'	8°44'12"	30.50'
C36	62.00'	115°23'03"	124.86'
C37	20.00'	12°40'49"	4.43'
C38	20.00'	12°40'49"	4.43'
C45	62.00'	115°21'39"	124.83'
C46	20.00'	12°40'49"	4.43'

EAST QUARTER CORNER SECTION 18, T25, R7E FOUND 1/2" REBAR NO ID IN POT HOLE



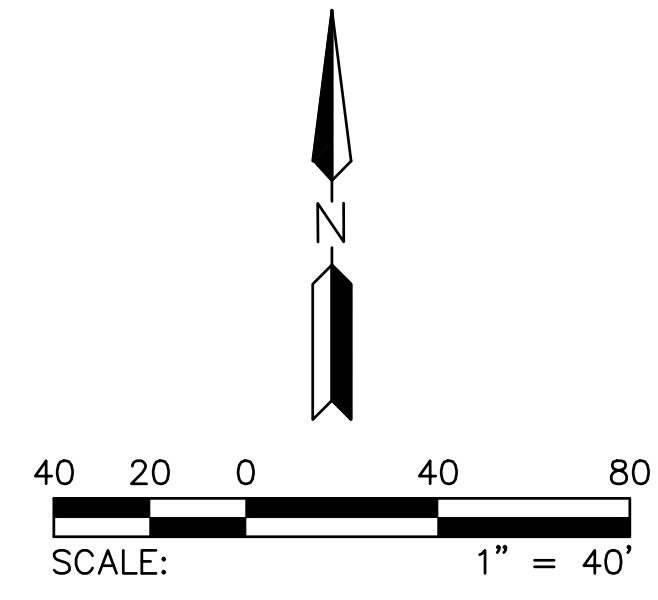
**LEGADO - PHASE 2 & 3 - PARCEL E & F**  
 QUEEN CREEK AND SOSSAMAN ROAD  
 QUEEN CREEK, ARIZONA  
**FINAL PLAT**

**HILGARTWILSON**  
 ENGINEER | PLANNING | SURVEY | MANAGE  
 2141 E. HIGHLAND AVE., STE. 250 | P: 602.490.0535 / F: 602.368.2436  
 PHOENIX, AZ 85016  
 www.hilgartwilson.com

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 DATE: MAR 2022  
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 APPROVED: BJB

DWG. NO.  
**FP05**  
 SHT. 5 OF 9



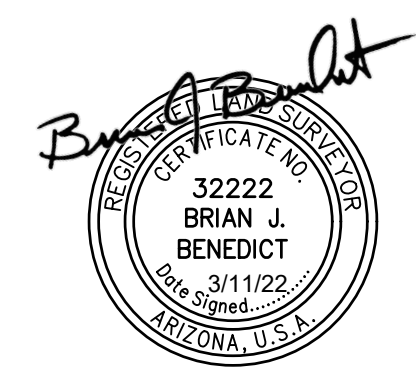


**LEGEND**

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- ⊗ FOUND BRASS CAP IN HAND HOLE
- ⊙ FOUND BRASS CAP FLUSH
- SET 1/2" REBAR W/ CAP, RLS 32222 OR AS NOTED
- BOUNDARY LINE
- - - SECTION LINE
- · - · - CENTER LINE
- - - RIGHT OF WAY
- · - · - PARCEL LINE
- · - · - EASEMENT LINE
- · - · - RIGHT-OF-WAY
- R/W RIGHT-OF-WAY
- PUE PUBLIC UTILITY EASEMENT
- VNAE VEHICLE NON-ACCESS EASEMENT
- MCR MARICOPA COUNTY RECORDS
- DOC. DOCUMENT
- NO. NUMBER
- RLS REGISTERED LAND SURVEYOR
- APN ASSESSOR PARCEL NUMBER
- P.O.B. POINT OF BEGINNING
- P.O.C. POINT OF COMMENCEMENT

LINE TABLE		
LINE NO.	DIRECTION	LENGTH
L10	N17°33'44"W	60.03'
L11	N60°54'35"W	28.29'
L15	N86°33'43"E	34.40'
L26	N43°52'12"E	32.31'
L27	N47°36'38"W	27.64'
L28	N40°18'19"E	27.86'
L48	S31°14'53"W	29.32'

CURVE TABLE			
CURVE NO.	RADIUS	DELTA	LENGTH
C5	975.00'	20°48'39"	354.14'
C6	400.00'	6°33'45"	45.82'
C7	35.00'	72°15'31"	44.14'
C8	975.00'	15°20'18"	261.01'
C27	20.00'	12°40'49"	4.43'
C28	20.00'	12°40'49"	4.43'
C29	62.00'	97°37'10"	105.63'



LEGADO PARCEL D  
 BOOK 1499, PAGE 5 MCR

43' R/W PER  
 BOOK 1499,  
 PAGE 2, MCR

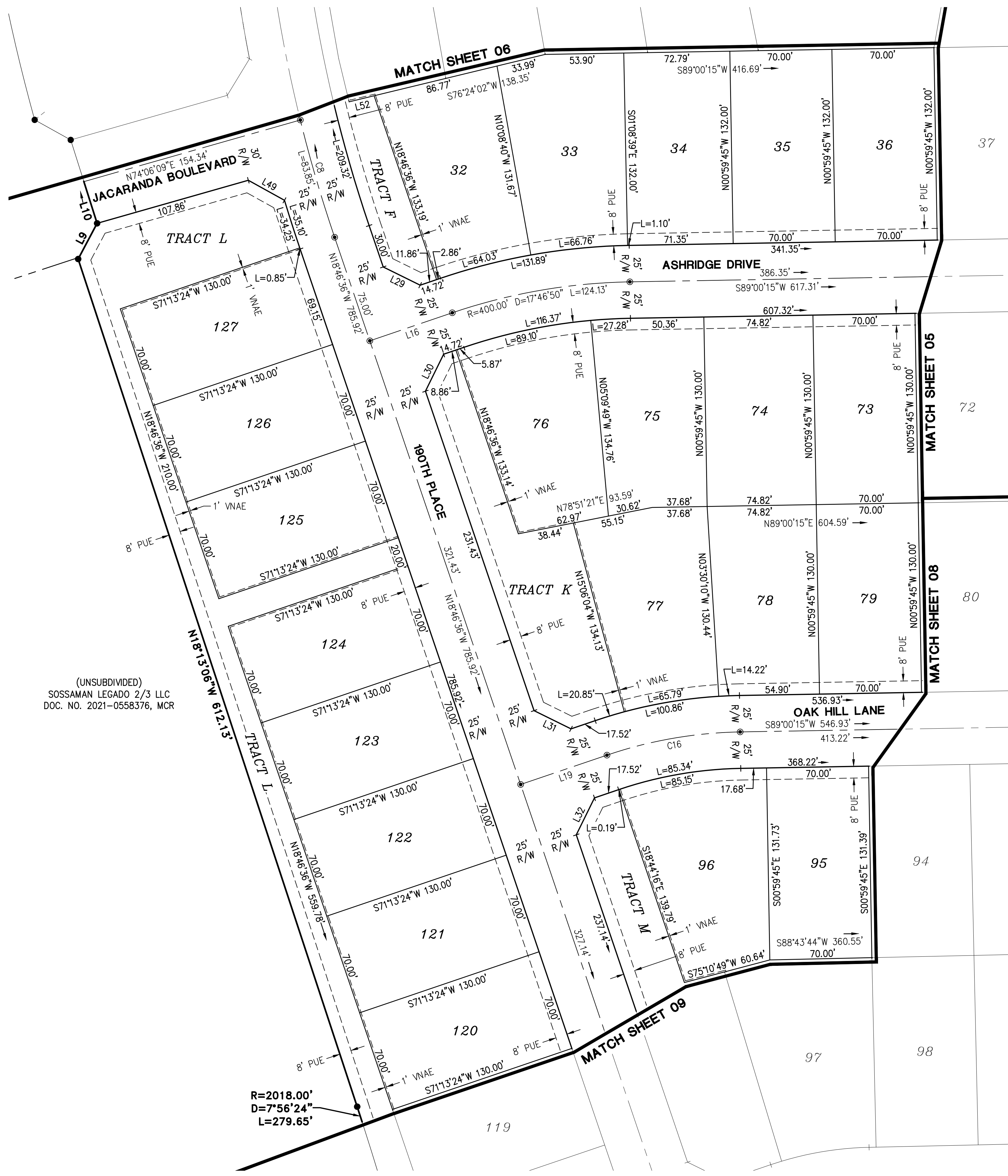
8' PUE PER  
 BOOK 1499,  
 PAGE 2, MCR

**LEGADO - PHASE 2 & 3 - PARCEL E & F**  
 QUEEN CREEK AND SOSSAMAN ROAD  
 QUEEN CREEK, ARIZONA  
 FINAL PLAT

PROJ. NO.: 1417  
 DATE: MAR 2022  
 SCALE: AS SHOWN  
 DRAWN: RG/GS  
 APPROVED: BJB

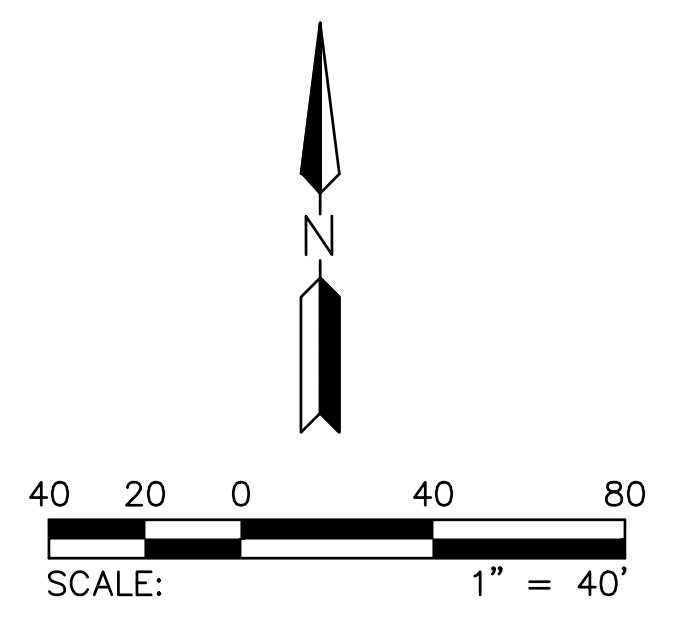
STATUS:  
 MUNICIPAL TRACKING NO:

DWG. NO.  
**FP06**  
 SHT. 6 OF 9



(UNSUBDIVIDED)  
 SOSSAMAN LEGADO 2/3 LLC  
 DOC. NO. 2021-0558376, MCR

R=2018.00'  
 D=7°56'24"  
 L=279.65'

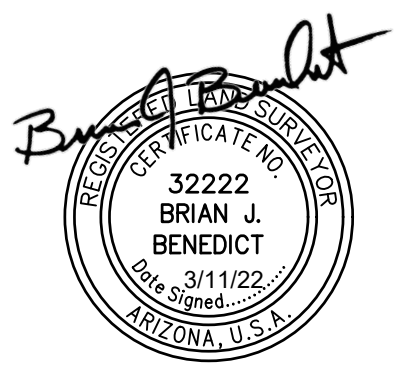


**LEGEND**

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- ⊙ FOUND BRASS CAP FLUSH
- SET 1/2" REBAR W/ CAP, RLS 32222 OR AS NOTED
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- - - RIGHT OF WAY
- - - PARCEL LINE
- - - EASEMENT LINE
- - - RIGHT-OF-WAY
- R/W RIGHT-OF-WAY
- PUE PUBLIC UTILITY EASEMENT
- VNAE VEHICLE NON-ACCESS EASEMENT
- MCR MARICOPA COUNTY RECORDS
- DOC. DOCUMENT
- NO. NUMBER
- RLS REGISTERED LAND SURVEYOR
- APN ASSESSOR PARCEL NUMBER
- P.O.B. POINT OF BEGINNING
- P.O.C. POINT OF COMMENCEMENT

LINE TABLE		
LINE NO.	DIRECTION	LENGTH
L9	N27°56'31"E	27.71'
L10	N17°33'44"W	60.03'
L16	N71°13'24"E	59.72'
L19	S71°13'24"W	62.52'
L29	N63°46'36"W	28.28'
L30	N26°13'24"E	28.28'
L31	N63°46'36"W	28.28'
L32	N26°13'24"E	28.28'
L49	N61°02'42"W	28.36'
L52	N76°24'02"E	17.60'

CURVE TABLE			
CURVE NO.	RADIUS	DELTA	LENGTH
C8	975.00'	15°20'18"	261.01'
C16	300.00'	17°46'50"	93.10'

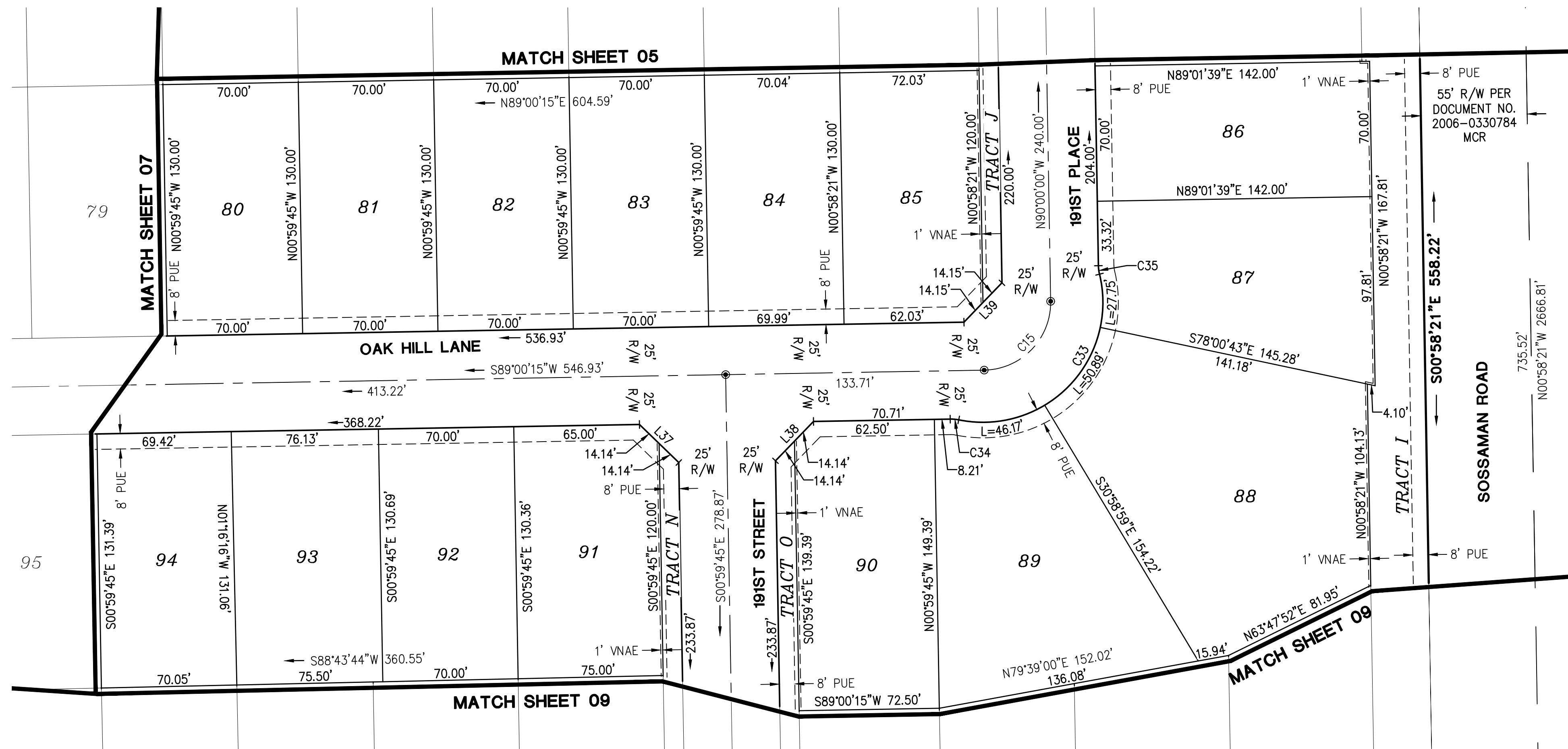
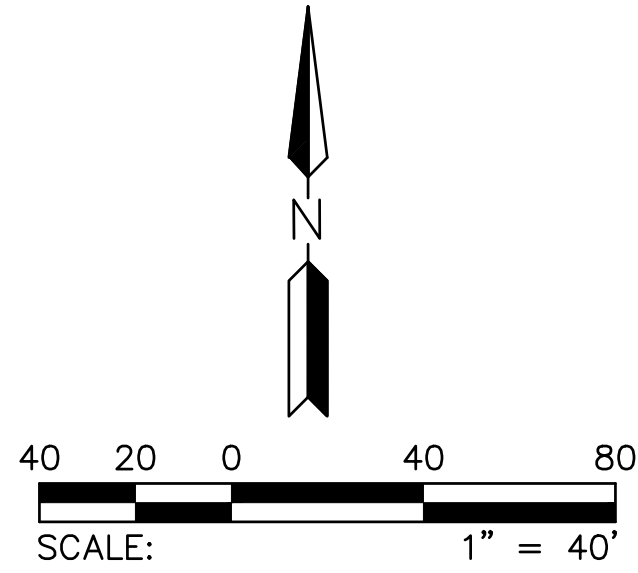


**LEGADO - PHASE 2 & 3 - PARCEL E & F**  
 QUEEN CREEK AND SOSSAMAN ROAD  
 QUEEN CREEK, ARIZONA  
**FINAL PLAT**

PROJ. NO.: 1417	STATUS:
DATE: MAR 2022	MUNICIPAL TRACKING NO.:
SCALE: AS SHOWN	DRAWN: RG/GS
APPROVED: BJB	

DWG. NO.  
**FP07**  
 SHT. 7 OF 9

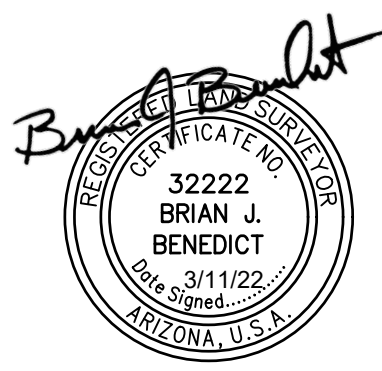




- LEGEND**
- FOUND MONUMENT AS NOTED
  - ⊠ FOUND BRASS CAP IN HAND HOLE
  - ⊙ FOUND BRASS CAP FLUSH
  - SET 1/2" REBAR W/ CAP, RLS 32222 OR AS NOTED
  - BOUNDARY LINE
  - - - SECTION LINE
  - · - · - CENTER LINE
  - · - · - RIGHT OF WAY
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  - · - · - EASEMENT LINE
  - · - · - RIGHT-OF-WAY
  - R/W RIGHT-OF-WAY
  - PUE PUBLIC UTILITY EASEMENT
  - VNAE VEHICLE NON-ACCESS EASEMENT
  - MCR MARICOPA COUNTY RECORDS
  - DOC. DOCUMENT
  - NO. NUMBER
  - RLS REGISTERED LAND SURVEYOR
  - APN ASSESSOR PARCEL NUMBER
  - P.O.B. POINT OF BEGINNING
  - P.O.C. POINT OF COMMENCEMENT

LINE TABLE		
LINE NO.	DIRECTION	LENGTH
L37	N45°59'45"W	28.28'
L38	N44°00'15"E	28.28'
L39	N44°00'57"E	28.29'

CURVE TABLE			
CURVE NO.	RADIUS	DELTA	LENGTH
C15	35.00'	89°58'36"	54.96'
C33	62.00'	115°20'15"	124.81'
C34	20.00'	12°40'49"	4.43'
C35	20.00'	12°40'49"	4.43'



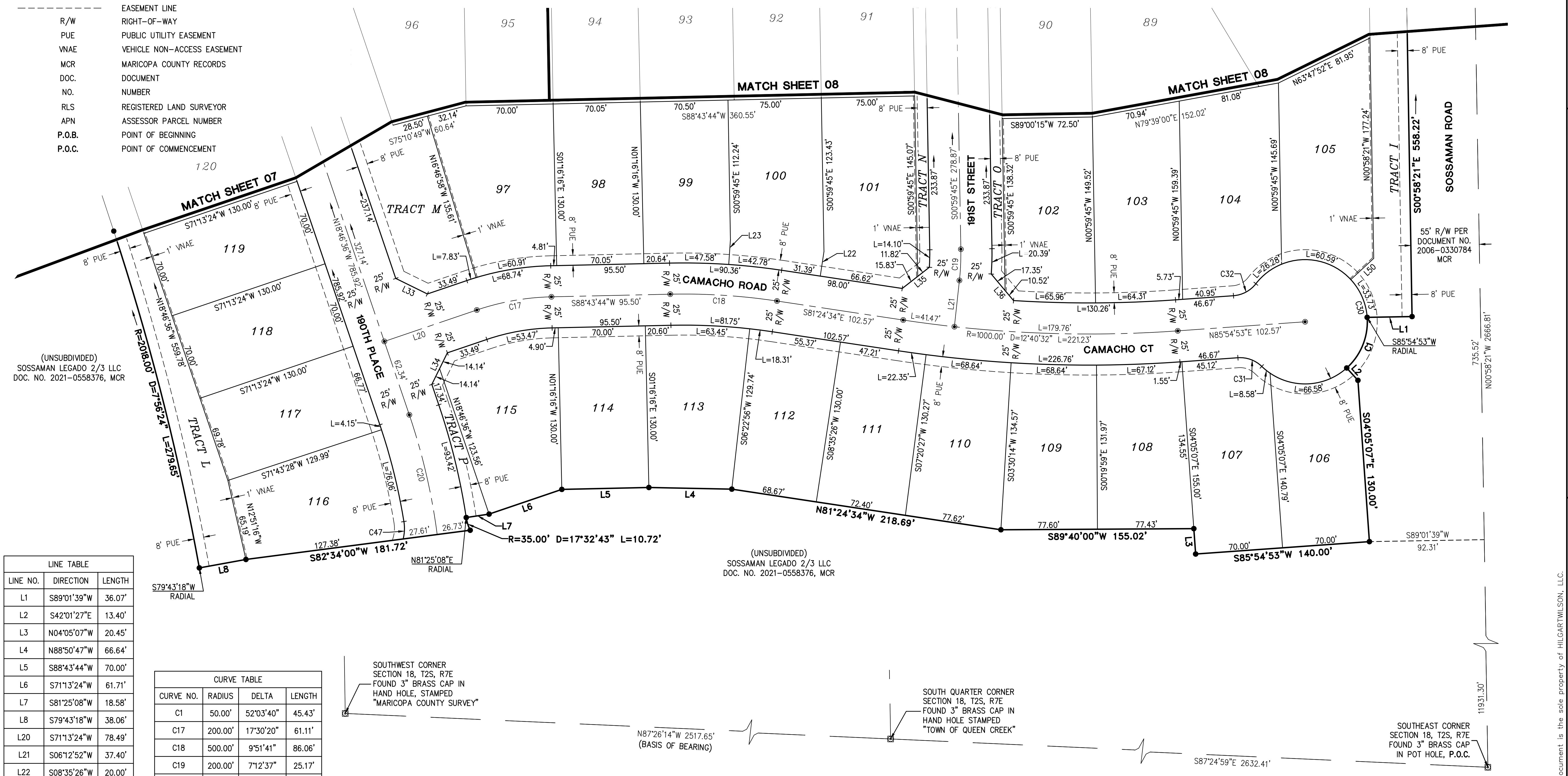
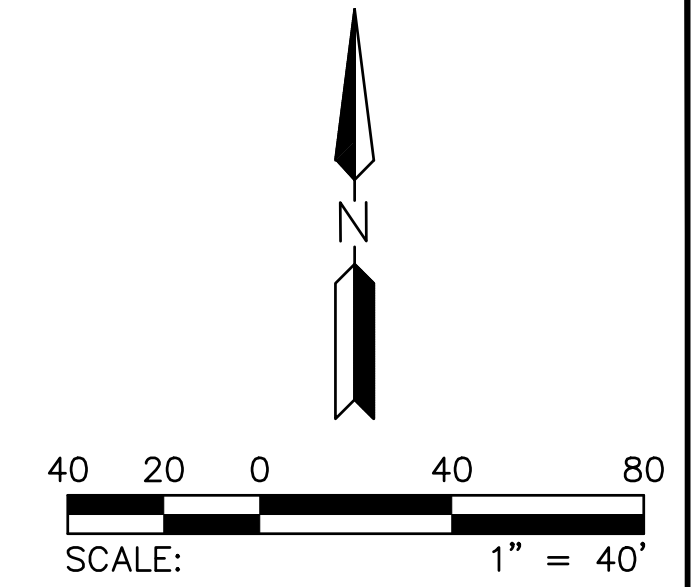
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SCALE: AS SHOWN	DRAWN: RG/GS
APPROVED: BJB	

DWG. NO.  
**FP08**  
SHT. 8 OF 9

**LEGEND**

- FOUND MONUMENT AS NOTED
- ◻ FOUND BRASS CAP IN HAND HOLE
- ⊙ FOUND BRASS CAP FLUSH
- SET 1/2" REBAR W/ CAP, RLS 32222 OR AS NOTED
- BOUNDARY LINE
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- - - CENTER LINE
- - - RIGHT OF WAY
- - - PARCEL LINE
- - - EASEMENT LINE
- R/W RIGHT-OF-WAY
- PUE PUBLIC UTILITY EASEMENT
- VNAE VEHICLE NON-ACCESS EASEMENT
- MCR MARICOPA COUNTY RECORDS
- DOC. DOCUMENT
- NO. NUMBER
- RLS REGISTERED LAND SURVEYOR
- APN ASSESSOR PARCEL NUMBER
- P.O.B. POINT OF BEGINNING
- P.O.C. POINT OF COMMENCEMENT



LINE NO.	DIRECTION	LENGTH
L1	S89°01'39"W	36.07'
L2	S42°01'27"E	13.40'
L3	N04°05'07"W	20.45'
L4	N88°50'47"W	66.64'
L5	S88°43'44"W	70.00'
L6	S71°13'24"W	61.71'
L7	S81°25'08"W	18.58'
L8	S79°43'18"W	38.06'
L20	S71°13'24"W	78.49'
L21	S06°12'52"W	37.40'
L22	S08°35'26"W	20.00'
L23	S03°55'16"W	20.00'
L33	N63°46'36"W	28.28'
L34	N26°13'24"E	28.28'
L35	N51°58'14"E	27.65'
L36	S40°00'50"E	27.87'
L50	S47°16'01"W	25.07'

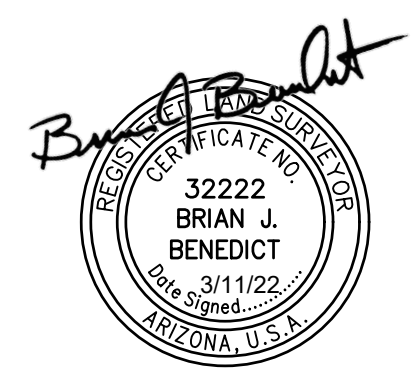
CURVE NO.	RADIUS	DELTA	LENGTH
C1	50.00'	52°03'40"	45.43'
C17	200.00'	17°30'20"	61.11'
C18	500.00'	9°51'41"	86.06'
C19	200.00'	7°12'37"	25.17'
C20	500.00'	11°20'35"	98.99'
C30	50.00'	276°22'46"	241.19'
C31	25.00'	48°11'23"	21.03'
C32	25.00'	48°11'23"	21.03'
C47	35.00'	23°07'06"	14.12'

SOUTHWEST CORNER SECTION 18, T2S, R7E FOUND 3" BRASS CAP IN HAND HOLE, STAMPED "MARICOPA COUNTY SURVEY"

N87°26'14"W 2517.65' (BASIS OF BEARING)

SOUTH QUARTER CORNER SECTION 18, T2S, R7E FOUND 3" BRASS CAP IN HAND HOLE STAMPED "TOWN OF QUEEN CREEK"

SOUTHEAST CORNER SECTION 18, T2S, R7E FOUND 3" BRASS CAP IN POT HOLE, P.O.C.



**LEGADO - PHASE 2 & 3 - PARCEL E & F**  
 QUEEN CREEK AND SOSSAMAN ROAD  
 QUEEN CREEK, ARIZONA  
**FINAL PLAT**

**HILGARTWILSON**  
 ENGINEER | PLANNING | SURVEY | MANAGEMENT  
 2141 E. HIGHLAND AVE., STE. 250 | PHOENIX, AZ 85016  
 P: 602.490.0535 | F: 602.368.2436  
 www.hilgartwilson.com

PROJ. NO.: 1417  
 DATE: MAR 2022  
 SCALE: AS SHOWN  
 DRAWN: RG/GS  
 APPROVED: BJB

DWG. NO.  
**FP09**  
 SHT. 9 OF 9

**DEDICATION**

STATE OF ARIZONA }  
COUNTY OF MARICOPA }SS

KNOW ALL MEN BY THESE PRESENTS:

THAT VPTM LEGADO LB LLC, A DELAWARE LIMITED LIABILITY COMPANY, AS OWNER, HAVE SUBDIVIDED UNDER THE NAME OF "LEGADO - PHASE 2 & 3 - PARCEL G", LOCATED IN A PORTION OF THE EAST HALF OF SECTION 18, TOWNSHIP 2 SOUTH, RANGE 7 EAST, OF THE GILA AND SALT RIVER MERIDIAN, MARICOPA COUNTY, ARIZONA, AS SHOWN AND PLATTED HEREON, AND HEREBY PUBLISHES THIS PLAT AS AND FOR THE PLAT FOR "LEGADO - PHASE 2 & 3 - PARCEL G" A RESIDENTIAL SUBDIVISION, AND HEREBY DECLARES THAT SAID PLAT SETS FORTH THE LOCATION AND GIVES THE DIMENSIONS OF ALL LOTS, TRACTS, EASEMENTS, AND STREETS, CONSTITUTING SAME, AND THAT EACH LOT, TRACT EASEMENT AND STREET SHALL BE KNOWN BY THE NUMBER AND NAME GIVEN, EACH RESPECTIVELY ON SAID PLAT.

EASEMENTS ARE DEDICATED AS SHOWN ON THIS PLAT.

VPTM LEGADO LB LLC, A DELAWARE LIMITED LIABILITY COMPANY, AS OWNER, AS LISTED ABOVE HEREBY DEDICATES TO THE TOWN OF QUEEN CREEK, FOR USE AS PUBLIC RIGHT-OF-WAY, THE STREETS AS SHOWN ON SAID PLAT.

THE MAINTENANCE OF LANDSCAPING WITHIN THE PUBLIC RIGHT-OF-WAY TO BACK OF CURB INCLUDING MEDIANS SHALL BE THE RESPONSIBILITY OF THE HOMEOWNERS ASSOCIATION OR ABUTTING PROPERTY OWNER.

ALL TRACTS THAT WILL NOT BE CONVEYED TO THE TOWN OF QUEEN CREEK AND ALL COMMON PROPERTY SHALL BE IMPROVED IN ACCORDANCE WITH PLANS APPROVED BY THE TOWN OF QUEEN CREEK AND SHALL BE CONVEYED BY WARRANTY (OR SPECIAL WARRANTY) DEED TO THE HOMEOWNERS ASSOCIATION. THE HOMEOWNERS ASSOCIATION SHALL BE RESPONSIBLE FOR THE MAINTENANCE OF THE COMMON PROPERTY.

TRACTS A THROUGH H, ARE NOT DEDICATED TO THE PUBLIC, BUT ARE PLATTED AS COMMON PROPERTY FOR THE USE AND ENJOYMENT OF LEGADO COMMUNITY ASSOCIATION, AN ARIZONA NON-PROFIT CORPORATION, AS MORE FULLY SET FORTH IN THE DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS.

VPTM LEGADO LB LLC, A DELAWARE LIMITED LIABILITY COMPANY, AS OWNERS OF, WARRANT AND REPRESENT TO BE THE OWNERS OF THE PROPERTY CONVEYED HEREBY AND THAT EVERY LENDER, EASEMENT HOLDER OR OTHER PERSON, OR ENTITY, HAVING ANY INTEREST IN THE LAND ADVERSE TO OR INCONSISTENT WITH THE DEDICATIONS, CONVEYANCES, OR OTHER REAL PROPERTY INTEREST CREATED OR TRANSFERRED BY THIS PLAT HAS CONSENTED TO, OR JOINED IN THIS PLAT, AS EVIDENCED BY INSTRUMENTS WITH THE MARICOPA COUNTY RECORDERS OFFICE, OR WHICH OWNER WILL RECORD NOT LATER THAN THE DATE ON WHICH THIS PLAT IS RECORDED.

IN WITNESS WHEREOF:

VPTM LEGADO LB LLC, A DELAWARE LIMITED LIABILITY COMPANY, AS OWNER, HAS HEREUNTO CAUSED ITS NAME TO BE SIGNED AND THE SAME TO BE ATTESTED BY THE SIGNATURE OF ITS OFFICER, THEREUNTO DULY AUTHORIZED THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2022.

VPTM LEGADO LB LLC, A DELAWARE LIMITED LIABILITY COMPANY

BY: VP CARAVAN NOTECO LLC,  
ITS SOLE MEMBER

BY: VÄRDE PARTNERS, INC.,  
ITS MANAGER

BY: \_\_\_\_\_

NAME: \_\_\_\_\_

ITS: \_\_\_\_\_

**ACKNOWLEDGMENT**

STATE OF ARIZONA }  
COUNTY OF MARICOPA }SS

ON THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2022, BEFORE ME, THE UNDERSIGNED OFFICER, PERSONALLY APPEARED \_\_\_\_\_, WHO ACKNOWLEDGED HIMSELF/HERSELF TO BE THE \_\_\_\_\_ OF VPTM LEGADO LB LLC, A DELAWARE LIMITED LIABILITY COMPANY AND ACKNOWLEDGES AS SUCH OFFICER, BEING DULY AUTHORIZED SO TO DO, EXECUTED THE FOREGOING INSTRUMENT FOR THE PURPOSES HEREIN CONTAINED.

BY: \_\_\_\_\_ MY COMMISSION EXPIRES: \_\_\_\_\_  
NOTARY PUBLIC

**LEGADO COMMUNITY ASSOCIATION RATIFICATION**

BY THIS RATIFICATION \_\_\_\_\_, DULY ELECTED \_\_\_\_\_ OF LEGADO COMMUNITY ASSOCIATION, AN ARIZONA NON-PROFIT CORPORATION, ACKNOWLEDGES THE RESPONSIBILITIES DEDICATED HEREON.

BY: \_\_\_\_\_

ITS: \_\_\_\_\_

**ACKNOWLEDGMENT**

STATE OF ARIZONA }  
COUNTY OF MARICOPA }SS

ON THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2022, BEFORE ME, THE UNDERSIGNED OFFICER, PERSONALLY APPEARED \_\_\_\_\_, WHO ACKNOWLEDGED HIMSELF/HERSELF TO BE THE \_\_\_\_\_ OF LEGADO COMMUNITY ASSOCIATION, AN ARIZONA NON-PROFIT CORPORATION, AND ACKNOWLEDGES AS SUCH OFFICER, BEING DULY AUTHORIZED SO TO DO, EXECUTED THE FOREGOING INSTRUMENT FOR THE PURPOSES HEREIN CONTAINED.

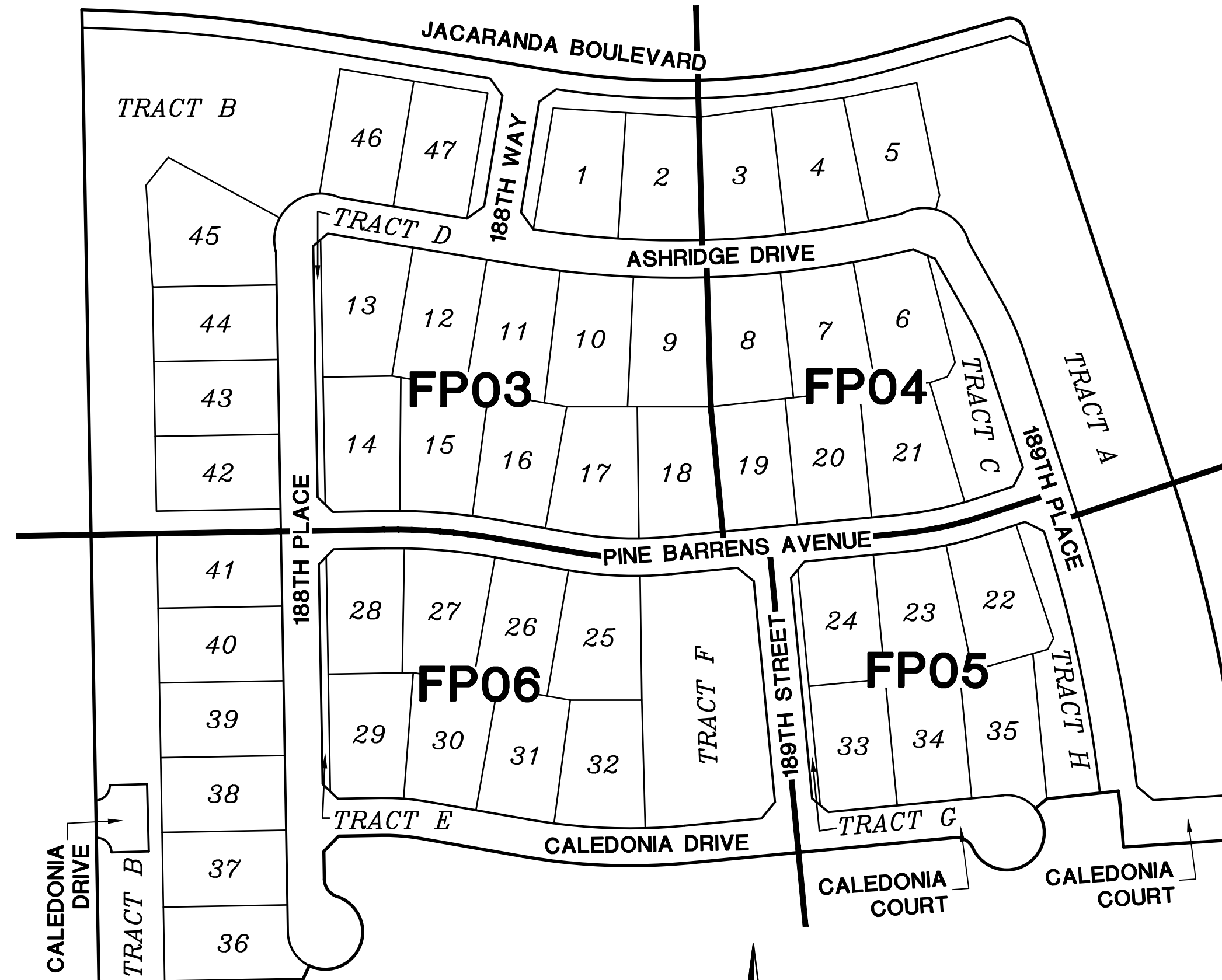
BY: \_\_\_\_\_ MY COMMISSION EXPIRES: \_\_\_\_\_  
NOTARY PUBLIC

**SITE DATA - PARCEL G**

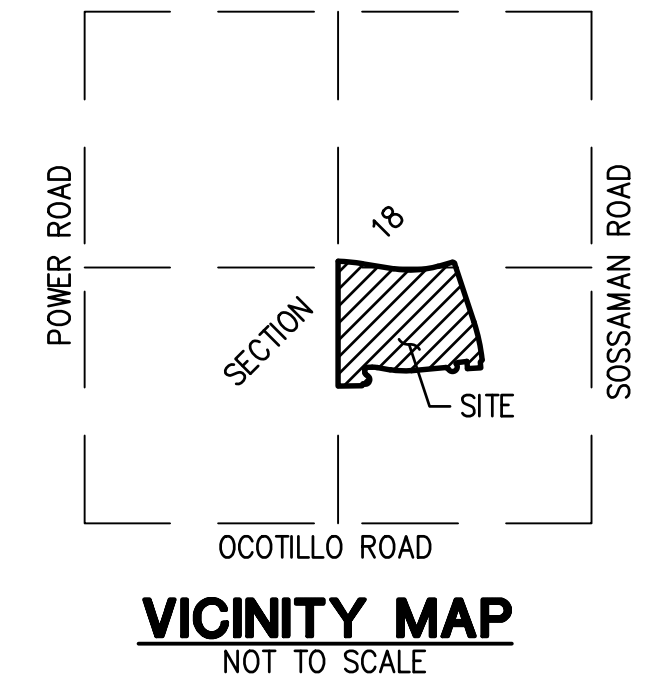
TOTAL LOTS: 47  
TYPICAL LOT SIZE: 100' X 165'  
MINIMUM LOT SIZE: 10,400 SQ. FT.  
MAXIMUM LOT SIZE: 16,500 SQ. FT.  
AVERAGE LOT SIZE: 17,716 SQ. FT.  
GROSS PARCEL AREA: 36.2266 AC (INCLUSIVE OF ADJACENT 1/2 STREET R/W)  
GROSS PARCEL DENSITY: 1,578,033 SF  
NET PROJECT AREA: 1.30 DU/AC  
29.0659 (EXCLUSIVE OF ADJACENT 1/2 STREET R/W)  
1,266,110 SF  
PAD DENSITY: 2.46 DU/AC (EXCLUSIVE OF OPEN SPACE & COLLECTOR R/W)  
ZONING: R1-12  
COMMON AREAS / OPEN SPACE: 9.95 AC (28.1%)  
ACTIVE OPEN SPACE AREA: 2.64 AC (26.5% OF OPEN SPACE)

**FINAL PLAT  
OF  
LEGADO - PHASE 2 & 3 - PARCEL G**

**A PORTION OF THE EAST HALF OF SECTION 18,  
TOWNSHIP 2 SOUTH, RANGE 7 EAST OF THE GILA AND  
SALT RIVER MERIDIAN, MARICOPA COUNTY, ARIZONA**



**KEY MAP**  
NOT TO SCALE



**VICINITY MAP**  
NOT TO SCALE

**OWNER/DEVELOPER**

VPTM LEGADO LB LLC  
C/O VÄRDE PARTNERS, INC.  
901 MARQUETTE AVE. S., SUITE 3300  
MINNEAPOLIS, MN 55402  
(952) 374-6963

**ZONING DESIGNATION**

ZONING: R1-12

**SHEET INDEX**

FP01 COVER SHEET, SHEET INDEX MAP  
FP02 LOT TABLE, LOT DETAILS, LEGAL DESCRIPTION & NOTES  
FP03-FP06 FINAL PLAT

**SURVEYOR**

HILGARTWILSON, LLC  
2141 E. HIGHLAND AVENUE, STE 250  
PHOENIX, ARIZONA 85016  
PHONE: (602) 490-0535  
CONTACT: BRIAN BENEDICT, RLS

**LOT TABLE**

SITE CONTAINS 47 LOTS (19.1156 ACRES)  
SEE SHEET 2 OF 6 FOR LOT TABLE

**BASIS OF BEARING**

BASIS OF BEARING IS N87°26'14"W ALONG THE SOUTH LINE OF THE SOUTHWEST QUARTER OF SECTION 18, TOWNSHIP 2 SOUTH, RANGE 7 EAST OF THE GILA AND SALT RIVER MERIDIAN, MARICOPA COUNTY, ARIZONA AS SHOWN ON THE RECORD OF SURVEY RECORDED IN BOOK 725, PAGE 32, MARICOPA COUNTY RECORDS, BETWEEN THE MONUMENTS AS SHOWN HEREON.

**ASSURED WATER SUPPLY**

THE ARIZONA DEPARTMENT OF WATER RESOURCES HAS GRANTED A CERTIFICATE OF ASSURED WATER SUPPLY, DWR FILE NO. \_\_\_\_\_

**ASSURANCE STATEMENT**

ASSURANCE IN THE FORM OF A CASH, PERFORMANCE OR SUBDIVISION BOND, IRREVOCABLE LETTER OF CREDIT, OR SIGNED CERTIFICATE OF OCCUPANCY HOLD AGREEMENT HAS BEEN DEPOSITED WITH THE TOWN ENGINEERING TO GUARANTEE CONSTRUCTION OF THE REQUIRED SUBDIVISION IMPROVEMENTS.

**APPROVALS**

APPROVED BY THE TOWN COUNCIL OF QUEEN CREEK, ARIZONA, ON THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2022.

BY: \_\_\_\_\_ MAYOR \_\_\_\_\_ DATE \_\_\_\_\_

ATTEST: \_\_\_\_\_ TOWN CLERK \_\_\_\_\_ DATE \_\_\_\_\_

**DEPARTMENT APPROVALS**

THIS PLAT WAS APPROVED AS TO FORM BY THE TOWN ENGINEERING MANAGER AND THE TOWN PLANNING MANAGER.

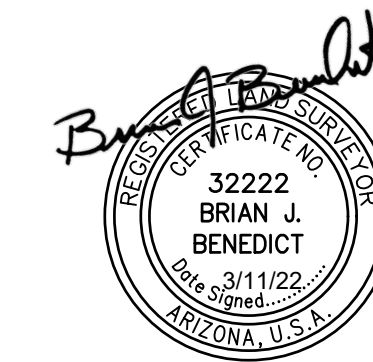
BY: \_\_\_\_\_ TOWN ENGINEER \_\_\_\_\_ DATE \_\_\_\_\_

BY: \_\_\_\_\_ TOWN PLANNING ADMINISTRATOR \_\_\_\_\_ DATE \_\_\_\_\_

**SURVEYOR CERTIFICATION**

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

BRIAN BENEDICT, RLS  
RLS 32222  
HILGARTWILSON, LLC  
2141 E. HIGHLAND AVENUE, SUITE 250  
PHOENIX, ARIZONA 85016  
P: (602) 490-0535  
bbenedict@hilgartwilson.com



NOTE:  
A.R.S. 32-151 STATES THAT THE USE OF THE WORD "CERTIFY" OR "CERTIFICATION" BY A PERSON OR FIRM THAT IS REGISTERED OR CERTIFIED BY THE BOARD IS AN EXPRESSION OF PROFESSIONAL OPINION REGARDING FACTS OR FINDINGS THAT ARE SUBJECT OF THE CERTIFICATION AND DOES NOT CONSTITUTE AN EXPRESS OR IMPLIED WARRANTY OR GUARANTEE.

**LEGAL DESCRIPTION**

SEE SHEET 2 OF 6 FOR LEGAL DESCRIPTION

**NOTE**

NO TWO-STORY DWELLING UNITS SHALL BE PERMITTED ALONG SOSSAMAN ROAD, OCOTILLO ROAD, AND THE QUEEN CREEK WASH.

**REFERENCE DOCUMENTS**

- 1. PARCEL E1, SOSSAMAN ESTATES BOOK 572, PAGE 34, MCR
- 2. PARCEL H, SOSSAMAN ESTATES BOOK 636, PAGE 11, MCR
- 3. SOSSAMAN ESTATES PHASE II BOOK 926, PAGE 47, MCR
- 4. GDAC'S SURVEY BOOK 1143, PAGE 21, MCR
- 5. MAP OF DEDICATION BOOK 1499, PAGE 2

TRACT	AREA (ACRES)	USE
TRACT A	3.7821	COMMON AREA & DRAINAGE
TRACT B	3.8386	COMMON AREA & DRAINAGE
TRACT C	0.4274	COMMON AREA & DRAINAGE
TRACT D	0.0793	COMMON AREA
TRACT E	0.0698	COMMON AREA
TRACT F	1.2602	COMMON AREA & DRAINAGE
TRACT G	0.0705	COMMON AREA
TRACT H	0.4225	COMMON AREA & DRAINAGE

- 1. COMMON AREAS MAY INCLUDE OPEN SPACE, LANDSCAPING, PEDESTRIAN PATHS AND/OR AMENITIES.
- 2. THE USES SHOWN IN THE TRACT TABLE ABOVE DO NOT INTEND TO GRANT EASEMENTS THAT ARE BLANKET IN NATURE OVER THE ENTIRE TRACT.
- 3. SPECIFIC EASEMENTS THAT ARE BEING DEDICATED AS PART OF THIS PLAT ARE FULLY DELINEATED ON THE FOLLOWING SHEETS.

**LEGEND**

- FOUND MONUMENT AS NOTED
- ⊠ FOUND BRASS CAP IN HAND HOLE
- ⊙ FOUND BRASS CAP FLUSH
- SET 1/2" REBAR W/ CAP, RLS 32222 OR AS NOTED
- BOUNDARY LINE
- - - SECTION LINE
- CENTER LINE
- - - RIGHT OF WAY
- PARCEL LINE
- - - EASEMENT LINE
- - - RIGHT-OF-WAY
- PUBLIC UTILITY EASEMENT
- VEHICLE NON-ACCESS EASEMENT
- MCR
- DOC.
- NO.
- RLS
- APN
- P.O.B.
- P.O.C.
- FOUND MONUMENT AS NOTED
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- NO.
- RLS
- APN
- P.O.B.
- P.O.C.

**LEGADO - PHASE 2 & 3 - PARCEL G**  
QUEEN CREEK ROAD AND SOSSAMAN ROAD  
QUEEN CREEK, ARIZONA  
**FINAL PLAT**

**HILGARTWILSON**  
ENGINEER | PLANNING | SURVEY | MANAGEMENT  
2141 E. HIGHLAND AVE., STE. 250 | P: 602.490.0535 / F: 602.368.2436  
www.hilgartwilson.com

STATUS: \_\_\_\_\_  
MUNICIPAL TRACKING NO: \_\_\_\_\_  
APPROVED: BJB  
DWG. NO. **FP01**  
SHT. 1 OF 6



**LEGAL DESCRIPTION**

A PORTION OF LAND BEING SITUATED WITHIN THE EAST HALF OF SECTION 18, TOWNSHIP 2 SOUTH, RANGE 7 EAST OF THE GILA AND SALT RIVER MERIDIAN, MARICOPA COUNTY, ARIZONA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

**COMMENCING** AT A FOUND 3 INCH BRASS CAP IN HAND HOLE ACCEPTED AS THE SOUTH QUARTER CORNER OF SAID SECTION 18 FROM WHICH A FOUND 3 INCH BRASS CAP IN POT HOLE ACCEPTED AS THE SOUTHEAST CORNER THEREOF BEARS SOUTH 87°24'59" EAST, 2632.41 FEET;

THENCE NORTH 01°00'07" WEST, 1364.62 FEET ALONG THE NORTH-SOUTH MID-SECTION LINE TO THE POINT OF BEGINNING;

THENCE CONTINUING ALONG SAID NORTH-SOUTH MID-SECTION LINE, NORTH 01°00'07" WEST, 1302.73 FEET TO THE SOUTHERLY RIGHT OF WAY LINE OF JACARANDA BOULEVARD IN THE MAP OF DEDICATION FOR LEGADO PHASE L COLLECTOR ROADWAYS AS RECORDED IN BOOK 1499, PAGE 2, MARICOPA COUNTY RECORDS;

THENCE THE FOLLOWING SIX (6) COURSES ALONG SAID SOUTHERLY RIGHT OF WAY LINE:

THENCE LEAVING SAID NORTH-SOUTH MID-SECTION LINE, SOUTH 87°49'09" EAST, 53.45 FEET TO THE BEGINNING OF A TANGENT CURVE, CONCAVE SOUTHWESTERLY, HAVING A RADIUS OF 1944.00 FEET;

THENCE SOUTHEASTERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 07°09'06", AN ARC LENGTH OF 242.65 FEET TO A TANGENT LINE;

THENCE SOUTH 80°40'03" EAST, 335.12 FEET TO THE BEGINNING OF A TANGENT CURVE, CONCAVE NORTHWESTERLY, HAVING A RADIUS OF 1061.00 FEET;

THENCE NORTHEASTERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 25°13'48", AN ARC LENGTH OF 467.21 FEET TO A TANGENT LINE;

THENCE NORTH 74°06'09" EAST, 153.75 FEET TO THE BEGINNING OF A TANGENT CURVE, CONCAVE SOUTHWESTERLY, HAVING A RADIUS OF 20.00 FEET;

THENCE SOUTHEASTERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 87°40'45", AN ARC LENGTH OF 30.61 FEET TO A TANGENT LINE;

THENCE SOUTH 18°13'06" EAST, 640.43 FEET TO THE BEGINNING OF A TANGENT CURVE, CONCAVE SOUTHWESTERLY, HAVING A RADIUS OF 1932.00 FEET;

THENCE SOUTHEASTERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 12°04'13", AN ARC LENGTH OF 407.01 FEET TO A NON-TANGENT LINE;

THENCE SOUTH 40°11'12" WEST, 27.77 FEET;

THENCE SOUTH 03°46'30" EAST, 60.00 FEET;

THENCE SOUTH 86°13'30" WEST, 138.98 FEET TO A NON-TANGENT CURVE, CONCAVE SOUTHWESTERLY, HAVING A RADIUS OF 1770.00 FEET, THE CENTER OF WHICH BEARS SOUTH 86°13'21" WEST;

THENCE NORTHWESTERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 02°26'20", AN ARC LENGTH OF 75.35 FEET TO A NON-TANGENT LINE;

THENCE SOUTH 83°47'01" WEST, 96.63 FEET;

THENCE SOUTH 49°46'47" WEST, 20.00 FEET TO A NON-TANGENT CURVE, CONCAVE NORTHWESTERLY, HAVING A RADIUS OF 50.00 FEET, THE CENTER OF WHICH BEARS SOUTH 49°46'47" WEST;

THENCE SOUTHEASTERLY AND SOUTHWESTERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 195°18'03", AN ARC LENGTH OF 170.43 FEET TO THE BEGINNING OF A REVERSE CURVE, CONCAVE SOUTHWESTERLY, HAVING A RADIUS OF 25.00 FEET;

THENCE NORTHWESTERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 70°31'44", AN ARC LENGTH OF 30.77 FEET TO A TANGENT LINE;

THENCE SOUTH 84°33'06" WEST, 357.49 FEET TO THE BEGINNING OF A TANGENT CURVE, CONCAVE NORTHEASTERLY, HAVING A RADIUS OF 825.00 FEET;

THENCE NORTHWESTERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 15°26'05", AN ARC LENGTH OF 222.25 FEET TO A TANGENT LINE;

THENCE NORTH 80°00'49" WEST, 138.54 FEET TO THE BEGINNING OF A TANGENT CURVE, CONCAVE SOUTHWESTERLY, HAVING A RADIUS OF 275.00 FEET;

THENCE NORTHWESTERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 10°59'19", AN ARC LENGTH OF 52.74 FEET TO A TANGENT LINE;

THENCE SOUTH 88°59'53" WEST, 57.65 FEET;

THENCE SOUTH 43°59'53" WEST, 28.28 FEET;

THENCE SOUTH 01°00'07" EAST, 37.33 FEET TO THE BEGINNING OF A TANGENT CURVE, CONCAVE NORTHEASTERLY, HAVING A RADIUS OF 25.00 FEET;

THENCE SOUTHEASTERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 70°31'44", AN ARC LENGTH OF 30.77 FEET TO THE BEGINNING OF A REVERSE CURVE, CONCAVE NORTHWESTERLY, HAVING A RADIUS OF 50.00 FEET;

THENCE SOUTHEASTERLY AND SOUTHWESTERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 186°44'21", AN ARC LENGTH OF 162.96 FEET TO A NON-TANGENT LINE;

THENCE SOUTH 25°12'30" WEST, 20.00 FEET;

THENCE SOUTH 88°59'53" WEST, 273.08 FEET TO THE POINT OF BEGINNING.

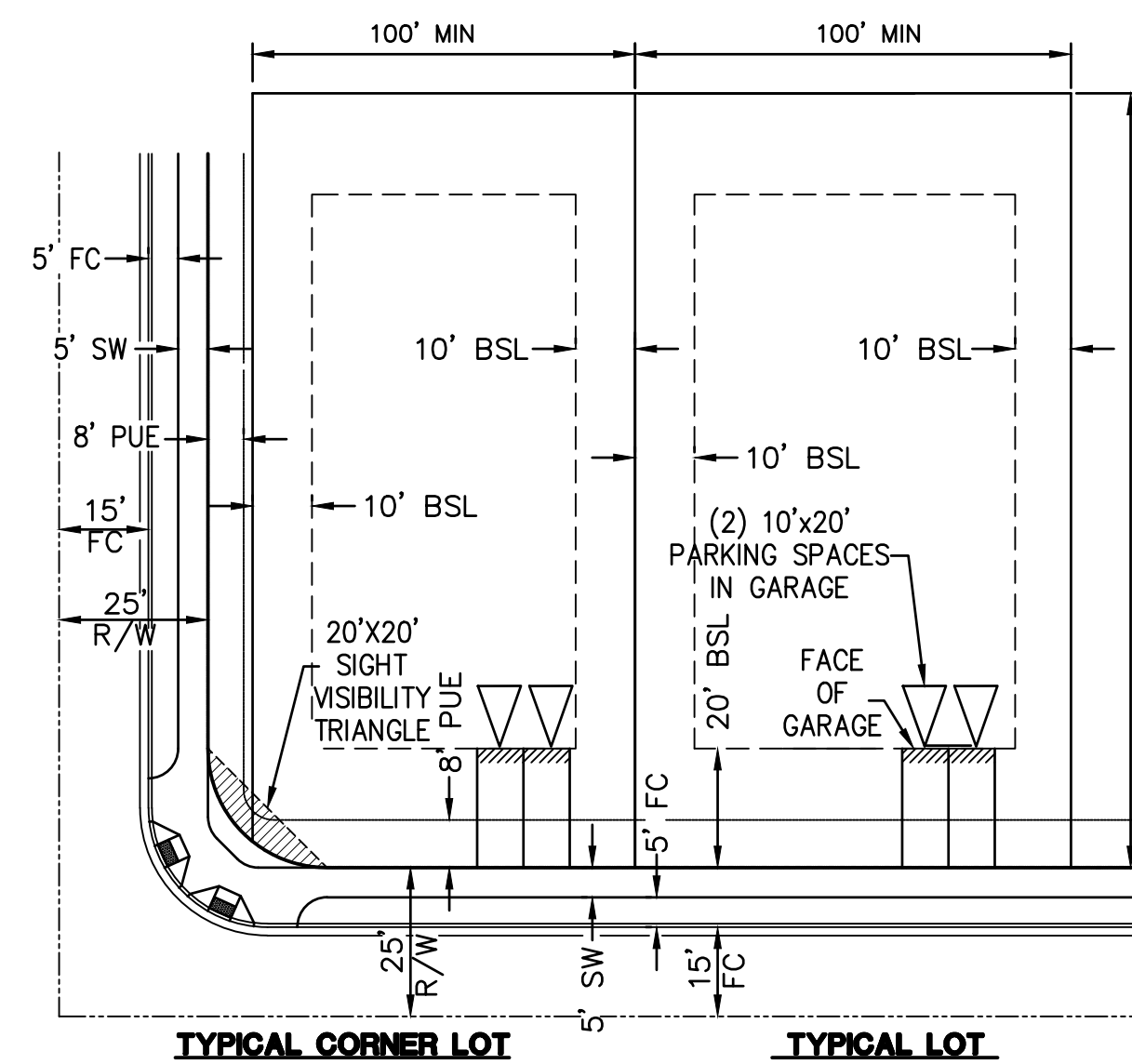
**NOTES:**

1. THE LEGADO COMMUNITY ASSOCIATION, AN ARIZONA NON-PROFIT CORPORATION, SHALL BE RESPONSIBLE FOR MAINTENANCE OF ALL LANDSCAPED ISLANDS AND MEDIANS WITH THE EXCEPTION OF THOSE LOCATED WITHIN ARTERIAL ROADWAYS.
2. CONSTRUCTION WITHIN UTILITY EASEMENTS SHALL BE LIMITED TO UTILITIES AND DRIVEWAYS.
3. NO STRUCTURES OF ANY KIND MAY BE CONSTRUCTED, NOR ANY VEGETATION PLANTED NOR ALLOWED TO GROW WITHIN DRAINAGE EASEMENTS WHICH WOULD IMPEDE THE FLOW OF WATER THROUGH THE EASEMENTS.
4. IN EASEMENTS FOR THE EXCLUSIVE USE OF WATER, SANITARY SEWER, OR A COMBINATION THEREOF, ONLY GROUND COVER AND BUSHES ARE ALLOWED TO BE PLANTED WITHIN THE EASEMENT AREA. NO TREES ARE ALLOWED.
5. ALL NEW OR RELOCATED UTILITIES WILL BE PLACED UNDERGROUND WITH THE EXCEPTION OF POWER LINES WHICH ARE 69KV LINES OR MORE.
6. 69KV ELECTRICAL LINES MUST BE RELOCATED OUTSIDE OF THE RIGHT OF WAY OR TO THE EDGE OF THE RIGHT OF WAY.
7. ELECTRICAL LINES SHALL BE CONSTRUCTED UNDERGROUND AS REQUIRED BY ARIZONA CORPORATE COMMISSION.
8. ALL RETENTION BASINS MUST DRAIN ANY STORM EVENT UP TO AND INCLUDING THE 100-YEAR, 2-HOUR STORM WITHIN 36 HOURS. OWNER(S) OF ANY BASIN FAILING TO MEET THIS REQUIREMENT MUST TAKE CORRECTIVE ACTION TO BRING THE BASIN INTO COMPLIANCE.
9. THE TOWN OF QUEEN CREEK IS NOT RESPONSIBLE FOR AND WILL NOT ACCEPT MAINTENANCE OF ANY LANDSCAPED AREAS WITHIN THIS PROJECT. THE OWNERS ASSOCIATION OR PROPERTY OWNERS SHALL BE RESPONSIBLE FOR MAINTENANCE OF ALL LANDSCAPED ISLANDS AND MEDIANS.
10. THE LOCATION OF THE EMERGENCY ACCESS EASEMENTS AND PRIVATE UTILITY EASEMENTS SHALL BE DEFINED WITHIN THE RECORDED CC&R AGREEMENT.
11. THIS PROPERTY, DUE TO ITS PROXIMITY TO PHOENIX MESA GATEWAY AIRPORT, WILL EXPERIENCE AIRCRAFT OVERFLIGHTS, WHICH ARE EXPECTED TO GENERATE NOISE LEVELS THAT MAY BE OF CONCERN TO SOME INDIVIDUALS. THE MIX OF AVIATION ACTIVITIES AND TYPES OF AIRCRAFT EXPECTED TO BE LOCATED AND OPERATE AT THE AIRPORT NOW AND IN THE FUTURE INCLUDE: SCHEDULED AND UNSCHEDULED COMMERCIAL CHARTERS; COMMERCIAL AIR CARRIERS AND COMMERCIAL AIR CARGO OPERATIONS; ALL OF WHICH ARE EXPECTED TO USE LARGE COMMERCIAL AIRCRAFT; GENERAL AVIATION ACTIVITY USING CORPORATE AND EXECUTIVE JETS, HELICOPTERS, AND PROPELLER AIRCRAFT; AVIATION FLIGHT TRAINING SCHOOLS USING TRAINING AIRCRAFT; AND MILITARY ACTIVITY USING HIGH PERFORMANCE MILITARY JETS. THE SIZE OF AIRCRAFT AND FREQUENCY OF USE OF SUCH AIRCRAFT MAY CHANGE OVER TIME DEPENDING ON MARKET AND TECHNOLOGY CHANGES.

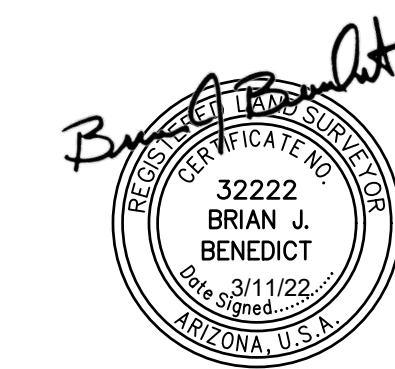
LOT TABLE		
LOT NO.	AREA (SQ.FT)	AREA (ACRES)
LOT : 1	17673	0.4057
LOT : 2	17559	0.4031
LOT : 3	17657	0.4054
LOT : 4	17854	0.4099
LOT : 5	16690	0.3831
LOT : 6	18239	0.4187
LOT : 7	17769	0.4079
LOT : 8	17838	0.4095
LOT : 9	18149	0.4166
LOT : 10	18623	0.4275
LOT : 11	18154	0.4168
LOT : 12	17471	0.4011
LOT : 13	19823	0.4551
LOT : 14	18328	0.4208
LOT : 15	18466	0.4239
LOT : 16	16985	0.3899
LOT : 17	18980	0.4357
LOT : 18	18185	0.4175
LOT : 19	16868	0.3872
LOT : 20	17011	0.3905

LOT TABLE		
LOT NO.	AREA (SQ.FT)	AREA (ACRES)
LOT : 21	18820	0.4320
LOT : 22	18195	0.4177
LOT : 23	18092	0.4153
LOT : 24	17067	0.3918
LOT : 25	18816	0.4319
LOT : 26	17142	0.3935
LOT : 27	18363	0.4216
LOT : 28	16979	0.3898
LOT : 29	17662	0.4055
LOT : 30	17751	0.4075
LOT : 31	17104	0.3927
LOT : 32	18547	0.4258
LOT : 33	17375	0.3989
LOT : 34	17000	0.3903
LOT : 35	18148	0.4166
LOT : 36	17378	0.3989
LOT : 37	16600	0.3811
LOT : 38	16600	0.3811
LOT : 39	16600	0.3811
LOT : 40	16600	0.3811

LOT TABLE		
LOT NO.	AREA (SQ.FT)	AREA (ACRES)
LOT : 41	16600	0.3811
LOT : 42	16600	0.3811
LOT : 43	16600	0.3811
LOT : 44	16600	0.3811
LOT : 45	23154	0.5315
LOT : 46	16960	0.3894
LOT : 47	17000	0.3903



**TYPICAL LOT DETAIL**  
R1-12 PAD  
\*PERIMETER SETBACK WHERE SHOWN ON PLAN  
SCALE: N.T.S.



**LEGADO - PHASE 2 & 3 - PARCEL G**  
QUEEN CREEK ROAD AND SOSSAMAN ROAD  
QUEEN CREEK, ARIZONA  
**FINAL PLAT**

**HILGARTWILSON**  
ENGINEER | PLANNING | SURVEY | MANAGEMENT  
2141 E. HIGHLAND AVE., STE. 250 | P: 602.490.0535 / F: 602.368.2436  
PHOENIX, AZ 85016  
www.hilgartwilson.com

PROJ. NO.: 1417  
DATE: FEB 2022  
SCALE: NONE  
DRAWN: GS/RG  
APPROVED: BJB  
STATUS:  
MUNICIPAL TRACKING NO:

DWG. NO.  
**FP02**  
SHT. 2 OF 6

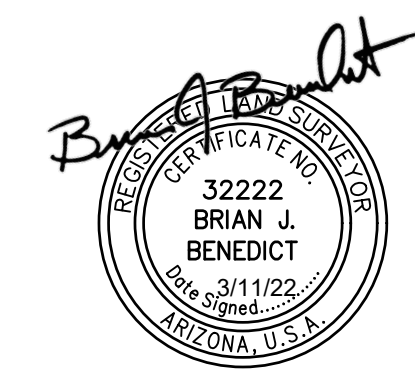
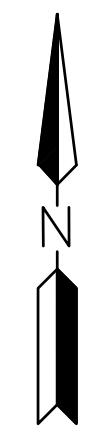
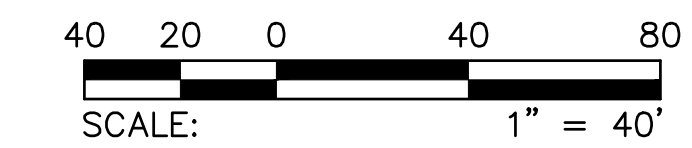
NORTH QUARTER CORNER  
SECTION 18, TOWNSHIP 2  
SOUTH, RANGE 7 EAST  
FOUND 2" ALUMINUM CAP  
STAMPED "T2S R7E 1/4  
S7/S18 2019 RLS 32222"

**LEGEND**

- FOUND MONUMENT AS NOTED
- ⊠ FOUND BRASS CAP IN HAND HOE
- ⊙ FOUND BRASS CAP FLUSH
- SET 1/2" REBAR W/ CAP, RLS 32222 OR AS NOTED
- BOUNDARY LINE
- - - SECTION LINE
- · - · - CENTER LINE
- · - · - RIGHT OF WAY
- · - · - PARCEL LINE
- · - · - EASEMENT LINE
- · - · - RIGHT-OF-WAY
- R/W RIGHT-OF-WAY
- PUE PUBLIC UTILITY EASEMENT
- VNAE VEHICLE NON-ACCESS EASEMENT
- MCR MARICOPA COUNTY RECORDS DOCUMENT
- NO. NUMBER
- RLS REGISTERED LAND SURVEYOR
- APN ASSESSOR PARCEL NUMBER
- P.O.B. POINT OF BEGINNING
- P.O.C. POINT OF COMMENCEMENT

LINE TABLE		
LINE NO.	DIRECTION	LENGTH
L1	S87°49'09"E	53.45'
L10	N35°40'03"W	28.28'
L11	N38°34'31"E	47.58'
L12	N54°14'13"E	28.33'
L14	S35°44'55"E	28.24'
L15	N54°19'57"E	28.28'
L16	N49°09'55"E	25.62'
L17	S46°00'07"E	28.28'

CURVE TABLE			
CURVE NO.	RADIUS	DELTA	LENGTH
C6	20.00'	12°40'49"	4.43'
C7	62.00'	125°41'43"	136.02'
C8	20.00'	12°40'49"	4.43'
C14	35.00'	100°20'04"	61.29'

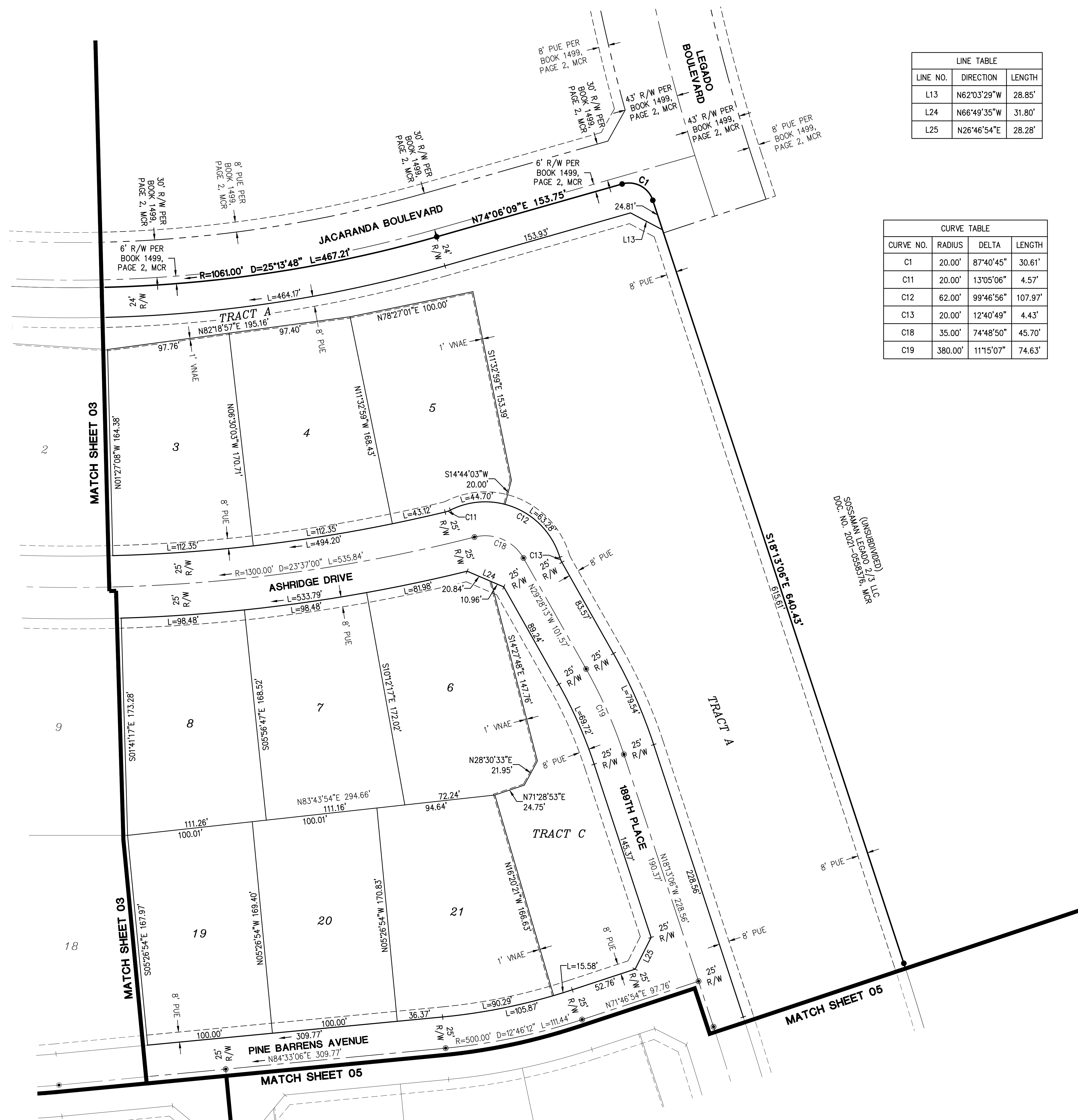


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**LEGADO - PHASE 2 & 3 - PARCEL G**  
QUEEN CREEK ROAD AND SOSSAMAN ROAD  
QUEEN CREEK, ARIZONA  
**FINAL PLAT**

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PROJ. NO.: 1417 STATUS:  
DATE: FEB 2022 MUNICIPAL TRACKING NO:  
SCALE: AS SHOWN  
DRAWN: GS/RG  
APPROVED: BJB

DWG. NO.  
**FP03**  
SHT. 3 OF 6

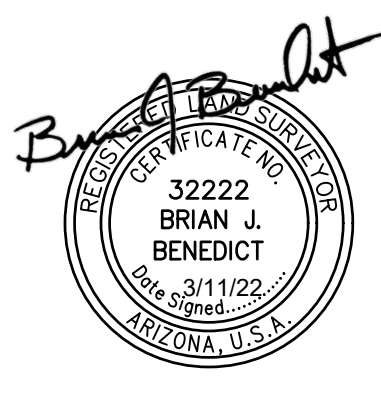
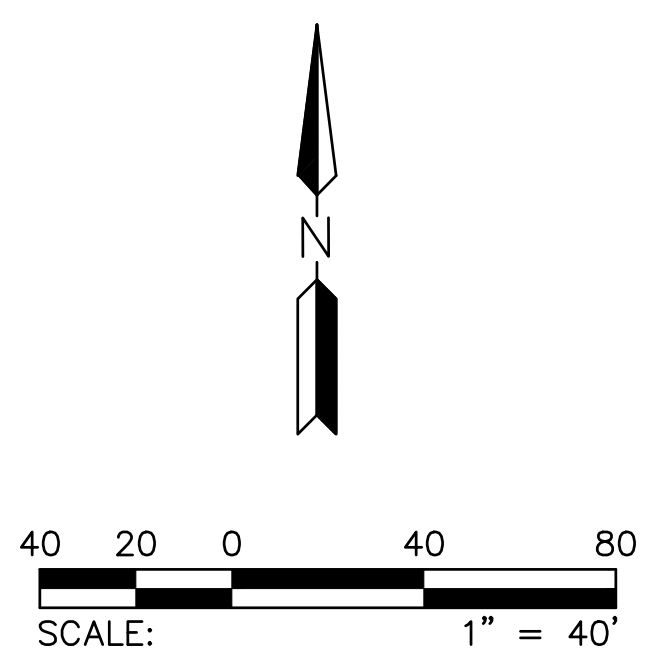


LINE TABLE		
LINE NO.	DIRECTION	LENGTH
L13	N62°03'29"W	28.85'
L24	N66°49'35"W	31.80'
L25	N26°46'54"E	28.28'

CURVE TABLE			
CURVE NO.	RADIUS	DELTA	LENGTH
C1	20.00'	87°40'45"	30.61'
C11	20.00'	13°05'06"	4.57'
C12	62.00'	99°46'56"	107.97'
C13	20.00'	12°40'49"	4.43'
C18	35.00'	74°48'50"	45.70'
C19	380.00'	11°15'07"	74.63'

**LEGEND**

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- ⊙ FOUND BRASS CAP FLUSH
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- DOC. DOCUMENT
- NO. NUMBER
- RLS REGISTERED LAND SURVEYOR
- APN ASSESSOR PARCEL NUMBER
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PROJ. NO.: 1417	STATUS:
DATE: FEB 2022	MUNICIPAL TRACKING NO:
SCALE: AS SHOWN	DRAWN: GS/RG
APPROVED: BJB	



**LEGEND**

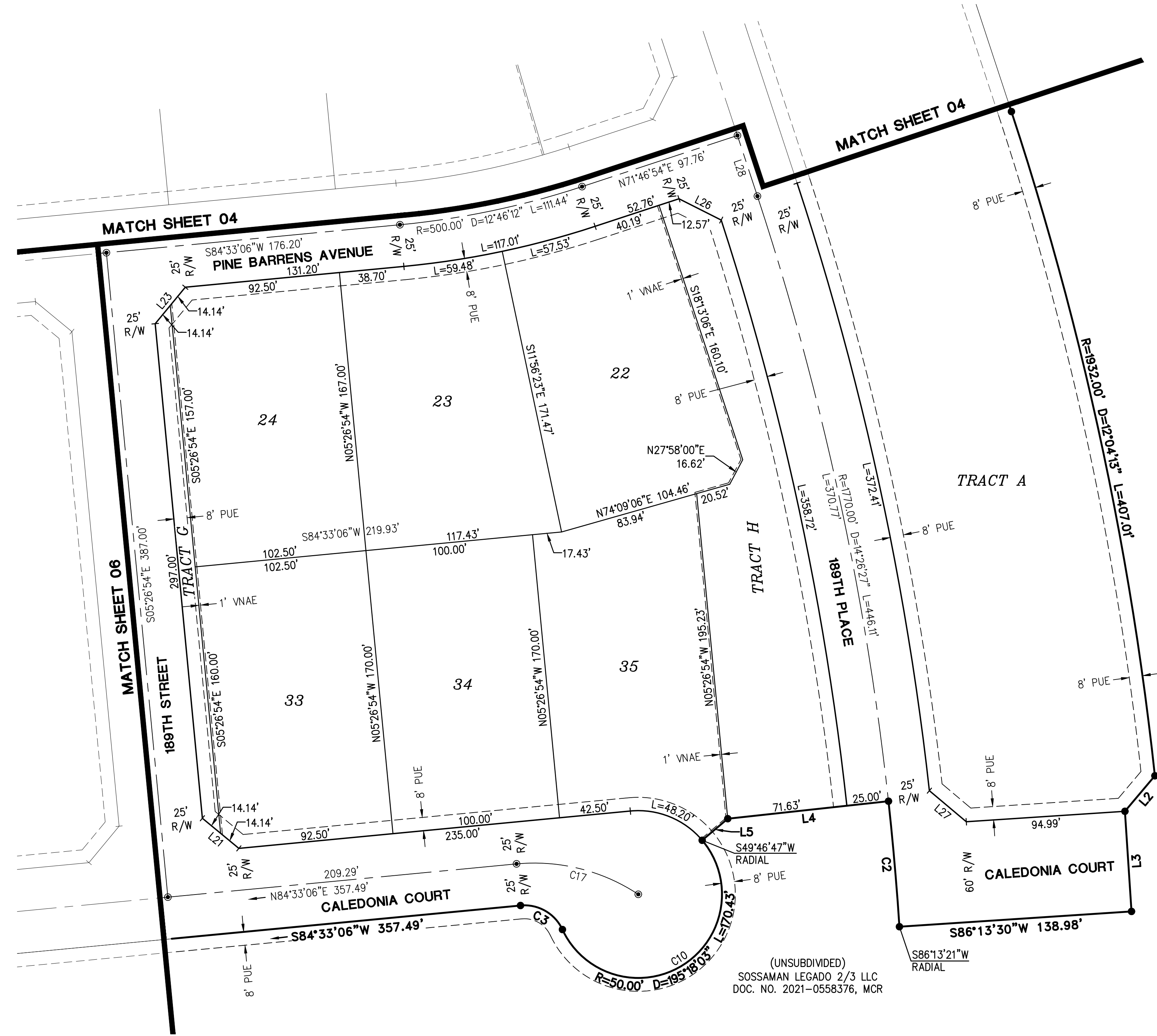
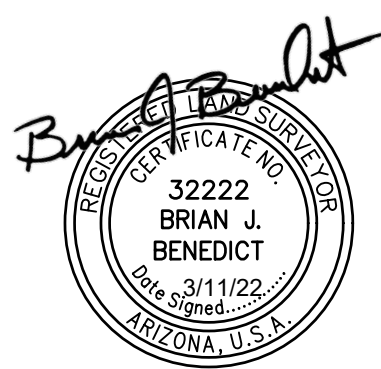
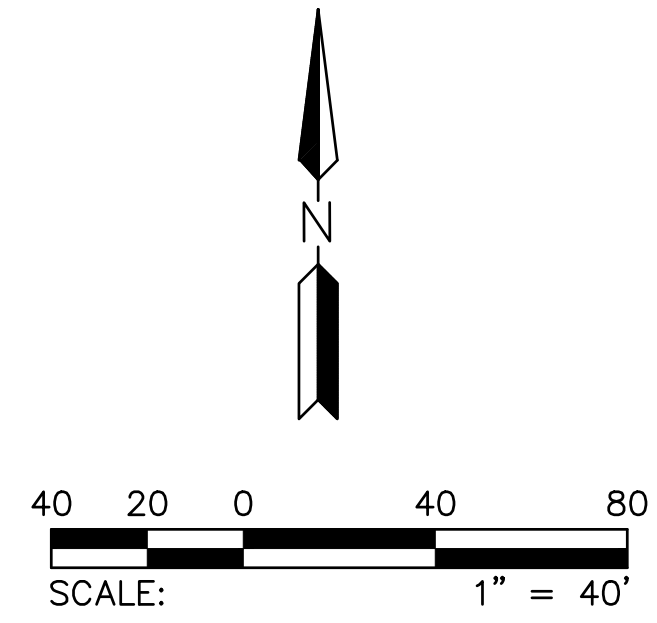
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- - - MARICOPA COUNTY RECORDS
- - - DOCUMENT
- - - NUMBER
- - - REGISTERED LAND SURVEYOR
- - - ASSESSOR PARCEL NUMBER
- - - POINT OF BEGINNING
- - - POINT OF COMMENCEMENT

LINE TABLE

LINE NO.	DIRECTION	LENGTH
L2	S40°11'12"W	27.77'
L3	S03°46'30"E	60.00'
L4	S83°47'01"W	96.63'
L5	S49°46'47"W	20.00'
L21	N50°26'54"W	28.28'
L23	N39°33'06"E	28.28'
L26	N63°11'57"W	28.27'
L27	S49°53'37"E	28.83'
L28	N18°13'06"W	38.19'

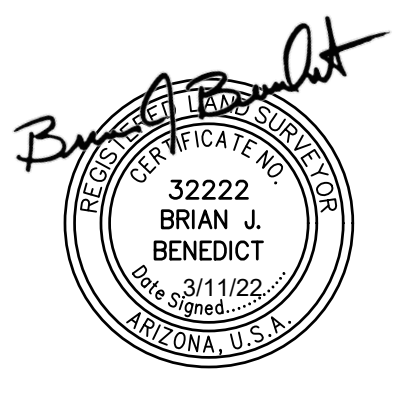
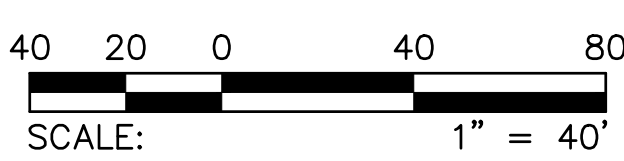
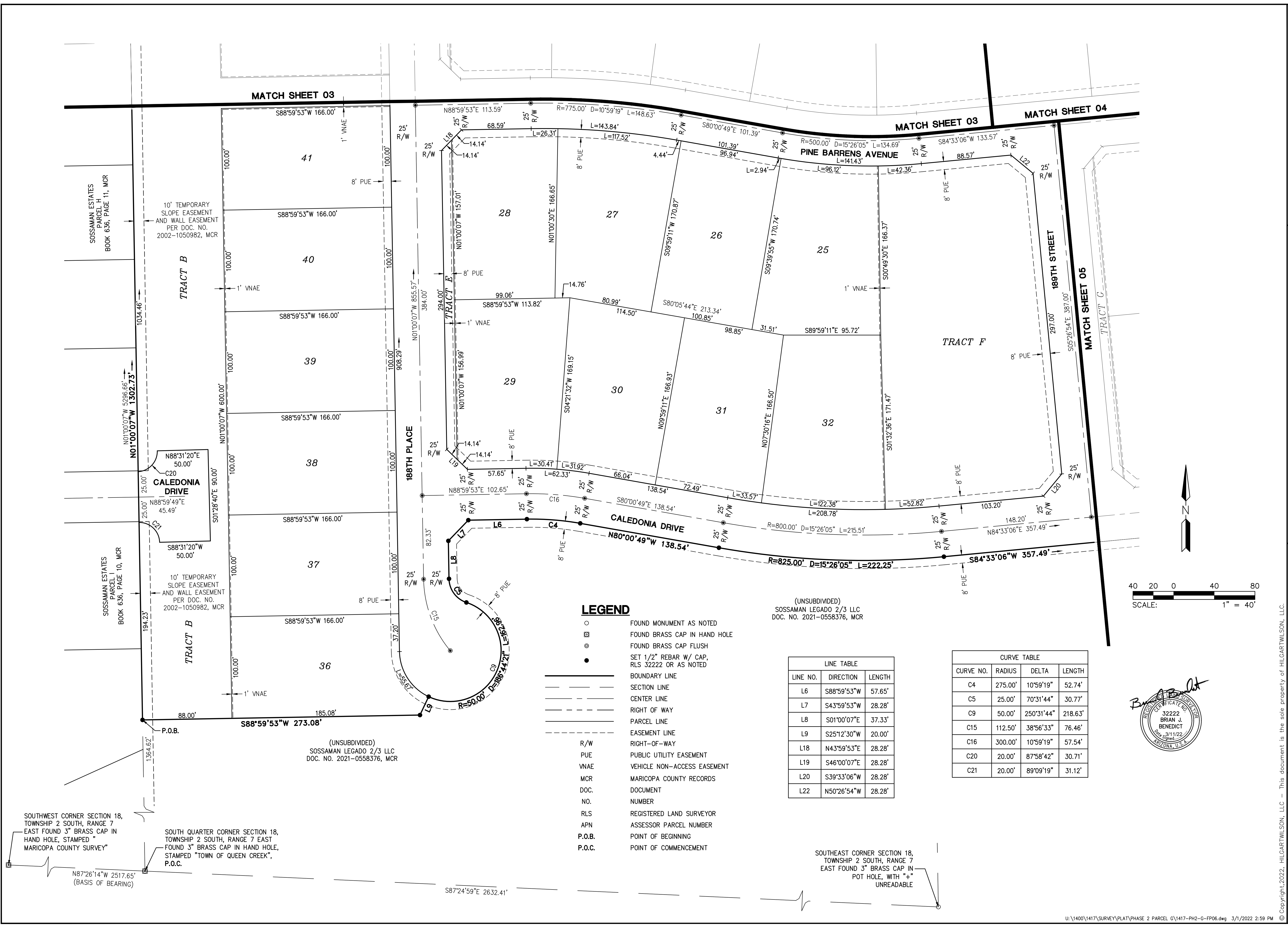
CURVE TABLE

CURVE NO.	RADIUS	DELTA	LENGTH
C2	1770.00'	2°26'20"	75.35'
C3	25.00'	70°31'44"	30.77'
C10	50.00'	250°31'44"	218.63'
C17	112.50'	38°56'33"	76.46'



(UNSUBDIVIDED)  
 SOSSAMAN LEGADO 2/3 LLC  
 DOC. NO. 2021-0558376, MCR

(UNSUBDIVIDED)  
 SOSSAMAN LEGADO 2/3 LLC  
 DOC. NO. 2021-0558376, MCR



SOUTHWEST CORNER SECTION 18, TOWNSHIP 2 SOUTH, RANGE 7 EAST FOUND 3" BRASS CAP IN HAND HOLE, STAMPED "MARICOPA COUNTY SURVEY"

SOUTH QUARTER CORNER SECTION 18, TOWNSHIP 2 SOUTH, RANGE 7 EAST FOUND 3" BRASS CAP IN HAND HOLE, STAMPED "TOWN OF QUEEN CREEK", P.O.C.

SOUTHEAST CORNER SECTION 18, TOWNSHIP 2 SOUTH, RANGE 7 EAST FOUND 3" BRASS CAP IN POT HOLE, WITH "+" UNREADABLE



**DEDICATION**

STATE OF ARIZONA }  
COUNTY OF MARICOPA }SS

KNOW ALL MEN BY THESE PRESENTS:

THAT VPTM LEGADO LB LLC, A DELAWARE LIMITED LIABILITY COMPANY, AS OWNER, HAVE SUBDIVIDED UNDER THE NAME OF "LEGADO - PHASE 2 & 3 - PARCEL H", LOCATED IN A PORTION OF THE EAST HALF OF SECTION 18, TOWNSHIP 2 SOUTH, RANGE 7 EAST, OF THE GILA AND SALT RIVER MERIDIAN, MARICOPA COUNTY, ARIZONA, AS SHOWN AND PLATTED HEREON, AND HEREBY PUBLISHES THIS PLAT AS AND FOR THE PLAT FOR "LEGADO - PHASE 2 & 3 - PARCEL H" A RESIDENTIAL SUBDIVISION, AND HEREBY DECLARES THAT SAID PLAT SETS FORTH THE LOCATION AND GIVES THE DIMENSIONS OF ALL LOTS, TRACTS, EASEMENTS, AND STREETS, CONSTITUTING SAME, AND THAT EACH LOT, TRACT EASEMENT AND STREET SHALL BE KNOWN BY THE NUMBER AND NAME GIVEN, EACH RESPECTIVELY ON SAID PLAT.

EASEMENTS ARE DEDICATED AS SHOWN ON THIS PLAT.

VPTM LEGADO LB LLC, A DELAWARE LIMITED LIABILITY COMPANY, AS OWNER, AS LISTED ABOVE HEREBY DEDICATES TO THE TOWN OF QUEEN CREEK, FOR USE AS PUBLIC RIGHT-OF-WAY, THE STREETS AS SHOWN ON SAID PLAT.

THE MAINTENANCE OF LANDSCAPING WITHIN THE PUBLIC RIGHT-OF-WAY TO BACK OF CURB SHALL BE THE RESPONSIBILITY OF THE HOMEOWNERS ASSOCIATION OR ADJUTING PROPERTY OWNER.

ALL TRACTS THAT WILL NOT BE CONVEYED TO THE TOWN OF QUEEN CREEK AND ALL COMMON PROPERTY SHALL BE IMPROVED IN ACCORDANCE WITH PLANS APPROVED BY THE TOWN OF QUEEN CREEK AND SHALL BE CONVEYED BY WARRANTY (OR SPECIAL WARRANTY) DEED TO THE HOMEOWNERS ASSOCIATION. THE HOMEOWNERS ASSOCIATION SHALL BE RESPONSIBLE FOR THE MAINTENANCE OF THE COMMON PROPERTY.

TRACTS A THROUGH I, ARE NOT DEDICATED TO THE PUBLIC, BUT ARE PLATTED AS COMMON PROPERTY FOR THE USE AND ENJOYMENT OF LEGADO COMMUNITY ASSOCIATION, AN ARIZONA NON-PROFIT CORPORATION, AS MORE FULLY SET FORTH IN THE DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS.

VPTM LEGADO LB LLC, A DELAWARE LIMITED LIABILITY COMPANY, AS OWNERS OF, WARRANT AND REPRESENT TO BE THE OWNERS OF THE PROPERTY CONVEYED HEREBY AND THAT EVERY LENDER, EASEMENT HOLDER OR OTHER PERSON, OR ENTITY, HAVING ANY INTEREST IN THE LAND ADVERSE TO OR INCONSISTENT WITH THE DEDICATIONS, CONVEYANCES, OR OTHER REAL PROPERTY INTEREST CREATED OR TRANSFERRED BY THIS PLAT HAS CONSENTED TO, OR JOINED IN THIS PLAT, AS EVIDENCED BY INSTRUMENTS WITH THE MARICOPA COUNTY RECORDERS OFFICE, OR WHICH OWNER WILL RECORD NOT LATER THAN THE DATE ON WHICH THIS PLAT IS RECORDED.

IN WITNESS WHEREOF:

VPTM LEGADO LB LLC, A DELAWARE LIMITED LIABILITY COMPANY, AS OWNER, HAS HEREUNTO CAUSED ITS NAME TO BE SIGNED AND THE SAME TO BE ATTESTED BY THE SIGNATURE OF ITS OFFICER, THEREUNTO DULY AUTHORIZED THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2022.

VPTM LEGADO LB LLC, A DELAWARE LIMITED LIABILITY COMPANY

BY: VP CARAVAN NOTECO LLC,  
ITS SOLE MEMBER

BY: VÄRDE PARTNERS, INC.,  
ITS MANAGER

BY: \_\_\_\_\_

NAME: \_\_\_\_\_

ITS: \_\_\_\_\_

**ACKNOWLEDGMENT**

STATE OF ARIZONA }  
COUNTY OF MARICOPA }SS

ON THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2022, BEFORE ME, THE UNDERSIGNED OFFICER, PERSONALLY APPEARED \_\_\_\_\_, WHO ACKNOWLEDGED HIMSELF/HERSELF TO BE THE \_\_\_\_\_ OF VPTM LEGADO LB LLC, A DELAWARE LIMITED LIABILITY COMPANY AND ACKNOWLEDGES AS SUCH OFFICER, BEING DULY AUTHORIZED SO TO DO, EXECUTED THE FOREGOING INSTRUMENT FOR THE PURPOSES HEREIN CONTAINED.

BY: \_\_\_\_\_ MY COMMISSION EXPIRES: \_\_\_\_\_

**LEGADO COMMUNITY ASSOCIATION RATIFICATION**

BY THIS RATIFICATION \_\_\_\_\_, DULY ELECTED \_\_\_\_\_ OF LEGADO COMMUNITY ASSOCIATION, AN ARIZONA NON-PROFIT CORPORATION, ACKNOWLEDGES THE RESPONSIBILITIES DEDICATED HEREON.

BY: \_\_\_\_\_

ITS: \_\_\_\_\_

**ACKNOWLEDGMENT**

STATE OF ARIZONA }  
COUNTY OF MARICOPA }SS

ON THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2022, BEFORE ME, THE UNDERSIGNED OFFICER, PERSONALLY APPEARED \_\_\_\_\_, WHO ACKNOWLEDGED HIMSELF/HERSELF TO BE THE \_\_\_\_\_ OF LEGADO COMMUNITY ASSOCIATION, AN ARIZONA NON-PROFIT CORPORATION, AND ACKNOWLEDGES AS SUCH OFFICER, BEING DULY AUTHORIZED SO TO DO, EXECUTED THE FOREGOING INSTRUMENT FOR THE PURPOSES HEREIN CONTAINED.

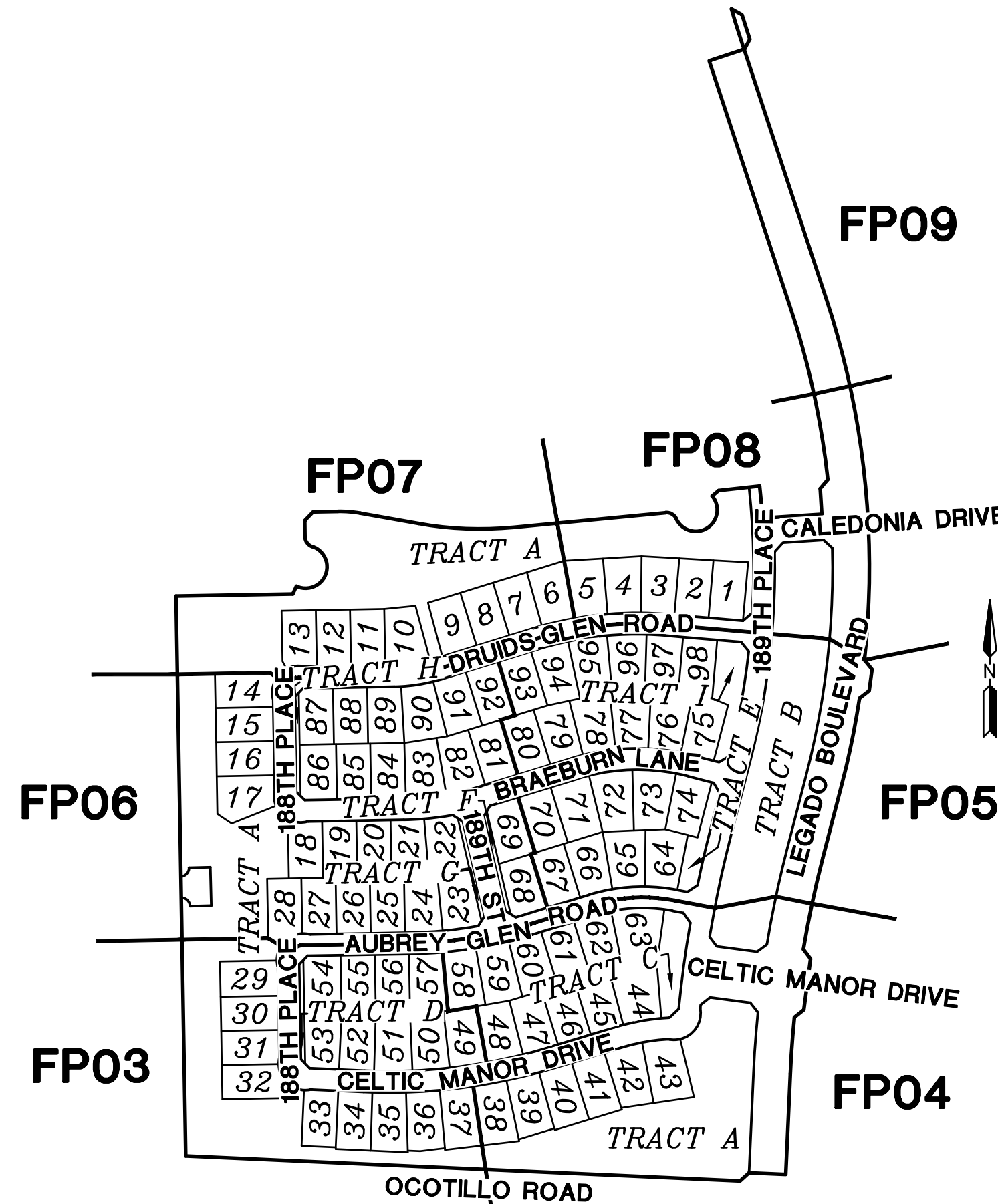
BY: \_\_\_\_\_ MY COMMISSION EXPIRES: \_\_\_\_\_

**SITE DATA - PARCEL H**

TOTAL LOTS: 98  
TYPICAL LOT SIZE: 80' X 130'  
MINIMUM LOT SIZE: 10,400 SQ. FT.  
MAXIMUM LOT SIZE: 13,418 SQ. FT.  
AVERAGE LOT SIZE: 11,138 SQ. FT.  
GROSS PARCEL AREA: 53,9796 AC (INCLUSIVE OF ADJACENT 1/2 STREET R/W)  
GROSS PARCEL DENSITY: 2,351,350 SF  
NET PROJECT AREA: 1.82 DU/AC  
40.6941 AC (EXCLUSIVE OF ADJACENT 1/2 STREET R/W)  
1,772,636 SF  
PAD DENSITY: 3.91 DU/AC (EXCLUSIVE OF OPEN SPACE & COLLECTOR R/W)  
ZONING: R1-9  
COMMON AREAS / OPEN SPACE: 15.63 AC (32.3%)  
ACTIVE OPEN SPACE AREA: 6.63 AC (42.4% OF OPEN SPACE)

**FINAL PLAT**  
OF  
**LEGADO - PHASE 2 & 3 - PARCEL H**

**A PORTION OF THE EAST HALF OF SECTION 18,  
TOWNSHIP 2 SOUTH, RANGE 7 EAST OF THE GILA AND  
SALT RIVER MERIDIAN, MARICOPA COUNTY, ARIZONA**



**KEY MAP**  
NOT TO SCALE

**LEGAL DESCRIPTION**

SEE SHEET 2 OF 9 FOR LEGAL DESCRIPTION

**NOTE**

NO TWO-STORY DWELLING UNITS SHALL BE PERMITTED ALONG SOSSAMAN ROAD, OCOTILLO ROAD, AND THE QUEEN CREEK WASH.

**REFERENCE DOCUMENTS**

- 1. PARCEL E1, SOSSAMAN ESTATES BOOK 572, PAGE 34, MCR
- 2. PARCEL H, SOSSAMAN ESTATES BOOK 636, PAGE 11, MCR
- 3. SOSSAMAN ESTATES PHASE II BOOK 926, PAGE 47, MCR
- 4. GDAC'S SURVEY BOOK 1143, PAGE 21, MCR

TRACT TABLE		
TRACT	AREA (ACRES)	USE
TRACT A	11.5783	COMMON AREA, DRAINAGE & SEWER EASEMENT
TRACT B	2.9872	COMMON AREA, DRAINAGE
TRACT C	0.3162	COMMON AREA, DRAINAGE
TRACT D	0.0532	COMMON AREA
TRACT E	0.2009	COMMON AREA, DRAINAGE
TRACT F	0.0544	COMMON AREA
TRACT G	0.0542	COMMON AREA
TRACT H	0.0533	COMMON AREA
TRACT I	0.3361	COMMON AREA, DRAINAGE

- 1. COMMON AREAS MAY INCLUDE OPEN SPACE, LANDSCAPING, PEDESTRIAN PATHS AND/OR AMENITIES.
- 2. THE USES SHOWN IN THE TRACT TABLE ABOVE DO NOT INTEND TO GRANT EASEMENTS THAT ARE BLANKET IN NATURE OVER THE ENTIRE TRACT.
- 3. SPECIFIC EASEMENTS THAT ARE BEING DEDICATED AS PART OF THIS PLAT ARE FULLY DELINEATED ON THE FOLLOWING SHEETS.

**LEGEND**

- FOUND MONUMENT AS NOTED
- ⊗ FOUND BRASS CAP IN HAND HOLD
- ⊙ FOUND BRASS CAP FLUSH
- SET 1/2" REBAR W/ CAP, RLS 32222 OR AS NOTED
- BOUNDARY LINE
- - - SECTION LINE
- - - CENTER LINE
- - - RIGHT OF WAY
- - - PARCEL LINE
- - - EASEMENT LINE
- - - RIGHT-OF-WAY
- - - PUBLIC UTILITY EASEMENT
- - - VEHICLE NON-ACCESS EASEMENT
- - - MCR MARICOPA COUNTY RECORDS
- - - DOC. DOCUMENT
- - - NO. NUMBER
- - - RLS REGISTERED LAND SURVEYOR
- - - APN ASSESSOR PARCEL NUMBER
- - - P.O.B. POINT OF BEGINNING
- - - P.O.C. POINT OF COMMENCEMENT

**OWNER/DEVELOPER**

VPTM LEGADO LB LLC  
C/O VÄRDE PARTNERS, INC.  
901 MARQUETTE AVE. S., SUITE 3300  
MINNEAPOLIS, MN 55402  
(952) 374-6963

**ZONING DESIGNATION**

ZONING: R1-9

**SHEET INDEX**

FP01 COVER SHEET, SHEET INDEX MAP  
FP02 LOT TABLE, LOT DETAILS, LEGAL DESCRIPTION & NOTES  
FP03-FP09 FINAL PLAT

**BASIS OF BEARING**

BASIS OF BEARING IS N87°26'14"W ALONG THE SOUTH LINE OF THE SOUTHWEST QUARTER OF SECTION 18, TOWNSHIP 2 SOUTH, RANGE 7 EAST OF THE GILA AND SALT RIVER MERIDIAN, MARICOPA COUNTY, ARIZONA AS SHOWN ON THE RECORD OF SURVEY RECORDED IN BOOK 725, PAGE 32, MARICOPA COUNTY RECORDS, BETWEEN THE MONUMENTS AS SHOWN HEREON.

**ASSURED WATER SUPPLY**

THE ARIZONA DEPARTMENT OF WATER RESOURCES HAS GRANTED A CERTIFICATE OF ASSURED WATER SUPPLY, DWR FILE NO. \_\_\_\_\_

**ASSURANCE STATEMENT**

ASSURANCE IN THE FORM OF A CASH, PERFORMANCE OR SUBDIVISION BOND, IRREVOCABLE LETTER OF CREDIT, OR SIGNED CERTIFICATE OF OCCUPANCY HOLD AGREEMENT HAS BEEN DEPOSITED WITH THE TOWN ENGINEERING TO GUARANTEE CONSTRUCTION OF THE REQUIRED SUBDIVISION IMPROVEMENTS.

**APPROVALS**

APPROVED BY THE TOWN COUNCIL OF QUEEN CREEK, ARIZONA, ON THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2022.

BY: \_\_\_\_\_ MAYOR \_\_\_\_\_ DATE \_\_\_\_\_

ATTEST: \_\_\_\_\_ TOWN CLERK \_\_\_\_\_ DATE \_\_\_\_\_

**DEPARTMENT APPROVALS**

THIS PLAT WAS APPROVED AS TO FORM BY THE TOWN ENGINEERING MANAGER AND THE TOWN PLANNING MANAGER.

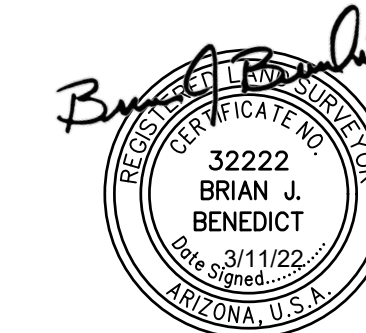
BY: \_\_\_\_\_ TOWN ENGINEER \_\_\_\_\_ DATE \_\_\_\_\_

BY: \_\_\_\_\_ TOWN PLANNING ADMINISTRATOR \_\_\_\_\_ DATE \_\_\_\_\_

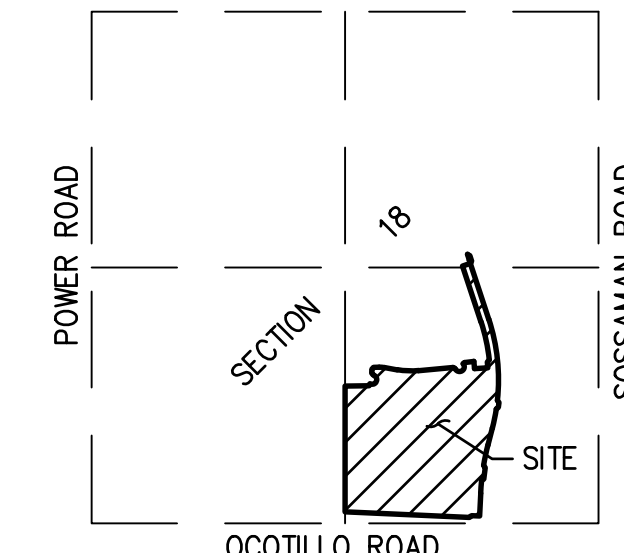
**SURVEYOR CERTIFICATION**

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

BRIAN BENEDICT, RLS  
32222  
HILGARTWILSON, LLC  
2141 E. HIGHLAND AVENUE, SUITE 250  
PHOENIX, ARIZONA 85016  
P: (602) 490-0535  
bbenedict@hilgartwilson.com



NOTE:  
A.R.S. 32-151 STATES THAT THE USE OF THE WORD "CERTIFY" OR "CERTIFICATION" BY A PERSON OR FIRM THAT IS REGISTERED OR CERTIFIED BY THE BOARD IS AN EXPRESSION OF PROFESSIONAL OPINION REGARDING FACTS OR FINDINGS THAT ARE SUBJECT OF THE CERTIFICATION AND DOES NOT CONSTITUTE AN EXPRESS OR IMPLIED WARRANTY OR GUARANTEE.



**VICINITY MAP**  
NOT TO SCALE

**SURVEYOR**

HILGARTWILSON, LLC  
2141 E. HIGHLAND AVENUE, STE 250  
PHOENIX, ARIZONA 85016  
PHONE: (602) 490-0535  
CONTACT: BRIAN BENEDICT, RLS

**LOT TABLE**

SITE CONTAINS 98 LOTS (25.0605 ACRES)  
SEE SHEET 2 OF 9 FOR LOT TABLE

**HILGARTWILSON**  
ENGINEER | PLAN | SURVEY | MANAGE  
2141 E. HIGHLAND AVE., STE. 250 | P: 602.490.0535 / F: 602.368.2436  
www.hilgartwilson.com

**LEGADO - PHASE 2 & 3 - PARCEL H**  
QUEEN CREEK ROAD AND SOSSAMAN ROAD  
QUEEN CREEK, ARIZONA  
**FINAL PLAT**

STATUS: \_\_\_\_\_  
PROJ. NO.: 1417  
DATE: MAR 2022  
SCALE: NONE  
DRAWN: GS/RG  
APPROVED: BJB

DWG. NO.  
**FP01**  
SHT. 1 OF 9

**LEGAL DESCRIPTION**

A PORTION OF LAND BEING SITUATED WITHIN THE EAST HALF OF SECTION 18, TOWNSHIP 2 SOUTH, RANGE 7 EAST OF THE GILA AND SALT RIVER MERIDIAN, MARICOPA COUNTY, ARIZONA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT A FOUND 3 INCH BRASS CAP IN HAND HOLE ACCEPTED AS THE SOUTH QUARTER CORNER OF SAID SECTION 18 FROM WHICH A FOUND 3 INCH BRASS CAP IN POT HOLE ACCEPTED AS THE SOUTHEAST CORNER THEREOF BEARS SOUTH 87°24'59" EAST, 2632.41 FEET;

THENCE NORTH 01°00'07" WEST, 55.11 FEET ALONG THE NORTH-SOUTH MID-SECTION LINE OF SAID SECTION 18 TO THE POINT OF BEGINNING;

THENCE CONTINUING ALONG SAID NORTH-SOUTH MID-SECTION LINE, NORTH 01°00'07" WEST, 1309.51 FEET;

THENCE LEAVING SAID NORTH-SOUTH MID-SECTION LINE, NORTH 88°59'53" EAST, 273.08 FEET;

THENCE NORTH 25°12'30" EAST, 20.00 FEET TO A NON-TANGENT CURVE, CONCAVE NORTHWESTERLY, HAVING A RADIUS OF 50.00 FEET, THE CENTER OF WHICH BEARS NORTH 25°12'30" EAST;

THENCE NORTHEASTERLY AND NORTHWESTERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 186°44'21", AN ARC LENGTH OF 162.96 FEET TO THE BEGINNING OF A REVERSE CURVE, CONCAVE NORTHEASTERLY, HAVING A RADIUS OF 25.00 FEET;

THENCE NORTHWESTERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 70°31'44", AN ARC LENGTH OF 30.77 FEET TO A TANGENT LINE;

THENCE NORTH 01°00'07" WEST, 37.33 FEET;

THENCE NORTH 43°59'53" EAST, 28.28 FEET;

THENCE NORTH 88°59'53" EAST, 57.65 FEET TO THE BEGINNING OF A TANGENT CURVE, CONCAVE SOUTHWESTERLY, HAVING A RADIUS OF 275.00 FEET;

THENCE SOUTHEASTERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 10°59'19", AN ARC LENGTH OF 52.74 FEET TO A TANGENT LINE;

THENCE SOUTH 80°00'49" EAST, 138.54 FEET TO THE BEGINNING OF A TANGENT CURVE, CONCAVE NORTHEASTERLY, HAVING A RADIUS OF 825.00 FEET;

THENCE SOUTHEASTERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 15°26'05", AN ARC LENGTH OF 222.25 FEET TO A TANGENT LINE;

THENCE NORTH 84°33'06" EAST, 357.49 FEET TO THE BEGINNING OF A TANGENT CURVE, CONCAVE SOUTHWESTERLY, HAVING A RADIUS OF 25.00 FEET;

THENCE SOUTHEASTERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 70°31'44", AN ARC LENGTH OF 30.77 FEET TO THE BEGINNING OF A REVERSE CURVE, CONCAVE NORTHWESTERLY, HAVING A RADIUS OF 50.00 FEET;

THENCE SOUTHEASTERLY, NORTHEASTERLY AND NORTHWESTERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 195°18'03", AN ARC LENGTH OF 170.43 FEET TO A NON-TANGENT LINE;

THENCE NORTH 49°46'47" EAST, 20.00 FEET;

THENCE NORTH 83°47'01" EAST, 96.63 FEET TO A NON-TANGENT CURVE, CONCAVE SOUTHWESTERLY, HAVING A RADIUS OF 1770.00 FEET, THE CENTER OF WHICH BEARS SOUTH 83°47'01" WEST;

THENCE SOUTHEASTERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 02°26'20", AN ARC LENGTH OF 75.35 FEET TO A NON-TANGENT LINE;

THENCE NORTH 86°13'30" EAST, 138.98 FEET;

THENCE NORTH 03°46'30" WEST, 60.00 FEET;

THENCE NORTH 40°11'12" EAST, 27.77 FEET TO A NON-TANGENT CURVE, CONCAVE SOUTHWESTERLY, HAVING A RADIUS OF 1932.00 FEET, THE CENTER OF WHICH BEARS SOUTH 83°51'07" WEST;

THENCE NORTHWESTERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 12°04'13", AN ARC LENGTH OF 407.01 FEET TO A TANGENT LINE;

THENCE NORTH 18°13'06" WEST, 613.04 FEET TO THE SOUTHERLY RIGHT-OF-WAY LINE OF LEGADO BOULEVARD AS SHOWN IN THE MAP OF DEDICATION FOR LEGADO PHASE 1 COLLECTOR ROADWAYS AS RECORDED IN BOOK 1499, PAGE 2, MARICOPA COUNTY RECORDS;

THENCE THE FOLLOWING THREE (3) COURSES ALONG SAID SOUTHERLY RIGHT-OF-WAY LINE:

THENCE NORTH 71°46'54" EAST, 86.00 FEET;

THENCE NORTH 18°13'06" WEST, 36.73 FEET TO THE BEGINNING OF A TANGENT CURVE, CONCAVE NORTHEASTERLY, HAVING A RADIUS OF 1307.00 FEET;

THENCE NORTHWESTERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 02°44'06", AN ARC LENGTH OF 62.39 FEET TO A NON-TANGENT LINE;

THENCE LEAVING SAID SOUTHERLY RIGHT-OF-WAY LINE, SOUTH 60°54'35" EAST, 28.29 FEET;

THENCE SOUTH 17°33'44" EAST, 60.03 FEET;

THENCE SOUTH 27°56'31" WEST, 27.71 FEET;

THENCE SOUTH 18°13'06" EAST, 612.13 FEET TO THE BEGINNING OF A TANGENT CURVE, CONCAVE SOUTHWESTERLY, HAVING A RADIUS OF 2018.00 FEET;

THENCE SOUTHEASTERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 24°19'49", AN ARC LENGTH OF 856.93 FEET TO A NON-TANGENT LINE;

THENCE SOUTH 38°42'19" EAST, 28.25 FEET;

THENCE SOUTH 07°37'08" WEST, 50.02 FEET;

THENCE SOUTH 52°17'20" WEST, 28.55 FEET TO A NON-TANGENT CURVE, CONCAVE NORTHWESTERLY, HAVING A RADIUS OF 2018.00 FEET, THE CENTER OF WHICH BEARS NORTH 81°20'14" WEST;

THENCE SOUTHWESTERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 05°49'18", AN ARC LENGTH OF 205.05 FEET TO A TANGENT LINE;

**LEGAL DESCRIPTION CONTINUES**

THENCE SOUTH 14°29'05" WEST, 179.83 FEET TO THE BEGINNING OF A TANGENT CURVE, CONCAVE SOUTHEASTERLY, HAVING A RADIUS OF 2457.00 FEET;

THENCE SOUTHWESTERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 05°04'09", AN ARC LENGTH OF 217.38 FEET TO A NON-TANGENT LINE;

THENCE SOUTH 36°38'03" EAST, 27.88 FEET;

THENCE SOUTH 07°32'59" WEST, 120.00 FEET;

THENCE SOUTH 51°44'00" WEST, 27.88 FEET TO A NON-TANGENT CURVE, CONCAVE SOUTHEASTERLY, HAVING A RADIUS OF 2457.00 FEET, THE CENTER OF WHICH BEARS SOUTH 84°18'58" EAST;

THENCE SOUTHWESTERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 03°06'01", AN ARC LENGTH OF 132.95 FEET TO A TANGENT LINE;

THENCE SOUTH 02°35'01" WEST, 235.32 FEET;

THENCE NORTH 87°24'59" WEST, 86.00 FEET;

THENCE SOUTH 47°35'01" WEST, 28.28 FEET TO THE NORTHERLY RIGHT-OF-WAY LINE OF Ocotillo Road AS RECORDED IN DOCUMENT NO. 2004-1002678, MARICOPA COUNTY RECORDS;

THENCE NORTH 87°24'59" WEST, 1296.98 FEET ALONG SAID NORTHERLY RIGHT-OF-WAY LINE TO THE POINT OF BEGINNING.

**NOTES:**

1. THE LEGADO COMMUNITY ASSOCIATION, AN ARIZONA NON-PROFIT CORPORATION, SHALL BE RESPONSIBLE FOR MAINTENANCE OF ALL LANDSCAPED ISLANDS AND MEDIANS WITH THE EXCEPTION OF THOSE LOCATED WITHIN ARTERIAL ROADWAYS.
2. CONSTRUCTION WITHIN UTILITY EASEMENTS SHALL BE LIMITED TO UTILITIES AND DRIVEWAYS.
3. NO STRUCTURES OF ANY KIND MAY BE CONSTRUCTED, NOR ANY VEGETATION PLANTED NOR ALLOWED TO GROW WITHIN DRAINAGE EASEMENTS WHICH WOULD IMPEDE THE FLOW OF WATER THROUGH THE EASEMENTS.
4. IN EASEMENTS FOR THE EXCLUSIVE USE OF WATER, SANITARY SEWER, OR A COMBINATION THEREOF, ONLY GROUND COVER AND BUSHES ARE ALLOWED TO BE PLANTED WITHIN THE EASEMENT AREA. NO TREES ARE ALLOWED.
5. ALL NEW OR RELOCATED UTILITIES WILL BE PLACED UNDERGROUND WITH THE EXCEPTION OF POWER LINES WHICH ARE 69KV LINES OR MORE.
6. 69KV ELECTRICAL LINES MUST BE RELOCATED OUTSIDE OF THE RIGHT OF WAY OR TO THE EDGE OF THE RIGHT OF WAY.
7. ELECTRICAL LINES SHALL BE CONSTRUCTED UNDERGROUND AS REQUIRED BY ARIZONA CORPORATE COMMISSION.
8. ALL RETENTION BASINS MUST DRAIN ANY STORM EVENT UP TO AND INCLUDING THE 100-YEAR, 2-HOUR STORM WITHIN 36 HOURS. OWNER(S) OF ANY BASIN FAILING TO MEET THIS REQUIREMENT MUST TAKE CORRECTIVE ACTION TO BRING THE BASIN INTO COMPLIANCE.
9. THE TOWN OF QUEEN CREEK IS NOT RESPONSIBLE FOR AND WILL NOT ACCEPT MAINTENANCE OF ANY LANDSCAPED AREAS WITHIN THIS PROJECT. THE OWNERS ASSOCIATION OR PROPERTY OWNERS SHALL BE RESPONSIBLE FOR MAINTENANCE OF ALL LANDSCAPED ISLANDS AND MEDIANS WITH THE EXCEPTION OF THOSE LOCATED WITHIN ARTERIAL ROADWAYS.
10. THE LOCATION OF THE EMERGENCY ACCESS EASEMENTS AND PRIVATE UTILITY EASEMENTS SHALL BE DEFINED WITHIN THE RECORDED CC&R AGREEMENT.
11. THIS PROPERTY, DUE TO ITS PROXIMITY TO PHOENIX MESA GATEWAY AIRPORT, WILL EXPERIENCE AIRCRAFT OVERFLIGHTS, WHICH ARE EXPECTED TO GENERATE NOISE LEVELS THAT MAY BE OF CONCERN TO SOME INDIVIDUALS. THE MIX OF AVIATION ACTIVITIES AND TYPES OF AIRCRAFT EXPECTED TO BE LOCATED AND OPERATE AT THE AIRPORT NOW AND IN THE FUTURE INCLUDE: SCHEDULED AND UNSCHEDULED COMMERCIAL CHARTERS, COMMERCIAL AIR CARRIERS AND COMMERCIAL AIR CARGO OPERATIONS, ALL OF WHICH ARE EXPECTED TO USE LARGE COMMERCIAL AIRCRAFT; GENERAL AVIATION ACTIVITY USING CORPORATE AND EXECUTIVE JETS, HELICOPTERS, AND PROPELLER AIRCRAFT; AVIATION FLIGHT TRAINING SCHOOLS USING TRAINING AIRCRAFT; AND MILITARY ACTIVITY USING HIGH PERFORMANCE MILITARY JETS. THE SIZE OF AIRCRAFT AND FREQUENCY OF USE OF SUCH AIRCRAFT MAY CHANGE OVER TIME DEPENDING ON MARKET AND TECHNOLOGY CHANGES.

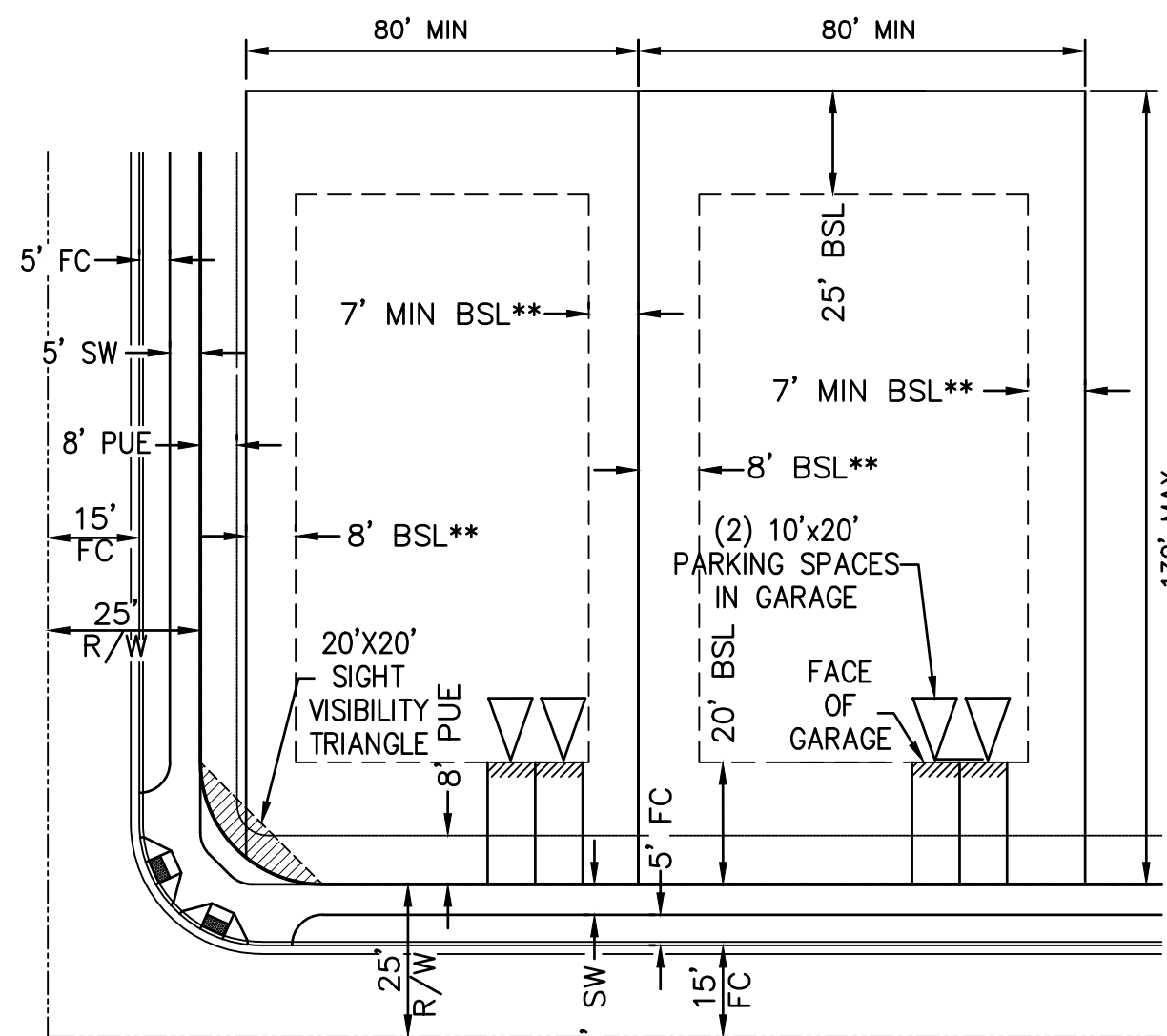
LOT TABLE		
LOT NO.	AREA (SQ.FT)	AREA (ACRES)
LOT : 1	11030	0.2532
LOT : 2	10725	0.2462
LOT : 3	11035	0.2533
LOT : 4	11053	0.2538
LOT : 5	11240	0.2580
LOT : 6	11221	0.2576
LOT : 7	10562	0.2425
LOT : 8	10400	0.2388
LOT : 9	10594	0.2432
LOT : 10	11928	0.2738
LOT : 11	10560	0.2424
LOT : 12	10560	0.2424
LOT : 13	10503	0.2411
LOT : 14	10854	0.2492
LOT : 15	10800	0.2479
LOT : 16	10800	0.2479
LOT : 17	12584	0.2889
LOT : 18	10476	0.2405
LOT : 19	10560	0.2424
LOT : 20	10560	0.2424

LOT TABLE		
LOT NO.	AREA (SQ.FT)	AREA (ACRES)
LOT : 21	10935	0.2510
LOT : 22	11368	0.2610
LOT : 23	11297	0.2593
LOT : 24	11022	0.2530
LOT : 25	10560	0.2424
LOT : 26	10560	0.2424
LOT : 27	10536	0.2419
LOT : 28	11383	0.2613
LOT : 29	11047	0.2536
LOT : 30	10800	0.2479
LOT : 31	10779	0.2474
LOT : 32	11609	0.2665
LOT : 33	10539	0.2419
LOT : 34	10980	0.2521
LOT : 35	11413	0.2620
LOT : 36	11353	0.2606
LOT : 37	11546	0.2651
LOT : 38	11775	0.2703
LOT : 39	11425	0.2623
LOT : 40	11336	0.2602

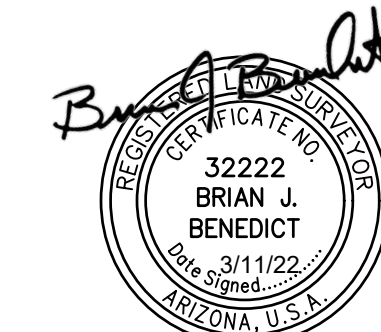
LOT TABLE		
LOT NO.	AREA (SQ.FT)	AREA (ACRES)
LOT : 41	11120	0.2553
LOT : 42	11771	0.2702
LOT : 43	13160	0.3021
LOT : 44	13465	0.3091
LOT : 45	10732	0.2464
LOT : 46	10506	0.2412
LOT : 47	10762	0.2471
LOT : 48	10948	0.2513
LOT : 49	11005	0.2526
LOT : 50	11223	0.2576
LOT : 51	11698	0.2685
LOT : 52	10915	0.2506
LOT : 53	10673	0.2450
LOT : 54	11678	0.2681
LOT : 55	10800	0.2479
LOT : 56	10800	0.2479
LOT : 57	11365	0.2609
LOT : 58	11340	0.2603
LOT : 59	11241	0.2581
LOT : 60	10916	0.2506

LOT TABLE		
LOT NO.	AREA (SQ.FT)	AREA (ACRES)
LOT : 61	10578	0.2428
LOT : 62	11121	0.2553
LOT : 63	13418	0.3080
LOT : 64	11810	0.2711
LOT : 65	11721	0.2691
LOT : 66	11470	0.2633
LOT : 67	10505	0.2412
LOT : 68	10823	0.2485
LOT : 69	11271	0.2587
LOT : 70	10855	0.2492
LOT : 71	12115	0.2781
LOT : 72	12244	0.2811
LOT : 73	12146	0.2788
LOT : 74	10871	0.2496
LOT : 75	11402	0.2618
LOT : 76	11585	0.2660
LOT : 77	11644	0.2673
LOT : 78	11448	0.2628
LOT : 79	11034	0.2533
LOT : 80	10794	0.2478

LOT TABLE		
LOT NO.	AREA (SQ.FT)	AREA (ACRES)
LOT : 81	10792	0.2478
LOT : 82	11393	0.2615
LOT : 83	11380	0.2612
LOT : 84	10444	0.2398
LOT : 85	10400	0.2388
LOT : 86	11000	0.2525
LOT : 87	10510	0.2413
LOT : 88	10560	0.2424
LOT : 89	10845	0.2490
LOT : 90	11571	0.2656
LOT : 91	10851	0.2491
LOT : 92	10533	0.2418
LOT : 93	10532	0.2418
LOT : 94	11211	0.2574
LOT : 95	11344	0.2604
LOT : 96	11240	0.2580
LOT : 97	10897	0.2502
LOT : 98	10853	0.2491



**TYPICAL LOT DETAIL**  
 R1-9 PAD  
 \*PERIMETER SETBACK WHERE SHOWN ON PLAN  
 SCALE: N.T.S.  
 \*\* 7' MIN SIDELYARD SETBACK; 15' MIN AGGREGATE SIDELYARD SETBACK.  
 NOTE: NO TWO-STORY HOMES SHALL BE PERMITTED ALONG THE QUEEN CREEK WASH, SOSSAMAN ROAD, OR Ocotillo ROAD





**LEGEND**

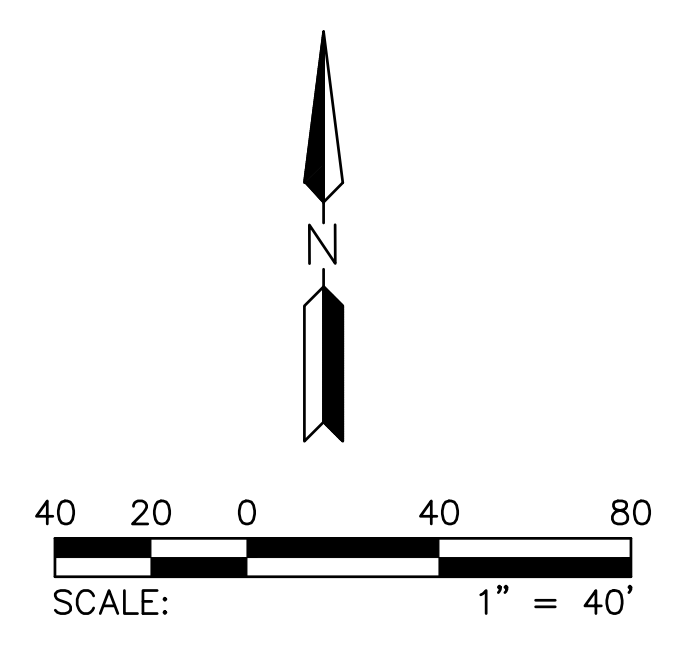
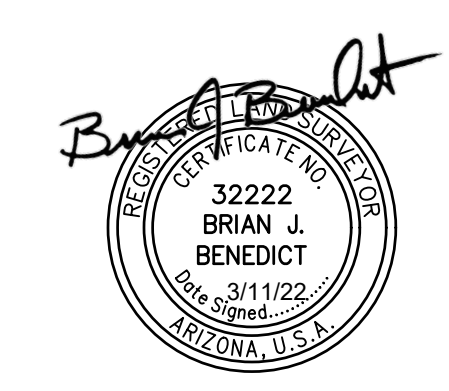
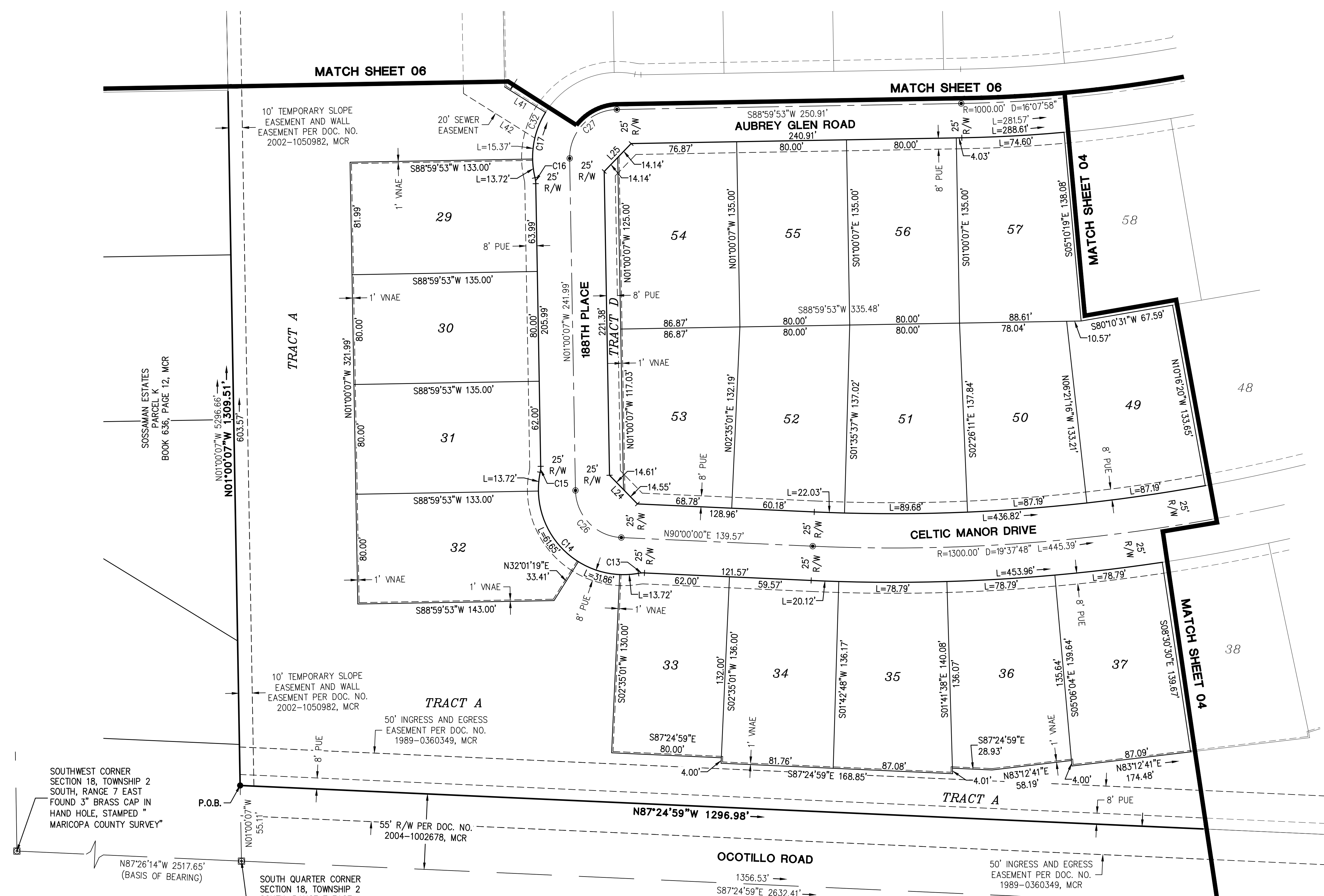
- FOUND MONUMENT AS NOTED
- ◻ FOUND BRASS CAP IN HAND HOLE
- ⊙ FOUND BRASS CAP FLUSH
- SET 1/2" REBAR W/ CAP, RLS 32222 OR AS NOTED
- BOUNDARY LINE
- - - SECTION LINE
- · - CENTER LINE
- · - RIGHT OF WAY
- · - PARCEL LINE
- · - EASEMENT LINE
- · - RIGHT-OF-WAY
- · - PUBLIC UTILITY EASEMENT
- · - VEHICLE NON-ACCESS EASEMENT
- · - MARICOPA COUNTY RECORDS
- · - DOCUMENT
- · - NUMBER
- · - REGISTERED LAND SURVEYOR
- · - ASSESSOR PARCEL NUMBER
- · - POINT OF BEGINNING
- · - POINT OF COMMENCEMENT

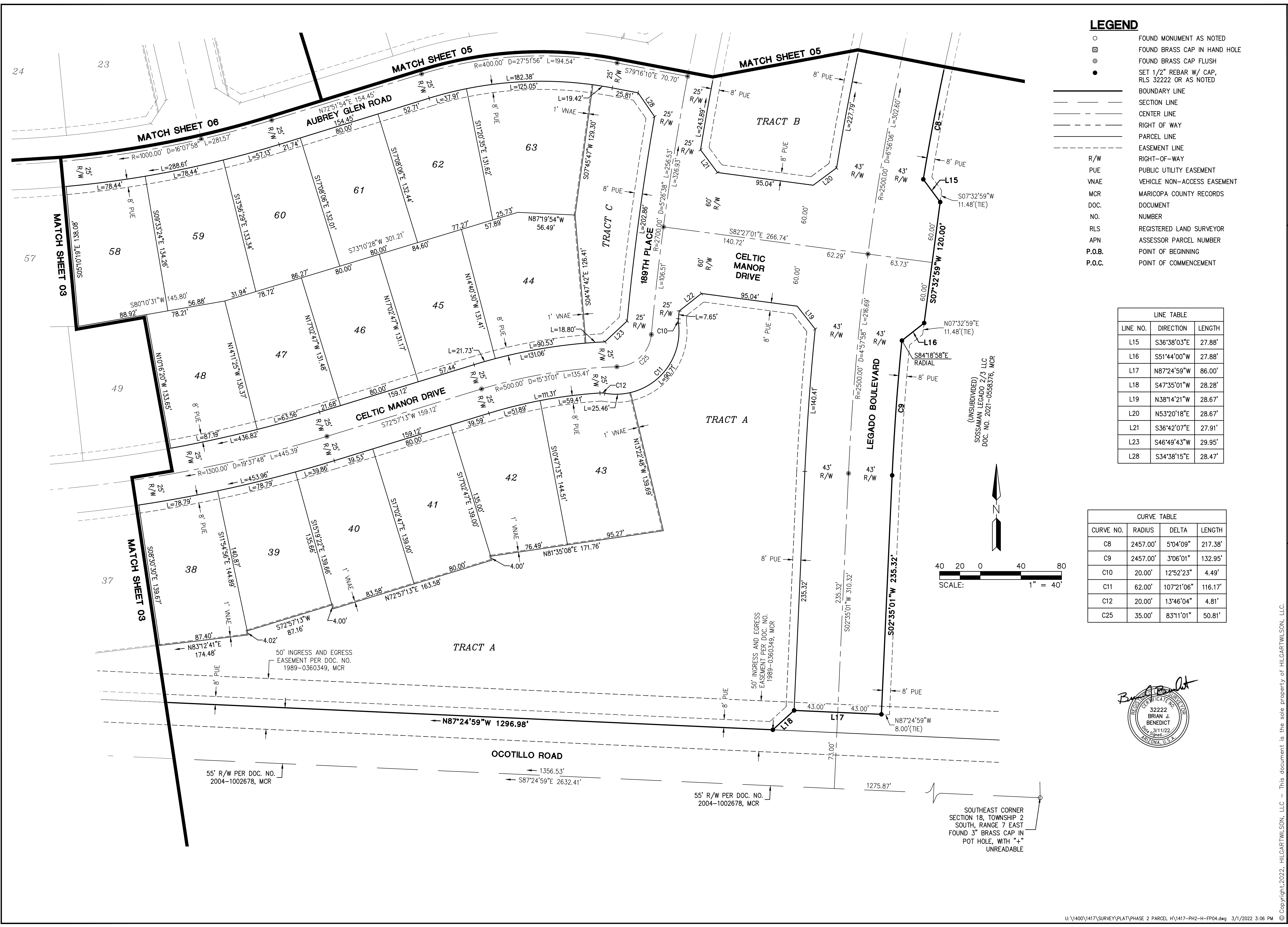
LINE TABLE

LINE NO.	DIRECTION	LENGTH
L24	N44°12'33"W	29.16'
L25	N43°59'53"E	28.28'
L41	S57°58'41"E	35.18'
L42	N57°58'41"W	61.27'

CURVE TABLE

CURVE NO.	RADIUS	DELTA	LENGTH
C13	20.00'	12°40'49"	4.43'
C14	62.00'	111°46'31"	120.95'
C15	20.00'	12°40'49"	4.43'
C16	20.00'	12°40'49"	4.43'
C17	62.00'	115°21'39"	124.83'
C26	35.00'	86°24'52"	52.79'
C27	35.00'	90°00'00"	54.98'
C32	62.00'	18°49'09"	20.36'



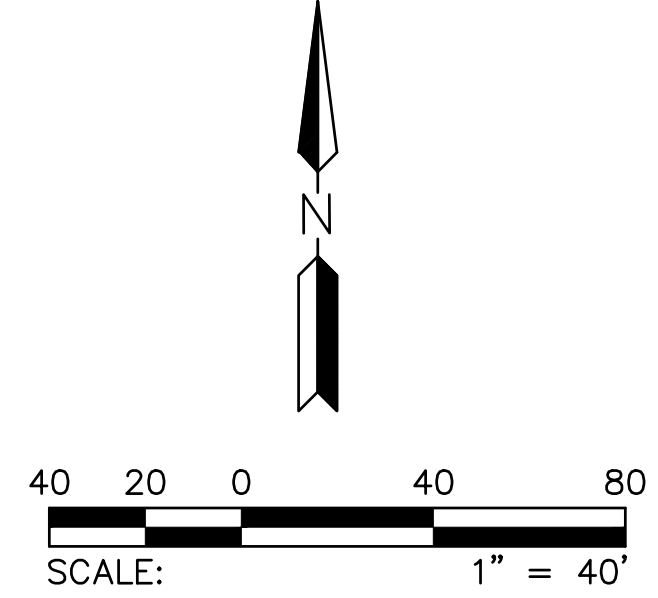


**LEGEND**

- FOUND MONUMENT AS NOTED
- ⊗ FOUND BRASS CAP IN HAND HOLE
- ⊙ FOUND BRASS CAP FLUSH
- ⊚ SET 1/2" REBAR W/ CAP, RLS 32222 OR AS NOTED
- BOUNDARY LINE
- - - SECTION LINE
- - - CENTER LINE
- - - RIGHT OF WAY
- - - PARCEL LINE
- - - EASEMENT LINE
- - - RIGHT-OF-WAY
- - - PUBLIC UTILITY EASEMENT
- - - VNAE
- - - MCR
- - - DOC.
- - - NO.
- - - RLS
- - - APN
- - - P.O.B.
- - - P.O.C.

LINE TABLE		
LINE NO.	DIRECTION	LENGTH
L15	S36°38'03"E	27.88'
L16	S51°44'00"W	27.88'
L17	N87°24'59"W	86.00'
L18	S47°35'01"W	28.28'
L19	N38°14'21"W	28.67'
L20	N53°20'18"E	28.67'
L21	S36°42'07"E	27.91'
L23	S46°49'43"W	29.95'
L28	S34°38'15"E	28.47'

CURVE TABLE			
CURVE NO.	RADIUS	DELTA	LENGTH
C8	2457.00'	5°04'09"	217.38'
C9	2457.00'	3°06'01"	132.95'
C10	20.00'	12°52'23"	4.49'
C11	62.00'	107°21'06"	116.17'
C12	20.00'	13°46'04"	4.81'
C25	35.00'	83°11'01"	50.81'

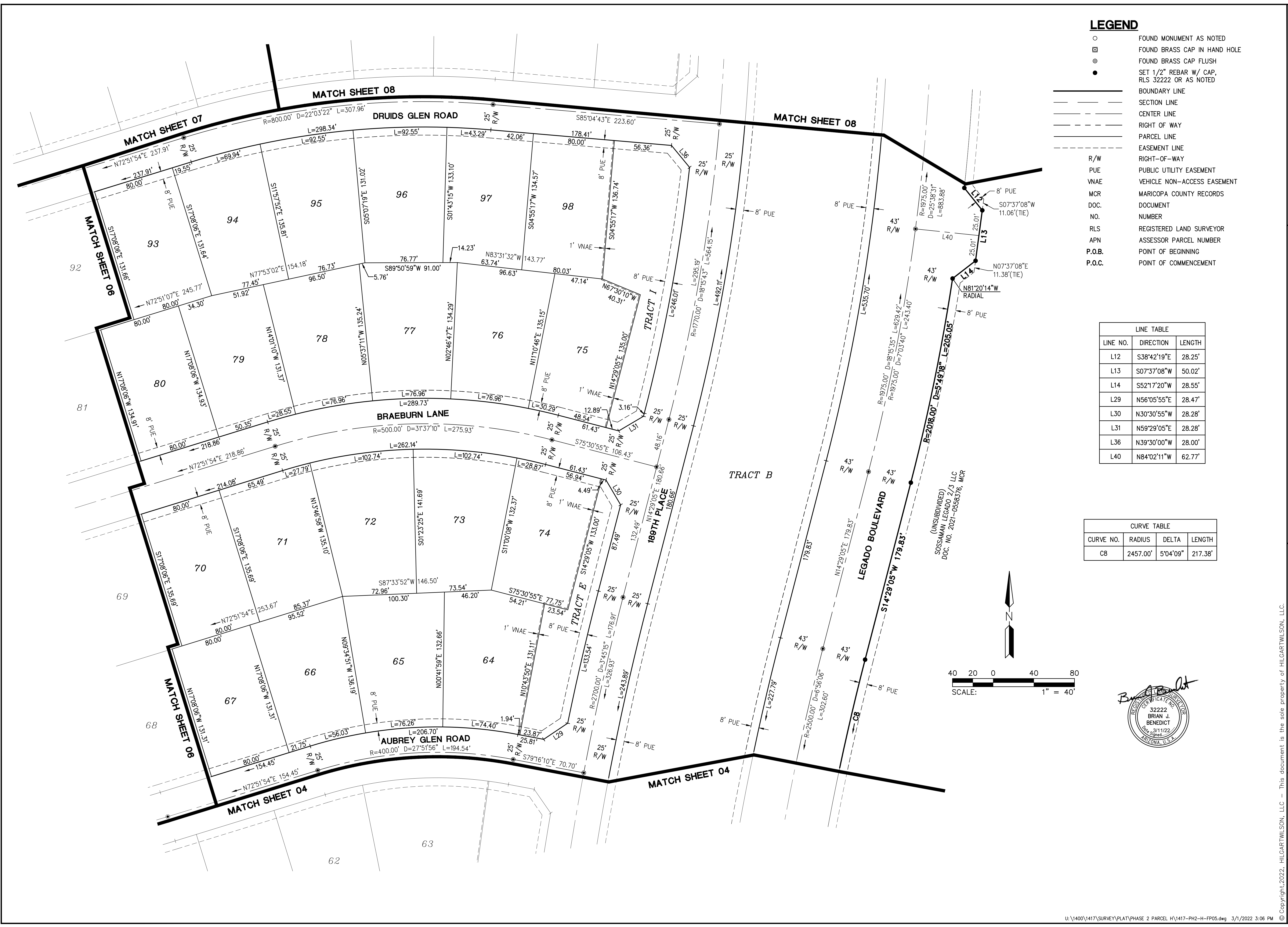


SOUTHEAST CORNER SECTION 18, TOWNSHIP 2 SOUTH, RANGE 7 EAST FOUND 3" BRASS CAP IN POT HOLE, WITH "+" UNREADABLE

**LEGADO - PHASE 2 & 3 - PARCEL H**  
QUEEN CREEK ROAD AND SOSSAMAN ROAD  
QUEEN CREEK, ARIZONA  
**FINAL PLAT**

PROJ. NO.: 1417	STATUS:
DATE: MAR 2022	MUNICIPAL TRACKING NO.:
SCALE: AS SHOWN	DRAWN: GS/RG
APPROVED: BJB	
DWG. NO.	
<b>FP04</b>	
SHT. 4 OF 9	

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**LEGEND**

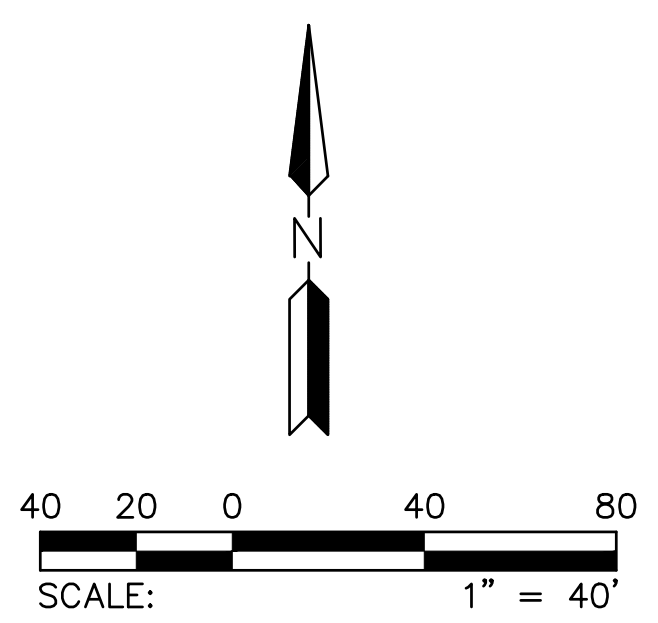
- FOUND MONUMENT AS NOTED
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- ⊙ FOUND BRASS CAP FLUSH
- SET 1/2" REBAR W/ CAP, RLS 32222 OR AS NOTED
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- · - · - EASEMENT LINE
- · - · - RIGHT-OF-WAY
- · - · - PUBLIC UTILITY EASEMENT
- · - · - VEHICLE NON-ACCESS EASEMENT
- · - · - MARICOPA COUNTY RECORDS
- · - · - DOCUMENT
- · - · - NUMBER
- · - · - REGISTERED LAND SURVEYOR
- · - · - ASSESSOR PARCEL NUMBER
- · - · - POINT OF BEGINNING
- · - · - POINT OF COMMENCEMENT

LINE TABLE

LINE NO.	DIRECTION	LENGTH
L12	S38°42'19"E	28.25'
L13	S07°37'08"W	50.02'
L14	S52°17'20"W	28.55'
L29	N56°05'55"E	28.47'
L30	N30°30'55"W	28.28'
L31	N59°29'05"E	28.28'
L36	N39°30'00"W	28.00'
L40	N84°02'11"W	62.77'

CURVE TABLE

CURVE NO.	RADIUS	DELTA	LENGTH
C8	2457.00'	5°04'09"	217.38'



**LEGADO - PHASE 2 & 3 - PARCEL H**  
 QUEEN CREEK ROAD AND SOSSAMAN ROAD  
 QUEEN CREEK, ARIZONA  
**FINAL PLAT**

STATUS: \_\_\_\_\_

PROJ. NO.: 1417	DATE: MAR 2022	SCALE: AS SHOWN	DRAWN: GS/RG	APPROVED: BJB
MUNICIPAL TRACKING NO:				

U:\1400\1417\SURVEY\PLAT\PHASE 2 PARCEL H\1417-PH2-H-FP05.dwg 3/1/2022 3:06 PM

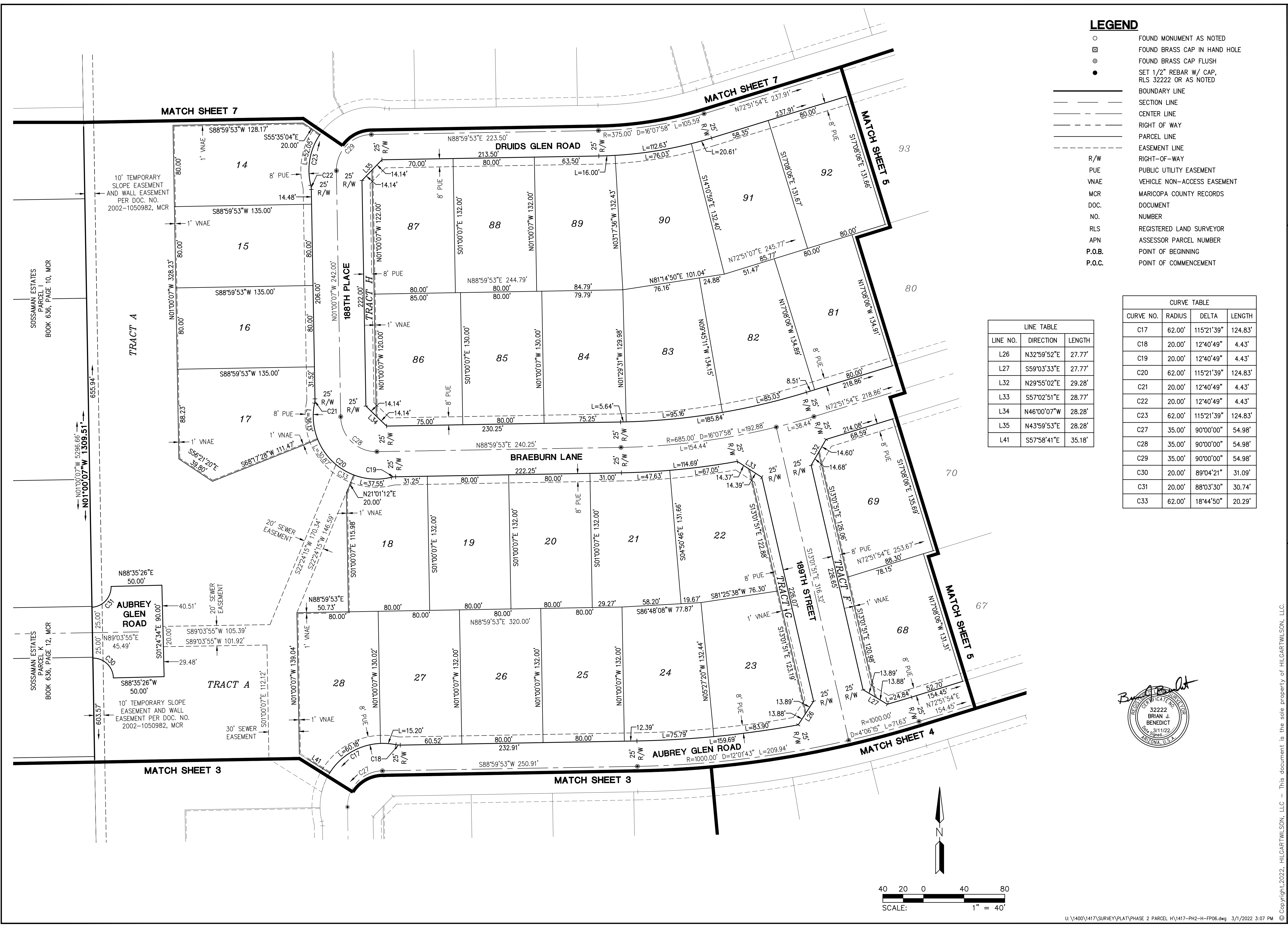
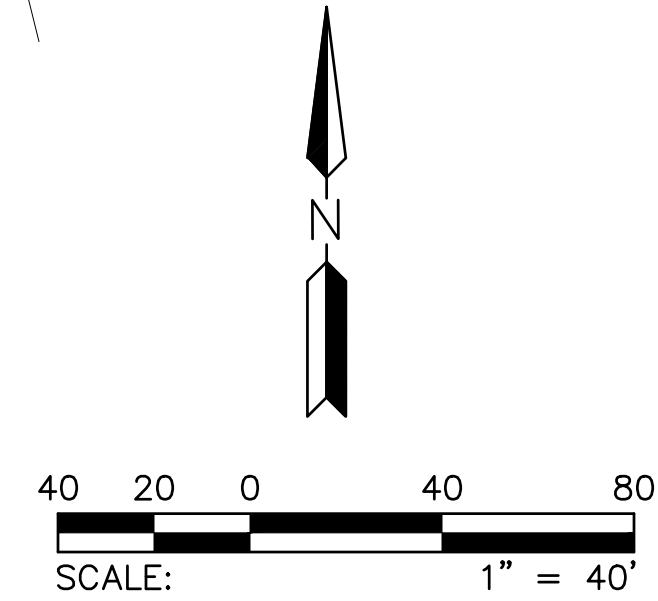


**LEGEND**

- FOUND MONUMENT AS NOTED
- ⊙ FOUND BRASS CAP IN HAND HOLE
- ⊙ FOUND BRASS CAP FLUSH
- SET 1/2" REBAR W/ CAP, RLS 32222 OR AS NOTED
- BOUNDARY LINE
- - - SECTION LINE
- - - CENTER LINE
- - - RIGHT OF WAY
- - - PARCEL LINE
- - - EASEMENT LINE
- - - RIGHT-OF-WAY
- - - PUBLIC UTILITY EASEMENT
- - - VNAE
- - - MCR
- - - DOC.
- - - NO.
- - - RLS
- - - APN
- - - P.O.B.
- - - P.O.C.

CURVE TABLE			
CURVE NO.	RADIUS	DELTA	LENGTH
C17	62.00'	115°21'39"	124.83'
C18	20.00'	12°40'49"	4.43'
C19	20.00'	12°40'49"	4.43'
C20	62.00'	115°21'39"	124.83'
C21	20.00'	12°40'49"	4.43'
C22	20.00'	12°40'49"	4.43'
C23	62.00'	115°21'39"	124.83'
C27	35.00'	90°00'00"	54.98'
C28	35.00'	90°00'00"	54.98'
C29	35.00'	90°00'00"	54.98'
C30	20.00'	89°04'21"	31.09'
C31	20.00'	88°03'30"	30.74'
C33	62.00'	18°44'50"	20.29'

LINE TABLE		
LINE NO.	DIRECTION	LENGTH
L26	N32°59'52"E	27.77'
L27	S59°03'33"E	27.77'
L32	N29°55'02"E	29.28'
L33	S57°02'51"E	28.77'
L34	N46°00'07"W	28.28'
L35	N43°59'53"E	28.28'
L41	S57°58'41"E	35.18'



**LEGEND**

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- ⊗ FOUND BRASS CAP IN HAND HOLE
- ⊙ FOUND BRASS CAP FLUSH
- SET 1/2" REBAR W/ CAP, RLS 32222 OR AS NOTED
- BOUNDARY LINE
- - - SECTION LINE
- · - · - CENTER LINE
- · - · - RIGHT OF WAY
- · - · - PARCEL LINE
- · - · - EASEMENT LINE
- · - · - RIGHT-OF-WAY
- R/W PUBLIC UTILITY EASEMENT
- PUE VEHICLE NON-ACCESS EASEMENT
- VNAE MARICOPA COUNTY RECORDS
- MCR DOCUMENT
- NO. NUMBER
- RLS REGISTERED LAND SURVEYOR
- APN ASSESSOR PARCEL NUMBER
- P.O.B. POINT OF BEGINNING
- P.O.C. POINT OF COMMENCEMENT

CURVE TABLE			
CURVE NO.	RADIUS	DELTA	LENGTH
C1	50.00'	186°44'21"	162.96'
C2	25.00'	70°31'44"	30.77'
C3	275.00'	10°59'19"	52.74'
C23	62.00'	115°21'39"	124.83'
C24	20.00'	12°40'49"	4.43'
C29	35.00'	90°00'00"	54.98'

LINE TABLE		
LINE NO.	DIRECTION	LENGTH
L1	N25°12'30"E	20.00'
L2	N01°00'07"W	37.33'
L3	N43°59'53"E	28.28'
L4	N88°59'53"E	57.65'

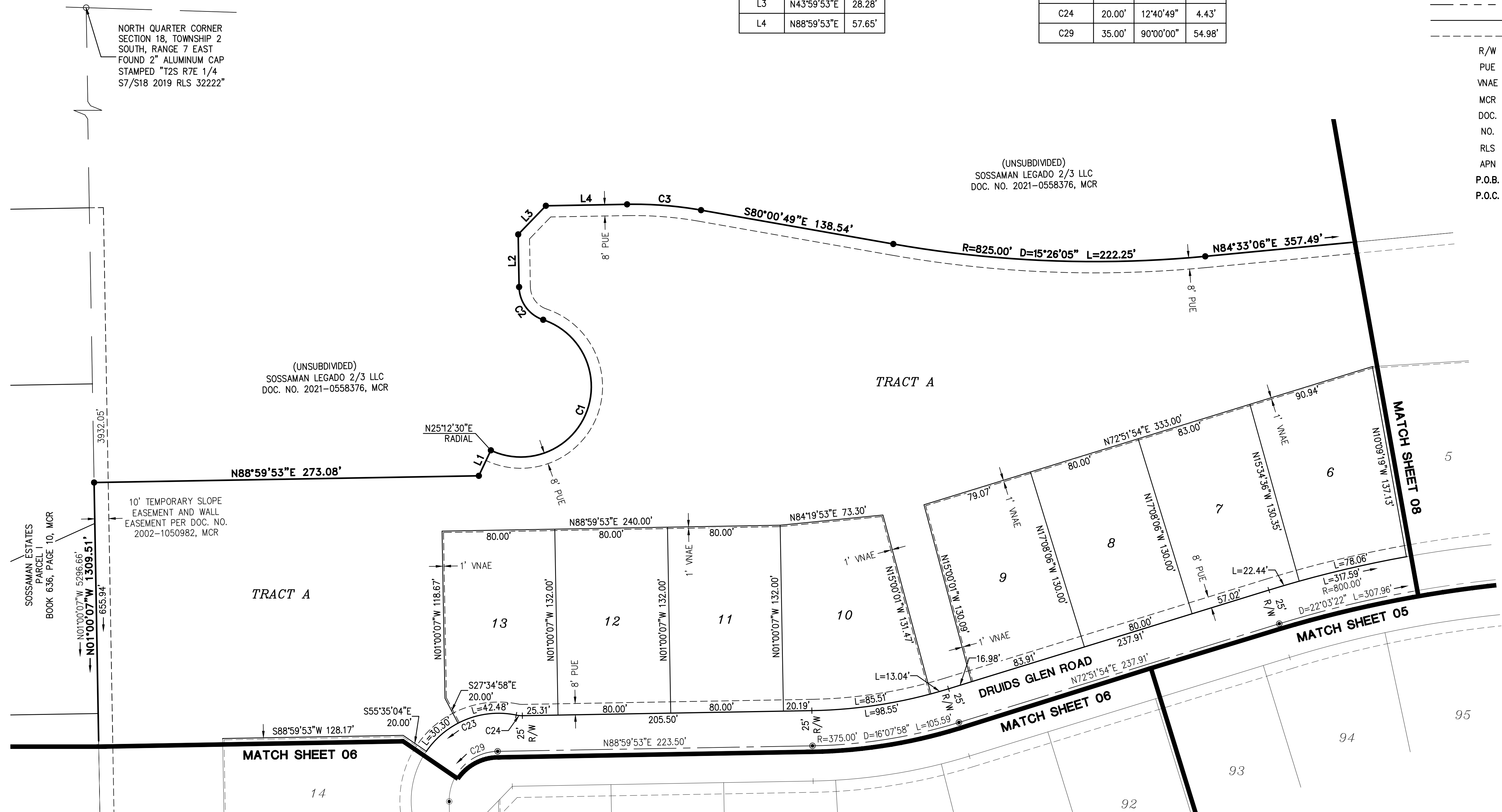
NORTH QUARTER CORNER SECTION 18, TOWNSHIP 2 SOUTH, RANGE 7 EAST FOUND 2" ALUMINUM CAP STAMPED "T2S R7E 1/4 S7/S18 2019 RLS 32222"

(UNSUBDIVIDED)  
 SOSSAMAN LEGADO 2/3 LLC  
 DOC. NO. 2021-0558376, MCR

(UNSUBDIVIDED)  
 SOSSAMAN LEGADO 2/3 LLC  
 DOC. NO. 2021-0558376, MCR

10' TEMPORARY SLOPE EASEMENT AND WALL EASEMENT PER DOC. NO. 2002-1050982, MCR

SOSSAMAN ESTATES  
 PARCEL 10, MCR  
 BOOK 636, PAGE 10, MCR

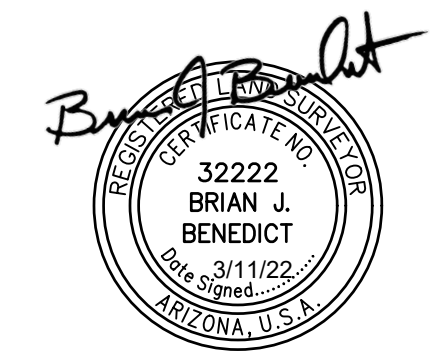


**LEGEND**

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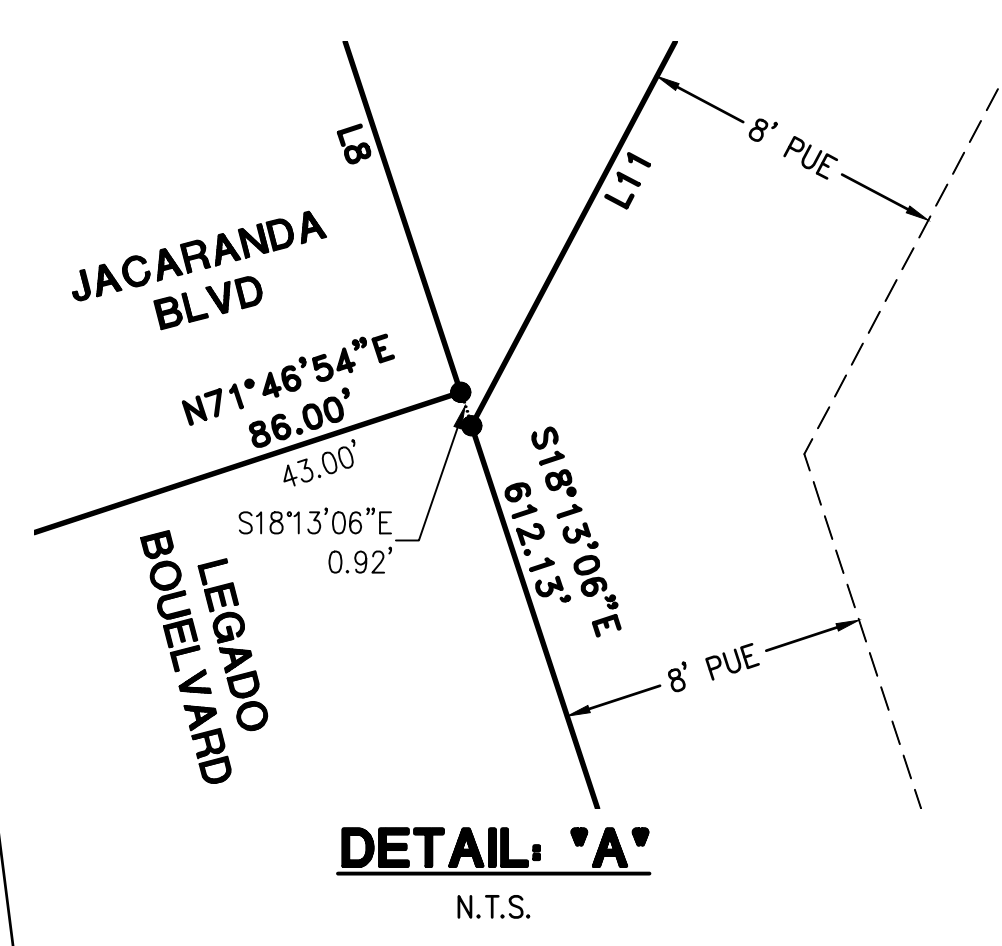
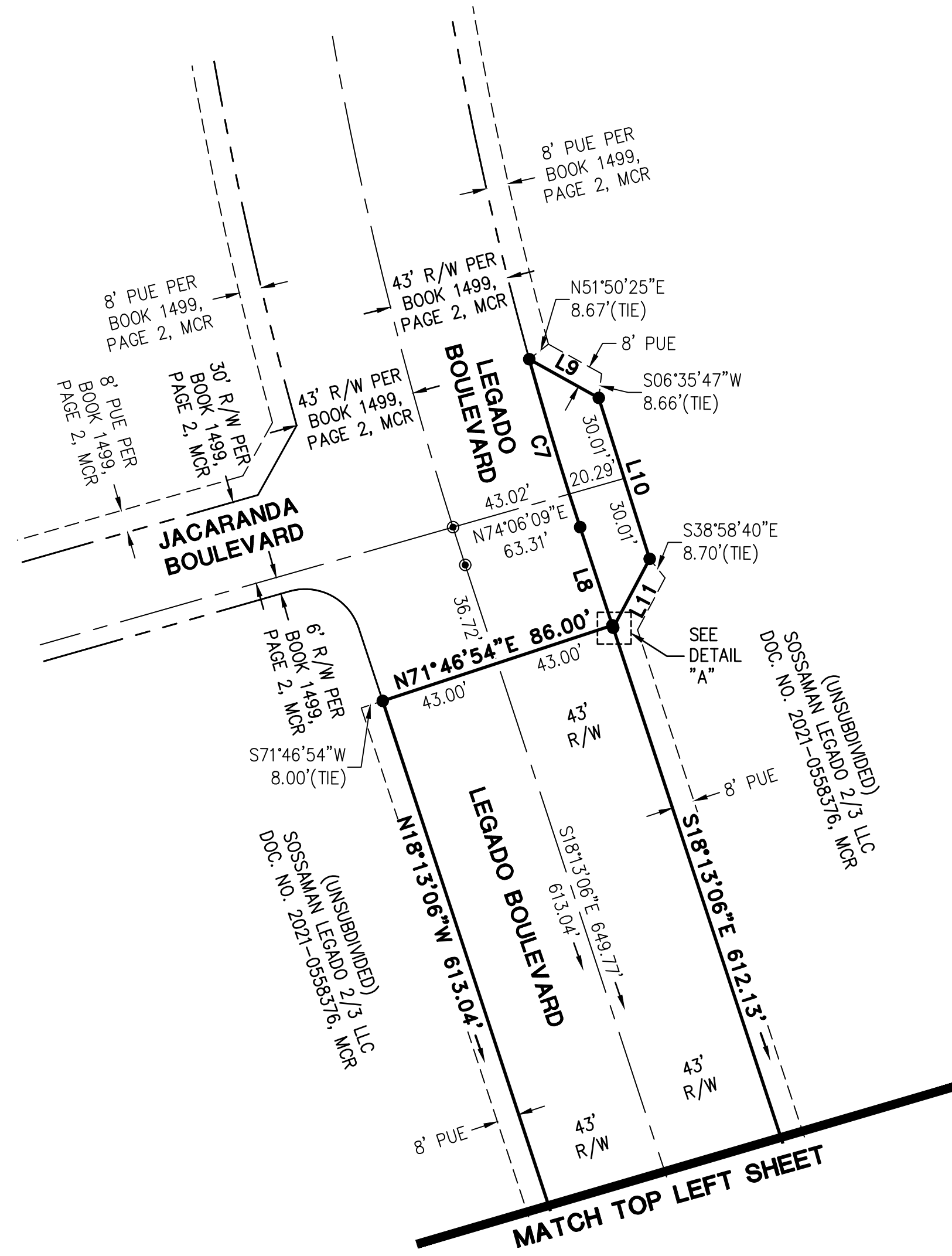
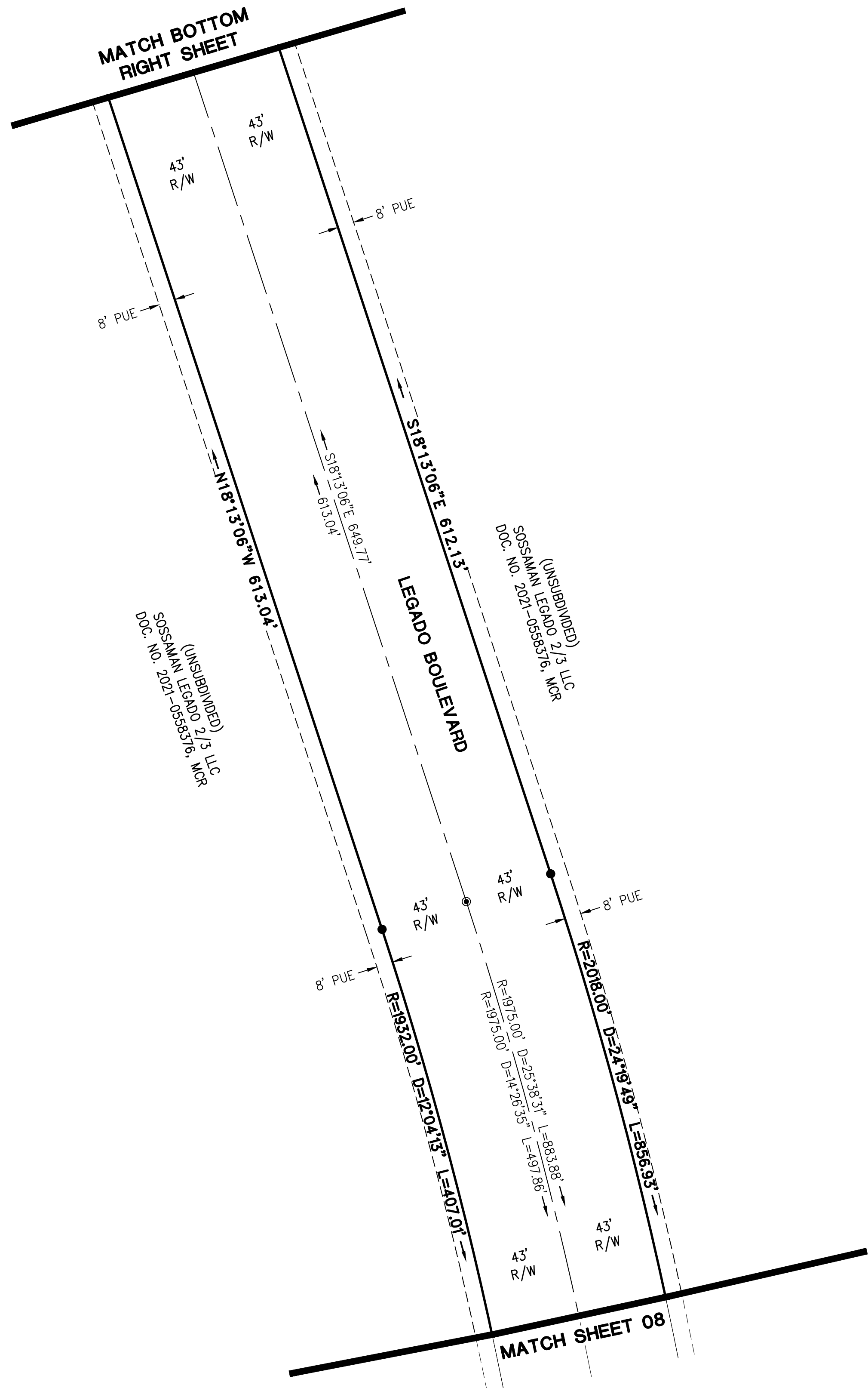
LINE TABLE		
LINE NO.	DIRECTION	LENGTH
L5	N49°46'47"E	20.00'
L6	N03°46'30"W	60.00'
L7	N40°11'12"E	27.77'
L37	N49°21'03"E	28.00'
L38	S42°20'28"W	28.83'
L39	N47°44'13"W	27.77'

CURVE TABLE			
CURVE NO.	RADIUS	DELTA	LENGTH
C4	25.00'	70°31'44"	30.77'
C5	50.00'	195°18'03"	170.43'
C6	1770.00'	2°26'20"	75.35'



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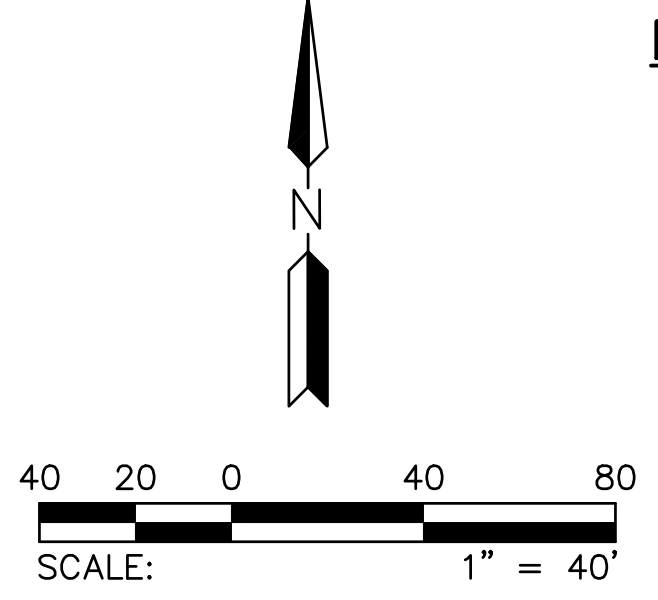




- LEGEND**
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  - DOC. NO. NUMBER
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  - RLS ASSESSOR PARCEL NUMBER
  - APN POINT OF BEGINNING
  - P.O.B. POINT OF COMMENCEMENT
  - P.O.C.

LINE TABLE		
LINE NO.	DIRECTION	LENGTH
L8	N18°13'06"W	36.73'
L9	S60°54'35"E	28.29'
L10	S17°33'44"E	60.03'
L11	S27°56'31"W	27.71'

CURVE TABLE			
CURVE NO.	RADIUS	DELTA	LENGTH
C7	1307.00'	2'44"06"	62.39'



PROJ. NO.: 1417	STATUS:
DATE: MAR 2022	MUNICIPAL TRACKING NO.:
SCALE: AS SHOWN	DRAWN: GS/RG
APPROVED: BJB	

**DEDICATION**

STATE OF ARIZONA } SS  
COUNTY OF MARICOPA }

KNOW ALL MEN BY THESE PRESENTS:

THAT VPTM LEGADO LB LLC, A DELAWARE LIMITED LIABILITY COMPANY, AS OWNER, HAS SUBDIVIDED UNDER THE NAME OF "LEGADO - PHASE 2 & 3 - PARCEL I", LOCATED IN A PORTION OF THE SOUTHEAST QUARTER OF SECTION 18, TOWNSHIP 2 SOUTH, RANGE 7 EAST, OF THE GILA AND SALT RIVER MERIDIAN, MARICOPA COUNTY, ARIZONA, AS SHOWN AND PLATTED HEREON, AND HEREBY PUBLISHES THIS PLAT AS AND FOR THE PLAT FOR "LEGADO - PHASE 2 & 3 - PARCEL I" A RESIDENTIAL SUBDIVISION, AND HEREBY DECLARES THAT SAID PLAT SETS FORTH THE LOCATION AND GIVES THE DIMENSIONS OF ALL LOTS, TRACTS, EASEMENTS, AND STREETS, CONSTITUTING SAME, AND THAT EACH LOT, TRACT EASEMENT AND STREET SHALL BE KNOWN BY THE NUMBER AND NAME GIVEN, EACH RESPECTIVELY ON SAID PLAT.

VPTM LEGADO LB LLC, A DELAWARE LIMITED LIABILITY COMPANY, AS OWNER, AS LISTED ABOVE HEREBY DEDICATES TO THE TOWN OF QUEEN CREEK, FOR USE AS PUBLIC RIGHT-OF-WAY, THE STREETS AS SHOWN ON SAID PLAT.

EASEMENTS ARE DEDICATED AS SHOWN ON THIS PLAT.

THE MAINTENANCE OF LANDSCAPING WITHIN PUBLIC RIGHT-OF-WAY TO BACK OF CURB SHALL BE THE RESPONSIBILITY OF THE PROPERTY OWNERS ASSOCIATION OR ADJUTING PROPERTY OWNER.

ALL TRACTS THAT WILL NOT BE CONVEYED TO THE TOWN OF QUEEN CREEK AND ALL COMMON PROPERTY SHALL BE IMPROVED IN ACCORDANCE WITH PLANS APPROVED BY THE TOWN OF QUEEN CREEK AND SHALL BE CONVEYED BY WARRANTY (OR SPECIAL WARRANTY) DEED TO THE HOMEOWNERS ASSOCIATION. THE HOMEOWNERS ASSOCIATION SHALL BE RESPONSIBLE FOR THE MAINTENANCE OF THE COMMON PROPERTY.

TRACTS A THROUGH G, ARE NOT DEDICATED TO THE PUBLIC, BUT ARE PLATTED AS COMMON PROPERTY FOR THE USE AND ENJOYMENT OF LEGADO COMMUNITY ASSOCIATION, AN ARIZONA NON-PROFIT CORPORATION, AS MORE FULLY SET FORTH IN THE DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS.

VPTM LEGADO LB LLC, A DELAWARE LIMITED LIABILITY COMPANY, AS OWNERS OF, WARRANT AND REPRESENT TO BE THE OWNERS OF THE PROPERTY CONVEYED HEREBY AND THAT EVERY LENDER, EASEMENT HOLDER OR OTHER PERSON, OR ENTITY, HAVING ANY INTEREST IN THE LAND ADVERSE TO OR INCONSISTENT WITH THE DEDICATIONS, CONVEYANCES, OR OTHER REAL PROPERTY INTEREST CREATED OR TRANSFERRED BY THIS PLAT HAS CONSENTED TO, OR JOINED IN THIS PLAT, AS EVIDENCED BY INSTRUMENTS WITH THE MARICOPA COUNTY RECORDERS OFFICE, OR WHICH OWNER WILL RECORD NOT LATER THAN THE DATE ON WHICH THIS PLAT IS RECORDED.

IN WITNESS WHEREOF:

VPTM LEGADO LB LLC, A DELAWARE LIMITED LIABILITY COMPANY, AS OWNER, HAS HEREUNTO CAUSED ITS NAME TO BE SIGNED AND THE SAME TO BE ATTESTED BY THE SIGNATURE OF ITS OFFICER, THEREUNTO DULY AUTHORIZED THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2022.

VPTM LEGADO LB LLC, A DELAWARE LIMITED LIABILITY COMPANY

BY: VP CARAVAN NOTECO LLC,  
ITS SOLE MEMBER

BY: VÄRDE PARTNERS, INC.,  
ITS MANAGER

BY: \_\_\_\_\_

NAME: \_\_\_\_\_

ITS: \_\_\_\_\_

**ACKNOWLEDGMENT**

STATE OF ARIZONA } SS  
COUNTY OF MARICOPA }

ON THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2022, BEFORE ME, THE UNDERSIGNED OFFICER, PERSONALLY APPEARED \_\_\_\_\_ WHO ACKNOWLEDGED HIMSELF/HERSELF TO BE THE \_\_\_\_\_ OF VPTM LEGADO LB LLC, A DELAWARE LIMITED LIABILITY COMPANY AND ACKNOWLEDGES AS SUCH OFFICER, BEING DULY AUTHORIZED SO TO DO, EXECUTED THE FOREGOING INSTRUMENT FOR THE PURPOSES HEREIN CONTAINED.

BY: \_\_\_\_\_ MY COMMISSION EXPIRES: \_\_\_\_\_  
NOTARY PUBLIC

**LEGADO COMMUNITY ASSOCIATION RATIFICATION**

BY THIS RATIFICATION \_\_\_\_\_ DULY ELECTED \_\_\_\_\_ OF LEGADO COMMUNITY ASSOCIATION, AN ARIZONA NON-PROFIT CORPORATION, ACKNOWLEDGES THE RESPONSIBILITIES DEDICATED HEREON.

BY: \_\_\_\_\_

ITS: \_\_\_\_\_

**ACKNOWLEDGMENT**

STATE OF ARIZONA } SS  
COUNTY OF MARICOPA }

ON THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2022, BEFORE ME, THE UNDERSIGNED OFFICER, PERSONALLY APPEARED \_\_\_\_\_ WHO ACKNOWLEDGED HIMSELF/HERSELF TO BE THE \_\_\_\_\_ OF LEGADO COMMUNITY ASSOCIATION, AN ARIZONA NON-PROFIT CORPORATION, AND ACKNOWLEDGES AS SUCH OFFICER, BEING DULY AUTHORIZED SO TO DO, EXECUTED THE FOREGOING INSTRUMENT FOR THE PURPOSES HEREIN CONTAINED.

BY: \_\_\_\_\_ MY COMMISSION EXPIRES: \_\_\_\_\_  
NOTARY PUBLIC

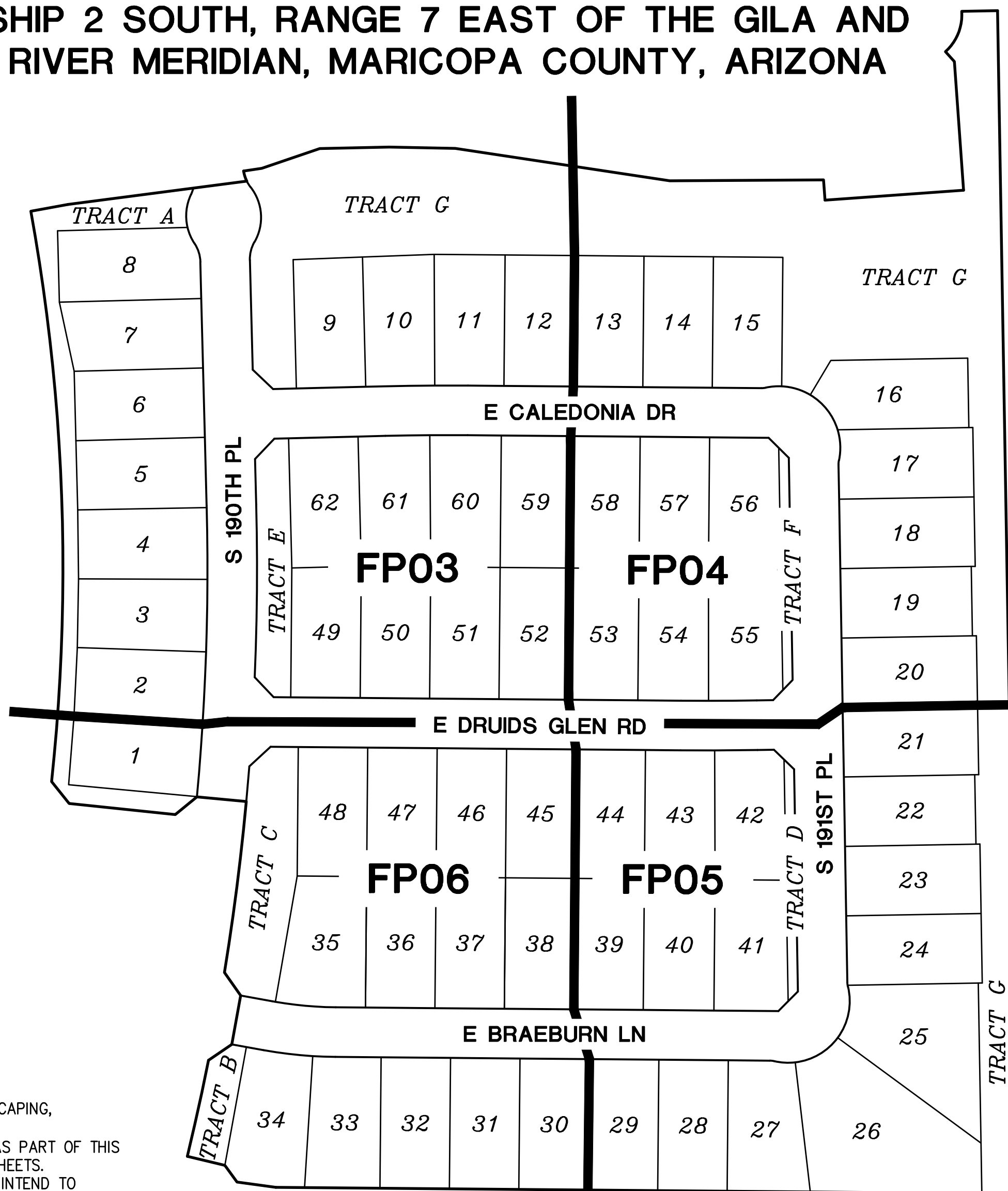
**LEGAL DESCRIPTION**

SEE SHEET 2 OF 6 FOR LEGAL DESCRIPTION

**REFERENCE DOCUMENTS**

- 1. PARCEL E1, SOSSAMAN ESTATES BOOK 572, PAGE 34, MCR
- 2. PARCEL H, SOSSAMAN ESTATES BOOK 636, PAGE 11, MCR
- 3. SOSSAMAN ESTATES PHASE II BOOK 926, PAGE 47, MCR
- 4. GDAC'S SURVEY BOOK 1143, PAGE 21, MCR

# FINAL PLAT FOR LEGADO - PHASE 2 & 3 - PARCEL I A PORTION OF THE SOUTHEAST QUARTER OF SECTION 18, TOWNSHIP 2 SOUTH, RANGE 7 EAST OF THE GILA AND SALT RIVER MERIDIAN, MARICOPA COUNTY, ARIZONA



TRACT TABLE		
TRACT	AREA (ACRES)	USE
TRACT A	0.38	COMMON AREA, DRAINAGE
TRACT B	0.10	COMMON AREA, DRAINAGE
TRACT C	0.31	COMMON AREA, DRAINAGE
TRACT D	0.05	COMMON AREA
TRACT E	0.20	COMMON AREA, DRAINAGE
TRACT F	0.05	COMMON AREA
TRACT G	2.99	COMMON AREA

- 1. COMMON AREAS MAY INCLUDE OPEN SPACE, LANDSCAPING, PEDESTRIAN PATHS AND/OR AMENITIES.
- 2. SPECIFIC EASEMENTS THAT ARE BEING DEDICATED AS PART OF THIS PLAT ARE FULLY DELINEATED ON THE FOLLOWING SHEETS.
- 3. USES SHOWN IN THE TRACT TABLE ABOVE DO NOT INTEND TO GRANT EASEMENTS THAT ARE BLANKET IN NATURE OVER THE ENTIRE TRACT.

**LEGEND**

- FOUND MONUMENT AS NOTED
- ⊙ FOUND BRASS CAP IN HAND HOLE
- ⊙ FOUND BRASS CAP FLUSH
- SET 1/2" REBAR W/ CAP, RLS 32222 OR AS NOTED
- \_\_\_\_\_ BOUNDARY LINE
- \_\_\_\_\_ SECTION LINE
- \_\_\_\_\_ CENTER LINE
- \_\_\_\_\_ RIGHT OF WAY
- \_\_\_\_\_ PARCEL LINE
- \_\_\_\_\_ EASEMENT LINE
- R/W RIGHT-OF-WAY
- PUE PUBLIC UTILITY EASEMENT
- VNAE VEHICLE NON-ACCESS EASEMENT
- MCR MARICOPA COUNTY RECORDS
- RLS REGISTERED LAND SURVEYOR
- APN ASSESSOR PARCEL NUMBER
- P.O.B. POINT OF BEGINNING
- P.O.C. POINT OF COMMENCEMENT

**NOTE**

NO TWO-STORY DWELLING UNITS SHALL BE PERMITTED ALONG SOSSAMAN ROAD, OCOTILLO ROAD, AND THE QUEEN CREEK WASH.

**SITE DATA - PARCEL I**

TOTAL LOTS:	62
TYPICAL LOT SIZE:	70' X 130'
MINIMUM LOT SIZE:	9,100 SQ. FT.
MAXIMUM LOT SIZE:	19,892 SQ. FT.
AVERAGE LOT SIZE:	9,629 SQ. FT.
LOTS AREA:	597,008 SQ. FT. OR 13.7054 AC.
GROSS PARCEL AREA:	924,307 SQ. FT. OR 21.2192 AC.
GROSS PARCEL DENSITY:	2.9 DU/AC
NET PROJECT AREA:	775,113 SQ. FT. OR 17.7941 AC.
NET PROJECT DENSITY:	3.5 DU/AC (EXCLUSIVE OF OPEN SPACE & COLLECTOR R/W)
ZONING:	R1-9
COMMON AREAS / OPEN SPACE:	178,105 SQ. FT. OR 4.0887 AC.
ACTIVE OPEN SPACE AREA:	0.54 AC

**ZONING DESIGNATION**

ZONING: R1-9

**LOT TABLE**

SITE CONTAINS 62 LOTS (13.707 ACRES)  
SEE SHEET 2 OF 6 FOR LOT TABLE

**OWNER / DEVELOPER**

VPTM LEGADO LB LLC  
C/O VÄRDE PARTNERS, INC.  
901 MARQUETTE AVE. S., SUITE 3300  
MINNEAPOLIS, MN 55402  
(952) 374-6963

**SHEET INDEX**

FP01 COVER SHEET, SHEET INDEX MAP  
FP02 LOT TABLE, LOT DETAIL, LEGAL DESCRIPTION & NOTES  
FP03-FP06 FINAL PLAT

**BASIS OF BEARING**

BASIS OF BEARING IS N87°26'14"W ALONG THE SOUTH LINE OF THE SOUTHWEST QUARTER OF SECTION 18, TOWNSHIP 2 SOUTH, RANGE 7 EAST OF THE GILA AND SALT RIVER MERIDIAN, MARICOPA COUNTY, ARIZONA AS SHOWN ON THE RECORD OF SURVEY RECORDED IN BOOK 725, PAGE 32, MARICOPA COUNTY RECORDS, BETWEEN THE MONUMENTS AS SHOWN HEREON.

**APPROVALS**

APPROVED BY THE COUNCIL OF THE TOWN OF QUEEN CREEK, ARIZONA ON THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2022.

BY: \_\_\_\_\_ MAYOR \_\_\_\_\_ DATE \_\_\_\_\_

ATTEST: \_\_\_\_\_ TOWN CLERK \_\_\_\_\_ DATE \_\_\_\_\_

**DEPARTMENT APPROVALS**

BY: \_\_\_\_\_ TOWN ENGINEER \_\_\_\_\_ DATE \_\_\_\_\_

BY: \_\_\_\_\_ TOWN PLANNING ADMINISTRATOR \_\_\_\_\_ DATE \_\_\_\_\_

**ASSURED WATER SUPPLY**

THE ARIZONA DEPARTMENT OF WATER RESOURCES HAS GRANTED A CERTIFICATE OF ASSURED WATER SUPPLY, DWR FILE NO. \_\_\_\_\_

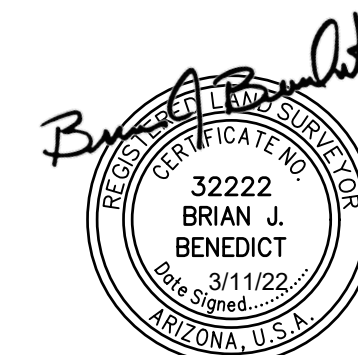
**ASSURANCE STATEMENT**

ASSURANCE IN THE FORM OF A CASH, PERFORMANCE OR SUBDIVISION BOND, IRREVOCABLE LETTER OF CREDIT, OR SIGNED CERTIFICATE OF OCCUPANCY HOLD AGREEMENT HAS BEEN DEPOSITED WITH THE TOWN ENGINEERING TO GUARANTEE CONSTRUCTION OF THE REQUIRED SUBDIVISION IMPROVEMENTS.

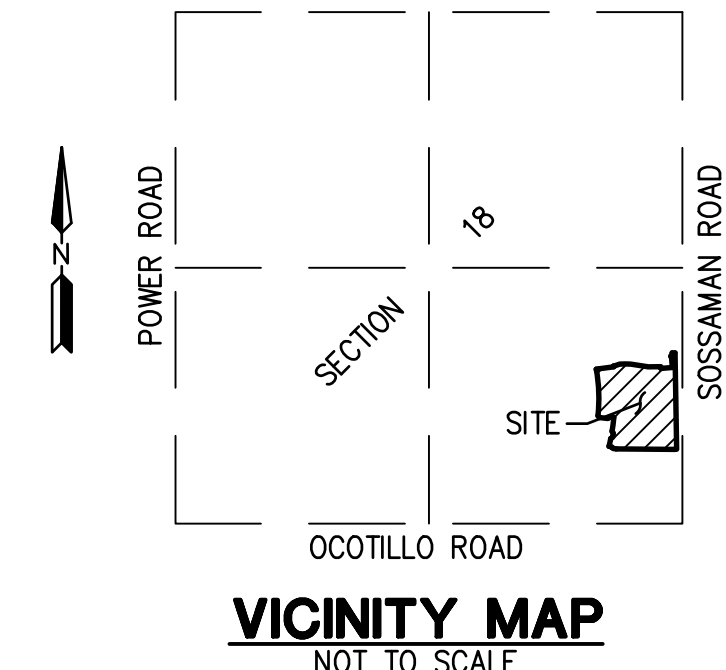
**SURVEYOR CERTIFICATION**

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

BRIAN J. BENEDICT, RLS  
RLS 32222  
HILGARTWILSON, LLC  
2141 E. HIGHLAND AVENUE, SUITE 250  
PHOENIX, ARIZONA 85016  
P: (602) 490-0535  
bbenedict@hilgartwilson.com



NOTE:  
A.R.S. 32-151 STATES THAT THE USE OF THE WORD "CERTIFY" OR "CERTIFICATION" BY A PERSON OR FIRM THAT IS REGISTERED OR CERTIFIED BY THE BOARD IS AN EXPRESSION OF PROFESSIONAL OPINION REGARDING FACTS OR FINDINGS THAT ARE SUBJECT OF THE CERTIFICATION AND DOES NOT CONSTITUTE AN EXPRESS OR IMPLIED WARRANTY OR GUARANTEE.



**HILGARTWILSON**  
ENGINEER | PLANNING | SURVEY | MANAGEMENT  
2141 E. HIGHLAND AVE., STE. 250 | P: 602.490.0535 / F: 602.368.2436  
PHOENIX, AZ 85016  
www.hilgartwilson.com

**LEGADO - PHASE 2 & 3 - PARCEL I**  
SOSSAMAN ROAD AND OCOTILLO ROAD  
QUEEN CREEK, ARIZONA  
**FINAL PLAT**

STATUS: \_\_\_\_\_  
PROJ. NO.: 1417  
DATE: MAR 2022  
SCALE: NONE  
DRAWN: RG/GS  
APPROVED: BJB  
MUNICIPAL TRACKING NO: \_\_\_\_\_

DWG. NO.  
**FP01**  
SHT. 1 OF 6

**LEGAL DESCRIPTION**

A PORTION OF LAND BEING SITUATED WITHIN THE SOUTHEAST QUARTER OF SECTION 18, TOWNSHIP 2 SOUTH, RANGE 7 EAST OF THE GILA AND SALT RIVER MERIDIAN, MARICOPA COUNTY, ARIZONA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHEAST CORNER OF SAID SECTION 18, BEING A 3 INCH BRASS CAP FROM WHICH THE EAST QUARTER CORNER OF SAID SECTION 18, BEING A 1/2" REBAR BEARS NORTH 00°58'21" WEST, 2666.81 FEET;

- THENCE NORTH 00°58'21" WEST, 919.94 FEET;
- THENCE LEAVING SAID EAST LINE, SOUTH 89°01'39" WEST, 55.00 FEET TO THE POINT OF BEGINNING;
- THENCE SOUTH 88°50'39" WEST, 32.00 FEET;
- THENCE NORTH 89°30'21" WEST, 715.77 FEET;
- THENCE NORTH 82°11'25" WEST, 39.50 FEET;
- THENCE NORTH 35°57'20" WEST, 20.75 FEET;
- THENCE NORTH 76°27'03" WEST, 38.94 FEET TO A NON-TANGENT CURVE, CONCAVE NORTHWESTERLY, HAVING A RADIUS OF 2525.00 FEET, THE CENTER OF WHICH BEARS NORTH 76°27'03" WEST;
- THENCE NORTHEASTERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 2°14'55", AN ARC LENGTH OF 99.10 FEET TO A NON-TANGENT LINE;
- THENCE NORTH 55°40'35" EAST, 28.48 FEET;
- THENCE NORTH 10°16'46" EAST, 50.00 FEET;
- THENCE NORTH 35°07'04" WEST, 28.48 FEET TO A NON-TANGENT CURVE, CONCAVE NORTHWESTERLY, HAVING A RADIUS OF 2525.00 FEET, THE CENTER OF WHICH BEARS NORTH 80°44'30" WEST;
- THENCE NORTHEASTERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 0°35'34", AN ARC LENGTH OF 173.75 FEET TO A NON-TANGENT LINE;
- THENCE NORTH 84°41'04" WEST, 50.00 FEET;
- THENCE SOUTH 50°45'19" WEST, 28.18 FEET;
- THENCE NORTH 84°02'11" WEST, 107.59 FEET;
- THENCE NORTH 38°42'19" WEST, 28.25 FEET TO A NON-TANGENT CURVE, CONCAVE NORTHWESTERLY, HAVING A RADIUS OF 2018.00 FEET, THE CENTER OF WHICH BEARS NORTH 83°53'17" WEST;
- THENCE NORTHEASTERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 16°23'26", AN ARC LENGTH OF 577.28 FEET TO A NON-TANGENT LINE;
- THENCE NORTH 79°43'18" EAST, 38.06 FEET;
- THENCE NORTH 82°34'00" EAST, 181.72 FEET TO A NON-TANGENT CURVE, CONCAVE NORTHEASTERLY, HAVING A RADIUS OF 35.00 FEET, THE CENTER OF WHICH BEARS NORTH 63°52'24" EAST;
- THENCE NORTHWESTERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 17°32'43", AN ARC LENGTH OF 10.72 FEET TO A NON-TANGENT LINE;
- THENCE NORTH 81°25'08" EAST, 18.58 FEET;
- THENCE NORTH 71°13'24" EAST, 61.71 FEET;
- THENCE NORTH 88°43'44" EAST, 70.00 FEET;
- THENCE SOUTH 88°50'47" EAST, 66.64 FEET;
- THENCE SOUTH 81°24'34" EAST, 218.69 FEET;
- THENCE NORTH 89°40'00" EAST, 155.02 FEET;
- THENCE SOUTH 04°05'07" EAST, 20.45 FEET;
- THENCE NORTH 85°54'53" EAST, 140.00 FEET;
- THENCE NORTH 04°05'07" WEST, 130.00 FEET;
- THENCE NORTH 42°01'27" WEST, 13.40 FEET TO A NON-TANGENT CURVE, CONCAVE NORTHWESTERLY, HAVING A RADIUS OF 50.00 FEET, THE CENTER OF WHICH BEARS NORTH 42°01'27" WEST;
- THENCE NORTHEASTERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 52°03'40", AN ARC LENGTH OF 45.43 FEET TO A NON-TANGENT LINE;
- THENCE NORTH 89°01'39" EAST, 36.07 FEET;
- THENCE SOUTH 00°58'21" EAST, 1191.69 FEET TO THE POINT OF BEGINNING.

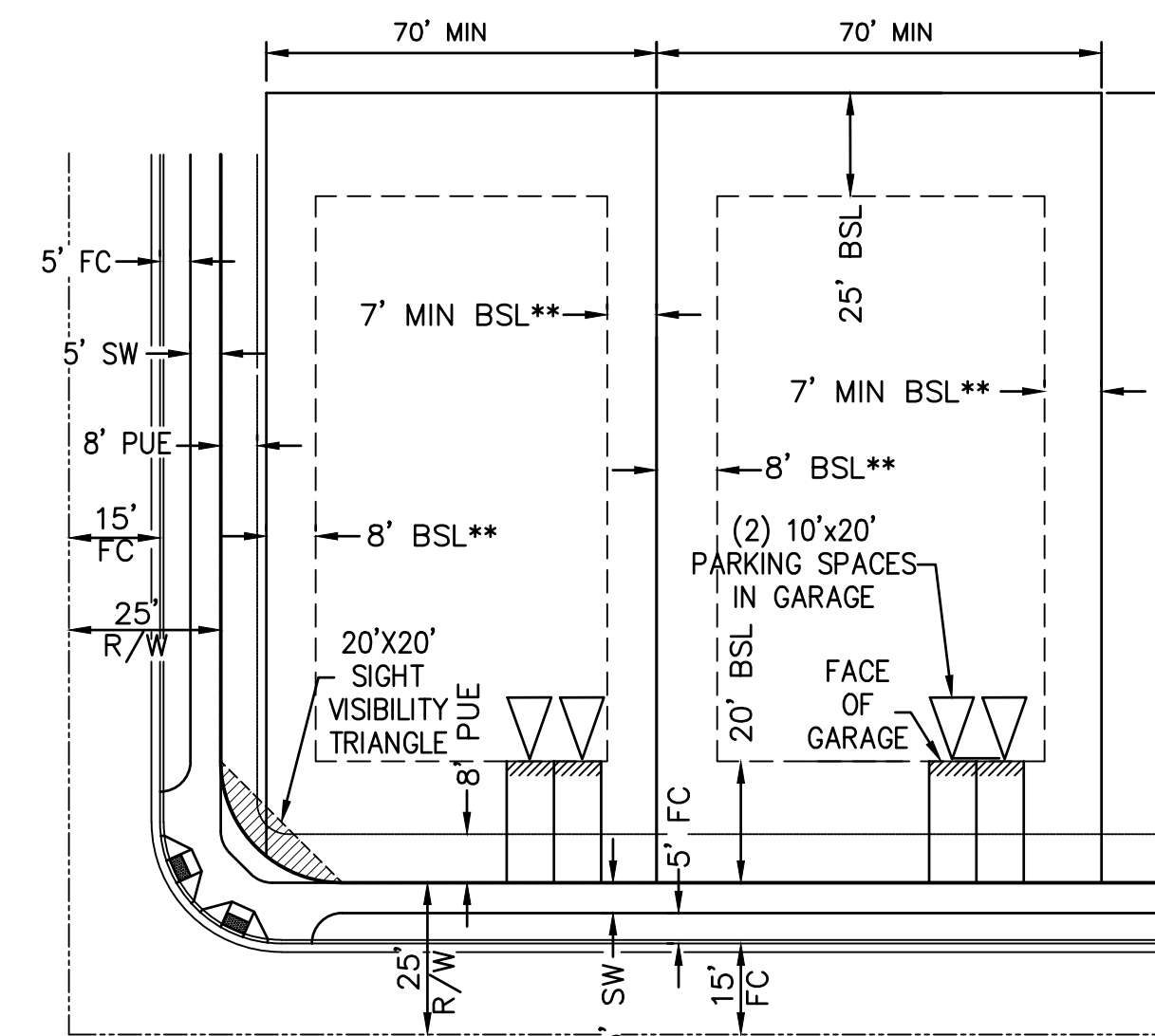
**NOTES:**

1. THE LEGADO COMMUNITY ASSOCIATION, AN ARIZONA NON-PROFIT CORPORATION, SHALL BE RESPONSIBLE FOR MAINTENANCE OF ALL LAND-SCAPED ISLANDS AND MEDIANS WITH THE EXCEPTION OF THOSE LOCATED WITHIN ARTERIAL ROADWAYS.
2. CONSTRUCTION WITHIN UTILITY EASEMENTS SHALL BE LIMITED TO UTILITIES AND DRIVEWAYS.
3. NO STRUCTURES OF ANY KIND MAY BE CONSTRUCTED, NOR ANY VEGETATION PLANTED NOR ALLOWED TO GROW WITHIN DRAINAGE EASEMENTS WHICH WOULD IMPEDE THE FLOW OF WATER THROUGH THE EASEMENTS.
4. IN EASEMENTS FOR THE EXCLUSIVE USE OF WATER, SANITARY SEWER, OR A COMBINATION THEREOF, ONLY GROUND COVER AND BUSHES ARE ALLOWED TO BE PLANTED WITHIN THE EASEMENT AREA. NO TREES ARE ALLOWED.
5. ALL TRACTS THAT WILL NOT BE CONVEYED TO THE TOWN OF QUEEN CREEK AND ALL COMMON PROPERTY SHALL BE IMPROVED IN ACCORDANCE WITH PLANS APPROVED BY THE TOWN OF QUEEN CREEK AND SHALL BE CONVEYED BY WARRANTY (OR SPECIAL WARRANTY) DEED TO THE HOMEOWNERS ASSOCIATION. THE HOMEOWNERS ASSOCIATION SHALL BE RESPONSIBLE FOR THE MAINTENANCE OF THE COMMON PROPERTY.
6. ALL NEW OR RELOCATED UTILITIES WILL BE PLACED UNDERGROUND WITH THE EXCEPTION OF POWER LINES WHICH ARE 69KV LINES OR MORE.
7. 69KV ELECTRICAL LINES MUST BE RELOCATED OUTSIDE OF THE RIGHT OF WAY OR TO THE EDGE OF THE RIGHT OF WAY.
8. ELECTRICAL LINES SHALL BE CONSTRUCTED UNDERGROUND AS REQUIRED BY ARIZONA CORPORATE COMMISSION.
9. ALL RETENTION BASINS MUST DRAIN ANY STORM EVENT UP TO AND INCLUDING THE 100-YEAR, 2-HOUR STORM WITHIN 36 HOURS. OWNER(S) OF ANY BASIN FAILING TO MEET THIS REQUIREMENT MUST TAKE CORRECTIVE ACTION TO BRING THE BASIN INTO COMPLIANCE.
10. THE TOWN OF QUEEN CREEK IS NOT RESPONSIBLE FOR AND WILL NOT ACCEPT MAINTENANCE OF ANY LANDSCAPED AREAS WITHIN THIS PROJECT. THE OWNERS ASSOCIATION OR PROPERTY OWNERS SHALL BE RESPONSIBLE FOR MAINTENANCE OF ALL LANDSCAPED ISLANDS AND MEDIANS WITH THE EXCEPTION OF THOSE LOCATED WITHIN ARTERIAL ROADWAYS.
11. THE LOCATION OF THE EMERGENCY ACCESS EASEMENTS AND PRIVATE UTILITY EASEMENTS SHALL BE DEFINED WITHIN THE RECORDED CC&R AGREEMENT.
12. THIS PROPERTY, DUE TO ITS PROXIMITY TO PHOENIX MESA GATEWAY AIRPORT, WILL EXPERIENCE AIRCRAFT OVERFLIGHTS, WHICH ARE EXPECTED TO GENERATE NOISE LEVELS THAT MAY BE OF CONCERN TO SOME INDIVIDUALS. THE MIX OF AVIATION ACTIVITIES AND TYPES OF AIRCRAFT EXPECTED TO BE LOCATED AND OPERATE AT THE AIRPORT NOW AND IN THE FUTURE INCLUDE: SCHEDULED AND UNSCHEDULED COMMERCIAL CHARTERS, COMMERCIAL AIR CARRIERS AND COMMERCIAL AIR CARGO OPERATIONS, ALL OF WHICH ARE EXPECTED TO USE LARGE COMMERCIAL AIRCRAFT; GENERAL AVIATION ACTIVITY USING CORPORATE AND EXECUTIVE JETS, HELICOPTERS, AND PROPELLER AIRCRAFT; AVIATION FLIGHT TRAINING SCHOOLS USING TRAINING AIRCRAFT; AND MILITARY ACTIVITY USING HIGH PERFORMANCE MILITARY JETS. THE SIZE OF AIRCRAFT AND FREQUENCY OF USE OF SUCH AIRCRAFT MAY CHANGE OVER TIME DEPENDING ON MARKET AND TECHNOLOGY CHANGES.

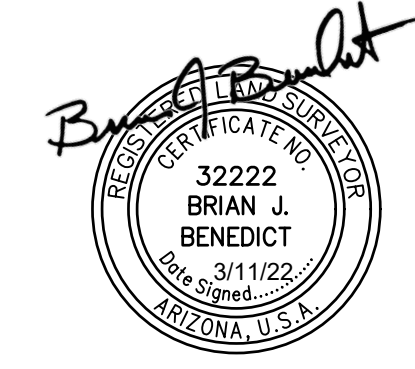
LOT TABLE		
LOT NO.	AREA (SQ.FT)	AREA (ACRES)
LOT : 1	9258	0.2125
LOT : 2	9258	0.2125
LOT : 3	9258	0.2125
LOT : 4	9224	0.2117
LOT : 5	9141	0.2098
LOT : 6	9100	0.2089
LOT : 7	9557	0.2194
LOT : 8	10116	0.2322
LOT : 9	9124	0.2095
LOT : 10	9317	0.2139
LOT : 11	9323	0.2140
LOT : 12	9240	0.2121
LOT : 13	9240	0.2121
LOT : 14	9240	0.2121
LOT : 15	9214	0.2115
LOT : 16	10184	0.2338
LOT : 17	9478	0.2176
LOT : 18	9520	0.2185
LOT : 19	9240	0.2121
LOT : 20	9520	0.2185
LOT : 21	9520	0.2185

LOT TABLE		
LOT NO.	AREA (SQ.FT)	AREA (ACRES)
LOT : 22	9240	0.2121
LOT : 23	9520	0.2185
LOT : 24	9520	0.2185
LOT : 25	14765	0.3389
LOT : 26	19892	0.4567
LOT : 27	9940	0.2282
LOT : 28	9240	0.2121
LOT : 29	9240	0.2121
LOT : 30	9240	0.2121
LOT : 31	9240	0.2121
LOT : 32	9240	0.2121
LOT : 33	9571	0.2197
LOT : 34	10066	0.2311
LOT : 35	10571	0.2427
LOT : 36	9240	0.2121
LOT : 37	9240	0.2121
LOT : 38	9240	0.2121
LOT : 39	9240	0.2121
LOT : 40	9405	0.2159
LOT : 41	9623	0.2209
LOT : 42	9195	0.2111

LOT TABLE		
LOT NO.	AREA (SQ.FT)	AREA (ACRES)
LOT : 43	9169	0.2105
LOT : 44	9100	0.2089
LOT : 45	9100	0.2089
LOT : 46	9100	0.2089
LOT : 47	9100	0.2089
LOT : 48	9100	0.2089
LOT : 49	9212	0.2115
LOT : 50	9292	0.2133
LOT : 51	9292	0.2133
LOT : 52	9292	0.2133
LOT : 53	9292	0.2133
LOT : 54	9373	0.2152
LOT : 55	9712	0.2229
LOT : 56	9419	0.2162
LOT : 57	9310	0.2137
LOT : 58	9310	0.2137
LOT : 59	9310	0.2137
LOT : 60	9442	0.2168
LOT : 61	9385	0.2154
LOT : 62	9156	0.2102



**TYPICAL LOT DETAIL**  
 R1-9 PAD (PARCEL 1)  
 \*PERIMETER SETBACK WHERE SHOWN ON PLAN  
 SCALE: N.T.S.  
 \*\* 7' MIN SIDEYARD SETBACK; 15' MIN  
 AGGREGATE SIDEYARD SETBACK.  
 NOTE: NO TWO-STORY HOMES SHALL BE PERMITTED ALONG THE  
 QUEEN CREEK WASH, SOSSAMAN ROAD, OR OCOTILLO ROAD



**LEGADO - PHASE 2 & 3 - PARCEL 1**  
 SOSSAMAN ROAD AND OCOTILLO ROAD  
 QUEEN CREEK, ARIZONA  
**FINAL PLAT**

**HILGARTWILSON**  
 ENGINEER | PLANNING | SURVEY | MANAGEMENT  
 2141 E. HIGHLAND AVE., STE. 250 | P: 602.450.0535 / F: 602.368.2436  
 PHOENIX, AZ 85016  
 www.hilgartwilson.com

PROJ. NO.: 1417  
 DATE: MAR 2022  
 SCALE: NONE  
 DRAWN: RG/GS  
 APPROVED: BJB  
 STATUS:  
 MUNICIPAL TRACKING NO:

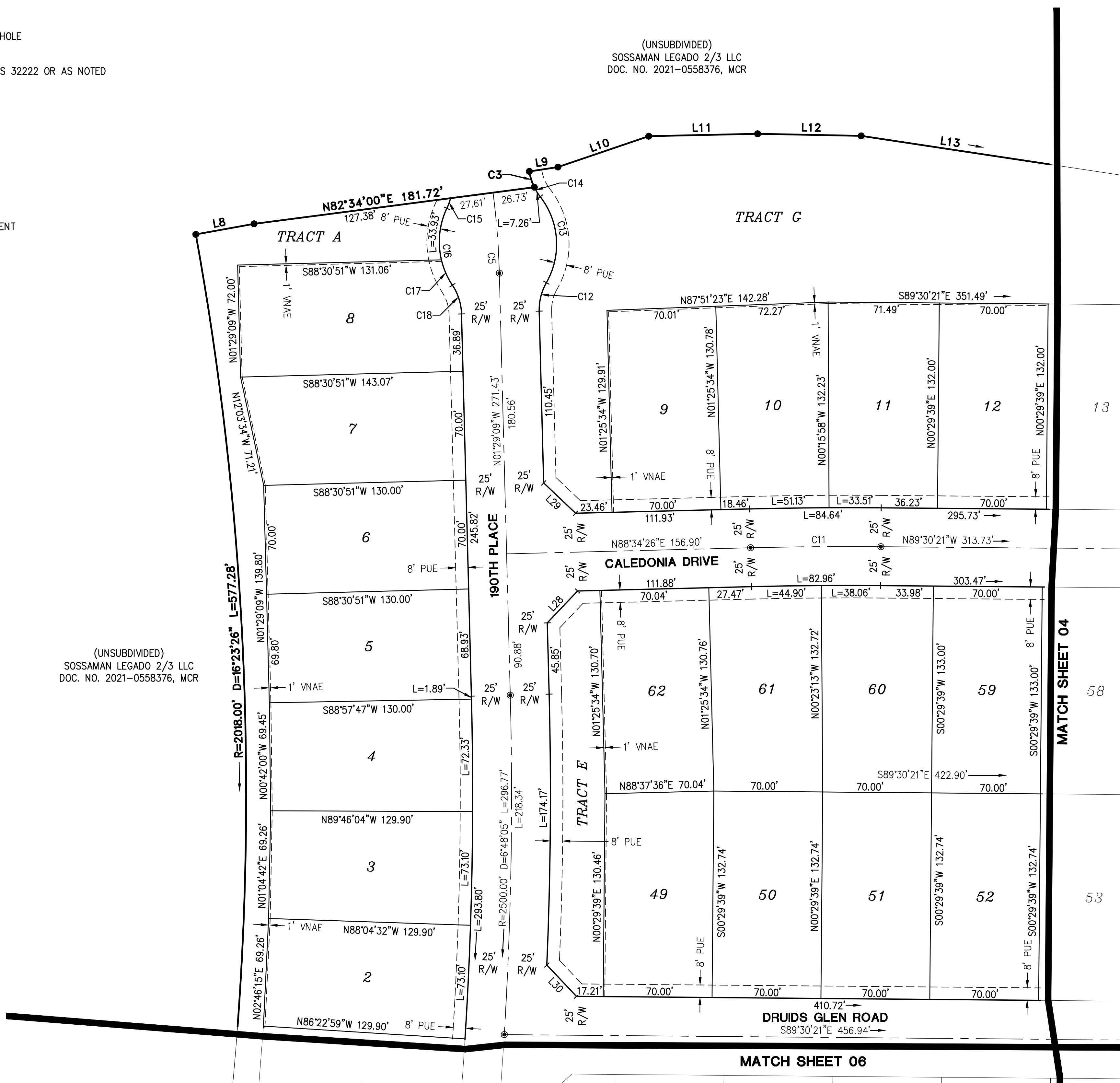
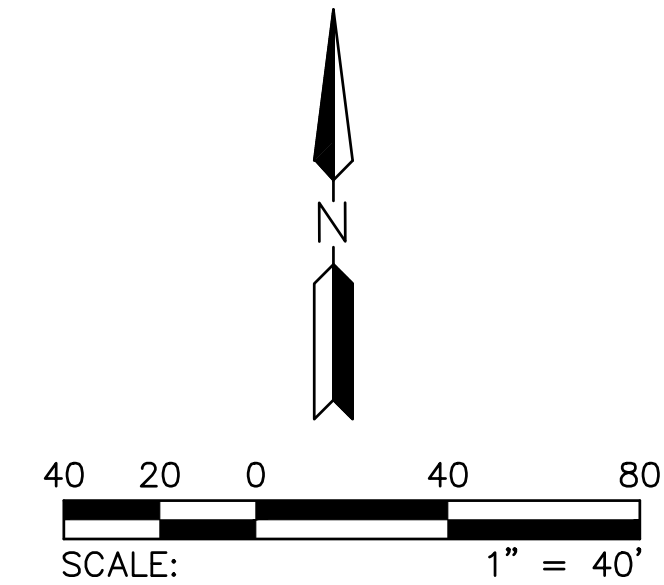
DWG. NO.  
**FP02**  
 SHT. 2 OF 6



**LEGEND**

- FOUND MONUMENT AS NOTED
- ⊠ FOUND BRASS CAP IN HAND HOLE
- ⊙ FOUND BRASS CAP FLUSH
- SET 1/2" REBAR W/ CAP, RLS 32222 OR AS NOTED
- BOUNDARY LINE
- - - SECTION LINE
- · - · - CENTER LINE
- - - RIGHT OF WAY
- · - · - PARCEL LINE
- - - EASEMENT LINE
- R/W RIGHT-OF-WAY
- PUE PUBLIC UTILITY EASEMENT
- VNAE VEHICLE NON-ACCESS EASEMENT
- MCR MARICOPA COUNTY RECORDS
- RLS REGISTERED LAND SURVEYOR
- APN ASSESSOR PARCEL NUMBER
- P.O.B. POINT OF BEGINNING
- P.O.C. POINT OF COMMENCEMENT

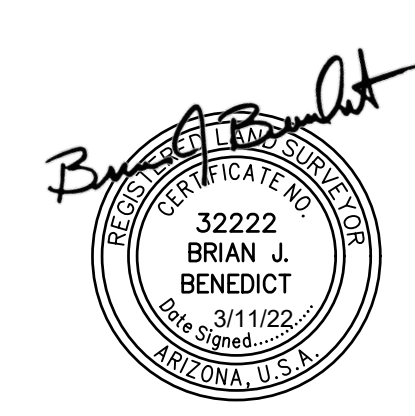
(UNSUBDIVIDED)  
 SOSSAMAN LEGADO 2/3 LLC  
 DOC. NO. 2021-0558376, MCR



(UNSUBDIVIDED)  
 SOSSAMAN LEGADO 2/3 LLC  
 DOC. NO. 2021-0558376, MCR

LINE TABLE		
LINE NO.	DIRECTION	LENGTH
L8	N79°43'18"E	38.06'
L9	N81°25'08"E	18.58'
L10	N71°13'24"E	61.71'
L11	N88°43'44"E	70.00'
L12	S88°50'47"E	66.64'
L13	S81°24'34"E	218.69'
L28	S43°32'38"W	28.27'
L29	N46°27'22"W	28.30'
L30	S43°24'22"E	27.74'

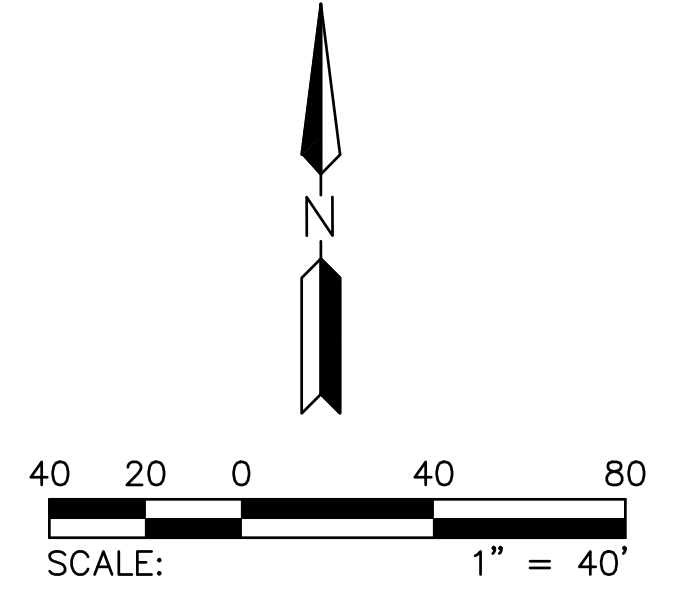
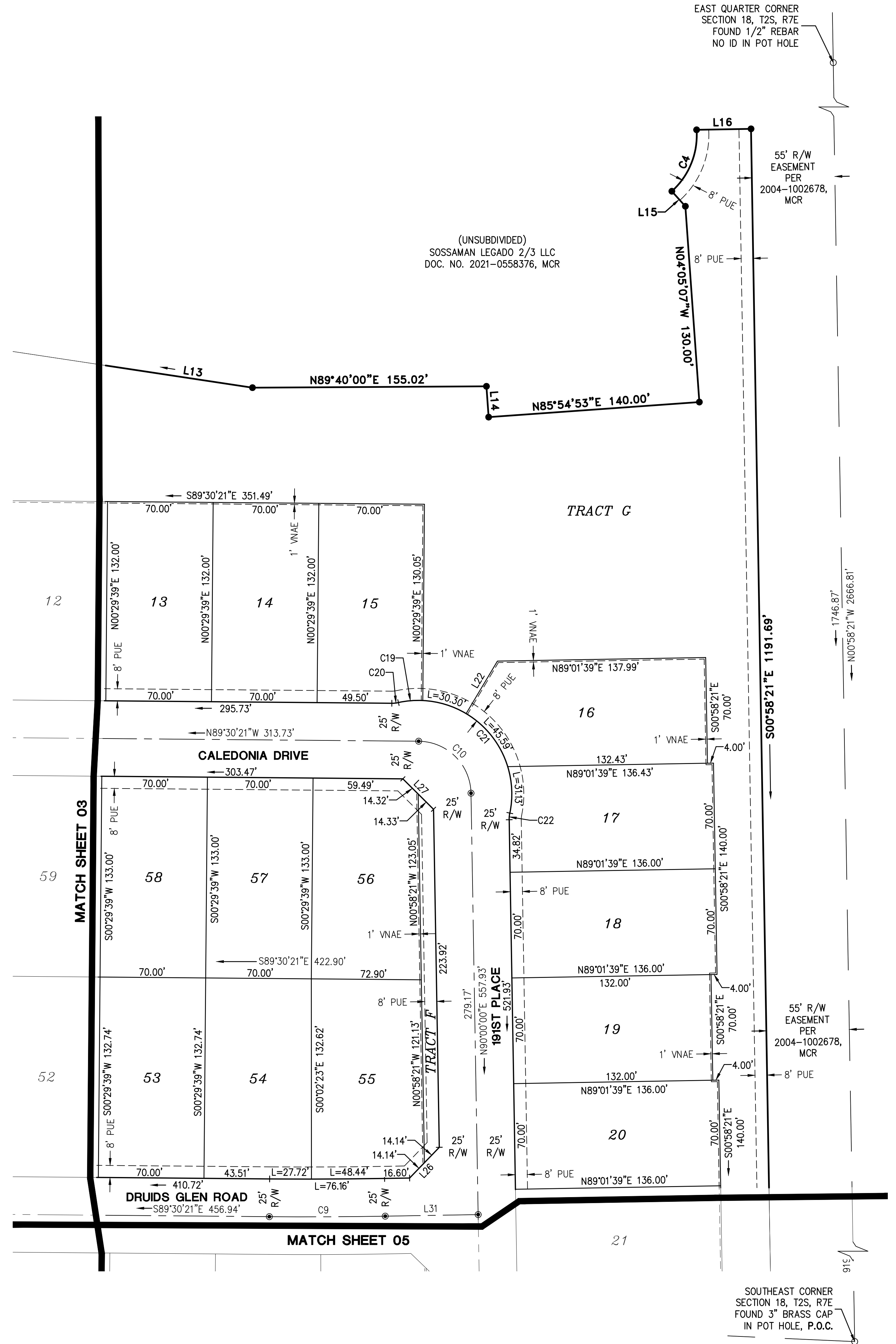
CURVE TABLE			
CURVE NO.	RADIUS	DELTA	LENGTH
C3	35.00'	17°32'43"	10.72'
C5	500.00'	5°56'51"	51.90'
C11	2500.00'	1°55'14"	83.80'
C12	35.00'	31°18'49"	19.13'
C13	49.59'	67°50'04"	58.71'
C14	35.00'	29°25'32"	17.98'
C15	35.00'	11°19'17"	6.92'
C16	50.37'	58°56'43"	51.82'
C17	50.37'	20°20'36"	17.88'
C18	35.00'	32°07'12"	19.62'



PROJ. NO.: 1417	STATUS:
DATE: MAR 2022	MUNICIPAL TRACKING NO.:
SCALE: AS SHOWN	DRAWN: RG/GS
APPROVED: BJB	

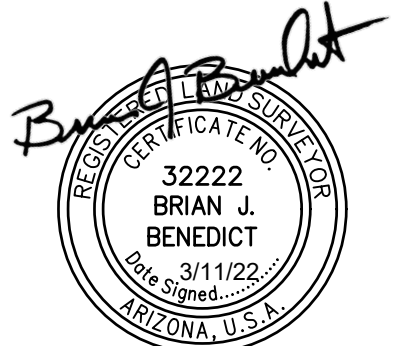
**LEGEND**

- FOUND MONUMENT AS NOTED
- ⊙ FOUND BRASS CAP IN HAND HOLE
- ⊙ FOUND BRASS CAP FLUSH
- SET 1/2" REBAR W/ CAP, RLS 32222 OR AS NOTED
- BOUNDARY LINE
- - - SECTION LINE
- - - CENTER LINE
- - - RIGHT OF WAY
- - - PARCEL LINE
- - - EASEMENT LINE
- R/W RIGHT-OF-WAY
- PUE PUBLIC UTILITY EASEMENT
- VNAE VEHICLE NON-ACCESS EASEMENT
- MCR MARICOPA COUNTY RECORDS
- RLS REGISTERED LAND SURVEYOR
- APN ASSESSOR PARCEL NUMBER
- P.O.B. POINT OF BEGINNING
- P.O.C. POINT OF COMMENCEMENT



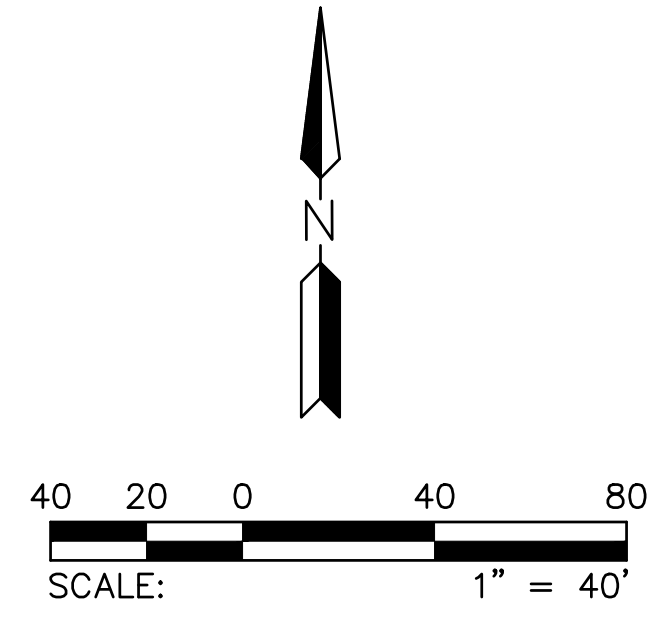
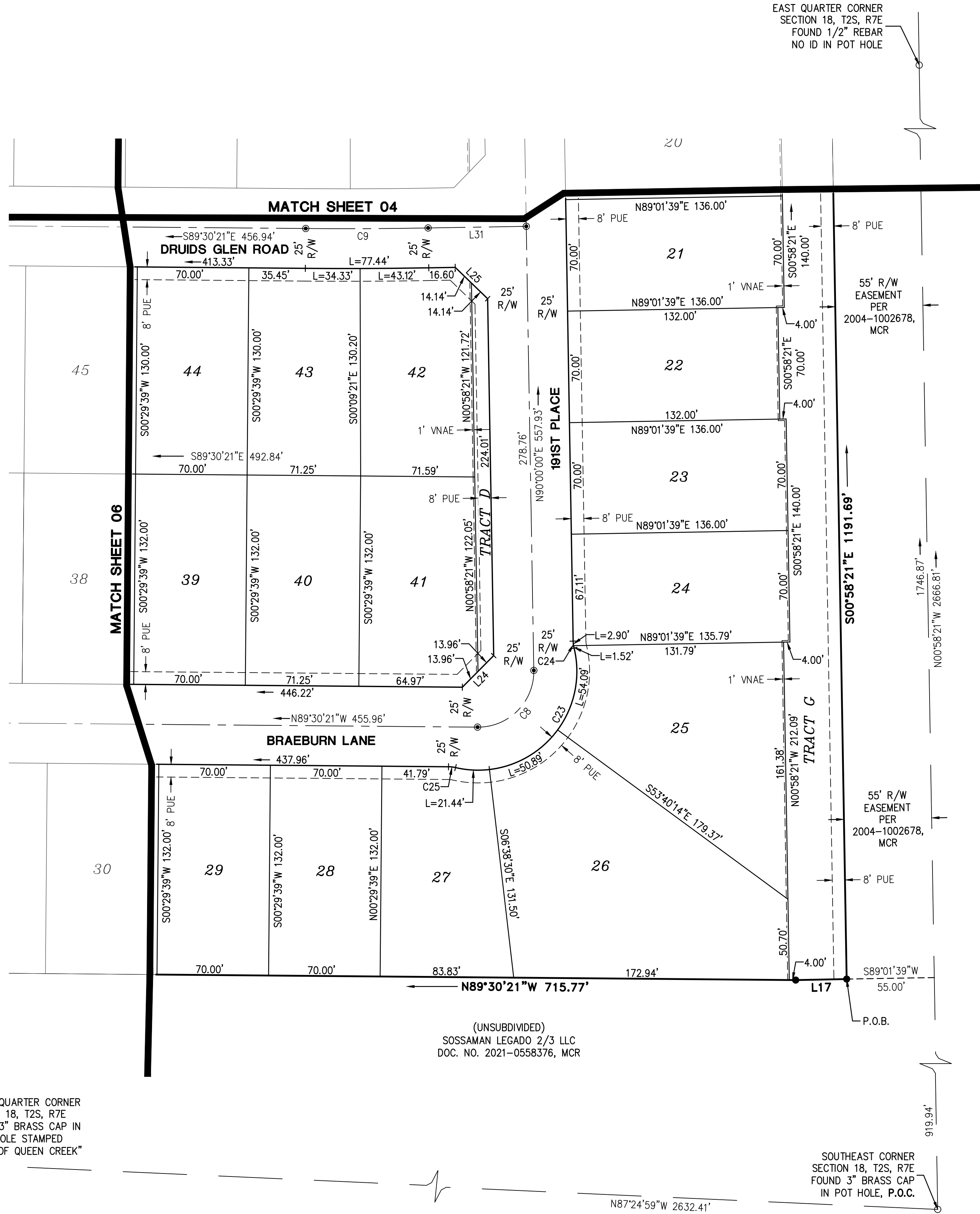
LINE TABLE		
LINE NO.	DIRECTION	LENGTH
L13	S81°24'34"E	218.69'
L14	S04°05'07"E	20.45'
L15	N42°01'27"W	13.40'
L16	N89°01'39"E	36.07'
L22	N30°48'24"E	40.56'
L26	N44°01'39"E	28.28'
L27	N45°14'21"W	28.64'
L31	N89°01'39"E	61.60'

CURVE TABLE			
CURVE NO.	RADIUS	DELTA	LENGTH
C4	50.00'	52°03'40"	45.43'
C9	3000.00'	1°28'00"	76.80'
C10	35.00'	88°32'00"	54.08'
C19	62.00'	14°59'29"	16.22'
C20	20.00'	12°40'49"	4.43'
C21	62.00'	113°53'38"	123.25'
C22	20.00'	12°40'49"	4.43'



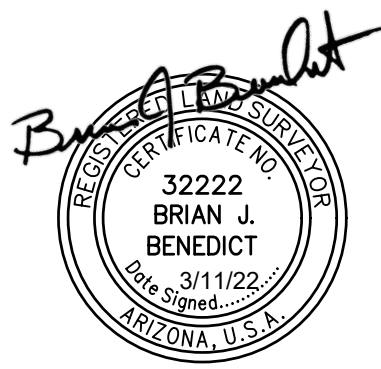
**LEGEND**

- FOUND MONUMENT AS NOTED
- ⊗ FOUND BRASS CAP IN HAND HOLE
- ⊙ FOUND BRASS CAP FLUSH
- SET 1/2" REBAR W/ CAP, RLS 32222 OR AS NOTED
- BOUNDARY LINE
- - - SECTION LINE
- - - CENTER LINE
- - - RIGHT OF WAY
- - - PARCEL LINE
- - - EASEMENT LINE
- R/W RIGHT-OF-WAY
- PUE PUBLIC UTILITY EASEMENT
- VNAE VEHICLE NON-ACCESS EASEMENT
- MCR MARICOPA COUNTY RECORDS
- RLS REGISTERED LAND SURVEYOR
- APN ASSESSOR PARCEL NUMBER
- P.O.B. POINT OF BEGINNING
- P.O.C. POINT OF COMMENCEMENT



LINE TABLE		
LINE NO.	DIRECTION	LENGTH
L17	S88°50'39"W	32.00'
L24	N44°45'39"E	27.92'
L25	S45°58'21"E	28.28'
L31	N89°01'39"E	61.60'

CURVE TABLE			
CURVE NO.	RADIUS	DELTA	LENGTH
C8	35.00'	91°28'00"	55.87'
C9	3000.00'	1°28'00"	76.80'
C23	62.00'	116°49'39"	126.42'
C24	20.00'	12°40'49"	4.43'
C25	20.00'	12°40'49"	4.43'



SOUTHWEST CORNER SECTION 18, T2S, R7E  
FOUND 3" BRASS CAP IN HAND HOLE, STAMPED "MARICOPA COUNTY SURVEY"  
N87°26'14"W 2517.65'  
(BASIS OF BEARING)

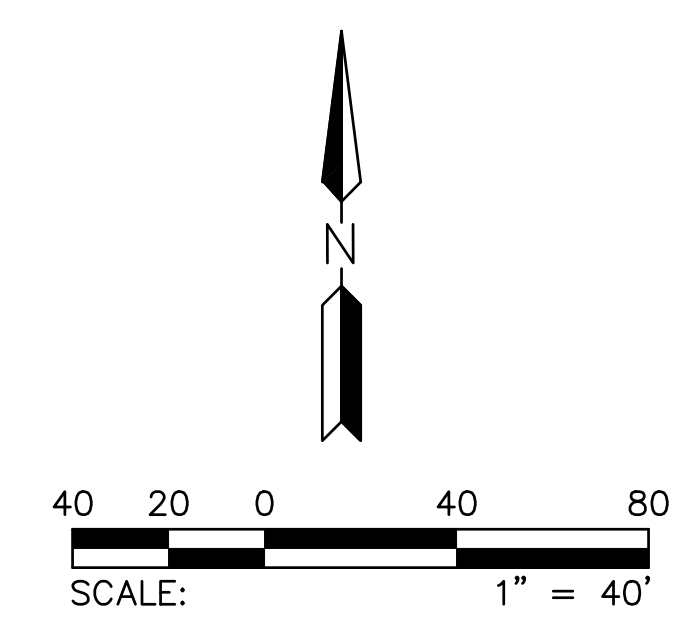
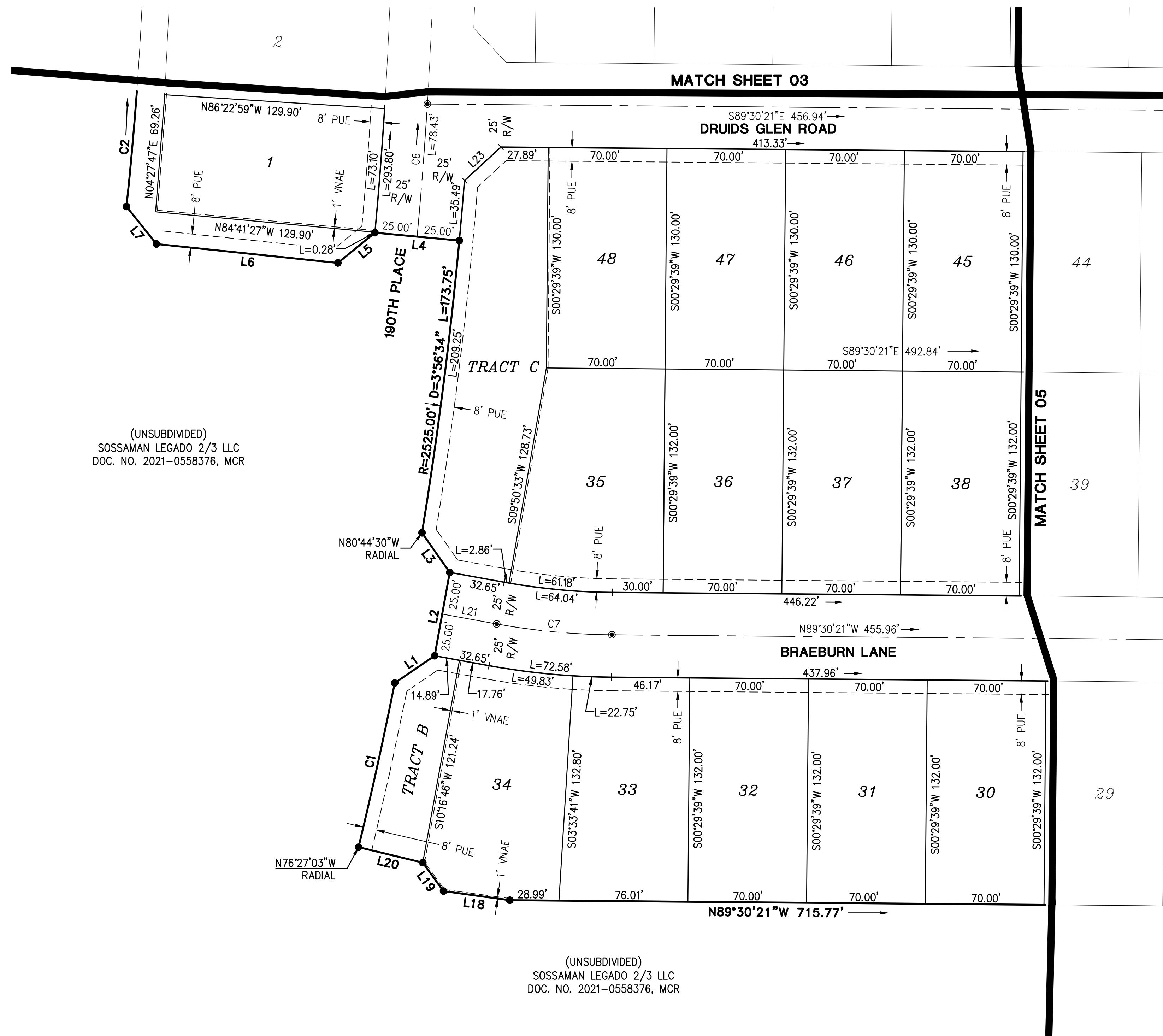
SOUTH QUARTER CORNER SECTION 18, T2S, R7E  
FOUND 3" BRASS CAP IN HAND HOLE, STAMPED "TOWN OF QUEEN CREEK"

SOUTHEAST CORNER SECTION 18, T2S, R7E  
FOUND 3" BRASS CAP IN POT HOLE, P.O.C.

(UNSUBDIVIDED)  
SOSSAMAN LEGADO 2/3 LLC  
DOC. NO. 2021-0558376, MCR

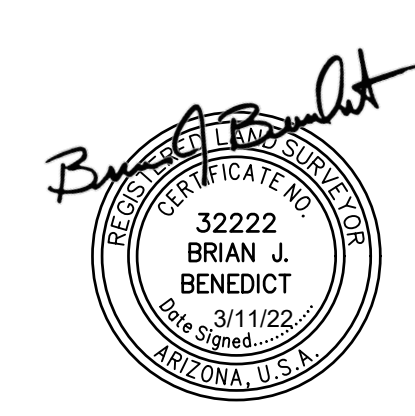
**LEGEND**

- FOUND MONUMENT AS NOTED
- ⊠ FOUND BRASS CAP IN HAND HOLE
- ⊙ FOUND BRASS CAP FLUSH
- SET 1/2" REBAR W/ CAP, RLS 32222 OR AS NOTED
- BOUNDARY LINE
- - - SECTION LINE
- - - CENTER LINE
- - - RIGHT OF WAY
- - - PARCEL LINE
- - - EASEMENT LINE
- R/W RIGHT-OF-WAY
- PUE PUBLIC UTILITY EASEMENT
- VNAE VEHICLE NON-ACCESS EASEMENT
- MCR MARICOPA COUNTY RECORDS
- RLS REGISTERED LAND SURVEYOR
- APN ASSESSOR PARCEL NUMBER
- P.O.B. POINT OF BEGINNING
- P.O.C. POINT OF COMMENCEMENT



LINE TABLE		
LINE NO.	DIRECTION	LENGTH
L1	N55°40'35"E	28.48'
L2	N10°16'46"E	50.00'
L3	N35°07'04"W	28.48'
L4	N84°41'04"W	50.00'
L5	S50°45'19"W	28.18'
L6	N84°02'11"W	107.59'
L7	N38°42'19"W	28.25'
L18	N82°11'25"W	39.50'
L19	N35°57'20"W	20.75'
L20	N76°27'03"W	38.94'
L21	N79°43'14"W	32.65'
L23	S47°23'19"W	29.20'

CURVE TABLE			
CURVE NO.	RADIUS	DELTA	LENGTH
C1	2525.00'	2°14'55"	99.10'
C2	2018.00'	16°23'26"	577.28'
C6	2500.00'	6°48'05"	296.77'
C7	400.00'	9°47'06"	68.31'



PROJ. NO.: 1417	STATUS:
DATE: MAR 2022	MUNICIPAL TRACKING NO:
SCALE: AS SHOWN	DRAWN: RG/GS
APPROVED: BJB	



**DEDICATION**

STATE OF ARIZONA }  
COUNTY OF MARICOPA }SS

KNOW ALL MEN BY THESE PRESENTS:

THAT VPTM LEGADO LB LLC, A DELAWARE LIMITED LIABILITY COMPANY, AS OWNER'S, HAVE SUBDIVIDED UNDER THE NAME OF "LEGADO - PHASE 2 & 3 - PARCEL J", LOCATED IN A PORTION OF THE SOUTHEAST QUARTER OF SECTION 18, TOWNSHIP 2 SOUTH, RANGE 7 EAST, OF THE GILA AND SALT RIVER MERIDIAN, MARICOPA COUNTY, ARIZONA, AS SHOWN AND PLATTED HEREON, AND HEREBY PUBLISHES THIS PLAT AS AND FOR THE PLAT FOR "LEGADO - PHASE 2 & 3 - PARCEL J" A RESIDENTIAL SUBDIVISION, AND HEREBY DECLARES THAT SAID PLAT SETS FORTH THE LOCATION AND GIVES THE DIMENSIONS OF ALL LOTS, TRACTS, EASEMENTS, AND STREETS, CONSTITUTING SAME, AND THAT EACH LOT, TRACT EASEMENT AND STREET SHALL BE KNOWN BY THE NUMBER AND NAME GIVEN, EACH RESPECTIVELY ON SAID PLAT.

VPTM LEGADO LB LLC, A DELAWARE LIMITED LIABILITY COMPANY, AS OWNER, AS LISTED ABOVE HEREBY DEDICATES TO THE TOWN OF QUEEN CREEK, FOR USE AS PUBLIC RIGHT-OF-WAY, THE STREETS AS SHOWN ON SAID PLAT.

EASEMENTS ARE DEDICATED AS SHOWN ON THIS PLAT.

THE MAINTENANCE OF LANDSCAPING WITHIN PUBLIC RIGHT-OF-WAY TO BACK OF CURB SHALL BE THE RESPONSIBILITY OF THE PROPERTY OWNERS ASSOCIATION OR ABUTTING PROPERTY OWNER.

TRACTS A THROUGH G, ARE NOT DEDICATED TO THE PUBLIC, BUT ARE PLATTED AS COMMON PROPERTY FOR THE USE AND ENJOYMENT OF LEGADO COMMUNITY ASSOCIATION, AN ARIZONA NON-PROFIT CORPORATION, AS MORE FULLY SET FORTH IN THE DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS.

ALL TRACTS THAT WILL NOT BE CONVEYED TO THE TOWN OF QUEEN CREEK AND ALL COMMON PROPERTY SHALL BE IMPROVED IN ACCORDANCE WITH PLANS APPROVED BY THE TOWN OF QUEEN CREEK AND SHALL BE CONVEYED BY WARRANTY (OR SPECIAL WARRANTY) DEED TO THE HOMEOWNERS ASSOCIATION. THE HOMEOWNERS ASSOCIATION SHALL BE RESPONSIBLE FOR THE MAINTENANCE OF THE COMMON PROPERTY.

VPTM LEGADO LB LLC, A DELAWARE LIMITED LIABILITY COMPANY, AS OWNERS OF, WARRANT AND REPRESENT TO BE THE OWNERS OF THE PROPERTY CONVEYED HEREBY AND THAT EVERY LENDER, EASEMENT HOLDER OR OTHER PERSON, OR ENTITY, HAVING ANY INTEREST IN THE LAND ADVERSE TO OR INCONSISTENT WITH THE DEDICATIONS, CONVEYANCES, OR OTHER REAL PROPERTY INTEREST CREATED OR TRANSFERRED BY THIS PLAT HAS CONSENTED TO, OR JOINED IN THIS PLAT, AS EVIDENCED BY INSTRUMENTS WITH THE MARICOPA COUNTY RECORDERS OFFICE, OR WHICH OWNER WILL RECORD NOT LATER THAN THE DATE ON WHICH THIS PLAT IS RECORDED.

IN WITNESS WHEREOF:

VPTM LEGADO LB LLC, A DELAWARE LIMITED LIABILITY COMPANY, AS OWNER, HAS HEREUNTO CAUSED ITS NAME TO BE SIGNED AND THE SAME TO BE ATTESTED BY THE SIGNATURE OF ITS OFFICER, THEREUNTO DULY AUTHORIZED THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2022.

VPTM LEGADO LB LLC, A DELAWARE LIMITED LIABILITY COMPANY

BY: VP CARAVAN NOTECO LLC,  
ITS SOLE MEMBER

BY: VARDE PARTNERS, INC.,  
ITS MANAGER

BY: \_\_\_\_\_

NAME: \_\_\_\_\_

ITS: \_\_\_\_\_

**ACKNOWLEDGMENT**

STATE OF ARIZONA }  
COUNTY OF MARICOPA }SS

ON THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2022, BEFORE ME, THE UNDERSIGNED OFFICER, PERSONALLY APPEARED SHANNON FRANCOEUR, WHO ACKNOWLEDGED HERSELF TO BE THE VICE PRESIDENT OF VPTM LEGADO LB LLC, A DELAWARE LIMITED LIABILITY COMPANY AND ACKNOWLEDGES AS SUCH OFFICER, BEING DULY AUTHORIZED SO TO DO, EXECUTED THE FOREGOING INSTRUMENT FOR THE PURPOSES HEREIN CONTAINED.

BY: \_\_\_\_\_ MY COMMISSION EXPIRES: \_\_\_\_\_  
NOTARY PUBLIC

**LEGADO COMMUNITY ASSOCIATION RATIFICATION**

BY THIS RATIFICATION \_\_\_\_\_, DULY ELECTED \_\_\_\_\_ OF LEGADO COMMUNITY ASSOCIATION, AN ARIZONA NON-PROFIT CORPORATION, ACKNOWLEDGES THE RESPONSIBILITIES DEDICATED HEREON.

BY: \_\_\_\_\_

ITS: \_\_\_\_\_

**ACKNOWLEDGMENT**

STATE OF ARIZONA }  
COUNTY OF MARICOPA }SS

ON THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2022, BEFORE ME, THE UNDERSIGNED OFFICER, PERSONALLY APPEARED \_\_\_\_\_ WHO ACKNOWLEDGED HIMSELF/HERSELF TO BE THE LEGADO COMMUNITY ASSOCIATION, AN ARIZONA NON-PROFIT CORPORATION, AND ACKNOWLEDGES AS SUCH OFFICER, BEING DULY AUTHORIZED SO TO DO, EXECUTED THE FOREGOING INSTRUMENT FOR THE PURPOSES HEREIN CONTAINED.

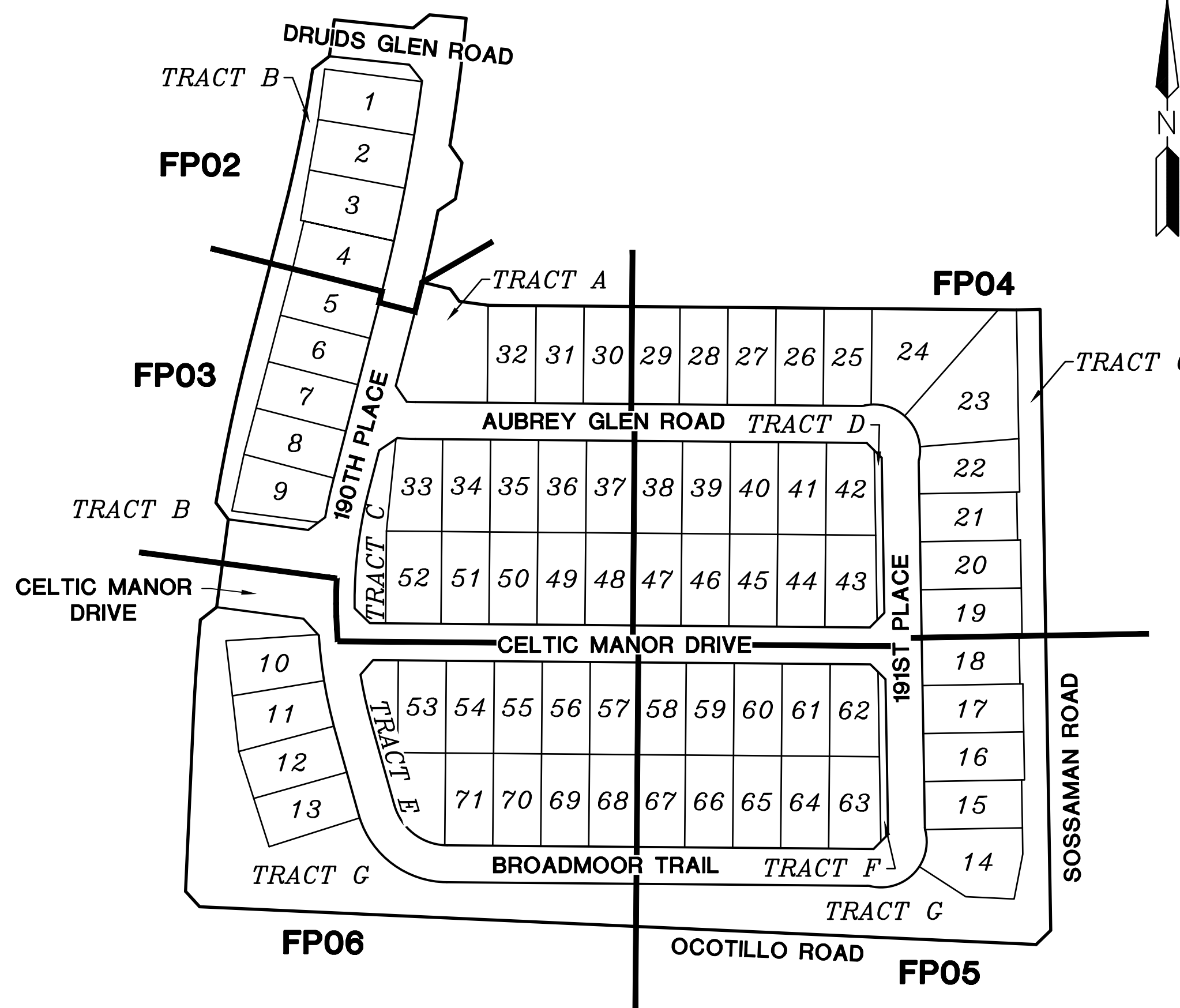
BY: \_\_\_\_\_ MY COMMISSION EXPIRES: \_\_\_\_\_  
NOTARY PUBLIC

**SITE DATA - PARCEL J**

Table with 2 columns: Category and Value. Includes: TOTAL LOTS: 71; TYPICAL LOT SIZE: 65' X 125'; MINIMUM LOT SIZE: 8,125 SQ. FT.; MAXIMUM LOT SIZE: 17,992 SQ. FT.; AVERAGE LOT SIZE: 8,676 SQ. FT.; LOTS AREA: 615,989 SQ. FT. OR 14.1412 AC.; GROSS PARCEL AREA: 1,027,613 SQ. FT. OR 23.5907 AC.; GROSS PARCEL DENSITY: 3.0 DU/AC; NET PROJECT AREA: 809,674 SQ. FT. OR 18.5876 AC.; PAD DENSITY: 3.8 DU/AC (EXCLUSIVE OF OPEN SPACE & COLLECTOR R/W); ZONING: R1-7; COMMON AREAS / OPEN SPACE: 193,685 SQ. FT. OR 4.4464 AC.; ACTIVE OPEN SPACE AREA: 1.47 AC.

**FINAL PLAT  
OF  
LEGADO - PHASE 2 & 3 - PARCEL J**

**A PORTION OF THE SOUTHEAST QUARTER OF SECTION 18,  
TOWNSHIP 2 SOUTH, RANGE 7 EAST OF THE GILA AND  
SALT RIVER MERIDIAN, MARICOPA COUNTY, ARIZONA**



**KEY MAP**  
NOT TO SCALE

**LEGAL DESCRIPTION**

SEE SHEET 2 OF 6 FOR LEGAL DESCRIPTION

**REFERENCE DOCUMENTS**

- 1. PARCEL E1, SOSSAMAN ESTATES BOOK 572, PAGE 34, MCR
- 2. PARCEL H, SOSSAMAN ESTATES BOOK 636, PAGE 11, MCR
- 3. SOSSAMAN ESTATES PHASE II BOOK 926, PAGE 47, MCR
- 4. GDAC'S SURVEY BOOK 1143, PAGE 21, MCR

TRACT TABLE with columns: TRACT, AREA (ACRES), USE. Lists tracts A through G with their respective areas and uses (Common Area, Drainage).

- NOTES:
- 1. COMMON AREAS MAY INCLUDE OPEN SPACE, LANDSCAPING, PEDESTRIAN PATHS AND/OR AMENITIES.
  - 2. SPECIFIC EASEMENTS THAT ARE BEING DEDICATED AS PART OF THIS PLAT ARE FULLY DELINEATED ON THE FOLLOWING SHEETS.
  - 3. THE USES SHOWN IN THE TRACT TABLE ABOVE DO NOT INTEND TO GRANT EASEMENTS THAT ARE BLANKET IN NATURE OVER THE ENTIRE TRACT.

**LEGEND**

- FOUND MONUMENT AS NOTED
- ⊗ FOUND BRASS CAP IN HAND HOLE
- SET BRASS CAP
- SET 1/2" REBAR W/ CAP, RLS 32222 OR AS NOTED
- BOUNDARY LINE
- - - SECTION LINE
- - - CENTER LINE
- - - RIGHT OF WAY
- - - PARCEL LINE
- - - EASEMENT LINE
- - - RIGHT-OF-WAY
- R/W PUBLIC UTILITY EASEMENT
- SVT SIGHT VISIBILITY TRIANGLE
- VNAE VEHICLE NON-ACCESS EASEMENT
- PCR PINAL COUNTY RECORDS
- RLS REGISTERED LAND SURVEYOR
- APN ASSESSOR PARCEL NUMBER

**OWNER/DEVELOPER**

VPTM LEGADO LB LLC  
C/O VARDE PARTNERS, INC.  
901 MARQUETTE AVE. S., SUITE 3300  
MINNEAPOLIS, MN 55402  
(952) 374-6963

**ZONING DESIGNATION**

ZONING: R1-7

**SHEET INDEX**

FP01 COVER SHEET, SHEET INDEX MAP  
FP02 LOT TABLE, LOT DETAILS, NOTES & FINAL PLAT  
FP03-FP06 FINAL PLAT

**BASIS OF BEARING**

BASIS OF BEARING IS N87°26'14"W ALONG THE SOUTH LINE OF THE SOUTHWEST QUARTER OF SECTION 18, TOWNSHIP 2 SOUTH, RANGE 7 EAST OF THE GILA AND SALT RIVER MERIDIAN, MARICOPA COUNTY, ARIZONA AS SHOWN ON THE RECORD OF SURVEY RECORDED IN BOOK 725, PAGE 32, MARICOPA COUNTY RECORDS, BETWEEN THE MONUMENTS AS SHOWN HEREON.

**ASSURED WATER SUPPLY**

THE ARIZONA DEPARTMENT OF WATER RESOURCES HAS GRANTED A CERTIFICATE OF ASSURED WATER SUPPLY, DWR FILE NO. \_\_\_\_\_

**ASSURANCE STATEMENT**

ASSURANCE IN THE FORM OF A CASH, PERFORMANCE OR SUBDIVISION BOND, IRREVOCABLE LETTER OF CREDIT, OR SIGNED CERTIFICATE OF OCCUPANCY HOLD AGREEMENT HAS BEEN DEPOSITED WITH THE TOWN ENGINEERING TO GUARANTEE CONSTRUCTION OF THE REQUIRED SUBDIVISION IMPROVEMENTS.

**APPROVALS**

APPROVED BY THE TOWN COUNCIL OF QUEEN CREEK, ARIZONA, ON THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2022.

BY: \_\_\_\_\_ MAYOR \_\_\_\_\_ DATE \_\_\_\_\_

ATTEST: \_\_\_\_\_ TOWN CLERK \_\_\_\_\_ DATE \_\_\_\_\_

**DEPARTMENT APPROVALS**

THIS PLAT WAS APPROVED AS TO FORM BY THE TOWN ENGINEERING MANAGER AND THE TOWN PLANNING MANAGER.

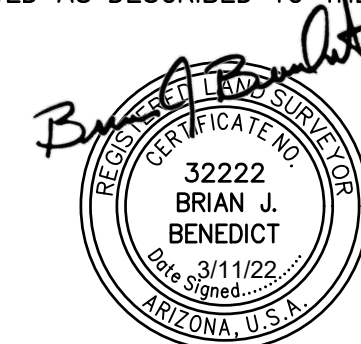
BY: \_\_\_\_\_ TOWN ENGINEER \_\_\_\_\_ DATE \_\_\_\_\_

BY: \_\_\_\_\_ TOWN PLANNING ADMINISTRATOR \_\_\_\_\_ DATE \_\_\_\_\_

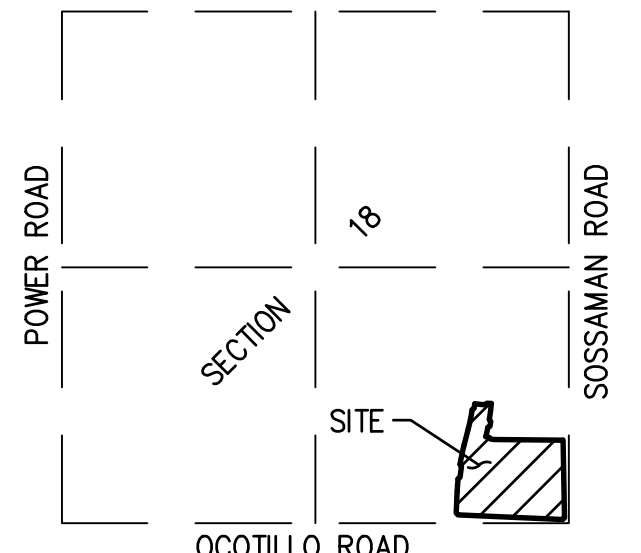
**SURVEYOR CERTIFICATION**

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

BRIAN BENEDICT, RLS  
RLS 32222  
HILGARTWILSON, LLC  
2141 E. HIGHLAND AVENUE, SUITE 250  
PHOENIX, ARIZONA 85016  
P: (602) 490-0535  
bbenedict@hilgartwilson.com



NOTE:  
A.R.S. 32-151 STATES THAT THE USE OF THE WORD "CERTIFY" OR "CERTIFICATION" BY A PERSON OR FIRM THAT IS REGISTERED OR CERTIFIED BY THE BOARD IS AN EXPRESSION OF PROFESSIONAL OPINION REGARDING FACTS OR FINDINGS THAT ARE SUBJECT OF THE CERTIFICATION AND DOES NOT CONSTITUTE AN EXPRESS OR IMPLIED WARRANTY OR GUARANTEE.



**VICINITY MAP**  
NOT TO SCALE

**SURVEYOR**

HILGARTWILSON, LLC  
2141 E. HIGHLAND AVENUE, STE 250  
PHOENIX, ARIZONA 85016  
PHONE: (602) 490-0535  
CONTACT: BRIAN BENEDICT, RLS

**LOT TABLE**

SITE CONTAINS 71 LOTS (14,1547 ACRES)  
SEE SHEET 2 OF 6 FOR LOT TABLE

**HILGARTWILSON**  
ENGINEER | PLAN | SURVEY | MANAGE  
2141 E. HIGHLAND AVE., STE. 250 | P: 602.490.0535 / F: 602.368.2436  
www.hilgartwilson.com

**LEGADO - PHASE 2 & 3 - PARCEL J**  
QUEEN CREEK ROAD AND SOSSAMAN ROAD  
QUEEN CREEK, ARIZONA  
**FINAL PLAT**

STATUS: \_\_\_\_\_  
PROJ. NO.: 1417  
DATE: MAR 2022  
SCALE: NONE  
DRAWN: MRM/GS  
APPROVED: BJB

DWG. NO.  
**FP01**  
SHT. 1 OF 6



LOT TABLE		
LOT NO.	AREA (SQ.FT)	AREA (ACRES)
LOT : 1	9426	0.2164
LOT : 2	9390	0.2156
LOT : 3	9316	0.2139
LOT : 4	8551	0.1963
LOT : 5	8161	0.1874
LOT : 6	8147	0.1870
LOT : 7	8161	0.1874
LOT : 8	8206	0.1884
LOT : 9	8790	0.2018
LOT : 10	8654	0.1987
LOT : 11	8929	0.2050
LOT : 12	8671	0.1991
LOT : 13	8628	0.1981
LOT : 14	11013	0.2528
LOT : 15	8580	0.1970
LOT : 16	8840	0.2029
LOT : 17	8840	0.2029
LOT : 18	8580	0.1970
LOT : 19	8840	0.2029
LOT : 20	8840	0.2029
LOT : 21	8580	0.1970
LOT : 22	9211	0.2114
LOT : 23	17992	0.4130
LOT : 24	15223	0.3495
LOT : 25	8568	0.1967

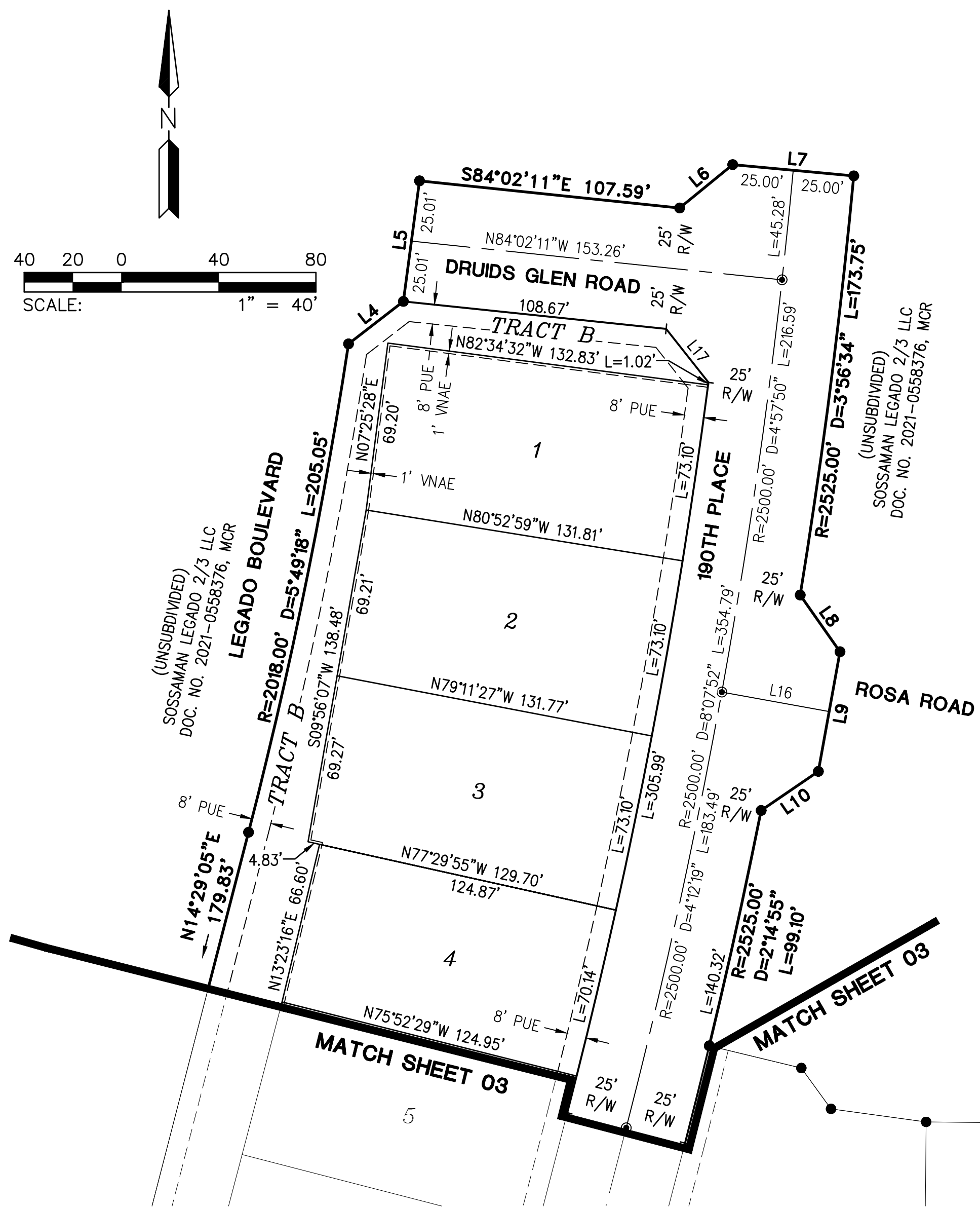
LOT TABLE		
LOT NO.	AREA (SQ.FT)	AREA (ACRES)
LOT : 26	8580	0.1970
LOT : 27	8580	0.1970
LOT : 28	8580	0.1970
LOT : 29	8580	0.1970
LOT : 30	8580	0.1970
LOT : 31	8580	0.1970
LOT : 32	8580	0.1970
LOT : 33	8644	0.1984
LOT : 34	8125	0.1865
LOT : 35	8125	0.1865
LOT : 36	8125	0.1865
LOT : 37	8125	0.1865
LOT : 38	8125	0.1865
LOT : 39	8125	0.1865
LOT : 40	8125	0.1865
LOT : 41	8125	0.1865
LOT : 42	8211	0.1885
LOT : 43	8612	0.1977
LOT : 44	8125	0.1865
LOT : 45	8125	0.1865
LOT : 46	8125	0.1865
LOT : 47	8125	0.1865
LOT : 48	8125	0.1865
LOT : 49	8125	0.1865
LOT : 50	8125	0.1865

LOT TABLE		
LOT NO.	AREA (SQ.FT)	AREA (ACRES)
LOT : 51	8125	0.1865
LOT : 52	9378	0.2153
LOT : 53	8125	0.1865
LOT : 54	8125	0.1865
LOT : 55	8125	0.1865
LOT : 56	8125	0.1865
LOT : 57	8125	0.1865
LOT : 58	8125	0.1865
LOT : 59	8125	0.1865
LOT : 60	8125	0.1865
LOT : 61	8125	0.1865
LOT : 62	8211	0.1885
LOT : 63	8612	0.1977
LOT : 64	8125	0.1865
LOT : 65	8125	0.1865
LOT : 66	8125	0.1865
LOT : 67	8125	0.1865
LOT : 68	8125	0.1865
LOT : 69	8125	0.1865
LOT : 70	8125	0.1865
LOT : 71	8125	0.1865

### LEGAL DESCRIPTION

A PORTION OF LAND BEING SITUATED WITHIN THE SOUTHEAST QUARTER OF SECTION 18, TOWNSHIP 2 SOUTH, RANGE 7 EAST OF THE GILA AND SALT RIVER MERIDIAN, MARICOPA COUNTY, ARIZONA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT A FOUND 3 INCH BRASS CAP IN POT HOLE ACCEPTED AS THE SOUTHEAST CORNER OF SAID SECTION 18 FROM WHICH A FOUND 3 INCH BRASS CAP IN HAND HOLE ACCEPTED AS THE SOUTH QUARTER CORNER THEREOF BEARS NORTH 87°24'59" WEST, 2632.41 FEET; THENCE NORTH 87°24'59" WEST, 78.52 FEET ALONG THE SOUTH LINE OF THE SOUTHEAST QUARTER OF SAID SECTION 18; THENCE LEAVING SAID SOUTH LINE, NORTH 02°35'01" EAST, 55.00 FEET TO THE POINT OF BEGINNING; THENCE NORTH 87°24'59" WEST, 1134.35 FEET ALONG A LINE 55.00 FEET NORTH OF AND PARALLEL TO THE SOUTH LINE OF SAID SOUTHEAST QUARTER; THENCE NORTH 42°24'59" WEST, 28.28 FEET; THENCE NORTH 02°35'01" EAST, 235.32 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE SOUTHEASTERLY, HAVING A RADIUS OF 2457.00 FEET; THENCE NORTHEASTERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 03°06'01", AN ARC LENGTH OF 132.95 FEET TO A NON-TANGENT LINE; THENCE NORTH 51°44'00" EAST, 27.88 FEET; THENCE NORTH 07°32'59" EAST, 120.00 FEET; THENCE NORTH 36°38'03" WEST, 27.88 FEET TO A NON-TANGENT CURVE, CONCAVE SOUTHEASTERLY, HAVING A RADIUS OF 2457.00 FEET, THE CENTER OF WHICH BEARS SOUTH 80°35'05" EAST; THENCE NORTHEASTERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 05°04'09", AN ARC LENGTH OF 217.38 FEET TO A TANGENT LINE; THENCE NORTH 14°29'05" EAST, 179.83 FEET TO THE BEGINNING OF A TANGENT CURVE CONCAVE TO THE NORTHWESTERLY, HAVING A RADIUS OF 2018.00 FEET; THENCE NORTHEASTERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 05°49'18", AN ARC LENGTH OF 205.05 FEET TO A NON-TANGENT LINE; THENCE NORTH 52°17'20" EAST, 28.55 FEET; THENCE NORTH 07°37'08" EAST, 50.02 FEET; THENCE SOUTH 84°02'11" EAST, 107.59 FEET; THENCE NORTH 50°45'19" EAST, 28.18 FEET; THENCE SOUTH 84°41'04" EAST, 50.00 FEET TO A NON-TANGENT CURVE, CONCAVE NORTHWESTERLY, HAVING A RADIUS OF 2525.00 FEET, THE CENTER OF WHICH BEARS NORTH 84°41'04" WEST; THENCE SOUTHWESTERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 03°56'34", AN ARC LENGTH OF 173.75 FEET TO A NON-TANGENT LINE; THENCE SOUTH 35°07'04" EAST, 28.48 FEET; THENCE SOUTH 10°16'46" WEST, 50.00 FEET; THENCE SOUTH 55°40'35" WEST, 28.48 FEET TO A NON-TANGENT CURVE, CONCAVE NORTHWESTERLY, HAVING A RADIUS OF 2525.00 FEET, THE CENTER OF WHICH BEARS NORTH 78°41'58" WEST; THENCE SOUTHWESTERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 02°14'55", AN ARC LENGTH OF 99.10 FEET TO A NON-TANGENT LINE; THENCE SOUTH 76°27'03" EAST, 38.94 FEET; THENCE SOUTH 35°57'20" EAST, 20.75 FEET; THENCE SOUTH 82°11'25" EAST, 39.50 FEET; THENCE SOUTH 89°30'21" EAST, 715.77 FEET; THENCE NORTH 88°50'39" EAST, 32.00 FEET; THENCE SOUTH 00°58'21" EAST, 841.42 FEET; THENCE SOUTH 45°48'20" WEST, 27.39 FEET TO THE POINT OF BEGINNING.



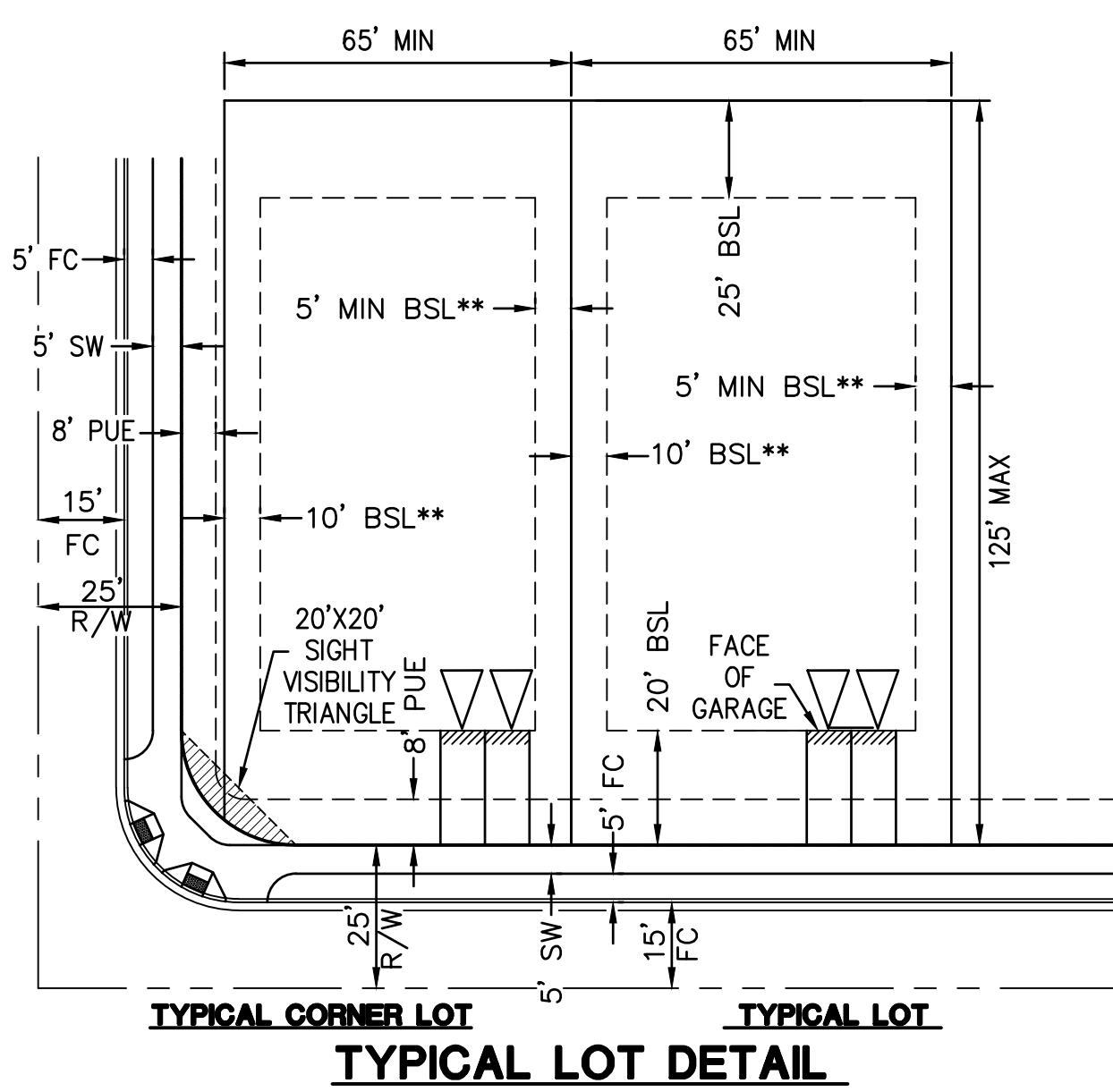
### LEGEND

- FOUND MONUMENT AS NOTED
- ⊗ FOUND BRASS CAP IN HAND HOLE
- SET BRASS CAP
- SET 1/2" REBAR W/ CAP, RLS 32222 OR AS NOTED
- BOUNDARY LINE
- SECTION LINE
- CENTER LINE
- RIGHT OF WAY
- PARCEL LINE
- - - EASEMENT LINE
- RIGHT-OF-WAY
- PUE PUBLIC UTILITY EASEMENT
- SVT SIGHT VISIBILITY TRIANGLE
- VNAE VEHICLE NON-ACCESS EASEMENT
- PCR PINAL COUNTY RECORDS
- RLS REGISTERED LAND SURVEYOR
- APN ASSESSOR PARCEL NUMBER

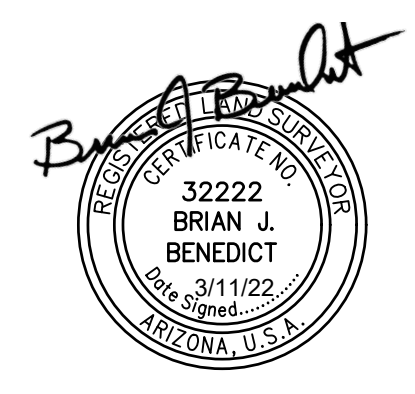
LINE TABLE		
LINE NO.	DIRECTION	LENGTH
L4	N52°17'20"E	28.55'
L5	N07°37'08"E	50.02'
L6	N50°45'19"E	28.18'
L7	S84°41'04"E	50.00'
L8	S35°07'04"E	28.48'
L9	S10°16'46"W	50.00'
L10	S55°40'35"W	28.48'
L16	N79°43'14"W	44.88'
L17	S38°20'30"E	28.06'

### NOTES:

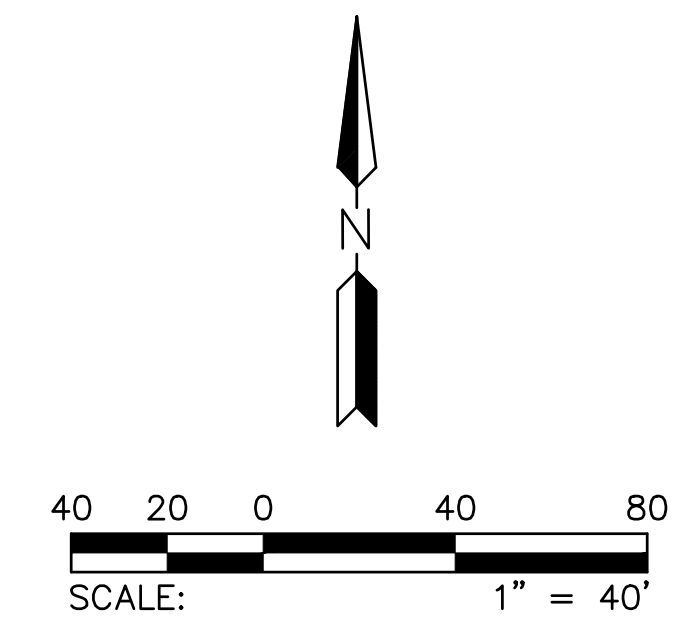
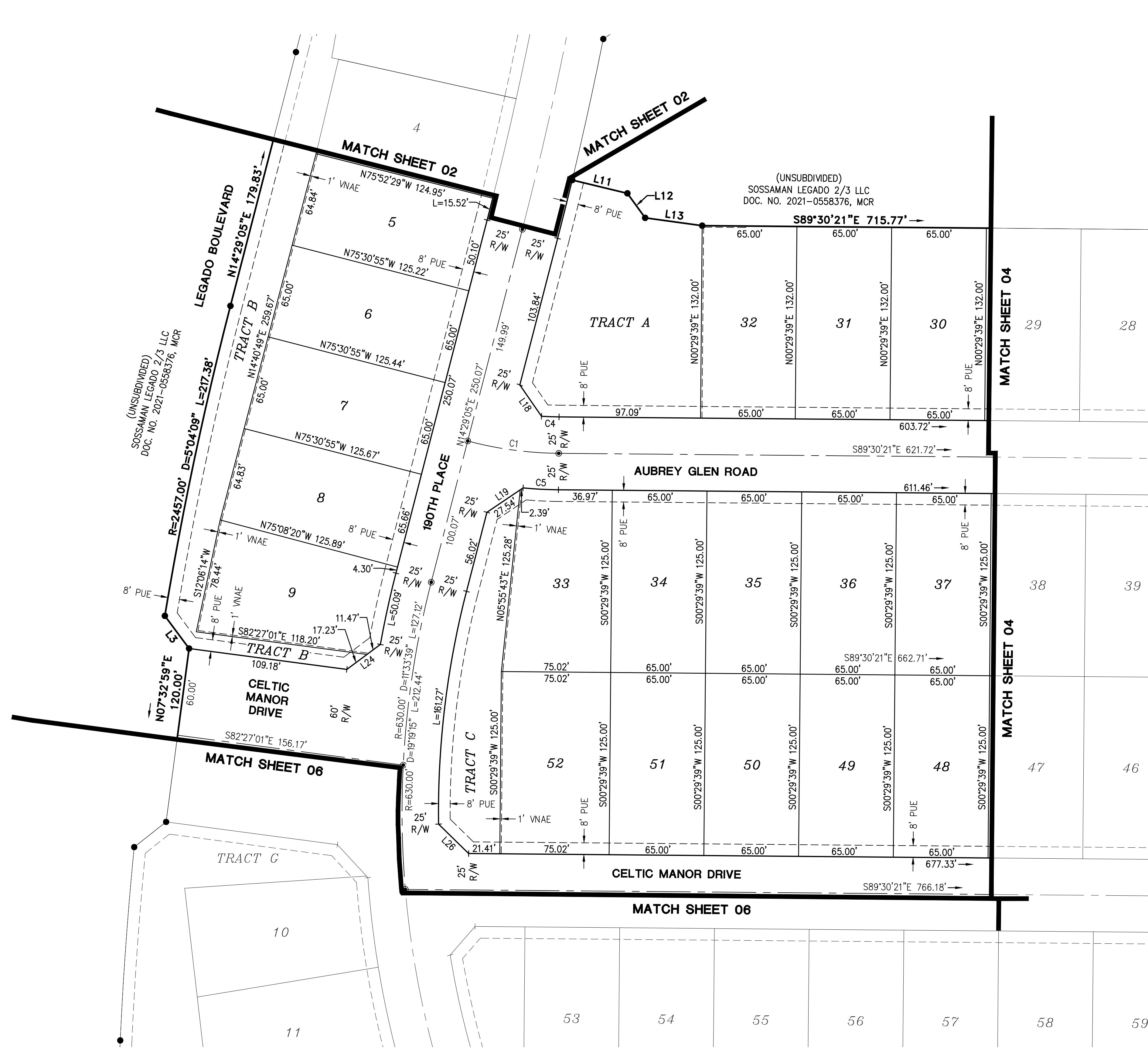
- THE LEGADO COMMUNITY ASSOCIATION, AN ARIZONA NON-PROFIT CORPORATION, SHALL BE RESPONSIBLE FOR MAINTENANCE OF ALL LAND-SCAPED ISLANDS AND MEDIANS WITH THE EXCEPTION OF THOSE LOCATED WITHIN ARTERIAL ROADWAYS.
- CONSTRUCTION WITHIN UTILITY EASEMENTS SHALL BE LIMITED TO UTILITIES AND DRIVEWAYS.
- NO STRUCTURES OF ANY KIND MAY BE CONSTRUCTED, NOR ANY VEGETATION PLANTED NOR ALLOWED TO GROW WITHIN DRAINAGE EASEMENTS WHICH WOULD IMPEDE THE FLOW OF WATER THROUGH THE EASEMENTS.
- IN EASEMENTS FOR THE EXCLUSIVE USE OF WATER, SANITARY SEWER, OR A COMBINATION THEREOF, ONLY GRASS COVER AND BUSHES ARE ALLOWED TO BE PLANTED WITHIN THE EASEMENT AREA. NO TREES ARE ALLOWED.
- ALL TRACTS THAT WILL NOT BE CONVEYED TO THE TOWN OF QUEEN CREEK AND ALL COMMON PROPERTY SHALL BE IMPROVED IN ACCORDANCE WITH PLANS APPROVED BY THE TOWN OF QUEEN CREEK AND SHALL BE CONVEYED BY WARRANTY (OR SPECIAL WARRANTY) DEED TO THE HOMEOWNERS ASSOCIATION. THE HOMEOWNERS ASSOCIATION SHALL BE RESPONSIBLE FOR THE MAINTENANCE OF THE COMMON PROPERTY.
- ALL NEW OR RELOCATED UTILITIES WILL BE PLACED UNDERGROUND WITH THE EXCEPTION OF POWER LINES WHICH ARE 69KV LINES OR MORE.
- 69KV ELECTRICAL LINES MUST BE RELOCATED OUTSIDE OF THE RIGHT OF WAY OR TO THE EDGE OF THE RIGHT OF WAY.
- ELECTRICAL LINES SHALL BE CONSTRUCTED UNDERGROUND AS REQUIRED BY ARIZONA CORPORATE COMMISSION.
- ALL RETENTION BASINS MUST DRAIN ANY STORM EVENT UP TO AND INCLUDING THE 100-YEAR, 2-HOUR STORM WITHIN 36 HOURS. OWNER(S) OF ANY BASIN FAILING TO MEET THIS REQUIREMENT MUST TAKE CORRECTIVE ACTION TO BRING THE BASIN INTO COMPLIANCE.
- THE TOWN OF QUEEN CREEK IS NOT RESPONSIBLE FOR AND WILL NOT ACCEPT MAINTENANCE OF ANY LANDSCAPED AREAS WITHIN THIS PROJECT. THE OWNERS ASSOCIATION OR PROPERTY OWNERS SHALL BE RESPONSIBLE FOR MAINTENANCE OF ALL LANDSCAPED ISLANDS AND MEDIANS WITH THE EXCEPTION OF THOSE LOCATED WITHIN ARTERIAL ROADWAYS.
- THE LOCATION OF THE EMERGENCY ACCESS EASEMENTS AND PRIVATE UTILITY EASEMENTS SHALL BE DEFINED WITHIN THE RECORDED CO&R AGREEMENT.
- THESE PROPERTIES, DUE TO THEIR PROXIMITY TO THE PHOENIX MESA, GATEWAY AIRPORT, ARE LIKELY TO EXPERIENCE AIRCRAFT OVERFLIGHTS, WHICH COULD GENERATE NOISE LEVELS WHICH MAY BE OF CONCERN TO SOME INDIVIDUALS. THE MIX OF AIRCRAFT CONSIST OF CARGO, COMMERCIAL, CHARTER, CORPORATE, GENERAL AVIATION AND MILITARY AIRCRAFT.
- THIS PROPERTY, DUE TO ITS PROXIMITY TO PHOENIX MESA GATEWAY AIRPORT, WILL EXPERIENCE AIRCRAFT OVERFLIGHTS, WHICH ARE EXPECTED TO GENERATE NOISE LEVELS THAT MAY BE OF CONCERN TO SOME INDIVIDUALS. THE MIX OF AVIATION ACTIVITIES AND TYPES OF AIRCRAFT EXPECTED TO BE LOCATED AND OPERATE AT THE AIRPORT NOW AND IN THE FUTURE INCLUDE: SCHEDULED AND UNSCHEDULED COMMERCIAL CHARTERS, COMMERCIAL AIR CARRIERS AND COMMERCIAL AIR CARGO OPERATIONS, ALL OF WHICH ARE EXPECTED TO USE LARGE COMMERCIAL AIRCRAFT; GENERAL AVIATION ACTIVITY USING CORPORATE AND EXECUTIVE JETS, HELICOPTERS, AND PROPELLER AIRCRAFT; AVIATION FLIGHT TRAINING SCHOOLS USING TRAINING AIRCRAFT; AND MILITARY ACTIVITY USING HIGH PERFORMANCE MILITARY JETS. THE SIZE OF AIRCRAFT AND FREQUENCY OF USE OF SUCH AIRCRAFT MAY CHANGE OVER TIME DEPENDING ON MARKET AND TECHNOLOGY CHANGES.



R1-7 PAD (PARCEL J)  
 \*PERIMETER SETBACK WHERE SHOWN ON PLAN  
 SCALE: N.T.S.  
 \*\* 5' MIN SIDEYARD SETBACK; 15' MIN AGGREGATE SIDEYARD SETBACK.  
 NOTE: NO TWO-STORY HOMES SHALL BE PERMITTED ALONG THE QUEEN CREEK WASH, SOSSAMAN ROAD, OR Ocotillo ROAD



PROJ. NO.: 1417	STATUS:
DATE: MAR 2022	MUNICIPAL TRACKING NO.:
SCALE: AS SHOWN	DRAWN: MRM/GS
APPROVED: BJB	

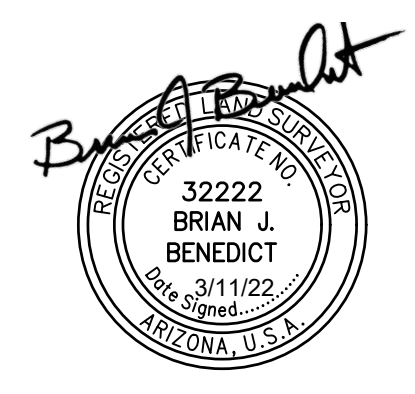


**LEGEND**

- FOUND MONUMENT AS NOTED
- ⊗ FOUND BRASS CAP IN HAND HOLE
- SET BRASS CAP
- SET 1/2" REBAR W/ CAP, RLS 32222 OR AS NOTED
- BOUNDARY LINE
- - - SECTION LINE
- - - CENTER LINE
- - - RIGHT OF WAY
- - - PARCEL LINE
- - - EASEMENT LINE
- - - RIGHT-OF-WAY
- R/W RIGHT-OF-WAY
- PUE PUBLIC UTILITY EASEMENT
- SVT SIGHT VISIBILITY TRIANGLE
- VNAE VEHICLE NON-ACCESS EASEMENT
- PCR PINAL COUNTY RECORDS
- RLS REGISTERED LAND SURVEYOR
- APN ASSESSOR PARCEL NUMBER

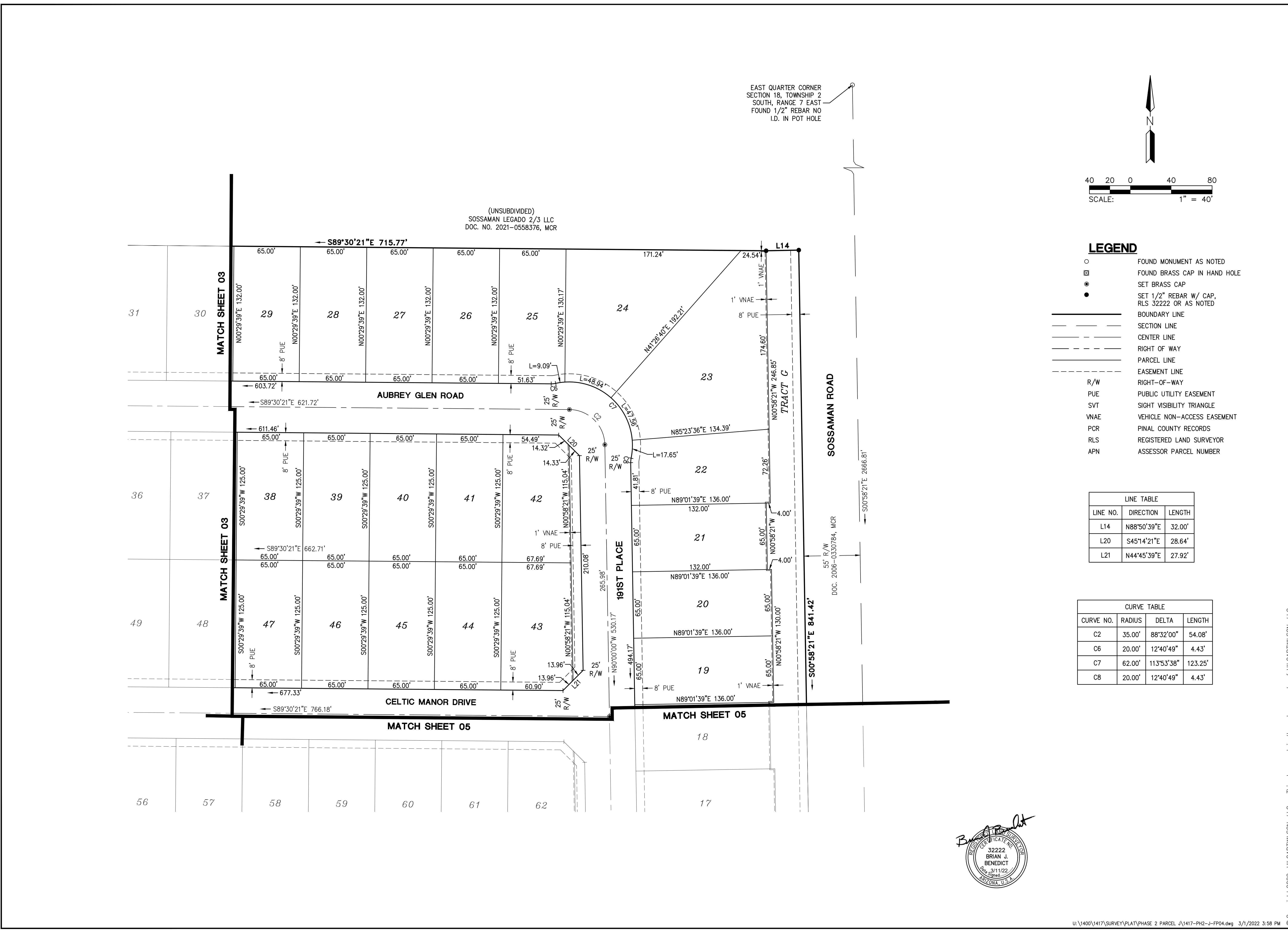
LINE TABLE		
LINE NO.	DIRECTION	LENGTH
L3	N36°38'03"W	27.88'
L11	S76°27'03"E	38.94'
L12	S35°57'20"E	20.75'
L13	S82°11'25"E	39.50'
L18	N34°42'20"W	26.14'
L19	N56°03'28"E	29.92'
L24	N53°23'24"E	28.69'
L26	N45°37'14"W	28.83'

CURVE TABLE			
CURVE NO.	RADIUS	DELTA	LENGTH
C1	250.00'	14°28'46"	63.18'
C4	225.00'	3°03'46"	12.03'
C5	275.00'	5°03'10"	24.25'



PROJ. NO.: 1417  
DATE: MAR 2022  
SCALE: AS SHOWN  
DRAWN: MRM/GS  
APPROVED: BJB

DWG. NO.  
**FP03**  
SHT. 3 OF 6



**LEGEND**

- FOUND MONUMENT AS NOTED
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- - - SECTION LINE
- - - CENTER LINE
- - - RIGHT OF WAY
- - - PARCEL LINE
- - - EASEMENT LINE
- - - RIGHT-OF-WAY
- - - PUBLIC UTILITY EASEMENT
- - - SIGHT VISIBILITY TRIANGLE
- - - VEHICLE NON-ACCESS EASEMENT
- - - PINAL COUNTY RECORDS
- - - REGISTERED LAND SURVEYOR
- - - ASSESSOR PARCEL NUMBER

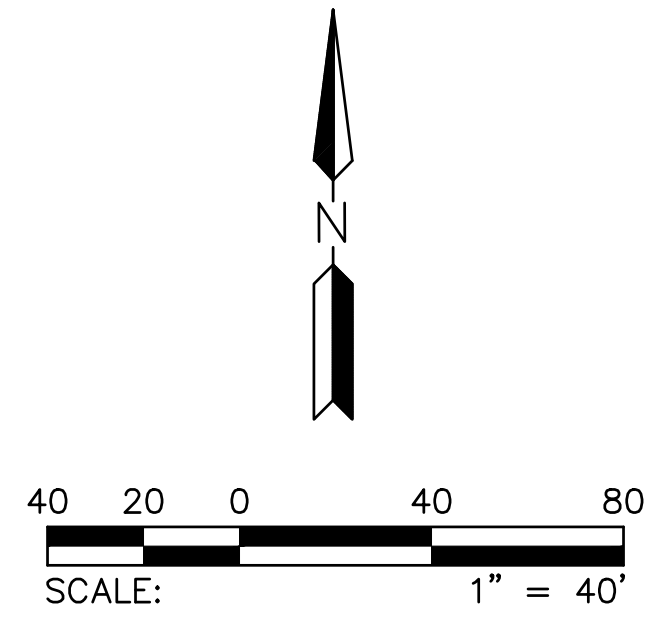
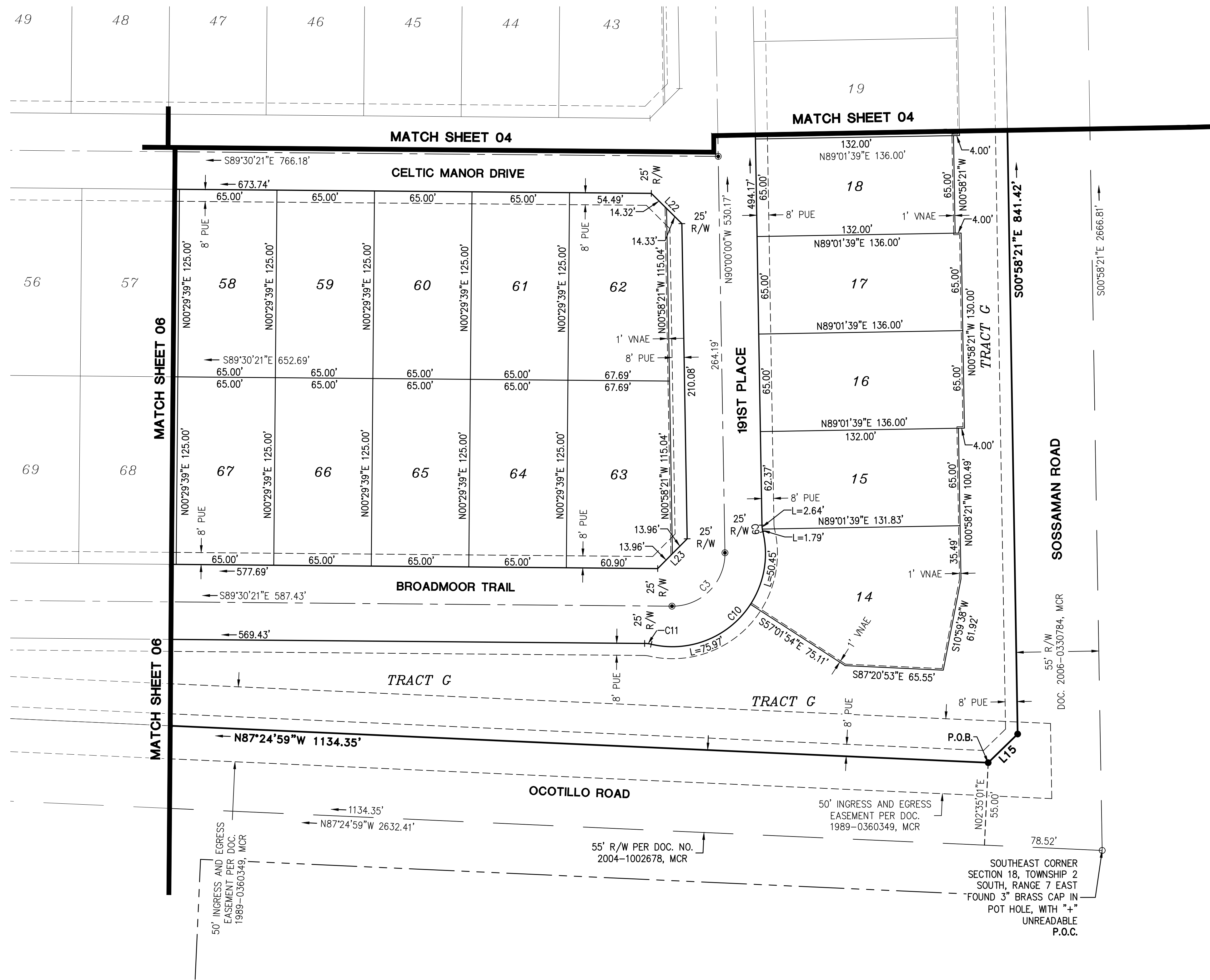
LINE TABLE		
LINE NO.	DIRECTION	LENGTH
L14	N88°50'39"E	32.00'
L20	S45°14'21"E	28.64'
L21	N44°45'39"E	27.92'

CURVE TABLE			
CURVE NO.	RADIUS	DELTA	LENGTH
C2	35.00'	88°32'00"	54.08'
C6	20.00'	12°40'49"	4.43'
C7	62.00'	113°53'38"	123.25'
C8	20.00'	12°40'49"	4.43'



PROJ. NO.: 1417	STATUS:
DATE: MAR 2022	MUNICIPAL TRACKING NO.:
SCALE: AS SHOWN	DRAWN: MRM/GS
APPROVED: BJB	



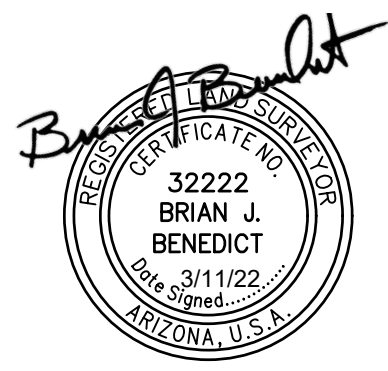


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- RLS REGISTERED LAND SURVEYOR
- APN ASSESSOR PARCEL NUMBER

LINE TABLE		
LINE NO.	DIRECTION	LENGTH
L15	S45°48'20"W	27.39'
L22	N45°14'21"W	28.64'
L23	N44°45'39"E	27.92'

CURVE TABLE			
CURVE NO.	RADIUS	DELTA	LENGTH
C3	35.00'	91°28'00"	55.87'
C9	20.00'	12°40'49"	4.43'
C10	62.00'	116°49'39"	126.42'
C11	20.00'	12°40'49"	4.43'



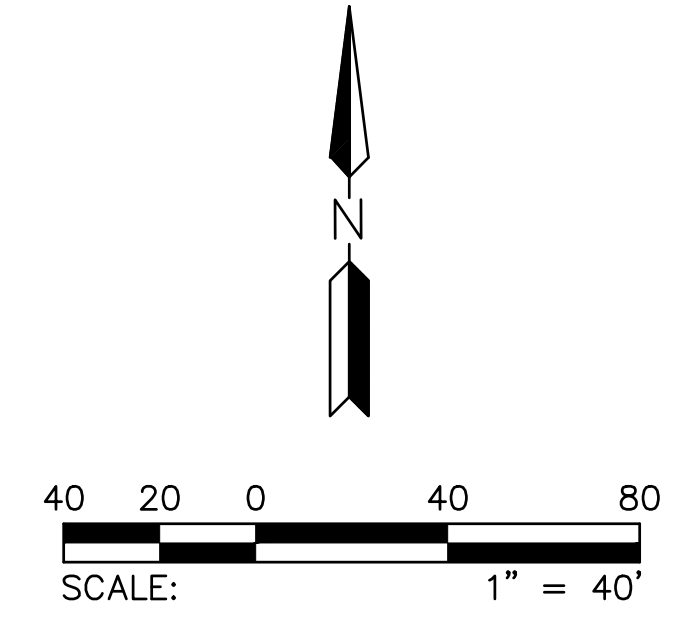
**LEGADO - PHASE 2 & 3 - PARCEL J**  
 QUEEN CREEK ROAD AND SOSSAMAN ROAD  
 QUEEN CREEK, ARIZONA  
**FINAL PLAT**

PROJ. NO.: 1417  
 DATE: MAR 2022  
 SCALE: AS SHOWN  
 DRAWN: MRM/GS  
 APPROVED: BJB

DWG. NO.  
**FP05**  
 SHT. 5 OF 6

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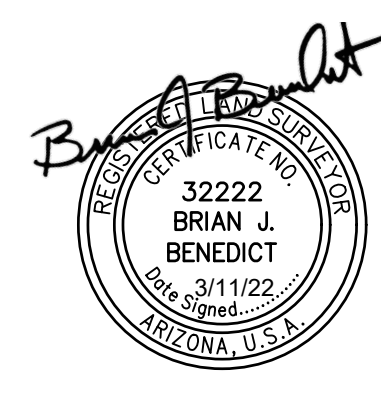
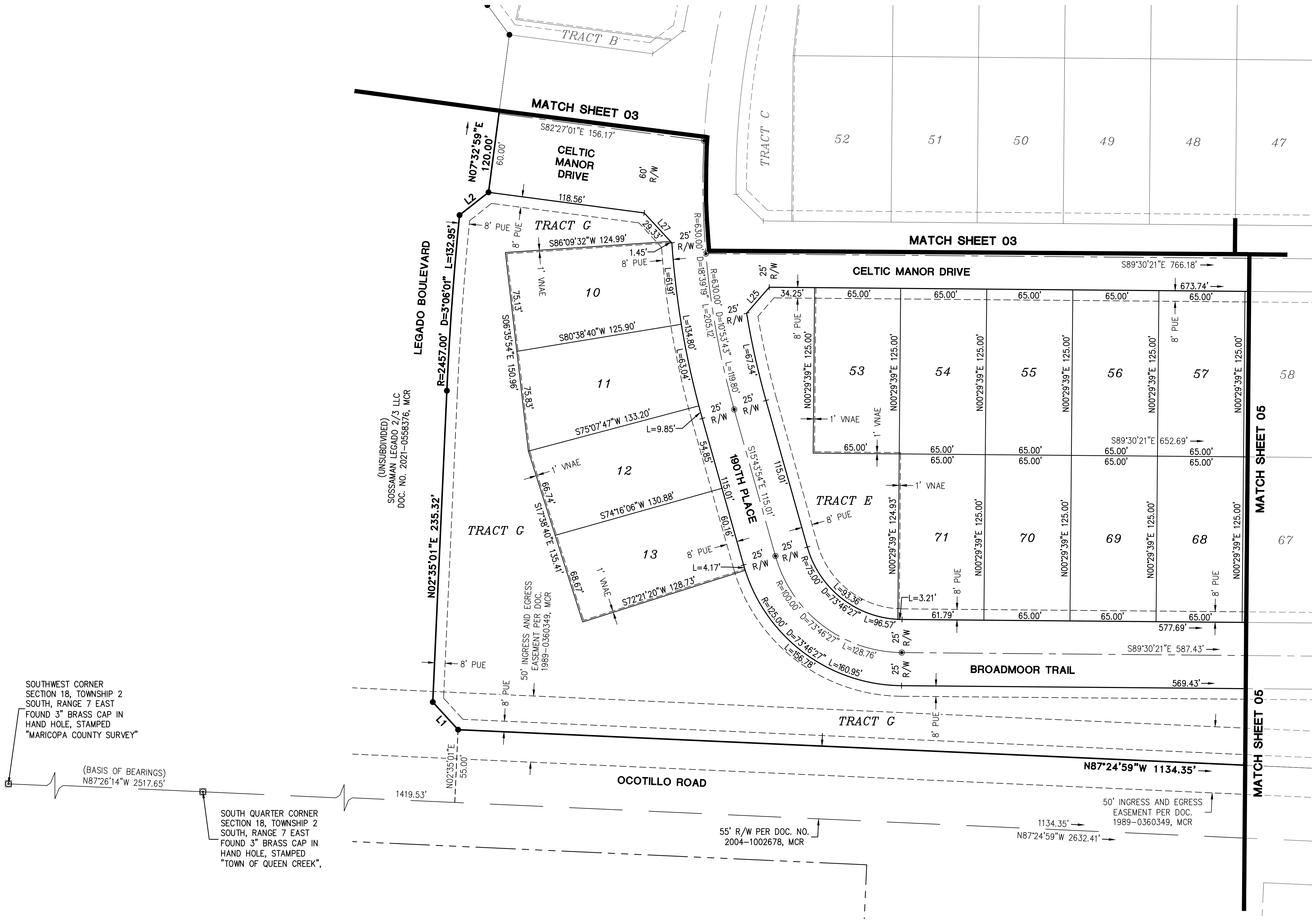




**LEGEND**

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LINE TABLE		
LINE NO.	DIRECTION	LENGTH
L1	N42°24'59"W	28.28'
L2	N51°44'00"E	27.88'
L25	N41°03'10"E	26.01'
L27	S42°45'31"E	30.78'



SOUTHWEST CORNER  
SECTION 18, TOWNSHIP 2  
SOUTH, RANGE 7 EAST  
FOUND 3" BRASS CAP IN  
HAND HOLE, STAMPED  
"MARICOPA COUNTY SURVEY"

(BASIS OF BEARINGS)  
N87°26'14"W 2517.65'

SOUTH QUARTER CORNER  
SECTION 18, TOWNSHIP 2  
SOUTH, RANGE 7 EAST  
FOUND 3" BRASS CAP IN  
HAND HOLE, STAMPED  
"TOWN OF QUEEN CREEK",

50' INGRESS AND EGRESS  
EASEMENT PER DOC.  
1989-0360349, MCR

50' INGRESS AND EGRESS  
EASEMENT PER DOC.  
1989-0360349, MCR

55' R/W PER DOC. NO.  
2004-1002678, MCR



TOWN OF  
**QUEEN CREEK**  
ARIZONA

8.E

**TO:** HONORABLE MAYOR AND TOWN COUNCIL

**THROUGH:** JOHN KROSS ICMA-CM, TOWN MANAGER

**FROM:** MOHAMED YOUSSEF, PUBLIC WORKS DIRECTOR

**RE:** CONSIDERATION AND POSSIBLE APPROVAL OF A PROJECT ORDER #1 FOR WOOD ENVIRONMENT & INFRASTRUCTURE SOLUTIONS, INC. IN AN AMOUNT NOT TO EXCEED \$31,385 FOR TOWN-WIDE SCHOOL ZONE SIGN INVENTORY AND COMPLIANCE EVALUATION. (FY 2021/22 BUDGETED ITEM)

**DATE:** May 4, 2022

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**Suggested Action:**

Staff recommends approval of Project Order #1 for Wood Environment & Infrastructure Solutions, Inc. in an amount not to exceed \$31,385 for Town-wide School Zone Sign Inventory and Compliance Evaluation. (FY 2021/22 Budgeted Item)

**Relevant Council Goal(s):**

Superior Infrastructure - Capital Improvement Program

**Discussion:**

There are twenty-five (25) schools identified in the Town of Queen Creek. A complete inventory of signs, pavement markings, and queuing lengths has not been developed. Wood Environment and Infrastructure Solutions, Inc. will conduct field reviews to determine compliance with federal, state and local standards for signs and markings and conduct interviews with representatives of the school districts for student population and crossing guard information.

Wood Environment and Infrastructure Solutions, Inc. will provide a report summarizing the findings for each school zone and note any changes that are needed to achieve compliance with current standards, discuss queue measures, and recommend possible revisions to our standard details.

**Fiscal Impact:**

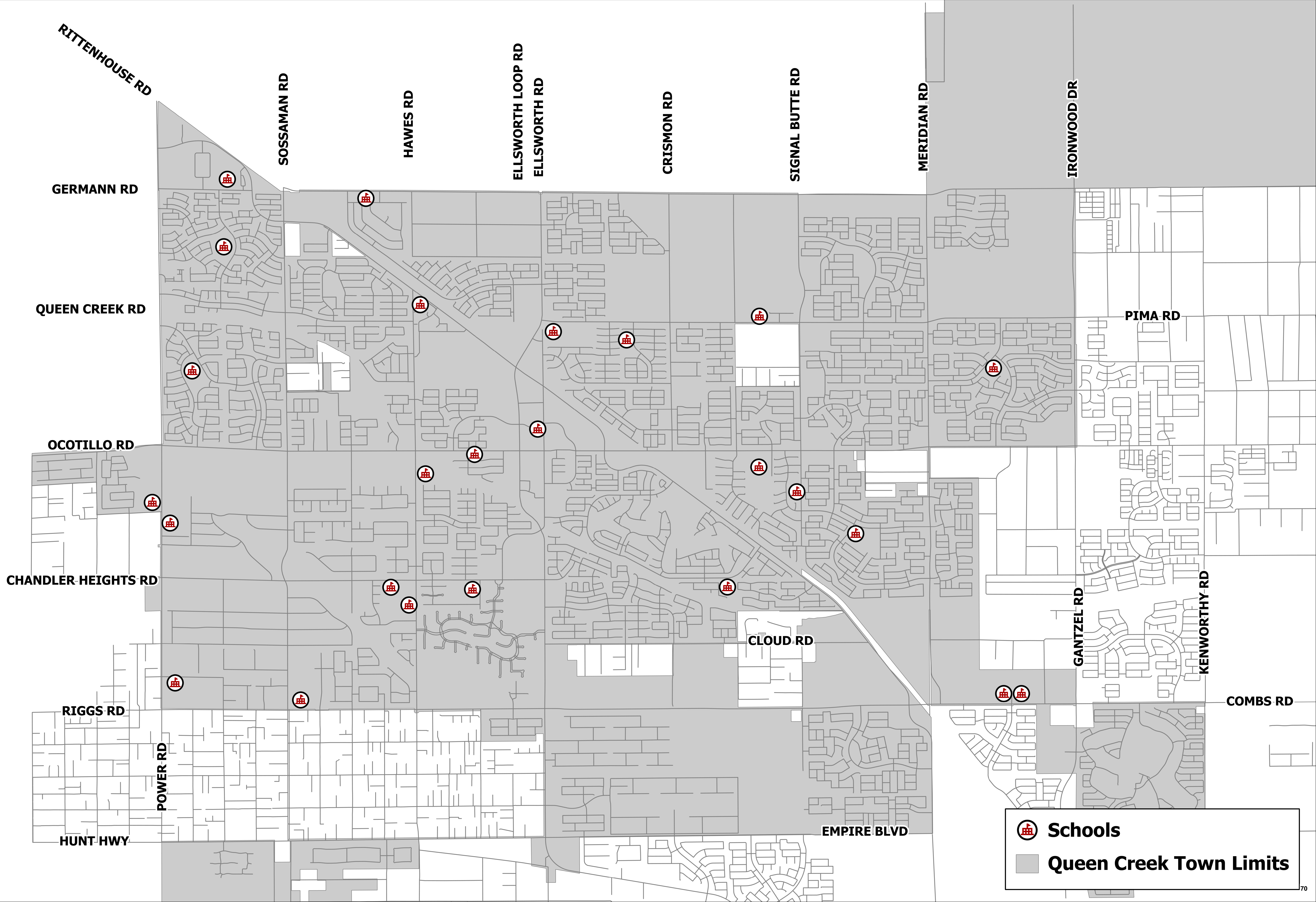
The not to exceed amount for Wood Environment & Infrastructure Solutions, Inc. Project Order #1 totals \$31,385, which includes the proposal amount of \$28,532, plus \$2,853 (10%) contingency for possible unanticipated, additional services. Available budget within the Traffic Professional Services budget totals \$174,000 prior to the award of this project, and will require no budget adjustment in order to award this contract.

**Alternatives:**

Council could decide not to proceed with this Project Order. The impact of this decision will result in current conditions prevailing and any inconsistencies will remain unidentified.

**Attachment(s):**

1. [Site Map](#)
2. [PTO\\_No1-SchoolZoneSign.pdf](#)



 **Schools**  
 **Queen Creek Town Limits**





**PROJECT TASK ORDER FORM**  
**TOWN OF QUEEN CREEK,**  
**an Arizona municipal corporation ("TOWN")**

---

**PROFESSIONAL PROJECT TASK ORDER**  
**Town Wide School Zone Sign Inventory and Compliance Evaluation**

**Project Task Order No. 01**  
**Contract No. 2022-024**  
**Project No. PT22-29B**

**THIS PROJECT ORDER** is made and entered into on the \_\_\_\_\_ day of May, 2022 by and between the Town of Queen Creek, Arizona, an Arizona municipal corporation, hereinafter called ("TOWN") and the "CONSULTANT" designated below. This Project Task Order is entered in to pursuant to and incorporates herein the terms and provisions of the **CONSULTANT Contract No. 2022-024**, dated **February 16, 2022** between TOWN and CONSULTANT ("Contract"). Upon full execution of this Project Task Order, the Project Task Order, together with the Project Task Order Contract (including all of the Contract Documents as defined therein), shall be the Contract between the Parties for the professional services specified herein ("Services").

TOWN and CONSULTANT agree as follows:

**TOWN:** **Town of Queen Creek**  
**Project Manager: Marshall Riegel**  
**Telephone: 480-358-3153**  
**E-mail: marshall.riegel@queencreekaz.gov**

**CONSULTANT:** **Wood Environment & Infrastructure Solutions, Inc**  
**4600 East Washington Street, Suite 600**  
**Phoenix, Arizona 85034**  
**Arizona Registration No.**  
**Design Professional Representative: Richard Yano, PE.**  
**Telephone: 480-363-9334**  
**E-mail: dick.yano@woodplc.com**

**PROJECT DESCRIPTION:** This Project Task Order #01 is for Town wide school zone sign inventory and compliance evaluation.

The Project is scheduled to commence upon Notice to Proceed and be completed no later than the agreed upon schedule to be submitted by the Consultant.

**PROJECT SITE ADDRESS/LOCATION:** The Project for this Project Task Order # 01 is located at various school zone locations as indicated in the Scope of Work dated April 6, 2022.





IN WITNESS, WHEREOF, the parties hereto have executed this Project Task Order through their duly authorized representatives and bind their respective entities as of the effective date.

Town of Queen Creek, an Arizona municipal corporation

Approval of Town Council,

Approval of Contract Administrator,

By:   
Mayor Gail Barney

By:   
John Kross, Town Manager

Attest:

Town Clerk, Maria Gonzalez

Wood Environment & Infrastructure Solutions, Inc., an Arizona corporation:

By:

Its:



**PROJECT TASK ORDER 01**

**EXHIBIT A**

**SCOPE OF WORK AND PROJECT SCHEDULE DATED APRIL 6, 2022**





**PROJECT TASK ORDER 01**

**EXHIBIT B**

**UNIQUE INSURANCE AND/OR BOND REQUIREMENTS (IF ANY)**

**N/A**



**PROJECT TASK ORDER 01**

**EXHIBIT C**

**PROJECT SPECIFIC CONDITIONS (IF ANY)**

**N/A**

4820-2637-7466 v1 53749-1



Wood Environment & Infrastructure Solutions, Inc.  
4600 East Washington Street, Suite 600  
Phoenix, Arizona 85034

T: 602-733-6000

[www.woodplc.com](http://www.woodplc.com)

April 6, 2022  
Proposal/Project Number: PT22-29-B

Marshall Riegel,  
Traffic Engineer  
Public Works Department  
Town of Queen Creek  
22358 South Ellsworth Road  
Queen Creek, AZ 85142

**RE: 2022-029 On-Call Professional Services - Task Order – Town-wide School Zone Sign Inventory and Compliance Evaluation, Queen Creek, AZ**

Dear Marshall,

In response to your recent request, Wood Environment & Infrastructure Solutions, Inc. (Wood) herein presents our scope and fee for obtaining a Town-wide school zone Sign and pavement marking Inventory and evaluation of these school zone signs and pavement marking with the Town of Queen Creek Standard Detail RS-08. During the field review, the Wood team will obtain sign inventory and location of all off-site school-related signs, on-site signs that assist with on-site queuing and drop-off and pick-up operations, and if possible, measure the on-site queuing distance. This data will be compared to the Queen Creek Standard Detail RS-08 for compliance. The queue data and corresponding student population will be tabulated and compared to the Town of Queen Creek’s TIA requirements for school zone queuing. used on the results of this assessment, consistency patterns of existing signing inventory and queue length determination will be deduced. if needed revisions to the Standard details or TIA requirements may be initiated.

Per review using the Queen Creek Unified School District Map and Google map, a total of 25 schools were identified in the area. These schools include all Elementary, Middle, and High Schools, and both Public and Charter schools will be reviewed. Table 1 summarizes the list of schools that will be inventoried for this study. In the table below the nomenclature includes ES - Elementary School (Typically K-6), MS-Middle (7-8), JHS: Junior High School, HS: High School.

**Table 1: List of Schools within Town of Queen Creek Boundary**

SL #	Roadway Name	Public/Charter	School District
<b>Near Power Road</b>			
1	Auxier ES	Public	QCUSD
2	Casteel HS	Public	CUSD
3	Sossaman MS	Public	CUSD
4	Ben Franklin Charter	Charter	
<b>Near Sossaman Rd</b>			
5	Newell Barney JHS	Public	CUSD
6	Newell Barney HS	Public	CUSD
<b>Near Rittenhouse Rd</b>			
7	Ben Franklin Charter	Charter	
8	Cortina ES	Public	QCUSD
9	Canyon State Academy	Charter	

SL #	Roadway Name	Public/Charter	School District
<b>Near HAWS Rd</b>			
10	ALA K-6 and 7-12	Charter	
11	Queen Creek ES	Public	QCUSD
12	Desert Mountain ES	Public	QCUSD
<b>Near Signal Butte Rd</b>			
13	Katherine Mecham Barney ES	Public	QCUSD
14	Ben Franklin Charter	Charter	
15	QC HS	Public	QCUSD
16	Frances Brandon Pickett	Public	QCUSD
17	Faith Mather Sossaman	Public	QCUSD
18	ALA Signal Butte	Charter	
<b>Near Germann Rd</b>			
19	Heritage Academy	Charter	
<b>Near Ironwood Rd</b>			
20	Legacy Traditional	Charter	
21	Schnepf ES	Public	QCUSD
22	ALA Ironwood Combs RD	Charter	
<b>Near Ocotillo Rd</b>			
23	Cambridge Academy	Charter	
<b>Near Ellsworth Rd</b>			
24	Jack Barnes ES	Public	QCUSD
25	QC MS	Public	QCUSD

**Scope of Work**

**TASK 1.0 Management, Coordination, Meetings & Field Work**

Wood will perform project management tasks including project setup, invoicing, and internal/external coordination. It is assumed any meetings will be conducted online. One in-person meeting to discuss the results of the assessment is assumed. Two progress meetings are assumed for budgeting purposes.

*Task Deliverables:* Project manager reports, one in-person meeting notes & monthly Invoice

**TASK 2.0 Field Data Collection**

Wood will obtain the Town’s GIS base for field data collection use. Using the Town’s GIA base map, Wood will set up its proprietary GIS tablets for field data collection. Manual field data collection will be conducted in the vicinity of each school. Using the GIS tablets all on-site and off-site signs and pavement markings will be geo-located and a picture of the same will be obtained for dual confirmation. On-Site queue length will be measured using a wheel measure. Inventory for each of the 25 schools listed above will be obtained. All field data collection will be obtained when schools are in session. As a deliverable, the sign inventory on Town’s GIS database will be provided to the Town for future use. Wood Staff will work with the Town GIS staff to ensure that the data is provided to them in a compatible format.



The student population and number of school bus users for each school will be quarried by phone calls to the school district or to the school directly. This project does not include any additional coordination with the school district or school staff to discuss their traffic concerns.

*Data Collection: School Zone on-site and off-site inventory*

Stop bar type

Use of crossing guard

on-site queueing space measure

AM and PM school ingress/egress queueing – to observe queue spilling on the adjacent roadway

*Town provided Data: GIS map of the Town*

*Task Deliverables: School Zone Sign and pavement marking Inventory*

*School Queueing and impacts to adjacent roadways*

### **TASK 3.0 Data Processing, Assessment, and Comparison with Standards**

Data obtained from the site will be processed through Arc GIS software and MS Power BI tool. These tools will develop a map-based sign inventory for each school.

For sign assessment and compliance purposes, for each school, a summary of the signs laid out on an ariel map showing its location will be developed. A table of the sign inventory and its compliance to Town of Queen Creek Sign Design Standard Detail RS-08 will be developed. Signs that are missing or in addition to the standard detail will be identified and reported. Compliance scores for each school will be developed.

Using the student population, the required queueing length at pick up/drop off areas per the Town’s TIA standards will be calculated and compared to the stacking length measure obtained in the field and the observed queue length at each school. This will help assess and if needed change the Town’s TIA school stacking index per school type (Public vs Charter) and grade (ES, MS, or HS)

*Task Deliverables: Sign Compliance of existing pavement markings and signing to the Current Town of Queen Creek Design Standards*

*Stacking distance and Queue length compared to current Town’s Queue Length Calculation*

*Discuss field observation and compliance with Town Staff*

### **TASK 4.0 Report Development**

The report will summarize the methodology, assumptions, and conclusion of the study. Sign inventory table developed for each school will be included in the report. Overall conclusion on the sign inventory, queue measures, and its compliance to the Town’s standards will be reviewed and if any changes are needed to the Town’s standards, it will be discussed in the report.

*Task Deliverables: Final Report and Tables*

### **Fee and Schedule**

This work will continue to be completed as part of Wood’s on-call contract (2022-029) with the Town of Queen Creek. The approved rates from this contract are used to prepare the fee for this proposal. The table below shows our fee breakdown. The tasks summarized in this proposal it will be invoiced on a time and material basis, not to exceed \$28,531.90. and all work under this contract is anticipated to be completed by end of September 2022.

<b>FEE ESTIMATE</b>											
Project Name: Queen Creek School School Zone Sign Management Database & Comparison with Standards											
Client: Queen Creek, AZ											
Date: 4/6/2022											
Prepared by: Anita S Johari											
Reviewed by: Dick Yano											
Task No.	Task Description	Task Hours Estimated	Project Principal	Sr. Project Manager	Design Leader	Sr. Designer	Designer	EIT	Admin/ Clerical	Subconsultant	TASK TOTAL
			\$80	\$75.00	\$55.00	\$42	\$35	\$30	\$30.00		
			HR	HR	HR	HR	HR	HR	HR		
	<b>LABOR (DIRECT COST):</b>										
1.0	<b>Meetings and Field Review</b>	12.0									\$ -
1.1	Project Management	8.0		2.0					6		\$ 330.00
	Meeting with Town Staff	4.0		2.0	2.00						\$ 260.00
											\$ -
2.0	<b>Field Data Collection</b>	78.0									\$ -
2.1	Obtain sign inventory of all school-related signs on the main road	41.0		1.00	8.0	16.0		16.0			\$ 1,667.00
2.2	Obtain sign inventory of signs on campus assisting in guiding parents and buses	37.0		1.00	4.0	8.0		24.0			\$ 1,351.00
2.3	Measure available on-site queuing length	38.0		2.00	4.0	8.0		24.0			\$ 1,426.00
											\$ -
3.0	<b>Data Processing, Assessment and comparison with the Standards</b>	96.0									\$ -
3.1	Data Processing	26.0		2.00			24.0				\$ 990.00
3.2	Data Analysis and comparison with standards	70.0		2.00	4.0	24.0		40.0			\$ 2,578.00
											\$ -
											\$ -
3.0	<b>Report Prep</b>	40.0									\$ -
3.1	Report and Exhibit Prep	40.0		4.0	4.0	16.0		16.0			\$ 1,672.00
											\$ -
<b>LABOR TOTAL</b>		490		16	26	72	24	120	6		\$10,274.00
<b>OVERHEAD (NEGOTIATED)</b>									150.00%	\$ -	\$ 15,411.00
<b>SUB-TOTAL DIRECT LABOR</b>										\$ -	\$ 25,685.00
<b>DIRECT EXPENSES</b>										Mileage (6 trips)(80 miles at \$0.58/Per Mile)	\$ 197.20 \$ 278.40
<b>TOTAL COST TO CONSULTANT</b>										\$ 197.20	\$ 25,963.40
<b>NET FEE = DIRECT LABOR X MULTIPLIER 10%</b>										\$ -	\$ 2,568.50
<b>TOTAL LUMP SUM FEE</b>										\$ 197.20	\$ 28,531.90



This work will be completed in 16 weeks' time from the day NTP is received. We understand that the Town needs us to begin work on this task order immediately and we can begin work immediately on this project.

Upon your review of this scope and fee, please feel free to contact me with your questions or comments. Respectfully submitted,

**Wood Environment & Infrastructure Solutions, Inc.**

Richard Yano, PE  
Transportation Service Line Leader/Principal  
Phone: 480.363.9334

Anita S Johari, PE, PTOE  
Lead Traffic Engineer  
Phone: 480.280.0810



TOWN OF  
**QUEEN CREEK**  
ARIZONA

8.F

**TO:** HONORABLE MAYOR AND TOWN COUNCIL

**THROUGH:** JOHN KROSS ICMA-CM, TOWN MANAGER

**FROM:** MOHAMED YOUSSEF, PUBLIC WORKS DIRECTOR

**RE:** CONSIDERATION AND POSSIBLE APPROVAL OF A PROJECT ORDER #1 & #2 FOR LEE ENGINEERING IN AN AMOUNT NOT TO EXCEED \$162,580 FOR TRAFFIC SIGNAL OPTIMIZATION FOR CORRIDORS (PROJECT # XX029) FOR RITTENHOUSE RD - GERMANN RD TO GRANGE RD AND ON RIGGS RD - POWER RD TO GANTZEL RD. (FY 2021/22 BUDGETED ITEM)

**DATE:** May 4, 2022

---

**Suggested Action:**

Consideration and possible approval of a Project Order #1 & #2 for Lee Engineering in an amount not to exceed \$162,580 for Traffic Signal Optimization for Corridors (Project # XX029) for Rittenhouse Rd - Germann Rd to Grange Rd and on Riggs Rd - Power Rd to Gantzel Rd. (FY 2021/22 Budgeted Item)

**Relevant Council Goal(s):**

Superior Infrastructure - Capital Improvement Program

**Discussion:**

The purpose of the Traffic Signal Optimization Program (TSOP) is to improve traffic signal coordination and operations. Our goal is to implement the best possible timing settings along key commuter routes, responding to current traffic demands and minimizing stops and delays that results in motorist frustration.

Lee Engineering will develop the coordination timing plans for the morning, midday, afternoon, post-afternoon, and overnight weekday and weekend periods and evaluate YELLOW, ALL RED and DON'T WALK settings. A total of nine (9) intersections along the Riggs corridor and fourteen (14) intersections along the Rittenhouse corridor will be analyzed and coordinated.

The Traffic Division is working on a Town-wide signal optimization implementation that will allow our staff to perform responsive optimization throughout the year. We anticipate it will be fully operational around the fall of FY23. However, there are currently intersections along these identified corridors that should be evaluated and reviewed as soon as possible to improve traffic flow and address driver concerns.

**Fiscal Impact:**

The not to exceed for Lee Engineering Project Order #1 & #2 totals \$162,580, which includes the

proposal amount of \$147,800, plus \$14,780 (10%) contingency for possible unanticipated, additional services. Available budget within project XX029 totals \$195,000 prior to the award of this project, and will require no budget adjustment in order to award this contract.

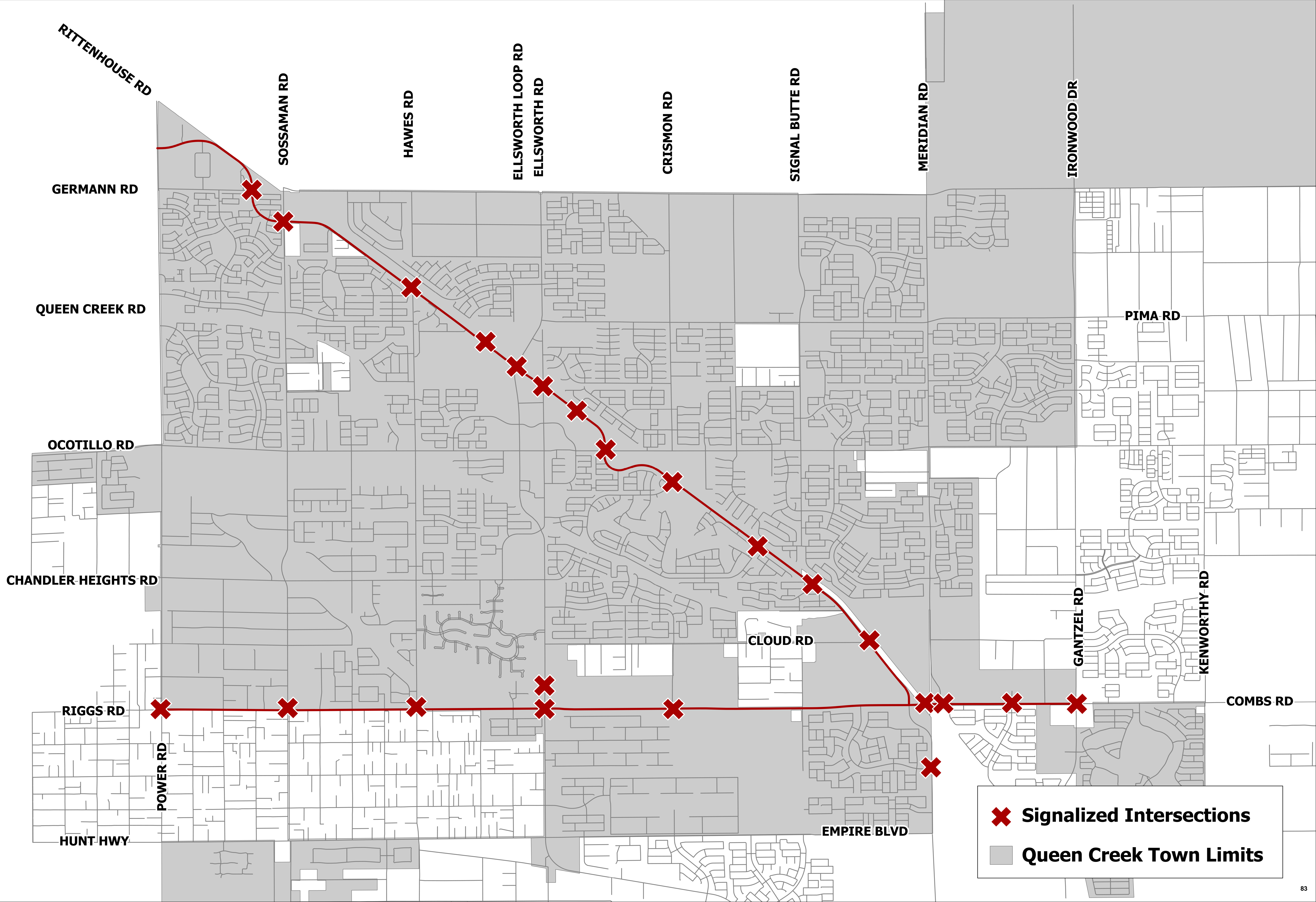
**Alternatives:**

Council could decide not to proceed with these Project Orders. The impact of this decision will result in continuing practice of adjusting each intersection until Town-wide signal optimization implementation will be fully operational around the fall of FY23.

**Attachment(s):**

1. [Site Map.pdf](#)
2. [PTO#1\\_TSOP\\_Rittenhouse.pdf](#)
3. [PTO\\_No2\\_TSOP\\_RiggsRd.pdf](#)





**✕ Signaled Intersections**

**■ Queen Creek Town Limits**





**PROJECT TASK ORDER FORM**  
**TOWN OF QUEEN CREEK,**  
**an Arizona municipal corporation ("TOWN")**

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**PROFESSIONAL PROJECT TASK ORDER**  
***Traffic Signal Optimization Program (TSOP)***  
***Rittenhouse Road from Germann Rd to Grange Rd***

Project Task Order No. **01**  
Contract No. **2022-023**  
Project No. **□□□□□□**

**THIS PROJECT ORDER** is made and entered into on the **□□□□□□** day of May, 2022 by and between the Town of Queen Creek, Arizona, an Arizona municipal corporation, hereinafter called ("TOWN") and the "CONSULTANT" designated below. This Project Task Order is entered in to pursuant to and incorporates herein the terms and provisions of the **CONSULTANT Contract No. 2022-024**, dated **February 16, 2022** between TOWN and CONSULTANT ("Contract"). Upon full execution of this Project Task Order, the Project Task Order, together with the Project Task Order Contract (including all of the Contract Documents as defined therein), shall be the Contract between the Parties for the professional services specified herein ("Services").

TOWN and CONSULTANT agree as follows:

**TOWN:** **Town of Queen Creek**  
**Project Manager: Marshall Riegel**  
**Telephone: 480-358-3153**  
**E-mail: marshall.riegel@queencreekaz.gov**

**CONSULTANT:** **Lee Engineering**  
**3610 N. 44<sup>th</sup> Street, Suite 100**  
**Phoenix, Arizona 85018**  
**Arizona Registration No.**  
**Design Professional Representative: Dave Bruggeman**  
**Telephone: 602-618-0406**  
**E-mail: dbruggeman@lee-eng.com**

**PROJECT DESCRIPTION:** This Project Task Order #01 is for Traffic Signal Optimization Program – Provide technical assistance to the Town to improve traffic signal coordination and operations.

The Project is scheduled to commence upon Notice to Proceed and be completed no later than the agreed upon schedule to be submitted by the Consultant.

**PROJECT SITE ADDRESS/LOCATION:** The Project for this Project Task Order # 01 is located at various intersections as indicated in the Scope of Work dated March 25, 2022.



**PROJECT TASK ORDER PRICE (Not to Exceed): 76,077.28**

1.  **Fixed Price:** All-inclusive in the above Project Task Order Price; or
2.  **N/A Fee plus Costs:** The Project Order Task Fee is in the amount of \$ to be paid in installments based upon monthly progress reports and detailed invoices submitted by  in such form as approved by TOWN, to be paid subject to the following limitations:
  - a. **Documentation of Monthly Progress**
    - i. Prior to approval of the preliminary documentation (or % of plans), the billed amount shall not exceed % of the total Contract Price.
    - ii. Prior to approval of the final documentation (or % of plans) deliverable, the billed amount shall not exceed % of the total Contract Amount.
    - iii. If the Services include the preparation of studies, design concepts, or other investigations, progress payments shall not exceed % of the total Contract Amount prior to submittal of the final report deliverables.
  - b. **Reimbursable Costs:** (Reimbursable costs are at state per diem rates for all travel, lodging, and incidentals.)
    - i. The Project Task Order Reimbursable Cost is in the amount of \$ to be paid based upon monthly progress reports and detailed invoices submitted by  in such form as approved by TOWN
  - c. **Other:**
    - i. Subcontractor Mark Up will be paid in the following manner: N/A.
    - ii. Unique Insurance and/or Bond Requirements: N/A.
    - iii. Unique Compliance with Government Provisions: N/A.

**SCOPE OF SERVICES, DELIVERABLES, AND PROJECT SCHEDULE:** Attached Exhibit A

**UNIQUE INSURANCE AND/OR BOND REQUIREMENTS (IF ANY) (Article 11):** Attached Exhibit B.

**PROJECT SPECIFIC CONDITIONS (IF ANY):** Attached Exhibit C.



IN WITNESS, WHEREOF, the parties hereto have executed this Project Task Order through their duly authorized representatives and bind their respective entities as of the effective date.

Town of Queen Creek, an Arizona municipal corporation

Approval of Town Council,

Approval of Contract Administrator,

By:   
Mayor Gail Barney

By:   
John Kross, Town Manager

Attest:

Town Clerk, Maria Gonzalez

Lee Engineering:

By:

Its:



**PROJECT TASK ORDER 01**

**EXHIBIT A**

**SCOPE OF WORK AND PROJECT SCHEDULE DATED MARCH 25, 2022**



**PROJECT TAS ORDER 01**

**EXHIBIT B**

**UNIQUE INSURANCE AND/OR BOND REQUIREMENTS (IF ANY)**

**N/A**





**PROJECT TAS ORDER 01**

**EXHIBIT C**

**PROJECT SPECIFIC CONDITIONS (IF ANY)**

**N/A**

**TOWN OF QUEEN CREEK  
ON-CALL PROFESSIONAL SERVICES CONTRACT NO. 2022-023**

**TRAFFIC SIGNAL OPTIMIZATION PROGRAM (TSOP)  
RITTENHOUSE ROAD FROM GERMANN RD TO GRANGE RD**

The goal of this Traffic Signal Optimization Program (TSOP) Task Order is provide technical assistance to the Town of Queen Creek to improve traffic signal coordination and operations. The project will also evaluate YELLOW, ALL RED and DON'T WALK settings for conformance to Town standards.

Lee Engineering will perform a field review of the fourteen (14) intersections to note geometrics and channelization, speed limits, left turn treatments, and pedestrian accommodations. Based on the collected data from the field review and existing signal timing data, Lee Engineering will build or update a base SYNCHRO network model to incorporate all existing field conditions. This project includes the following signalized intersections along Riggs/Combs Road:

- |                   |                      |
|-------------------|----------------------|
| 1. Germann Rd     | 8. Ocotillo Rd       |
| 2. Sossaman Rd    | 9. Village Loop N    |
| 3. Hawes Rd       | 10. Village Loop S   |
| 4. Marketplace    | 11. Creekside Dr     |
| 5. Ellsworth Loop | 12. Cloud Rd         |
| 6. Ellsworth Rd   | 13. Combs Rd/Gary Rd |
| 7. Walmart        | 14. Grange Rd        |

Lee Engineering will develop the coordination timing plans for the AM, Midday, PM, Post PM, and Overnight weekday periods, and AM, Midday, PM, and Overnight weekend periods. The timing plans developed will be consistent with the Town of Queen Creek signal timing guidelines and policies.

## **SCOPE OF SERVICES**

### **Task 1. Project Management & Meetings**

Lee Engineering shall:

- Coordinate and attend a project kick-off meeting with Town of Queen Creek Project Manager and Town of Queen Creek Traffic Engineering staff.
- Coordinate and attend milestone meetings (via computer or teleconference) for reviewing the existing conditions findings, reviewing the draft signal timings, and any other milestones agreed upon at the kickoff meeting.

- Participate in project coordination meetings with the Town of Queen Creek participants (via computer or teleconference).

## **Task 2. Field Review and Data Collection**

- Field Review

Lee Engineering shall:

- Obtain from field observation posted speed limits, network geometry as inputs to the base SYNCHRO model.
- Obtain from the Town of Queen Creek existing signal timing and coordination Plans at each intersection, with regard to how the intersection currently operates. This includes the presence/absence of detection, operational characteristics of each phase (MIN, EXT, MAX, YELLOW, ALL RED, WALK, DON'T WALK, Recall settings, etc.), cycles, splits, offsets, offset reference points, and other existing coordination timing parameters, as well as any Town of Queen Creek signal timing policies that need to be included in the development of signal timing plans.
- Conduct a field review to identify and become familiar with existing infrastructure and hardware, such as left turn treatments, overlaps, and pedestrian accommodations.
- Conduct a brief field review of each intersection to verify the phase sequence, and lane configurations to accurately reflect existing conditions.
- Measure all intersection widths and crosswalk lengths required for Clearance Interval Calculations based on the policy adopted by the Town of Queen Creek, or the policy agreed upon by all parties at the kickoff meeting. Lee Engineering shall conduct the measurements either during a field review or by using aerial imagery based on the Town of Queen Creek's direction and agreed upon by all parties at the kickoff meeting.

- Data Collection

TMC data will be furnished by the Town of Queen Creek:

- Confirm specific dates for data collection.
- Town of Queen Creek to collect two-hour TMC data, reported in 15-minute intervals for all intersections, for each traffic signal timing plan period (9 periods total) identified above. Peak periods will be confirmed through consultation with the Town of Queen Creek.
- TMC data shall be furnished summarized by peak hour, approach direction, and movement.

TMCs should NOT be conducted:

- On school holidays or summer break.
- If a street closure or a major construction site is observed or anticipated to occur within close proximity to the count location on the affected routes.
- On days when major storms occur (or have recently occurred) or when unusual roadway conditions exist.

The compiled data shall be reviewed for accuracy by Lee Engineering. Lee Engineering shall conduct “spot checks” of field data collection and review all TMC data collected by Town of Queen Creek staff for reasonableness.

**Task 3. Draft Traffic Signal Coordination Timing Plans**

Lee Engineering shall:

- Develop the SYNCHRO model for the corridor based on the findings of the field review of existing conditions, including inputting existing signal timing plans for all signalized intersections reviewed, and provide Existing Conditions results using SYNCHRO.
- Evaluate the corridor to determine if progression for the entire corridor is possible. If not, recommend segments of the corridor to be coordinated and gain approval of the analysis segments by the Town of Queen Creek.
- Develop DRAFT signal timing plans for the periods identified by the Town of Queen Creek.

**Task 4. Finalize Signal Timing Plans & Provide Field Implementation Assistance**

The Town of Queen Creek shall review and comment on the draft deliverables from Task 3 and provide responses from the Town of Queen Creek staff to Lee Engineering.

Lee Engineering shall:

- Coordinate the review of the Draft signal timing plans with the Town of Queen Creek Project Manager and Town of Queen Creek staff. The Town of Queen Creek shall be provided an agreed upon time frame to review and comment on the timing results from the previous task.
- Update SYNCHRO models per comments received from the Town of Queen Creek on the Draft Traffic Signal Coordination Timing Plans.
- Develop FINAL signal timings along the corridor for the peak periods identified by the Town of Queen Creek.
- Provide SYNCHRO Timing Report traffic signal timing plan sheets to be used by Town of Queen Creek staff for implementation. Installation of timing settings shall be by Town of Queen Creek staff, using the SYNCHRO Timing Report sheets for each location and Plan.
- Coordinate with Town of Queen Creek staff and perform field reviews of each updated signal timing plan after implementation. The Town of Queen Creek will conduct all

necessary field adjustments and may solicit assistance from Lee Engineering to produce adjustments to signal timing plans based on field observations.

- Verify updated signal timing plans are operating as expected, based on field adjustments and observations.
- Document and update SYNCHRO models with any field adjustments that were applied during implementation.
- Provide the Town of Queen Creek and Town of Queen Creek Project Manager with the electronic version of SYNCHRO files for each signal timing period.

#### **TASK ORDER SCHEDULE**

This task order will begin upon receipt of signed Task Order, Purchase Order or other written Notice to Proceed.

DRAFT Plans will be submitted within six weeks of receipt of all summarized traffic count data.

FINAL Plans will be submitted two weeks after determination of any necessary model adjustments resulting from implementation observation conducted jointly by the Town of Queen Creek and Lee Engineering.



# Traffic Signal Design

Rittenhouse Rd TSOP

March 25, 2022

TASK:	Proj Mgr	Sr ITS Desgn	Eng Desgnr	TOTAL	Notes
<b>Hourly Rates &gt;&gt;</b>	\$ 256.16	\$ 170.78	\$ 95.78		
1. Project Management & Meetings	6			6	
2. Field Review & Data Collection	8		8	16	
3. DRAFT Timing Plans	252			252	
4. FINAL Plans & Implementation Assistance	28				Comment Resolution Mtgs, Site Visit
<hr/>					
Subtotal Hours =	294		8	252	
<b>Subtotal Hourly Labor Charges =</b>	<b>\$ 75,311.04</b>	<b>\$ -</b>	<b>\$ 766.24</b>	<b>\$ 76,077.28</b>	

**Reimbursable Costs:**

Mileage	\$ 354.51
<b>Subtotal Direct Expenses =</b>	<b>\$ 354.51</b>

**PROJECT TOTAL (Rounded) = \$ 76,500.00**

**Assumptions:**

- 1. 9 Timing Periods for new Plans.
- 2. 14 Signals to have new Plans.



**PROJECT TASK ORDER FORM**  
**TOWN OF QUEEN CREEK,**  
**an Arizona municipal corporation ("TOWN")**

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**PROFESSIONAL PROJECT TASK ORDER**  
**Traffic Signal Optimization Program (TSOP)**

**Riggs Road from Power Rd to Gantzel Rd**

**Project Task Order No. 02**

**Contract No. 2022-023**

**Project No.**

**THIS PROJECT ORDER** is made and entered into on the          day of May, 2022 by and between the Town of Queen Creek, Arizona, an Arizona municipal corporation, hereinafter called ("TOWN") and the "CONSULTANT" designated below. This Project Task Order is entered in to pursuant to and incorporates herein the terms and provisions of the **CONSULTANT Contract No. 2022-024**, dated **February 16, 2022** between TOWN and CONSULTANT ("Contract"). Upon full execution of this Project Task Order, the Project Task Order, together with the Project Task Order Contract (including all of the Contract Documents as defined therein), shall be the Contract between the Parties for the professional services specified herein ("Services").

TOWN and CONSULTANT agree as follows:

**TOWN:** **Town of Queen Creek**  
**Project Manager: Marshall Riegel**  
**Telephone: 480-358-3153**  
**E-mail: marshall.riegel@queencreekaz.gov**

**CONSULTANT:** **Lee Engineering**  
**3610 N. 44<sup>th</sup> Street, Suite 100**  
**Phoenix, Arizona 85018**  
**Arizona Registration No.**  
**Design Professional Representative: Dave Bruggeman**  
**Telephone: 602-618-0406**  
**E-mail: dbruggeman@lee-eng.com**

**PROJECT DESCRIPTION:** This Project Task Order #02 is for Traffic Signal Optimization Program – Provide technical assistance to the Town to improve traffic signal coordination and operations.

The Project is scheduled to commence upon Notice to Proceed and be completed no later than the agreed upon schedule to be submitted by the Consultant.

**PROJECT SITE ADDRESS/LOCATION:** The Project for this Project Task Order # 02 is located at various intersections as indicated in the Scope of Work dated April 12, 2022.





IN WITNESS, WHEREOF, the parties hereto have executed this Project Task Order through their duly authorized representatives and bind their respective entities as of the effective date.

Town of Queen Creek, an Arizona municipal corporation

Approval of Town Council,

Approval of Contract Administrator,

By:   
Mayor Gail Barney

By:   
John Kross, Town Manager

Attest:

Town Clerk, Maria Gonzalez

Lee Engineering

By:

Its:



**PROJECT TASP ORDER 02**

**EXHIBIT A**

**SCOPE OF WORK AND PROJECT SCHEDULE DATED APRIL 12, 2022**





**PROJECT TAS ORDER 02**

**EXHIBIT B**

**UNIQUE INSURANCE AND/OR BOND REQUIREMENTS (IF ANY)**

**N/A**



**PROJECT TAS ORDER 02**

**EXHIBIT C**

**PROJECT SPECIFIC CONDITIONS (IF ANY)**

**N/A**

4820-2637-7466 v1 53749-1

**TOWN OF QUEEN CREEK  
ON-CALL PROFESSIONAL SERVICES CONTRACT NO. 2022-023**

**TRAFFIC SIGNAL OPTIMIZATION PROGRAM (TSOP)  
RIGGS ROAD FROM POWER RD TO GANTZEL RD**

The goal of this Traffic Signal Optimization Program (TSOP) Task Order is provide technical assistance to the Town of Queen Creek to improve traffic signal coordination and operations. The project will also evaluate YELLOW, ALL RED and DON'T WALK settings for conformance to Town standards.

Lee Engineering will perform a field review of the nine (9) intersections to note geometrics and channelization, speed limits, left turn treatments, and pedestrian accommodations. Based on the collected data from the field review and existing signal timing data, Lee Engineering will build or update a base SYNCHRO network model to incorporate all existing field conditions. This project includes the following signalized intersections along Riggs/Combs Road:

- |                        |                                 |
|------------------------|---------------------------------|
| 1. Power Rd            | 6. Meridian Rd                  |
| 2. Sossaman Rd         | 7. Painted Desert/Warrior       |
| 3. Hawes Rd            | 8. QCHS #3                      |
| 4. Ellsworth Rd        | 9. Gantzel Rd (Plans by others) |
| 5. Rittenhouse/Gary Rd | 10. Ellsworth Rd/Fry's          |

The intersection of Combs Rd/Gantzel Rd is under Plans design under separate project. This project will evaluate whether the proposed Plans from that project are suitable to connecting the rest of the corridor (to the west) to Gantzel, adopting the Gantzel cycle lengths.

Lee Engineering will develop the coordination timing plans for the AM, Midday, PM, Post PM, and Overnight weekday periods, and AM, Midday, PM, and Overnight weekend periods. The timing plans developed will be consistent with the Town of Queen Creek signal timing guidelines and policies.

**SCOPE OF SERVICES**

**Task 1. Project Management & Meetings**

Lee Engineering shall:

- Coordinate and attend a project kick-off meeting with Town of Queen Creek Project Manager and Town of Queen Creek Traffic Engineering staff.
- Coordinate and attend milestone meetings (via computer or teleconference) for reviewing the existing conditions findings, reviewing the draft signal timings, and any other milestones agreed upon at the kickoff meeting.

- Participate in project coordination meetings with the Town of Queen Creek participants (via computer or teleconference).

**Task 2. Field Review and Data Collection**

- Field Review

Lee Engineering shall:

- Obtain from field observation posted speed limits, network geometry as inputs to the base SYNCHRO model.
- Obtain from the Town of Queen Creek existing signal timing and coordination Plans at each intersection, with regard to how the intersection currently operates. This includes the presence/absence of detection, operational characteristics of each phase (MIN, EXT, MAX, YELLOW, ALL RED, WALK, DON'T WALK, Recall settings, etc.), cycles, splits, offsets, offset reference points, and other existing coordination timing parameters, as well as any Town of Queen Creek signal timing policies that need to be included in the development of signal timing plans.
- Conduct a field review to identify and become familiar with existing infrastructure and hardware, such as left turn treatments, overlaps, and pedestrian accommodations.
- Conduct a brief field review of each intersection to verify the phase sequence, and lane configurations to accurately reflect existing conditions.
- Measure all intersection widths and crosswalk lengths required for Clearance Interval Calculations based on the policy adopted by the Town of Queen Creek, or the policy agreed upon by all parties at the kickoff meeting. Lee Engineering shall conduct the measurements either during a field review or by using aerial imagery based on the Town of Queen Creek's direction and agreed upon by all parties at the kickoff meeting.

- Data Collection

TMC data will be furnished by the Town of Queen Creek:

- Confirm specific dates for data collection.
- Town of Queen Creek to collect two-hour TMC data, reported in 15-minute intervals for all intersections, for each traffic signal timing plan period (9 periods total) identified above. Peak periods will be confirmed through consultation with the Town of Queen Creek.
- TMC data shall be furnished summarized by peak hour, approach direction, and movement.

TMCs should NOT be conducted:

- On school holidays or summer break.
- If a street closure or a major construction site is observed or anticipated to occur within close proximity to the count location on the affected routes.
- On days when major storms occur (or have recently occurred) or when unusual roadway conditions exist.

The compiled data shall be reviewed for accuracy by Lee Engineering. Lee Engineering shall conduct “spot checks” of field data collection and review all TMC data collected by Town of Queen Creek staff for reasonableness.

**Task 3. Draft Traffic Signal Coordination Timing Plans**

Lee Engineering shall:

- Develop the SYNCHRO model for the corridor based on the findings of the field review of existing conditions, including inputting existing signal timing plans for all signalized intersections reviewed, and provide Existing Conditions results using SYNCHRO.
- Evaluate the corridor to determine if progression for the entire corridor is possible. If not, recommend segments of the corridor to be coordinated and gain approval of the analysis segments by the Town of Queen Creek.
- Develop DRAFT signal timing plans for the periods identified by the Town of Queen Creek.

**Task 4. Finalize Signal Timing Plans & Provide Field Implementation Assistance**

The Town of Queen Creek shall review and comment on the draft deliverables from Task 3 and provide responses from the Town of Queen Creek staff to Lee Engineering.

Lee Engineering shall:

- Coordinate the review of the Draft signal timing plans with the Town of Queen Creek Project Manager and Town of Queen Creek staff. The Town of Queen Creek shall be provided an agreed upon time frame to review and comment on the timing results from the previous task.
- Update SYNCHRO models per comments received from the Town of Queen Creek on the Draft Traffic Signal Coordination Timing Plans.
- Develop FINAL signal timings along the corridor for the peak periods identified by the Town of Queen Creek.
- Provide SYNCHRO Timing Report traffic signal timing plan sheets to be used by Town of Queen Creek staff for implementation. Installation of timing settings shall be by Town of Queen Creek staff, using the SYNCHRO Timing Report sheets for each location and Plan.
- Coordinate with Town of Queen Creek staff and perform field reviews of each updated signal timing plan after implementation. The Town of Queen Creek will conduct all



necessary field adjustments and may solicit assistance from Lee Engineering to produce adjustments to signal timing plans based on field observations.

- Verify updated signal timing plans are operating as expected, based on field adjustments and observations.
- Document and update SYNCHRO models with any field adjustments that were applied during implementation.
- Provide the Town of Queen Creek and Town of Queen Creek Project Manager with the electronic version of SYNCHRO files for each signal timing period.

### **TASK ORDER SCHEDULE**

This task order will begin upon receipt of signed Task Order, Purchase Order or other written Notice to Proceed.

DRAFT Plans will be submitted within six weeks of receipt of all summarized traffic count data.

FINAL Plans will be submitted two weeks after determination of any necessary model adjustments resulting from implementation observation conducted jointly by the Town of Queen Creek and Lee Engineering.

# Traffic Signal Design

Riggs Rd TSOP

April 12, 2022

TASK:	Proj Mgr	Sr ITS Desgn	Eng Desgnr	TOTAL	Notes
<b>Hourly Rates &gt;&gt;</b>	<b>\$ 256.16</b>	<b>\$ 170.78</b>	<b>\$ 95.78</b>		
1. Project Management & Meetings	6			6	
2. Field Review & Data Collection	8		8	16	
3. DRAFT Timing Plans	235			235	
4. FINAL Plans & Implementation Assistance	28				Comment Resolution Mtgs, Site Visit
<hr/>					
Subtotal Hours =	277		8	235	
<b>Subtotal Hourly Labor Charges =</b>	<b>\$ 70,956.32</b>	<b>\$ -</b>	<b>\$ 766.24</b>	<b>\$ 71,722.56</b>	
<b>Reimbursable Costs:</b>					
Mileage		\$ 351.00			
<b>Subtotal Direct Expenses =</b>	<b>\$ 351.00</b>				
<b>PROJECT TOTAL (Rounded) = \$ 72,100.00</b>					



TOWN OF  
**QUEEN CREEK**  
 ARIZONA

**TO:** HONORABLE MAYOR AND TOWN COUNCIL

**THROUGH:** JOHN KROSS ICMA-CM, TOWN MANAGER

**FROM:** DAVE LIPINSKI, CIP DEPARTMENT DIRECTOR

**RE:** CONSIDERATION AND POSSIBLE APPROVAL OF A MASTER DESIGN CONTRACT AND PROJECT TASK ORDER #1 WITH DWL ARCHITECTS + PLANNERS, INC. FOR ARCHITECTURAL DESIGN SERVICES OF THE QUEEN CREEK AQUATIC CENTER (CIP PROJECT RQ010) AND MULTI-GENERATIONAL RECREATION CENTER (CIP PROJECT RQ020) AT FRONTIER FAMILY PARK IN THE AMOUNT OF \$154,803. (THIS IS A FY 2021/22 BUDGETED ITEM).

**DATE:** May 4, 2022

---

**Suggested Action:**

Move to approve a Master Design contract and Project Task Order #1 with DWL Architects + Planners, Inc. for architectural design services of the Queen Creek Aquatic Center (CIP project RQ010) and Multi-Generational Recreation Center (CIP Project RQ020) at Frontier Family Park in the amount of \$154,803. (This is a FY 2021/22 budgeted item)

**Relevant Council Goal(s):**

Superior Infrastructure – Capital Improvement Program

**Discussion:**

This contract and Project Task Order #1 is for the project initiation, programming and 15% conceptual design of both the aquatic and multi-generational center at Frontier Family Park. As the project moves forward and is better defined, staff will bring forward an additional contract to complete the final design and construction documents. It is anticipated that the facility may include a gymnasium with basketball, volleyball, and pickle ball courts, fitness areas with cardio/treadmills, weights, circuit training, group exercise studios, dance studios, indoor track, teen room with gaming systems and video boards, high data use, art studio, catering and teaching kitchen, multipurpose classrooms, multipurpose large meeting rooms, child watch room, locker room with showers, lobby and customer service counter, staff offices/cubicles, conference room, junior Olympic size pool, zero depth entry play pool with interactive play features, water slides, lazy river, outdoor birthday party spaces within aquatics area, and building/facility automation system.

On February 16, 2022 staff issued a Request for Qualifications (RFQ) No 22-025 from qualified firms to identify likely candidate firms. On March 17, 2022, staff received eight Statements of Qualifications (SOQ) in response to this RFQ. Using the Town's established scoring and review methodology a short list of firms was developed after review and scoring of the submitted SOQs by a

review committee. On March 31, 2022, the committee heard presentations from the short-listed firms and scored those presentations. DWL Architects + Planners, Inc. was the highest scoring firm.

**Fiscal Impact:**

Project Task Order #1 amount with DWL Architects + Planners, Inc. contract is not to exceed \$154,803 and includes a \$15,000 allowance for any unanticipated additional services.

On December 1, 2021 the Parks Master Plan Phase 1 was approved by the Town Council and projects RQ010 Aquatic Center and RQ020 Multi-Generational Recreation Center were allocated \$1,000,000 each in funding to cover design costs, and have sufficient funding to cover the proposed contract. The funding source for this project is non-growth funding.

**Alternatives:**

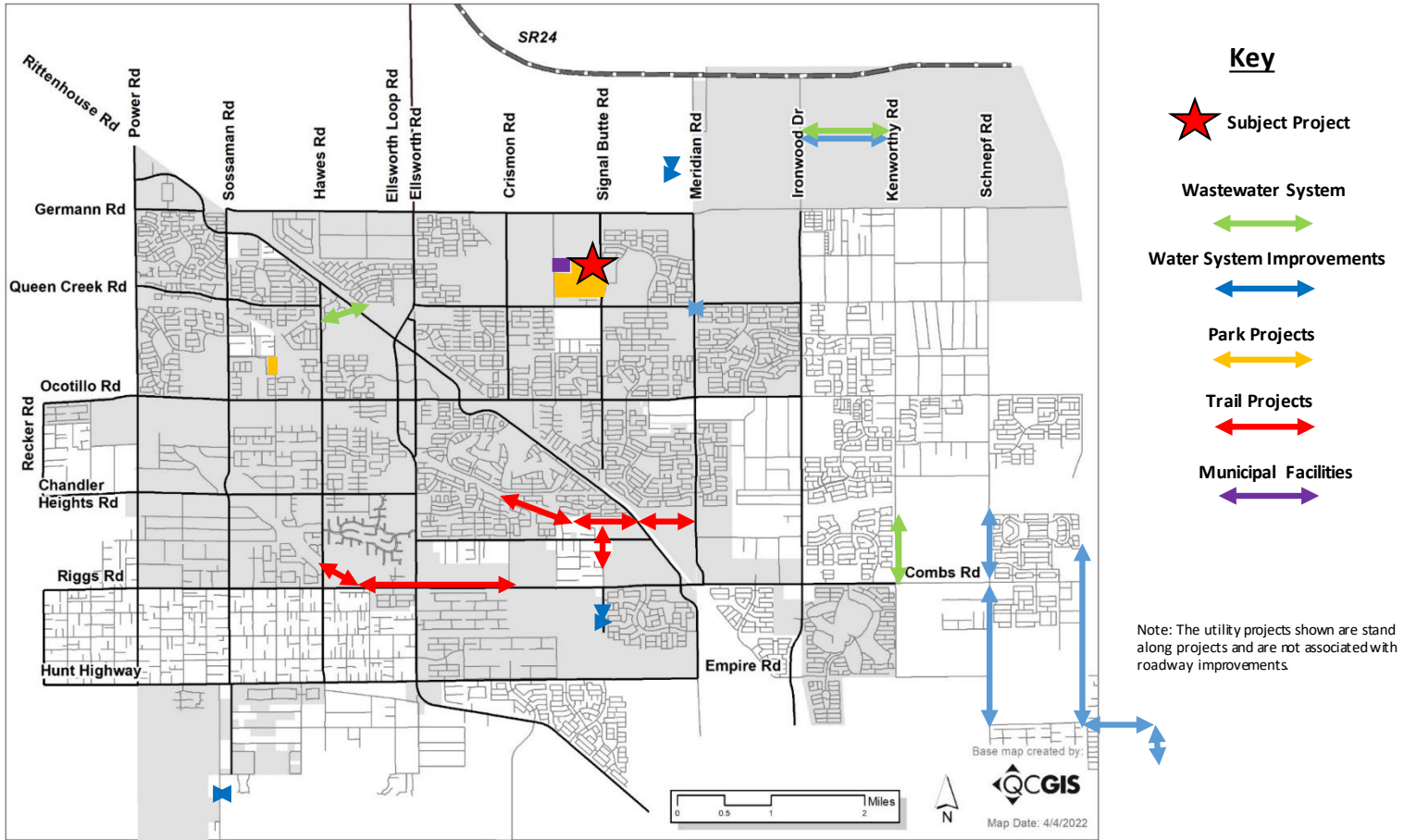
The Town Council may decide not to approve the professional architectural design services with DWL Architects + Planners and direct staff to go back through the Request for Qualifications process. This would result in a delay or cancellation of the project and not allow the project to open in May 2024 as previously advertised.

**Attachment(s):**

1. [Project Location Map](#)
2. [Site Location Exhibit](#)
3. [Final Design Master Contract](#)
4. [Proposal for Conceptual Design Services](#)

# CIP Projects – Other than Transportation

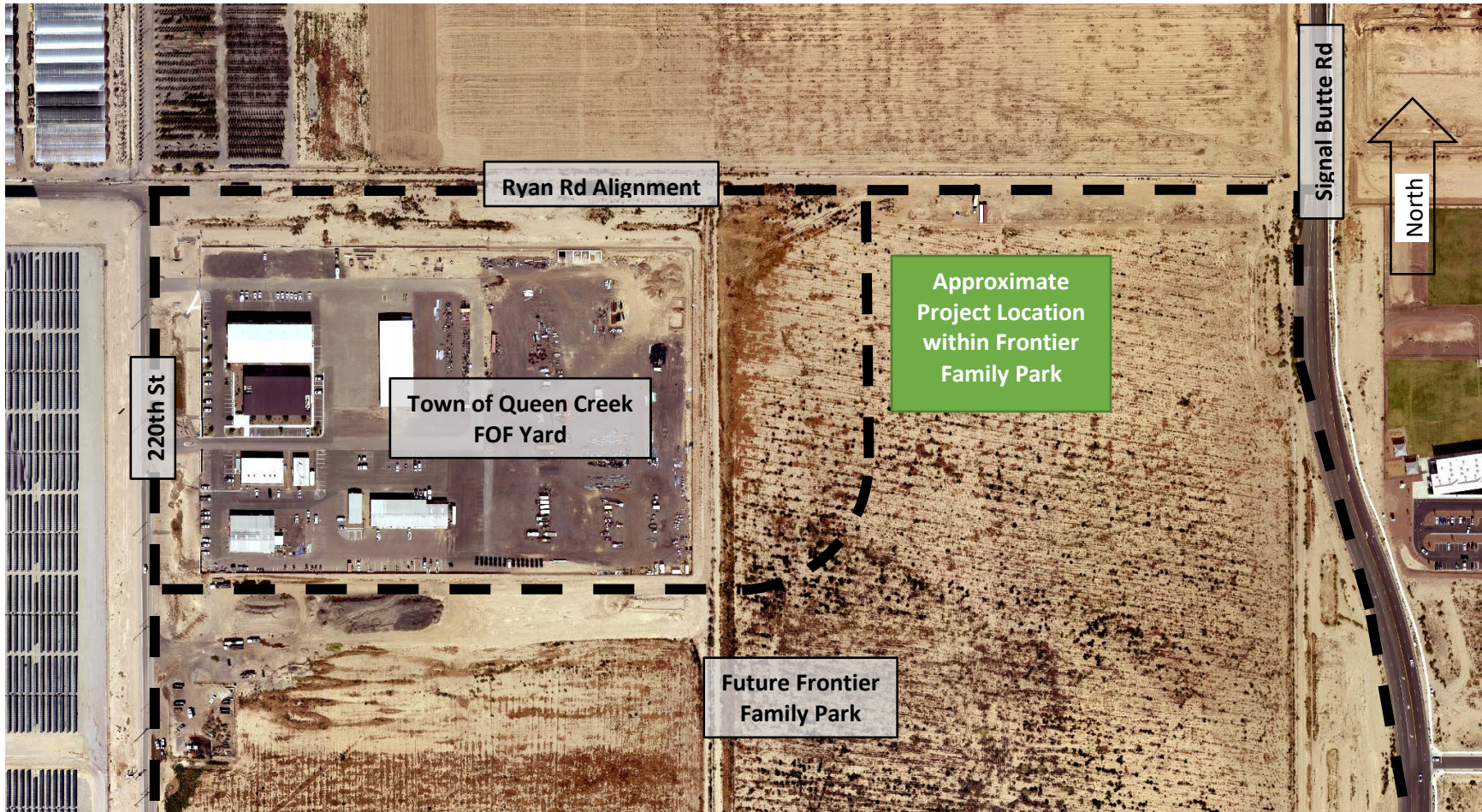
## RQ010: Queen Creek Aquatic Center & Multi-Generational Recreation Center



Rev. 04-20-2022



# Exhibit B – Project Site Map







**TOWN OF QUEEN CREEK  
22358 S. ELLSWORTH ROAD  
QUEEN CREEK, AZ 86004  
(480) 358-3000  
[www.queencreek.org](http://www.queencreek.org)**

**DESIGN PROFESSIONAL SERVICES  
MASTER CONTRACT**

**CONTRACT NO. \_\_\_\_\_**

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## DESIGN PROFESSIONAL MASTER CONTRACT

Contract No. \_\_\_\_\_

**THIS MASTER CONTRACT** is made and entered into on the \_\_\_\_ day of May 2022 by and between the Town of Queen Creek, Arizona, an Arizona municipal corporation, hereinafter called ("TOWN") and DWL Architects + Planners, Inc. ("Design Professional").

TOWN and Design Professional agree as follows:

### **ARTICLE 1 – PARTIES**

**TOWN:**

**Town of Queen Creek  
Project Manager: Tom Glow  
Telephone: 480-358-3136  
E-mail: tom.glow@queencreekaz.gov**

**DESIGN PROFESSIONAL:**

**DWL Architects + Planners, Inc.  
2333 N. Central Avenue  
Phoenix, Arizona 85044  
Arizona Registration No.  
Federal Tax ID No.: 86-0223489  
Design Professional Representative: Michael Braun  
Executive Vice President  
Telephone: 602-264-9731  
E-mail: braun@dwlarchitects.com**

### **ARTICLE 2 – CONTRACT DOCUMENTS**

#### **2.1 CONTRACT DOCUMENTS**

The Contract between TOWN and Design Professional for any project shall consist of the following Contract Documents:

1. This Master Contract;
2. General Conditions, dated September, 2018, and General Conditions Appendices, incorporated by reference;
3. Project Task Order in the form attached hereto as Exhibit A;
4. Exhibit B - Insurance Requirements- attached;
5. The Request for Qualifications (RFQ) issued by TOWN for this Master Contract; and
6. The Statement of Qualifications (SOQ) submitted by Design Professional dated March 17, 2022

**2.1.1 Master Agreement:** This is a Master Contract providing the basis by which TOWN may issue, and Design Professional may accept, an authorization to perform Services for or in relation to a specific project. This Master Contract shall govern all contracts and other agreements between



TOWN and Design Professional, unless expressly excluded, in writing, in such contract or agreement.

1. Authorization by TOWN to perform Services and agreement by Design Professional to perform specific Services shall be made by separate "Project Task Order", as set forth in the attached Exhibit A. The terms and conditions set forth herein, and attached hereto, including any and all Exhibits and properly adopted amendments or modifications hereto, are expressly agreed to by Design Professional and shall be applicable for any and all Services performed by Design Professional for TOWN and shall be incorporated (whether specifically referenced or not) into every Project Task Order, change order, contract or agreement (whether written or oral) entered into between Design Professional and TOWN. This Master Contract does not obligate or require TOWN to offer any Project Task Order to Design Professional, and no contract in relation to any specific Services shall be entered into until a Project Task Order therefore has been fully executed by TOWN and Design Professional.
2. Agreement to the terms set forth herein is a material and necessary precondition and inducement to TOWN entering into this Master Contract, and each Project Task Order, with Design Professional.

**2.1.2 Issuance of Project Task Orders:** TOWN may, in its sole discretion, issue a Project Task Order in the form attached hereto as Exhibit A, to Design Professional to perform the Services specified in the Project Task Order. Upon acceptance by the Design Professional, each Project Task Order, together with this Master Contract, shall constitute the Contract for performance of the Services set forth in the Project Task Order.

**2.1.3. General Conditions and Specifications:** TOWN has adopted standard General Conditions which apply to all construction projects and construction contracts entered into by TOWN ("General Conditions"). TOWN has also adopted and operates under the Standard Specifications and Details set forth in Section 3 of the General Conditions ("Standard Specifications"). Section 18 of the General Conditions apply to Design Professional and all of Design Professional's subconsultants and subcontractors must be aware of, abide by, and incorporate the General Conditions and Project Specific Provisions as they apply to the Project into Design Professional's performance of the Services, as well as all specifications, details, drawings, and or other documents generated under this Master Contract. Unless otherwise provided herein, the definitions in the General Conditions shall apply to this Master Contract and all documents related to this Master Contract. Any questions concerning the applicability of any specific provisions of the General Conditions or Specifications to the Project or the Services shall be directed in writing to the Contract Manager. The General Conditions are available on the Internet at: <https://www.queencreek.org/departments/finance-/procurement/bids-rfq>

**2.1.4 Conflicts:** In the event of a conflict between this Master Contract and the General Conditions or any exhibit hereto or appendix thereto, the terms of this Master Contract shall control, and the specific terms of a Project Task Order will control over the terms of this Master Contract.

## **2.2 DEFINITIONS**

The definitions in Section 2 and the additional definitions in Section 18 of the General Conditions apply to all the Contract Documents to this Master Contract and all Project Task Orders. Additional definitions or defined terms applicable to all the Contract Documents for this Project, if any, will be set forth in the applicable Project Task Orders.



### **2.3 TEAM APPROACH**

As set forth in the definition of "Team Approach" set forth in Section 2 of the General Conditions, TOWN desires to implement a comprehensive team approach to the design, construction, and documentation of all TOWN Projects. See also Section 18.2.2 of the General Conditions.

### **ARTICLE 3 – SERVICES**

- 3.1** Design Professional shall perform the Services required by, and in accordance with this Master Contract and as outlined in the applicable Project Task Order to the satisfaction of the Project Manager and in full compliance with Section 18.2 of the General Conditions, the General Standard of Care. In addition, Design Professional shall provide all of the Services set forth in Section 18.3 of the General Conditions, Services, as applicable to a specific Project Task Order and appropriate for the Project encompassed by the Project Task Order.

### **ARTICLE 4 – DELIVERABLES**

#### **4.1 DELIVERABLES AS PART OF THE SERVICES**

Design Professional shall provide all of the Deliverables required under the Project Task Order in the time specified, manner and format required by and to the satisfaction of TOWN.

#### **4.2 DESIGN PROFESSIONAL'S PRE-CONTRACT AND PRE-SERVICE DELIVERABLES**

- 4.2.1** Design Professional shall timely provide the Deliverables in accordance with Section 4.2 of the General Conditions, with the term "Design Professional" replacing "Contractor," and the word "Work" meaning the "Services". Unless otherwise provided in a Project Task Order, Sections 4.2.5 and 4.2.6 shall not apply.
- 4.2.2** Design Professional shall also timely provide to TOWN all of the Deliverables necessary to fully and timely complete all of the Services under a Project Task Order in compliance with Sections 18.2, 18.3 and 18.6 of the General Conditions.
- 4.2.3** Additional items, if any, which Design Professional must deliver to TOWN prior to commencing the Services on a Project shall be set forth in the Project Task Order.

### **ARTICLE 5 – TOWN RESPONSIBILITIES**

- 5.1** TOWN shall have the responsibilities, and provide the information specified in, and subject to the conditions set forth in, Section 5 of the General Conditions, with the term "Design Professional" replacing "Contractor," and the word "Work" meaning the "Services".
- 5.2** Additional services to be provided and responsibilities assumed, by TOWN, if any, shall be set forth in the Project Task Order.
- 5.3** Additional information to be provided by TOWN, if any, shall be set forth in the Project Task Order.





## **ARTICLE 6 – CONTRACT TIME**

Time is of the essence of this Master Contract and each Project Task Order. Design Professional shall complete all Services within the schedule set forth in the Project Task Order, and in full compliance with Sections 18.6.

## **ARTICLE 7 – CONTRACT PRICE**

The Contract Price to be paid by TOWN to Design Professional In exchange for the full, timely and acceptable performance of the Services under the Project Task Order shall be set forth in each Project Task Order and shall be subject to Sections 18.7 and

## **ARTICLE 8 – PAYMENT**

### **8.1 PAYMENT**

Unless otherwise set forth in the Project Task Order, TOWN shall pay the Design Professional for the Services as set forth in Section 18.8.1 of the General Conditions. In addition, Sections 18.5 through 18.7 shall apply to payments under this Master Contract and/or Project Task Orders.

### **8.2 TOWN'S RIGHT TO WITHHOLD PAYMENT**

TOWN may withhold payment to such extent as may be necessary in TOWN's opinion to protect TOWN from loss for which Design Professional is responsible, including, without limitation, for those reasons set forth in Section 8.5 of the General Conditions, with the term "Design Professional" replacing "Contractor," and the word "Work" meaning the "Services".

### **8.3 FINANCIAL RECORD KEEPING AND TOWN'S AUDIT RIGHT**

Section 8.9 of the General Conditions apply to Design Professional, this Master Contract and all Project Task Orders, with the term "Design Professional" replacing "Contractor," and the word "Work" meaning the "Services".

## **ARTICLE 9 – CHANGES TO THE CONTRACT**

**9.1** Changes to the Contract may be made in accordance with Section 9 of the General Conditions, with the term "Design Professional" replacing "Contractor," and the word "Work" meaning the "Services".

**9.2** In order to be effective, any and all changes or amendments in the Contract Documents must be in writing signed by the Parties.

## **ARTICLE 10 – SUSPENSION AND TERMINATION**

The Contract may be suspended and/or terminated in accordance with Section 10 of the General Conditions, with the term "Design Professional" replacing "Contractor," and the word "Work" meaning the "Services".

## **ARTICLE 11 – INSURANCE**

### **11.1 INSURANCE**

Design Professional shall provide insurance as provided on the attached Exhibit B, and in accordance with Section 11.1 of the General Conditions, as well as any additional insurance



required under each Project Task Order. Design Professional shall provide proof of such insurance and all required endorsements in form acceptable to TOWN prior to commencing any Services under the Contract.

**11.2 FAILURE TO PROVIDE**

Failure to provide proof of insurance and the required endorsements, in forms acceptable to TOWN, will be material breach and grounds for termination of the Contract by TOWN for cause.

**ARTICLE 12 – INDEMNIFICATION**

Design Professional shall have and assume the indemnity obligations set forth in Section 12 of the General Conditions.

**ARTICLE 13 – DISPUTE RESOLUTION**

**13.1** All disputes and claims arising out of or relating to the Contract, the Services, or the Project shall be resolved as set forth in Section 13 of the General Conditions, with the term “Design Professional” replacing “Contractor,” and the word “Work” meaning the “Services”.

**13.2** Design Professional shall continue performance of the Services as required under Section 18.6 of the General Conditions.

**ARTICLE 14 – MISCELLANEOUS PROVISIONS**

The Miscellaneous Provisions in Section 14 of the General Conditions shall apply to the Contract, with the term “Design Professional” replacing “Contractor,” and the word “Work” meaning the “Services”.

IN WITNESS WHEREOF, the parties hereto have executed this Master Contract through their duly authorized representatives, whose signatures bind their respective entities as of the effective date.

“TOWN”

**Town of Queen Creek**

Signature \_\_\_\_\_

Name Gail Barney

Title Mayor

**ATTEST:**

Signature \_\_\_\_\_

Name Maria Gonzalez

Title Town Clerk



**APPROVED AS TO FORM:**

---

DICKINSON WRIGHT, PLLC  
TOWN Attomeys

**“DESIGN PROFESSIONAL”  
DWL Architects + Planners, Inc**

Signature \_\_\_\_\_

Name \_\_\_\_\_

Title \_\_\_\_\_



**EXHIBIT A – PROJECT TASK ORDER FORM**

**TOWN OF QUEEN CREEK,  
an Arizona municipal corporation (“TOWN”)**

---

**DESIGN PROFESSIONAL PROJECT ORDER**  
**DESIGN SERVICES FOR THE AQUATIC AND RECREATION BUILDING AT EAST**

**PARK (FRONTIER FAMILY PARK)**

**Project Task Order No. 01**  
**Contract No. \_\_\_\_\_**  
**Project No. RQ010 Aquatic Center**  
**RQ020 Multi-Gen Center**

**THIS PROJECT ORDER** is made and entered into on the \_\_\_\_\_ day of May, 2022 by and between the Town of Queen Creek, Arizona, an Arizona municipal corporation, hereinafter called (“TOWN”) and the "Design Professional" designated below. This Project Task Order is entered in to pursuant to and incorporates herein the terms and provisions of the Design Professional Contract No. \_\_\_\_\_, dated May 4, 2022 between TOWN and Design Professional (“Contract”). Upon full execution of this Project Task Order, the Project Task Order, together with the Project Task Order Contract (including all of the Contract Documents as defined therein), shall be the Contract between the Parties for the professional services specified herein (“Services”).

TOWN and Design Professional agree as follows:

**TOWN:**

**Town of Queen Creek**  
**Project Manager: Tom Glow**  
**Telephone: 480-358-3136**  
**E-mail: [tom.glow@queencreekaz.gov](mailto:tom.glow@queencreekaz.gov)**

**DESIGN PROFESSIONAL:**

**DWL Architects + Planners, Inc.**  
**2333 N. Central Avenue**  
**Phoenix, Arizona 85044**  
**Arizona Registration No.**  
**Federal Tax ID No.: 86-0223489**  
**Design Professional Representative: Michael Braun**  
**Executive Vice President**  
**Telephone: 602-264-9731**  
**E-mail: [braun@dwlarchitects.com](mailto:braun@dwlarchitects.com)**

**PROJECT DESCRIPTION:** This Project Task Order #01 is for the design of the Aquatic and Multi-Gen Building for East Park (Frontier Family Park).

The Project is scheduled to commence on \_\_\_\_\_ and be completed no later than the agreed upon schedule to be submitted by the Design Professional

**PROJECT SITE ADDRESS/LOCATION:** This Project Task Order # 01 is located at *Ryan Rd & Signal Butte Intersection*



**PROJECT TASK ORDER PRICE (Not to Exceed): \$139,784 plus \$15,000 for design allowance and reimbursables for a total of \$154,784**

1.   X   **Fixed Price:** All-inclusive in the above Project Task Order Price; or
2.        **Fee plus Costs:** The Project Order Task Fee is in the amount of \$ \_\_\_\_\_ to be paid in installments based upon monthly progress reports and detailed invoices submitted by \_\_\_\_\_ in such form as approved by TOWN, to be paid subject to the following limitations:
  - a. **Documentation of Monthly Progress**
    - i. Prior to approval of the preliminary documentation (or \_\_\_% of plans), the billed amount shall not exceed \_\_\_\_\_% of the total Contract Price.
    - ii. Prior to approval of the final documentation (or \_\_\_% of plans) deliverable, the billed amount shall not exceed \_\_\_\_\_% of the total Contract Amount.
    - iii. If the Services include the preparation of studies, design concepts, or other investigations, progress payments shall not exceed \_\_\_% of the total Contract Amount prior to submittal of the final report deliverables.
  - b. **Reimbursable Costs:** (Reimbursable costs are at state per diem rates for all travel, lodging, and incidentals.)
    - i. The Project Task Order Reimbursable Cost is in the amount of \$ \_\_\_\_\_ to be paid based upon monthly progress reports and detailed invoices submitted by \_\_\_\_\_ in such form as approved by TOWN
  - c. **Other:**
    - i. Subcontractor Mark Up will be paid in the following manner: \_\_\_\_\_.
    - ii. Unique Insurance and/or Bond Requirements: \_\_\_\_\_.
    - iii. Unique Compliance with Government Provisions: \_\_\_\_\_.

**SCOPE OF SERVICES, DELIVERABLES, AND PROJECT SCHEDULE/DURATION:** Attached Exhibit A

**UNIQUE INSURANCE AND/OR BOND REQUIREMENTS (IF ANY)** (Article 11): Attached Exhibit B.

**PROJECT SPECIFIC CONDITIONS (IF ANY):** Attached Exhibit C.



IN WITNESS, WHEREOF, the parties hereto have executed this Project Order through their duly authorized representatives and bind their respective entities as of the effective date.

**“TOWN”**

Signature \_\_\_\_\_  
Name Gail Barney  
Title Mayor

**ATTEST:**

Signature \_\_\_\_\_  
Name Maria Gonzalez  
Title Town Clerk

**“DESIGN PROFESSIONAL”**

Signature \_\_\_\_\_  
Name \_\_\_\_\_  
Title \_\_\_\_\_





**PROJECT TASK ORDER # 01**

**EXHIBIT A – SCOPE OF WORK AND PROJECT SCHEDULE**



## PROJECT TASK ORDER # 01

### **EXHIBIT B - UNIQUE INSURANCE AND/OR BOND REQUIREMENTS (IF ANY)**

Design Professional shall secure and maintain, at his or her own expense, until completion of the contract, insurance coverage for all general, contractual and products liability risks normally associated with the goods and materials and/or services covered by this Contract.

#### **1.1 Insurance Requirements**

- 1.2.1 Consultant and subconsultant shall procure and maintain, until all of their obligations have been discharged, including any warranty periods under this Contract, insurance against claims for injury to persons or damage to property arising from, or in connection with, the performance of the work hereunder by the Consultant, its agents, representatives, employees or subconsultants.
- 1.2.2 The Insurance Requirements herein are minimum requirements for this Contract and in no way limit the indemnity covenants contained in this Contract. The Town of Queen Creek in no way warrants that the minimum limits contained herein are sufficient to protect the Consultant from liabilities that arise out of the performance of the work under this Contract by the Consultant, its agents, representatives, employees or subconsultants, and the Consultant is free to purchase additional insurance.

#### **1.2 Minimum Scope and Limits of Insurance**

Consultant shall provide coverage with limits of liability not less than those stated below.

##### 1.2.1 Commercial General Liability (CGL) – Occurrence Form

Policy shall include bodily injury, property damage, and broad form contractual liability coverage.

- General Aggregate \$2,000,000
- Products – Completed Operations Aggregate \$1,000,000
- Personal and Advertising Injury \$1,000,000
- Damage to Rented Premises \$50,000
- Each Occurrence \$1,000,000

- a. The policy shall be endorsed, as required by this written agreement, to include the Town of Queen Creek, and its departments, boards, commissions, officers, officials, agents, and employees as additional insureds with respect to liability arising out of the activities performed by or on behalf of the Consultant.
- b. Policy shall contain a waiver of subrogation endorsement, as required by this written agreement, in favor of the Town of Queen Creek, and its departments, boards, commissions, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Consultant.



### 1.2.2 Business Automobile Liability

Bodily Injury and Property Damage for any owned, hired, and/or non-owned automobiles used in the performance of this Contract.

- Combined Single Limit (CSL) \$1,000,000

- a. Policy shall be endorsed, as required by this written agreement, to include the Town of Queen Creek, and its departments, boards, commissions, officers, officials, agents, and employees as additional insureds with respect to liability arising out of the activities performed by, or on behalf of, the Consultant involving automobiles owned, hired and/or non-owned by the Consultant.
- b. Policy shall contain a waiver of subrogation endorsement as required by this written agreement in favor of the Town of Queen Creek, and its departments, boards, commissions, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Consultant.

### 1.2.3 Workers' Compensation and Employers' Liability

- Workers' Compensation Statutory
- Employers' Liability
  - Each Accident \$1,000,000
  - Disease – Each Employee \$1,000,000
  - Disease – Policy Limit \$1,000,000

- a. Policy shall contain a waiver of subrogation endorsement, as required by this written agreement, in favor of the Town of Queen Creek, and its departments, boards, commissions, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Consultant.
- b. This requirement shall not apply to each Consultant or subconsultant that is exempt under A.R.S. § 23-901, and when such Consultant or subconsultant executes the appropriate waiver form (Sole Proprietor or Independent Contractor).

### 1.2.4 Professional Liability (Errors and Omissions Liability)

- Each Claim \$2,000,000
- Annual Aggregate \$2,000,000

- a. In the event that the Professional Liability insurance required by this Contract is written on a claims-made basis, Consultant warrants that any retroactive date under the policy shall precede the effective date of this Contract and, either continuous coverage will be maintained, or an extended discovery period will be



exercised, for a period of two (2) years beginning at the time work under this Contract is completed.

- b. The policy shall cover professional misconduct or negligent acts for those positions defined in the Scope of Work of this contract.

### **1.3 Additional Insurance Requirements**

The policies shall include, or be endorsed to include, as required by this written agreement, the following provisions:

- 1.3.1 The Consultant's policies, as applicable, shall stipulate that the insurance afforded the Consultant shall be primary and that any insurance carried by the Town of Queen Creek, and its departments, boards, commissions, officers, officials, agents, and employees shall be excess and not contributory insurance.
- 1.3.2 Insurance provided by the Consultant shall not limit the Consultant's liability assumed under the indemnification provisions of this Contract.

### **1.4 Notice of Cancellation**

Applicable to all insurance policies required within the Insurance Requirements of this Contract, Consultant's insurance shall not be permitted to expire, be suspended, be canceled, or be materially changed for any reason without thirty (30) days prior written notice to the Town of Queen Creek. Within two (2) business days of receipt, Consultant must provide notice to the Town of Queen Creek if they receive notice of a policy that has been or will be suspended, canceled, materially changed for any reason, has expired, or will be expiring. Such notice shall be sent directly to the Procurement Department and shall be mailed, emailed, or hand delivered to Procurement Department, 22358 S. Ellsworth Rd, Queen Creek, AZ 85142 or Procurement@Queencreekaz.gov.

### **1.5 Acceptability of Insurers**

Insurers shall have an "A.M. Best" rating of not less than A- VII. The Town of Queen Creek in no way warrants that the above-required minimum insurer rating is sufficient to protect the Consultant from potential insurer insolvency.

### **1.6 Verification of Coverage**

Consultant shall furnish the Town of Queen Creek with certificates of insurance (valid ACORD form or equivalent approved by the Town of Queen Creek) evidencing that Consultant has the insurance as required by this Contract. An authorized representative of the insurer shall sign the certificates.

- 1.6.1 All such certificates of insurance and policy endorsements must be received by the Town of Queen Creek before work commences. The Town of Queen Creek's receipt of any certificates of insurance or policy endorsements that do not comply with this written agreement shall not waive or otherwise affect the requirements of this agreement.



- 1.6.2 Each insurance policy required by this Contract must be in effect at, or prior to, commencement of work under this Contract. Failure to maintain the insurance policies as required by this Contract, or to provide evidence of renewal, is a material breach of contract.
- 1.6.3 All certificates required by this Contract shall be sent directly to the Procurement Department at 22358 S. Ellsworth Road, Queen Creek, AZ. 85142, or [procurement@queencreekaz.gov](mailto:procurement@queencreekaz.gov). **The Town of Queen Creek project/contract number and project description shall be noted on the certificate of insurance.** The Town of Queen Creek reserves the right to require complete copies of all insurance policies required by this Contract at any time.

**1.7 Subconsultants**

Consultant's certificate(s) shall include all subconsultants as insureds under its policies or Consultant shall be responsible for ensuring and/or verifying that all subconsultants have valid and collectable insurance as evidenced by the certificates of insurance and endorsements for each subconsultant. All coverages for subconsultants shall be subject to the minimum Insurance Requirements identified above naming the Town and Consultant as "Additional Insured" on all insurance policies, except Worker's compensation. The Town reserves the right to require, at any time throughout the life of this contract, proof from the Consultant that its subconsultants have the required coverage.

**1.8 Approval and Modifications**

The Town reserves the right to review or make modifications to the insurance limits, required coverages, or endorsements throughout the life of this contract, as deemed necessary, subject to at least 30 days written notice. Such action will not require a formal Contract amendment but may be made by administrative action.

**1.9 Exceptions**

In the event the Consultant or subconsultant(s) is/are a public entity, then the Insurance Requirements shall not apply. Such public entity shall provide a certificate of self-insurance.



**PROJECT TASK ORDER # 01**

**EXHIBIT C**  
**PROJECT SPECIFIC CONDITIONS (IF ANY)**



April 20, 2022

Mr. Tom Glow  
Project Manager  
Town of Queen Creek  
22358 S. Ellsworth Road  
Queen Creek, AZ 85142  
(480) 358-3136  
tom.glow@queencreekaz.gov

RE: Town of Queen Creek / Aquatic & Recreation Center  
Architectural & Engineering Design Services  
**Fee Proposal for Conceptual Design Services**

Dear Tom:

We are very pleased for this opportunity to submit an Architectural and Engineering Services scope and fee for the Frontier Family Park Aquatic & Recreation Center. This scope includes services for Project initiation, Programming and 15% Conceptual Design. The Schematic Design, Design Development, Construction Documents and Post Design services are not included in this proposal and are assumed to be part of a future contract. See attached compensation section for detail on fee breakdown.

As requested, this proposal has been prepared in accordance with our understanding of the project based on the following documents provided by the Town as part of the RFQ and Procurement process as well as our 4/11/22 conversation and recent email correspondence. For purposes of fee development, we assume the following:

- Budget – Recreation Center \$40M, Aquatic Center \$25M for approximately \$65M Total Cost
- Design – Project initiation, Programming and 15% Conceptual Design – +/- 2 Months
- Construction – Anticipate Start Summer 2023

## **SCOPE OF WORK**

### **General:**

The Scope of the project is to provide Architectural and Engineering Design Services (Aquatics, Civil, Cost Estimating) for a new Aquatic and Recreation Center at Frontier Family Park. This includes the following as shown on Exhibit 'A' which includes the following scope areas:

### **Recreation Center:**

- Up to 65,000 sf two level building
- Gymnasium with Basketball courts
- Elevated Running Track
- Administration Area
- Multi-use spaces
- Restroom and Locker Rooms shared with Aquatics

**Aquatics:**

- 25-yard competition pool
- Zero depth entry leisure pool with interactive play features
- Lazy river
- Slides
- Pump Building
- Shaded Pool Deck

**Site:**

- Portion of the site that extends from the south edge of the Aquatics and Recreation Center north to the roadway and east of the new park drive, over to and around the lake edge to the east park boundary.
- Improvements include parking, landscape and Right-of-Way improvements.
- Drainage is assumed to tie in with the overall park site
- Utilities to roadway

**DESIGN SERVICES / TASKS:**

DWL to provide internal project management to manage assigned staff and sub-consultants. Included in this task are management and maintenance of project design schedule, records, correspondence, and quality control activities.

Estimated meetings are as follows: Design Phase meetings are estimated to be an average of every other week with periods of weekly meetings. Key meetings are identified in each task below. Meeting minutes to be provided for meetings scheduled by the Design team. Assume mix of in-person and Microsoft Teams Meetings.

*The following complete tasks are included:*

- **Project Management / Project Initiation / Site Investigation / Data Gathering:** *Kick-off meeting; develop vision and goals, identify key stakeholders, review needs and budget. Coordination with Park Team.*
- **Programming:** *Develop and Review Programming Documents; validate the Current/Future Operational Space needs.*
- **Conceptual Design (15%):** *Design Charrette, finalize program, Review options with Owner and Stakeholder Groups, Develop Conceptual design, Initial Meeting(s) with planning.*
- **Cost Benchmarking & Conceptual Design:** *Provide benchmarking study to assist design team with programming and sizing of the facility long with Conceptual Design Estimate of Probably Construction Costs.*

**Task 1.0: Project Management / Project Initiation / Site Investigation / Data Gathering**

- A. Proposed Meetings:
  - 1. Bi-Weekly Project Meetings (Teams and in-person Meetings)
  - 2. Project kick-off meeting, site walk, develop vision and goals, identify key stakeholders, review needs and confirm budget.
- B. Review the current Park plan with the Design Team.
- C. As-built verification of Owner provided record drawings, document existing conditions, site walk with staff.
- D. Review survey for areas of work, mapping of existing utilities
- E. Identify all applicable Town Standards
- F. Develop Preliminary Design Schedule

**Task 2.0: Programming**

- A. Proposed Meetings:
  - Bi-weekly Project Meetings (Teams and in-person Meetings)
  - Stakeholder Meeting(s)
- B. Develop a mutually agreed upon Program, schedule and construction budget requirements.

**Task 3.0: 15% Conceptual Design**

- A. Proposed Meetings:
  - 1. Bi-weekly Project Meetings (Teams and in-person Meetings)
  - 2. Stakeholder Meeting(s)
- B. Based upon the mutually agreed upon Program, schedule and construction budget requirements, Design Team shall prepare, for approval by Town of Queen Creek, Conceptual Design Documents. The Conceptual Design will include architectural plans, elevations, sections and select 3D views as required to illustrate the scale and relationship of project components.
- C. The Conceptual Design (15%) will be submitted to the project team and stakeholder group for review, estimating, comment and approval.

**ASSUMPTIONS & SCOPE CLARIFICATIONS:**

- Town will provide Surveys (topographic and ALTA) of the project site.
- Town will provide Geotechnical Report
- Reimbursables include project related expenses such as travel, courier, printing and copying.
- Subconsultants are included in this proposal. Please review their attached proposals for further scope details.
  - o Counsilman-Hunsaker (Aquatics Design)
  - o Kimley-Horn (Civil Engineering)
  - o Rider Levett Bucknall (Cost Estimating)
- The construction delivery method is Construction Manager-At-Risk (CMAR) that will be brought on early in the process.
- Contract to be Lump Sum. Tasks not identified in this proposal and its supporting documents shall be considered additional services and are not included in the fees.
- Project will utilize the most current Town of Queen Creek adopted codes at the execution of this contract.
- Value Engineering (VE) effort beyond an acceptable industry standard (effort by the Team to revise design within 20% of the established budget) will require additional services given current market conditions.
- Hours identified for tasks under the HNTE are estimates and may not reflect actual time taken to complete each task. Tasks not identified in this proposal and its supporting documents shall be considered additional services and is not included in the fees.
- DWL shall utilize the latest version of Revit and assume the same will be utilized by Mechanical, Plumbing, Electrical and Structural. An equivalent and compatible software will be used for coordinating with Civil. Any use of the Revit model by the Contractor shall be for reference of design intent only.

**EXCLUSIONS:**

In order to provide clarity and to prevent any misunderstandings, we want to identify items that are excluded from this proposal. If for any reason the Town requires these services, we can provide them for additional compensation.

- Plan review fees, permit or code modification fees.
- Services from engineers or consultants not identified in this proposal and beyond this project's scope will not be provided.
- Deliverables beyond those described below.
- Utility location services, Potholing, Field investigations.
- Major scope changes or revisions and deliverables beyond those listed.
- Multiple bid packages, phased drawings or Construction phasing plans are not included.
- Tests or investigations requiring demolition of existing construction or other types of Forensic investigation are not included in this proposal, except for as described under Additional Services.
- 3rd party commissioning services. LEED Commissioning or activities related construction.
- Acoustic Design & Engineering unless otherwise noted for specific design elements.
- All Hazardous Material related work such as testing or abatement.
- Major scope changes or revisions and deliverables beyond those listed below.
- Photorealistic 3D Renderings.
- Geotechnical Engineering Services.
- Survey or Alta Survey.

**DELIVERABLES:**

Deliverables for the previously described scope, unless otherwise noted, include the following in PDF format with the exception of one full size set, one half-sized set, one CAD file. and one copy of the specifications, if applicable for Town at each Review.

- **Project Management / Project Initiation:** Includes Design Schedule, Meeting minutes (provided for each design meeting scheduled by the Design Team).
- **Programming:** Includes Programming Sessions and Development with the Town Stakeholders. Final program to be provided in PDF format.
- **Concept Design (15%):** Includes initial site diagrams for coordination with Parks Team as well as color architectural site plans and floor plans, conceptual massing models of the Recreation Center. A specification is not included. One (1) full color 11x17 printed and bound PDF to be provided for review.
- **Benchmarking & Conceptual Design Estimate:** Includes comparison study of pricing of similar facilities and Conceptual Design Estimate of Construction Cost.

**COMPENSATION:**

We propose to provide the previously mentioned design services for a lump sum fee to be billed monthly. We have attached a summary spreadsheet and estimated hourly breakdown for your review and approval.

**Project Initiation, Programming, Concept Design Phase**

Architectural	\$76,144
Aquatics Design	\$28,885
Civil Engineering	\$17,755
Cost Estimating	\$17,000
<b>Total Design Services</b>	<b>\$139,784</b>

**Design Allowance and Reimbursables**

Engineering Allowance	\$7,500
Reimbursables	\$7,500
<b>Total Allowance and Reimbursables</b>	<b>\$15,000</b>

**CONCLUSION:**

We are very grateful for this opportunity and look forward to working with you and the Town of Queen Creek Parks and Recreation Team. If you have any questions or require further explanation regarding any item, please do not hesitate to contact me or Mary Ann Modzelewski.

Sincerely,

**DWL ARCHITECTS + PLANNERS, INC.**

Michael Braun, AIA  
Executive Vice President

**ATTACHMENTS:**

- Consultant Proposals
- Exhibit 'A'

cc: Mary Ann Modzelewski  
Anna Alexander

Town of Queen Creek - Recreation + Aquatics Center  
 Conceptual + Programming Design Services

COMPENSATION ESTIMATE

4.20.2022

ARCHITECTURAL - Design Phase

Task Description		Labor Hours																				Task Total					
		Principal 225.00 per hr.		Design Director 156.00 per hr.		Sr. Project Mng. 142.00 per hr.		Sr. Architect 139.00 per hr.		Project Architect 125.00 per hr.		Sr. Designer 115.00 per hr.		QAQC / Code 149.00 per hr.		CADD/BIM Technician 96.00 per hr.		Int./ Sign. Designer 97.00 per hr.		Proj. Specifier 150.00 per hr.			Administration 84.00 per hr.				
		Hours	Direct Cost	Hours	Direct Cost	Hours	Direct Cost	Hours	Direct Cost	Hours	Direct Cost	Hours	Direct Cost	Hours	Direct Cost	Hours	Direct Cost	Hours	Direct Cost	Hours	Direct Cost		Hours	Direct Cost			
1	Project Management & Coordination	2	450.00	34	5,304.00	40	5,680.00	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	10	840.00	12,274.00		
3	Project Initiation	1	225.00	20	3,120.00	40	5,680.00	0	0	8	1000	0	0	0	0	40	3,840.00	0	0	0	0	0	0	10	840.00	14,705.00	
4	Programming	0	0.00	34	5,304.00	40	5,680.00	0	0	60	7500	0	0	0	0	40	3,840.00	0	0	0	0	0	0	10	840.00	23,164.00	
5	15% Concept Plans	1	225.00	34	5,304.00	50	7,100.00	0	0	60	7500	0	0	8	1192	40	3,840.00	0	0	0	0	0	0	0	10	840.00	26,001.00
6		0	0.00	0	0.00	0	0.00	0	0	0	0	0	0	0	0	0	0.00	0	0	0	0	0	0	0	0.00	0.00	
<b>DWL DESIGN PHASE TOTAL</b>		<b>4</b>	<b>900.00</b>	<b>122</b>	<b>19,032.00</b>	<b>170</b>	<b>24,140.00</b>	<b>0</b>	<b>0.00</b>	<b>128</b>	<b>16,000.00</b>	<b>0</b>	<b>0.00</b>	<b>8</b>	<b>1,192.00</b>	<b>120</b>	<b>11,520.00</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>	<b>40</b>	<b>3,360.00</b>	<b>\$76,144.00</b>	

TEAM SUMMARY

Discipline											Totals	
Architectural	76,144.00										-	\$ 76,144.00
Aquatics Design	28,885.00										-	\$ 28,885.00
Civil Engineering	17,755.00										-	\$ 17,755.00
Cost Estimating	17,000.00											\$ 17,000.00
											<b>Design &amp; Engineering Sub-Total</b>	<b>\$ 139,784.00</b>
											<b>Owner's Design Allowance</b>	<b>\$ -</b>
											<b>Design/Engineering Allowance</b>	<b>\$ 7,500.00</b>
											<b>Total with Allowance</b>	<b>\$ 147,284.00</b>

REIMBURSABLE EXPENSES

Expense	
Travel, Printing, Copies, Courier - Billed only as needed	7,500.00
<b>Total Reimbursable</b>	<b>\$7,500.00</b>

Total w/ Reimbursable \$154,784.00





**Counselman · Hunsaker**  
AQUATICS FOR LIFE

EXHIBIT "B" OF AIA DOCUMENT C.401 AGREEMENT BETWEEN THE CLIENT: **DWL ARCHITECTS**, AND THE CONSULTANT: **COUNCILMAN-HUNSAKER** FOR CONSULTING FOR **TOWN OF QUEEN CREEK AQUATIC AND RECREATION CENTER**.

THIS AGREEMENT is made and entered into at ST. LOUIS, MISSOURI, this \_\_\_\_ day of \_\_\_\_\_, 2022, by and between **DWL ARCHITECTS + PLANNERS, INC.**, hereinafter referred to as the "**Client**", with an address of 2333 N. Central Avenue Phoenix, AZ 85004 and **COUNCILMAN/HUNSAKER & ASSOCIATES, INC. D/B/A COUNCILMAN-HUNSAKER**, a Missouri Corporation, doing business at 10733 Sunset Office Drive, Suite 400, St. Louis, Missouri 63127-1018, hereinafter referred to as the "**Consultant**."

WHEREAS, the Client intends to design and develop an aquatic facility at the Queen Creek Aquatic and Recreation Center, Queen Creek, AZ hereinafter referred to as the "Project" and,

WHEREAS, the Consultant is a consultant possessing expertise in the field of swimming pool design and engineering, and

WHEREAS, the Client desires to retain the Consultant as its independent contractor for purposes of planning, design and engineering swimming pool(s).

NOW, THEREFORE, in consideration of the covenants and agreements herein contained, the parties hereto agree as follows:

- I. SERVICES: The Client hereby retains the Consultant as its swimming pool design consultant for the Project which includes a.) One outdoor Junior Olympic competition pool b.) One Zero Depth Entry Play Pool with Interactive Play Features c.) Water Slides d.) Lazy River. The scope of the services to be provided by the Consultant pursuant to this Agreement shall include:

PROGRAMMING PHASE

Two, 1-day site visits

- A. Meet with the design team and the Client's steering committee plus any designated staff and/or stakeholder groups to discuss the Project, confirm the design program and the Client's objectives.
- B. Review the design program developed by the Client regarding use of pool(s) and pool support spaces. Review the physical characteristics and requirements identified for the pool(s) and pool support spaces. Submit comments and suggestions to the Client.
- C. Provide preliminary concepts of the pool(s) for meeting program needs of the Client while complying with budget requirements, physical requirements and footprint limitations.
- D. Provide a design narrative for the swimming pool(s) including related systems, features, and equipment.
- E. Assist Client with design considerations for the support spaces:
- Locker rooms/changing facilities
  - Offices/administration
  - Training/first aid room
  - Meet management
  - Spectator areas
  - Dryland training facilities
  - Storage
  - Concessions
  - Mechanical and maintenance

DRAWINGS: All of the drawings, and specifications, prepared by the Consultant as instruments of service are and shall be the property of the Consultant whether the Project for which they are made is completed or not. Provided that the Client pays all amounts due and payable to the Consultant hereunder, the Client shall be permitted to retain copies, including reproducible copies of the drawings and specifications, and shall have a non-exclusive limited license to use such for the sole purpose of constructing and operating the Project and no other purpose. All drawings prepared by the Consultant will be issued in PDF format. A REVIT model will be provided as a supplemental design tool and shall not be considered a part of the final construction document package.

The Client acknowledges that the work, plans and specifications to be prepared by the Consultant for the swimming pool design of this Project shall not be based on one supplier in nature, and shall be fit for their intended purpose unless in the opinion of the Consultant there are no equal products available.

Except for reference and coordination purposes in connection with future additions or alterations to the Project, the drawings, specifications and other documents prepared by the Consultant are instruments of the service for use solely with respect to the Project and, unless otherwise provided, the Consultant shall be deemed the author of all such instruments and shall retain all common law, statutory and other reserved rights, including copyright. The Consultant's drawings, specifications or documents shall not be used by the Client or permitted by the Client to be used by others on other projects except with the Consultant's prior written agreement, which may be withheld in the Consultant's sole discretion, and with appropriate compensation to the Consultant.

II. AGENCY REVIEW AND APPROVAL OF PLANS AND SPECIFICATIONS: All permits that are to be obtained from health departments and jurisdictional authorities by the Client, relating to the work completed by the Consultant shall be done with the Consultant's assistance in filling out forms and answering questions. Once an authorized representative of a regulatory agency having jurisdiction over the Project including, but not limited to the health department approves the original design, the Consultant will not be required to revise or address any design changes or field modifications with enactment or revision of codes, laws or regulations or official interpretations, which necessitate changes to the previously prepared instruments of service; provided the Consultant will work with the design team in determining a solution at an agreed upon charge for such services. All necessary notices, obtaining all permits and payment of all government fees, and other costs in connection with construction related work, including filing all necessary drawings, preparation of all documents and obtaining all necessary approvals of governmental departments having jurisdiction for the purpose of construction completion and occupancy shall not be the responsibility of the Consultant.

III. RELEASE: The Client hereby releases the Consultant from any and all claims, now existing or hereafter made, as a result of, construction means, methods, techniques, sequences or procedures, and shall not be responsible for the acts or omissions of any contractor, subcontractor or any other person performing any of the construction work on the Project or for the failure of any of them to carry out the work as set forth in the plans and specifications to be prepared by the Consultant. However, if during the field observation the Consultant becomes aware of an act or omission, or a failure by a contractor, subcontractor or any other person performing any of the construction work, to carry out the work in accordance with the plans and specifications, the Consultant shall bring same to the attention of the Client; provided the Consultant has no obligation to do so or liability hereunder for the failure to do so.

The Consultant makes no warranty, guaranty or certification; expressed or implied, as to its findings, recommendations, plans, specifications, or professional advice. The

Consultant will endeavor to perform services in accordance with the generally accepted standards of practice in effect at the time of performance. The Client recognizes that neither the Consultant nor its sub consultants owe a fiduciary responsibility to the Client. Except as expressly set forth herein, the consultant makes no representations, warranties or conditions of any kind, whether oral or written, whether express, implied, or arising by statute, custom, course of dealing or trade usage, with respect to the subject matter of this agreement or in connection with this agreement. The consultant specifically disclaims any and all implied warranties or conditions of merchantability, and fitness for a particular purpose. The terms of this Paragraph IV shall survive termination of this Agreement and completion of the Project

- IV. HOLD HARMLESS: To the fullest extent permitted by law, and notwithstanding any other provision of this Agreement, the total liability, in the aggregate, of the Consultant and the Consultant's officers, directors, partners, employees, agents and Consultant's subconsultants, and any of them, to the Client, and anyone claiming by, through or under the Client for any and all claims, losses, costs, or damages whatsoever arising out of, resulting from, or in a anyway related to the services performed by the Consultant hereunder including without limitation related to any drawings, specifications, reports, conclusions and recommendations provided by the Consultant, shall not exceed the lesser of the total compensation received by the Consultant under this Agreement. It is intended that this limitation apply to any and all liability or cause of action however alleged or arising, unless otherwise prohibited by law. Notwithstanding anything contained herein to the contrary, in no event will the Consultant be liable for any indirect, special, incidental, consequential, exemplary or punitive damages or costs of procurement of substitute goods or services arising out of or related to this Agreement, including but not limited to damages for lost data, revenue or profits, however caused and arising under any theory of liability, including but not limited to contract or tort (including products liability, strict liability and negligence), and whether or not such party was or should have been aware or advised of the possibility of such damage. The terms of this Paragraph V shall survive termination of this Agreement and completion of the Project.
- V. FEES: The Consultant's fee shall be a lump sum of **\$28,885** including **two (2)** site visits. Travel expenses are not included in this lump sum and will be billed separately from this fee. (Site visits in excess of **two (2)** shall be authorized by the Client in writing in advance and compensated with fee and reimbursable expenses as additional services according to the Additional Services Fee Schedule in Paragraph IX.) The Consultant may incur reasonable and necessary expenses for travel in providing the services and the additional services, if applicable, to the Client. In addition to all other amounts payable by the Client herein, the Client shall reimburse the Consultant for reasonable travel expenses incurred by the Consultant's officers, agents and employees that are directly related to the provision of the services. Travel expenses shall include but are not limited to the costs of airfare, rental cars, parking, lodging and meals related to the provision of the services. The Consultant shall provide an itemized account of such travel expenses, together with receipts, vouchers or other supporting materials.

VI. PAYMENT SCHEDULE: The Consultant shall be paid monthly based on percentage complete for the following phases:

<u>Phase 1</u>	
Programming Phase	\$28,885

Reimbursable expenses shall consist of travel expenses and shall be billed at cost.

Should any additional tasks be required to be performed by the Consultant which are not expressly set forth in Paragraph I of this Agreement, including without limitation opinion of probable costs or re-design of pool shapes, features, or systems due to program change by the Client, the Consultant will execute such tasks when authorized by the Client and will be compensated for same as additional services according to the Additional Services Fee Schedule in Paragraph IX.

VII. PROJECT SCHEDULE: The Project schedule shall be maintained as outlined in AIA - C 401 Agreement between the Client and the Consultant. Should the Project phase schedule be delayed, through no fault of the Consultant, the Consultant's schedule will be extended commensurate with the delays created by others.

VIII. ADDITIONAL SERVICES: All additional services must be authorized in writing. The Consultant shall be paid for additional services according to the following fee schedule (if not listed as a lump sum):

Principal	\$230.00/hour
Director	\$210.00/hour
Project Manager	\$185.00/hour
Project Engineer/Architect	\$155.00/hour
Design Associate	\$130.00/hour
Administrative	\$75.00/hour
Additional Site Visit	\$1,500.00 /day *
* Excluding travel expenses	

The following services are available as additional services to the base scope and fee provided by the Consultant.

A. Renderings

The Consultant shall create a 3D rendering of the pools, pool decks, and adjacent spaces. The Architect's building models will be incorporated into the comprehensive rendering. The Consultant will coordinate with other disciplines as needed.

**Fee: To be negotiated based upon agreed scope of services.**

IX. MISCELLANEOUS: This Agreement constitutes the entire understanding between the parties and cannot be modified except by their mutual written consent. In the event of a conflict between this Agreement and the terms of any other agreement or document pertaining to the Project, the terms and provisions of this Agreement will govern.

The terms of this Agreement are enforceable by the parties but are not enforceable by any third party. Nothing contained herein shall, or shall be construed, to create any rights in any third party.

Any notice or other communication required or permitted hereunder shall be in writing and shall be delivered personally or sent by certified, registered or express mail, postage prepaid. Any such notice shall be deemed given on the date delivered personally, or if mailed, three (3) days after the date of deposit in the United States mail, addressed to the Client or the Consultant, as applicable, at the address set forth above.

If any provision or portion thereof, of this Agreement is found to be invalid, unlawful or unenforceable to any extent, such provision of this Agreement will be enforced to the maximum extent permissible by applicable law so as to affect the intent of the parties, and the remainder of this Agreement will continue in full force and effect. The parties will negotiate in good faith an enforceable substitute provision for any invalid or unenforceable provision that most nearly achieves the intent and economic effect of such provision.

All provisions of this Agreement that, judging by their terms and context, are intended to survive, shall survive the termination of this Agreement.

This Agreement may be executed and delivered by facsimile and the parties agree that such facsimile execution and delivery will have the same force and effect as delivery of an original document with original signatures, and that each party may use such facsimile signatures as evidence of the execution and delivery of this Agreement by all parties to the same extent that an original signature could be used.



IN WITNESS WHEREOF, the parties have hereunto set their hands on the day and year first above written.

ACCEPTED:  
COUNSILMAN/HUNSAKER  
& ASSOCIATES, INC.  
D/B/A COUNSILMAN-HUNSAKER

DWL ARCHITECTS + PLANNERS, INC.



\_\_\_\_\_  
Signature

\_\_\_\_\_  
Signature

Jeffery A. Prosswimmer – Project Director

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

Client Information:

Michael Braun  
Executive Vice President  
DWL Architects + Planners, Inc.  
2333 N. Central Ave.  
Phoenix, Arizona 85004  
tel. (602) 264-9731  
braun@dwlarchitects.com



# Town of Queen Creek

## Recreation Center & Aquatics Facility

### Task 1

### Scope of Work

April 21, 2022

Prepared for:

DWL ARCHITECTS

Prepared by:

7740 North 16th Street, Suite 300  
Phoenix, Arizona 85020

**Kimley»Horn**

Expect More. Experience Better.

(602) 944-5500 | Tel  
(602) 944-7423 | Fax

**SUMMARY OF TASKS**

**Task 1.0 Site Plan Development 15% Design .....2**

## Recreation Center and Aquatics Facility

The Town of Queen Creek is looking to develop an initial site plan (15% plan level) for a Recreation and Aquatics Facility. The Town has been working on the park development for the past year and the goal is to integrate the recreation center and aquatics facility with the park development. The success of the project will be a seamless integration of the recreation center and aquatics facility with the park.

The following scope of work is to provide civil and landscape architecture design services to develop a master / concept plan into the development of a site plan with 15% level plans to begin the Town pre-application project. Additional scope shall be provided for final design development.

### TASK 1.0 SITE PLAN DEVELOPMENT 15% DESIGN

#### TASK 1.1 KICK-OFF MEETING WITH TOWN OF QUEEN CREEK AND CONSULTANT DESIGN TEAM

The purpose of this meeting is to formally kick-off the project with the consultant design team, Town of Queen Creek team, and project stakeholders. The goal of this meeting is to develop the process to develop a fully integrated recreation center and aquatics facility with the park which is currently in design by the Town.

##### Deliverables

1. Meeting Minutes

#### TASK 1.2 SITE INVENTORY AND ANALYSIS

The consultant design team will work with the Town to acquire the existing topographical survey, current CAD base xrefs for the current park design, and existing utility mapping for water and sanitary sewer. The team will initiate a bluestake design ticket to identify and acquire utility mapping from utility companies with facilities within the project area. The team will walk the site and document the site walk with site photos to develop a site opportunity and constraints map.

##### Deliverables

1. Opportunities and Constraints Map

#### TASK 1.3 RECREATION CENTER AND AQUATICS FACILITY PROGRAMMING MEETING

The consultant design team will work with the Town to develop the programming for the recreation center and aquatics facility. This shall include indoor and outdoor spaces for the recreation center and aquatics facility.

##### Deliverables

1. Meeting Minutes

## TASK 1.4 PARK INTEGRATION MEETING

The consultant design team will meet with the Town and the Park design team to learn about the park site layout and current design. The goal of this meeting is to look for opportunities to seamlessly integrate the proposed recreation center and aquatics facility into Frontier Family Park. The design team will develop initial site concepts for the recreation center and aquatics site layout based on the information learned from the park design team.

### **Deliverables**

1. Meeting Minutes

## TASK 1.5 CONCEPTUAL SITE LAYOUT DEVELOPMENT

The consultant design team will develop initial site layout concepts based on the opportunities and constraints mapping and the park integration meeting for the recreation center and aquatics facility. The team will generate three initial layouts which will focus on site circulation and connectivity of indoor / outdoor spaces from the recreation center and aquatics facility with the park. This shall include the layout of the parking area (approximately 250 parking spaces) and ingress / egress for the recreation center and aquatics facility.

### **Deliverables**

1. Three concepts for the recreation center and aquatics facility

## TASK 1.6 DESIGN CHARETTE MEETING NO. 1

The consultant design team will attend a design charette meeting to begin the concept development phase for the recreation center and aquatics facility with the Town. The team will work with Town staff to gain input on initial spatial layout and feedback from the initial concept developed based on the recreation center and aquatics facility programming meeting and park integration meeting. The design team will work with the Town to further refine the initial three concepts into a singular concept for the recreation center and aquatics facility.

### **Deliverables**

1. Meeting Minutes

## TASK 1.7 CONCEPT REFINEMENT

The consultant design team will integrate feedback from the Town from the initial three concepts into a singular concept from Design Charette Meeting no. 1. The team will produce a singular concept to be presented to the Town for further feedback at the Design Charette Meeting No. 2.

### **Deliverables**

1. Singular concept for the recreation center and aquatics facility



## TASK 1.8 DESIGN CHARETTE MEETING NO. 2

The consultant design team will present the refined singular concept to the Town for further feedback. The team will make any further refinements and transition the concept plan into a further defined site plan.

### **Deliverables**

1. Meeting Minutes

## TASK 1.9 SITE PLAN DEVELOPMENT

The consultant design team will develop a site plan based on the approved design concept for the recreation center and aquatics facility site. This site plan will be utilized for the development of the civil grading and drainage, utilities (water and sewer) and landscape plan for the pre-application / site plan development submittal for the recreation center and aquatics facility.

### **Deliverables**

1. Site Plan

## TASK 1.10 15% SITE PLAN DEVELOPMENT

The consultant design team will develop site plan development documents for the recreation center and aquatics facility. The site plan development package shall include grading and drainage plan, civil utilities (water and sanitary sewer) and landscape plans at a 15% design level to begin the Town's site plan development submittal process.

### **Deliverables**

1. Site Plan 15% submittal documents for the recreation center and aquatics facility – Civil Grading and Drainage Plan, Civil water and sanitary sewer plan, landscape plan.

### Exclusions

- Traffic Study
- Drainage Report
- Utility Basis of Design Reports
- Final Design
- Topographic Survey

# Town of Queen Creek Frontier Park Recreation Center & Aquatics

	Project Manager	Sr. Landscape Architect	Landscape Architect	Sr. Engineer	Engineer	Designer	Tech / Drafter	Admin / Clerical	Total
	\$225.00	\$190.00	\$175.00	\$190.00	\$175.00	\$150.00	\$90.00	\$75.00	
<b>Site Plan Development 15%</b>									
<b>Task 1.0 Project Initiation</b>									
1.1 Kick Off Meeting		2		2					\$ 760
1.2 Site Inventory & Analysis					1	4			\$ 775
1.3 Park Integration Meeting		2		2					\$ 760
1.4 Programming Meeting		2		2					\$ 760
1.5 Conceptual Site Layout Development			2				16		\$ 1,790
1.6 Design Charette Meeting No. 1		2		2					\$ 760
1.7 Concept Refinement			4				16		\$ 2,140
1.8 Design Charette Meeting No. 2		2		2					\$ 760
1.9 Site Plan Development			4				16		\$ 2,140
1.10 15% Site Plan Development									\$ -
1.10.1 15% Civil Grading & Drainage Plan				2		8	24		\$ 3,740
1.10.2 15% Civil Water & Sanitary Sewer Plan				1		2	12		\$ 1,570
1.10.3 15% Landscape Plan		2	4				8		\$ 1,800
<b>Subtotal Hours</b>	-	12	14	13	1	14	92	-	146
<b>TOTAL MASTER PLANNING HOURS</b>									
	-	12	14	13	1	14	92	-	17,755
<b>TOTAL DESIGN FEES \$ - \$ 2,280 \$ 2,450 \$ 2,470 \$ 175 \$ 2,100 \$ 8,280 \$ - 17,755</b>									

SJM:K/PHX-FP:TQC : EPARC  
April 21, 2022

Mr. Michael Braun AIA, LEED AP  
Executive Vice President  
DWL Architects + Planners, Inc.  
2333 N. Central Avenue  
P OENI, A 85004

Via e-mail: [braun@dwlarchitects.com](mailto:braun@dwlarchitects.com)

Dear Michael:

**RE: TOWN OF QUEEN CREEK AQUATIC & RECREATION CENTER PROJECT FEE PROPOSAL FOR COST CONSULTANCY SERVICES**

Thank you very much for inviting Rider Levett Bucknall (RLB) to submit a fee proposal for providing Cost Consultancy Services for the planned Aquatics & Recreation Center project in the Town of Queen Creek, Arizona.

**Project Background**

The Town of Queen Creek is soliciting Statement of Qualifications from qualified firms to provide design services for an Aquatic and Recreation Center. Frontier Family Park, a new 91-acre park located generally at the southwest corner of Ryan Road and Signal Butte Road will be delivered in two phases. The Town has entered into a contract with J2 Engineering and Environmental Design (J2) for design services for Phase 1 which will include a majority of the park acreage and will deliver lighted sports fields, sand volleyball courts, concession and restroom buildings and play areas in the Fall of 2023. Phase 2 is anticipated to be a combined Aquatic and Recreation Center located on the north end of the site along Ryan Road and is anticipated to be delivered in the Spring of 2024. The team selected from this solicitation will work with J2 to finalize the site location and layout within Frontier Family Park and will develop full construction documents for an anticipated grand opening of the Aquatic and Recreation Center facility in the Spring of 2024.

**Scope of Work & Proposed Fees**

RLB to provide Cost Consultancy Services including the following:

Provide one (1) benchmarking study to assist design w/ programming / sizing of the facility.  
40 hours @ \$170 / hour - \$6,800

Attend Project Meetings (2), Prepare One (1) Program / Concept Estimate of Construction Cost including review with the Project Team.  
60 hours @ \$170 / hour - \$10,200

Total Fee - \$17,000

Mr. Michael Braun AIA, LEED AP  
 DWL Architects + Planners, Inc.  
 April 21, 2022  
 Page 2

**RE: TOWN OF QUEEN CREEK AQUATIC RECREATION CENTER PROJECT FEE PROPOSAL FOR COST CONSULTANCY SERVICES**

Note Timing for the benchmarking & program / concept estimate for RLB would 2<sup>nd</sup> or 3<sup>rd</sup> week of May.

**Exclusions**

Please carefully note that our proposed fees specifically do not include the following:

- this fee proposal is based on preparing one (1) construction cost estimate of one (1) design solution for each of the disciplines (Architecture, Structure, Mechanical, Electrical, etc.). Studies of alternative design options, different systems, cost reduction/value engineering, etc., are excluded. If these studies become necessary and desirable, we will prepare an added proposal for your consideration.
- preparation of new cost estimates or amendments to our cost estimates necessitated by changes in the design or by further redesigns beyond the design milestone exercises specifically included within this proposal
- cost estimating associated with any Alternates, Options and/or Value-Engineering / Value-Analysis related items.

**Additional Services**

If any additional Cost Consultancy Services are requested, then those services will be reimbursed in accordance with our current hourly rates which are as follows:

President, Executive Vice President	\$275.00
Senior Vice Presidents, Vice Presidents	\$245.77
Principals, Associates, Resident Managers	\$200.00
Senior Cost Manager	\$170.00
Cost Manager	\$145.00
Cost Estimator	\$120.00

Mr. Michael Braun AIA, LEED AP  
DWL Architects + Planners, Inc.  
April 21, 2022  
Page 3

**RE: TOWN OF QUEEN CREEK AQUATIC RECREATION CENTER PROJECT FEE PROPOSAL FOR COST CONSULTANCY SERVICES**

**Terms & Conditions**

The terms will be as per DWL Architects + Planner's contract with Owner and the Standard AIA Consultant Agreement. Unless otherwise agreed to in writing, RLB's scope of services is limited to the extent included in this proposal.

Any additional scope, changes in the scope, or additional scope required by contract terms and conditions shall be an additional service for which additional fees will be required.

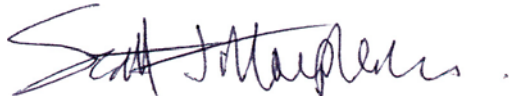
**Acceptance**

To signify your acceptance of this proposal, please sign below and return it to me.

In the meantime, if you have any questions, or would like to discuss some aspect of this proposal, please feel free to contact us.

Yours faithfully,

**RIDER LEVETT BUCKNALL LTD.**



**Scott Macpherson MRICS**  
Executive Vice President



**Jesse Funke CM-Lean**  
Associate

Accepted:

Position / Title:

Date:







TOWN OF  
**QUEEN CREEK**  
 ARIZONA

**TO:** HONORABLE MAYOR AND TOWN COUNCIL

**THROUGH:** JOHN KROSS ICMA-CM, TOWN MANAGER

**FROM:** DAVE LIPINSKI, CIP DEPARTMENT DIRECTOR

**RE:** CONSIDERATION AND POSSIBLE APPROVAL OF A PROFESSIONAL SERVICES CONTRACT PROJECT WORK ORDER # 2 WITH T.Y. LIN INTERNATIONAL FOR ENGINEERING DESIGN SERVICES FOR POWER ROAD FROM RIGGS ROAD TO HUNT HIGHWAY (CIP PROJECT A1406) IN AN AMOUNT NOT TO EXCEED \$971,920 AND THE NECESSARY BUDGET ADJUSTMENTS.

**DATE:** May 4, 2022

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**Suggested Action:**

Move to approve a Professional Services Contract Project Work Order # 2 with T.Y. Lin International for engineering design services for Power Road from Riggs Road to Hunt Highway (CIP Project A1406) in an amount not to exceed \$971,920 and the necessary budget adjustments.

**Relevant Council Goal(s):**

Superior Infrastructure - Capital Improvement Program

**Discussion:**

The proposed project involves improvements to Power Road from Riggs Road to Hunt Highway to increase traffic capacity and level of service by adding one travel lane in each direction as well as a center two-way left turn lane and rebuilding the existing two travel lanes. This project will improve drainage management; add sidewalks, multi-use trails and landscaping; and will also coordinate proposed improvements with utility providers including the Citrus Heights Irrigation District to relocate assets.

The project will integrate and coordinate with a Maricopa County Department of Transportation (MCDOT) funded intersection improvement project currently under design by MCDOT's engineering consultant at the Power Road and San Tan Boulevard intersection. The project will also improve access to Hunt Highway and Town areas south of Hunt Highway and west of Ellsworth Road.

The Power Road improvements consist of completing preliminary design, final design, and preparation of construction documents for bidding and construction. Other services to be provided include drainage analysis and design, geotechnical engineering, aerial mapping and supplemental survey, rights-of-way exhibits and legal descriptions, street lighting, traffic signal modifications, and signing and striping design.



The proposed \$971,920 authorization amount includes a 10% (ten percent) contingency for unexpected conditions and situations that may require additional design efforts.

**Fiscal Impact:**

Capital project A1406 Power Road from Riggs Road to Hunt Highway is included in the FY 2021/22 Adopted CIP Budget, but the budget does not have sufficient funding available to cover the costs of the engineering design services. The Town originally forecasted additional funding for this project until FY 2023/24, but recent efforts by MCDOT to design a traffic signal and intersection improvements at SanTan Boulevard in the area requires the Town to accelerate design to identify right-of-way and drainage management improvements for the project. This accelerated effort will save the Town costs and improve efficiency by ensuring that the MCDOT design is prepared and built with overall roadway improvement input.

The proposed professional services cost in this action is not to exceed \$971,920. A budget adjustment of \$571,920 from the FY 2021/22 CIP Contingency will be needed.

<b>Project</b>	<b>Name</b>	<b>Professional Services Costs</b>	<b>FY 2021/22 Adopted Budget</b>	<b>Contingency Required</b>
A1406	Power: Riggs to Hunt Highway	\$971,920	\$400,000	\$571,920

The Town’s costs for this project will be funded by a combination of non-growth funding (37.6%) and growth-related impact fees and construction sales tax (62.4%). Additionally, an upcoming IGA with Maricopa County will provide funding to be used towards the roadway costs.

**Alternatives:**

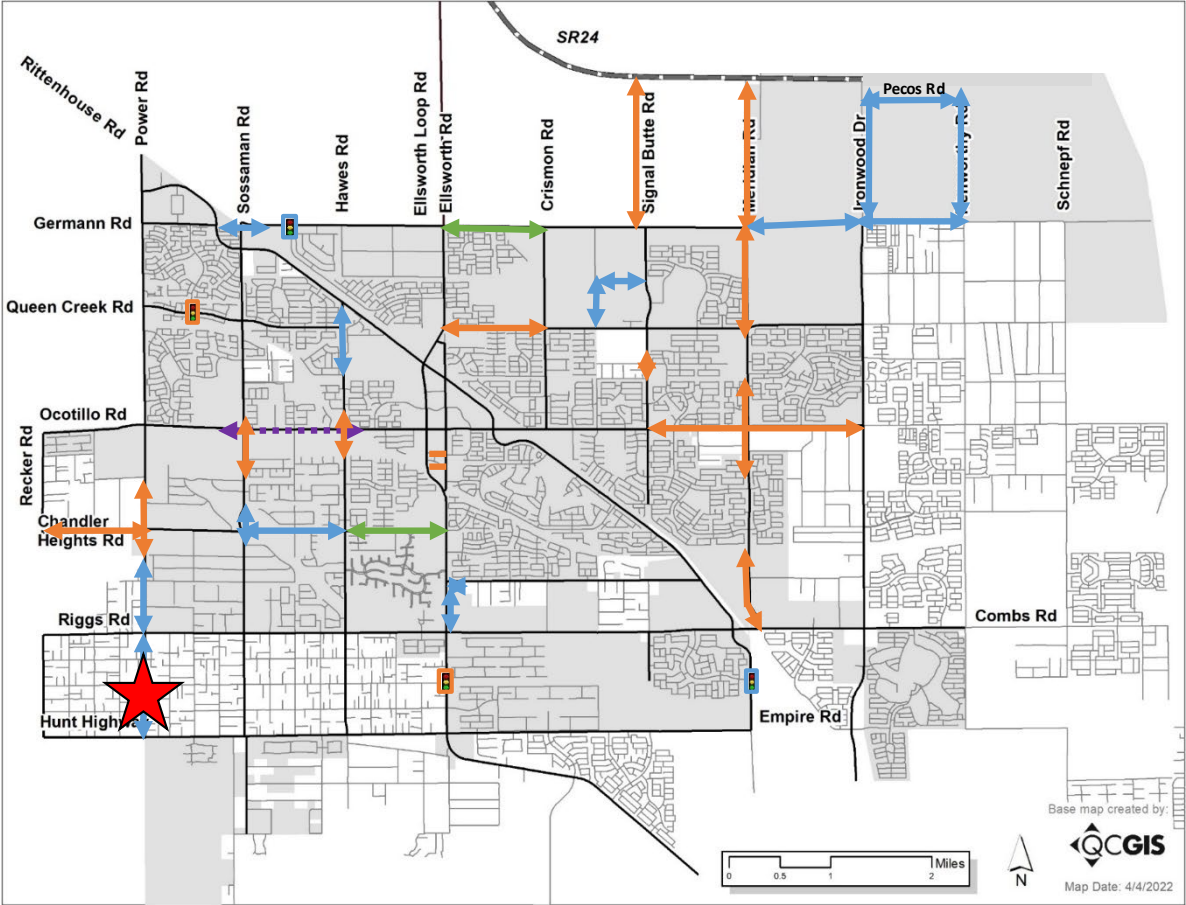
The Town Council could choose not to move forward with the design of Power Road at this time. The long term impact of this decision would be a safety concern for pedestrian, horse, bicycle, and vehicle traffic along Power Road. Postponement could also present potentially costly design challenges at the San Tan Boulevard intersection, as the Town’s later prepared design may not coordinate properly and sufficiently with the MCDOT design currently underway. This would also delay the start of the land acquisition process, which is expected to be complex and lengthy and may include improvements on land which is part of the Gila River Indian Community at the Hunt and Power intersection. This action would negatively affect an increasingly congested road and not provide adequate sidewalk/trail, bike lane and multiple traffic lanes for current and future Town growth.

**Attachment(s):**


1. [Project Location Map](#)
2. [Site Location Exhibit](#)
3. [Project Task Order](#)

# CIP Projects – Transportation

## A1406 – Power Rd: Hunt Hwy to Riggs Rd



### Key

 Subject Project

In Design



Bidding Soon




Under Construction



Future



 Traffic Signal in Design

 Traffic Signal Under Construction

Note: Roadway projects include all utilities within the same footprint.

Rev. 4-20-22



# Map



Maricopa County Project



Town of Queen Creek Project



Exhibit A





**PROJECT TASK ORDER FORM**  
**TOWN OF QUEEN CREEK,**  
**an Arizona municipal corporation ("TOWN")**

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**PROFESSIONAL PROJECT TASK ORDER**  
***Final Design of Power Road – Riggs Rd to Hunt Highway***

**Project Task Order No. 02**  
**Contract No. 2022-020**  
**Project No. A1406**

**THIS PROJECT ORDER** is made and entered into on the \_\_\_\_\_ day of May, 2022 by and between the Town of Queen Creek, Arizona, an Arizona municipal corporation, hereinafter called ("TOWN") and the "CONSULTANT" designated below. This Project Task Order is entered in to pursuant to and incorporates herein the terms and provisions of the **CONSULTANT Contract No. 2022-020**, dated **February 16, 2022** between TOWN and CONSULTANT ("Contract"). Upon full execution of this Project Task Order, the Project Task Order, together with the Project Task Order Contract (including all of the Contract Documents as defined therein), shall be the Contract between the Parties for the professional services specified herein ("Services").

TOWN and CONSULTANT agree as follows:

**TOWN:** **Town of Queen Creek**  
**Project Manager: Bob Coulthard**  
**Telephone: 480-358-3140**  
**E-mail: bob-coulthard@queencreekaz.gov**

**CONSULTANT:** **TY Lin**  
**1475 N. Scottsdale Road, Ste. 450**  
**Scottsdale, AZ 85257**  
**Arizona Registration No. 13166**  
**Design Professional Representative: Carlos Sanchez Soria, P.E.**  
**Telephone: 480-968-8814**  
**E-mail: carlos.sanche@soria@tylin.com**

**PROJECT DESCRIPTION:** This Project Task Order #02 is for Final Design of Power Road – Riggs Rd to Hunt Highway.

The Project is scheduled to commence upon Notice to Proceed and be completed no later than the agreed upon schedule to be submitted by the Consultant.

**PROJECT SITE ADDRESS/LOCATION:** The Project for this Project Task Order # 02 is located at Power Road between Riggs Rd and Hunt Highway.





IN WITNESS, WHEREOF, the parties hereto have executed this Project Order through their duly authorized representatives and bind their respective entities as of the effective date.

Town of Queen Creek, an Arizona municipal corporation

Approval of Town Council,

Approval of Contract Administrator,

By:   
Mayor Gail Barney

By:   
John Kross, Town Manager

Attest:

Town Clerk, Maria Gonzalez

T.Y. Lin International, an Arizona corporation:

By:

Its:



**PROJECT TASP ORDER 02**

**EXHIBIT A**

**SCOPE OF WORK AND PROJECT SCHEDULE DATED MARCH 30, 2022**





**PROJECT TAS ORDER 02**

**EXHIBIT B**

**UNIQUE INSURANCE AND/OR BOND REQUIREMENTS (IF ANY)**

**N/A**



**PROJECT TASS ORDER 02**

**EXHIBIT C**

**PROJECT SPECIFIC CONDITIONS (IF ANY)**

**N/A**

4820-2637-7466 v1 53749-1



March 30, 2022

Mr. Brad Novacek, P.E.  
CIP Manager  
Town of Queen Creek  
22350 S. Ellsworth Road.  
Queen Creek, AZ 85242

Subject: Proposal for Final Design of Power Road – Riggs Road to Hunt Highway  
TOQC Project No. A1406

Dear Mr. Novacek:

TY Lin International (Consultant) is pleased to present this proposal to provide final design services for the paving and widening of Power Road between Riggs Road and Hunt Highway (1 mile). The proposed improvements for Power Road will be designed in a manner to ultimately provide a hybrid version of a Major Arterial standard cross section. The goal is to provide four lanes throughout the project limits while modifying other elements of the cross section to achieve this. Furthermore, the proposed improvements will be coordinated with MCDOT’s intersection improvement project at Power Road and San Tan Boulevard.

Included as part of these services is the completion of detailed drainage analysis and design, traffic signal design, street lighting and ITS design, geotechnical analysis, surveying/aerial mapping, right-of-way research/base mapping, legal descriptions, utility design and permitting. In addition, detailed coordination will be necessary with the adjacent active developments to ensure a uniform typical section and access details are discussed and agreed upon. Consultant’s design will be completed in full accordance with the Town of Queen Creek CIP Design Progress Submittal Inclusion Requirements.

The following is a summary of professional services to be provided for this project:

- Project Management and Coordination (TYLIN);
- Roadway Design (TYLIN);
- Drainage Design (TYLIN);
- Utility Coordination & Clearance (TYLIN);
- Right of Way Strip Maps (TYLIN);
- Survey and Legal Descriptions (Cooper Aerial Surveys Co.)
- Geotechnical Evaluation (Ethos Engineering LLC);
- Traffic Signal Design (Wright Engineering);
- Street Lighting and ITS (Wright Engineering);
- Utility Designating & Potholing (Cobb Fendley & Associates Inc.);
- Public Outreach Preparation/Support (TYLIN);
- Post Design Services (TYLIN);

Detailed description for all tasks to be completed by Consultant is contained in the following.

## **Tasks**

### **Task 100 – Data Collection and Field Review**

A site visit will be conducted by the Consultant and Town staff (if desired) to identify key areas of concern and engineering challenges that might have an impact on the roadway design. The site visit will familiarize us with the following:

- General topography
- Existing utilities
- General drainage conditions
- Adjacent development improvements and recently constructed facilities
- Existing features (roadway striping, adjacent sidewalk ramps, box culverts, etc.)
- Other site features not shown on as-built maps and/or aerial photography

Consultant shall obtain as-built plans from the Town, Maricopa County and Pinal County for the improvements along Power Road, Riggs Road and Hunt Highway as well as off-site improvements plans prepared by each of the adjacent developments (as applicable). In addition, Consultant shall also obtain any previously completed drainage reports and analysis prepared within the project area including the report, and associated hydrologic models. See Task 42000 for more information. Finally, Consultant shall also obtain all as-built information for Town utility facilities such as Town water and sewer, ITS and other facilities installed.

### **Task 300 – Utility Coordination**

Utility coordination is anticipated to be required with several utility companies for the project to obtain initial existing facility mapping and coordinate any necessary relocation designs for impacted facilities (if any). Any necessary relocation design will be completed by the utility company owning the facility and are expressly excluded from this Scope of Work (if requested by the Town, Consultant can prepare an amendment to the contract to complete relocation design work for any impacted utilities). Coordination will entail email and phone communication with the utility companies shown below to: obtain existing mapping (digital or hard copies), share project base files for utility owner's use in completing a relocation design if determined to be necessary and to review any prepared relocation design for concurrence with the proposed improvements.

- CenturyLink / Lumen
- Chandler Heights Irrigation District
- Cox Communications
- Queen Creek Irrigation District
- San Tan Irrigation District
- Southwest Gas
- SRP
- Town of Queen Creek Water & Sewer

Following submittal of 30% plans and estimate for the project, Consultant shall facilitate regular utility coordination meetings with impacted utility owners to identify and resolve potential conflicts.

#### *Utility Coordination Meetings*

Up to eight (8) designated utility coordination meetings will be held for the project following the 30% submittal stage. The first meeting will be held to review proposed pothole locations to obtain concurrence from impacted utility owners prior to the field work commencing (Potholing effort description is provided in Task 32000). It is anticipated that an additional utility coordination meeting will be held following each sequential major milestone

submittal (60%, 90%, 95% and 100%).

### *Utility Conflicts*

Consultant shall identify potential conflicts between the existing utilities and the proposed project improvements. Consultant shall coordinate with the utility companies to mitigate conflicts. If feasible, Consultant shall adjust proposed improvements to avoid utility conflicts without jeopardizing the project's purpose and goals.

### *Provide Information to Utility Companies*

Consultant shall provide CAD files in AutoCAD format and project plans in PDF format to utility companies upon request.

### *Identification of Potholes*

Between the 30% submittal and 60% submittal, Consultant shall identify the needs for utility potholing throughout the project. Consultant shall prepare a comprehensive list of all required utility potholes and shall include locations on the project plans.

Once the pothole results are received, Consultant shall update the horizontal location of utilities as necessary and distribute revised CAD files/pothole results to each of the utility owners. Based on the information obtained from the potholes, Consultant shall identify all utility conflicts that will require adjustment/relocation. Consultant shall add pothole data information received to the plans as part of the 90% submittal.

### *Utility Relocation*

Where utility relocations are required, Consultant and Town shall work with the utility companies to determine if the relocation of the facilities are to be included as part of the project (by the City's contractor) or prior to construction. Construction costs for any new utilities shall be provided to Consultant for inclusion in the final cost estimate and bid schedule prepared for the project.

### *Review of Utility Relocation Design Plans*

Consultant and the Town shall review all utility relocation plans to ensure compatibility with the proposed design plans. If the utility relocation work is to be performed by the utility companies prior to the construction of the City's project, Consultant shall include the proposed alignment of the relocated facility in the final construction plans.

## **Task 1100 – Survey and Right-of-Way**

TYLIN Subconsultant, Sooper Aerial Surveys Co., shall provide aerial and traditional survey mapping, surveying of centerline and section line monuments, development of existing right-of-way/easements/property lines and preparation of legal descriptions and exhibits (up to 80). A detailed description of the survey/mapping effort can be seen in the Cooper Aerial Surveys Co. proposal attached to this Scope of Work.

Furthermore, Consultant shall prepare Right-of-Way strip maps in conjunction with the 60% submittal stage for the project. **Right-of-Way strip maps will be prepared for what is proposed to be constructed as part of the project.** Right-of-Way strip maps will depict all parcels adjacent to the Power Road corridor with each parcel labeled by APN Number. Existing and proposed right-of-way, as well as any easements, will be labeled and dimensioned along each parcel's frontage. Right-of-way and easements that need to be acquired by the Town will be depicted on the plans. It is anticipated that Right-of-way strip maps will be prepared at 1"=50' scale for easy review and interpretation by Town Right-of-Way staff.

In total, it is anticipated that 3 sheets will be developed as part of this task.

## **Task 1300 – Supplemental Exhibits**

Consultant shall prepare a supplemental exhibit depicting overall project improvements in conjunction with the 15% submittal and each subsequent submittal for the project (5 total). PDF roll plots will be developed with layers to allow for items to be turned on and off. Existing and proposed right-of-way, as well as any easements, will be labeled and dimensioned along each parcel's frontage. Existing utilities, proposed roadway and utility improvements, typical sections, and any adjacent development site plans will be depicted. It is anticipated that overall project map will be prepared at either 1"=50' or 1"=100' scale for easy review and interpretation by Town Right-of-Way staff. The exhibits will reflect the final design for each road so that it can be utilized during bidding / construction stage of the project.

## **Task 10100 - Roadway Design and Plans**

Consultant shall complete final design of improvements for the following road:

- Power Road, Riggs Road to Hunt Highway
  - Existing intersection improvements at Power Road and Riggs Road will remain. Proposed improvements will tie at the existing pavement approximately 375' south of the intersection.
  - Proposed improvements will tie at the future intersection of Power Road and San Tan Blvd. The intersection will be design as part of a separate MCDOT project. The proposed improvements shall be coordinated to minimize "throw-away".
  - Proposed improvements at Power Road and Hunt Highway, including widening of Hunt Highway to accommodate adequate turn lanes.

In addition to the roadway design as part of this effort, Consultant shall advance the off-site and on-site drainage design to sufficient detail to identify all needed drainage easements within the project corridor. Design of drainage facilities is described in detail in Section 10200 of this proposal.

Final design plans shall be prepared in accordance with the guidelines outlined in the Town of Queen Creek's CIP Design Progress Submittal Inclusion Requirements. In accordance with these guidelines, milestone submittals will be made at the 30%, 60%, 90%, 95% and Final design stages. Detailed construction notes for all project construction items shall be shown on the plans and known utility conflicts (if any) shall be clearly identified on the plans and identified for potholing (see Task 32000). If any potholes were determined to be necessary for existing utility facilities at the 60% stage, the potholing information will be depicted on the 90% plans depicting the horizontal and vertical location of the potential utility in conflict.

At each design stage submittal, Consultant shall also provide a Summary of Comments form regarding how all Town comments provided on the previous submittal stage plans were addressed. The Summary of Comments form will be letter coded with a response of A (will comply), B (Consultant to evaluate comment further), C (Town to evaluate further or provide clarification of comment) or D (No action recommended in response to comment). For any comment code other than an 'A', Consultant shall provide a written response explanation as to the nature of the filled in comment code letter.

Consultant shall prepare the following plans:

- Cover Sheet (1)
- Town Notes/Legend (1)
- Key Map (1)
- Typical Sections (3)
- Geometric Control Sheets (1)
- Quantity Summary Sheets (1)
- Detail Sheets (5)
- Power Road Plan and Profile Sheets (1"=40' scale) (8)

- Hunt Highway Plan and Profile Sheets (1"=40' scale) (2)
- Intersection Staking Sheets (1) (Power Road/Hunt Highway)
- Driveway Detail Sheets (20) – (40 driveways @ 2 driveways per sheet)

In total, 44 sheets developed for to final sealed PS&E level for the Power Road proposed improvements as part of this task specific to Roadway Design and Details.

It is not anticipated that any additional sheet types will be necessary for the project. Specifically excluded from this proposal are the preparation of any Construction Sequencing Plans, Traffic Control Plans and SWPPP Plans (if so requested by the Town, Consultant can prepare an amendment to the contract to complete any of these plan types).

Project cross sections shall also be completed for proposed roadway improvements and submitted initially as part of the 60% milestone submittal and then at each of the subsequent submittals. At the Town's request, an accompanying Earthwork Report can also be provided with submitted cross sections. Cross sections will be annotated with centerline, right-of-way and any easement limit as well as roadway cross slope and grades proposed to daylight into the adjacent topography.

## **Task 10200 – Drainage Design and Plans**

### Drainage Plans

Final design drainage plans for the improvements along Power Road shall be prepared in accordance with the guidelines outlined in the Town of Queen Creek's CIP Design Progress Submittal Inclusion Requirements. The CONSULTANT will design a storm drain system to intercept and convey offsite and onsite storm flows in accordance with Town and Flood Control District of Maricopa County (District) standards to Riggs Road. Detention/retention basins will be evaluated to mitigate offsite flows downstream. Inlets, scuppers and culverts will be used to dewater Power Road and capture/convey offsite flows

### Power Road:

- Storm Drain Mainline Plan and Profile Plan and Profile Sheets (10)
- Pipe Profile Connector Profile Sheets (8)
- Retention/Detention Basin Sheets (2)
- Pipe Culvert Plan and Profile Sheets (2)
- Drainage Details Sheets (4)

In total, 26 Drainage Plan and Detail Sheets for Power Road are anticipated to be completed as part of this task.

## **Task 10900 –Signing and Marking Design and Plans**

Signing and Marking plan sheets will be developed for the improvements along Power Road between Riggs Road and Hunt Highway, as well as along Hunt Highway at the intersection of Power Road. The signing and marking plan sheets and details will be prepared and submitted in conjunction with the 30% submittal and subsequent submittals. Signing and marking plans shall be prepared and submitted in accordance with the Town's CIP Design Progress Submittal Inclusion Requirements.

Consultant shall prepare the following plans:

### Power Road:

- Signing and Marking Notes Sheet (1)
- Signing and Marking Sheets (1"=40', Double Loaded) (6)
- Sign Summary Table Sheets (2)



In total, 9 Signing and Marking sheets are anticipated to be completed as part of this task for the Power Road improvements.

## **Task 21000 – Project Management and Meetings**

Consultant shall provide project management services for performance of the design contract and shall include administrative elements required to complete the project design, including but not limited to: attending meetings, preparing meeting minutes, coordination with the Town staff, Maricopa County staff, PCFCD, GRIC, Property Owners, Developers and representatives, as well as progress reporting, invoicing, quality control and other administrative functions. The following is a list of activities that will be performed as part of this task:

**Project Schedule:** Consultant shall update the project schedule on a monthly basis for the duration of the project (24 months). The schedule shall include project meetings, project deliverables and major milestones.

**Invoicing and Progress Reports:** Consultant shall prepare monthly invoices and progress reports showing the percent complete for all project tasks and other direct expenses related to the project and a description of activities completed during the invoice period.

**Project Meetings:** Consultant shall attend the following meetings: Project kick-off and site visit, design review/comment resolution meetings after each milestone submittal (15%, 30%, 60%, 90%, 95% and Final), up to fifteen (15) meetings with adjacent property owners/development, one Town Transportation Advisory Board (TAB) meeting, one Town Council meeting, up to four (4) meetings with FCDMC/PCFCD, up to three (3) meetings with GRIC and up to three (3) additional meetings over the lifetime of the design phase (24 months). A total of 35 meetings are included as part of this task. Consultant will prepare meeting minutes for comment and review, and revise and distribute accordingly. For Town TAB and Council meetings, Consultant shall prepare a presentation in power point format and give presentation to TAB/Town Council highlighting the project details if so requested by the Town Project Manager.

## **Task 22000 – Public Outreach Preparation**

Consultant shall provide support services as requested by the Town and the Town's Public Information Officer in advance of the Public Meeting anticipated to be held sometime near the 60% submittal stage for the project. Support services include attendance at the public meeting by four (4) members of the TYLIN team, exhibits/graphics/roll plots for use at the public meeting at to be posted on Town website before/after the public meeting, presentations if so requested and other services generally associated with public meeting preparation. Following the public meeting, Consultant will provide Town and PIO staff with any feedback received from residents, businesses, Council members, etc. at the public meeting for incorporation into an overall Public Outreach Report by the Town's PIO.

## **Task 31000 – Pavement Investigation and Geotechnical Services**

TYLIN Subconsultant, Ethos Engineering, will develop a layout plan and obtain up to 5 borings with hollow-stem augers to a depth of 5-feet or practical refusal at locations within the project limits. Borings will be spaced approximately 1,000' apart in distance.

Collected samples will be analyzed and tested in a laboratory by Subconsultant for use in determining pavement section recommendations. TYLIN Subconsultant, Ethos Engineering, will develop a geotechnical exploration report which provides recommendations for the planned section(s) of roadway.

Results of field exploration, field and laboratory tests, engineering analyses, and recommendations will be summarized in a report prepared under the supervision of a Professional Civil Engineer registered in the State of Arizona.

A detailed description of all planned geotechnical report sections can be seen in the Ethos Engineering proposal attached to this Scope of Work.

## **Task 42000 – Drainage Report**

Consultant shall prepare a drainage report for Power Road from Hunt Highway to Riggs Road in accordance with the criteria outlined in the Town of Queen Creek’s Final Drainage Report Review Checklist from the Town’s Design Standards and Procedures Manual (2016). At a minimum, each Drainage Report will include the following discussion items:

- Project description
- Project setting including discussion of existing and proposed conditions and drainage issues
- Offsite hydrology overview based on the TY Lin San Tan ADMS Update (2018), reviewing the current San Tan ADMS results and HEC-1 Results, using the best available data acceptable to the Town.
- Document past studies and comparison of flows
- Culvert calculations for existing and proposed conditions
- Storm Drain Calculations for onsite/offsite flows
- Onsite Rational Method calculations
- Spread, inlet and retention calculations
- Drainage exhibits for offsite flows, onsite flows and drainage improvements
- Erosion protection
- Summary of findings and conclusions

### **15% Design**

Offsite flows will be evaluated at the 15% design stage for final design. At the 15% stage, offsite flows will be estimated based on past and current FLO-2D studies in the area for acceptance by the Town with regard to the magnitude of flow in a Technical Memorandum. Calculations will be verified with a HEC-1 model. For final design purposes, up to three (3) alternatives will be evaluated and discussed with the Town for collecting and routing offsite flows downstream. It is anticipated that a storm drain system will be required to capture a percentage of the offsite flow, while the remaining flow will be conveyed within the roadway. Cost estimates will be provided for review by the Town. It is anticipated that a recommended offsite alternative will be accepted to move forward towards 30% design.

### **30% Design**

At the 30% design stage, a Preliminary Drainage Report will be provided, including a full offsite analyses, storm drain design and preliminary onsite calculations. The 15% Technical Memorandum will be incorporated into the Preliminary Drainage Report. It is anticipated there will not be a complete set of calculations for all onsite improvements but a full set of offsite design improvements.

### **60% Design**

At the 60% design stage, a full offsite/onsite Preliminary Drainage Report will be provided based on feedback from the Town.

### **95% Design**

At the 95% design stage, a full offsite/onsite Final Drainage Report will be provided based on comments/feedback from the Town.

### **Sealed Final Drainage Report**

After the 95% design stage, any changes will be incorporated and the final sealed drainage report will be provided to the Town.

A full Draft Drainage Report will be submitted to the Town for review at the 60% submittal stage for each roadway.

Upon receipt of Town comments for each stage, each memorandum/report will respond to comments and be updated for submittal for the subsequent submittal stage.

All digital files that are used to generate the calculations, maps, and exhibits shall be provided to the Town as part of the Design Report. These digital files may include, but not limited to, HEC-1 files, HEC-RAS files, FLO-2D files for Hydrology, DDMSW files for River Mechanics, Excel spreadsheets, FlowMaster files, StormCAD files, ArcMap files, digital terrain data, and other software input/output files.

Each Drainage Report will consist of the following subtasks:

### Hydrology

The Consultant shall document and summarize offsite conditions based upon the review of offsite hydrologic models including current Town and the Flood Control District of Maricopa County (District), hydrologic studies and developer prepared studies. Consultant shall prepare hydrologic calculations and exhibits representing the existing conditions based upon a compilation of work that has already been completed. It is anticipated that the San Tan West ADMS FLO-2D study will be used for verification of calculated HEC-1 offsite flows reaching Power Road. It is not anticipated to update the FLO-2D models or provide additional offsite analyses.

Rational Method will be used to calculate onsite hydrologic 10-year peak flows for local onsite roadway concentration points along curb and gutter locations.

### Hydraulics

Existing culverts will be analyzed and extended as necessary. New culverts will be analyzed to maintain existing flow patterns and protect the roadways.

An offsite storm drain is anticipated to be needed to route flows downstream. It is anticipated that onsite catch basins and laterals will also use the offsite storm drain system.

Channels will be evaluated along Power Road to maintain existing flow paths. Lining of the channels may be required to keep the channel from migrating and to prevent erosion.

Spread will meet dry lane requirements where curb and gutter is present. Inlets and scuppers are planned to dewater areas where curb and gutter are proposed and concentrate flows. Detention basins may be designed to mitigate/attenuate downstream flows along Power Road. If designed, one infiltration test will be performed at each retention basin to determine if the basin will drain within 36-hours. If percolation rates are low, either drywells will be proposed to drain the basins within 36-hours or a detention system will be proposed to meter the flows to the adjacent wash/flow path to dewater the basin within 36-hours.

### **Exclusions:**

- FLO-2D modeling
- FEMA CLOMR/LOMR
- Floodplain delineations
- 404 Jurisdictional Delineations

### **Task 51000 – Technical Specification, Special Provisions and Estimate Preparation**

Consultant shall prepare technical specifications necessary for bidding and advertising of the project for any bid items differing from MAG standard construction and measurement standards. Technical specifications shall be prepared in a format acceptable to the Town for easy incorporation into the Town's boiler plate advertisement for construction projects.

Consultant shall develop an Opinion of Probable Cost at the 30% milestone submittal and then each subsequent submittal from that point forward. Opinion of Probable Cost will include a tabulation of bid items in accordance with the Town's master bid item numbering list. Unit costs will be provided for each bid item and will be based on recent bid pricing for similarly sized projects within the general Town of Queen Creek area. Finally, appropriate levels of construction contingencies will be included with each Opinion of Probable Cost submittal based on milestone design stage.

## **Project Allowances**

### **Task 10500 – Traffic Signal & Interconnect Design and Plans (Allowance)**

TYLIN Subconsultant, Wright Engineering, will prepare traffic signal design plans for the following intersections:

1. Power Road and Hunt Highway

Traffic signal design plans will include locations of all major signal equipment in accordance with the latest MUTCD, as well as Town signal equipment in accordance with approved Town materials. Traffic signal plans will depict locations of proposed signal poles, junction boxes, conduit, mast arms, signal heads, vehicle detection, pre-emption equipment, pedestrian push buttons and proposed intersection geometrics. As part of the traffic signal design effort, Subconsultant will also prepare power request service letters and an overhead power clearance report which will include clearance calculations from proposed signal equipment to existing SRP overhead power facilities. Full description of the signal design, and associated reports, can be found in the Wright Engineering proposal attached to this Scope of Work.

As part of this task, TYLIN Subconsultant Wright Engineering will also prepare signal Interconnect Plans for Power Road, between Riggs Road and Hunt Highway. ITS plans will depict proposed conduit, fiber and pull box locations.

### **Task 10600 – Lighting Design and Plans (Allowance)**

TYLIN Subconsultant, Wright Engineering will prepare lighting plans for Power Road within the project limits. Lighting design shall conform to the latest Town standards including street light poles, LED luminaires and construction plan/detail development reflective of current Town/SRP street lighting agreements. As part of the lighting design, Wright Engineering will coordinate with Town and SRP staff to determine a power source for each lighting run. A detailed description of the street lighting design effort can be seen in the Wright Engineering proposal attached to this Scope of Work.

### **Task 32000 – Utility Potholes (Allowance)**

TYLIN Subconsultant, Cobb Fendley, will provide SUE Level 'B' utility designating services and obtain SUE Level 'A' (Potholing) location for all utilities determined to be potentially in conflict with proposed roadway, drainage, traffic and utility improvements. Potholing locations will be provided by Consultant to Cobb Fendley in conjunction with the 60% milestone submittal and obtained potholing information will be included on 90% plans with potential conflicts mitigated. Cobb Fendley will secure all necessary traffic control permits from Town staff prior to commencement with potholing activities. The fee provided in the Cost Proposal component of this proposal is for up to 30 potholes. If additional potholes are determined to be necessary, Consultant can submit a contract modification for the additional number of potholes identified. For more detailed information regarding the proposed potholing efforts, see Cobb Fendley proposal attached to this Scope of Work.

### **Task 53000 – Direct Expenses (Allowance)**

For budgetary purposes, an allowance of \$5,000.00 has been included for reimbursable items such as mileage, copies, mail and delivery services, as well as any permit fees associated with the water and sewer permit fees. All reimbursable items shall be invoiced by the Consultant to the Town at direct cost. Cost data (backup) will be included with the appropriate invoices.

### **Task 55000 – Unforeseen Design Updates (Allowance)**

If necessary, Consultant shall update the project plans, special provisions and opinion of probable cost to reflect **unforeseen** substantial changes in condition at any time during the project's development. (i.e. changes in Town design standards, modifications to Developer's site plan which would impact project design, etc.). Consultant shall be compensated under this allowance item for incorporating changed conditions into the plans. Consultant shall not proceed with any expenditure of this allowance without prior approval from the Town Project Manager.

### **Task 60000 – Post Design Services (Allowance)**

At the Town's request, Consultant will provide post design services for this project. Anticipated tasks include the following:

- Attend at construction meetings (as requested);
- Respond to questions during bidding process;
- Assist in the preparation of addendums;
- Respond to RFI's;
- Review shop drawings;

### **Exclusions**

- Environmental Studies;
- Water and Sewer Plans;
- Construction Sequencing and Traffic Control Plans;
- Storm Water Pollution Prevention Plans;
- Utility Relocation Plans;
- Any other items not specifically described on this proposal;

The total professional fee requested for the completion of these tasks is lump sum of \$817,399.06 (See attached Exhibit 'A' - Compensation).

A summary table of the Fee can also be found on the following page.

<b>Task Description</b>	<b>Details</b>	<b>Total Fee</b>
Data Collection and Field Review	1 mile	\$7,700.00
Utility Coordination	1 miles	\$26,400.00
Survey and Right of Way		\$108,500.00
Supplemental Exhibits	1 exhibit	\$28,765.00
Roadway Design and Plans	44 sheets	\$195,855.00
Drainage Design and Plans	26 sheets	\$79,970.00
Signing and Marking Design and Plans	9 sheets	\$39,050.00
Project Management and Meetings	24 months	\$45,650.00
Public Outreach Preparation	3 meetings	\$19,580.00
Pavement Investigation and Geotechnical Services		\$10,977.06
Drainage Report		\$154,000.00
Technical Specifications, Special Provisions and Estimate Preparation		\$24,530.00
<b>Base Fee Sub Total</b>		<b>\$735,752.06</b>
Traffic Signal & Interconnect Design (Allowance)	1 intersection + 1 mile	\$17,700.00
Lighting Design (Allowance)	1 mile	\$7,200.00
Utility Designating & Potholes (Allowance)	1 mile + 30 potholes	\$71,012.00
Direct Expenses (Allowance)		\$5,000.00
Unforeseen Design Updates (Allowance)		\$15,000.00
Post Design Services (Allowance)		\$31,900.00
<b>Allowances Fee Sub Total</b>		<b>\$147,812.00</b>
<b>GRAND TOTAL</b>		<b>\$883,564.06</b>



Town of Queen Creek	
Company Name	Total Fee (including allowances)
TY Lin International (Prime)	\$684,675.00
<b>Sub Total Prime</b>	<b>\$684,675.00</b>
Cooper Aerial (Sub)	\$92,000.00
Ethos Engineering, LLC (Sub)	\$10,977.06
Wright Engineering Corp. (Sub)	\$24,900.00
Cobb Fendley & Assoc. Inc (Sub)	\$71,012.00
<b>Sub Total Subs</b>	<b>\$198,889.06</b>
<b>Grand Total</b>	<b>\$883,564.06</b>

Should you have any questions and/or require additional information, please contact me.

Sincerely,

Carlos Sanchez Soria, P.E.  
Senior Associate  
Transportation Group Manager /  
Senior Project Manager

James Barr, P.E.  
Vice President  
SW Area Sector Manager – Roads + Highways  
Project Manager

Cc: Daniel Fromm, P.E.  
Alex Herting, P.E., C.F.M.

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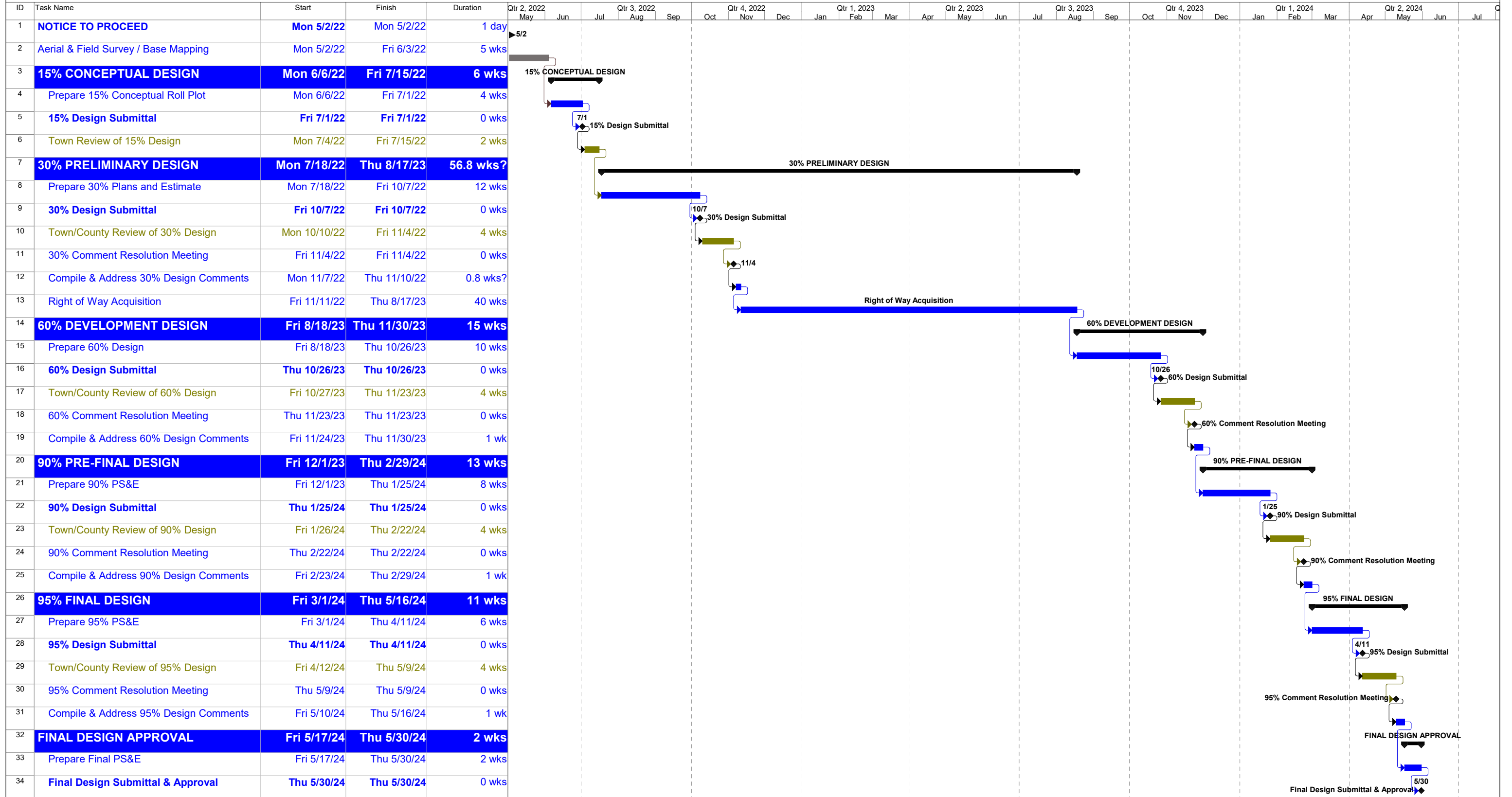




**EXHIBIT A - COMPENSATION**  
**TOQC PROJECT NO. A1406**  
**FINAL DESIGN OF POWER ROAD - RIGGS ROAD TO HUNT HIGHWAY**

TASK	DESCRIPTION	SR. PROJECT MANAGER \$80.00		SR. PROJECT ENGINEER \$60.00		PROJECT ENGINEER \$55.00		DESIGN ENGINEER \$50.00		SR. DESIGNER \$45.00		ADMINISTRATIVE \$25.00		SUBCONSULTANT/ VENDOR	TOTAL HOURS	TOTAL DIRECT RATE	OVERHEAD 150.00%	PROFIT 10%	TYLI TOTAL	TOTAL FEE
		Hours	\$	Hours	\$	Hours	\$	Hours	\$	Hours	\$	Hours	\$							
<b>BASIC SERVICES</b>																				
100	Data Collection and Field Review			8	\$480.00	8	\$440.00	16	\$800.00	24	\$1,080.00				56	\$2,800.00	\$4,200.00	\$700.00	\$7,700.00	\$7,700.00
300	Utility Coordination	40	\$3,200.00			80	\$4,400.00	40	\$2,000.00						160	\$9,600.00	\$14,400.00	\$2,400.00	\$26,400.00	\$26,400.00
1100	Survey and Right-of-Way	4	\$320.00			16	\$880.00	24	\$1,200.00	80	\$3,600.00			\$92,000.00	124	\$6,000.00	\$9,000.00	\$1,500.00	\$16,500.00	\$108,500.00
1300	Supplemental Exhibits	8	\$640.00			24	\$1,320.00	60	\$3,000.00	80	\$3,600.00				172	\$8,560.00	\$12,840.00	\$2,140.00	\$23,540.00	\$23,540.00
10100	Roadway Design and Plans	32	\$2,560.00	192	\$11,520.00	268	\$14,740.00	380	\$19,000.00	520	\$23,400.00				1,392	\$71,220.00	\$106,830.00	\$17,805.00	\$195,855.00	\$195,855.00
10200	Drainage Design and Plans	16	\$1,280.00	80	\$4,800.00	40	\$2,200.00	160	\$8,000.00	280	\$12,600.00	8	\$200.00		584	\$29,080.00	\$43,620.00	\$7,270.00	\$79,970.00	\$79,970.00
10900	Signing and Marking Design and Plans	4	\$320.00	8	\$480.00	40	\$2,200.00	80	\$4,000.00	160	\$7,200.00				292	\$14,200.00	\$21,300.00	\$3,550.00	\$39,050.00	\$39,050.00
21000	Project Management and Meetings	120	\$9,600.00	80	\$4,800.00	40	\$2,200.00								240	\$16,600.00	\$24,900.00	\$4,150.00	\$45,650.00	\$45,650.00
22000	Public Outreach Preparation	8	\$640.00			16	\$880.00	40	\$2,000.00	80	\$3,600.00				144	\$7,120.00	\$10,680.00	\$1,780.00	\$19,580.00	\$19,580.00
31000	Pavement Investigation and Geotechnical Services													\$10,977.06						\$10,977.06
42000	Drainage Report	40	\$3,200.00	280	\$16,800.00					800	\$36,000.00				1,120	\$56,000.00	\$84,000.00	\$14,000.00	\$154,000.00	\$154,000.00
51000	Technical Specification, Special Provisions and Estimate Preparation	24	\$1,920.00	60	\$3,600.00	40	\$2,200.00	24	\$1,200.00						148	\$8,920.00	\$13,380.00	\$2,230.00	\$24,530.00	\$24,530.00
<b>SUBTOTAL BASIC SERVICES</b>		<b>296</b>	<b>\$23,680.00</b>	<b>708</b>	<b>\$42,480.00</b>	<b>572</b>	<b>\$31,460.00</b>	<b>824</b>	<b>\$41,200.00</b>	<b>2,024</b>	<b>\$91,080.00</b>	<b>8</b>	<b>\$200.00</b>	<b>\$102,977.06</b>	<b>4,432</b>	<b>\$230,100.00</b>	<b>\$345,150.00</b>	<b>\$57,525.00</b>	<b>\$632,775.00</b>	<b>\$735,752.06</b>
<b>ALLOWANCES</b>																				
10500	Traffic Signal & Interconnect Design and Plans (Wright Engineering)													\$17,700.00						\$17,700.00
10600	Lighting Design and Plans (Wright Engineering)													\$7,200.00						\$7,200.00
32000	Utility Designating & Potholes (Cobb Fendley)													\$71,012.00						\$71,012.00
53000	Direct Expenses																		\$5,000.00	\$5,000.00
55000	Unforeseen Design Updates																		\$15,000.00	\$15,000.00
60000	Post Design Services	40	\$3,200.00			80	\$4,400.00	80	\$4,000.00						200	\$11,600.00	\$17,400.00	\$2,900.00	\$31,900.00	\$31,900.00
<b>SUBTOTAL ALLOWANCES</b>		<b>40</b>	<b>\$3,200.00</b>	<b>0</b>	<b>\$0.00</b>	<b>80</b>	<b>\$4,400.00</b>	<b>80</b>	<b>\$4,000.00</b>	<b>0</b>	<b>\$0.00</b>	<b>0</b>	<b>\$0.00</b>	<b>\$95,912.00</b>	<b>200</b>	<b>\$11,600.00</b>	<b>\$17,400.00</b>	<b>\$2,900.00</b>	<b>\$51,900.00</b>	<b>\$147,812.00</b>
<b>GRAND TOTAL</b>		<b>336</b>	<b>\$26,880.00</b>	<b>708</b>	<b>\$42,480.00</b>	<b>652</b>	<b>\$35,860.00</b>	<b>904</b>	<b>\$45,200.00</b>	<b>2,024</b>	<b>\$91,080.00</b>	<b>8</b>	<b>\$200.00</b>	<b>\$198,889.06</b>	<b>4,632</b>	<b>\$241,700.00</b>	<b>\$362,550.00</b>	<b>\$60,425.00</b>	<b>\$684,675.00</b>	<b>\$883,564.06</b>

**PRELIMINARY PROJECT SCHEDULE - 3/30/2022**  
**POWER ROAD**  
**Riggs Road to Hunt Highway**  
 TOWN OF QUEEN CREEK  
 PROJECT NO. A1406



Task		Summary		External Milestone		Manual Task		Manual Summary		External Tasks		Deadline	
Split		Project Summary		Inactive Milestone		Duration-only		Start-only		External Milestone			
Milestone		External Tasks		Inactive Summary		Manual Summary Rollup		Finish-only		Progress			

February 25, 2022

TY LIN International  
1475 N. Scottsdale Road  
Suite 450  
Scottsdale, AZ 85257

Re: **Town of Queen Creek Power Road Street Light Design**

Attn: Carlos Sanchez Soria, P.E.

Dear Carlos,

Wright Engineering appreciates this opportunity to submit a proposal for electrical engineering services on the above referenced project. The following services will be performed in a professional manner to meet Town of Queen Creek requirements:

**Street Lighting Design Scope of Services:**

1. Coordinate design with owner, civil engineer, landscape architect as required.
2. Visit the site to determine existing street lighting conditions. Up to (1) one visit.
3. Attend up to 3 project coordination meetings virtually.
4. Design will include the required lighting levels and locations to meet Town of Queen Creek requirements.
5. Prepare 22" X 34" streetlight design plan drawings showing all street lighting for the following roadways in one plan set:
  - a. Power Rd (Riggs to Hunt Hwy)
6. Prepare 22" X 34" ITS design per Town of Queen Creek requirements to include the following roadways in one plan set:
  - a. Power Rd (Riggs to Hunt Hwy)
7. ITS and street light design to be combined in one plan set.
8. Perform in-house QAQC review and modifications.
9. The above plans will be provided to client for submittal review and comment at (15%, 30% CAD only), 60%, 90%, 95%, and final design stages. Submittals will be made via email in digital PDF format. Client will print, copy and submit to the Town and owner as needed.
10. Up to one set of base drawing changes or updates will be included in this engineering cost proposal. Incorporating any additional base drawing changes will incur additional cost at the rates noted under additional services.

11. Municipal review comments will be responded to and addressed.

Please Note: All underground electrical utilities, providing power to public & private streetlights, shall be designed by local utility company.

### **Traffic Signal Design Scope of Services:**

1. Coordinate design with owner, Power Company, civil engineer, and/or architect as required. This task includes one pre-design meeting.
2. Visit the site to determine existing conditions. This task will include identifying existing traffic signal equipment and layout as well as potential overhead and underground conflicts. Up to (1) one visit.
3. Prepare 24x36 reproducible traffic signal construction plans for one intersection:
  - a. Power Rd & Hunt Hwy
4. Design all new and modified equipment including vehicle and pedestrian indications, vehicle detection, pre-emption equipment, signal poles, mast arms, foundations, signal pole mounted luminaires, illuminated street name signs, controller cabinet, power service pedestal, antenna, and video cameras.
5. All equipment will be designed to meet local codes and ordinances as well as ADA, MUTCD, OSHA, NESC, and other applicable state and federal requirements as adopted by the local jurisdiction.
6. Prepare equipment schedule identifying all equipment required.
7. Prepare conduit and conductor table to power all equipment.
8. Prepare an internal illuminated street name sign equipment schedule.
9. Coordinate tie in of the traffic signal interconnect conduit into signal system. Traffic signal interconnect design is not included in this scope.
10. Prepare an engineer's estimate of probable construction costs with item and unit cost breakdown.
11. Perform in-house QA/QC review.
12. Coordinate with client regarding review comments from design team and municipality.
13. The above plans will be provided to client for submittal review and comment. Submittals will be made via email in digital PDF format. Client will print, copy and submit to the City and owner as needed.
14. Up to one set of base drawing changes or updates will be included in this engineering cost proposal. Incorporating any additional base drawing changes will incur additional cost at the rates noted under additional services.
15. Municipal review comments will be responded to and addressed.

**Responsibilities of Others:**

1. Provide Wright Engineering Corp. electronic base files in an AutoCAD format which includes all proposed and existing utilities, all proposed improvements, and any existing conditions that affect this scope.
2. Wright Engineering will submit plans to the civil engineer or landscape architect for submittal to the local government agencies for approval and permits.
3. Designation of electrical services for meters and street light locations will be determined by the local utility company. The owner is responsible for coordination of the design of all electrical utility power services during the design process.

**Final Deliverables:**

Upon completion of the design, we will provide final sealed documents bearing the signature of a registered electrical engineer in the State of Arizona.

**Engineering Fee:**

Power Rd Street Lighting Design Services: **\$7,200** (Lump Sum)  
 Power Rd ITS Design Services: **\$3,300** (Lump Sum)  
 Power Rd/Hunt Hwy Traffic Signal Design: **\$11,100** (Lump Sum)

Note: Any engineering or services fees requested to be paid by credit card will be charged an additional 4.25% for processing.

**Additional Services:**

Any services not specifically included in the Scope of Services section shall be additional services payable at an hourly fee at the following rates:

Principal	\$165/hour	Designer	\$105/hour
Senior Engineer	\$145/hour	Draftsman	\$95/hour
Engineer	\$125/hour	Secretary	\$55/hour

We will bill you on a monthly basis for these services. Payment terms are Net 30 days. This proposal will be valid for the next 90 days. If you have any questions, please contact us at your earliest convenience.

I look forward to working with you on this project. Please show your acceptance of this proposal by signing below and returning one copy for my records.

Sincerely,



Aaron D. Kutchinsky, P.E.  
Wright Engineering Corporation

I have received and read Appendix 'A' and agree to all terms and conditions as outlined in Appendix 'A' and this proposal. By signing, the proposal becomes the agreement and is executed.

Accepted this \_\_\_\_\_ day of \_\_\_\_\_ 2022

\_\_\_\_\_  
(Company Name)

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Print or Type Name)

\_\_\_\_\_  
(Title)

*The Client agrees that the technical methods, techniques, and pricing information contained in any proposal submitted by Wright Engineering pertaining to this project or in this Agreement or any addendum thereto, are to be considered confidential and proprietary, and shall not be released or otherwise made available to any third party without the express written consent of Wright Engineering.*

**Client Billing Information:**

Contract/AP Contact Name: \_\_\_\_\_

Address: \_\_\_\_\_

Business Phone: \_\_\_\_\_ Mobile Phone: \_\_\_\_\_

Email: \_\_\_\_\_

*It is our desire to keep communication flowing freely. To contact us for contract information or accounts payable information, please email Cami Penrod at cpenrod@wrightengineering.us or call us at 480-497-5829.*

## Appendix 'A' Terms and Conditions

### **Certifications**

Wright Engineering Corp. shall not be required to execute any document that would result in its certifying, guaranteeing or warranting the existence of conditions whose existence Wright Engineering Corp. cannot ascertain.

### **Termination of Services**

This agreement may be terminated by the Client or Wright Engineering Corp. should the other fail to perform its obligations hereunder. In the event of termination, the Client shall pay Wright Engineering Corp. for all service rendered to the date of termination and all reimbursable expenses.

### **Ownership of Documents**

All documents produced by Wright Engineering Corp. under this agreement shall remain the property of Wright Engineering Corp. and may not be used by the Client for any other endeavor without the written consent of Wright Engineering Corp.

### **Billings/Payments**

Invoices for Wright Engineering Corporation services shall be submitted, at Wright Engineering Corporation's option, either upon completion of such services or on a monthly basis. Invoices shall be payable within 30 days after the invoice date. If the invoice is not paid within 30 days, Wright Engineering Corporation may, without waiving any claim or right against the Client, and without liability whatsoever to the Client, terminate or suspend the performance of the service. Accounts unpaid 60 days after the invoice date may be subject to a monthly service charge of one-and-one-half percent (1.5%) (or the maximum rate allowed by law, whichever is less) on the then unpaid balance. In the event any portion, or all of an account remains unpaid 90 days after billing, the Client shall pay all costs of collection including reasonable attorney's fees.

### **Unauthorized Changes**

In the event the Client, the Client's contractors or subcontractors, or anyone for whom the Client is legally liable makes or permits to be made any changes to any reports, plans, specifications or other construction documents prepared by Wright Engineering Corp. without obtaining Wright Engineering Corporation's prior written consent, the Client shall assume full responsibility for the results of such changes. Therefore, the Client agrees to waive any claim against Wright Engineering Corp. and to release Wright Engineering Corp. from any liability arising directly or indirectly from such changes. In addition, the Client agrees, to the fullest extent permitted by law, to indemnify and hold harmless Wright Engineering Corp. from any damages, liabilities or costs, including reasonable attorneys' fees and costs of defense, arising from such changes. In addition, the Client agrees to include in any contracts for construction appropriate language that prohibits the Contractor or any subcontractors of any tier from making any changes or modifications to Wright Engineering Corporation's construction documents without the prior written approval of Wright Engineering Corp. and that further requires the Contractor to indemnify both Wright Engineering Corp. and the Client from any liability or cost arising from such changes made without such proper authorization.

### **Permits and Approvals**

It is the responsibility of the Client to obtain all permits and approvals normally required by law for projects similar to the one for which Wright Engineering Corporation's services are being engaged. Wright Engineering Corp. may assist the Client as requested in applying for those permits and approvals for an additional fee. This service is not included in the Basic Services of this Agreement.



### **Construction Supervision**

The Consultant shall not supervise, direct or have control over the Contractor's work nor have any responsibility for the construction means, methods, techniques, sequences or procedures selected by the Contractor nor for the Contractor's safety precautions or programs in connection with this Work. These rights and responsibilities are solely those of the Contractor in accordance with the Contract Documents. The Consultant shall not be responsible for any acts or omissions of the Contractor, subcontractor, any entity performing any portions of the Work, or any agents or employees of any of them. The Consultant does not guarantee the performance of the Contractor and shall not be responsible for the Contractor's failure to perform its Work in accordance with the Contract Documents or any applicable laws, codes, rules or regulations.

### **Changed Conditions**

If, during the term of this Agreement, circumstances or conditions that were not originally contemplated by or known to the Consultant are revealed, to the extent that they affect the scope of services, compensation, schedule, allocation of risks or other material terms of this Agreement, the Consultant may call for renegotiation of appropriate portions of this Agreement. The Consultant shall notify the Client of the changed conditions necessitating renegotiation, and the Consultant and the Client shall promptly and in good faith enter into renegotiation of this Agreement to address the changed conditions. If terms cannot be agreed to, the parties agree that either party has the absolute right to terminate this Agreement, in accordance with the Termination provision hereof.

### **Attorneys' Fees**

In the event of any litigation arising from or related to this Agreement or the services provided under this Agreement, the prevailing party shall be entitled to recover from the non-prevailing party all reasonable costs incurred, including staff time, court costs, attorneys' fees and all other related expenses in such litigation.

### **Mediation**

In an effort to resolve any conflicts that arise during the design and construction of the Project or following the completion of the Project, the Client and the Consultant agree that all disputes between them arising out of or relating to this Agreement or the Project shall be submitted to non-binding mediation unless parties mutually agree otherwise.

### **Proprietary Information**

The Client agrees that the technical methods, design details, techniques and pricing data contained in any material submitted by Wright Engineering Corp pertaining to this Project or this Agreement shall be considered confidential and proprietary, and shall not be released or otherwise made available to any third party without the express written consent of Wright Engineering Corp.

### **Indemnification**

The Consultant and the Subconsultant mutually agree, to the fullest extent permitted by law, to indemnify and hold each other harmless against all damages, liabilities or costs, including reasonable attorneys' fees and defense costs, arising from their own negligent acts in the performance of their services under this Agreement, to the extent that each party is responsible for such damages, liabilities and costs on a comparative basis of fault.

### **Limitation of Liability**

Neither the engineer, the engineer's consultants, nor their agents or employees shall be jointly or individually liable to the owner in an amount in excess of our fees.

March 30, 2022

Carlos Sanchez Soria, PE  
Senior Associate  
Transportation Group Manager | Senior Project Manager



**TYLIN**INTERNATIONAL  
1475 N. Scottsdale Road, Suite 450  
Scottsdale, AZ 85257  
1.480.333.4406 direct

**RE: POWER ROAD WIDENING**

Dear Mr. Sanchez Soria,

Cooper Aerial Surveys Co. is pleased to submit this proposal for the Power Road Widening project from Riggs Road to Hunt Highway. Our execution strategy incorporates a timely schedule and constant communication. We can proceed with this project as soon as given an approval of this proposal and notice to proceed. Our proven methodologies, and qualified personnel have a highly responsive approach to managing deliverables. I look forward to working with your Team to provide quality land surveying services and mapping on this project. If you have questions on this proposal, feel free to contact me at your convenience by email or cell at 253-344-9864.

**Understanding of the project:**

Cooper Aerial will provide aerial and traditional survey mapping, surveying of centerline and section line monuments, development of existing right-of-way/easements/property lines and property/easement descriptions as needed.

**1. Survey Control & Datum:**

- Horizontal Datum: Arizona State Plane NAD83(2011) modified to ground scale
  - Vertical Datum: NAVD88
- All will be based on published Maricopa County GDACS.

**2. Aerial Mapping:**

Aerial mapping will consist of LiDAR and photogrammetry collected with our M300 Drone. Accuracies will meet or exceed traditional Aerial Mapping as set forth in ASPRS standards for 1' contour interval.

- 30 Ground control panels will be set.
- Spot checks will be collected to validate accuracy of data.
- Mapping will be provided at 40 scale.

Mapping area description: (mapping limit map shown below)

Aerial Survey Mapping along Power Road:

- 400-ft wide (200-ft on either side)
- 1,000-ft north of Riggs Rd intersection
- 750-ft east and west along Riggs Rd on either side of Power Rd
- 750-ft east and west along San Tan Blvd on either side of Power Rd
- 750-ft east and west along Hunt Highway on either side of Power Rd



### 3. Right-of-way

Monuments along the centerlines within the project area will be researched and located. Section control monuments that effect the project will be located. These monuments will be utilized to determine the existing right-of-way and portions of adjacent properties. Right-of-way and property determinations will be completed with information from the Maricopa County Assessors Website and property reports provided by the client, Cooper aerial makes no guarantee of accuracy or completeness of information provided. No additional research will be conducted by Cooper Aerial.

### 4. Traditional Mapping:

Mapping will consist of areas identified by the design team after delivery of aerial mapping. Additional mapping will be completed with a Trimble S5 and associated tolerances. Traditional mapping will be submitted in a separate AutoCAD file.

Cooper has been asked to estimate/limit field mapping to 60 hours. This estimate will include 40 hours of post processing office time.

### 5. Additional Surveying task:

- Descriptions and exhibits for parcels of land or easements within the project area will be provided as needed. This proposal assumes 80 such descriptions.

#### Assumptions:

- No underground utilities will be shown, including manhole invert information.
- Traditional Mapping to consist of 60 hours of field effort and 40 hours of office time.
- Property reports will be provided by client
- Right-of-ways and property lines shown will be based on the information provided and to the best of the surveyor's opinion.
- Descriptions and exhibits are estimated at 80 for this project. Billing will be based on total number provided.

#### Deliverables

- Electronic files in AutoCAD, dtm and orthomosaic

#### Estimated Fee Breakdown:

Items 1-3		\$18,000 (Lump Sum)
Item 4	60 hours field/40 hours office tech	\$10,000 (Estimated)
Item 5	Estimated 80 descriptions@\$800 each	\$64,000 (Estimated)

**Total Estimated Fee \$92,000**

Thank you for this opportunity to be of service.

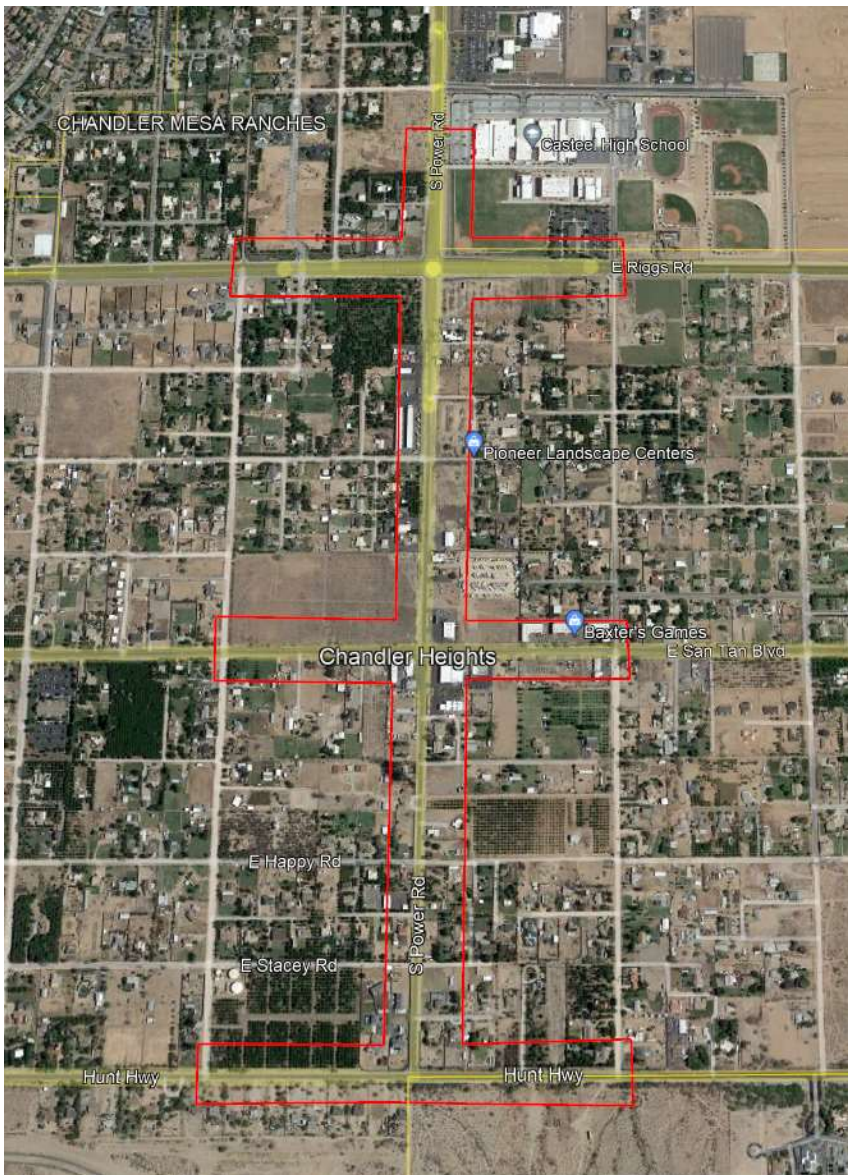
Sincerely,



Dennis Harmon, AZ RLS  
Cooper Aerial Surveys Co.

Accepted by: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

**Exhibit 'A' - Project Area**



March 30, 2022

Carlos Sanchez-Soria, PE  
Senior Associate  
T.Y. Lin International  
1475 North Scottsdale Road, Suite 450  
Scottsdale, Arizona 85257

**SUBJECT: Proposal for Geotechnical Investigation  
Power Road from Riggs Road to Hunt Highway  
Town of Queen Creek, Arizona**

Dear Carlos:

As requested, Ethos Engineering, LLC (Ethos) is pleased to present this proposal for professional geotechnical engineering services to the T.Y. Lin International (TYLI) design team for the referenced project.

### **PROJECT INFORMATION**

We understand the Town is planning to improve this section of road as part of their Capital Improvement Project. Improvements planned for this project include:

- New 6-lane Major Arterial section along Power Road (total length of 1.0 miles)

The planned 6-lane arterial roadway section will include three travel lanes in each direction. The asphalt concrete (AC) pavement section will be designed in accordance with the Town of Queen Creek (Town) Standard Details.

### **SCOPE OF SERVICES**

Task 1 - Ethos will setup the project; review available project plans and develop a field exploration plan showing the intended test locations. This plan will (if requested) be submitted to TYLI (or others, as directed) such that the test locations can be checked for possible environmental impacts (to be performed by others).

Task 2 - Following approval of our field exploration plan, we will lay out the locations of the planned borings. We assume there are enough site features in order to lay out our borings without the need for additional survey. We are prepared to apply for and obtain a permit from the Town in order to perform the test drilling. It is assumed that other permits (ADOT) will not be required given the location of the proposed borings. The site visit will also include a visual assessment for the presence of earth fissures given that a large number of earth fissures, particularly near the San Tan Mountains, are known to exist near the project limits.

We have assumed that traffic control, in the form of road work and shoulder work signs, will be required to advance the borings along Power Road.

Task 3 - Ethos will subcontract a drill-rig and crew to complete 5 test borings with hollow-stem auger to a depth of 5 feet or prior practical refusal along this section of roadway. The





borings will be spaced at approximate 1,000-foot intervals and located to minimize impacts to existing traffic.

An Ethos field engineer will oversee the drilling operations and log the test borings. The borings will be backfilled upon completion in accordance with permit requirements. For costing purposes, we are assuming that each boring will be backfilled with cuttings.

Task 4 - Ethos will perform selected laboratory testing on samples obtained from our field exploration. The tests will be used to evaluate and classify the soils, identify subsurface site characteristics, and provide data for analyses. The following laboratory tests are proposed:

**Table 1 – Summary of Planned Laboratory Testing**

No. of Tests	Test	Description
5	Sieve Analysis	Soil classification and pavement design
5	Atterberg Limits (LL, PL & PI)	Soil classification and pavement design
2	R-value	Soil characteristics for pavement design
2	pH and Resistivity	Corrosion characteristics of subgrade
2	Remolded Swell	Soil swell characteristics for pavement design
2	Proctor	Moisture-density relationship for swell

Task 5 - Ethos will develop geotechnical recommendations for the pavement sections. Our recommendations will be discussed with TYLI prior to preparation of a design report.

Task 6 - We will prepare a geotechnical exploration report which provides recommendations for the planned section(s) of roadway. The report will include the following, at a minimum:

- Site plan showing the test locations and logs of the test borings
- Laboratory test results
- Discussion regarding our field investigation
- Discussions regarding regional geology and groundwater conditions
- Discussions regarding ground subsidence and earth fissures
- Discussions regarding corrosion potential
- Pavement discussion and recommendations

The results of our field exploration, field and laboratory tests, engineering analyses, and our recommendations will be summarized in a written report prepared under the supervision of a Professional Civil Engineer registered in the State of Arizona.

Task 7 – For estimating purposes, we will plan to attend up to two project meetings for each segment held throughout the course of the project.

**PROJECT SCHEDULE**

We anticipate our services will be completed in approximately 6 weeks after notice-to-proceed (NTP) or upon receipt of any needed environmental clearances, whichever is last provided. We will begin to develop the FIP within 5 days of NTP. Activities will include site layout, Arizona 811 notification, drilling and possibly backhoe pit excavations and percolation testing. We will complete the drilling within 2 weeks after receipt of the permit.



Percolation testing, if performed, will take up to an additional 2 week to complete. We estimate the report will be available within 6 weeks of the completion of the field work.

## **AUTHORIZATION**

We will proceed upon NTP (receipt of the executed TYLI subcontractor agreement).

## **PROJECT FEES**

Our services will be performed under the direction of an Arizona registered Professional Civil Engineer. Based on the proposed scope of work and our understanding of the project, we propose to complete the scope of work presented above for a lump-sum fee of **\$10,977.06**. The estimated fees are based on the attached Work-hour Estimate, and Derivation of Fees. Labor was derived from an overhead rate of 145 percent and a fee of 10 percent.

The above fees are based on the scope of work included in this proposal. If there is a need for any change in the scope of services or schedule described in the proposal, please call us immediately. Changes may require revision of the proposed fee, which will be communicated to you upon assessment of the requested changes effect on the fee.

Our fees will be invoiced on a monthly basis not to exceed the indicated amount. In the event that field conditions require a modification to the scope of work developed for this proposal and may affect either our planned project schedule or budget, we will contact you at the earliest opportunity to discuss these conditions. Invoices will be due and payable within 30 days of receipt.

## **ASSUMPTIONS**

We have assumed the following:

- The site is accessible to both foot and truck traffic.
- There are no private underground utilities on the site.
- Ethos will obtain permit from the Town to perform drilling within their right of way (as needed), and permit fees are assumed to be waived.

## **LIMITATIONS**

The geotechnical services will be performed in a manner consistent with that level of care and skill ordinarily exercised by other members of the geotechnical profession practicing in the same locality, under similar conditions and at the date the services are provided. Our conclusions, opinions and recommendations will be based on visual observations, the review of plans prepared by others, and the completed small diameter test borings. It is likely that conditions will vary between or beyond the data evaluated, given the relative wide spacing of the borings. Ethos makes no guarantee or warranty, express or implied, regarding the services, communication (oral or written), report, opinion, or instrument of service provided.



We appreciate the opportunity to submit this proposal and look forward to working with you on this project. If you have any questions or require additional information pertaining to this proposal, we would be pleased to discuss them with you.

Sincerely,

**ETHOS ENGINEERING LLC**

Reviewed by:



Francisco J. Garza, PE  
Principal | Senior Geotechnical Engineer

Keith Dahlen, PE  
Principal | Senior Geotechnical Engineer

y:\2022xxx - ty lin - power rd, riggs to hunt hwy\scope and fee proposal\rev0\queen creek\_ironwood, power road\_rev0.docx

Attachments: Work-Hour Estimate  
Derivation of Fees  
Subcontractor Quotes

**Power Road, Riggs Road to Hunt Highway  
Ethos Engineering, LLC - Work-Hour Estimate**

<b>Project Work Task</b>	<b>Project Manager</b>	<b>Engineer - Sr.</b>	<b>Designer - Sr.</b>	<b>CADD</b>	<b>Admin</b>	<b>Total Hours</b>
Project Management and Setup	1	0	0	0	1	2
Boring Plan & Permitting (Town)	0	1	2	1	0	4
Boring Layout, Earth Fissures, and Bluestake	1	3	3	0	0	7
Test Drilling and Laboratory	1	1	8	0	0	10
Engineering Analysis and Report Preparation	2	8	12	3	1	26
Project Meetings	1	1	0	0	0	2
<b>TOTAL</b>	<b>6</b>	<b>14</b>	<b>25</b>	<b>4</b>	<b>2</b>	<b>51</b>

**DERIVATION OF COST**

**DIRECT LABOR (OH + FEE BASIS)**

<u>Classification</u>	<u>Hours</u>	<u>Rate</u>	<u>Estimated Labor Costs</u>
Project Manager	6	\$79.76	\$478.56
Sr. Engineer	14	\$58.00	\$812.00
Engineer	25	\$46.75	\$1,168.75
CADD Technician	4	\$28.84	\$115.36
Administrative	2	\$25.00	\$50.00
Total Hours:	<u>51</u>		

Direct Labor: \$2,624.67

Plus Overhead @ 145%: \$3,805.77

Subtotal: \$6,430.44

Plus 10% Fee: \$643.04

Total Labor: \$7,073.49

**DIRECT EXPENSES**

Vehicle Mileage (Personal) (Two trips 46 miles roundtrip)	92 mi. @	\$0.585 /mi.	\$53.82
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Total Estimated Direct Expenses: \$53.82

**OUTSIDE SERVICES**

Test Drilling (See Attached)	\$985.00
Traffic Control (See Attached)	\$680.50
Laboratory Testing (See Attached)	\$2,184.25

Total Estimated Outside Services: \$3,849.75

By:

**TOTAL LUMP SUM COST: \$10,977.06**

Francisco J. Garza  
Francisco J. Garza, Contract Manager

3/30/2022  
Date

Thank you for the opportunity to provide a quote for one of your potential jobs.

**Ethos**

Pancho Garza, P.E.  
9180 S Kyrene Rd #104  
Tempe, AZ 85284

**Project Name:** Town of Queen Creek  
**Location:** Power Rd from unt wy to Riggs Rd

**Subject:** Advance five 5" SA borings for a total of 25' (to include SPT sampling) and perform lab test.

Item	Quantity	Unit	Cost	Price
<b>Drilling</b>				
Mob/Demob	1	LS	\$ 250.00	\$ 250.00
4.25" Auger Drilling (to include SPT sampling)	3.5	HR	\$ 210.00	\$ 735.00
<b>Drilling Total</b>				<b>985.00</b>
<b>Lab</b>				
Sieve Analysis	5	EA	\$ 81.00	\$ 405.00
Atterberg Limits (Plasticity Index)	5	EA	\$ 74.75	\$ 373.75
Remolded Swell	2	EA	\$ 87.00	\$ 174.00
Standard Proctor	2	EA	\$ 120.75	\$ 241.50
R-Value	2	EA	\$ 350.00	\$ 700.00
pH, resistivity	2	EA	\$ 145.00	\$ 290.00
<b>Lab Total</b>				<b>2,184.25</b>
<b>Proposal Total</b>				<b>3,169.25</b>

Any stoppage of work due to site access or matters out of ACS Services control once work has started will be billed at the hourly stand by rate of \$210.00 per hour. Site visits will be conducted by ACS Services at no additional charge to verify access if requested to ensure no unforeseen cost.

All proposals are good for 45 days from the day shown on this document. All changes in work outside of the original agreed upon scope that causes ACS Services to run over on hours not agreed upon will be billed at the hourly stand by rate of \$210.00.

Your success is our priority so please do not hesitate to reach out to me anytime if you have questions.

Sincerely,

ACS Services LLC.



Charles Johnson "Eddie"

Drilling Manager  
2235 W. Broadway Rd.  
Mesa, AZ 85202  
office: 480-968-0190  
cell: 270-254-1500

Acceptance of all outlined pricing, terms and conditions, including General Conditions on page 2.

Company Name:

Authorized Representative (Name and Title):

Signature:



3015 E Illini  
 Phoenix, AZ 85040  
 602-243-1218  
 Fax 602-243-3470

**QUOTATION**

Quote Date	Quote ID
3/29/2022	03292022DD1
Payment Terms	Net 30 Days

Valid Through: 4/29/2022

**ETHOS ENGINEERING LLC**

Accounts Payable  
 9180 S KYRENE ROAD SUITE 104  
 TEMPE, AZ 85284  
 Phone: 480-203-9252

**Job Location:**

Power Road  
 Queen Creek  
 Quote Created By: David Deanda  
 Estimated Days: 1

Email: pgarza@ethosengineers.com

Item Description	Price	UOM	Qty/Day	Days	Total Qty.	Total
1 Man 1 Truck- TRAVEL TO JOB *	\$55.00	Per Hour	2	1	2	\$110.00
1 Man 1 Truck- LABOR *	\$55.00	Per Hour	6	1	6	\$330.00
1 Man 1 Truck- RETURN TO SHOP *	\$55.00	Per Hour	2	1	2	\$110.00
Flags *	\$2.30	Per Each	4	1	4	\$9.20
Sandbags *	\$1.01	Per Each	6	1	6	\$6.06
Large Sign *	\$1.00	Per Day	2	1	2	\$2.00
Small Sign *	\$0.64	Per Day	2	1	2	\$1.28
Spring Stand *	\$2.10	Per Day	2	1	2	\$4.20
Sign Stand 4 ft *	\$0.60	Per Day	1	1	1	\$0.60
TCP	\$50.00	Per Each	1	1	1	\$50.00
Vertical Panel Side VP *	\$0.50	Per Day	15	1	15	\$7.50

Note: The \* indicates taxable items.

QUOTE IS FOR A ROLLING SHOULDER CLOSURE on Power Road  
 from Riggs Road to Hunt Highway

\* QUOTE IS BASED ON 6HRS. OF LABOR ANY LABOR AFTER  
 6HRS. CUSTOMER WILL BE BILLED AT \$55.00 PER HR.

<b>EQUIPMENT</b>	\$15.58
<b>ONE TIME CHARGES</b>	\$65.26
<b>LABOR</b>	\$550.00
<b>SUBTOTAL</b>	\$630.84
<b>SALES TAX (8.55%)</b>	\$49.66
<b>QUOTE TOTAL</b>	\$680.50
<b>TOTAL PER DAY</b>	\$613.93

**Scope:** The above quantities are estimated quantities based on information provided by the customer.  
 Actual quantities used in the field will be billed on the customer invoice.

**Included:** Delivery, Setup, Takedown and Pickup

**Excluded:** State, City or County Permits or Fees.

**Add'l Terms:** Invoices are payable with Terms of Net 30 Days.

Any additional equipment added to the job site will be billed separately.

Roadsafe Traffic Systems Contractor License # 24899 L-05, 253153AE

Quote For: ETHOS ENGINEERING LLC - Quote ID: 03292022DD1 (cont.)

*David DeAnda*

3/29/2022

Accepted By:

David Deanda

Date

Signature

Date

RoadSafe Traffic Systems, Inc.

Print Name

Title

Company

Carlos Sanchez Soria, PE  
Senior Associate  
Transportation Group Manager | Senior Project Manager  
TY Lin International  
1475 N Scottsdale Rd STE 450  
Scottsdale, AZ 85257

**VIA E-MAIL**

Dear Carlos:

**Re: Level A and B Subsurface Utility Engineering Services  
Power Rd: Riggs Rd to Hunt Hwy, Queen Creek**

Cobb, Fendley & Associates, Inc. (CobbFendley) is pleased to provide this proposal for the Subsurface Utility Engineering (SUE) services associated with the project referenced above. The proposed Scope of Services and Basis of Compensation are outlined below.

### **Scope of Services**

#### **SUE Level B: Utility Designating**

During Utility Designating Services, CobbFendley will:

1. Coordinate with municipal and third-party utility providers / owners to collect records and other information regarding their existing facilities.
2. Review all facility records collected within the project bounds.
3. Use collected records to corroborate known existing utilities within the project bounds.
4. Field mark locations of underground utilities using geophysical methods such as electromagnetic methods, ground penetrating radar, acoustic emission methods, magnetic methods.
5. Field verify the location and identification of visible utility facilities with the project corridor.
6. Resolve conflicts and comments between field located and as-built information with the municipal and third-party utility providers/owners.
7. Provide an existing utilities CADD Base File.

#### **SUE Level A: Test Holes (Locate)**

Utility test holes will be performed where the vertical location of existing underground utilities is critical. TY LIN will identify test hole locations based on their conflict analysis. CobbFendley will assist with the final test hole placement to limit impacts to traffic and local businesses. A detailed description of test hole services is below under SUE Level A services. **A total of 30 test holes are included in this proposal.**

Locate means to obtain precise horizontal and vertical position, material type, condition, size and other data that may be obtainable about the utility facility and its surrounding environment through exposure by non-destructive excavation techniques that ensures the integrity of the utility facility.

During Level A Services, CobbFendley will:

1. Coordinate with utility owner inspectors as may be required by law or utility owner policy.
2. Neatly cut and remove existing pavement material, such that the cut not to exceed 0.10 square meters



- (1.076 square feet) unless unusual circumstances exist.
3. Measure and record the following data on an appropriately formatted test hole data sheet.
    - A. Elevation of top and/or bottom of utility tied to the datum of the furnished plan.
    - B. Identify a minimum of two benchmarks utilized. Elevations shall be within an accuracy of 2.54 cm (1.0 inches) unless a more precise tolerance is specified for the specific location being investigated.
    - C. Elevation of existing grade over utility at test hole location.
    - D. Horizontal location referenced to project coordinate datum.
  
    - E. Outside diameter of pipe or width of duct banks and configuration of non-encased multi-conduit systems.
    - F. Utility facility material(s).
    - G. Utility facility condition.
    - H. Pavement thickness and type.
    - I. Coating/Wrapping information and condition.
    - J. Unusual circumstances or field conditions.
  4. Excavate test holes in such a manner as to prevent any damage to wrappings, coatings, cathodic protection or other protective coverings and features.
  5. Be responsible for any damage to the utility during the locating process. In the event of damage, CobbFendley shall stop work, notify the appropriate utility facility owner, client project manager, and appropriate regulatory agencies. CobbFendley will not resume work until the utility facility owner has determined the corrective action to be taken.
  6. Back fill all excavations with appropriate material, compact backfill by mechanical means, and restore pavement and surface material.
  7. Furnish and install a permanent above ground marker directly above center line of the utility facility.
  8. Provide complete restoration of work site and landscape to equal or better condition than before excavation.
  9. Plot utility locate position information to scale and provide a comprehensive utility plan. This information will be provided in AutoCAD format.

#### SERVICES TO BE PROVIDED BY TY LIN

TY Lin shall furnish the following information, as available, for SUE services at no cost to CobbFendley:

1. Provide roadway plans showing the project limits, alignment, benchmarks, project control data, profile, cross section information and test hole locations for the selected projects. CobbFendley may review the test hole locations and recommend changes, as required.
2. Lists of utility and/or agency contact persons if known.
3. Other available information or assistance as appropriate.
4. Provide utility line style and symbology, if desired.

**Basis of Compensation**

The above scope of SUE Level A and B services can be completed based on the attached table. This is a project specific quote. The total value of this proposal is \$71,012.00.

SUE Level A and B Estimate - Power Rd, Riggs Rd to Hunt Hwy					
CobbFendley 2021					
Classification		Rate	Unit	Quantity	Cost
Project Manager		\$ 184.00	Hour	40	\$7,360.00
Registered Professional Land Surveyor		\$ 184.00	Hour	16	\$2,944.00
2-Person Survey Crew*		\$ 156.00	Hour	24	\$3,744.00
1-Person Survey Crew*		\$ 113.00	Hour	8	\$904.00
Technician III (Drafting)		\$ 108.00	Hour	60	\$6,480.00
<b>Utility Potholes* (Level A)</b>					
0-5 feet deep (outside pavement or near edge)		\$ 550.00	Each	5	\$2,750.00
0-8 feet deep (outside pavement or near edge)		\$ 650.00	Each	5	\$3,250.00
0-5 feet deep (in pavement)		\$ 700.00	Each	10	\$7,000.00
5-8 feet deep (in pavement)		\$ 750.00	Each	5	\$3,750.00
8-12 feet deep		\$ 800.00	Each	3	\$2,400.00
12 + feet deep		\$ 900.00	Each	2	\$1,800.00
<b>Utility Designating (Level B)</b>					
Two Person Designating Crew		\$ 184.00	Hour	80	\$14,720.00
One Person Designating Crew		\$ 119.00	Hour	40	\$4,760.00
<b>Other Direct Expenses</b>					
MAG Standard (Half Sack Slurry Backfill in ROW)	At Cost +10%	\$ 400.00	Day	6	\$2,400.00
Hot Patch Asphalt Restoration	At Cost +10%	\$ 150.00	Each	17	\$2,550.00
Traffic Control / Barricades	At Cost +10%	\$ 700.00	Day	6	\$4,200.00

\*Rates shown include personnel, vehicles & standard equipment necessary to complete the task. Cobb Fendley will include supporting backup documentation for all approved reimbursable expenses.

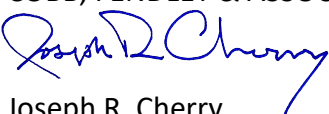
<b>Subtotal for Personnel</b>	<b>\$21,432.00</b>
<b>Subtotal for Utility Test Holes</b>	<b>\$20,950.00</b>
<b>Subtotal for Utility Designating</b>	<b>\$19,480.00</b>
<b>Subtotal for Other Direct Expenses</b>	<b>\$9,150.00</b>

<b>TOTAL</b>	<b>\$71,012.00</b>
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If this summary is acceptable, please forward an authorization to proceed. If you have any questions or comments, please do not hesitate to contact us.

Sincerely,

COBB, FENDLEY & ASSOCIATES, INC.



Joseph R. Cherry  
SUE Project Manager



TOWN OF  
**QUEEN CREEK**  
ARIZONA

**TO: HONORABLE MAYOR AND TOWN COUNCIL**

**THROUGH: JOHN KROSS ICMA-CM, TOWN MANAGER**

**FROM: DAVE LIPINSKI, CIP DEPARTMENT DIRECTOR**

**RE: CONSIDERATION AND POSSIBLE APPROVAL OF A DESIGN PROFESSIONAL SERVICES MASTER CONTRACT WITH MERGE ARCHITECTURAL GROUP AND PROJECT TASK ORDER NO. 1 FOR THE PUBLIC WORKS FIELD OPERATIONS FACILITY PHASE 2 PUBLIC WORKS / CIP ADMINISTRATION BUILDING PROJECT ARCHITECTURAL DESIGN (CIP PROJECT MF018) IN AN AMOUNT NOT TO EXCEED \$308,233. (THIS IS A FY 2021/22 BUDGETED ITEM.)**

**DATE: May 4, 2022**

---

**Suggested Action:**

To approve a Design Professional Services Master Contract with Merge Architectural Group and Project Task Order No. 1 for the Public Works Field Operations Facility Phase 2 Public Works / CIP administration building project architectural design (CIP Project MF018) in an amount not to exceed \$308,233. (This is a FY 2021/22 Budgeted Item.)

**Relevant Council Goal(s):**

Superior Infrastructure - Capital Improvement Program

**Discussion:**

Currently, the Public Works Department has interim offices within a series of three modular building complexes on the Public Works Field Operations Facility (FOF) site, in a former residential house along Ellsworth Road south of the Municipal Services Building, and in the Library / Recreation Annex Building. The CIP Department is currently utilizing space within the Utilities Department Administration and Warehouse buildings at the FOF, which is taking those two buildings to space utilization capacity. The proposed approach is to build a new office building to accommodate the combined staff of both the Public Works and Capital Improvement Projects (CIP) Departments in one location at the FOF.

The purpose of this proposed project order is to provide an architectural design for a new office-type building within the FOF. The proposed new building will house a large portion of the Public Works and CIP Departments as some staff will still be stationed in other locations to provide the most responsive service levels. This building was forecast to be built in two previous site planning efforts for the FOF. The new building is being designed to handle both current and projected future Public Works and CIP staffing levels.

Staff feels that Merge Architectural Group (Merge) was successful in their design and service to the Town when they provided design services for the recently constructed Utilities Administration Building. By leveraging Merge's site and design knowledge, the new building can be similar in style making the overall site more cohesive. Based on an evaluation of current office-type building trends, the proposed fees are reasonable for the proposed scope of services.

This proposed action will allow staff to begin the design process and to complete construction of the new building before the Utilities, Public Works and CIP departments experience more difficult staffing space constraints.

The funding authorization requested herein includes a five percent (5%) contingency for unexpected conditions or service needs.

**Fiscal Impact:**

On November 3, 2021 project MF018 Public Works Field Operations Facility Phase 2 was authorized \$500,000 in funding to cover design costs and has sufficient funding to cover the proposed contract. The funding source for this project is non-growth funding.

**Alternatives:**

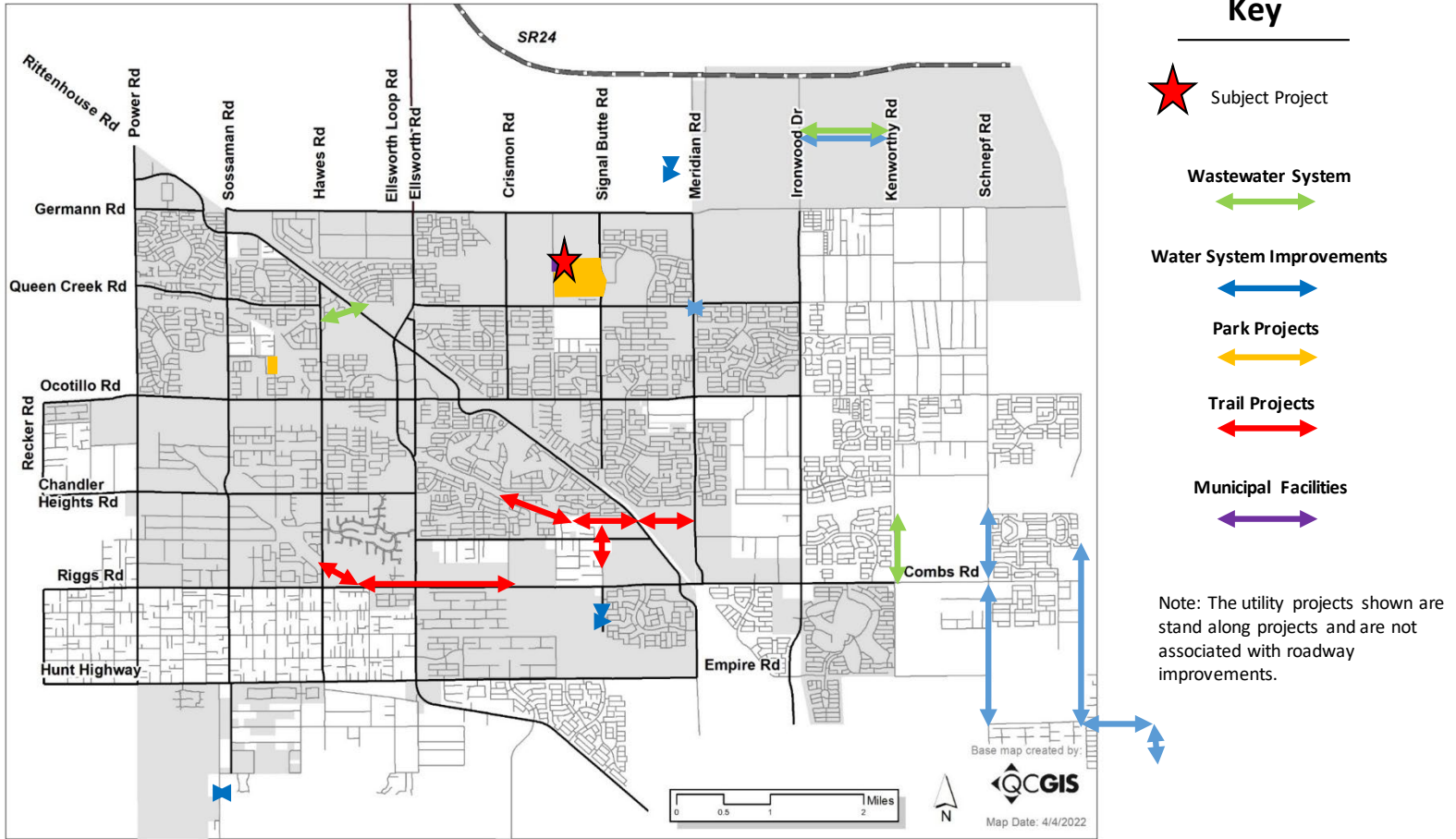
Council could choose not to approve this project at this time. The result would be that as the departments continue to add staff to serve the Town's rapid growth, additional office space, such as modular buildings or leased space would have to be procured in order to provide work spaces for the additional individuals.

**Attachment(s):**

1. [Project Location Map](#)
2. [Site Location Exhibit](#)
3. [Design Master Contract](#)
4. [Merge Project Scope](#)

# CIP Projects – Other than Transportation

## MF018 – FOF CIP/Public Works Administration Building



Rev. 04-20-2022



Site Location Exhibit





**TOWN OF QUEEN CREEK  
22358 S. ELLSWORTH ROAD  
QUEEN CREEK, AZ 86004  
(480) 358-3000  
[www.queencreek.org](http://www.queencreek.org)**

**DESIGN PROFESSIONAL SERVICES  
MASTER CONTRACT**

**CONTRACT NO. \_\_\_\_\_**



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## DESIGN PROFESSIONAL MASTER CONTRACT

Contract No. \_\_\_\_\_

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**THIS MASTER CONTRACT** is made and entered into on the \_\_\_\_ day of May 2022 by and between the Town of Queen Creek, Arizona, an Arizona municipal corporation, hereinafter called ("TOWN") and Merge Architectural Group ("Design Professional").

TOWN and Design Professional agree as follows:

### **ARTICLE 1 – PARTIES**

**TOWN:**

**Town of Queen Creek  
Project Manager: Brad Novacek  
Telephone: 480-358-3139  
E-mail: brad.novacek@queencreekaz.gov**

**DESIGN PROFESSIONAL:**

**Merge Architectural Group  
600 N. 4<sup>th</sup> Street, Suite 112  
Phoenix, AZ 85004  
Arizona Registration No.  
Federal Tax ID No.:  
Design Professional Representative: Clarisa del Castillo  
Telephone: 602-635-1581  
E-mail:**

### **ARTICLE 2 – CONTRACT DOCUMENTS**

#### **2.1 CONTRACT DOCUMENTS**

The Contract between TOWN and Design Professional for any project shall consist of the following Contract Documents:

1. This Master Contract;
2. General Conditions, dated September, 2018, and General Conditions Appendices, incorporated by reference;
3. Project Task Order in the form attached hereto as Exhibit A;
4. Exhibit B - Insurance Requirements- attached; and
5. Proposal submitted by Design Professional dated March 31, 2022.

**2.1.1 Master Agreement:** This is a Master Contract providing the basis by which TOWN may issue, and Design Professional may accept, an authorization to perform Services for or in relation to a specific project. This Master Contract shall govern all contracts and other agreements between TOWN and Design Professional, unless expressly excluded, in writing, in such contract or agreement.



1. Authorization by TOWN to perform Services and agreement by Design Professional to perform specific Services shall be made by separate "Project Task Order", as set forth in the attached Exhibit A. The terms and conditions set forth herein, and attached hereto, including any and all Exhibits and properly adopted amendments or modifications hereto, are expressly agreed to by Design Professional and shall be applicable for any and all Services performed by Design Professional for TOWN and shall be incorporated (whether specifically referenced or not) into every Project Task Order, change order, contract or agreement (whether written or oral) entered into between Design Professional and TOWN. This Master Contract does not obligate or require TOWN to offer any Project Task Order to Design Professional, and no contract in relation to any specific Services shall be entered into until a Project Task Order therefore has been fully executed by TOWN and Design Professional.
2. Agreement to the terms set forth herein is a material and necessary precondition and inducement to TOWN entering into this Master Contract, and each Project Task Order, with Design Professional.

**2.1.2 Issuance of Project Task Orders:** TOWN may, in its sole discretion, issue a Project Task Order in the form attached hereto as Exhibit A, to Design Professional to perform the Services specified in the Project Task Order. Upon acceptance by the Design Professional, each Project Task Order, together with this Master Contract, shall constitute the Contract for performance of the Services set forth in the Project Task Order.

**2.1.3. General Conditions and Specifications:** TOWN has adopted standard General Conditions which apply to all construction projects and construction contracts entered into by TOWN ("General Conditions"). TOWN has also adopted and operates under the Standard Specifications and Details set forth in Section 3 of the General Conditions ("Standard Specifications"). Section 18 of the General Conditions apply to Design Professional and all of Design Professional's subconsultants and subcontractors must be aware of, abide by, and incorporate the General Conditions and Project Specific Provisions as they apply to the Project into Design Professional's performance of the Services, as well as all specifications, details, drawings, and or other documents generated under this Master Contract. Unless otherwise provided herein, the definitions in the General Conditions shall apply to this Master Contract and all documents related to this Master Contract. Any questions concerning the applicability of any specific provisions of the General Conditions or Specifications to the Project or the Services shall be directed in writing to the Contract Manager. The General Conditions are available on the Internet at: <https://www.queen creek.org/departments/finance-/procurement/bids-rfq>

**2.1.4 Conflicts:** In the event of a conflict between this Master Contract and the General Conditions or any exhibit hereto or appendix thereto, the terms of this Master Contract shall control, and the specific terms of a Project Task Order will control over the terms of this Master Contract.

## **2.2 DEFINITIONS**

The definitions in Section 2 and the additional definitions in Section 18 of the General Conditions apply to all the Contract Documents to this Master Contract and all Project Task Orders. Additional definitions or defined terms applicable to all the Contract Documents for this Project, if any, will be set forth in the applicable Project Task Orders.



## **2.3 TEAM APPROACH**

As set forth in the definition of "Team Approach" set forth in Section 2 of the General Conditions, TOWN desires to implement a comprehensive team approach to the design, construction, and documentation of all TOWN Projects. See also Section 18.2.2 of the General Conditions.

### **ARTICLE 3 – SERVICES**

- 3.1** Design Professional shall perform the Services required by, and in accordance with this Master Contract and as outlined in the applicable Project Task Order to the satisfaction of the Project Manager and in full compliance with Section 18.2 of the General Conditions, the General Standard of Care. In addition, Design Professional shall provide all of the Services set forth in Section 18.3 of the General Conditions, Services, as applicable to a specific Project Task Order and appropriate for the Project encompassed by the Project Task Order.

### **ARTICLE 4 – DELIVERABLES**

#### **4.1 DELIVERABLES AS PART OF THE SERVICES**

Design Professional shall provide all of the Deliverables required under the Project Task Order in the time specified, manner and format required by and to the satisfaction of TOWN.

#### **4.2 DESIGN PROFESSIONAL'S PRE-CONTRACT AND PRE-SERVICE DELIVERABLES**

- 4.2.1** Design Professional shall timely provide the Deliverables in accordance with Section 4.2 of the General Conditions, with the term "Design Professional" replacing "Contractor," and the word "Work" meaning the "Services". Unless otherwise provided in a Project Task Order, Sections 4.2.5 and 4.2.6 shall not apply.
- 4.2.2** Design Professional shall also timely provide to TOWN all of the Deliverables necessary to fully and timely complete all of the Services under a Project Task Order in compliance with Sections 18.2, 18.3 and 18.6 of the General Conditions.
- 4.2.3** Additional items, if any, which Design Professional must deliver to TOWN prior to commencing the Services on a Project shall be set forth in the Project Task Order.

### **ARTICLE 5 – TOWN RESPONSIBILITIES**

- 5.1** TOWN shall have the responsibilities, and provide the information specified in, and subject to the conditions set forth in, Section 5 of the General Conditions, with the term "Design Professional" replacing "Contractor," and the word "Work" meaning the "Services".
- 5.2** Additional services to be provided and responsibilities assumed, by TOWN, if any, shall be set forth in the Project Task Order.
- 5.3** Additional information to be provided by TOWN, if any, shall be set forth in the Project Task Order.



## **ARTICLE 6 – CONTRACT TIME**

Time is of the essence of this Master Contract and each Project Task Order. Design Professional shall complete all Services within the schedule set forth in the Project Task Order, and in full compliance with Sections 18.6.

## **ARTICLE 7 – CONTRACT PRICE**

The Contract Price to be paid by TOWN to Design Professional In exchange for the full, timely and acceptable performance of the Services under the Project Task Order shall be set forth in each Project Task Order and shall be subject to Sections 18.7 and

## **ARTICLE 8 – PAYMENT**

### **8.1 PAYMENT**

Unless otherwise set forth in the Project Task Order, TOWN shall pay the Design Professional for the Services as set forth in Section 18.8.1 of the General Conditions. In addition, Sections 18.5 through 18.7 shall apply to payments under this Master Contract and/or Project Task Orders.

### **8.2 TOWN'S RIGHT TO WITHHOLD PAYMENT**

TOWN may withhold payment to such extent as may be necessary in TOWN's opinion to protect TOWN from loss for which Design Professional is responsible, including, without limitation, for those reasons set forth in Section 8.5 of the General Conditions, with the term "Design Professional" replacing "Contractor," and the word "Work" meaning the "Services".

### **8.3 FINANCIAL RECORD KEEPING AND TOWN'S AUDIT RIGHT**

Section 8.9 of the General Conditions apply to Design Professional, this Master Contract and all Project Task Orders, with the term "Design Professional" replacing "Contractor," and the word "Work" meaning the "Services".

## **ARTICLE 9 – CHANGES TO THE CONTRACT**

**9.1** Changes to the Contract may be made in accordance with Section 9 of the General Conditions, with the term "Design Professional" replacing "Contractor," and the word "Work" meaning the "Services".

**9.2** In order to be effective, any and all changes or amendments in the Contract Documents must be in writing signed by the Parties.

## **ARTICLE 10 – SUSPENSION AND TERMINATION**

The Contract may be suspended and/or terminated in accordance with Section 10 of the General Conditions, with the term "Design Professional" replacing "Contractor," and the word "Work" meaning the "Services".

## **ARTICLE 11 – INSURANCE**

### **11.1 INSURANCE**

Design Professional shall provide insurance as provided on the attached Exhibit B, and in accordance with Section 11.1 of the General Conditions, as well as any additional insurance required under each Project Task Order. Design Professional shall provide proof of such



insurance and all required endorsements in form acceptable to TOWN prior to commencing any Services under the Contract.

**11.2 FAILURE TO PROVIDE**

Failure to provide proof of insurance and the required endorsements, in forms acceptable to TOWN, will be material breach and grounds for termination of the Contract by TOWN for cause.

**ARTICLE 12 – INDEMNIFICATION**

Design Professional shall have and assume the indemnity obligations set forth in Section 12 of the General Conditions.

**ARTICLE 13 – DISPUTE RESOLUTION**

**13.1** All disputes and claims arising out of or relating to the Contract, the Services, or the Project shall be resolved as set forth in Section 13 of the General Conditions, with the term “Design Professional” replacing “Contractor,” and the word “Work” meaning the “Services”.

**13.2** Design Professional shall continue performance of the Services as required under Section 18.6 of the General Conditions.

**ARTICLE 14 – MISCELLANEOUS PROVISIONS**

The Miscellaneous Provisions in Section 14 of the General Conditions shall apply to the Contract, with the term “Design Professional” replacing “Contractor,” and the word “Work” meaning the “Services”.



IN WITNESS WHEREOF, the parties hereto have executed this Master Contract through their duly authorized representatives, whose signatures bind their respective entities as of the effective date.

**“TOWN”**

**Town of Queen Creek**

Signature \_\_\_\_\_

Name      John Kross  

Title       Town Manager  

**ATTEST:**

Signature \_\_\_\_\_

Name      Maria Gonzalez  

Title       Town Clerk  

**APPROVED AS TO FORM:**

\_\_\_\_\_  
DICKINSON WRIGHT, PLLC  
TOWN Attomeys

**“DESIGN PROFESSIONAL”**

**Firm Name**

Signature \_\_\_\_\_

Name     \_\_\_\_\_

Title     \_\_\_\_\_





**EXHIBIT A – PROJECT TASK ORDER FORM**

**TOWN OF QUEEN CREEK,  
an Arizona municipal corporation (“TOWN”)**

---

**DESIGN PROFESSIONAL PROJECT ORDER**  
**Public Works and Capital Improvement Program Building**

**Project Task Order No. 01**  
**Contract No. \_\_\_\_\_**  
**Project No. MF018**

**THIS PROJECT ORDER** is made and entered into on the \_\_\_\_ day of May, 2022 by and between the Town of Queen Creek, Arizona, an Arizona municipal corporation, hereinafter called (“TOWN”) and the "Design Professional" designated below. This Project Task Order is entered in to pursuant to and incorporates herein the terms and provisions of the Design Professional Contract No. \_\_\_\_\_, dated May 4, 2022 between TOWN and Design Professional (“Contract”). Upon full execution of this Project Task Order, the Project Task Order, together with the Project Task Order Contract (including all of the Contract Documents as defined therein), shall be the Contract between the Parties for the professional services specified herein (“Services”).

TOWN and Design Professional agree as follows:

**TOWN:** **Town of Queen Creek**  
**Project Manager: Bob Coulthard**  
**Telephone: 480-358-3139**  
**E-mail: bob.coulthard@queencreekaz.gov**

**DESIGN PROFESSIONAL:** **Merge Architectural Group**  
**600 N. 4<sup>th</sup> Street, Suite 112**  
**Phoenix, AZ 85004**  
**Arizona Registration No.**  
**Federal Tax ID No.: 46-1850542**  
**Design Professional Representative: Clarisa del Castillo**  
**Telephone: 602-635-1581**  
**E-mail:**

**PROJECT DESCRIPTION:** This Project Task Order #01 is for the Architectural and Engineering services for the new Capital Improvement Program and Public Works Building at the Public Works Yard.

The Project is scheduled to commence upon approval and be completed no later than the agreed upon schedule to be submitted by the Design Professional .

**PROJECT SITE ADDRESS/LOCATION:** This Project Task Order # 01 is located at *E. Ryan Road, Queen Creek, Arizona 85142*



**PROJECT TASK ORDER PRICE (Not to Exceed): \$293,555.00**

1.  **Fixed Price:** All-inclusive in the above Project Task Order Price; or
2.  **Fee plus Costs:** The Project Order Task Fee is in the amount of \$\_\_\_\_\_ to be paid in installments based upon monthly progress reports and detailed invoices submitted by \_\_\_\_\_ in such form as approved by TOWN, to be paid subject to the following limitations:

**a. Documentation of Monthly Progress**

- i. Prior to approval of the preliminary documentation (or \_\_\_% of plans), the billed amount shall not exceed \_\_\_\_\_% of the total Contract Price.
- ii. Prior to approval of the final documentation (or \_\_\_% of plans) deliverable, the billed amount shall not exceed \_\_\_\_\_% of the total Contract Amount.
- iii. If the Services include the preparation of studies, design concepts, or other investigations, progress payments shall not exceed \_\_\_% of the total Contract Amount prior to submittal of the final report deliverables.

**b. Reimbursable Costs:** (Reimbursable costs are at state per diem rates for all travel, lodging, and incidentals.)

- i. The Project Task Order Reimbursable Cost is in the amount of \$\_\_\_\_\_ to be paid based upon monthly progress reports and detailed invoices submitted by \_\_\_\_\_ in such form as approved by TOWN

**c. Other:**

- i. Subcontractor Mark Up will be paid in the following manner: \_\_\_\_\_.
- ii. Unique Insurance and/or Bond Requirements: \_\_\_\_\_.
- iii. Unique Compliance with Government Provisions: \_\_\_\_\_.

**SCOPE OF SERVICES, DELIVERABLES, AND PROJECT SCHEDULE/DURATION:** Attached Exhibit A

**UNIQUE INSURANCE AND/OR BOND REQUIREMENTS (IF ANY)** (Article 11): Attached Exhibit B.

**PROJECT SPECIFIC CONDITIONS (IF ANY):** Attached Exhibit C.



IN WITNESS, WHEREOF, the parties hereto have executed this Project Order through their duly authorized representatives and bind their respective entities as of the effective date.

**“TOWN”**

Signature \_\_\_\_\_  
Name Gail Barney  
Title Mayor

**ATTEST:**

Signature \_\_\_\_\_  
Name Maria Gonzalez  
Title Town Clerk

**“DESIGN PROFESSIONAL”**

Signature \_\_\_\_\_  
Name \_\_\_\_\_  
Title \_\_\_\_\_



**PROJECT TASK ORDER # 01**

**EXHIBIT A – SCOPE OF WORK AND PROJECT SCHEDULE**



## PROJECT TASK ORDER # 01

### **EXHIBIT B - UNIQUE INSURANCE AND/OR BOND REQUIREMENTS (IF ANY)**

Design Professional shall secure and maintain, at his or her own expense, until completion of the contract, insurance coverage for all general, contractual and products liability risks normally associated with the goods and materials and/or services covered by this Contract.

a. The Design Professional shall secure and maintain during the life of this Contract, the insurance coverage set forth which shall include statutory Workers' Compensation, comprehensive general and automobile liability, Design Professional's liability insurance and errors and omissions professional liability. The comprehensive general and automobile liability limits shall be no less than one million dollars (\$1,000,000.00) combined single limit. The Design Professional's general liability limits shall be no less than one million dollars (\$1,000,000.00) for each occurrence and one million dollars (\$1,000,000.00) policy aggregate. The minimum amounts of coverage for Design Professional's professional liability shall be one million dollars (\$1,000,000.00). The Town (and to the fullest extent permitted by law, its council members, agents, representatives, officers, officials and employees) shall be named as an additional insured on all policies except errors and omissions professional liability and Workers' Compensation. All insurance coverage shall be written through carriers licensed in Arizona, or on an approved non-admitted list of carriers published by the Arizona Department of Insurance, and possessing an A.M. Best rating of at least A or better through Lloyd's of London. Should coverage be written on a claims-made basis, the Design Professional shall provide, prior to commencement of any work, an initial certificate of insurance evidencing required coverage limits from date of contract execution through date of policy expiration. Subsequently, a certificate of insurance or a renewal quotation accompanied by evidence of premium payment shall be presented a minimum of thirty (30) days prior to date of expiration of current certificate. Such certificate or evidence of continuous coverage shall be provided on a periodic basis for a minimum of two (2) years after completion of contract, and shall contain a certification that the claims period for such insurance is retroactive to the effective date of this Contract. In the event the Design Professional fails to provide such certificate of coverage retroactive to the beginning date of this Contract, the Town may, but shall not be required to, purchase insurance, if available, to protect itself against any losses which would have been covered by the errors and omissions policy Design Professional is required to maintain under this Article. If the Town elects to purchase the insurance under this provision, Design Professional shall be liable to the Town for all costs incurred by the Town for purchasing such insurance.

b. The Design Professional shall submit to the Town a certificate of insurance evidencing the coverage and limits stated in the foregoing paragraph within ten (10) days of award of this Contract. Insurance evidenced by the certificate shall not expire, be canceled, or materially changed without thirty (30) days prior written notice to the Town, and a statement to that effect must appear on the face of the certificate and the certificate shall be signed by a person authorized to bind the insurer. The amount of any errors and omissions deductible shall be stated on the face of the certificate. The Contract Administrator may require the Design Professional to furnish a financial statement establishing the ability of Design Professional to fund the deductible. If in the sole judgment of the Contract Administrator the financial statement does not establish the Design Professional's ability to fund the deductible, and no other provisions acceptable to the Contract Administrator are made to assure funding of the deductible, the Contract Administrator may, in his/her sole discretion, terminate this Contract and the Town will have no further obligation to the Design Professional.

c. Additional Insurance Requirements: The Design Professional is primarily responsible for the risk management of its Services under this Contract, including but not limited to obtaining and maintaining the required insurance and establishing and maintaining a reasonable risk control and safety program. Town reserves the right to amend the requirements herein at any time during the Contract subject to at least 30 days written notice. The Design Professional shall require any and all subconsultants and/or subcontractors



to maintain insurance as required herein naming Town and Design Professional as "Additional Insured" on all insurance policies, except errors and omissions professional liability and Workers' Compensation, and this shall be reflected on the Certificate of Insurance. The Design Professional's insurance coverage shall be primary insurance with respect to all other available sources. Coverage provided by the Design Professional shall not be limited to the liability assumed under the Indemnification provision of this Contract. The Town reserves the right to require complete copies of all insurance policies required by this Contract at any time. Failure to maintain the insurance policies as required by this Contract, or to provide evidence of renewal, constitutes a material breach of this Contract.



**PROJECT TASK ORDER # 01**

**EXHIBIT C**  
**PROJECT SPECIFIC CONDITIONS (IF ANY)**





March 31, 2021

**Town of Queen Creek**  
**Attn: Bradley Novacek, P.E.**  
Capital Improvement Program Engineer  
22350 South Ellsworth Road  
Queen Creek, AZ 85142  
P (480) 358-3740

**Re: Town of Queen Creek  
New CIP/PW Building**

Dear Mr. Novacek,

Thank you for the opportunity to present our fee proposal to develop Architectural and Engineering services for the new Town of Queen Creek CIP/PW Building to be developed at the Public Works Yard in Queen Creek Arizona.

After review of the scope of work described during our meeting and after doing some preliminary space planning analysis, we are providing a proposal for a 22,000 GSF 2-story building on a 1.5 acres. We have divided the project into 'Tasks' we will need to go through to make this project a reality and that we are describing in this document. Please take in consideration that this is a summary of a detailed process that has some variables, which can be defined with your team as the project evolves. The summary has been created in a chronological order that explains the development.

**PROJECT: Town of Queen Creek CIP/PW Building**

**ADDRESS: E. Ryan Road, Queen Creek Arizona, 85142**

**OWNER: Town of Queen Creek**  
22350 South Ellsworth Road  
Queen Creek, AZ 85142

## OVERALL PROJECT SCOPE DESCRIPTION:

1. Architectural/Engineering services for the following:
  - a. New 22,000 GSF Offices building, located on existing developed pad of 1.5 acres.
  - b. There are existing modular buildings on the site that will be demolished prior to initiate any work on this building. All demolishing will be done by ToQC.
  - c. Building program is to be defined as part of this scope of work, and tentatively the program is to include basic office functions for different Town Departments such as: open office area and private offices for 70 employees, large and small conference rooms, kitchenette & employee lounge, reception, restrooms & lockers, elevator/stairs, and exterior patio.
2. Once the configuration of the new facility is defined on the site, its layout, size and configuration, the Architect, with owner's authorization, will complete the following overall scope of work to obtain permits for construction.
  - a. Pre-application meeting data collection, analysis, and over the counter submittals, including Site Context, Site configuration, Floor Plans, proposed elevations to discuss with the Town of Queen Creek planning and development department, in goals of making sure the new construction documents will be in compliance with the Town requirements.
  - b. Design and construction documents for the new proposed building and site.
  - c. Submittals for permits for site and building, part of this scope of work.
  - d. Bidding and Negotiation Support.
  - e. Construction Administration Services.

The overall scope of work will be completed in the following tasks:

### **TASK 1 – PROGRAMMING:**

(Proposed Schedule – 10 Business Days)

#### **SCOPE OF SERVICES:**

The first step for this project will consist on understanding the basic functions and space requirements for the new facility, based on the interaction with Owner's management team or similar. These sessions will include the following:

- a. **Meetings and Coordination.** The architect will schedule with owner to schedule three (3) meetings, to discuss existing needs for the new facility, including staff roles, needs for space, user interaction, management needs, etc. with the goal to establish the building program, including required spaces, connectivity, functionality, estimated areas and other specific requirements.

- b. **Program Confirmation.** At completion of the program review, the architect will generate tabulated sheets with the program requirements including Room names, descriptions, requirements, sizes, interrelationships, for final owner approvals.

-End of Task 1-

**TASK 2 – SITE CONCEPTUAL DESIGN SERVICES:**

(Proposed - 20 Business Days, simultaneous with Task 3) (will vary depending on coordination with owner/owner's team availability)

**SCOPE OF SERVICES:**

The Conceptual Design will allow the owner to understand the possibilities of the site in terms of maximum buildable area, size, building configuration, open areas, landscape opportunities and restrictions of the site, vehicular and pedestrian access.

The Conceptual Design will be used to initiate communication with Owner's Team and Town of Queen Creek Planning and Development to determine possible limitations during the permitting process and submittals, this scope of work will include all required documentation required for the pre-application process with the Town.

The information generated on this phase will also help the owner to explain the projects to other parties through renderings, site aerial and bird eye views of the project.

- 1. **Conceptual Site Design:**
  - a. **Meetings and Coordination.** The architect will coordinate through two (2) meetings, the best utilization of the site and the restrictions/limitations. The architect will provide a working session as part of the second meeting to explore options and alternative options of the first meeting.
  - b. **Schematic Design Review:** The architect will generate preliminary sketches and will discuss with the owner information about:
    - i. Functionality of the access and egress to the site
    - ii. Landscape proposed areas
    - iii. Vehicle and pedestrian circulation
    - iv. Building-unit possible building foot prints
  - c. **Final Conceptual Design:** The architect will generate final information of the project that will include a final presentation of materials (in electronic and physical form) including the following:
    - i. Site Plan distribution
    - ii. Landscape proposed design
    - iii. Vehicular and Pedestrian Access
    - iv. Electrical Site Design and Photometrics
    - v. Off-street Parking and Vehicular circulation

-End of Task 2-

### **TASK 3 – BUILDING SCHEMATIC DESIGN SERVICES:**

(Proposed - 40 Business Days, simultaneous with Task 2) (will vary depending on coordination with owner/owner's team availability)

#### **SCOPE OF SERVICES:**

Once a program has been established, simultaneous to the Site Conceptual Design, the architect will initiate building schematic design with the following tasks:

1. Building Design:
  - a. **Meetings and Coordination.** The architect will coordinate through four meetings, the best unit configuration, the size of the units to be developed, and the restrictions/limitations. The architect will provide working sessions starting on the second meeting to explore options and alternative products of the first meeting.
  - b. **Schematic Design:** The architect will generate preliminary sketches and will discuss with the owner information about:
    - i. New Building floor plans
    - ii. New Building elevations/style/materials
  - c. **SD Cost Estimate:** The architect, based on the schematic design available will generate a cost estimate based on cost per square footage, based on RS Means data for the year.
  - d. **Final Conceptual Design:** The architect will generate final information of the project that will include a final presentation of materials (in electronic and physical form) including the following:
    - i. Building Floor Plan layouts
    - ii. Building Elevations and Sections
    - iii. Exterior Photorealistic Renderings (4)
    - iv. Interior Photorealistic Renderings (4)

-End of Task 3-

### **TASK 4 – DESIGN DEVELOPMENT (DD) AND CONSTRUCTION DOCUMENTS (CD) SERVICES:**

(Proposed - DD: 60 Business Days; CD: 60 Business Days)

#### **SCOPE OF SERVICES:**

At completion and approvals of the Schematic Design Services, the architect will initiate Design Development, followed by Construction Document Services.

The design A/E services phase includes all the necessary construction documents, drawings and specifications, required to obtain the required permits for the procurements of the project through a Design-Bid-Build format to be able to build the project. The required information includes the following tasks:

- a. **Civil Engineering Project Meetings and Coordination:** The architect will coordinate with the owner's consultant and will attend project management meetings with the client, owner, owner representative.
2. Site Plans.
- a. **Architectural Site.** Architect will provide a final preliminary and final site plan layout in coordination with civil engineer requirements to identify all the site elements to be built and the required details to explain the construction type, materials, and performance requirements.
  - b. **Electrical Site.** Engineer will provide electrical site drawings to show all required lighting at parking areas, pedestrian walkways, building access, vehicle access, gates and landscape features to comply with the requirements of Town of Queen Creek. Electrical site drawings will include the required details for all power and lighting such as fixture and outlets mounting, base type, as well as all the electrical properties of each proposed light fixture through a lighting schedule.
  - c. **Landscape Plans.** Landscape and irrigation drawings will be provided for the project including design of hardscape and landscape areas according to the design intent and based on the requirements established by the Town of Queen Creek during the pre-application process.
3. Building Design and Construction Documents.
- a. **Design Development (DD).** Upon completion and approval of the schematic design, the architect will generate Design Development Documents, which will consist in incorporating all coordination items by all the engineers part of the process, including structural, mechanical, plumbing, electrical, fire suppression and special systems; the result will be a set of construction documents (drawings and specifications) that can be used to review the project's budget, the possible changes required, and the basis to further develop the project into the final construction documents.
  - b. **DD Cost Estimate:** The architect, based on design development documents generated, will coordinate with the CMAR contractor to support them in their review of documents for a DD cost estimate.
  - c. **Construction Documents (CD).** Upon completion and approval of design development, the architect and consultant engineers will engage in the following tasks to provide Final Construction Documents as follows:
    - i. Further development of Design Development documents as a more detailed version to create final CD documents.
    - ii. Required project coordination and Design Quality Assurance (DQA) meetings with all consultants. All comments from these meetings will be incorporated into the final construction documents.
    - iii. Completion of architectural, structural, mechanical, plumbing, electrical, and special systems drawings and specifications for the new building with the minimum following information:
      - 1. General Notes
      - 2. Architectural Floor Plan
      - 3. Enlarged Floor plans

4. Structural Foundation
  5. Structural Framing
  6. Structural Details
  7. Building Elevations
  8. Building Sections
  9. Architectural Details
  10. Mechanical Floor Plan
  11. Mechanical Schedules
  12. Mechanical Details
  13. Plumbing Floor Plan
  14. Plumbing Schedules
  15. Water and Sewer Schematics
  16. Plumbing Details
  17. Electrical Floor Plan
  18. Electrical Riser Diagram
  19. Electrical Schedules
  20. Electrical Details
  21. Special Systems (A/V, Data)
  22. Fire Suppression, Fire line connection
  23. Fire Suppression, Fire Sprinklers
- iv. Provide complete stamped and signed calculations for every discipline.
    1. Structural
    2. Mechanical and Plumbing
    3. Electrical
    4. Fire Suppression
  - v. Stamped drawings in their 'finished' form, at scheduled date, for first submittal to corresponding city or review agency.
    1. Plans returned from permitting authority with comments and/or corrections will be returned to permitting authority within 10 (ten) days of receipt with the corrections requested.
- d. **CD Cost Estimate:** The architect, based on the construction documents generated, will coordinate with the CMAR contractor to support them in their review of documents for a CD cost estimate.
  - e. **Coordination.** Between architect, structural and MPE engineers to determine locations, size, and design criteria for all penetrations through walls, slabs, roof, as well as a clash collision detection of all the systems to be incorporated into the buildings.
  - f. **Specifications and Project Manual.** Architect will generate a book of specifications with the divisions by CSI format.

-End of Task 4-

## **TASK 5 – PERMITS – TOWN of QUEEN CREEK (ToQC)**

(Schedule – Varies by ToQC)

### **SCOPE OF SERVICES:**

The permit phase starts with the first submittals to the ToQC and Agencies to make sure a construction and occupancy permit can be obtained.

The submittals for permit will be done once TASK 4 has been completed and a set of construction documents and specifications is available. This phase has a time frame that can be variable depending on the Town's capacity to review and approve drawings.

-End of Task 5-

## **TASK 6 – CMAR AND GMP**

(Schedule to be determined – approximately 15 Working Days)

### **SCOPE OF SERVICES:**

The architect will assist the owner in the review of the final Guaranteed Maximum Price (AMP) review process.

- End of Task 6 -

## **TASK 7 – CONSTRUCTION ADMINISTRATION**

(Schedule to be determined – Estimated to be 14 Months)

### **SCOPE OF SERVICES:**

After acquisition of a building permit, and once the contractor has been selected through the bidding and negotiation process, the architect will initiate the construction administration services that typically include:

1. Bi-Weekly site visits and at intervals appropriate to the stage of construction, to become familiar with the quality of the work completed and to be able to assess if the work is being performed in conformance with the Contract Documents.
2. Authority to reject work that does not conform to the Contract Documents or to request inspections or testing of the work according to the Contract Documents.
3. Review and approval of Contractor's submittals and submittal schedules. Proposed changes to equipment or fixtures must first be reviewed by the Architect and approved by the Owner.
4. Review and approval of Contractor's Shop Drawings, Product Data Samples to make sure they are in conformance to the Contract Documents.



5. Review and response to contractor's Requests for Information (RFI's) to clarify portions of Contract Documents that are not clear, by providing additional sketches, drawings or specifications.
6. Review and approval under Owner's consent of any Contractor's or Owner's Change Orders. Proposed Change Orders must first be reviewed by the Architect and approved by the Owner.
7. Coordination and administration of minor changes in the work not involving an adjustment in the Contract Sum or an extension of the contract time and consistent with the intent of the Contract Documents.
8. Conduct inspections to determine the date or dates of substantial completion and the date of final completion.
9. Review and Certification of amounts due to the contractor by issuing Certificates (AIA 702) for Payment after Owner's internal review and account balancing, for final review by the Owner's representative for payment.
10. Maintenance of records of all Applications and Certificates for Payment.

-End of Task 7-

**PROPOSED FEES: (Not to Exceed)**

**TASK 1 – PROGRAMMING:** **\$ 5,190.00**  
Building Programming \$ 5,190.00

**TASK 2 – SITE CONCEPTUAL DESIGN** **\$ 12,960.00**  
Boundary and Topographic Survey Included in master site  
Geotechnical Engineering \$ 4,580.00  
Conceptual Civil Engineering \$ By Others  
Fire Flow Testing \$ 600.00  
Conceptual Architectural Site Plan \$ 7,780.00

**TASK 3 – BUILDING SCHEMATIC DESIGN SERVICES:** **\$ 17,950.00**  
Architectural Schematic Design \$ 12,970.00  
Structural Engineering Schematics \$ 4,980.00

**TASK 4 – DESIGN DEVELOPMENT AND CONSTRUCTION DOCUMENTS** **\$138,310.00**

Basic Services:

Architecture:

Design Development \$ 35,915.00  
Construction Documents \$ 39,900.00  
Structural Engineering \$ 19,920.00  
Mechanical and Plumbing Engineering \$ 16,175.00  
Electrical Engineering (Building & Site) \$ 17,125.00

Additional Services (by Consultants):

Civil Engineering:

Design Development \$ By others  
Construction Documents \$ By others  
Landscape Architecture (inc. hardscape) \$ 2,975.00  
Fire Suppression Engineering \$ 6,300.00

**OPTIONAL ADDITIONAL SERVICES:** **\$ 68,100.00**

Special Systems

Telecommunications (structure cabling) \$ 6,900.00  
Acoustical Design \$ 4,500.00  
Data A/V (excluding card readers) \$ 11,450.00  
Safety and Security \$ 5,800.00

Interior Design

Basic Interior Design \$ 6,100.00  
Millwork Design Package \$ 3,500.00  
Finishes Interior Documentation \$ 10,150.00  
Interior Signage \$ 3,550.00  
Furniture Consulting Services \$ 12,100.00  
Construction Administration \$ 4,050.00

**TASK 5 – PERMITS – TOWN OF QUEEN CREEK** **\$ 720.00**

Pre-application Submittal \$ 360.00  
Building Submittals \$ 360.00

**TASK 6 – BIDDING AND NEGOTIATION** **\$ 2,990.00**

Bidding Support:  
Architectural \$ 2,990.00

**TASK 7 – CONSTRUCTION ADMINISTRATION** **\$ 47,335.00**

Bi-Weekly Site Visits \$ 14,440.00  
Submittals Review including Shop Drawings,  
Office Administration, RFI, sketches, ASI's,  
Minor Changes to Construction Documents \$ 17,035.00  
Substantial and Final Completion Inspections \$ 3,440.00  
Consultants Construction Administration  
Civil \$ 7,120.00  
Landscape Architect \$ 700.00  
Structural \$ 1,900.00  
Mechanical-Plumbing \$ 1,500.00  
Electrical \$ 1,200.00

**REIMBURSABLE EXPENSES: (ALLOWANCE)** **\$ 750.00**

Final Printing for permit (Digital Format) \$ -  
Reproductions in Colors/Boards \$ 750.00

**FEE SUBTOTAL BASIC SERVICES:** **\$225,455.00**  
(W/O OPTIONAL SERVICES)

**FEE TOTAL ALL INCLUDED:** **\$293,555.00**

**REIMBURSABLES:**

Merge Architectural Group is recommending a reimbursable amount of \$ 750.00 according to the following reimbursable expenses and listed already on the fee proposal.

All reimbursables, except those passed through from our engineering consultants will be billed at 1.1 times cost to Merge Architectural Group and will include the following:

- Special reproductions in color and /or mounted on boards.

Receipts will be presented by Merge Architectural Group monthly invoices for all reimbursable items.

**LIST OF ASSUMPTIONS:**

1. Site is located at an existing developed site in E. Ryan Road in Queen Creek AZ.
2. Current zoning allows for the construction of the type of building being proposed.

3. Utilities by our Mechanical, Electrical & Plumbing (MEP) engineers will be located 5'-0" from the limits of the building, civil engineer to coordinate for any utilities with architect from that location into the main lines at the site if necessary.
4. Owner, through a third party Certified Laboratory, will conduct any material tests once the construction starts as well as any special inspections required.
5. Provide with any special requirement to be considered on the new design to be incorporated at the time of coordination.
6. Our fee includes expenses for traveling for all meetings for coordination listed above and as described on the reimbursable section.
7. Mechanical and plumbing design as standard or high efficiency at no additional charge.

**EXTRA SERVICES (Exclusions):**

1. Extra Services detailed here will be billed on an hourly basis based on the Hourly Rates table on this document, lump sums for other disciplines or a negotiated lump sum. Work for extra services will commence upon written authorization.
2. Items including but not limited to those listed below are specifically excluded from this proposal:
  - a. Off-Site Improvement Documents
  - b. Traffic Studies
  - c. Civil Engineering
  - d. Fire Alarm drawings, approvals to deferred submittals to be provided.
  - e. Architectural program that defines goals objectives, user populations, building space requirements, infrastructure needs and site amenity requirements, other than the listed program scope of work
  - f. Hazardous Materials handling and investigation
  - g. Historic Preservation of any existing building or compliance with existing buildings surrounding the new proposed building
  - h. Archeological Investigation
  - i. Construction phase materials testing
  - j. Environmental assessments including: Cultural, Biological, and Environmental.
  - k. FONSI (Founding of No Significant Impact) Study
  - l. Feasibility Studies
  - m. Signs – submittals for permits or approvals, design or other related documents of any kind
  - n. Interior furnishings and mobile fixture design, specification or selection. Can be selected from optional additional services
  - o. Record as-built documentation of any kind
  - p. Design and/or survey services to upgrade existing facilities (outside the scope of work above) to comply with the Federal, State or local regulations related to the Americans with Disabilities Act (ADA)
  - q. Evaluation or certification of the structural stability of existing structures on the site, expect as included above
  - r. Design, engineering, drawings or permit submittals for parking shade structures.

- s. City Design review and/or community engagement meetings
- t. Work related to procurement of zoning or building code variances related to this project
- u. Permit fees, approval application fees or plan check fees of any kind
- v. Evaluation of existing water line or survey, design, engineering, drawings or permit submittals for upsizing existing wet public infrastructure
- w. Applications and/or processing or use permits or special use permits
- x. Right-of-way procurement or dedication activities
- y. LEED Certification, (owner option if required)
- z. Special booster pumps for water pressure issues for domestic water or fire protection – we assume 60-80 psi water is available on site
- aa. Special waste systems, gray water recovery, solar, septic tanks, or sewage lift stations are additional if required
- bb. Special Inspections by Engineers
- cc. Unforeseen Conditions
- dd. Off-Site Utilities
- ee. Plotting/Printing Charges for Construction Phase

**MISCELLANEOUS:**

**Owner Supplied Items**

For this project to be a success, you will need to provide the following items to the Merge Architectural Group before work begins:

1. Any Existing Survey Files (if latest one, this will reduce fee).
2. Geotechnical Report (if available for the specific location, this will reduce fee).
3. Fire Flow Test

**Point of Contact**

For this project, your contact will be, principals Carlos Murrieta, AIA, and/or Clarisa del Castillo, AIA, so if you have any questions or concerns, please don't hesitate to call us.

**HOURLY RATES:**

Hourly rates apply for any additional work requested and not listed on this scope of work. Additional scope can be negotiated at the time of request also.

Registered Architect/Engineer	\$ 140.00
Project Manager	\$ 110.00
Architectural Designer	\$ 100.00
LEED Designer	\$ 100.00
Interior Designer	\$ 85.00
CAD/BIM Operator	\$ 70.00
Clerical	\$ 55.00

**COMPENSATION:**

Services will be rendered for the rates outlined above and are payable upon presentation of invoice. All fees are payable 30 days net per this agreement. Invoice will be generated on completion or after the last working day of each month whichever comes first. Interest will be charged at 18% per annum compounded monthly (1.5%) for balances carried beyond 30 days. The client will be responsible for all compensation to Merge Architectural Group regardless of the ownership or lease status of the subject real estate.

All fees are based on services provided by or through Merge Architectural Group LLC and its consulting engineers. All professional fees are included as noted above and will be paid through Merge Architectural Group LLC. If any other engineering services not specifically provided in this proposal are required and authorized as extra services, they will be paid to the parties rendering the services, through Merge Architectural Group LLC. Fees for these services will be billed as a separate line item on our invoices for record keeping purposes.

Payments for services shall be made monthly and shall be in proportion to services performed within each phase of service, as set forth above.

Extra Services for architectural work will be billed on an hourly basis, according to the hourly rates table provided in this agreement. Engineering extra services will be billed at prevailing hourly rates as quoted by consulting engineers plus 10% for architectural coordination and/or negotiated lump sum. Work will commence on extra services upon written authorization.

**AUTHORIZATION TO PROCEED:**

Authorization of this agreement is considered a Notice to Proceed defining the project start date. Work will begin immediately following owner signature of this document. The terms of this service proposal are enforceable at the time of signature.

Authorization – Please sign and send back a copy, Merge Architectural Group will initiate an AIA contract or other, based on Owner’s standard method of contracting.

Owner or Owner Representative agrees to the terms and conditions set forth above and do hereby authorize Merge Architectural Group LLC to commence work as defined above for the compensation stipulated.

Accepted this \_\_\_\_\_ day of \_\_\_\_\_, 2022.

By: Owner / Owner Representative: \_\_\_\_\_

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**Bradley Novacek, P.E.**  
Capital Improvement Program Engineer  
22350 South Ellsworth Road  
Queen Creek, AZ 85142  
P (480) 358-3740

Merge AG:

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**Clarisa del Castillo, AIA, NCARB, LEED ID+C**  
Merge Architectural Group LLC  
600 N 4<sup>th</sup> St, Suite 112,  
Phoenix AZ 85004





TOWN OF  
**QUEEN CREEK**  
ARIZONA

8.J

**TO: HONORABLE MAYOR AND TOWN COUNCIL**

**THROUGH: JOHN KROSS ICMA-CM, TOWN MANAGER**

**FROM: VANCE GRAY, FIRE CHIEF, LEE BARNES, DEPUTY FIRE CHIEF**

**RE: CONSIDERATION AND POSSIBLE APPROVAL OF THE INTERGOVERNMENTAL AGREEMENTS WITH THE CITY OF MESA, THE TOWN OF GILBERT, AND THE SUPERSTITION FIRE AND MEDICAL DEPARTMENT FOR BACK UP AMBULANCE SERVICES.**

**DATE: May 4, 2022**

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**Suggested Action:**

Approve the intergovernmental Agreements with the City of Mesa, the Town of Gilbert and the Superstition Fire and Medical Department for as needed back up ambulance transportation services and authorize the Mayor to execute the required documents.

**Relevant Council Goal(s):**

KRA 9: Public Safety (Fire, Emergency Services, and Police/Sheriff)

**Discussion:**

The Arizona Department of Health Services, Bureau of EMS requires CON holders to enter into “back up” agreements with other Certificate of Necessity (CON) holders in the adjacent area to provide transportation services in the event that a CON holders resources become overwhelmed and unavailable for service due to extreme call volume or multiple large scale incidents. These agreements will meet this requirement and ensure appropriate levels of service in the event that Town of Queen Creek ambulance resources are unavailable for any reason.

**Background**

In 2016, the Town of Queen Creek received a CON to provide ambulance transportation services from the Arizona State Department of Health Services. From 2016 to present, the Town has contracted with AMR to provide Emergency Transportation Services to the residence of the Town. As adjacent municipalities have municipalized this service AMR no longer has as many resources appropriately placed to provide back-up ambulance transportation services to the Town. As such, response times from AMR could be delayed. These agreements will allow the Town to utilize resources from the City of Mesa, the Town of Gilbert and the Superstition Fire and Medical District on an as needed, “by request” basis to maintain transportation service capability within the Town.

**Fiscal Impact:**

There is no negative fiscal impact from these agreements. Each agency will bill the end user for any transports that occur as a result of aid provided under the agreement.

**Alternatives:**

The Town Council could choose not to approve this resolution. In this case the Town would not receive back up ambulance services from the City of Mesa, the Town of Gilbert or the Superstition Fire and Medical District.

**Attachment(s):**

1. [Mesa and QC IGA for Backup Ambulance Services.pdf](#)
2. [SFMD and QC IGA for Backup Ambulance Services.pdf](#)
3. [Gilbert and QC IGA for Backup Ambulance Services.pdf](#)

**INTERGOVERNMENTAL AGREEMENT BETWEEN  
TOWN OF QUEEN CREEK AND  
THE CITY OF MESA FOR BACK-UP AMBULANCE SERVICES**

THIS INTERGOVERNMENTAL AGREEMENT ("AGREEMENT") is made and entered into on May 4, 2022, between the Town of Queen Creek, Arizona, a municipal corporation ("Queen Creek") and the City of Mesa, Arizona, a municipal corporation ("Mesa"), both of whom are collectively referred to as the "Parties" or individually as "Party".

RECITALS

WHEREAS, the City of Mesa and the Town of Queen Creek are authorized to enter into this Agreement pursuant to A.R.S. §§ 11-951 through 11-954, as amended, and A.A.C. R9-25-907; and

WHEREAS, both Queen Creek and Mesa provide ambulance service within their respective Certificates of Necessities (CON), and

WHEREAS, on March 16, 2016 the Arizona Department of Health Services granted Queen Creek's application for an initial Certificate of Necessity ("CON") to provide ambulance services (CON 144); and

WHEREAS, on July 23, 2015 the Arizona Department of Health Services granted Mesa's application for an initial Certificate of Necessity ("CON") to provide ambulance services (CON 140); and

WHEREAS, both Queen Creek and Mesa recognize the occurrence of a major emergency or simultaneous emergencies could overtax available equipment and resources within their respective CON service areas; and

WHEREAS, the Parties desire to provide ambulance services to each other in times of peak overload, simultaneous emergencies, and when resources are otherwise overtaxed.

NOW, THEREFORE, in consideration of the premises and the mutual covenants contained herein the Parties agree as follows:

## ARTICLE 1 - TERM

1.1 Term. The effective date of this Agreement shall be May 4], 2022 and shall renew automatically annually unless terminated by the Parties as set forth below. Either Party may terminate this Agreement with ninety (90) days prior written notice.

## ARTICLE 2- DUTIES AND LIMITATIONS

2.1 Services provided. Subject to such limitations as may be imposed by law and this Agreement, Queen Creek and Mesa are hereby authorized and empowered to provide ALS and BLS ambulance services in each other's CON areas, as requested by the other Party, to cover responses during times of peak overload, simultaneous emergencies, major emergencies and when resources are otherwise overtaxed.

### 2. 2 Requests.

A. The "Answering Agency" is the Agency that responds to the request for emergency medical services or non-emergency medical services. The "Requesting Agency" is the Agency requesting medical transportation services assistance under this Agreement.

B. An authorized official representing a Requesting Agency shall make all requests for aid. Each request for aid is subject to approval by an official of the Answering Agency, without charge to the Requesting Agency, and with the understanding that personnel and equipment of the Answering Agency shall be subject only to the liability, workers' compensation, and/or other insurance of that Answering Agency. Any request for assistance hereunder should include a statement of the amount and type of equipment and personnel requested and shall specify the location to which the equipment and response personnel are to be dispatched. However, an official of the Answering Agency shall determine the type and quantity of equipment and personnel to be furnished. The equipment and personnel of the Answering Agency shall at all times be under the supervision and control of the official(s) of that answering Agency. When emergency medical services are requested, the Answering Agency shall have its personnel report to the Incident Commander ("IC") or other scene commander at the location to which the equipment and personnel are dispatched. All activities shall be coordinated with the IC. Though coordination of activities occurs by the IC, the equipment and personnel of the Answering Agency shall be under the ultimate supervision of the designated personnel of the Answering Agency. The personnel of the Answering Agency shall coordinate the Answering Agency's efforts with the IC.

C. At no time shall the Answering Agency be expected to operate contrary to standing orders or protocols of its physician advisor, organizational policies, operating licenses, or federal or state regulations, except as specifically provided for in writing by local, state or federal authority and/or except when destination policies are otherwise modified as necessary.

D. If at any time the Answering Agency responds to a mutual aid call for emergency medical services where the Requesting Agency is not at the scene, the Answering

Agency will follow the treatment protocols and procedures of its physician advisor or other medical control, pursuant to the applicable Incident Command System. Response personnel shall contact the medical base of their own Agency for further orders and designation sites.

E. The personnel of each Agency, while engaged in performing any mutual aid service, activity, or undertaking under provisions of this Agreement, shall have and retain all rights and privileges notwithstanding that mutual aid service is being performed in or for the other Agency. Additionally, the Answering Agency's physician advisor and appropriate medical protocols shall govern the Answering Agency's actions.

F. The Answering Agency shall be responsible for all patient and third-party billing and agrees that the rates to be billed shall comply with applicable laws.

### ARTICLE 3 - MISCELLANEOUS

3.1 Headings. Section headings contained in this Agreement are for reference purposes only and shall not affect in any way meaning or interpretation of this Agreement.

3.2 Entire Agreement: Modification. This Agreement contains the complete expression of the agreement between the Parties with respect to the subject matter hereof and there are no promises, representations or inducements except as herein provided. The terms and provisions of this Agreement may not be modified, supplemented or amended except in writing signed by both Parties hereto. All terms and provisions of this Agreement shall be binding upon and inure to the benefit of and be enforceable by the respective successors and permitted assigns of the Parties hereto.

3.3 No Waiver. Failure by either Party hereto to enforce at any time or for any period of time any provision or right hereunder shall not constitute a waiver of such provision or of the right of such party thereafter to enforce each and every such provision.

3.4 Governing Law. This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of Arizona notwithstanding the conflict of law principals of such state. Any arbitration or litigation shall be conducted in Maricopa County, Arizona. The prevailing party in any litigation concerning this Agreement shall be entitled to reimbursement of its reasonable costs, including legal and accounting fees, incurred in connection with any such matter.

3.5 Conflict of Interest. Parties reserve the right to cancel this Agreement for possible conflicts of interest pursuant to A.R.S. §38-511, as amended.

3.6 Performance: Indemnification. In regard to performance of this Agreement, Queen Creek and Mesa both agree to indemnify and save harmless the other Party from and against all claims, suits, damages, liabilities, losses, and expenses arising out of or resulting from (i) damage to, or loss of use of, the other Parties property incurred by reason of the negligent act or omission of the indemnifying Party, (ii) injury or death of a third party which is a result of the negligent act or omission of the indemnifying party in

the course of performance of this Agreement, or (iii) the indemnifying Party's failure to comply with any applicable laws or regulations. Nothing herein shall be construed to modify the gross negligence standard of A.R.S. § 48-818.

3.7 Execution. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. The signature pages from one or more counterparts may be removed from such counterparts and such signature pages all attached to a single instrument so that the signatures of all Parties may be physically attached to a single document.

3.8 Notices. All notices from the Parties shall be mailed or hand-delivered to:

Town of Queen Creek  
22358 S Ellsworth Rd  
Queen Creek, AZ 85142  
Attention: Fire Chief

City of Mesa  
13 West 1st Street  
Mesa, AZ 85201  
Attention: Fire and Medical Chief

3.9 Privacy –Confidential Information. Each Party acknowledges that its employees or agents may, in the performance of its obligations under this Agreement, come into possession of information that is confidential or privileged. In that event, said Party shall maintain the private or confidential nature of that information, and shall comply with state and federal law, including any requirements imposed by HIPAA. In addition, each Party agrees to execute a Business Associate Agreement if required.

3.10 HIPAA. Each Party agrees to comply with the privacy regulations pursuant to Public Law 104-191 of August 21, 1996, known as the Health Insurance Portability and Accountability Act of 1996, Subtitle F – Administrative Simplification, Sections 261, et seq., as amended (“HIPAA”), to protect the privacy of any personally identifiable protected health information (“PHI”) that is collected, processed or learned as a result of this Agreement. Each Party agrees not to use or disclose PHI except as permitted by law. The Parties agree to enter into a Business Associate Agreement with each other if required by law.

3.11 Legal Arizona Workers Act. To the extent applicable, the Parties are required to comply with A.R.S. §41-4401, and hereby warrant that they will, at all times during the term of this Agreement, comply with all federal immigration laws applicable to the employment of their respective employees, the requirements of A.R.S. §41- 4401, and with three-verification requirements of A.R.S. §23-214(A) (together the "state and federal immigration laws"). Mesa further agrees to ensure that each subcontractor that performs any work on behalf of Mesa under this Agreement likewise complies with the state and federal immigration laws.

A breach by either Party of a warranty regarding compliance with the state and federal immigration laws shall be deemed a material breach of the Agreement and said Party may be subject to penalties up to and including termination of the Agreement.

3.12 Non-Appropriation. This Agreement shall be subject to available funding for either Party and nothing in this Agreement shall bind the other Party to expenditures in excess of funds appropriated and allotted for the purposes outlined in this Agreement.

3.13 While not anticipated, pursuant to the provisions of A.R.S. § 11-952(B)(4), in the event of termination, any property contributed by either Party shall be returned to the respective Party.



IN WITNESS WHEREOF the Parties hereto have placed signatures on the day and year noted below.

**Town of Queen Creek**

**City of Mesa Fire and Medical  
Department**

\_\_\_\_\_  
Gail Barney, Mayor

\_\_\_\_\_  
Mary Cameli, Fire Chief

ATTEST:

ATTEST:

\_\_\_\_\_  
Maria Gonzalez, Town Clerk

\_\_\_\_\_  
DeeAnn Mickelson, City Clerk

APPROVED AS TO FORM:

APPROVED AS TO FORM:

\_\_\_\_\_  
Scott Holcolmb, Town Attorney

\_\_\_\_\_  
Jim Smith, City Attorney

**INTERGOVERNMENTAL AGREEMENT BETWEEN  
TOWN OF QUEEN CREEK AND  
THE SUPERSTITION FIRE & MEDICAL DISTRICT  
FOR BACK-UP AMBULANCE SERVICES**

THIS INTERGOVERNMENTAL AGREEMENT ("AGREEMENT") is made and entered into on May 4, 2022 between the Town of Queen Creek, Arizona, a municipal corporation ("Queen Creek") and the Superstition Fire & Medical District, a political subdivision of the State of Arizona ("SFMD"), both of whom are collectively referred to as the "Parties" or individually as "Party".

RECITALS

WHEREAS, the Superstition Fire & Medical District and the Town of Queen Creek are authorized to enter into this Agreement pursuant to A.R.S. §§ 11-951 through 11-954, as amended, and A.A.C. R9-25-907; and

WHEREAS, both Queen Creek and SFMD provide ambulance service within their respective Certificates of Necessities (CON), and

WHEREAS, on March 17th, 2015 the Arizona Department of Health Services granted Queen Creek's application for an initial Certificate of Necessity ("CON") to provide ambulance services (CON 144); and

WHEREAS, on March 17th, 2015 the Arizona Department of Health Services granted SFMD's application for an initial Certificate of Necessity ("CON") to provide ambulance services (CON 137); and

WHEREAS, both Queen Creek and SFMD recognize the occurrence of a major emergency or simultaneous emergencies could overtax available equipment and resources within their respective CON service areas; and

WHEREAS, the Parties desire to provide ambulance services to each other in times of peak overload, simultaneous emergencies, and when resources are otherwise overtaxed.

NOW, THEREFORE, in consideration of the premises and the mutual covenants contained herein the Parties agree as follows:

## ARTICLE 1 - TERM

1.1 Term. The effective date of this Agreement shall be May 4, 2022 and shall renew automatically annually unless terminated by the Parties as set forth below. Either Party may terminate this Agreement with ninety (90) days prior written notice.

## ARTICLE 2- DUTIES AND LIMITATIONS

2.1 Services provided. Subject to such limitations as may be imposed by law and this Agreement, Queen Creek and SFMD are hereby authorized and empowered to provide Advance Life Support (“ALS”) and Basic Life Support (“BLS”) ambulance services in each other's CON areas, as requested by the other Party, to cover responses during times of peak overload, simultaneous emergencies, major emergencies and when resources are otherwise overtaxed.

### 2. 2 Requests.

A. The “Answering Agency” is the Agency that responds to the request for emergency medical services or non-emergency medical services. The “Requesting Agency” is the Agency requesting medical transportation services assistance under this Agreement.

B. An authorized official representing a Requesting Agency shall make all requests for aid. Each request for aid is subject to approval by an official of the Answering Agency, without charge to the Requesting Agency, and with the understanding that personnel and equipment of the Answering Agency shall be subject only to the liability, workers' compensation, and/or other insurance of that Answering Agency. Any request for assistance hereunder should include a statement of the amount and type of equipment and personnel requested and shall specify the location to which the equipment and response personnel are to be dispatched. However, an official of the Answering Agency shall determine the type and quantity of equipment and personnel to be furnished. The equipment and personnel of the Answering Agency shall at all times be under the supervision and control of the official(s) of that answering Agency. When emergency medical services are requested, the Answering Agency shall have its personnel report to the Incident Commander (“IC”) or other scene commander at the location to which the equipment and personnel are dispatched. All activities shall be coordinated with the IC. Though coordination of activities occurs by the IC, the equipment and personnel of the Answering Agency shall be under the ultimate supervision of the designated personnel of the Answering Agency. The personnel of the Answering Agency shall coordinate the Answering Agency's efforts with the IC.

C. At no time shall the Answering Agency be expected to operate contrary to standing orders or protocols of its physician advisor, organizational policies, operating licenses, or federal or state regulations, except as specifically provided for in writing by local, state or federal authority and/or except when destination policies are otherwise modified as necessary.

D. If at any time the Answering Agency responds to a mutual aid call for emergency medical services where the Requesting Agency is not at the scene, the Answering Agency will follow the treatment protocols and procedures of its physician advisor or other medical control, pursuant to the applicable Incident Command System. Response personnel shall contact the medical base of their own Agency for further orders and designation sites.

E. The personnel of each Agency, while engaged in performing any mutual aid service, activity, or undertaking under provisions of this Agreement, shall have and retain all rights and privileges notwithstanding that mutual aid service is being performed in or for the other Agency. Additionally, the Answering Agency's physician advisor and appropriate medical protocols shall govern the Answering Agency's actions.

F. The Answering Agency shall be responsible for all patient and third-party billing and agrees that the rates to be billed shall comply with applicable laws.

### ARTICLE 3 - MISCELLANEOUS

3.1 Headings. Section headings contained in this Agreement are for reference purposes only and shall not affect in any way meaning or interpretation of this Agreement.

3.2 Entire Agreement: Modification. This Agreement contains the complete expression of the agreement between the Parties with respect to the subject matter hereof and there are no promises, representations or inducements except as herein provided. The terms and provisions of this Agreement may not be modified, supplemented or amended except in writing signed by both Parties hereto. All terms and provisions of this Agreement shall be binding upon and insure to the benefit of and be enforceable by the respective successors and permitted assigns of the Parties hereto.

3.3 No Waiver. Failure by either Party hereto to enforce at any time or for any period of time any provision or right hereunder shall not constitute a waiver of such provision or of the right of such party thereafter to enforce each and every such provision.

3.4 Governing Law. This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of Arizona notwithstanding the conflict of law principals of such state. Any arbitration or litigation shall be conducted in Maricopa County, Arizona. The prevailing party in any litigation concerning this Agreement shall be entitled to reimbursement of its reasonable costs, including legal and accounting fees, incurred in connection with any such matter.

3.5 Conflict of Interest. Parties reserve the right to cancel this Agreement for possible conflicts of interest pursuant to A.R.S. §38-511, as amended.

3.6 Performance: Indemnification. In regard to performance of this Agreement, Queen Creek and SFMD both agree to indemnify and save harmless the other Party from and against all claims, suits, damages, liabilities, losses, and expenses arising out of or resulting from (i) damage to, or loss of use of, the other Parties property incurred by

reason of the negligent act or omission of the indemnifying Party, (ii) injury or death of a third party which is a result of the negligent act or omission of the indemnifying party in the course of performance of this Agreement, or (iii) the indemnifying Party's failure to comply with any applicable laws or regulations. Nothing herein shall be construed to modify the gross negligence standard of A.R.S. § 48-818.

3.7 Execution. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. The signature pages from one or more counterparts may be removed from such counterparts and such signature pages all attached to a single instrument so that the signatures of all Parties may be physically attached to a single document.

3.8 Notices. All notices from the Parties shall be mailed or hand-delivered to:

Town of Queen Creek  
22358 S. Ellsworth Road  
Queen Creek, AZ 85142  
Attention: Fire Chief

Superstition Fire & Medical District  
565 N. Idaho Rd.  
Apache Junction, AZ 85119  
Attention: Fire Chief

3.9 Privacy –Confidential Information. Each Party acknowledges that its employees or agents may, in the performance of its obligations under this Agreement, come into possession of information that is confidential or privileged. In that event, said Party shall maintain the private or confidential nature of that information, and shall comply with state and federal law, including any requirements imposed by HIPAA. In addition, each Party agrees to execute a Business Associate Agreement if required.

3.10 HIPAA. Each Party agrees to comply with the privacy regulations pursuant to Public Law 104-191 of August 21, 1996, known as the Health Insurance Portability and Accountability Act of 1996, Subtitle F – Administrative Simplification, Sections 261, et seq., as amended (“HIPAA”), to protect the privacy of any personally identifiable protected health information (“PHI”) that is collected, processed or learned as a result of this Agreement. Each Party agrees not to use or disclose PHI except as permitted by law. The Parties agree to enter into a Business Associate Agreement with each other if required by law.

3.11 Legal Arizona Workers Act. To the extent applicable, the Parties are required to comply with A.R.S. §41-4401, and hereby warrant that they will, at all times during the term of this Agreement, comply with all federal immigration laws applicable to the employment of their respective employees, the requirements of A.R.S. §41- 4401, and with the e-verification requirements of A.R.S. §23-214(A) (together the "state and federal immigration laws"). Both parties agree to ensure that each subcontractor that performs

any work on their behalf under this Agreement likewise complies with the state and federal immigration laws.

A breach by either Party of a warranty regarding compliance with the state and federal immigration laws shall be deemed a material breach of the Agreement and said Party may be subject to penalties up to and including termination of the Agreement.

3.12 Non-Appropriation. This Agreement shall be subject to available funding for either Party and nothing in this Agreement shall bind the other Party to expenditures in excess of funds appropriated and allotted for the purposes outlined in this Agreement.

3.13 While not anticipated, pursuant to the provisions of A.R.S. § 11-952(B)(4), in the event of termination, any property contributed by either Party shall be returned to the respective Party.

IN WITNESS WHEREOF the Parties hereto have placed signatures on the day and year noted below.

**Town of Queen Creek**

**Superstition Fire & Medical District**

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
John Whitney, Fire Chief

ATTEST:

ATTEST:

\_\_\_\_\_  
Town Clerk

\_\_\_\_\_  
Jeff Cross, Board Clerk

APPROVED AS TO FORM:

APPROVED AS TO FORM:

\_\_\_\_\_  
Town Attorney

\_\_\_\_\_  
William Whittington, Board Attorney

**INTERGOVERNMENTAL AGREEMENT FOR BACK-UP AMBULANCE SERVICES  
BETWEEN THE TOWN OF GILBERT AND  
THE TOWN OF QUEEN CREEK**

THIS INTERGOVERNMENTAL AGREEMENT ("AGREEMENT") is made and entered into as of the January 25, 2022 ("Effective Date") between the TOWN OF GILBERT, an Arizona municipal corporation ("Gilbert"), and the TOWN OF QUEEN CREEK, an Arizona municipal corporation ("Queen Creek"), collectively known herein as the "Parties" and each individually as "Party."

RECITALS

WHEREAS, the Parties are authorized to enter into this Agreement pursuant to A.R.S. §§ 11-951 through 11-954, as amended, and A.A.C. R9-25-907; and

WHEREAS, the Parties provide ambulance service within their respective Certificates of Necessities (CON), and

WHEREAS, on November 9, 2017, the Arizona Department of Health Services granted Gilbert's application for an initial Certificate of Necessity ("CON") to provide ambulance services (CON 149); and

WHEREAS, on March 16, 2016, the Arizona Department of Health Services granted Queen Creek's application for an initial Certificate of Necessity ("CON") to provide ambulance services (CON 144); and

WHEREAS, the Parties recognize the occurrence of a major emergency or simultaneous emergencies could overtax available equipment and resources within their respective CON service areas; and

WHEREAS, the Parties desire to provide ambulance services to each other in times of peak overload, simultaneous emergencies, and when resources are otherwise overtaxed.

NOW, THEREFORE, in consideration of the promises and the mutual covenants contained herein, the Parties agree as follows:



## AGREEMENT

### ARTICLE 1 - TERM

1.1 Term. The effective date of this Agreement shall be January 25, 2022 and shall renew automatically annually unless terminated by the Parties as set forth below. Either Party may terminate this Agreement with ninety (90) days prior written notice.

### ARTICLE 2 - DUTIES AND LIMITATIONS

2.1 Services provided. Subject to such limitations as may be imposed by law and this Agreement, the Parties are hereby authorized and empowered to provide ALS and BLS ambulance services in each other's CON areas, as requested by the other Party, to cover responses during times of peak overload, simultaneous emergencies, major emergencies and when resources are otherwise overtaxed.

#### 2.2 Requests.

A. The "Answering Agency" is the Agency that responds to the request for emergency medical services or non-emergency medical services. The "Requesting Agency" is the Agency requesting medical transportation services assistance under this Agreement.

B. An authorized official representing a Requesting Agency shall make all requests for aid. Each request for aid is subject to approval by an official of the Answering Agency, without charge to the Requesting Agency, and with the understanding that personnel and equipment of the Answering Agency shall be subject only to the liability, workers' compensation, and/or other insurance of that Answering Agency. Any request for assistance hereunder should include a statement of the amount and type of equipment and personnel requested and shall specify the location to which the equipment and response personnel are to be dispatched. However, an official of the Answering Agency shall determine the type and quantity of equipment and personnel to be furnished. The equipment and personnel of the Answering Agency shall at all times be under the supervision and control of the official(s) of that answering Agency. When emergency medical services are requested, the Answering Agency shall have its personnel report to the Incident Commander ("IC") or other scene commander at the location to which the equipment and personnel are dispatched. All activities shall be coordinated with the IC. Though coordination of activities occurs by the IC, the equipment and personnel of the Answering Agency shall be under the ultimate supervision of the designated personnel of the Answering Agency. The personnel of the Answering Agency shall coordinate the Answering Agency's efforts with the IC.

C. At no time shall the Answering Agency be expected to operate contrary to standing orders or protocols of its physician advisor, organizational policies, operating licenses, or federal or state regulations, except as specifically provided for in writing by local, state or federal authority and/or except when destination policies are otherwise modified as necessary.

D. If at any time the Answering Agency responds to a mutual aid call for emergency medical services where the Requesting Agency is not at the scene, the Answering

Agency will follow the treatment protocols and procedures of its physician advisor or other medical control, pursuant to the applicable Incident Command System. Response personnel shall contact the medical base of their own Agency for further orders and designation sites.

E. The personnel of each Agency, while engaged in performing any mutual aid service, activity, or undertaking under provisions of this Agreement, shall have and retain all rights and privileges notwithstanding that mutual aid service is being performed in or for the other Agency. Additionally, the Answering Agency's physician advisor and appropriate medical protocols shall govern the Answering Agency's actions.

F. The Answering Agency shall be responsible for all patient and third-party billing and agrees that the rates to be billed shall comply with applicable laws.

### ARTICLE 3 - MISCELLANEOUS

3.1 Headings. Section headings contained in this Agreement are for reference purposes only and shall not affect in any way meaning or interpretation of this Agreement.

3.2 Entire Agreement: Modification. This Agreement contains the complete expression of the agreement between the Parties with respect to the subject matter hereof and there are no promises, representations or inducements except as herein provided. The terms and provisions of this Agreement may not be modified, supplemented or amended except in writing signed by both Parties hereto. All terms and provisions of this Agreement shall be binding upon and insure to the benefit of and be enforceable by the respective successors and permitted assigns of the Parties hereto.

3.3 No Waiver. Failure by either Party hereto to enforce at any time or for any period of time any provision or right hereunder shall not constitute a waiver of such provision or of the right of such party thereafter to enforce each and every such provision.

3.4 Governing Law. This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of Arizona notwithstanding the conflict of law principals of such state. Any arbitration or litigation shall be conducted in Maricopa County, Arizona. The prevailing party in any litigation concerning this Agreement shall be entitled to reimbursement of its reasonable costs, including legal and accounting fees, incurred in connection with any such matter.

3.5 Conflict of Interest. Parties reserve the right to cancel this Agreement for possible conflicts of interest pursuant to A.R.S. §38-511, as amended.

3.6 Performance: Indemnification. In regard to performance of this Agreement, Gilbert and Queen Creek both agree to indemnify, defend, and hold harmless the other Party from and against all claims, suits, damages, liabilities, losses, and expenses arising out of or resulting from (i) damage to, or loss of use of, the other Parties property incurred by reason of the negligent act or omission of the indemnifying Party, (ii) injury or death of a third party which is a result of the negligent act or omission of the indemnifying party in

the course of performance of this Agreement, or (iii) the indemnifying Party's failure to comply with any applicable laws or regulations. Nothing herein shall be construed to modify the gross negligence standard of A.R.S. § 48-818.

3.7 Execution. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. The signature pages from one or more counterparts may be removed from such counterparts and such signature pages all attached to a single instrument so that the signatures of all Parties may be physically attached to a single document.

3.8 Notices. All notices from the Parties shall be mailed or hand-delivered to:

Town of Gilbert  
Attention: Fire Chief  
85 East Civic Center  
Gilbert, AZ 85296

Town of Queen Creek  
Attention: Fire Chief  
22358 South Ellsworth Rd.  
Queen Creek, AZ 85142

3.9 Privacy –Confidential Information. Each Party acknowledges that its employees or agents may, in the performance of its obligations under this Agreement, come into possession of information that is confidential or privileged. In that event, said Party shall maintain the private or confidential nature of that information, and shall comply with state and federal law, including any requirements imposed by HIPAA. In addition, each Party agrees to execute a Business Associate Agreement if required.

3.10 HIPAA. Each Party agrees to comply with the privacy regulations pursuant to Public Law 104-191 of August 21, 1996, known as the Health Insurance Portability and Accountability Act of 1996, Subtitle F – Administrative Simplification, Sections 261, et seq., as amended (“HIPAA”), to protect the privacy of any personally identifiable protected health information (“PHI”) that is collected, processed or learned as a result of this Agreement. Each Party agrees not to use or disclose PHI except as permitted by law. The Parties agree to enter into a Business Associate Agreement with each other if required by law.

3.11 Legal Arizona Workers Act. To the extent applicable, the Parties are required to comply with A.R.S. §41-4401, and hereby warrant that they will, at all times during the term of this Agreement, comply with all federal immigration laws applicable to the employment of their respective employees, the requirements of A.R.S. §41- 4401, and with three-verification requirements of A.R.S. §23-214(A) (together the "state and federal immigration laws"). Both parties agree to ensure that each subcontractor that performs any work on their behalf under this Agreement likewise complies with the state and federal immigration laws.

A breach by either Party of a warranty regarding compliance with the state and federal immigration laws shall be deemed a material breach of the Agreement and said Party may be subject to penalties up to and including termination of the Agreement.

3.12 Non-Appropriation. This Agreement shall be subject to available funding for either Party and nothing in this Agreement shall bind the other Party to expenditures in excess of funds appropriated and allotted for the purposes outlined in this Agreement.

3.13 While not anticipated, pursuant to the provisions of A.R.S. § 11-952(B)(4), in the event of termination, any property contributed by either Party shall be returned to the respective Party.

...

IN WITNESS WHEREOF the Parties hereto have placed signatures on the day and year noted above.

**Town of Gilbert**

**Town of Queen Creek**

DocuSigned by:  
Brigitte Peterson 1/26/2022  
Brigitte Peterson, Mayor

\_\_\_\_\_  
Gail Barney, Mayor

ATTEST:

ATTEST:

DocuSigned by:  
Chavez Herrera  
Chavez Herrera, Town Clerk

\_\_\_\_\_  
Maria E. Gonzalez, Town Clerk

APPROVED AS TO FORM: The undersigned attorney acknowledges that they have reviewed the above agreement on behalf of Gilbert, and has determined that this Agreement is in proper form and is within the powers and authority granted to Gilbert under the laws of the State of Arizona.

APPROVED AS TO FORM: The undersigned attorney acknowledges that they have reviewed the above agreement on behalf of Queen Creek, and has determined that this Agreement is in proper form and is within the powers and authority granted to Queen Creek under the laws of the State of Arizona.

DocuSigned by:  
Chris Payne  
Chris Payne, Town Attorney

\_\_\_\_\_  
Scott Holcomb, Town Attorney



TOWN OF  
**QUEEN CREEK**  
ARIZONA

8.K

**TO:** HONORABLE MAYOR AND TOWN COUNCIL  
**THROUGH:** JOHN KROSS ICMA-CM, TOWN MANAGER  
**FROM:** VANCE GRAY, FIRE CHIEF, LEE BARNES, DEPUTY FIRE CHIEF  
**RE:** CONSIDERATION AND POSSIBLE APPROVAL OF AN INTERGOVERNMENTAL AGREEMENT WITH THE CITY OF MESA TO PROVIDE PARAMEDIC EDUCATION SERVICES.  
**DATE:** May 4, 2022

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**Suggested Action:**

Approve an Intergovernmental Agreement with the City of Mesa to provide paramedic education services and authorize the Mayor to execute the required documents.

**Relevant Council Goal(s):**

KRA 9: Public Safety (Fire, Emergency Services, and Police/Sheriff)

**Discussion:**

The Queen Creek Fire and Medical Department provides Advanced Life Support services to the citizens of the Town via paramedic trained firefighters that staff the various operational companies of the Department. These paramedics are trained in an accredited education program that provides the requisite classroom education, and facilitates the required clinical and field internships. We seek to enter into an Intergovernmental Agreement with the City of Mesa to provide this service.

**Background**

Since 2012, the Town has sent firefighters to Central Arizona College for paramedic training. This year the college dissolved its paramedic-training program. After researching costs and services offered by other educational institutions in the region, the partners in the Automatic Aid Consortium agreed that, it would be best to provide this service from within the valley fire agencies. As such, the City of Mesa has pursued accreditation to provide this educational service to the region's fire agencies. This program will facilitate seamless integration of paramedic training into the east valley automatic aid system. By the City of Mesa attaining accreditation to deliver this education it will be assured that the educational standards required of the previous college program will be maintained and the quality of education provided to our students will not suffer.

**Fiscal Impact:**

There is no negative fiscal impact from these agreements. The cost of the program has been modeled

on community college tuition, which has already been placed into the budget.

**Alternatives:**

The Town Council could choose not to approve this resolution. In this case, the Town would pursue paramedic education services through an alternate provider.

**Attachment(s):**

1. [City of Mesa IGA Relating to Firefighter Paramedic School - Queen Creek.pdf](#)

INTERGOVERNMENTAL AGREEMENT BETWEEN THE CITY OF MESA  
AND THE TOWN OF QUEEN CREEK

RELATING TO FIREFIGHTER PARAMEDIC SCHOOL

This Intergovernmental Agreement (“Agreement”) is entered into this \_\_\_ day of \_\_\_\_\_, 2022, by and between the City of Mesa, an Arizona municipal corporation (hereinafter “City”) and the Town of Queen Creek (the “Agency”). Throughout this Agreement, the City and Agency individually may be referred to as “Party” and may be referred to collectively as “Parties” to this Agreement.

**RECITALS**

**WHEREAS**, the City and the Agency are authorized and empowered to enter into intergovernmental agreements for the provision of services or for joint or cooperative action pursuant to A.R.S. § 11-952.

**WHEREAS**, the City operates a Paramedic School, by and through its Fire and Medical Department, that follows the standards and guidelines for CoAEMSP and CAAHEP accreditation.

**WHEREAS**, the Agency desires to enroll qualified members in the City’s Paramedic School as students (“Students”).

**WHEREAS**, the City desires to accept Students in accordance with the terms and conditions of this Agreement.

**NOW THEREFORE**, in consideration of the above recitals, the terms and conditions hereinafter set forth, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and for their mutual reliance, the Parties agree as follows:

**TERMS**

**I. CITY OBLIGATIONS**

1.1 The City will run a Paramedic School (“School” or “Program”) at its Public Safety Training Facility or other suitable location that meets the standards and guidelines required for CoAEMSP and CAAHEP accreditation. The School will teach the curriculum and provide continuing education as outlined in Exhibit “A”. Notwithstanding, nothing in this Agreement shall create an obligation or otherwise require the City to conduct the School or enroll Agency’s members in the School.

1.2 The City shall designate a primary contact, who will coordinate and communicate with Agency’s contact related to the Program.



1.3 The City shall have the sole responsibility for the following: (i) School curriculum and content of instruction; (ii) School schedule and hours; (iii) prerequisites to enrollment in School; (iv) decisions to remove Students from the School/Program for misconduct or performance; (v) development and enforcement of policies and procedures applicable to operation of the School/Program, and City-owned facilities; (vi) and the facility/location for classes and field experiences.

1.4 The City shall seek accreditation(s) appropriate for the School, including without limitation:

(a) Regional or National Institutional accreditation by a U.S. accrediting body recognized by the United States Department of Education and authorized to grant institutional accreditation; and

(b) Programmatic accreditation, when such exists, by a U.S. accrediting body appropriate to the Paramedic profession.

The City shall notify Agency of successful completion of the accreditation process and, thereafter, if requested by Agency, deliver to Agency an electronic copy of the City's annual report filed with its accrediting body(ies) within forty-five days of City's due date for filing any such report. The City shall also notify Agency of any change in accreditation status within forty-five days of the City's receipt of notice of such change in status.

1.5 The City shall obtain all appropriate licenses and credentials for the School and its instructors as required for accreditation and under Arizona state law.

1.6 Records.

1.6.1 The City shall maintain all School/Program related records, including Student records in the City's possession, for a period of five years after creation of such record or receipt of such record, as applicable, or for the time period prescribed by the State of Arizona Library and Archives if the state retention period is longer than five years.

1.6.2 The City shall comply with the Family Educational Rights and Privacy Act (FERPA) in the handling of educational records of Students enrolled in the School/Program. The City shall allow Agency and the individual Students access to the educational records maintained by School. The City shall orient its employees, agents, contractors and subcontractors, officials and volunteers of its obligations under FERPA and shall maintain its practices in strict accordance with the requirements of the Act. The City will not disclose or authorize any further disclosure of educational records of Students to a person or entity not a party to this Agreement without first having received the written permission of Agency and the individual Student. Any permitted disclosure to person or entities not a party to this Agreement shall be under the conditions that no further disclosure by such parties shall be permitted.

1.7 To the extent Students require clinical or non-clinical field experience for completion of the Program, City will enter into affiliation agreements with a sufficient number of

hospitals necessary to provide Students the required field experience. The City will provide copies of any applicable affiliation agreements to Agency. Agency shall comply, and shall require each Student to comply, with the terms of such Agreements prior to that Student beginning any clinical or non-clinical field experience.

1.8 If Agency is unable to provide its Students with the vehicle preceptorship necessary to meet the requirements of the Program, City will provide Students with the required vehicular preceptorship.

1.9 The City shall notify Agency of the specific equipment and materials (i.e. protective gear, uniforms, etc., hereinafter "Required Equipment") that Agency must provide its Students, or that that Agency's Students must have, for the School. Any such Required Equipment shall be considered a prerequisite to enrollment in the School.

1.10 Upon reasonable request, and subject to availability, the City may request Agency to provide the School with instructors qualified under CoAEMSP and CAAHEP when needed to assist the City in teaching School courses (hereinafter, "Agency Instructors"). The City may also request Agency to provide facilities or equipment (e.g., a burn building, training props, apparatus, etc.) to facilitate teaching a specific course. Appropriate adjustments to the payments and costs for Agency's Students to attend the School may be made in consideration for Agency providing Agency Instructors, facilities or equipment.

1.11 The City shall render any necessary emergency health care/first aid to any Student or Agency Instructor in need of such care for accidents or conditions arising out of or in the course of the Student or Agency Instructor's participation the School/Program. The City shall have no obligation to render any other medical or surgical care to any Student or Agency Instructor and shall not be financially responsible for such care of any Student or Agency Instructor. Agency and/or Students and Agency Instructors expressly agree that they are financially responsible for any such medical care.

## **II. AGENCY OBLIGATIONS**

2.1 Agency shall ensure that its members meet all prerequisites for enrollment in School and that each Student sign and return to City the City of Mesa Paramedic School Assumption of Risk and Release Agreement, in the form attached hereto as Exhibit "B".

2.2 Agency shall ensure that Students comply with all applicable federal, state and local laws and regulations while on City premises or during any time Students are engaged in School educational activities or experiences.

2.3 Agency shall ensure that its Students have all Required Equipment for the School.

2.4 Upon reasonable request and subject to availability, Agency shall provide the City with instructors qualified under CoAEMSP and CAAHEP when needed to assist the City in teaching School courses (hereinafter, "Agency Instructors"). Agency shall also provide to City, upon reasonable request and subject to availability, facilities or equipment (e.g., a burn building,

training props, apparatus, etc.) to facilitate teaching a specific course. Appropriate adjustments to the payments and costs for Agency's Students to attend the School may be made in consideration for Agency providing Agency Instructors, facilities or equipment.

2.5 Agency shall designate a primary contact, who will coordinate and communicate with City's contact related to the Program.

2.6 Agency shall provide a letter to City prior to any Student beginning the School/Program verifying the following:

2.6.1 That Agency is an Alcohol and Drug-Free Workplace and complies with all such policies, laws, and regulations.

2.6.2 That each Student was subject to and passed a pre-employment background check and drug screening that at least meets City's background check and drug-screening requirements for City's Fire Department members.

2.6.3 That each Student has received the immunizations required by the City of its Fire Department members. A list of such immunizations is attached as Exhibit "C".

2.7 Agency shall provide a letter to City for each Student prior to the beginning of any clinical or non-clinical field experience or rotation verifying that the Student has met the criminal background check, drug testing, immunization requirements and any other requirements set forth in any applicable education affiliation agreement with the hospital or entity Student is assigned within thirty (30) days of Student beginning such field experience or rotation in the form attached hereto as Exhibit "D". Agency shall further provide such letter of verification or other requested documentation or records to the applicable hospital or entity in the form requested by the hospital or entity.

2.8 Agency shall require each Student to sign an Acknowledgement and Verification in the form set forth at Exhibit "E" attesting to having read the Student Handbook in its entirety, and it shall submit the executed form for each Student to City prior to commencement of the School/Program.

2.9 Records.

2.9.1 Agency shall maintain all School/Program related records, including Student records in the Agency's possession, for a period of five years after creation of such record or receipt of such record, as applicable, or for the time period prescribed by the State of Arizona Library and Archives if the state retention period is longer than five years.

2.9.2 The Agency shall comply with FERPA in the handling of educational records of Students enrolled in the School/Program. The Agency shall allow the City and the individual Students access to the educational records maintained by School. The Agency shall orient its employees, agents, contractors and subcontractors, officials and volunteers of its obligations under FERPA and shall maintain its practices in strict accordance with the

requirements of the Act. The Agency will not disclose or authorize any further disclosure of educational records of Students to a person or entity not a party to this Agreement without first having received the written permission of the City and the individual Student. Any permitted disclosure to person or entities not a party to this Agreement shall be under the conditions that no further disclosure by such parties shall be permitted.

### **III. REMOVAL FROM SCHOOL PREMISES/SCHOOL; NOTIFICATION TO AGENCY**

3.1 The City will notify Agency of any issues that may affect the ability of a Student to successfully complete the Program, including, but not limited to, academics, physical fitness, ethical or disciplinary standards set by any appropriate or applicable agency, licensing or governing body, or misconduct. Whenever practicable, the City will advise Agency in advance when it appears that a Student is subject to removal from the School/Program.

3.2 City may remove any Student from the School/Program and/or City or School premises whenever it determines, in its sole discretion, that Student is not performing satisfactorily; has failed to follow School rules, policies or procedures; has violated federal, state or local law; or has violated the ethical or disciplinary standards set by any appropriate or applicable agency, licensing or governing body. The City may immediately (i) remove from School premises, (ii) suspend from School/Program, or (iii) permanently remove from the School Program any Student who, in the City's sole judgment, is or reasonably appears to be under the influence of alcohol or any drug or engages in conduct or an attitude that threatens the health, safety or welfare of any person. Agency shall have the sole discretion in determining whether to impose disciplinary action against any of its employees for conduct giving rise to removal or suspension from the School/Program and/or City or School premises. City may also suspend or remove Students from the School/Program in the event Agency or Students fail to comply with the insurance requirements set forth in Section V.

### **IV. CONFIDENTIALITY AND DATA SECURITY**

4.1 All data, regardless of form, including originals, images and reproductions, prepared by, obtained by, or transmitted to the Agency from the City in connection with this Agreement is confidential, proprietary information owned by the City. Except as specifically provided in this Agreement, the Agency shall not disclose data generated in the performance of the services in this Agreement to any third person without the prior written consent of the City Manager or designee. If Agency receives a court order or public records request for data generated in the performance of this Agreement, Agency will notify City and provide City a reasonable opportunity to seek an order from a court of competent jurisdiction protecting the data from disclosure.

4.2 Personal identifying information, financial account information, or restricted City information, whether electronic format or hard copy, must be secured and protected at all times to avoid unauthorized access. At a minimum, Agency must encrypt and/or password protect electronic files. This includes data saved to laptop computers, computerized devices or removable storage devices. When personal identifying information, financial account

information, or restricted City information, regardless of its format, is no longer necessary, the information must be redacted or destroyed through appropriate and secure methods that ensure the information cannot be viewed, accessed, or reconstructed.

4.3 In the event that data collected or obtained by the Agency in connection with this Agreement is believed to have been compromised, Agency will notify the City Privacy Officer immediately. Agency agrees to reimburse the City for any costs incurred by the City to investigate potential breaches of this data and, where applicable, the cost of notifying individuals who may be impacted by the breach.

4.4 Agency agrees that the requirements of this Section will be incorporated into all subcontractor/sub-consultant agreements entered into by the Agency. It is further agreed that a violation of this Section will be deemed to cause irreparable harm that justifies injunctive relief in court. A violation of this Section may result in immediate termination of this Agreement without notice.

4.5 The obligations of Agency under this Section will survive the termination of this Agreement.

## **V. INSURANCE**

5.1 Agency will maintain during the Term of this Agreement a policy of commercial general liability insurance with minimum coverage amounts of at least \$1,000,000 per occurrence and \$3,000,000 in the aggregate, with insurance carriers authorized to do business in the State of Arizona. If Agency's insurance policy(ies) is on a claims-made basis, Agency shall maintain continuous coverage for the Term of this Agreement and a period of three (3) years after termination or expiration of this Agreement. Agency shall name the City of Mesa, its agents, officers, employees, elected and appointed officials, and volunteers as additional insured and shall provide City with evidence of the required insurance coverage. Agency shall also maintain during the Term of this Agreement workers' compensation insurance for Students and Agency Instructors as required under Arizona law. Agency may satisfy the insurance requirements in this paragraph through a policy of self-insurance, and may provide proof of self-insurance through a Declaration of Self-Insurance.

5.2 City will maintain during the Term of this Agreement a policy of commercial general liability insurance and professional liability insurance with minimum coverage amounts of at least \$1,000,000 per occurrence and \$3,000,000 in the aggregate, and may do so through self-insurance. If City's insurance policy(ies) is on a claims-made basis, City shall maintain continuous coverage for the Term of this Agreement and a period of three (3) years after termination or expiration of this Agreement. City shall also maintain during the Term of this Agreement workers' compensation insurance for its employees as required under Arizona law. City may satisfy the insurance requirements in this paragraph through a policy of self-insurance.

## **VI. INDEMNIFICATION**

6.1 Agency, its agents, officers, employees, elected and appointed officials, and volunteers (“Agency Indemnitors”), agrees to defend, indemnify and hold harmless the City’s agents, officers, employees, elected and appointed officials, and volunteers, from and against such portion of any and all claims, damages, liabilities, losses, costs and expenses, including reasonable attorneys’ fees and experts’ fees and costs, to the extent arising out of Agency Indemnitors’ negligent or willful acts, or failure to act, under or in connection with the subject matter of this Agreement.

6.2 City, its agents, officers, employees, elected and appointed officials, and volunteers (“City Indemnitors”), agrees to defend, indemnify and hold harmless Agency’s agents, officers, employees, elected and appointed officials, and volunteers, from and against such portion of any and all claims, damages, liabilities, losses, costs and expenses, including reasonable attorneys’ fees and experts’ fees and costs, to the extent arising out of City Indemnitors’ negligent or willful acts, or failure to act, under or in connection with the subject matter of this Agreement.

## **VII. TUITION AND FEES**

7.1 Agency will pay the tuition and fees set forth in Exhibit “E” for each employee that it enrolls in School as a Student. City may adjust the amount from time to time at its sole discretion. City may reduce the tuition amount based on Agency providing Agency Instructors, facilities or equipment as set forth in Section 2.4 of this Agreement.

7.2 City will invoice Agency for each School session/semester. Agency shall remit all payments to the City of Mesa within thirty (30) calendar days of the invoice date (“Due Date”). If Agency’s payment is not received within five (5) days after the Due Date, City may cancel the School and terminate this Agreement.

## **VIII. TERM OF AGREEMENT**

This Agreement shall commence on the Effective Date referenced above and shall continue in full force and effect for five years thereafter (the “Term”) or until otherwise cancelled or terminated in accordance with Section IX of this Agreement or as a result of a failure to pay tuition and fees under Section VII. The Agreement may be renewed on the same terms and conditions for one additional five-year term upon City receiving notice of Agency’s desire to renew the Agreement at least ninety days before expiration of the Term and written agreement of the Parties.

## **IX. TERMINATION OF AGREEMENT**

Either Party may terminate this agreement for any or no reason by providing thirty days’ written notice to the other Party. Upon such notice, the Agreement will be terminated, but the City shall continue any Program then in effect until completion, unless such termination is for failure to pay the tuition and fees required under Section VII of the Agreement. If the Agreement is terminated, Agency will be liable for any contract/services rendered and accepted.

## **X. GENERAL TERMS AND CONDITIONS**

10.1 Independent Contractor. It is expressly understood that the relationship of Agency to the City will be that of an independent contractor. Agency and all persons employed by Agency, either directly or indirectly, are Agency's employees, not City employees. Accordingly, Agency and Agency's employees are not entitled to any benefits provided to City employees including, but not limited to, health benefits, enrollment in a retirement system, paid time off or other rights afforded City employees. Agency employees will not be regarded as City employees or agents for any purpose, including the payment of unemployment compensation. If any Agency employees or subcontractors assert a claim for wages or other employment benefits against the City, Agency will defend, indemnify and hold harmless the City from all such claims.

For purposes of workers' compensation, pursuant to A.R.S. § 23-1022(D), Agency shall be solely liable for the payment of workers' compensation benefits for its employees.

10.2 Assignment. This Agreement may not be assigned, either in whole or in part, without first receiving the City's written consent. Any attempted assignment, either in whole or in part, without such consent will be null and void and in such event the City will have the right, at its option, to terminate the Agreement. No granting of consent to any assignment will relieve Agency from any of its obligations and liabilities under the Agreement.

10.3 Successors and Assigns, Binding Effect. This Agreement will be binding upon and inure to the benefit of the parties and their respective permitted successors and assigns.

10.4 No Third-Party Beneficiaries. This Agreement is intended for the exclusive benefit of the parties. Nothing set forth in this Agreement is intended to create, or will create, any benefits, rights, or responsibilities in any third parties.

10.5 Amendments. There will be no oral changes to this Agreement. This Agreement can only be modified in a writing signed by both parties.

### 10.6 Compliance With Applicable Laws.

10.6.1 Agency is hereby advised that the City has adopted a policy establishing a drug-free workplace for itself and those doing business with the City to ensure the safety and health of all persons working on City contracts and projects. Contractor will require a drug-free workplace for all Agency employees attending School. Specifically, all Agency personnel who fall under this Agreement (i.e. Students and Agency Instructors) must be notified in writing by Agency that they are prohibited from the manufacture, distribution, dispensation, possession, or unlawful use of a controlled substance in the workplace. Agency agrees to prohibit the use of intoxicating substances by all Agency personnel and will ensure that Agency personnel do not use or possess illegal drugs while enrolled in the School or while on City or School premises or during School-related activities.

10.6.2 Federal and State Immigration Laws. Agency agrees to comply with the Immigration Reform and Control Act of 1986 (IRCA) in performance under this Agreement and

to permit the City and its agents to inspect applicable personnel records to verify such compliance as permitted by law. Agency will ensure and keep appropriate records to demonstrate that all Agency personnel have a legal right to live and work in the United States.

10.6.2.1 As applicable to Agency, under the provisions of A.R.S. § 41-4401, Agency hereby warrants to the City that Agency and each of its subcontractors will comply with, and are contractually obligated to comply with, all federal immigration laws and regulations that relate to their employees and A.R.S. § 23-214(A) (hereinafter collectively the “Contractor Immigration Warranty”).

10.6.2.2 A breach of the Contractor Immigration Warranty will constitute a material breach of this Agreement and will subject Agency to penalties up to and including termination of this Agreement at the sole discretion of the City.

10.6.2.3 To ensure Agency and its subcontractors are complying with the Contractor Immigration Warranty, the City retains the legal right to conduct random verification of the employment records of any Agency or subcontractor employee who works on this Agreement, including the inspection of the papers of such employees. Agency agrees to assist the City in regard to any random verification performed.

10.6.2.4 Neither Agency nor any subcontractor will be deemed to have materially breached the Contractor Immigration Warranty if Agency or subcontractor establishes that it has complied with the employment verification provisions prescribed by Sections 274a and 274b of the Federal Immigration and Nationality Act and the E-Verify requirements prescribed by A.R.S. § 23-214(A).

10.7 Nondiscrimination. Agency understands and acknowledges that it is the policy of the City of Mesa to promote non-discrimination. As such, Agency represents and warrants that it does not discriminate against any employee or applicant for employment or person to whom it provides services because of race, color, national origin, age, disability, religion, sex, sexual orientation, gender identity and expression, veterans’ status, marital status, or genetic information, and represents and warrants that it complies with all applicable federal, state, and local laws and executive orders regarding employment. In performance under this Agreement, Agency and Agency’s personnel will comply with applicable provisions of the following laws (as amended): Title VII of the U.S. Civil Rights Act of 1964, Section 504 of the Federal Rehabilitation Act, the Americans with Disabilities Act (42 U.S.C. § 12101 *et seq.*), and any other applicable non-discrimination laws and rules.

10.8 State Sponsors of Terrorism Prohibition. Per A.R.S. § 35-392, Agency must not be in violation of section 6(j) of the Federal Export Administration Act and subsequently prohibited by the State of Arizona from selling goods or services to the City.

10.9 Termination for Conflict of Interest (A.R.S. § 38-511). Pursuant to A.R.S. § 38-511, the City may cancel this Agreement within three (3) years after its execution, without penalty or further obligation, if any person significantly involved in initiating, securing, drafting, or creating the Agreement for the City becomes an employee or agent of Contractor.

10.10 Termination for Non-Appropriation and Modification for Budgetary Constraint. The City is a governmental agency which relies upon the appropriation of funds by its governing body to satisfy its obligations. If the City reasonably determines it does not have funds to meet



its obligations under this Agreement, the City will have the right to terminate the Agreement without penalty on the last day of the fiscal period for which funds were legally available. In the event of such termination, the City agrees to provide written notice of its intent to terminate thirty (30) calendar days prior to the stated termination date.

10.11 Force Majeure. Failure by either party to perform its duties and obligations will be excused by unforeseeable circumstances beyond its reasonable control, including acts of nature, acts of the public enemy, riots, fire, explosion, legislation, and governmental regulation. The party whose performance is so affected will, within five (5) calendar days of the unforeseeable circumstance, notify the other party of all pertinent facts and identify the force majeure event. The party whose performance is so affected must also take all reasonable steps, promptly and diligently, to prevent such causes if it is feasible to do so or to minimize or eliminate the effect thereof. The delivery or performance date will be extended for a period equal to the time lost by reason of delay, plus such additional time as may be reasonably necessary to overcome the effect of the delay, provided however, under no circumstances will delays caused by a force majeure extend beyond one hundred-twenty (120) calendar days from the scheduled delivery or completion date of a task unless agreed upon by the parties.

10.12. Governing Law; Forum. This Agreement is governed by the laws of the State of Arizona. The exclusive forum selected for any proceeding or suit, in law or equity, arising from or incident to this Agreement will be Maricopa County, Arizona.

10.13 Integration Clause. This Agreement, including all attachments and exhibits hereto, supersedes all prior oral or written agreements, if any, between the parties and constitutes the entire agreement between the parties with respect to the work to be performed.

10.14 Provisions Required by Law. Any provision required by law to be in this Agreement is a part of this Agreement as if fully stated herein.

10.15 Severability. If any provision of this Agreement is declared void or unenforceable, such provision will be severed from this Agreement, which will otherwise remain in full force and effect. The parties will negotiate diligently in good faith for such amendment(s) of this Agreement as may be necessary to achieve the original intent of this Agreement, notwithstanding such invalidity or unenforceability.

10.16 Surviving Provisions. Notwithstanding any completion, termination, or other expiration of this Agreement, all provisions which, by the terms of reasonable interpretation thereof, set forth rights and obligations that extend beyond completion, termination, or other expiration of this Agreement, will survive and remain in full force and effect. Except as specifically provided in this Agreement, completion, termination, or other expiration of this Agreement will not release any party from any liability or obligation arising prior to the date of termination.

10.17 Exhibits. All Exhibits set forth herein and attached are incorporated by this reference into this Agreement.

## **XI. NOTICES**

Any notice, consent, or other communication (“Notice”) required or permitted under this Agreement must be in writing and either delivered in person, sent by facsimile transmission,

deposited in the United States mail, postage prepaid, registered or certified mail, return receipt requested, or deposited with any commercial air courier or express service addressed as follows:

If to City:

Mesa Fire and Medical Department  
13 W. 1<sup>st</sup> Street  
Mesa, AZ 85201

ATTN: Assistant Fire Chief –  
Emergency Medical Services

If to Agency:

Queen Creek Fire Department  
22358 South Ellsworth Road  
Queen Creek, AZ 85142

ATTN: Lee Barnes

Notice will be deemed received at the time it is personally served or, on the day it is sent by facsimile transmission or, upon deposit with any commercial air courier or express service or, if mailed, ten (10) days after the notice is deposited in the United States mail as provided above. Either Party may change its mailing address, fax number, or the contact information for the person to receive notice by notifying the other Party as provided herein. Notice sent by facsimile transmission must also be sent by regular mail to the recipient at the above address. This requirement for duplicate notice is not intended to change the effective date of the notice sent by facsimile transmission.

/// Signature pages to follow ///

**IN WITNESS WHEREOF**, this Agreement is executed as provided below. Further, in signing this Agreement, the signatories below affirm and attest that they are authorized to execute this Agreement on behalf of their respective Party.

By: \_\_\_\_\_  
Mesa Fire and Medical Department  
Fire Chief

By: \_\_\_\_\_  
Christopher J. Brady  
Mesa City Manager

ATTEST:

\_\_\_\_\_  
City Clerk

In accordance with A.R.S. § 11-952(D), this Agreement has been reviewed by the undersigned who determined that it is in appropriate form and is within the powers and authority of the respective parties.

APPROVED AS TO FORM:

\_\_\_\_\_  
Assistant City Attorney

Town of Queen Creek

By: \_\_\_\_\_  
Gail Barney  
Mayor

ATTEST:

\_\_\_\_\_  
Town Clerk

In accordance with A.R.S. § 11-952(D), this Agreement has been reviewed by the undersigned who determined that it is in appropriate form and is within the powers and authority of the respective parties.

APPROVED AS TO FORM:

\_\_\_\_\_  
Town Attorney

## EXHIBIT A

### Mesa Fire and Medical Department Paramedic Program Curriculum

BIO 160 Introduction to Human Anatomy and Physiology  
PME201 Advanced Cardiac Life Support (ACLS) Initial Provider in Paramedicine  
PME202 Pediatric Advanced Life Support (PALS) Initial Provider in Paramedicine  
PME203 Pediatric Emergencies for Prehospital Professionals (PEPP) Initial Provider in Paramedicine  
PME204 Neonatal Resuscitation Provider (NRP) in Paramedicine 0.5  
PME205 Advanced Medical Life Support (AMLS) Initial Provider in Paramedicine  
PME206 International Trauma Life Support (ITLS) Provider/Pre-Hospital Trauma Life Support (PHTLS)  
PME240 Pharmacology in Paramedicine  
PME245 Airway and Ventilatory Management in Paramedicine  
PME250 Comprehensive Patient Assessment in Paramedicine  
PME251 Medical Emergencies in Paramedicine I  
PME252 Medical Emergencies in Paramedicine II  
PME253 Medical Emergencies in Paramedicine III  
PME254 Technical Operations in Paramedicine  
PME260 Trauma Patient Management in Paramedicine  
PME270 Immersive Total Patient Management Experience (ITPME)  
PME280 Preparation for Paramedicine Practicum  
  
PME281 Paramedicine Clinical Practicum: Comprehensive  
PME281AA Paramedicine Clinical Practicum: Phase I  
PME281AB Paramedicine Clinical Practicum: Phase II  
  
PME288 Paramedicine Comprehensive Field Internship Practicum  
PME289 Preparation for Paramedic National Credentialing

**EXHIBIT B**

**CITY OF MESA PARAMEDIC SCHOOL ASSUMPTION OF RISK  
AND RELEASE AGREEMENT**

In consideration of participation in the City of Mesa Paramedic School/Program, I understand and acknowledge that there are certain risks inherent in the Program, including, but not limited to: physical injuries, including death, from lifting or carrying heavy loads or other physical activities; exposure to patients with infectious diseases; radiation exposure; dealing with violent/physically abusive patients; mental distress due to patients or media depicting individuals with severe injuries and bleeding, dead and decomposed bodies, or physically exhausting or demanding shifts. I further understand and acknowledge that the City of Mesa is making available its or other selected facilities, training grounds, equipment and staff, and that it assumes no liability for the suitability or condition of its or other selected facilities, training grounds or equipment.

I agree to assume all risks associated with the School/Program and to hold the City of Mesa, its agents, officers, employees, elected and appointed officials, volunteers, and School/Program contractors harmless from and against any and all liability that may result from my participation in the School/Program, including, but not limited to, any claims, demands or suits of any nature, kind or description whatsoever, including costs and expenses; for or on account of any loss or damage to property owned or possess by me or by any student or other invitee; or any death or injury that may result from any cause, including, but not limited to, the activities of the Program, the condition and operation of training facilities, grounds, or equipment, or the condition and operation of any other selected facilities, training grounds or equipment and the acts or omissions of other selected facilities' staff.

This assumption of risk and release of liability shall apply to my heirs, successors and/or assigns.

I authorize the City of Mesa Paramedic School to seek emergency medical assistance on my behalf, as necessary, and agree that I am solely responsible for any and all medical expenses incurred on my behalf.

\_\_\_\_\_  
Student

\_\_\_\_\_  
Date

\_\_\_\_\_  
Printed name

Fire Department employed by: \_\_\_\_\_

\_\_\_\_\_  
Fire Chief signature

Student's Home Address:

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( ) \_\_\_\_\_  
Preferred Phone Number

## EXHIBIT C

### CITY OF MESA PARAMEDIC SCHOOL Immunization Requirements

#### Immunization record requirements

- Tuberculin Test within the last year or a Negative Chest X-ray within the last 5 years
- MMR (Measles, Mumps, Rubella) or titer
- T-Dap – within the last 10 years
- Influenza vaccine or exemption form
- Hepatitis B Vaccine or exemption form
- Varicella vaccine or titer
- Any requirements of hospitals/medical facilities providing clinical/field experience



**EXHIBIT D  
PARAMEDIC TRAINING AGREEMENT**

**Letter of Attestation of background check, drug screen and health assessment**

Training Site Contact Person: Ryan Herold  
Training Site Contract Person Telephone: 480-644-4456  
Training Site Contact Person E-mail: ryan.herold@mesaaz.gov

February 22, 2022

Dear \_\_\_\_\_,

<Name of Student>, a student in the MFMD Paramedic Program, is scheduled to begin a clinical experience with MFMD's Paramedic Program's hospital partners ("Training Site") by mid-June. Please accept this letter as <Your Fire Department>'s attestation that <Name of Student> has successfully completed the background check, drug screen, health screening and orientation requirements as outlined in the "Paramedic Training Agreement".

Please note that Training Site will be contacted under separate cover regarding any students that do not meet the background, drug and/or health screening requirements as outlined in the aforementioned agreement.

Additionally, at any time as Training Site may deem necessary for audit and/or compliance verification purposes or any other lawful purpose, <Your Fire Department> agrees to provide proof of all documentation for the aforementioned screens within two (2) hours of a request from Training Site.

Sincerely,

Ryan Herold  
Mesa Fire & Medical Paramedic Program  
480-644-4456

**EXHIBIT E**  
**Student Handbook Agreement**

Mesa Fire and Medical Department

Paramedic Program

I have read and agree to abide by all the items in the student handbook, course syllabus, and field/clinical requirements. I understand all MINIMUM competency requirements set by the program shall be met through a cumulative evaluation in laboratory, clinical and field experience. In addition, I understand that a MINIMUM cumulative grade of 75% is required in the cognitive, psychomotor, and affective learning domains. Students who do not meet the MINIMUMS set by the program are not eligible for graduation.

\_\_\_\_\_ DATE \_\_\_\_\_ Student Signature

\_\_\_\_\_ DATE \_\_\_\_\_ Printed Name

\_\_\_\_\_ DATE \_\_\_\_\_  
Program Director

\_\_\_\_\_ DATE \_\_\_\_\_ Medical Director

This agreement shall remain in effect for the duration of the MFMD Paramedic Education program. By signing this document, the student acknowledges all requirements identified within the student handbook, course syllabus, and laboratory, field, and clinical requirements.





TOWN OF  
**QUEEN CREEK**  
 ARIZONA

**TO:** HONORABLE MAYOR AND TOWN COUNCIL

**THROUGH:** JOHN KROSS ICMA-CM, TOWN MANAGER

**FROM:** BRETT BURNINGHAM, DEVELOPMENT SERVICES DIRECTOR, CHRIS DOVEL, TOWN ENGINEER, SALAMATULLAH SAYEED, ENGINEER

**RE:** CONSIDERATION AND POSSIBLE APPROVAL OF RESOLUTION 1451-22 CREATING STREET LIGHT IMPROVEMENT DISTRICT NUMBER 134, (NO. 2022-001 FOR HARVEST QUEEN CREEK PARCEL 3-1); RESOLUTION 1452-22 CREATING STREET LIGHT IMPROVEMENT DISTRICT NUMBER 135, (NO. 2022-002 FOR HARVEST QUEEN CREEK PARCEL 3-2); AND RESOLUTION 1453-22 CREATING STREET LIGHT IMPROVEMENT DISTRICT NUMBER 136, (NO. 2022-003 FOR HARVEST QUEEN CREEK PARCEL 3-3).

**DATE:** May 4, 2022

**Suggested Action:**

Staff recommends approval of Resolution 1451-22 creating Street Light Improvement District Number 134, (No. 2022-001 for Harvest Queen Creek Parcel 3-1); Resolution 1452-22 creating Street Light Improvement District Number 135, (No. 2022-002 for Harvest Queen Creek Parcel 3-2); and Resolution 1453-22 creating Street Light Improvement District Number 136, (No. 2022-003 for Harvest Queen Creek Parcel 3-3).

**Relevant Council Goal(s):**

Superior Infrastructure

**Discussion:**

The developers have requested the Council consider these Resolutions as in the creation of the districts. Currently the developers own 100% of the land within the proposed district. The developers have also signed the Petition, Waiver and Consent to Formation of a Municipal Improvement District form. Since all property owners have signed this form, they have agreed to waive the requirements of posting the property for 30 days and publishing the resolution in the Tribune.

**Fiscal Impact:**

Resolutions 1451-22, 1452-22, and 1453-22 will cost the Town staff time in order to prepare the required exhibits and correspondence with the State and County Departments of Revenue to establish the improvement district. The developer has paid the \$1,000 processing fee for each of the three Districts for this service.

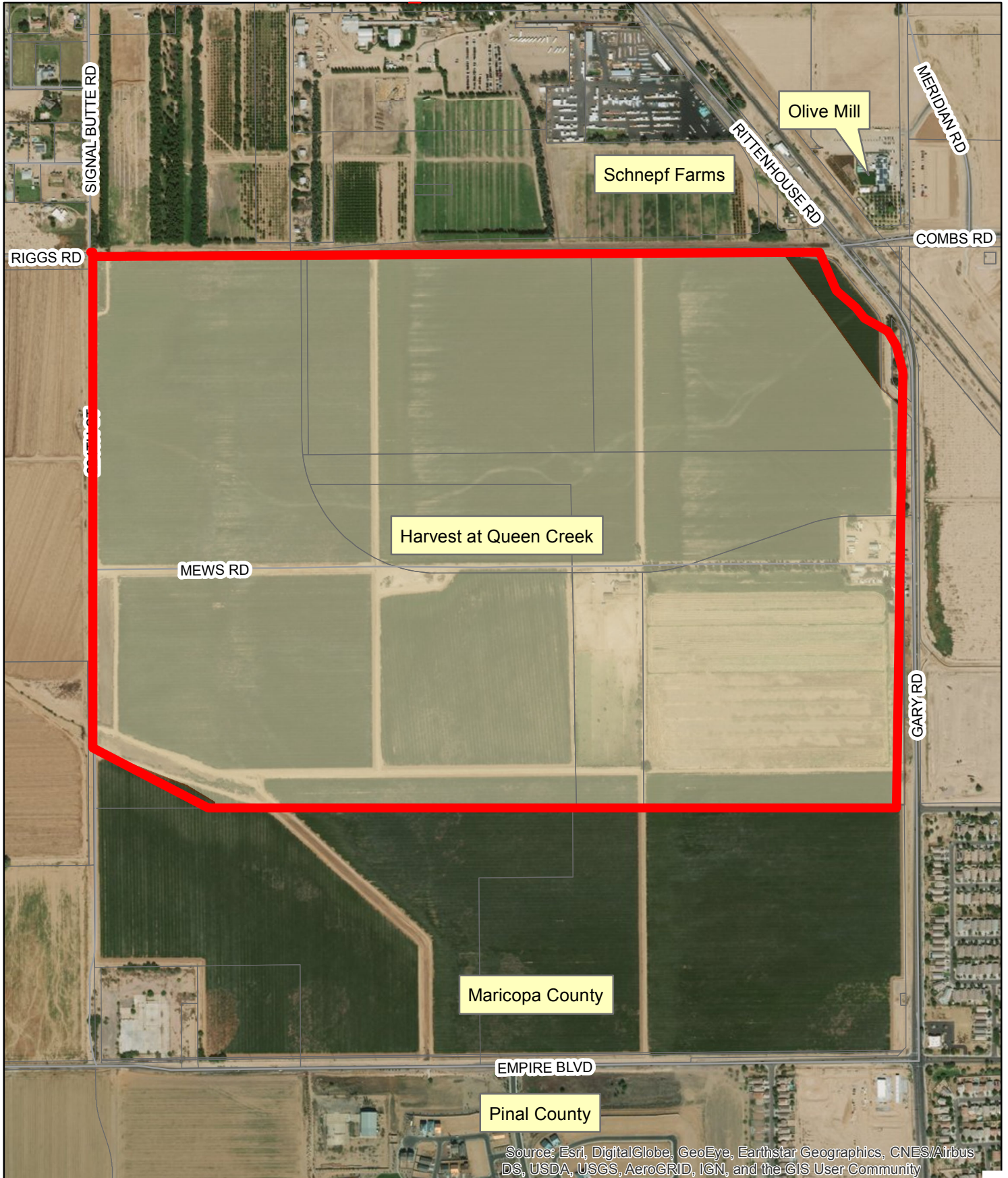
**Alternatives:**

Council could deny the creation of the Harvest Queen Creek Parcel 3-1 Street Light Improvement District Number 134, No. 2022-001 by not approving Resolution 1451-22; Harvest Queen Creek Parcel 3-2 Street Light Improvement District Number 135, No. 2022-002 by not approving Resolution 1452-22; Harvest Queen Creek Parcel 3-3 Street Light Improvement District Number 136, No. 2022-003 by not approving Resolution 1453-22. However, this would result in additional costs to the Town or the lack of street lights in this area.

**Attachment(s):**

1. [Aerial Exhibit - Harvest Queen Creek.pdf](#)
2. [Resolution 1451-22\\_Harvest Queen Creek Parcel 3-1.pdf](#)
3. [Harvest Queen Creek Parcel 3-1 - Attachments.pdf](#)
4. [Resolution 1452-22\\_Harvest Queen Creek Parcel 3-2.pdf](#)
5. [Harvest Queen Creek Parcel 3-2 - Attachments.pdf](#)
6. [Resolution 1453-22\\_Harvest Queen Creek Parcel 3-3.pdf](#)
7. [Harvest Queen Creek Parcel 3-3 - Attachments.pdf](#)

# Harvest Queen Creek - Aerial Map



Source: Esri, DigitalGlobe, GeoEye, Earthstar Geographics, CNES/Airbus DS, USDA, USGS, AeroGRID, IGN, and the GIS User Community

**RESOLUTION 1451-22**

**A RESOLUTION OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF QUEEN CREEK, ARIZONA, DECLARING ITS INTENTION TO ESTABLISH AN IMPROVEMENT DISTRICT TO PURCHASE ENERGY TO LIGHT THE PUBLIC STREETS AND PARKS IN THAT CERTAIN AREA WITHIN THE CORPORATE LIMITS OF THE TOWN OF QUEEN CREEK, ARIZONA, TO BE KNOWN AS “PARCEST QUEEN CREEK PARCEL 3-1 STREET LIGHT IMPROVEMENT DISTRICT NUMBER 134, NO. 2022-001” AS DESCRIBED IN EXHIBIT A, ATTACHED HERETO, DECLARING SUCH IMPROVEMENTS TO BE OF MORE THAN LOCAL OR ORDINARY PUBLIC BENEFIT PROVIDING THAT SUCH EXPENSES THEREOF BE PAID FOR BY THE LEVY AND COLLECTION OF AD VALOREM TAXES UPON THE ASSESSED VALUATION OF ALL REAL AND PERSONAL PROPERTY IN THE DISTRICT AND ORDERING THAT SUCH IMPROVEMENTS BE PROVIDED FOR UNDER THE PROVISIONS OF SECTION 48-572, ARIZONA REVISED STATUTES, AS AMENDED AND PROVIDING FOR REPEAL OF CONFLICTING RESOLUTIONS.**

WHEREAS, the owners, exclusive of mortgagees and other lienholders, of all of the real property (hereinafter referred to as “Petitioner”) in the hereinafter described District, acting pursuant to the provisions of Sections 48-615 and 48-617, Arizona Revised Statutes, petitioned the Mayor and Council of the Town of Queen Creek, Arizona (hereinafter referred to as “Town”) to adopt a resolution of intention (hereinafter referred to as “Resolution”) ordering the purchase of energy for lighting the public streets and parks (hereinafter referred to as “Improvements”) for the real property legally described in **Exhibit A** (hereinafter referred to as “District”) with such boundaries as shown in the map in **Exhibit B**, attached hereto; and

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

WHEREAS, the Common Council of the Town hereby find and determine that it has jurisdiction to adopt this Resolution to order the Improvements pursuant to Section 48-576, Arizona Revised Statutes, and, pursuant to the provisions of Sections 48-615 and 48-617, Arizona Revised Statutes, it has immediate jurisdiction to adopt this Resolution ordering the Improvements without the necessity of publication and posting of this Resolution as provided for in Section 48-578, Arizona Revised Statutes;

**NOW, THEREFORE, BE IT RESOLVED BY THE COMMON COUNCIL OF THE TOWN OF QUEEN CREEK, ARIZONA, that:**

Section 1. The Town, after verifying ownership of the real property included within the boundaries of the District, hereby finds that Petitioner is the owner, exclusive

of mortgagees and other lienholders, of all of the real property included within the boundaries of the District.

Section 2. The name of the District shall be “**Harvest Queen Creek Parcel 3-1 Street Light Improvement District Number 134, No. 2022-001**”

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

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

Section 5. In the opinion of the Common Council of the Town, the improvements are of more than local or ordinary public benefit and is of special benefit to the respective lots, pieces and parcels of real property in the District.

Section 6. The Common Council of the Town hereby make and order the expense of the Improvements payable from the levying and collection of ad valorem taxes upon the assessed value of all real and personal property in the District. Said District, is legally described in **Exhibit A**, attached hereto with the boundaries as shown in the map in **Exhibit B**, attached hereto. Any public street or alley within the District shall be omitted from the assessment. Any lot belonging to the United States, the State, a county, city, school district or political subdivision or institution of the state or county within the District shall be omitted from the assessment.

Section 7. Pursuant to Sections 48-615(A) and 48-617(A), Arizona Revised Statutes, the resolution ordering the improvement shall be adopted without the necessity of publication and posting of the resolution of intention provided for in Section 48-578.

Section 8. The Common Council of the Town shall make annual statements and estimates of the expenses of the District; shall publish notice thereof; shall have hearings thereon; and shall adopt them at the times and in the manner provided for incorporated cities and towns by the applicable portions of Sections 42-17101 et seq., 42-17151, 42-17152, Arizona Revised Statutes. Said expenses shall be provided for by the levy and collection of ad valorem taxes upon the assessed value of all the real and personal property in the District. The Common Council of the Town shall, on or before the third Monday in August of each year, fix, levy and assess the amount to be raised by ad valorem taxes upon all of the property of the District and collect, as Maricopa County, Arizona (the “County”) taxes are collected, the amounts shown by the statements and estimates adopted by the Common Council of the Town. All statutes providing for the levy and collection of State of Arizona and County taxes, including the collection of delinquent taxes and sale of property for nonpayment of taxes, shall be applicable to District taxes as provided to be levied under Section 48-616, Arizona Revised Statutes.



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

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

Section 12. The type of lighting facilities to be installed in the District and the locations thereof shall consist of those lighting facilities and locations described in the petition submitted by Petitioner, or as may be approved by the Town.

Section 13. The rate to be paid for purchasing energy for the District shall be the rate described in the petition submitted by Petitioner, or as may be approved by Salt River Project, Arizona Public Service Company, or other energy provider.

Section 14. Any resolutions or parts of resolutions in conflict with the provisions of the Resolution are hereby repealed.

**PASSED AND ADOPTED BY** the Mayor and Common Council of the Town of Queen Creek, Arizona, this \_\_\_\_ day of \_\_\_\_\_ 2022.

FOR THE TOWN OF QUEEN CREEK:

ATTESTED TO:

□□□□□□□□□□□□□□□□□□□□□□□□□□□□□□□□□□

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Gail Barney, Mayor

Maria Gonzalez, Town Clerk

REVIEWED BY:

APPROVED AS TO FORM:

□□□□□□□□□□□□□□□□□□□□□□□□□□□□□□

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John Kross, Town Manager

Dickinson Wright, PLLC  
Attorneys for the Town



**Legal Description  
Harvest Queen Creek Parcel 3-1**

Job No. 19-0180

August 8, 2019

A portion of the Northeast Quarter of Section 36, Township 2 South, Range 7 East of the Gila and Salt River Meridian, Maricopa County, Arizona, more particularly described as follows:

**COMMENCING** at a brass cap flush P.C.H.D. at the east quarter corner of said Section 36, from which a 1.5" iron pipe w/tag RLS 15573 at the northeast corner of said Section 36 bears North 00 degrees 29 minutes 09 seconds West (an assumed bearing) at a distance of 2,619.54 feet;

thence North 0 degrees 29 minutes 09 seconds West, along the east line of said Northeast Quarter, 1,216.06 feet;

thence South 89 degrees 30 minutes 51 seconds West, 57.33 feet to the **POINT OF BEGINNING**;

thence South 89 degrees 33 minutes 45 seconds West, 1150.16 feet;

thence South 0 degrees 26 minutes 15 seconds East, 115.00 feet;

thence North 45 degrees 26 minutes 15 seconds West, 14.14 feet;

thence South 89 degrees 33 minutes 45 seconds West, 50.00 feet;

thence South 44 degrees 33 minutes 45 seconds West, 7.07 feet;

thence South 89 degrees 33 minutes 45 seconds West, 125.00 feet;

thence North 0 degrees 26 minutes 15 seconds West, 410.00 feet;

thence South 89 degrees 33 minutes 45 seconds West, 57.23 feet;

thence North 78 degrees 38 minutes 34 seconds West, 86.48 feet;

thence North 72 degrees 41 minutes 49 seconds West, 119.97 feet to the beginning of a curve, concave southwest, having a radius of 300.00 feet;

thence northwesterly 92.89 feet along the arc of said curve to the left through a central angle of 17 degrees 44 minutes 26 seconds;

thence South 89 degrees 33 minutes 45 seconds West, 9.98 feet;

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thence North 0 degrees 26 minutes 15 seconds West, 134.76 feet to the beginning of a non-tangent curve, concave southerly, from which the radius point bears South 1 degrees 35 minutes 50 seconds West a distance of 375.00 feet;

thence easterly 19.66 feet along the arc of said curve to the right through a central angle of 3 degrees 00 minutes 15 seconds;

thence on a non-tangent line North 4 degrees 36 minutes 05 seconds East, 50.00 feet;

thence North 42 degrees 59 minutes 34 seconds West, 15.81 feet;

thence North 89 degrees 33 minutes 45 seconds East, 121.15 feet;

thence North 0 degrees 26 minutes 15 seconds West, 41.50 feet;

thence North 89 degrees 33 minutes 45 seconds East, 981.99 feet to the beginning of a non-tangent curve, concave northeast, from which the radius point bears North 31 degrees 54 minutes 24 seconds East a distance of 691.62 feet;

thence southeasterly 62.52 feet along the arc of said curve to the left through a central angle of 5 degrees 10 minutes 46 seconds;

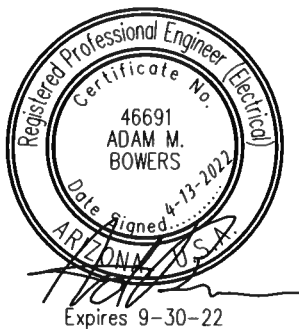
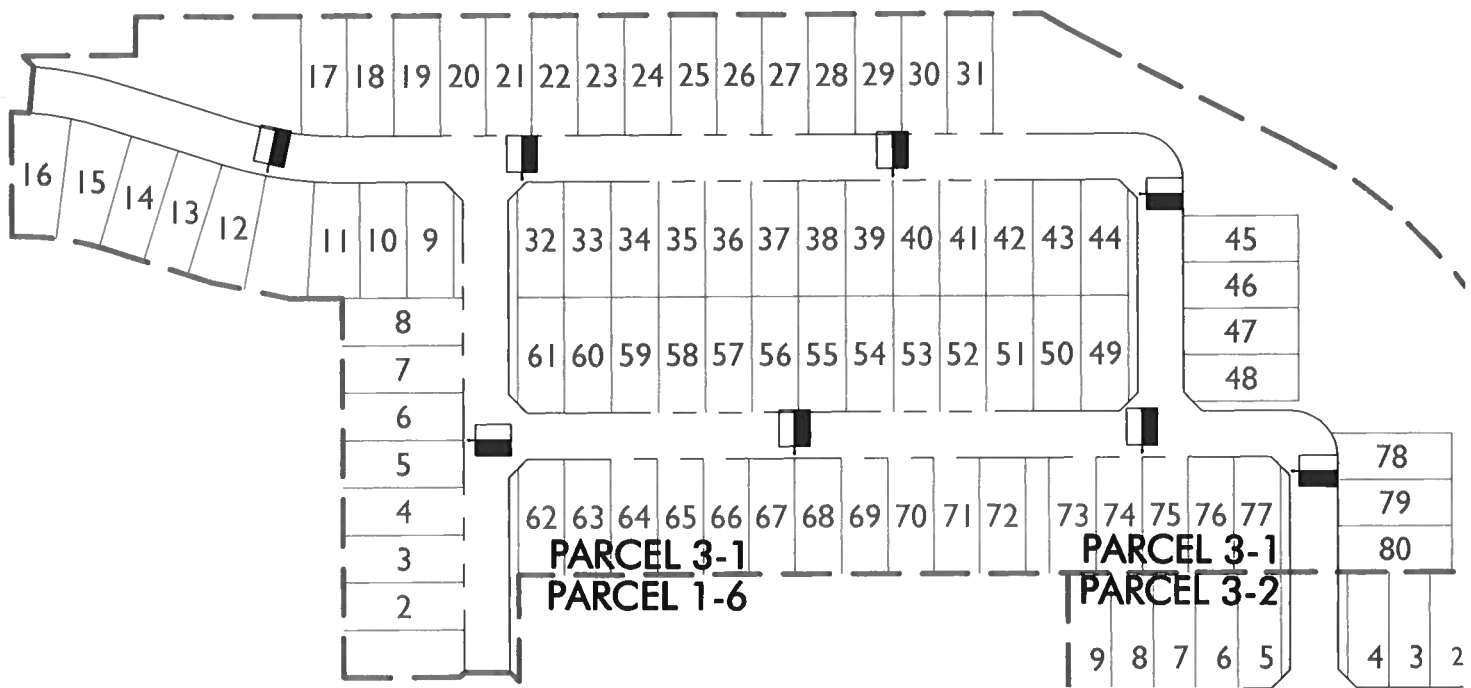
thence South 63 degrees 16 minutes 22 seconds East, 239.77 feet to the beginning of a curve, concave southwest, having a radius of 581.62 feet;


thence southeasterly 584.83 feet along the arc of said curve to the right through a central angle of 57 degrees 36 minutes 43 seconds to the **POINT OF BEGINNING**.

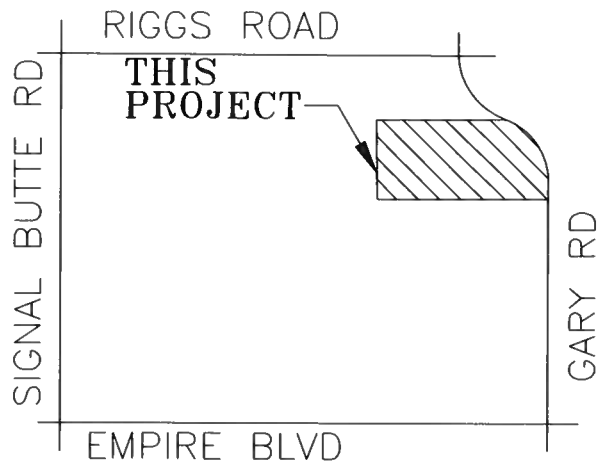
Containing an area of 813,410 square feet or 18.6733 acres, more or less.



ASSESSMENT DIAGRAM FOR HARVEST AT QUEEN CREEK PARCEL 3-1  
STREET LIGHT IMPROVEMENT DISTRICT # 134 NO. 2022-001



**LEGEND**  
 4,900 LUMEN LED STREET LIGHT, 25'-6" MTG HEIGHT



APPROVAL

*M. A. Dy*  
 TOWN OF QUEEN CREEK  
 ENGINEERING MANAGER

4.19.2022  
 DATE



**VICINITY MAP**  
 NTS



62	23009 E MEWES RD	31334466	HARVEST AT QUEEN CREEK PARCEL 3-1	QUEEN CREEK	MARICOPA	AZ	85142
63	23017 E MEWES RD	31334467	HARVEST AT QUEEN CREEK PARCEL 3-1	QUEEN CREEK	MARICOPA	AZ	85142
64	23025 E MEWES RD	31334468	HARVEST AT QUEEN CREEK PARCEL 3-1	QUEEN CREEK	MARICOPA	AZ	85142
65	23033 E MEWES RD	31334469	HARVEST AT QUEEN CREEK PARCEL 3-1	QUEEN CREEK	MARICOPA	AZ	85142
66	23041 E MEWES RD	31334470	HARVEST AT QUEEN CREEK PARCEL 3-1	QUEEN CREEK	MARICOPA	AZ	85142
67	23049 E MEWES RD	31334471	HARVEST AT QUEEN CREEK PARCEL 3-1	QUEEN CREEK	MARICOPA	AZ	85142
68	23057 E MEWES RD	31334472	HARVEST AT QUEEN CREEK PARCEL 3-1	QUEEN CREEK	MARICOPA	AZ	85142
69	23065 E MEWES RD	31334473	HARVEST AT QUEEN CREEK PARCEL 3-1	QUEEN CREEK	MARICOPA	AZ	85142
70	23073 E MEWES RD	31334474	HARVEST AT QUEEN CREEK PARCEL 3-1	QUEEN CREEK	MARICOPA	AZ	85142
71	23081 E MEWES RD	31334475	HARVEST AT QUEEN CREEK PARCEL 3-1	QUEEN CREEK	MARICOPA	AZ	85142
72	23089 E MEWES RD	31334476	HARVEST AT QUEEN CREEK PARCEL 3-1	QUEEN CREEK	MARICOPA	AZ	85142
73	23095 E MEWES RD	31334477	HARVEST AT QUEEN CREEK PARCEL 3-1	QUEEN CREEK	MARICOPA	AZ	85142
74	23099 E MEWES RD	31334478	HARVEST AT QUEEN CREEK PARCEL 3-1	QUEEN CREEK	MARICOPA	AZ	85142
75	23103 E MEWES RD	31334479	HARVEST AT QUEEN CREEK PARCEL 3-1	QUEEN CREEK	MARICOPA	AZ	85142
76	23107 E MEWES RD	31334480	HARVEST AT QUEEN CREEK PARCEL 3-1	QUEEN CREEK	MARICOPA	AZ	85142
77	23111 E MEWES RD	31334481	HARVEST AT QUEEN CREEK PARCEL 3-1	QUEEN CREEK	MARICOPA	AZ	85142
78	25587 S 231ST PL	31334482	HARVEST AT QUEEN CREEK PARCEL 3-1	QUEEN CREEK	MARICOPA	AZ	85142
79	25605 S 231ST PL	31334483	HARVEST AT QUEEN CREEK PARCEL 3-1	QUEEN CREEK	MARICOPA	AZ	85142
80	25623 S 231ST PL	31334484	HARVEST AT QUEEN CREEK PARCEL 3-1	QUEEN CREEK	MARICOPA	AZ	85142

**NOTICE  
OF PROPOSED  
IMPROVEMENT**

**NOTICE OF THE PASSAGE OF A RESOLUTION ORDERING THE IMPROVEMENTS AND AUTHORIZING THE PURCHASE OF ELECTRICITY FOR LIGHTING CERTAIN STREETS AND RIGHTS-OF-WAY FOR THE IMPROVEMENT DISTRICT KNOWN AS HARVEST QUEEN CREEK PARCEL 3-1 STREET LIGHTING IMPROVEMENT DISTRICT #134, No. 2022-001.**

This notice is given pursuant to the provisions of Title 48, Chapter 4, Article 2, Sections 48-571 to 48-619, both inclusive, Arizona Revised Statutes, as amended.

On the 4<sup>th</sup> day of May, 2022, the Mayor and Town Council of the Town of Queen Creek adopted Resolution 1451-22 ordering the improvements of certain streets and rights-of-way within the corporate limits of the Town and creating an Improvement District known as Harvest Queen Creek Parcel 3-1 Street Lighting Improvement District #134, No. 2022-001, pursuant to Title 48, Chapter 4, Arizona Revised Statutes, and amendments thereto for the purpose of purchasing electricity, which includes a charge for the using of lighting facilities and other related items, together with all appurtenant structures as shown on the plans.

Any owner, or other person having an interest in a lot, piece, or parcel of land situated within the above described assessment district who claims that any of the provisions, acts, or proceedings relative to the above described improvements are irregular, defective, illegal, erroneous or faulty, may file with the Town Clerk, 22358 S. Ellsworth Road, within fifteen (15) days after the date of completion of the posting of this notice by the Town Engineer, a written notice specifying in what way said acts or proceedings are irregular, defective, illegal, erroneous or faulty.

Further information concerning Harvest Queen Creek Parcel 3-1 Street Lighting Improvement District #134, No. 2022-001, may be obtained by contacting Mr. Chris Dovel, Town Engineer, Town of Queen Creek, 22358 S. Ellsworth Road, Queen Creek, Arizona 85142-9311, (480) 358-3003.

DATED AND SIGNED this \_\_\_\_\_ day of \_\_\_\_\_, 2022.

\_\_\_\_\_  
Chris Dovel, Town Engineer

**RESOLUTION 1452-22**

**A RESOLUTION OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF QUEEN CREEK, ARIZONA, DECLARING ITS INTENTION TO ESTABLISH AN IMPROVEMENT DISTRICT TO PURCHASE ENERGY TO LIGHT THE PUBLIC STREETS AND PARKS IN THAT CERTAIN AREA WITHIN THE CORPORATE LIMITS OF THE TOWN OF QUEEN CREEK, ARIZONA, TO BE KNOWN AS “MARSHES QUEEN CREEK PARCEL 3-2 STREET LIGHT IMPROVEMENT DISTRICT NUMBER 135, NO. 2022-002” AS DESCRIBED IN EXHIBIT A, ATTACHED HERETO, DECLARING SUCH IMPROVEMENTS TO BE OF MORE THAN LOCAL OR ORDINARY PUBLIC BENEFIT PROVIDING THAT SUCH EXPENSES THEREOF BE PAID FOR BY THE LEVY AND COLLECTION OF AD VALOREM TAXES UPON THE ASSESSED VALUATION OF ALL REAL AND PERSONAL PROPERTY IN THE DISTRICT AND ORDERING THAT SUCH IMPROVEMENTS BE PROVIDED FOR UNDER THE PROVISIONS OF SECTION 48-572, ARIZONA REVISED STATUTES, AS AMENDED AND PROVIDING FOR REPEAL OF CONFLICTING RESOLUTIONS.**

WHEREAS, the owners, exclusive of mortgagees and other lienholders, of all of the real property (hereinafter referred to as “Petitioner”) in the hereinafter described District, acting pursuant to the provisions of Sections 48-615 and 48-617, Arizona Revised Statutes, petitioned the Mayor and Council of the Town of Queen Creek, Arizona (hereinafter referred to as “Town”) to adopt a resolution of intention (hereinafter referred to as “Resolution”) ordering the purchase of energy for lighting the public streets and parks (hereinafter referred to as “Improvements”) for the real property legally described in **Exhibit A** (hereinafter referred to as “District”) with such boundaries as shown in the map in **Exhibit B**, attached hereto; and

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

WHEREAS, the Common Council of the Town hereby find and determine that it has jurisdiction to adopt this Resolution to order the Improvements pursuant to Section 48-576, Arizona Revised Statutes, and, pursuant to the provisions of Sections 48-615 and 48-617, Arizona Revised Statutes, it has immediate jurisdiction to adopt this Resolution ordering the Improvements without the necessity of publication and posting of this Resolution as provided for in Section 48-578, Arizona Revised Statutes;

**NOW, THEREFORE, BE IT RESOLVED BY THE COMMON COUNCIL OF THE TOWN OF QUEEN CREEK, ARIZONA, that:**

Section 1. The Town, after verifying ownership of the real property included within the boundaries of the District, hereby finds that Petitioner is the owner, exclusive



of mortgagees and other lienholders, of all of the real property included within the boundaries of the District.

Section 2. The name of the District shall be “**Harvest Queen Creek Parcel 3-2 Street Light Improvement District Number 135, No. 2022-002**”

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

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

Section 5. In the opinion of the Common Council of the Town, the improvements are of more than local or ordinary public benefit and is of special benefit to the respective lots, pieces and parcels of real property in the District.

Section 6. The Common Council of the Town hereby make and order the expense of the Improvements payable from the levying and collection of ad valorem taxes upon the assessed value of all real and personal property in the District. Said District, is legally described in **Exhibit A**, attached hereto with the boundaries as shown in the map in **Exhibit B**, attached hereto. Any public street or alley within the District shall be omitted from the assessment. Any lot belonging to the United States, the State, a county, city, school district or political subdivision or institution of the state or county within the District shall be omitted from the assessment.

Section 7. Pursuant to Sections 48-615(A) and 48-617(A), Arizona Revised Statutes, the resolution ordering the improvement shall be adopted without the necessity of publication and posting of the resolution of intention provided for in Section 48-578.

Section 8. The Common Council of the Town shall make annual statements and estimates of the expenses of the District; shall publish notice thereof; shall have hearings thereon; and shall adopt them at the times and in the manner provided for incorporated cities and towns by the applicable portions of Sections 42-17101 et seq., 42-17151, 42-17152, Arizona Revised Statutes. Said expenses shall be provided for by the levy and collection of ad valorem taxes upon the assessed value of all the real and personal property in the District. The Common Council of the Town shall, on or before the third Monday in August of each year, fix, levy and assess the amount to be raised by ad valorem taxes upon all of the property of the District and collect, as Maricopa County, Arizona (the “County”) taxes are collected, the amounts shown by the statements and estimates adopted by the Common Council of the Town. All statutes providing for the levy and collection of State of Arizona and County taxes, including the collection of delinquent taxes and sale of property for nonpayment of taxes, shall be applicable to District taxes as provided to be levied under Section 48-616, Arizona Revised Statutes.





**Legal Description  
Harvest Queen Creek Parcel 3-2**

Job No. 19-0180

August 8, 2019

A portion of the East Half of Section 36, Township 2 South, Range 7 East of the Gila and Salt River Meridian, Maricopa County, Arizona, more particularly described as follows:

**COMMENCING** at a brass cap flush P.C.H.D. at the east quarter corner of said Section 36, from which a 1.5" iron pipe w/tag RLS 15573 at the northeast corner of said Section 36 bears North 00 degrees 29 minutes 09 seconds West (an assumed bearing) at a distance of 2,619.54 feet;

thence North 0 degrees 29 minutes 09 seconds West, along the east line of the Northeast Quarter of said Section 36, 1216.06 feet;

thence South 89 degrees 30 minutes 51 seconds West, 57.33 feet to the POINT OF **BEGINNING**;

**BEGINNING** at a curve, concave westerly, from which the radius point bears South 84 degrees 20 minutes 21 seconds West a distance of 581.62 feet;

thence southerly 45.87 feet along the arc of said curve to the right through a central angle of 4 degrees 31 minutes 07 seconds;

thence on a non-tangent line South 0 degrees 29 minutes 09 seconds East, 1170.23 feet;

thence South 0 degrees 25 minutes 05 seconds East, 59.95 feet;

thence North 45 degrees 27 minutes 07 seconds West, 46.64 feet;

thence South 89 degrees 30 minutes 51 seconds West, 327.52 feet to the beginning of a curve, concave northerly, having a radius of 1540.00 feet;

thence westerly 136.21 feet along the arc of said curve to the right through a central angle of 5 degrees 04 minutes 03 seconds;

thence on a non-tangent line South 51 degrees 14 minutes 48 seconds West, 47.52 feet;

thence North 82 degrees 42 minutes 08 seconds West, 80.00 feet;

thence South 7 degrees 17 minutes 52 seconds West, 23.19 feet;

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thence South 89 degrees 22 minutes 21 seconds West, 414.03 feet to the beginning of a non-tangent curve, concave southwest, from which the radius point bears South 82 degrees 11 minutes 30 seconds West a distance of 50.00 feet;

thence northwesterly 72.27 feet along the arc of said curve to the left through a central angle of 82 degrees 49 minutes 09 seconds;

thence South 89 degrees 22 minutes 21 seconds West, 43.00 feet;

thence North 0 degrees 37 minutes 39 seconds West, 130.00 feet;

thence South 89 degrees 22 minutes 21 seconds West, 345.00 feet;

thence North 0 degrees 37 minutes 39 seconds West, 56.64 feet;

thence North 46 degrees 00 minutes 16 seconds East, 45.32 feet;

thence North 0 degrees 31 minutes 54 seconds West, 80.17 feet;

thence North 43 degrees 58 minutes 59 seconds West, 47.84 feet;

thence North 0 degrees 26 minutes 15 seconds West, 4.41 feet;

thence North 89 degrees 33 minutes 45 seconds East, 580.36 feet;

thence South 0 degrees 26 minutes 15 seconds East, 26.10 feet to the beginning of a curve, concave northeast, having a radius of 50.00 feet;

thence southeasterly 78.54 feet along the arc of said curve to the left through a central angle of 90 degrees 00 minutes 00 seconds;

thence North 89 degrees 33 minutes 45 seconds East, 125.00 feet;

thence North 0 degrees 26 minutes 15 seconds West, 831.90 feet;

thence North 89 degrees 33 minutes 45 seconds East, 134.85 feet to the beginning of a non-tangent curve, concave southeast, from which the radius point bears South 53 degrees 51 minutes 13 seconds East a distance of 50.00 feet;

thence northeasterly 25.93 feet along the arc of said curve to the right through a central angle of 29 degrees 42 minutes 46 seconds;

thence on a non-tangent line North 0 degrees 26 minutes 15 seconds West, 129.22 feet;

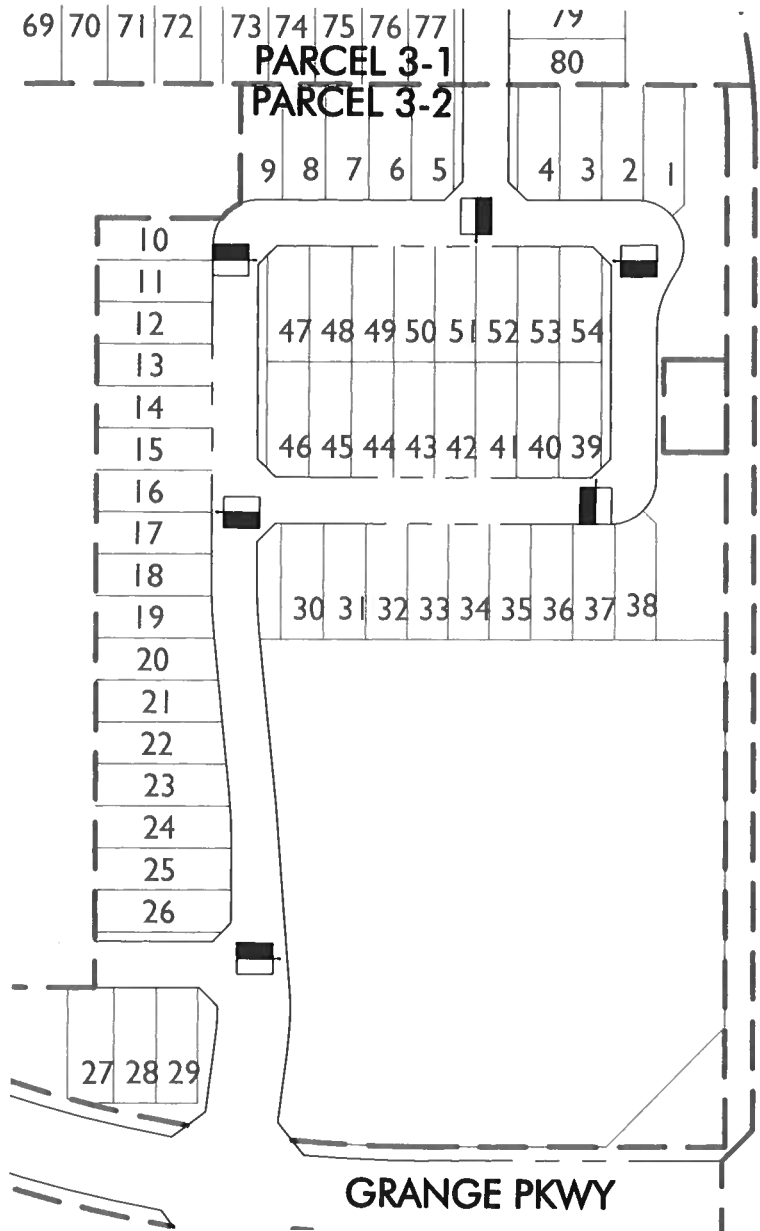


thence North 89 degrees 33 minutes 45 seconds East, 555.26 feet to the **POINT OF BEGINNING**.

Containing an area of 1,069,412 square feet or 24.5503 acres, more or less.



# ASSESSMENT DIAGRAM FOR HARVEST AT QUEEN CREEK PARCEL 3-2 STREET LIGHT IMPROVEMENT DISTRICT # 135 NO. 2022-002



GARY RD

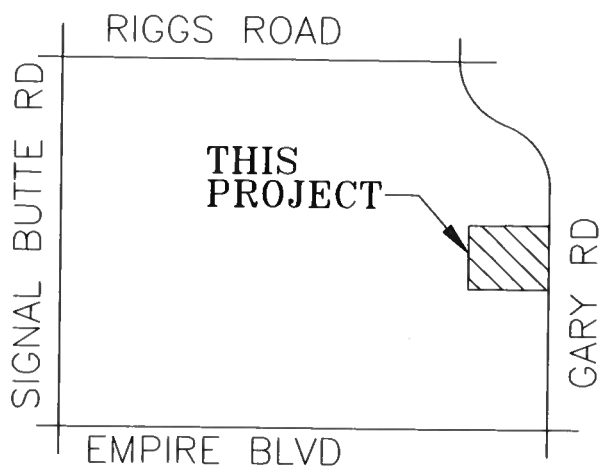
GRANGE PKWY



**LEGEND**  
 4,900 LUMEN LED STREET LIGHT, 25'-6" MTG HEIGHT

APPROVAL  
  
 TOWN OF QUEEN CREEK  
 ENGINEERING MANAGER

4.19.2022  
 DATE



**VICINITY MAP**  
 NTS

HARVEST QUEEN CREEK PARCEL 3-2

LOT NO.	ADDRESS	PARCEL NO.	SUBNAME	CITY	COUNTY	STATE	ZIP
1	23182 E EXCELSIOR AVE	31334058	HARVEST AT QUEEN CREEK PARCEL 3-2	QUEEN CREEK	MARICOPA	AZ	85142
2	23174 E EXCELSIOR AVE	31334059	HARVEST AT QUEEN CREEK PARCEL 3-2	QUEEN CREEK	MARICOPA	AZ	85142
3	23166 E EXCELSIOR AVE	31334060	HARVEST AT QUEEN CREEK PARCEL 3-2	QUEEN CREEK	MARICOPA	AZ	85142
4	23158 E EXCELSIOR AVE	31334061	HARVEST AT QUEEN CREEK PARCEL 3-2	QUEEN CREEK	MARICOPA	AZ	85142
5	23142 E EXCELSIOR AVE	31334062	HARVEST AT QUEEN CREEK PARCEL 3-2	QUEEN CREEK	MARICOPA	AZ	85142
6	23134 E EXCELSIOR AVE	31334063	HARVEST AT QUEEN CREEK PARCEL 3-2	QUEEN CREEK	MARICOPA	AZ	85142
7	23126 E EXCELSIOR AVE	31334064	HARVEST AT QUEEN CREEK PARCEL 3-2	QUEEN CREEK	MARICOPA	AZ	85142
8	23118 E EXCELSIOR AVE	31334065	HARVEST AT QUEEN CREEK PARCEL 3-2	QUEEN CREEK	MARICOPA	AZ	85142
9	23110 E EXCELSIOR AVE	31334066	HARVEST AT QUEEN CREEK PARCEL 3-2	QUEEN CREEK	MARICOPA	AZ	85142
10	25676 S 231ST ST	31334067	HARVEST AT QUEEN CREEK PARCEL 3-2	QUEEN CREEK	MARICOPA	AZ	85142
11	25690 S 231ST ST	31334068	HARVEST AT QUEEN CREEK PARCEL 3-2	QUEEN CREEK	MARICOPA	AZ	85142
12	25704 S 231ST ST	31334069	HARVEST AT QUEEN CREEK PARCEL 3-2	QUEEN CREEK	MARICOPA	AZ	85142
13	25718 S 231ST ST	31334070	HARVEST AT QUEEN CREEK PARCEL 3-2	QUEEN CREEK	MARICOPA	AZ	85142
14	25732 S 231ST ST	31334071	HARVEST AT QUEEN CREEK PARCEL 3-2	QUEEN CREEK	MARICOPA	AZ	85142
15	25746 S 231ST ST	31334072	HARVEST AT QUEEN CREEK PARCEL 3-2	QUEEN CREEK	MARICOPA	AZ	85142
16	25760 S 231ST ST	31334073	HARVEST AT QUEEN CREEK PARCEL 3-2	QUEEN CREEK	MARICOPA	AZ	85142
17	25774 S 231ST ST	31334074	HARVEST AT QUEEN CREEK PARCEL 3-2	QUEEN CREEK	MARICOPA	AZ	85142
18	25788 S 231ST ST	31334075	HARVEST AT QUEEN CREEK PARCEL 3-2	QUEEN CREEK	MARICOPA	AZ	85142
19	25802 S 231ST ST	31334076	HARVEST AT QUEEN CREEK PARCEL 3-2	QUEEN CREEK	MARICOPA	AZ	85142
20	25816 S 231ST ST	31334077	HARVEST AT QUEEN CREEK PARCEL 3-2	QUEEN CREEK	MARICOPA	AZ	85142
21	25830 S 231ST ST	31334078	HARVEST AT QUEEN CREEK PARCEL 3-2	QUEEN CREEK	MARICOPA	AZ	85142
22	25844 S 231ST ST	31334079	HARVEST AT QUEEN CREEK PARCEL 3-2	QUEEN CREEK	MARICOPA	AZ	85142
23	25858 S 231ST ST	31334080	HARVEST AT QUEEN CREEK PARCEL 3-2	QUEEN CREEK	MARICOPA	AZ	85142
24	25872 S 231ST ST	31334081	HARVEST AT QUEEN CREEK PARCEL 3-2	QUEEN CREEK	MARICOPA	AZ	85142
25	25886 S 231ST ST	31334082	HARVEST AT QUEEN CREEK PARCEL 3-2	QUEEN CREEK	MARICOPA	AZ	85142
26	25900 S 231ST ST	31334083	HARVEST AT QUEEN CREEK PARCEL 3-2	QUEEN CREEK	MARICOPA	AZ	85142
27	23079 E ORCHARD LN	31334084	HARVEST AT QUEEN CREEK PARCEL 3-2	QUEEN CREEK	MARICOPA	AZ	85142
28	23087 E ORCHARD LN	31334085	HARVEST AT QUEEN CREEK PARCEL 3-2	QUEEN CREEK	MARICOPA	AZ	85142
29	23095 E ORCHARD LN	31334086	HARVEST AT QUEEN CREEK PARCEL 3-2	QUEEN CREEK	MARICOPA	AZ	85142
30	23115 E TWILIGHT DR	31334087	HARVEST AT QUEEN CREEK PARCEL 3-2	QUEEN CREEK	MARICOPA	AZ	85142
31	23123 E TWILIGHT DR	31334088	HARVEST AT QUEEN CREEK PARCEL 3-2	QUEEN CREEK	MARICOPA	AZ	85142
32	23131 E TWILIGHT DR	31334089	HARVEST AT QUEEN CREEK PARCEL 3-2	QUEEN CREEK	MARICOPA	AZ	85142
33	23139 E TWILIGHT DR	31334090	HARVEST AT QUEEN CREEK PARCEL 3-2	QUEEN CREEK	MARICOPA	AZ	85142
34	23147 E TWILIGHT DR	31334091	HARVEST AT QUEEN CREEK PARCEL 3-2	QUEEN CREEK	MARICOPA	AZ	85142
35	23155 E TWILIGHT DR	31334092	HARVEST AT QUEEN CREEK PARCEL 3-2	QUEEN CREEK	MARICOPA	AZ	85142
36	23163 E TWILIGHT DR	31334093	HARVEST AT QUEEN CREEK PARCEL 3-2	QUEEN CREEK	MARICOPA	AZ	85142
37	23171 E TWILIGHT DR	31334094	HARVEST AT QUEEN CREEK PARCEL 3-2	QUEEN CREEK	MARICOPA	AZ	85142
38	23179 E TWILIGHT DR	31334095	HARVEST AT QUEEN CREEK PARCEL 3-2	QUEEN CREEK	MARICOPA	AZ	85142
39	23168 E TWILIGHT DR	31334096	HARVEST AT QUEEN CREEK PARCEL 3-2	QUEEN CREEK	MARICOPA	AZ	85142
40	23160 E TWILIGHT DR	31334097	HARVEST AT QUEEN CREEK PARCEL 3-2	QUEEN CREEK	MARICOPA	AZ	85142
41	23152 E TWILIGHT DR	31334098	HARVEST AT QUEEN CREEK PARCEL 3-2	QUEEN CREEK	MARICOPA	AZ	85142
42	23144 E TWILIGHT DR	31334099	HARVEST AT QUEEN CREEK PARCEL 3-2	QUEEN CREEK	MARICOPA	AZ	85142
43	23136 E TWILIGHT DR	31334100	HARVEST AT QUEEN CREEK PARCEL 3-2	QUEEN CREEK	MARICOPA	AZ	85142
44	23128 E TWILIGHT DR	31334101	HARVEST AT QUEEN CREEK PARCEL 3-2	QUEEN CREEK	MARICOPA	AZ	85142
45	23120 E TWILIGHT DR	31334102	HARVEST AT QUEEN CREEK PARCEL 3-2	QUEEN CREEK	MARICOPA	AZ	85142
46	23112 E TWILIGHT DR	31334103	HARVEST AT QUEEN CREEK PARCEL 3-2	QUEEN CREEK	MARICOPA	AZ	85142
47	23113 E EXCELSIOR AVE	31334104	HARVEST AT QUEEN CREEK PARCEL 3-2	QUEEN CREEK	MARICOPA	AZ	85142
48	23121 E EXCELSIOR AVE	31334105	HARVEST AT QUEEN CREEK PARCEL 3-2	QUEEN CREEK	MARICOPA	AZ	85142
49	23129 E EXCELSIOR AVE	31334106	HARVEST AT QUEEN CREEK PARCEL 3-2	QUEEN CREEK	MARICOPA	AZ	85142
50	23137 E EXCELSIOR AVE	31334107	HARVEST AT QUEEN CREEK PARCEL 3-2	QUEEN CREEK	MARICOPA	AZ	85142
51	23145 E EXCELSIOR AVE	31334108	HARVEST AT QUEEN CREEK PARCEL 3-2	QUEEN CREEK	MARICOPA	AZ	85142
52	23153 E EXCELSIOR AVE	31334109	HARVEST AT QUEEN CREEK PARCEL 3-2	QUEEN CREEK	MARICOPA	AZ	85142
53	23161 E EXCELSIOR AVE	31334110	HARVEST AT QUEEN CREEK PARCEL 3-2	QUEEN CREEK	MARICOPA	AZ	85142
54	23169 E EXCELSIOR AVE	31334111	HARVEST AT QUEEN CREEK PARCEL 3-2	QUEEN CREEK	MARICOPA	AZ	85142

**NOTICE  
OF PROPOSED  
IMPROVEMENT**

**NOTICE OF THE PASSAGE OF A RESOLUTION ORDERING THE IMPROVEMENTS AND AUTHORIZING THE PURCHASE OF ELECTRICITY FOR LIGHTING CERTAIN STREETS AND RIGHTS-OF-WAY FOR THE IMPROVEMENT DISTRICT KNOWN AS HARVEST QUEEN CREEK PARCEL 3-2 STREET LIGHTING IMPROVEMENT DISTRICT #135, No. 2022-002.**

This notice is given pursuant to the provisions of Title 48, Chapter 4, Article 2, Sections 48-571 to 48-619, both inclusive, Arizona Revised Statutes, as amended.

On the 4<sup>th</sup> day of May, 2022, the Mayor and Town Council of the Town of Queen Creek adopted Resolution 1452-22 ordering the improvements of certain streets and rights-of-way within the corporate limits of the Town and creating an Improvement District known as Harvest Queen Creek Parcel 3-2 Street Lighting Improvement District #135, No. 2022-002, pursuant to Title 48, Chapter 4, Arizona Revised Statutes, and amendments thereto for the purpose of purchasing electricity, which includes a charge for the using of lighting facilities and other related items, together with all appurtenant structures as shown on the plans.

Any owner, or other person having an interest in a lot, piece, or parcel of land situated within the above described assessment district who claims that any of the provisions, acts, or proceedings relative to the above described improvements are irregular, defective, illegal, erroneous or faulty, may file with the Town Clerk, 22358 S. Ellsworth Road, within fifteen (15) days after the date of completion of the posting of this notice by the Town Engineer, a written notice specifying in what way said acts or proceedings are irregular, defective, illegal, erroneous or faulty.

Further information concerning Harvest Queen Creek Parcel 3-2 Street Lighting Improvement District #135, No. 2022-002, may be obtained by contacting Mr. Chris Dovel, Town Engineer, Town of Queen Creek, 22358 S. Ellsworth Road, Queen Creek, Arizona 85142-9311, (480) 358-3003.

DATED AND SIGNED this \_\_\_\_\_ day of \_\_\_\_\_, 2022.

\_\_\_\_\_  
Chris Dovel, Town Engineer



**RESOLUTION 1453-22**

**A RESOLUTION OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF QUEEN CREEK, ARIZONA, DECLARING ITS INTENTION TO ESTABLISH AN IMPROVEMENT DISTRICT TO PURCHASE ENERGY TO LIGHT THE PUBLIC STREETS AND PARKS IN THAT CERTAIN AREA WITHIN THE CORPORATE LIMITS OF THE TOWN OF QUEEN CREEK, ARIZONA, TO BE KNOWN AS “EARLEST QUEEN CREEK PARCEL 3-3 STREET LIGHT IMPROVEMENT DISTRICT NUMBER 136, NO. 2022-003” AS DESCRIBED IN EXHIBIT A, ATTACHED HERETO, DECLARING SUCH IMPROVEMENTS TO BE OF MORE THAN LOCAL OR ORDINARY PUBLIC BENEFIT PROVIDING THAT SUCH EXPENSES THEREOF BE PAID FOR BY THE LEVY AND COLLECTION OF AD VALOREM TAXES UPON THE ASSESSED VALUATION OF ALL REAL AND PERSONAL PROPERTY IN THE DISTRICT AND ORDERING THAT SUCH IMPROVEMENTS BE PROVIDED FOR UNDER THE PROVISIONS OF SECTION 48-572, ARIZONA REVISED STATUTES, AS AMENDED AND PROVIDING FOR REPEAL OF CONFLICTING RESOLUTIONS.**

WHEREAS, the owners, exclusive of mortgagees and other lienholders, of all of the real property (hereinafter referred to as “Petitioner”) in the hereinafter described District, acting pursuant to the provisions of Sections 48-615 and 48-617, Arizona Revised Statutes, petitioned the Mayor and Council of the Town of Queen Creek, Arizona (hereinafter referred to as “Town”) to adopt a resolution of intention (hereinafter referred to as “Resolution”) ordering the purchase of energy for lighting the public streets and parks (hereinafter referred to as “Improvements”) for the real property legally described in **Exhibit A** (hereinafter referred to as “District”) with such boundaries as shown in the map in **Exhibit B**, attached hereto; and

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

WHEREAS, the Common Council of the Town hereby find and determine that it has jurisdiction to adopt this Resolution to order the Improvements pursuant to Section 48-576, Arizona Revised Statutes, and, pursuant to the provisions of Sections 48-615 and 48-617, Arizona Revised Statutes, it has immediate jurisdiction to adopt this Resolution ordering the Improvements without the necessity of publication and posting of this Resolution as provided for in Section 48-578, Arizona Revised Statutes;

**NOW, THEREFORE, BE IT RESOLVED BY THE COMMON COUNCIL OF THE TOWN OF QUEEN CREEK, ARIZONA, that:**

Section 1. The Town, after verifying ownership of the real property included within the boundaries of the District, hereby finds that Petitioner is the owner, exclusive

of mortgagees and other lienholders, of all of the real property included within the boundaries of the District.

Section 2. The name of the District shall be “**Harvest Queen Creek Parcel 3-3 Street Light Improvement District Number 136, No. 2022-003**”

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

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

Section 5. In the opinion of the Common Council of the Town, the improvements are of more than local or ordinary public benefit and is of special benefit to the respective lots, pieces and parcels of real property in the District.

Section 6. The Common Council of the Town hereby make and order the expense of the Improvements payable from the levying and collection of ad valorem taxes upon the assessed value of all real and personal property in the District. Said District, is legally described in **Exhibit A**, attached hereto with the boundaries as shown in the map in **Exhibit B**, attached hereto. Any public street or alley within the District shall be omitted from the assessment. Any lot belonging to the United States, the State, a county, city, school district or political subdivision or institution of the state or county within the District shall be omitted from the assessment.

Section 7. Pursuant to Sections 48-615(A) and 48-617(A), Arizona Revised Statutes, the resolution ordering the improvement shall be adopted without the necessity of publication and posting of the resolution of intention provided for in Section 48-578.

Section 8. The Common Council of the Town shall make annual statements and estimates of the expenses of the District; shall publish notice thereof; shall have hearings thereon; and shall adopt them at the times and in the manner provided for incorporated cities and towns by the applicable portions of Sections 42-17101 et seq., 42-17151, 42-17152, Arizona Revised Statutes. Said expenses shall be provided for by the levy and collection of ad valorem taxes upon the assessed value of all the real and personal property in the District. The Common Council of the Town shall, on or before the third Monday in August of each year, fix, levy and assess the amount to be raised by ad valorem taxes upon all of the property of the District and collect, as Maricopa County, Arizona (the “County”) taxes are collected, the amounts shown by the statements and estimates adopted by the Common Council of the Town. All statutes providing for the levy and collection of State of Arizona and County taxes, including the collection of delinquent taxes and sale of property for nonpayment of taxes, shall be applicable to District taxes as provided to be levied under Section 48-616, Arizona Revised Statutes.





**Legal Description  
Harvest Queen Creek Parcel 3-3**

Job No. 19-0180

August 8, 2019

A portion of the East Half of Section 36, Township 2 South, Range 7 East of the Gila and Salt River Meridian, Maricopa County, Arizona, more particularly described as follows:

**COMMENCING** at a brass cap flush P.C.H.D. at the east quarter corner of said Section 36, from which a rebar w/cap RLS 52139 at the west quarter corner of said Section 36 bears South 89 degrees 29 minutes 15 seconds West (an assumed bearing) at a distance of 5,278.07 feet;

thence South 89 degrees 29 minutes 15 seconds West, along the east-west mid-section line of said Section 36, 668.17 feet;

thence South 0 degrees 30 minutes 45 seconds East, 39.18 feet to the **POINT OF BEGINNING**;

thence South 82 degrees 42 minutes 08 seconds East, 80.00 feet;

thence South 7 degrees 17 minutes 52 seconds West, 81.26 feet to the beginning of a curve, concave easterly, having a radius of 260.00 feet;

thence southerly 35.96 feet along the arc of said curve to the left through a central angle of 7 degrees 55 minutes 32 seconds;

thence South 0 degrees 37 minutes 39 seconds East, 800.66 feet;

thence South 89 degrees 22 minutes 26 seconds West, 1071.96 feet;

thence North 0 degrees 37 minutes 39 seconds West, 65.01 feet;

thence North 45 degrees 30 minutes 16 seconds West, 14.11 feet;

thence North 89 degrees 22 minutes 21 seconds East, 121.54 feet;

thence North 0 degrees 37 minutes 39 seconds West, 495.00 feet;

thence North 89 degrees 22 minutes 21 seconds East, 128.00 feet;

thence North 0 degrees 37 minutes 39 seconds West, 308.77 feet;

thence North 45 degrees 37 minutes 39 seconds West, 28.28 feet;

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

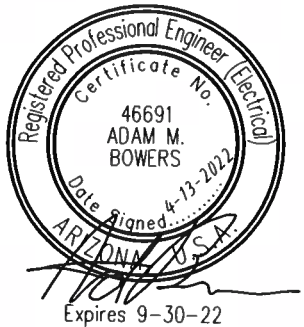
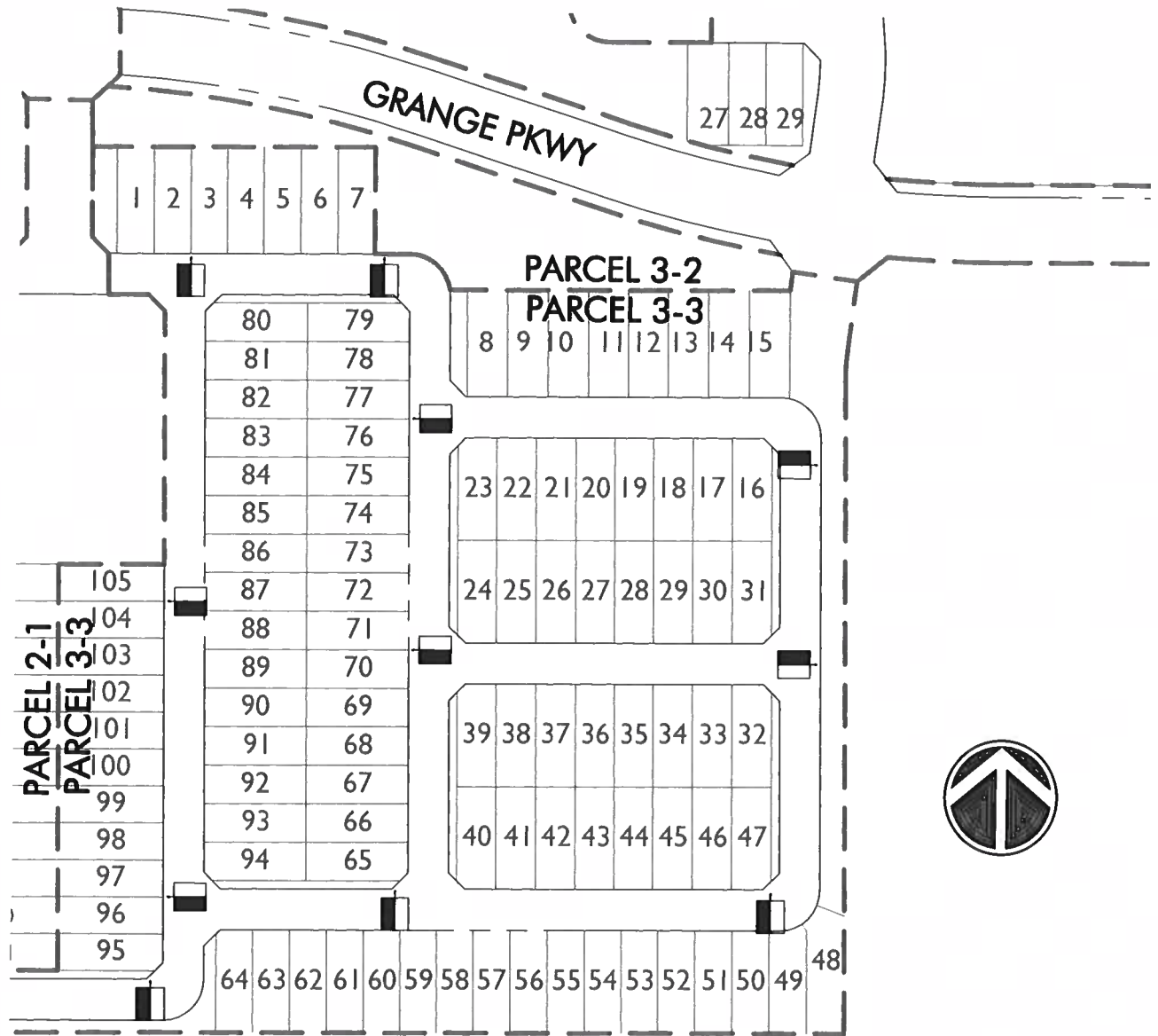


thence South 89 degrees 22 minutes 21 seconds West, 48.00 feet;  
thence North 0 degrees 37 minutes 39 seconds West, 50.00 feet;  
thence North 45 degrees 37 minutes 39 seconds West, 28.28 feet;  
thence North 0 degrees 37 minutes 39 seconds West, 110.00 feet;  
thence North 89 degrees 22 minutes 21 seconds East, 345.00 feet;  
thence South 0 degrees 37 minutes 39 seconds East, 130.00 feet;  
thence North 89 degrees 22 minutes 21 seconds East, 43.00 feet to the beginning  
of a curve, concave southwest, having a radius of 50.00 feet;  
thence southeasterly 72.27 feet along the arc of said curve to the right through a  
central angle of 82 degrees 49 minutes 09 seconds;  
thence on a non-tangent line North 89 degrees 22 minutes 21 seconds East, 414.03  
feet;  
thence North 7 degrees 17 minutes 52 seconds East, 23.19 feet to the **POINT OF  
BEGINNING.**

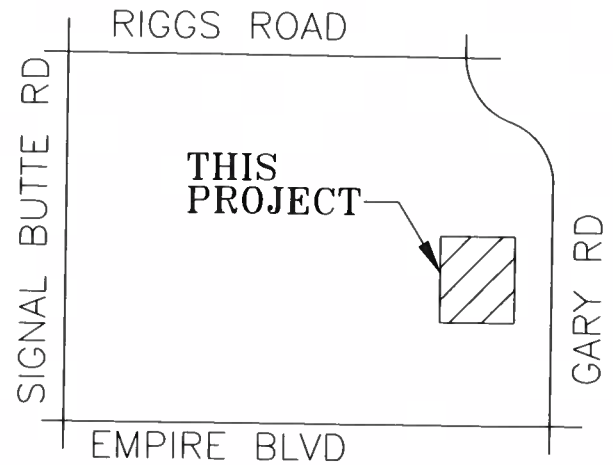
Containing an area of 899,686 square feet or 20.6540 acres, more or less.



ASSESSMENT DIAGRAM FOR HARVEST AT QUEEN CREEK PARCEL 3-3  
STREET LIGHT IMPROVEMENT DISTRICT # 136 NO. 2022- 003



**LEGEND**  
 ■ 4,900 LUMEN LED STREET LIGHT, 25'-6" MTG HEIGHT



APPROVAL  
*U. A. D.*  
 TOWN OF QUEEN CREEK  
 ENGINEERING MANAGER

4.19.2022  
 DATE



**VICINITY MAP**  
 NTS



64	23001 E STACEY RD	31334557	HARVEST AT QUEEN CREEK PARCEL 3-3	QUEEN CREEK	MARICOPA	AZ	85142
65	26242 S 230TH PL	31334558	HARVEST AT QUEEN CREEK PARCEL 3-3	QUEEN CREEK	MARICOPA	AZ	85142
66	26226 S 230TH PL	31334559	HARVEST AT QUEEN CREEK PARCEL 3-3	QUEEN CREEK	MARICOPA	AZ	85142
67	26210 S 230TH PL	31334560	HARVEST AT QUEEN CREEK PARCEL 3-3	QUEEN CREEK	MARICOPA	AZ	85142
68	26194 S 230TH PL	31334561	HARVEST AT QUEEN CREEK PARCEL 3-3	QUEEN CREEK	MARICOPA	AZ	85142
69	26178 S 230TH PL	31334562	HARVEST AT QUEEN CREEK PARCEL 3-3	QUEEN CREEK	MARICOPA	AZ	85142
70	26162 S 230TH PL	31334563	HARVEST AT QUEEN CREEK PARCEL 3-3	QUEEN CREEK	MARICOPA	AZ	85142
71	26146 S 230TH PL	31334564	HARVEST AT QUEEN CREEK PARCEL 3-3	QUEEN CREEK	MARICOPA	AZ	85142
72	26130 S 230TH PL	31334565	HARVEST AT QUEEN CREEK PARCEL 3-3	QUEEN CREEK	MARICOPA	AZ	85142
73	26114 S 230TH PL	31334566	HARVEST AT QUEEN CREEK PARCEL 3-3	QUEEN CREEK	MARICOPA	AZ	85142
74	26098 S 230TH PL	31334567	HARVEST AT QUEEN CREEK PARCEL 3-3	QUEEN CREEK	MARICOPA	AZ	85142
75	26082 S 230TH PL	31334568	HARVEST AT QUEEN CREEK PARCEL 3-3	QUEEN CREEK	MARICOPA	AZ	85142
76	26066 S 230TH PL	31334569	HARVEST AT QUEEN CREEK PARCEL 3-3	QUEEN CREEK	MARICOPA	AZ	85142
77	26050 S 230TH PL	31334570	HARVEST AT QUEEN CREEK PARCEL 3-3	QUEEN CREEK	MARICOPA	AZ	85142
78	26034 S 230TH PL	31334571	HARVEST AT QUEEN CREEK PARCEL 3-3	QUEEN CREEK	MARICOPA	AZ	85142
79	26018 S 230TH PL	31334572	HARVEST AT QUEEN CREEK PARCEL 3-3	QUEEN CREEK	MARICOPA	AZ	85142
80	26017 S 230TH ST	31334573	HARVEST AT QUEEN CREEK PARCEL 3-3	QUEEN CREEK	MARICOPA	AZ	85142
81	26033 S 230TH ST	31334574	HARVEST AT QUEEN CREEK PARCEL 3-3	QUEEN CREEK	MARICOPA	AZ	85142
82	26049 S 230TH ST	31334575	HARVEST AT QUEEN CREEK PARCEL 3-3	QUEEN CREEK	MARICOPA	AZ	85142
83	26065 S 230TH ST	31334576	HARVEST AT QUEEN CREEK PARCEL 3-3	QUEEN CREEK	MARICOPA	AZ	85142
84	26081 S 230TH ST	31334577	HARVEST AT QUEEN CREEK PARCEL 3-3	QUEEN CREEK	MARICOPA	AZ	85142
85	26097 S 230TH ST	31334578	HARVEST AT QUEEN CREEK PARCEL 3-3	QUEEN CREEK	MARICOPA	AZ	85142
86	26113 S 230TH ST	31334579	HARVEST AT QUEEN CREEK PARCEL 3-3	QUEEN CREEK	MARICOPA	AZ	85142
87	26129 S 230TH ST	31334580	HARVEST AT QUEEN CREEK PARCEL 3-3	QUEEN CREEK	MARICOPA	AZ	85142
88	26145 S 230TH ST	31334581	HARVEST AT QUEEN CREEK PARCEL 3-3	QUEEN CREEK	MARICOPA	AZ	85142
89	26161 S 230TH ST	31334582	HARVEST AT QUEEN CREEK PARCEL 3-3	QUEEN CREEK	MARICOPA	AZ	85142
90	26177 S 230TH ST	31334583	HARVEST AT QUEEN CREEK PARCEL 3-3	QUEEN CREEK	MARICOPA	AZ	85142
91	26193 S 230TH ST	31334584	HARVEST AT QUEEN CREEK PARCEL 3-3	QUEEN CREEK	MARICOPA	AZ	85142
92	26209 S 230TH ST	31334585	HARVEST AT QUEEN CREEK PARCEL 3-3	QUEEN CREEK	MARICOPA	AZ	85142
93	26225 S 230TH ST	31334586	HARVEST AT QUEEN CREEK PARCEL 3-3	QUEEN CREEK	MARICOPA	AZ	85142
94	26241 S 230TH ST	31334587	HARVEST AT QUEEN CREEK PARCEL 3-3	QUEEN CREEK	MARICOPA	AZ	85142
95	26288 S 230TH ST	31334588	HARVEST AT QUEEN CREEK PARCEL 3-3	QUEEN CREEK	MARICOPA	AZ	85142
96	26272 S 230TH ST	31334589	HARVEST AT QUEEN CREEK PARCEL 3-3	QUEEN CREEK	MARICOPA	AZ	85142
97	26256 S 230TH ST	31334590	HARVEST AT QUEEN CREEK PARCEL 3-3	QUEEN CREEK	MARICOPA	AZ	85142
98	26240 S 230TH ST	31334591	HARVEST AT QUEEN CREEK PARCEL 3-3	QUEEN CREEK	MARICOPA	AZ	85142
99	26224 S 230TH ST	31334592	HARVEST AT QUEEN CREEK PARCEL 3-3	QUEEN CREEK	MARICOPA	AZ	85142
100	26208 S 230TH ST	31334593	HARVEST AT QUEEN CREEK PARCEL 3-3	QUEEN CREEK	MARICOPA	AZ	85142
101	26192 S 230TH ST	31334594	HARVEST AT QUEEN CREEK PARCEL 3-3	QUEEN CREEK	MARICOPA	AZ	85142
102	26176 S 230TH ST	31334595	HARVEST AT QUEEN CREEK PARCEL 3-3	QUEEN CREEK	MARICOPA	AZ	85142
103	26160 S 230TH ST	31334596	HARVEST AT QUEEN CREEK PARCEL 3-3	QUEEN CREEK	MARICOPA	AZ	85142
104	26144 S 230TH ST	31334597	HARVEST AT QUEEN CREEK PARCEL 3-3	QUEEN CREEK	MARICOPA	AZ	85142
105	26128 S 230TH ST	31334598	HARVEST AT QUEEN CREEK PARCEL 3-3	QUEEN CREEK	MARICOPA	AZ	85142



**NOTICE  
OF PROPOSED  
IMPROVEMENT**

**NOTICE OF THE PASSAGE OF A RESOLUTION ORDERING THE IMPROVEMENTS AND AUTHORIZING THE PURCHASE OF ELECTRICITY FOR LIGHTING CERTAIN STREETS AND RIGHTS-OF-WAY FOR THE IMPROVEMENT DISTRICT KNOWN AS HARVEST QUEEN CREEK PARCEL 3-3 STREET LIGHTING IMPROVEMENT DISTRICT #136, No. 2022-003.**

This notice is given pursuant to the provisions of Title 48, Chapter 4, Article 2, Sections 48-571 to 48-619, both inclusive, Arizona Revised Statutes, as amended.

On the 4<sup>th</sup> day of May, 2022, the Mayor and Town Council of the Town of Queen Creek adopted Resolution 1453-22 ordering the improvements of certain streets and rights-of-way within the corporate limits of the Town and creating an Improvement District known as Harvest Queen Creek Parcel 3-3 Street Lighting Improvement District #136, No. 2022-003, pursuant to Title 48, Chapter 4, Arizona Revised Statutes, and amendments thereto for the purpose of purchasing electricity, which includes a charge for the using of lighting facilities and other related items, together with all appurtenant structures as shown on the plans.

Any owner, or other person having an interest in a lot, piece, or parcel of land situated within the above described assessment district who claims that any of the provisions, acts, or proceedings relative to the above described improvements are irregular, defective, illegal, erroneous or faulty, may file with the Town Clerk, 22358 S. Ellsworth Road, within fifteen (15) days after the date of completion of the posting of this notice by the Town Engineer, a written notice specifying in what way said acts or proceedings are irregular, defective, illegal, erroneous or faulty.

Further information concerning Harvest Queen Creek Parcel 3-3 Street Lighting Improvement District #136, No. 2022-003, may be obtained by contacting Mr. Chris Dovel, Town Engineer, Town of Queen Creek, 22358 S. Ellsworth Road, Queen Creek, Arizona 85142-9311, (480) 358-3003.

DATED AND SIGNED this \_\_\_\_\_ day of \_\_\_\_\_, 2022.

\_\_\_\_\_  
Chris Dovel, Town Engineer



TOWN OF  
**QUEEN CREEK**  
 ARIZONA

**TO:** HONORABLE MAYOR AND TOWN COUNCIL

**THROUGH:** JOHN KROSS ICMA-CM, TOWN MANAGER

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

**RE:** PUBLIC HEARING AND POSSIBLE ACTION ON ORDINANCE 785-22 P22-0032 MINIMUM RESIDENCY REQUIREMENT FOR PLANNING COMMISSIONERS TEXT AMENDMENT, A STAFF INITIATED REQUEST FOR A ZONING ORDINANCE AND TOWN CODE TEXT AMENDMENT TO ENACT A MINIMUM 1-YEAR RESIDENCY REQUIREMENT FOR PLANNING COMMISSIONER APPOINTMENTS.

**DATE:** May 4, 2022

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**Suggested Action:**

Approval of P22-0032 Minimum Residency Requirement for Planning Commissioners Text Amendment, a request for a Zoning Ordinance and Town Code Text Amendment to enact a minimum 1-year residency requirement for Planning Commissioner appointments.

**Relevant Council Goal(s):**

Effective Government

**Discussion:**

The Town Code requires Commissioners to be residents of the Town, however, it does not identify a minimum amount of time a person must be a resident of Queen Creek before they can be appointed to the Commission. Staff is proposing an amendment to the Town Code and Zoning Ordinance to require a minimum 1-year residency for Planning Commissioners. This would match the Town Council's minimum 1-year residency requirement per Arizona's Constitution. Additionally, an emergency clause will be provided that if in the event of an immediate vacancy, that a potential candidate may be appointed without the residency timeframe requirement being satisfied if in the best interest of the Commission as determined by the Planning Administrator and approved by the Town Council.

Staff is recommending consideration of the minimum 1-year residency requirement so that individuals appointed to the Commission have an established familiarity with the Town before making Town planning decisions or planning recommendations to the Town Council. If adopted, in the event a seat on the Commission becomes available, all potential candidates would be required to have lived in Queen Creek for at least one year.

The proposed text amendment language to the Town Code and Zoning Ordinance is attached to this report.

**Attachment(s):**

1. [Proposed ZO Amendment - 1 Year Residency.pdf](#)
2. [Proposed TC Amendment - 1 Year Residency.pdf](#)
3. [Ordinance 785-22.pdf](#)

**Proposed Amendments to the Zoning Ordinance:**

2.4.C. Organization, Membership, Terms, Appointment, and Removal. The Commission shall be organized as follows:

1. Composition. The Commission shall be composed of the number of members to be appointed by the Town Council as established by the minimum requirements of A.R.S. §9-461.02. The members of the commission shall be residents of the town for a period of one-year preceding appointment. In the event of an immediate vacancy, a candidate may be appointed without satisfying the 1-year residency requirement if in the best interest of the Commission as determined by the Planning Administrator and approved by the Town Council;

## ARTICLE 2-7 PLANNING AND ZONING COMMISSION

### 2-7-2 Membership

1. The commission shall consist of seven members. The members of the commission shall be residents of the town for a period of one-year preceding appointment. The members shall be appointed by the mayor and council and shall serve at the pleasure of the mayor and council.
2. In the event of an immediate vacancy, a candidate may be appointed to the Planning Commission without satisfying the 1-year residency requirement if in the best interest of the Commission as determined by the Planning Administrator and approved by the Town Council.
3. All appointments or extension of terms shall be for a three year period and all terms shall end on August 31st of the third year after appointment or extension.
4. Commission members shall serve without pay, except that they may be reimbursed for actual expenses incurred in connection with the duties of their office upon authorization or ratification by the council.

**ORDINANCE 785-22**

**AN ORDINANCE OF THE MAYOR AND COMMON COUNCIL OF THE TOWN OF QUEEN CREEK, ARIZONA, AMENDING SECTION 2.4(C) OF THE QUEEN CREEK ZONING ORDINANCE AND AMENDING CHAPTER 2 ARTICLE 7-2 OF THE TOWN CODE.**

WHEREAS, Arizona Revised Statutes § 9-802 provides a procedure whereby a municipality may enact the provisions of a code or public record by reference, without setting forth such provisions, providing that the adopting ordinance is published in full; and

WHEREAS, the Town Council has determined that it is in the best interest of the residents of Queen Creek to make certain changes to the Town Zoning Ordinance and Town Code Chapter 2, as further set forth in Exhibit "A", which is attached hereto and incorporated herein by reference.

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

Section 1. Section 2.4(C) of the Queen Creek Zoning Ordinance is amended as set forth in Exhibit "A".

Section 2. Chapter 2 Article 7-2 of the Queen Creek Town Code is amended as set forth in Exhibit "B,"

Section 3. If any section, subsection, clause, phrase or portion of this ordinance or any part of these amendments to the Town Code or Zoning Ordinance, is for any reason held invalid or unconstitutional by the decision of any court or competent jurisdiction, such decision shall not affect the validity of the remaining portions thereof.

Section 4. At least one paper copy and one electronic copy of this ordinance and exhibits are to be filed in the office of the Town Clerk.

**PASSED AND ADOPTED BY** the Mayor and Common Council of the Town of Queen Creek, Arizona, this 4<sup>th</sup> day of May 2022.

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

## Exhibit A – Zoning Ordinance Text Amendments

### Proposed Amendments to the Zoning Ordinance:

2.4.C. Organization, Membership, Terms, Appointment, and Removal. The Commission shall be organized as follows:

1. Composition. The Commission shall be composed of the number of members to be appointed by the Town Council as established by the minimum requirements of A.R.S. §9-461.02. The members of the commission shall be residents of the town for a period of one-year preceding appointment. In the event of an immediate vacancy, a candidate may be appointed without satisfying the 1-year residency requirement if in the best interest of the Commission as determined by the Planning Administrator and approved by the Town Council;



## Exhibit B- Town Code Text Amendments

### ARTICLE 2-7 PLANNING AND ZONING COMMISSION

#### 2-7-2 Membership

1. The commission shall consist of seven members. The members of the commission shall be residents of the town for a period of one-year preceding appointment. The members shall be appointed by the mayor and council and shall serve at the pleasure of the mayor and council.
2. In the event of an immediate vacancy, a candidate may be appointed to the Planning Commission without satisfying the 1-year residency requirement if in the best interest of the Commission as determined by the Planning Administrator and approved by the Town Council.
3. All appointments or extension of terms shall be for a three year period and all terms shall end on August 31st of the third year after appointment or extension.
4. Commission members shall serve without pay, except that they may be reimbursed for actual expenses incurred in connection with the duties of their office upon authorization or ratification by the council.



TOWN OF  
**QUEEN CREEK**  
ARIZONA

11.A

**TO:** HONORABLE MAYOR AND TOWN COUNCIL  
**THROUGH:** JOHN KROSS ICMA-CM, TOWN MANAGER  
**FROM:** SAMANTHA WOMER, PUBLIC INFORMATION SPECIALIST  
**RE:** DISCUSSION ON THE 2022-2027 TOWN OF QUEEN CREEK CORPORATE STRATEGIC PLAN.  
**DATE:** May 4, 2022

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**Suggested Action:**

None.

**Relevant Council Goal(s):**

The Strategic Plan encompasses the Council's Strategic Priorities and Goals for the current fiscal year and beyond.

**Discussion:**

The Corporate Strategic Plan (CSP) is a goal setting document, and is reviewed annually and updated as directed by the Council. It is an integral part of the Town's annual work program; and establishes a clear direction for the Town's management team, comprised of the Town Manager and all department directors. The CSP provides general guidance for the overall direction of the organization. It translates the general mandate and mission of the organization into Strategic Priorities and Goals. The CSP includes five Strategic Priorities: Effective Government, Safe Community, Secure Future, Superior Infrastructure, and Quality Lifestyle. These Strategic Priorities each include a set of goals that guide the Town Manager and Town departments as they shape programs and develop work plans.

The Town Manager, along with the department directors, develop an implementation plan that includes administrative Objectives. The Objectives flesh out the strategic plan and operationalize its Strategic Priorities and Goals. They also set out the specific tasks to be performed in moving toward the Strategic Priorities and Goals. This document is prepared and used by the management team and is addressed in every employee's performance evaluation. Each employee has a role in implementing the CSP.

Each department reports on the implementation status of the CSP Goals and Objectives on a quarterly basis. Attached is a short example of the FY22 third quarter executive report showing the

most recent reports made on several goals from the CSP. The report is a tool used by Town management to centralize the tracking of performance and progress towards the annual CSP goals. In addition to the status and progress towards the goals, the report identifies any areas of disruption, and actions being taken to address the disruption. This report provides a dashboard view of overall progress on each Strategic Priority, as well as detailed updates on individual Goals. Each Goal includes a color coded progress meter showing the status of all administrative Objectives under that Goal. The narrative for the Goal includes a summary of progress made on major initiatives and tasks included in the Objectives.

The timing for the annual Council review of the CSP Goals aligns with the Town's budget adoption process. In preparation for the next fiscal year, the management team has developed proposed new goals and updates to existing goals to be included in the 2022-2027 CSP. The proposed changes reflect completion of existing goals, and new direction provided by the Council since the approval of last year's CSP. The proposed changes will be presented at the May 4, 2022 Town Council meeting for feedback from council.

The proposed 2022-2027 Town of Queen Creek Corporate Strategic Plan is attached as a redlined draft with the recommended changes. The changes are presented in legislative format. Where noted in capital letters, that text is recommended to be added. Where strikeout is identified, this text is recommended for deletion.

**Alternatives:**


Alternatives:

1. The Council may decide not to accept the recommended changes to the 2022-2027 Corporate Strategic Plan, and keep the current plan in place.
2. The Council may decide to approve the 2022-2027 Corporate Strategic Plan with changes.
3. The Council may direct staff to develop new or revised goals, and come back at a future meeting with an updated version of the 2022-2027 Corporate Strategic Plan.


**Attachment(s):**

1. [Redlined draft Town of Queen Creek Corporate Strategic Plan 2022-2027](#)
2. [Sample 3rd Quarter FY 22 Corporate Strategic Plan Executive Report](#)


## Corporate Strategic Plan Update 2022-2027 Recommended Changes

Strategic Priority	Goal	Department	
 <b>Effective Government</b>	<b>Strategic Priority #1: Effective Government</b> An effective local government is aware of citizens' needs and provides the services that residents want. This can be achieved by managing the price of government and introducing innovative business practices, using new technology, hiring quality employees and leveraging Town partnerships to save resources.		
	1.1	FINANCIAL STABILITY: Maintain a stable long-term cost and revenue structure that ensures intergenerational equity and an appropriate allocation of costs.	Finance
	1.2	FINANCIAL STABILITY: Adopt balanced budgets each year to ensure costs are kept within available revenues.	Finance
	1.3	FINANCIAL STABILITY: Evaluate and implement strategies to <del>maintain</del> fully-funded pension <del>and liabilities for public safety and general employment.</del>	Finance
	1.4	FINANCIAL STABILITY: Continue to monitor and update employee benefits strategies and evaluate trends.	Human Resources
	1.5	FINANCIAL STABILITY: Continue progressive strategies to attract and retain high-performing staff.	Human Resources
	1.6	FINANCIAL STABILITY: Maintain staffing levels that are consistent with the community's goals.	Human Resources
	1.7	CAPITAL IMPROVEMENT PROGRAM: Develop a collaborative Capital Improvement Program (CIP) with the counties and adjacent communities for construction of the regional network of roads, and ensure the Town's arterial roads are prioritized for connecting within the region, notably Gilbert, Mesa, Apache Junction, Florence, Maricopa and Pinal counties, and State Lands.	<del>Public Works</del> /CIP/ Intergovernmental Relations
	1.8	INTERGOVERNMENTAL RELATIONS: Cultivate relationships with the state, counties, local, regional, and statewide partners to: encourage other levels of government to work collaboratively with the Town on issues of mutual interest; protect local funding and self-determination; enhance opportunities to improve the Town's economic sustainability; and secure existing revenue to provide for public safety and needed infrastructure development.	Intergovernmental Relations
	1.9	INTERGOVERNMENTAL RELATIONS: Sustain collaboration with the community's schools on issues that are of benefit to the Town as a whole.	Town Manager's Office
	1.10	COUNCIL LEADERSHIP ROLES: Continue to strengthen the effectiveness of the Town Council through professional development training opportunities and strategic planning sessions.	Town Council
1.11	COUNCIL LEADERSHIP ROLES: Leverage leadership roles as well as membership with organizations such as Maricopa Association of Governments, Central Arizona Governments, State Land Department, East Valley Partnership, League of Cities and	Town Council	

**Corporate Strategic Plan Update 2022-2027  
Recommended Changes**

		Towns, and other regional and national organizations to promote sound public policy, advance critical transportation and water/wastewater projects, partner with the business community and take advantage of unique and innovative opportunities to enhance the lives of our current and future residents.	
 <p><b>Safe Community</b></p>	<p><b>Strategic Priority #2: Safe Community</b></p> <p>Queen Creek has low crime rates and strives to meet adopted standards for police and fire services. Residents continue to rate their interactions with public safety personnel highly in community surveys. As our Town grows, ensuring the safety of the public continues to be among our highest priorities. This means hiring and training quality first responders and finding innovative ways to maintain and improve delivery of emergency services.</p>		
	2.1	<p><del>PUBLIC SAFETY QCFMD: Proactively work to provide fire services to the eastern portion of the community and to expand the Town’s fire district, where applicable, within the remaining municipal planning area.</del></p>	Fire & Medical
	2.2	<p><del>PUBLIC SAFETY QCFMD: Continue to collaborate as needed on emergency transport services with private and public sector providers. Evaluate options for ambulance services in Queen Creek by researching both private sector and public sector opportunities.</del></p> <p><b>CONTINUE TRANSITION IN THE EMERGENCY TRANSPORTATION PROGRAM IN ORDER TO BEGIN PROVIDING MUNICIPAL AMBULANCE SERVICES BY JULY 2023.</b></p>	Fire & Medical
	2.3	<p>PUBLIC SAFETY QCFMD: Continue and update the Emergency Operations Plan (EOP) for response capabilities and community preparedness and Community Emergency Response Training (CERT) classes. The QCFMD has established a goal of certifying ten percent of Queen Creek’s population by 2023 in CPR, including “hands-only” CPR. Continue efforts in training and developing plans to better prepare Queen Creek when responding to and mitigating hostile events, such as active shooters.</p>	Fire & Medical
	2.4	<p><del>CAPITAL IMPROVEMENT PROGRAM: Maintain efforts towards completion of the elements of the CIP such as construction of new Fire Stations in order to meet the level of service.</del></p> <p><b>CONTINUE EFFORTS FOR A SUPPORT SERVICES BUILDING FOR FLEET SERVICES, WAREHOUSING, AND SKILLS TRAINING.</b></p>	Fire & Medical
	2.5	<p><del>PUBLIC SAFETY QCFMD: Formally adopt new QCFMD mission, vision, and core values as drafted in Center for Public Safety Management (CPSM) Fire Master Plan study.</del></p>	Fire & Medical
	2.6	<p><del>PUBLIC SAFETY QCPD: Continue building the department infrastructure and foundational elements including policy/procedure, staffing, training programs, internal oversight, communication, workflows, technology, reporting, equipment, supplies, software, IT systems, budgets, deployment plans, schedules, and other processes. With these organizational rudiments, QCPD will be able to ensure a smooth transition from county law enforcement to local policing methodologies.</del></p> <p><b>Completed</b></p>	Law Enforcement


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	2.5 (NEW)	PUBLIC SAFETY QCPD: CONTINUE TO EVALUATE AND RESPOND TO DATA AND CONDITIONS WITHIN THE COMMUNITY NECESSARY TO MAINTAIN LOW VICTIMIZATION RATES, IMPROVE TRAFFIC SAFETY, AND MINIMIZE THE FEAR OF CRIME.	POLICE DEPARTMENT
	2.6	COMMUNITY PARTNERSHIP: <del>Increase community</del> CONTINUE TO SUPPORT MEANINGFUL COLLABORATION, engagement and partnershipS WITHIN THE COMMUNITY by focusing on building MAINTAINING trust, transparency, legitimacy, and a safe social environment.	POLICE DEPARTMENT
	2.8	PUBLIC SAFETY QCPD — <del>Develop and implement the police program facets outlined in the 2019 Police Services Study (e.g., “desired police program — defined”). These steps, philosophies, systems, and operational patterns will provide a structured effort necessary to engage the community, develop partnerships, deliver desired level of service, and maintain a high quality of life.</del> <b>Completed</b>	Law Enforcement
	2.7 (NEW)	CAPITAL IMPROVEMENT PROGRAM QCPD: ESTABLISH A MASTER PLAN FOR THE POLICE DEPARTMENT AND SUPPORT EFFORTS TOWARD THE COMPLETION OF THE PRESCRIBED ELEMENTS.	POLICE DEPARTMENT
	2.8 (NEW)	TECHNOLOGY: CONTINUE TO RESEARCH, IDENTIFY AND IMPLEMENT RELEVANT TECHNOLOGIES, INNOVATIONS AND SMART PRACTICES THAT SUPPORT PUBLIC SAFETY, COMMUNITY ENGAGEMENT, AND A HIGH QUALITY OF LIFE FOR OUR RESIDENTS AND BUSINESSES.	POLICE DEPARTMENT
 <b>Secure Future</b>	<b>Strategic Priority #3: Secure Future</b> Securing Queen Creek’s future involves strengthening the Town’s financial condition by implementing strong management strategies within the organization, and by increasing the number of employment opportunities available to residents. This priority also relates to securing our water supply for the benefit of future residents.		
	3.1	ENVIRONMENT: Continue development of sustainable long-range plans for water, reclaimed water, and wastewater that supports the General Plan. The Town will CONTINUE TO evaluate AND pursue water acquisition strategies such as a Town “effluent” lake program, acquiring new effluent, water credits, available water rights consistent with Arizona water law and policy and other strategies as determined necessary TO DIVERSIFY THE TOWN’S WATER RESOURCES.	Utilities

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	3.2	ENVIRONMENT: Ensure a continued safe and sustainable water supply that fully implements the General Plan.	Utilities
	3.3	LAND USE & ECONOMIC DEVELOPMENT: Plan for an economically sustainable build-out.	Economic Development
	3.4	LAND USE & ECONOMIC DEVELOPMENT: Collaborate and partner with Phoenix-Mesa Gateway Airport, Visit Mesa, <b>ARIZONA COMMERCE AUTHORITY (ACA), GREATER PHOENIX ECONOMIC COUNCIL (GPEC), AND EAST VALLEY PARTNERSHIP (EVP)</b> on economic development and tourism related initiatives to leverage the Town's tourism assets; partner with other groups as appropriate.	Economic Development
	3.5	LAND USE & ECONOMIC DEVELOPMENT: In partnership with the State Land Department, proactively plan for the development of State Trust Lands.	Development Services
	3.6	LAND USE & ECONOMIC DEVELOPMENT: Continue evaluating potential annexations of lands that support the Town's strategic priorities.	Development Services
	3.7	LAND USE & ECONOMIC DEVELOPMENT: Generate more economic synergy within the Town Center, enhance the sense of place, and attract additional investment through implementation of the Town Center Plan; attract new investment to town owned land.	Economic Development
	3.8	LAND USE & ECONOMIC DEVELOPMENT: Implement strategies outlined in the Economic Development Strategic Plan to attract private investment and foster job creation by focusing on product development; Town center development; business attraction/retention; entrepreneurship/innovation; and marketing/communication.	Economic Development
	3.9	LAND USE & ECONOMIC DEVELOPMENT: Continue to evaluate and re-calibrate the requirements and standards in the zoning ordinance and design standards for improvement and consistency with evolving industry standards and statutory changes. Regularly review processes and procedures in our application permitting area for improvement to continue to provide high quality service to citizens and the development community.	Development Services
	3.10	LAND USE & ECONOMIC DEVELOPMENT: Work with the Arizona State Land Department (ASLD) <del>on a marketing initiative</del> to increase speed to market for employment uses and <b>ADVANCED</b> manufacturing opportunities. <del>Work on a marketing package that outlines details about the site with input from the Town, ASLD, SRP, and Pinal County.</del> Designate team to fast track and facilitate process for strategic projects.	Development Services/ Economic Development
	3.11	LAND USE & ECONOMIC DEVELOPMENT: Implement the "strategic projects" internal program to assist key projects through the development services process, furthering the goals outlined in the General Plan and Economic Development Strategic Plan. <b>Completed</b>	Development Services/ Economic Development

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	3.12	FINANCIAL STABILITY: Ensure customer rate structures are appropriately set to pay for adopted service levels.	Finance
 <p><b>Superior Infrastructure</b></p>	<p><b>Strategic Priority #4: Superior Infrastructure</b> With the growth of residential and nonresidential development comes the challenge of satisfying public demand for quality streets, lights, utilities and parks. The construction and maintenance of a high-quality public infrastructure is a priority.</p>		
	4.1	CAPITAL IMPROVEMENT PLAN: Annually develop a 5-year comprehensive CIP Plan.	Public Works CIP
	4.2	CAPITAL IMPROVEMENT PLAN: Implement the Parks and Recreation Master Plan.	Communications, Marketing & Recreation COMMUNITY SERVICES
	4.3	CAPITAL IMPROVEMENT PLAN: Maintain a Pavement Preservation Plan that is cost effective and utilizes current best practices.	Public Works
	4.4	CAPITAL IMPROVEMENT PLAN: Complete the design <del>OF for the QC Sports Complex</del> <b>FRONTIER FAMILY PARK</b> as indicated in the Parks and Recreation Master Plan. Initial implementation will be <b>THE COMPLETION OF THE SPORTS FIELDS AND PARKING AREAS.</b> <del>completing grading and drainage infrastructure of the design.</del>	Public Works CIP/ COMMUNITY SERVICES
	4.5	CAPITAL IMPROVEMENT PLAN: Ensure long-range financial plans are in place to adequately build, maintain, and replace needed infrastructure.	Finance
	4.6	<p>CAPITAL IMPROVEMENT PLAN: Develop an innovative infrastructure system that meets the needs of future generations. .</p> <ol style="list-style-type: none"> <li><del>1. Develop policies that encourage public and private investment in transportation technology related to autonomous vehicles.</del></li> <li><del>2. Leverage the use of new and emerging technologies to enhance operational capabilities of the transportation system.</del></li> <li><del>3. Conduct a transit feasibility study to determine the timing for providing transit services for the elderly and the disadvantaged and consider alternative approaches to providing these services, such as: ride share, UBER, and LYFT.</del></li> </ol> <p><b>Items are contained in new combined goal</b></p> <ol style="list-style-type: none"> <li><del>4. Implement the Water Master Plan. Moved to a separate goal</del></li> <li><del>5. Implement initial phases of Town Center infrastructure including roadways, water, sewer and storm drain systems. Partner with private sector on infrastructure as</del></li> </ol>	PUBLIC WORKS Utilities/ Economic Development



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Recommended Changes**

	<p><del>appropriate to leverage resources and accelerate investment. This is reported on under Goal 3.7</del></p> <ol style="list-style-type: none"> <li>1. IDENTIFY AND LEVERAGE NEW AND EMERGING TECHNOLOGIES FOR TRANSPORTATION UTILIZING METHODS SUCH AS: LEVERAGING PUBLIC AND PRIVATE INVESTMENT, INCREASING OPERATIONAL CAPABILITIES, IMPLEMENTING COOL PAVEMENT SEAL COATS, AND CONDUCTING TRANSIT FEASIBILITY STUDIES. (Compilation of Goals 1, 2, 3 above; includes new goals)</li> <li>2. IDENTIFY AND REVISE AS NECESSARY, THE MOST RECENT SPACE NEEDS FOR PUBLIC WORKS FACILITIES, BASED ON TOWN GROWTH AND THE NUMBER OF MUNICIPAL FACILITIES ADDED OR PLANNED (SUCH AS FIRE STATIONS AND PARK BUILDINGS, ETC.). INCLUDE POSSIBLE SOLAR/ELECTRIFICATION, MATERIAL STORAGE REQUIREMENTS AND FUELING INFRASTRUCTURE.</li> </ol>	
NEW 4.7	CAPITAL IMPROVEMENT PLAN: IMPLEMENT THE WATER MASTER PLAN, AND BEGIN DELIVERY OF THE PROJECTS IDENTIFIED WITHIN THE ADOPTED FY22/23 CIP.	UTILITIES/CIP
4.8	TECHNOLOGY: Continue to work with technology providers to provide services Town wide (cell, internet, fiber, etc).	Information Technology/ PUBLIC WORKS
4.9	TECHNOLOGY: Implement recommendations and strategies of the prior Information Technology Strategic Plan (ITSP), and implement recommendations from new ITSP as applicable.	Information Technology
4.10	TECHNOLOGY: Continue to research, identify and implement relevant technologies, innovations and SMART practices that advance a resilient and high quality of life for our residents and businesses.	Town Manager's Office
4.11	FINANCIAL STABILITY: Improve the Town's bond ratings in order to lower borrowing costs.	Finance
NEW 4.12	TECHNOLOGY: IMPLEMENT THE USE OF MOBILE ENTERPRISE TECHNOLOGY FOR TRASH AND RECYCLING EDUCATION AND OUTREACH (INCLUDING ARTIFICIAL INTELLIGENCE) AND IMPROVING EFFICIENCIES FOR SOLID WASTE INSPECTIONS.	PUBLIC WORKS

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	4.13	<p>INTERGOVERNMENTAL RELATIONS: Advocate for opportunities to advance the Town's freeway and arterial transportation needs through the inclusion of projects in the Maricopa and Pinal regional transportation plans and if approved by the voters, transportation funding shared by the respective jurisdictions.</p>	Public Works/ Intergovernmental Relations
<p><b>Strategic Priority #5: Quality Lifestyle</b> Queen Creek will leverage its strong image as a tightknit, family friendly community to encourage more residents to participate in public events, attract new businesses and further establish our reputation as one of the best destinations in Arizona. We will seek to enhance this unique lifestyle through our commitment to investing in necessary infrastructure, new recreational opportunities, cultural events and public art.</p>			
 <b>Quality Lifestyle</b>	5.1	<p>IMAGE &amp; IDENTITY: Continue development of the Town's brand awareness including existing and new partnerships.</p>	<p>Communications, Marketing &amp; Recreation <b>COMMUNITY SERVICES</b></p>
	5.2	<p>IMAGE &amp; IDENTITY: Evaluate current and future park amenities to ensure the community has access to a variety of up-to-date parks, trails and publicly accessible open spaces.</p>	<p>Communications, Marketing &amp; Recreation <b>COMMUNITY SERVICES/ PUBLIC WORKS</b></p>
	5.3	<p>IMAGE &amp; IDENTITY: Continue to support the Downtown Core Arts &amp; Placemaking Sub-Advisory Committee, which is consistent with the Town Center Plan, the Economic Development Strategic Plan goals and Council goals. The Downtown Core Arts &amp; Placemaking Sub-Advisory Committee should consider developing a master plan / action plan with a phased approach to implementation with the Downtown Core identified as a key area to create an environment of creativity and placemaking (as part of a larger initiative to activate the Downtown Core).</p>	Economic Development
	5.4	<p>ENVIRONMENT: Preserve and enhance the Town's natural resources (i.e. washes and San Tan Mountains).</p>	<p>Communications, Marketing &amp; Recreation <b>COMMUNITY SERVICES/ PUBLIC WORKS</b></p>

**Corporate Strategic Plan Update 2022-2027  
Recommended Changes**




TOWN OF  
**QUEEN CREEK**  
ARIZONA

## **Sample FY22 3RD QTR Report**

Jan 01, 2022 - Mar 31, 2022

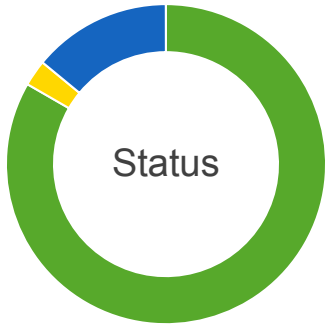
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Strategic Priority

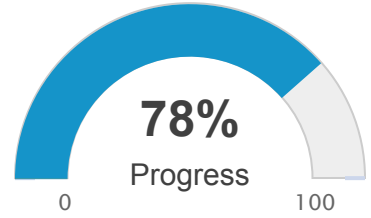
21

Goal

### Overall Summary



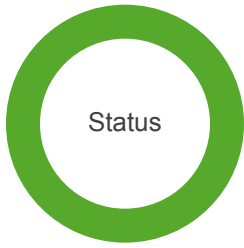
	%
● On Track	83.33
● Some Disruption	2.63
● Completed	14.04



# Plan Summary

## Strategic Priority 1

Progress 73%



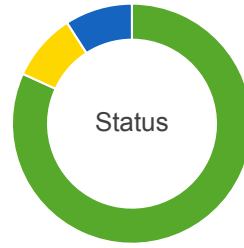
● On Track

%	#
100.0	22

**Effective Government** - An effective local government is aware of citizens' needs and provides the services that residents want. This can be achieved by managing the price of government and introducing innovative business practices, using new technology, hiring quality employees and leveraging Tow...

## Strategic Priority 2

Progress 78%



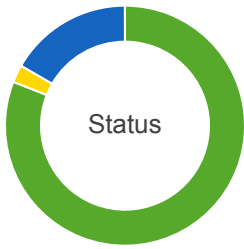
● On Track  
● Some Disruption  
● Completed

%	#
81.82	9
9.09	1
9.09	1

**Safe Community** - Queen Creek has low crime rates and strives to meet adopted standards for police and fire services. Residents continue to rate their interactions with public safety personnel highly in community surveys. As our Town grows, ensuring the safety of the public continues to be among o...

## Strategic Priority 3

Progress 78%



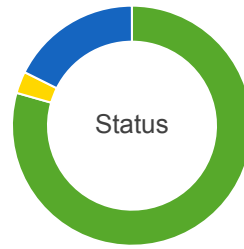
● On Track  
● Some Disruption  
● Completed

%	#
80.95	34
2.38	1
16.67	7

**Secure Future** - Securing Queen Creek's future involves strengthening the Town's financial condition by implementing strong management strategies within the organization, and by increasing the number of employment opportunities available to residents. This priority also relates to securing our wat...

## Strategic Priority 4

Progress 79%



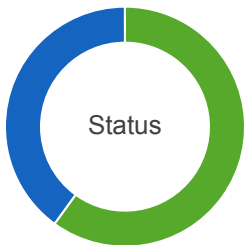
● On Track  
● Some Disruption  
● Completed

%	#
79.41	27
2.94	1
17.65	6

**Superior Infrastructure** - With the growth of residential and non-residential development comes the challenge of satisfying public demand for quality streets, lights, utilities and parks. The construction and maintenance of a high-quality public infrastructure is a priority.

## Strategic Priority 5

Progress 85%



● On Track  
● Completed

%	#
60.0	3
40.0	2

**Quality Lifestyle** - Queen Creek will leverage its strong image as a tight-knit, family friendly community to encourage more residents to participate in public events, attract new businesses and further establish our reputation as one of the best destinations in Arizona. We will seek to enhance th...

Strategic Priority 1

Progress 73%



Effective Government -

An effective local government is aware of citizens' needs and provides the services that residents want. This can be achieved by managing the price of government and introducing innovative business practices, using new technology, hiring quality employees and leveraging Town partnerships to save resources.

	%	#
● On Track	100.0	22

Update provided by Tracy Corman on Nov 01, 2021 19:19:18

Goal updates are summarized below.

Goal 1.1

Progress 75%



FINANCIAL STABILITY - Maintain a stable long-term cost and revenue structure that ensures intergenerational equity and an appropriate allocation of costs.

	%	#
● On Track	100.0	1

Update provided by Dan Olsen on Apr 20, 2022 15:43:14

Finance continues to closely monitor the economic activity in the nation, region, and Town. Finance receives a weekly email from Development Services with real-time new-application and inspection data. Finance also meets with Dev. Svcs. once per month to review housing and nonresidential construction activity and to discuss upcoming items in the Planning queue. The FY23 Budget has been submitted to the Town Council for consideration and includes a balanced 5-Year Financial Plan with updated revenue and expense projections based on our best estimates given the data at our disposal. Other comments on this goal are included in the following objective:

**Objective 1.1.1: Update the 5-Year Financial Plan to include the most recent revenue estimates and cost projections. (75% completed)**

Finance staff updated revenue and expense projections for the FY23 Recommended Budget. The Town Council approved adjustments to the current-year revenue estimates on Feb. 2nd, and staff is preparing a year-end clean-up expenditure budget adjustment for June 1st. The updated 5-Year Financial Plan has been presented to the Town Council and will be included in the FY23 Adopted Budget Book that is released in summer 2022.

Goal 1.4

Progress 75%



FINANCIAL STABILITY - Continue progressive strategies to attract and retain high-performing staff.

	%	#
● On Track	100.0	4

Update provided by Michele Brown on Apr 07, 2022 17:29:29

**Objective 1.4.1: Continuation of Town-sponsored mentoring program. (75% completed)**

After a lengthy hiatus due to the pandemic, the Mentoring Program Committee was re-established and a request for applications to be both mentors and mentees went out in early March. In conjunction with this, HR has also reached out to those who expressed interest in early 2020 when the program got put on hold due to the pandemic. The committee will be meeting on April 6 to match mentors to mentees and will official launch the 2022 group with a kick-off meeting later in April.

**Objective 1.4.2: Supervisory-specific Training opportunities offered quarterly. (75% completed)**

HR has developed and rolled out “Hiring Training” for the supervisors who tend to hire for entry level positions and/or the same types of positions frequently. Though HR will still manage the overall recruitment process and facilitate the pre-briefing and debriefing, the intent of this training is to prepare supervisors to facilitate the interview process without an HR representative in the room all day. Two training sessions were offered this quarter with a total of 12 hiring supervisors fully trained. Additional sessions will be offered as needed.

**Objective 1.4.3: Maintain average of 42 days to fill vacant external recruitment positions. (75% completed)**

The average was 44 days to fill vacant external recruitment positions during this quarter.

**Objective 1.4.4: Maintain under 6% target for Town turnover rate of full-time employees. (75% completed)**

For 3rd quarter FY22, the turnover rate was 0.76%.

**Goal 1.6**



INTERGOVERNMENTAL RELATIONS - Cultivate relationships with the state, counties, local, regional, and statewide partners to: encourage other levels of government to work collaboratively with the town on issues of mutual interest; protect local funding and self-determination; enhance opportunities to improve the town’s economic sustainability; and secure existing revenue to provide for public safety and needed infrastructure development.



● On Track

%	#
100.0	7

*Update provided by Heather Wilkey on Apr 06, 2022 19:12:25*

The 2022 Legislative Session is still underway with many major policy items to come- such as passage of the State Budget, possible “repeal and replace” of income tax reductions, the implementation of the Arizona Water Authority and passage of Proposition 400 extension enabling legislation. Intergovernmental relations staff will continue to be closely monitoring these issues as they pertain to shared revenues, the potential for additional public infrastructure reimbursement, transportation funding and water policy items of interest such as Harquahala and 4th Priority Water Transfers. The Team has also realized early successes in ultimately defeating or amending harmful legislation such as HB 2674 Municipal Zoning; By Right Housing, which would have usurped the public input process for residents both through the desecration of the land use element of our General Plan, as well as their right to express support/opposition for proposed zoning changes directly impacting their private property rights.

The Town is working very closely with the business community in advocacy for the enabling legislation to support the extension of Proposition 400. These entities include a Coalition called, We Build Arizona, led by the Associated General Contractors and the Arizona Chamber of Commerce & Industry. Lobbying meetings with these groups will occur throughout Q3 and Q4 during the 2022 Legislative Session to hopefully get this over the finish line. Intergovernmental Relations staff continues to actively promote opportunities for the State Route 24 extension in Pinal County. We have had tremendous success in building support for right-of-way funding to be allocated from our Legislative delegation and have been pursuing this through HB 2184, in partnership with Pinal County, which passed the House 57-2 and is teed up nicely for the upcoming State budget negotiations. Mayor Barney provided testimony on this legislation in both the House & Senate transportation committees and we are hopeful to see an appropriation between \$15-45 million.

Intergovernmental Relations staff continues to dialogue and interface with the Arizona Commerce Authority, City of Chandler and Intel on potential opportunities to pursue access to public infrastructure reimbursement for economic development purposes. Staff also continues to liaison with our various representatives at the County, State and Federal level on opportunities such as congressionally directed spending requests and grants available to the Town through passage of the federal infrastructure legislation. We have been actively monitoring and pursuing federal funding which would assist with the relocation of the Western Area Power Association power lines on the State Trust Lands as well as large-scale water/wastewater infrastructure. Early in Q4, the Town will be applying for a congressionally-directed spending request, offered through Senator Sinema and Senator Kelly’s office for the WAPA powerlines and we are awaiting the release of eligibility criteria for grants to be offered by the U.S. Department of Transportation and the Bureau of Reclamation.



**Goal 1.9**



COUNCIL LEADERSHIP ROLES - Leverage leadership roles as well as membership with organizations such as Maricopa Association of Governments, Central Arizona Governments, East Valley Partnership, League of Cities and Towns, and other regional and national organizations to promote sound public policy, advance critical transportation and water / wastewater projects, partner with the business community and take advantage of unique and innovative opportunities to enhance the lives of our current and future residents.



	%	#
● On Track	100.0	1

*Update provided by Heather Wilkey on Apr 06, 2022 19:13:16*

Council Members continue to serve this quarter on the following committees, boards and commissions: League Executive Committee, Central Arizona Governments Regional Council, Pinal Regional Transportation Authority Board (Officer role: Councilmember Benning), Maricopa Association of Governments (MAG ) Regional Council, MAG Transportation Policy Committee, MAG Economic Development Committee, Valley Metro Regional Public Transportation Authority, the Phoenix-Mesa Gateway Airport Board of Directors and the East Valley Partnership. Councilmember Benning participated in the East Valley Transportation Infrastructure Committee.

**Goal 1.10**



Develop a collaborative Capital Improvement Program (CIP) with the counties and adjacent communities for construction of the regional network of roads, and ensure the Town's arterial roads are prioritized for connecting within the region, notably Gilbert, Mesa, Apache Junction, Florence, Maricopa and Pinal counties, and State Lands.



	%	#
● On Track	100.0	2

*Update provided by Tracy Corman on Apr 13, 2022 15:38:18*

**Objective 1.10.1: Develop a collaborative CIP with the counties and adjacent communities for construction for the regional network of roads. (75% completed)**

This quarter the CIP Department worked with Maricopa and Pinal Counties, as well as the City of Mesa on several projects.

- Traffic signal designs at 196th and Germann Road in support of adjacent Mesa development and at Gary Road and Grange Parkway, in accordance with our IGA with QCUSD and Pinal County, are underway.
- Staff participated in regional transportation planning with Pinal County for SR24 and the proposed Pinal Parkway. Staff also participated a community meeting hosted by Pinal County regarding Kenworthy Road.
- Staff continues to coordinate with MCDOT regarding Power Road, Riggs to Hunt Hwy.

**Objective 1.10.2: Ensure the Town's arterial roads are prioritized for connecting within the region, notably Signal Butte and Meridian North Connection to Germann. (60% completed)**

All of the Meridian Road corridor projects are under construction, with a schedule for completion in Summer 2022.

Signal Butte Road projects are also under construction, and scheduled for completion in Fall 2022.

**Objective 1.10.3: Continue the Better Roads Ahead campaign to educate residents about ongoing CIP projects. (75% completed)**

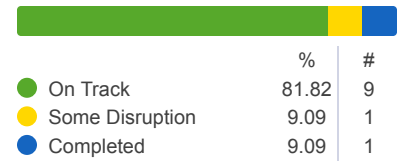
A groundbreaking was held in partnership with Pinal County for the Meridian Road extension. A news release and social post provided a compressive update on CIP projects (following CIP update at Council), and updates are regularly provided to Council and the public on CIP project impacts.

## Strategic Priority 2



### Safe Community -

Queen Creek has low crime rates and strives to meet adopted standards for police and fire services. Residents continue to rate their interactions with public safety personnel highly in community surveys. As our Town grows, ensuring the safety of the public continues to be among our highest priorities. This means hiring and training quality first responders and finding innovative ways to maintain and improve delivery of emergency services.



Update provided by Tracy Corman on Nov 01, 2021 19:20:56

Goal updates are summarized below.

## Goal 2.3



PUBLIC SAFETY QCFMD- Continue and update the Emergency Operations Plan (EOP) for response capabilities and community preparedness and Community Emergency Response Training (CERT) classes. The QCFMD has established a goal of certifying ten percent of Queen Creek's population by 2023 in CPR, including "hands-only" CPR. Continue efforts in training and developing plans to better prepare Queen Creek when responding to and mitigating hostile events, such as active shooters.



Update provided by Vance Gray on Apr 11, 2022 03:07:18

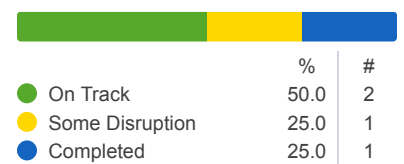
**Objective 2.3.1: Continue to support Public Safety's response capabilities in the EOP through the following means: Support and maintain a volunteer system for disaster response under the umbrella of the Citizen Corps Community Emergency Response Team (CERT) program. Maintain CERT Basic Training Class for Citizens. Disaster Management & Awareness Training Classes, Demonstrations, and Presentations to the Community. (75% completed)**

Queen Creek Fire and Medical has officially reinstated all programs that were suspended during the pandemic. This includes all forms of public education and public interaction opportunities. Some examples include; station tours, truck displays and tours, CERT classes, CPR and Stop the Bleed instruction to name a few. While the response has been somewhat slow in terms of the public taking advantage of these programs we anticipate a full return to pre-pandemic levels.

## Goal 2.4



CAPITAL IMPROVEMENT PROGRAM QCFMD - Maintain efforts towards completion of the elements of the CIP such as construction of new fire stations in order to meet the level of service.



Update provided by Vance Gray on Apr 11, 2022 03:08:25

**Objective 2.4.1: Complete construction of the Resource/Skills Center. (35% completed)**

During the first quarter we were working towards finalizing design and obtaining preconstruction costs in anticipation of competing both of those and establishing a GMP and beginning construction in the latter part of the second quarter or third quarter. Due to significant cost increases these elements have been delayed in order to determine the proper direction for this project. It has been estimated that costs for materials and labor have increased by 30-40% over the past months causing the cost of the project to rise as well. Currently, staff is working through options but delays in completing the design and beginning construction are the result. All facets of the project are still as vital as they have ever been but a strong effort is being made to be fiscally responsible when decisions are made.

**Update April 10, 2022:** There has been little change to the status of this project as staff continues to deal with cost increases and changes in the scope in order to be sensitive to the budgetary considerations. The design of the project is moving forward with all three phases of the project being included (fleet maintenance, warehouse, and skills center) but it is possible that a phased project may be the option that is selected due to cost. A phased project would include the fleet maintenance and warehouse section and the skills center could be delayed if this option is selected.

**Objective 2.4.2: Complete construction of permanent Fire Station #2. (100% completed)**

This Objective has been completed. The permanent Fire Station 2 opened on February 9, 2022.

**Objective 2.4.3: Complete manufacturing and place replacement Engine 412 in service. (75% completed)**

The replacement fire pumper for Fire Station #2 is scheduled to be completed in May of 2022. This project is being completed by Pierce Manufacturing in Appleton, Wisconsin.

**Objective 2.4.4: Complete construction of a permanent Fire Station #5. (99% completed)**

The permanent Fire Station 5 is scheduled to officially open on April 16, 2022. We will hold a ribbon cutting along with a community celebration on that date.

**Goal 2.5**



PUBLIC SAFETY QCPD: Continue building the Department infrastructure and foundational elements including policy/procedure, staffing, training programs, internal oversight, communication, workflows, technology, reporting, equipment, supplies, software, IT systems, budgets, deployment plans, schedules, and other processes. With these organizational rudiments, QCPD will be able to ensure a smooth transition from County law enforcement to local policing methodologies.



	%	#
● On Track	100.0	1

*Update provided by Randy Brice on Apr 20, 2022 03:45:26*

During the 3rd Quarter of this fiscal year, the Queen Creek Police Department (QCPD) has been engaged in a variety of actions, events, and process development. These activities have been focused on building department infrastructure and foundational elements including but not limited to:

**Policy & Procedure:** We continue to work through various policy updates and the ALEAP accreditation requirements. We have also started working on several key procedural manuals for operational and administrative areas within the department.

**Staffing:** At the end of this quarter, we have hired or extended final offers to 72 PD employees including command staff, sergeants, officers, recruits, and professional staff. We are also preparing lateral and recruit officer postings for our final lateral position and upcoming vacancies (future budgeted FTEs)

**Training Programs:** During this period, we completed our first quarter advanced training module; we had 5 recruits complete the first basic training academy (and start field training); and we had 5 laterals begin their field training program. We also sent more than 30 different officers and professional staff to specialized training, conferences, and/or symposiums.

**Internal Oversight, Communication, & Workflows:** We have fully implemented our Standards system, and we continue to craft audit workflows in every area of the department. We also updated our property and evidence room with new cameras, lockers, and other security measures.

**Technology & Software:** During this quarter, we fully implemented Office 365 deployment, the multi-factor authentication (MFA) program, the NetMotion VPN, the Versatarm RMS system, and Standards. We also installed our AFIS system, the AXON interview room technology, additional surveillance cameras (at PSB), updated WAPs (at PSB), and a new evidence drying system.

**Goal 2.6**

Progress 75%



**PUBLIC SAFETY QCPD:** Develop and implement the police program facets outlined in the 2019 Police Services Study (E.G., "Desired Police Program - Defined"). These steps, philosophies, systems and operational patterns will provide a structured effort necessary to engage the community, develop partnerships, deliver desired level of service, and maintain a high quality of life.

	%	#
● On Track	100.0	1

*Update provided by Randy Brice on Apr 20, 2022 03:15:49*

During the 3rd Quarter of this fiscal year, the Queen Creek Police Department (QCPD) has worked to establish specific police program facets including:

**Community-Oriented Policing (COP):** This has been a core aspect of our daily operations as we launched the department on January 11th. We have enabled and encouraged officers to engage the public during standard patrol operations, directed patrols, and problem-oriented policing activities. We are utilizing our CAD/RMS system to track activities and manage ongoing efforts. We continue to host or facilitate outreach events within the community. On average, we have conducted at least 3 to 5 events per week.

**Reporting Processes:** We have successfully launched our Records Management and Standards Systems. These two platforms provide the core of our reporting system. However, we have also launched several other ancillary systems that provide resources and adjuncts to the overall reporting process. We have continued to develop our auditing and oversight procedures that will work with these systems. Major auditing activities will begin after the completion of our first 6 months (1 quarter of FY 22-23).

**Management Communication:** We have successfully launched a suite of programs, software, and workflows designed to support our critical incident reviews, complaint processing, internal investigations, field training, employee performance, and other critical reporting. We have also added a series of "feedback forums" where employees are able to interface with management and/or provide critical feedback on a regular basis. In conjunction, we have several working groups that continue to develop programs and processes from the bottom-up. Our SharePoint site was soft-launched to a test group and will be completely deployed next quarter.

**Customer Service/Quality of Life:** We have launched several projects that are near completion that will enhance our ability to measure our overall customer service. Both programs allow the resident/customer to provide specific feedback about responding officers and the overall handling of the call. One program also provides ongoing updates that are driven by the CAD/RMS system. We expect that both programs will reach completion and/or be deployed in the next quarter.

**Media relations and social media:** Our PIO has been fully integrated into our programs and operations. We continue to find ways to better reach our residents through social media platforms and average at least 5-10 posts per week. Some of these messages are multipart segments that build over weeks to provide a comprehensive overview or educational message. At the same time, we have leveraged at least 10 different media outlets or platforms providing important messaging and stories about the department, community, and overall safety issues.

**Goal 2.7**

Progress 75%



**COMMUNITY PARTNERSHIP QCPD:** Increase community engagement and partnership by focusing on building trust, transparency, legitimacy, and a safe social environment.

	%	#
● On Track	100.0	1

*Update provided by Randy Brice on Apr 20, 2022 01:00:57*

During the 3rd Quarter of this fiscal year, we officially launched the Queen Creek Police Department (QCPD). During this initial period, we held a variety of outreach events including a public safety day that was co-hosted with QC Fire & Medical. After the launch, we started our "Drive-to Arrive" campaign and have regularly posted safety messages, updates, and statistics through our social media platforms. We also ramped up several programs designed to leverage relationships with our local schools and faith-based organizations. One of the school series, dubbed the "adopt-a-school" program, allows individual officers to be assigned to a specific school and serve as an extra liaison/resource. Our faith-based programs include an inter-faith movement designed to share information and collaborate on multiple levels. We continue to develop our open data and online portals with an expected delivery date (for stage one) of June 2022.

### Strategic Priority 3

Progress 78%



#### Secure Future -

Securing Queen Creek's future involves strengthening the Town's financial condition by implementing strong management strategies within the organization, and by increasing the number of employment opportunities available to residents. This priority also relates to securing our water supply for the benefit of future residents.

	%	#
On Track	80.95	34
Some Disruption	2.38	1
Completed	16.67	7

Update provided by Tracy Corman on Nov 01, 2021 19:21:12

Goal updates are summarized below.

### Goal 3.1

Progress 83%



ENVIRONMENT - Continue development of sustainable long-range plans for water, reclaimed water, and wastewater that supports the General Plan. The Town will evaluate and possibly pursue water acquisition strategies such as a Town "Effluent" Lake Program, acquiring new effluent, water credits, available water rights consistent with Arizona Water Law and Policy, and other strategies as determined necessary.

	%	#
On Track	33.33	2
Completed	66.67	4

Update provided by Shelby Moody on Apr 07, 2022 20:29:31

Town discussions with the Arizona Department of Water Resources (ADWR) have concluded, and the Town received notification in February 2022 that its application for an amendment to the current groundwater study had been approved. As a result, ADWR has concluded that an additional 10,760 acre-feet per year of groundwater is physically available. This additional amount can now be utilized by future developments in need of establishing an assured water supply.

The Town is continuing to focus on the new Comprehensive Master Plan. Utilities and Finance Staff are continuing to work together to review and provide comments to the Engineering Consultant so that all metrics align. Town Staff is also working to ensure the updated CIP list aligns with the Town budget. There are also several other related items in regards to the sewer portion of the Master Plan and the sewer operations that staff are working through. All items are essential to a functioning system and help us keep up with current growth and potential growth. A lot of planning and strategies are involved to aid in the fiscal impact many of these decisions will have. The Comprehensive Utility Master Plan will provide a more in depth holistic look into what projects are needed.

The Town currently has 3 active recharge sites. The Pit Property was recently acquired to be utilized as an active recharge site and staff continue to research possible additional sites. Town staff continue to investigate several other properties as possible recharge sites as the need for additional recharge capabilities has been identified as a result of the Town's Comprehensive Utility Master Plan development efforts.

Additionally, a Groundwater Savings Facility agreement has been approved between the Town and QCID for the "recharge" of up to 18,290 AF of surface water annually. The agreement also provides the Town with first priority in the use of the GSF. First priority is essential in assuring that the Town has options for recharge during wet times of the year when surface water demand is otherwise limited.

### Goal 3.3

Progress 82%



LAND USE & ECONOMIC DEVELOPMENT - Plan for an economically sustainable build-out.

	%	#
On Track	66.67	2
Completed	33.33	1

Update provided by Sarah Clark on Apr 11, 2022 18:17:21

**Objective 3.3.1: Monitor the implementation of planned industrial and commercially designated properties. (70% completed)**

Development Services continues to permit and plan for new commercial and industrial developments. New Site Plan applications and applications in for permitting include

Madera Center Site Plan (SEC Signal Butte and Queen Creek roads)

- Filiberto's (Basha's center)
- U-Haul (Crismon and Ocotillo roads)
- Carvana (Power Marketplace Business Park)
- Rain Deck Galactic Headquarters (Railroad and Ellsworth Road)
- Panera (QC Fiesta)
- Industrial shells (Power Marketplace Business Park)
- Queen Creek Crossing shops and pads

The following non-residential developments are under construction:

- U-Haul at Pecos and Power
- Costco
- Industrial shells at Power Marketplace Business Park
- Fire Station
- Pecan Plaza Shops A and B
- Pecan Plaza Jack in the Box
- EOS at Pecan Plaza
- QC District Shops
- QC Commons Shops
- Emergency Vet Clinic
- Backyard Taco
- Shops at the Pecans

**Objective 3.3.3: In partnership with the State Land Department, proactively plan for the development of state trust lands. (75% completed)**

Staff is processing a third Supplemental to the ASLD Specific Plan to revise ~1,600 acres to Urban Employment, and expand the residential compatibility area along the Germann Road frontage. A Neighborhood Meeting is scheduled for April 4th. The rezoning case is anticipated to be on the May 11th PZ and the May 18th Council agendas.

Staff has met with the Project Alpha design team and anticipates a formal submittal after the auction, which is scheduled for April 19th.

Goal 3.8



LAND USE & ECONOMIC DEVELOPMENT - Implement strategies outlined in the Economic Development Strategic Plan updated to attract private investment and foster job creation by focusing on product development; Town Center development; business attraction/retention: entrepreneurship/innovation; and marketing/communication.



	%	#
● On Track	100.0	10

Update provided by Doreen Cott on Apr 06, 2022 14:23:43

Staff is working on various items related to the strategies outlined in the Economic Development Strategic Plan:

- Key Initiative - **Business Development** - Fry's Marketplace opened at Ellsworth and Riggs on 1/19/22.
- Key initiative - **Business Development** - Costco is under construction and is slated to open in September - October 2022. Vestar developing the balance of the QC Crossing site. Staff is also working with Vestar on the commercial corner at Gantzel and Combs which will be anchored by a Sprouts.
- Key initiative - **Business Development** - Staff continues to work on large prospects from ACA and GPEC that are interested in the State Land site. Information was submitted for several RFIs through GPEC/ACA.
- Key initiative - **Business Development** - Staff is working with Thompson Thrift who is developing flex industrial product at Meridian and Germann roads, and with the owners of the property north of Germann along Meridian Road, just west of the ASLD site.
- Key Initiative - **Economic Foundations** - Continue to work with Public Works, Utilities, and Dibble Engineering to finalize utility work/ROW acquisition for the Downtown Core Infrastructure project. Construction should be commencing soon.
- Key Initiative - **Marketing** - Staff continues to work on a QC Tourism website. A URL has been reserved - VisitQueenCreekAZ. The page will be a companion page to the Investtheqc website and will provide information on where visitors can eat, shop, play and stay as well as a calendar of events.
- Key Initiative - **Marketing** - Staff is working on an outline of advertising opportunities at Bell Bank Park or surrounding the facility.
- Key Initiative - **Marketing** - HPEC staff continues to secure new sponsorships and new events to the facility. A significant sponsorship with the Earnhardts is being negotiated for a new marquee sign along Riggs Road and for the paving of the main paseo. A new sponsorship with the Chapman Auto Group has been secured and will bring a new 5'x10' digital sign to Arena 1.

Goal 3.12



LAND USE & ECONOMIC DEVELOPMENT - Implement the "strategic projects" internal program to assist key projects through the development services process, furthering the goals outlined in the General Plan and Economic Development Strategic Plan.



	%	#
● On Track	100.0	1

Update provided by Doreen Cott on Apr 06, 2022 14:28:30

A program has been created by Economic Development and Development Services. Strategic projects include those that are located within the Downtown Core (i.e. Circle K land exchange), are significant economic generators (i.e., Costco), projects within the targeted industries of the Economic Development Strategic Plan, and projects that come from the Greater Phoenix Economic Council (GPEC), the Arizona Commerce Authority (ACA), and/or other applicable regional/local partnership groups. The program will address expedited review timelines and will have an assigned reviewer/case manager.

A special projects team has been offered to the large prospects staff has been meeting with interested in the State Land site. These large projects will need a dedicated team to facilitate through the process.

The program is in full effect with Project Alpha - the special projects team met to discuss the pre-application, civil plans and building code information.



#### Strategic Priority 4

Progress 79%



#### Superior Infrastructure -

With the growth of residential and non-residential development comes the challenge of satisfying public demand for quality streets, lights, utilities and parks. The construction and maintenance of a high-quality public infrastructure is a priority.

	%	#
● On Track	79.41	27
● Some Disruption	2.94	1
● Completed	17.65	6

Update provided by Tracy Corman on Nov 01, 2021 19:21:25

Goal updates are summarized below.

#### Goal 4.2

Progress 75%



CAPITAL IMPROVEMENT PROGRAM - Implement the Parks and Recreation Master Plan.

	%	#
● On Track	100.0	1

Update provided by Marnie Schubert on Apr 09, 2022 18:07:37

Construction has begun and is progressing on schedule. The Town Council approved a bond to fund completing Mansel Park, Frontier Family Park (formerly known as East Park) and acquire the Jorde property as a future park site.

#### Goal 4.3

Progress 90%



PAVEMENT PRESERVATION PROGRAM - Maintain a pavement preservation plan that is cost effective and utilizes current best practices.

	%	#
● On Track	50.0	1
● Completed	50.0	1

Update provided by Alisha Wanamaker on Apr 07, 2022 19:35:17

Public Works Staff is working with Finance staff to develop an RFQ/RFP for an Asset Replacement and Reserve Study to assist with a long-term financial plan for roadways and other Town infrastructure.

#### Goal 4.4

Progress 75%



CAPITAL IMPROVEMENT PROGRAM - Complete the design for the QC Sports Complex as indicated in the Parks and Recreation Master Plan. Initial implementation will be completing grading and drainage infrastructure of the design.

	%	#
● On Track	100.0	1

Update provided by Marnie Schubert on Apr 09, 2022 18:08:02

Council approved building the park, as well as the Recreation and Aquatics Center on site, during their meeting in December 2021. Frontier Family Park (East Park) is in design and on track to be at 60% in April.



**Goal 4.8** Progress 85%

CAPITAL IMPROVEMENT PLAN - Ensure long-range financial plans are in place to adequately build, maintain, and replace needed infrastructure.



*Update provided by Dan Olsen on Apr 20, 2022 15:54:05*

The Town has secured financing for a portion of the utility CIP needs and is nearly complete with closing on new WIFA financing for the balance of the projects. Staff is preparing for a \$138 million bond issuance in May to fund four parks projects and a land acquisition, and staff is preparing to issue contracts for design and/or construction of those projects this spring. Other comments on this goal are noted in the following objectives:

**Objective 4.8.1: Update the Water and Wastewater Rate Models to keep pace with revised projections of revenues and costs. (90% completed)**

**No change from the last update.** The Combined Utility Rate model continues to be refined and updated. Work continues on the following items: 1) CIP Project Funding - staff finalized the list of projects to be included in WIFA financing needed to provide funding for CIP projects planned for the next 2-3 years. 2) Revenue growth assumptions to ensure alignment with projected development activity. 3) Understanding water consumption patterns as water rates are analyzed. The Utilities Master Plan project that is underway right now has brought to light several CIP projects and other system enhancements that will need to be accommodated within the rate models once the Master Plan is complete.

**Objective 4.8.2: Issue new utility system revenue bonds for ongoing capital projects and water acquisitions. (80% completed)**

Finance and Utility staff, with assistance from Town's consultant for the utility master plan update, developed a list of CIP project needs over the next 3 years and allocated the list between WIFA financing and private bank financing.

In December 2021, the Town closed on an \$85 million variable-rate 3.5 year financing with US Bank to fund a portion of the utilities infrastructure needs identified in the water master plan update. In December, the Town also closed on an \$8.2 million WIFA loan to finance the Town's NIA water acquisition costs.

In March 2022, town staff submitted water and wastewater infrastructure funding requests totaling \$56M to WIFA. Following approval of the funding requests from WIFA and Town Council, the loans are expected to close on May 13, 2022.

**Goal 4.9** Progress 68%

FINANCIAL STABILITY - Improve the town's bond ratings in order to lower borrowing costs.



*Update provided by Dan Olsen on Apr 20, 2022 15:54:56*

The Town's financial condition remains strong with a growing population & economic base and healthy reserves. The Town's financial management practices remain conservative while still meeting the needs of a growing community. Other progress on this goal is as follows:

**Objective 4.9.1: Update the Town's Investment Policy. (40% completed)**

**No change from the last update.** The Town's Investment Advisor submitted a draft of revisions to the Town's Investment Policy at the end of June 2021. Since the policy has not been updated since June 2008, extensive revisions are required to bring the policy in line with the Town's current practices and objectives. Staff is still working with the Investment Advisor to finalize a draft that can be presented to the Town Council.

**Objective 4.9.2: Complete rating reviews from S&P and Fitch. (95% completed)**

S&P and Fitch both visited Queen Creek in March. With the Town's continued growth and solid financial performance & management, both agencies upgraded our ratings from "AA" to "AA+", a one-notch increase, which means the Town is now only one notch below a "AAA" rating. Once the parks excise tax bonds are issued we will mark this objective as 100% complete.

**Goal 4.11**

INTERGOVERNMENTAL RELATIONS - Advocate for opportunities to advance the Town's freeway and arterial transportation needs through the inclusion of projects in the Maricopa and Pinal Regional Transportation Plans and, if approved by the voters, transportation funding shared by the respective jurisdictions.

*Update provided by Heather Wilkey on Apr 06, 2022 19:24:22*

Intergovernmental Relations staff continues to actively promote opportunities for further development of the north-south arterial connections and critical access points to the State Route 24 through our advocacy work with Maricopa Association of Governments and the business community in the enabling legislation for Proposition 400 extension as well as through our ask for the State Route 24 extension in Pinal County. We have had tremendous success in building support for right-of-way funding to be allocated for the SR-24 from our Legislative delegation to include Sen. Petersen, Sen. Shope, Rep. Grantham, Rep. Hoffman, Rep. Cook, Rep. Carter and Rep. Parker as well as Senate Transportation Chairman Pace. We have been pursuing this through HB 2184, in partnership with Pinal County, which passed the House 57-2 and is teed up nicely for the upcoming State budget negotiations. Mayor Barney provided testimony on this legislation in both the House & Senate transportation committees and we are hopeful to see an appropriation between \$15-45 million.

The Town is working closely with the business community in advocacy for the enabling legislation to support the extension of Proposition 400. These entities include a Coalition called, We Build Arizona, led by the Associated General Contractors and the Arizona Chamber of Commerce & Industry. Lobbying meetings with these groups will occur throughout Q3 and possibly Q4 during the 2022 Legislative Session to hopefully get this over the finish line. The Town and Councilmember Benning have also been an active participant in the Pinal Regional Transportation Authority discussions as the Board determines next course of action following the Supreme Court decision in Vangilder v. ADOR/Pinal County.

The Town has also been working on requests to the federal Surface Transportation Board and the Corporation Commission with respect to north-south arterial access as it would be impacted by the proposed Union Pacific 6-mile PIRATE rail spur in southeast Mesa. Our advocacy requests have included a small area transportation study/traffic analysis and implementation of mitigation measures to include the consideration of grade-separate crossings (particularly at Ellsworth & Signal Butte).

**Strategic Priority 5**



**Quality Lifestyle -**

Queen Creek will leverage its strong image as a tight-knit, family friendly community to encourage more residents to participate in public events, attract new businesses and further establish our reputation as one of the best destinations in Arizona. We will seek to enhance this unique lifestyle through our commitment to investing in necessary infrastructure, new recreational opportunities, cultural events and public art.

	%	#
● On Track	60.0	3
● Completed	40.0	2

*Update provided by Tracy Corman on Nov 01, 2021 19:21:38*

Goal updates are summarized below.

**Goal 5.1**



IMAGE & IDENTITY - Continue development of the Town's brand awareness including existing and new partnerships.

	%	#
● On Track	100.0	1

*Update provided by Marnie Schubert on Apr 09, 2022 18:08:46*

Continued coordination with finance for the launch of the new utility billing program:

- Created custom landing page image and logo for CIS portal. Testing in next sprint.
- Created a custom DRAFT subpage on TOQC website for My Utilities, which will act as the landing page to log into th

Continued highlighting the Town's commitment to public safety:

- Extensive coordination and outreach leading up to the QCPD launch on Jan. 11 (information across communication c
- Ongoing work with QCPD to highlight the training of officers and commitment to the community (Coffee with a Cop, c
- Integrated the Drive to Arrive campaign with the launch of QCPD to enhance awareness of safe driving and QCPD's
- Coordinated and executed the ribbon cutting ceremony for permanent Fire Station 2.
- Highlighted multiple training events taking place with QCPD officers and QCFMD Fire & Medical staff to showcase th

Planned and executed the annual State of the Town. The first ceremony post-COVID included a full, interactive video featuring all Council members, community photos and video clips that was presented at a community meeting and then posted across the Town's social media channels. New efficiencies included 'I heart QC' cookies with a QR code to the State of the Town website, reducing the need to design and print a handout, with a very limited shelf life; and using Google Docs for the Mayor's live speaking portion, allowing staff to make real-time edits which helped with the flow and recognition of dignitaries.

Highlighted QC's quality of life through parks, trails and recreation opportunities and special events (Love Bug and Spring Into QC)

Worked on outreach related to QC's commitment to being fiscally responsible (budget communications and education plan for permanent base adjustment)

Continued work with Utilities on QC's effort to secure a diverse water portfolio (media interviews, water transfer coordination, etc.).

Worked with CIP to highlight transportation improvements through the Meridian groundbreaking, and project updates.

Coordinated efforts with EconDev related to potential development in the northeastern area of Town and branding materials (postcards / pens at QC Hampton Inn; agritainment items for Visit Mesa, etc.).



TOWN OF  
**QUEEN CREEK**  
ARIZONA

**TO: HONORABLE MAYOR AND TOWN COUNCIL**

**THROUGH: JOHN KROSS ICMA-CM, TOWN MANAGER**

**FROM: SCOTT MCCARTY, FINANCE DIRECTOR**

**RE: PRESENTATION OF THE FINANCIAL TERMS OF THE \$21M WATER INFRASTRUCTURE FINANCE AUTHORITY OF ARIZONA ("WIFA") REFUNDING AUTHORIZED BY THE TOWN COUNCIL ON APRIL 20, 2014.**

**DATE: May 4, 2022**

**Suggested Action:**

This is an update only on the successful results of the Water Infrastructure Finance Authority of Arizona (“WIFA”) refunding authorized by the Town Council on April 20, 2014.

**Relevant Council Goal(s):**

- Effective Government: KRA Financial Management, Financial Sustainability
- Superior Infrastructure - Capital Improvement Program

**Discussion:**

On May 2, 2022, the Town agreed to terms on the refunding with Bank of America. The terms of loan were better than expected and the Town’s Financial Advisor (Wedbush Securities, Inc.), legal counsel (GreenbergTrurig) and the Bank of America all come together to find agreeable financial. It was a fantastic job on the transaction, especially given the current economic markets. The Town expresses our sincere appreciation to the Bank of America.

The schedule below summarizes the results of achieving a greater savings than expected. Debt refundings are commonly measured on a net of present value basis. In this case, that savings was \$1.7M at a 2.85% interest rate.

	<b>Actual Terms</b>	<b>Expected Terms</b>
Interest Rate	2.85%	3.24%
Net Present Value Savings	\$1.7M	\$1.0M
	(8% of Refunded Amount)	(5% of Refunded Amount)
Net Future Value Savings	\$2.1M	\$1.4M
Annual Savings	\$120K	\$82K
Issuance Costs	\$200K	\$200K
Final Payment Date	7/1/2038 (Non-Callable)	n/a

The transaction will close on May 11, 2022.

**Attachment(s):**

1. [Presentation](#)



# 2008 IFA Drinking ater Loan Refinancing

Town Council Meeting  
May 4, 2022



# Purpose of Presentation

Update the Town Council on the Final Terms of the \$21M Water Infrastructure Finance Authority of Arizona (WIFA) Drinking Water Loan Refinancing Authorized by the Town Council on April 20, 2022



# Background Financial Information

- Original Amount: \$40M (2008)
- Purpose: Acquire Queen Creek Water Company
- Interest Rate: 4.038%
- Outstanding Balance: \$21M
- Final Payment Date: 2038
- Callable: March 12, 2022



# Refunding Terms

## Negotiated Loan with Bank of America

	Actual Terms	Expected Terms
Interest Rate	2.85%	3.24%
Net Present Value Savings	\$1.7M (8% of Refunded Amount)	\$1.0M (5% of Refunded Amount)
Net Future Value Savings	\$2.1M	\$1.4M
Annual Savings	\$120K	\$82K
Issuance Costs	\$200K	\$200K
Final Payment Date	7/1/2038 (Non-Callable)	



TOWN OF  
**QUEEN CREEK**  
ARIZONA

12.A

**TO:** HONORABLE MAYOR AND TOWN COUNCIL

**THROUGH:** JOHN KROSS ICMA-CM, TOWN MANAGER

**FROM:** SCOTT MCCARTY, FINANCE DIRECTOR

**RE:** CONSIDERATION AND POSSIBLE APPROVAL OF RESOLUTION 1457-22 AUTHORIZING A DRINKING WATER STATE REVOLVING FUND PROGRAM LOAN (&LDQUO;DWSRF&RDQUO;) THROUGH THE WATER INFRASTRUCTURE FINANCE AUTHORITY OF ARIZONA (&LDQUO;WIFA&RDQUO;) FOR WATER CAPITAL IMPROVEMENT PLAN PROJECTS IN THE AMOUNT OF \$45,518,694 AND DECLARING AN EMERGENCY TO ACCOMMODATE THE CLOSING DATE FOR THE LOAN.

**DATE:** May 4, 2022

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**Suggested Action:**

Staff recommends approval of Resolution 1457-22 authorizing the approval of a Drinking Water State Revolving Fund Program Loan (“DWSRF”) through the Water Infrastructure Finance Authority of Arizona (“WIFA”) for water capital improvement plan projects and declaring an emergency to accommodate the closing date for the loans.

***NOTE: This resolution requires six affirmative votes to pass with the emergency clause. This is being recommended to provide the most flexibility in dealing with volatile economic markets and achieving the maximum cost savings.***

**Relevant Council Goal(s):**

- Effective Government: KRA Financial Management, Financial Sustainability
- Superior Infrastructure - Capital Improvement Program

**Discussion:**

On March 3, 2021, staff made a presentation to the Town Council regarding the need to acquire financing for the construction of water and wastewater infrastructure due to the tremendous growth each system is experiencing. Town staff is recommending the approval of two loans from the Arizona Water Finance Infrastructure Authority (WIFA). On April 14, 2022, the WIFA Advisory Board approved recommendation of the Town’s new WIFA loans to the Arizona Finance Authority. On April 21, 2022, the Arizona Finance Authority approved the Town’s new WIFA loan requests. This staff report relates to the water utility loan and a second staff report relates to the wastewater utility loan.

The water utility has experienced sustained growth in the 7% - 13% range since 2016, which is anticipated to continue into the foreseeable future. To maintain the existing level of service for

current customers and provide for new development, the Town estimates \$91M in water infrastructure needs over the next three years. During the March 3, 2021 meeting, Town Council approved Resolution 1401-21 authorizing WIFA loans in an amount not to exceed \$70M. On November 3, 2021, Town Council approved interim bank financing totaling \$85M for non-WIFA eligible projects. Of which, \$45M is for water projects.

In March 2022, staff submitted a WIFA Drinking Water loan application for \$46M for water infrastructure. The purpose of the funding is primarily for water infrastructure including tanks, wells, booster and lakes and system lines. The estimated interest rate for the new WIFA Loan is 2.7% (compared to 3.75% open-market transaction) and the estimated interest savings is \$10M.

For the WIFA Drinking Water Loan, WIFA is also providing \$1M in forgivable principal for an intended repayment amount of \$45M. Forgivable principal is a portion of the loan that does not need to be paid back. It is subtracted from the overall loan request to arrive at the amount that will actually be financed. Forgivable principal is paid out first and the loan will not start accruing interest until after all of the forgivable principal is spent. WIFA uses criteria they have established to determine the amount of the forgivable principal.

This water WIFA loan will also allow the Town to proceed with the redemption of a 2008 WIFA Loan. On April 20, 2022, Town Council approved Resolution 1454-22 authorizing the refinancing and redemption of the 2008 WIFA Loan. In order to move forward with a redemption of the 2008 WIFA Loan, WIFA requires the loan balance be replaced by a new WIFA loan.

At this time, the Town Council is being asked to approve the documents necessary for the water WIFA financing including:

1. The Authorizing Resolution. The Resolution authorizes the execution and delivery of the WIFA Loan within certain established parameters and delegates the authority to finalize the specifics to the Town Manager and Finance Director/Chief Financial Officer.
2. The substantially final form of the WIFA Loan agreement.

Upon approval of these documents, no further Town Council action is required and the transaction is tentatively scheduled to close on or before May 13, 2022. Prior to June 30, 2022, staff anticipates closing transactions and reporting final terms to Town Council.

Staff is recommending an emergency clause for the WIFA loan resolution due to the volatile economic markets and to avoid potentially costly new federal procurement requirements associated with WIFA loans, which go into effect May 14, 2022. The resolution requires six affirmative votes to pass the emergency clause.

**Fiscal Impact:**

The Drinking Water WIFA Loan obligation totals approximately \$46M (with \$1M in forgivable principal), resulting in a repayment amount of \$45M. The loan will be paid over 30 years at a rate of approximately 2.7% with the first principal payment due in 2025. By maintaining a AAA credit rating and leveraging the Environmental Protection Agency's low-cost federal funding, WIFA is able to offer the lowest cost financing available. The principal and interest costs for this loan will total about \$2.3M annually. Compared to open market financing estimated at 3.75%, the Town is expected to

save \$10M over the life of the loan by partnering with WIFA.

The project costs associated with this obligation are summarized below:

<b>Drinking Water WIFA Loan</b>	
<b><i>Purpose</i></b>	<b><i>Amount</i></b>
System Lines	\$23M
Tanks, Wells, Boosters and Lakes	\$18M
Other	\$5M
<b>Total</b>	<b>\$46M</b>
<b><i>Forgivable Principal</i></b>	<b><i>\$(1M)</i></b>
<b>Loan Repayment</b>	<b>\$45M</b>

Repayment of this loan will be secured by a lien on a pledge of the net utility system revenues (water and wastewater), which refers to the portion of the revenues remaining after deducting the expenses needed to operate and maintain the Town’s water and wastewater systems. Actual payment of the loan will be made from water rates and capacity fees (one-time fees collected from new development to defray the costs of new infrastructure needed to serve growth).

**Alternatives:**

None. WIFA is a federal loan program and has the lowest interest rates available.

**Attachment(s):**

1. [Project List for Water Financings](#)
2. [Resolution 1457-22](#)
3. [WIFA Drinking Water Loan Agreement](#)

PROJECT	NAME	Amount
<b>WATER - 2021 Interim Bank Financing</b>		
WA020	BARNEY WELL,RESERVOIR, BOOSTER	\$ 15,113,577
WA021	MERIDIAN ROAD: BARNEY TANK TO PIMA	\$ 811,910
WA062	OCOTILLO TRANSMISSION	\$ 429,794
WA078	CHURCH FARM EAST WELL, BOOSTERS, SITE, TANK, & WATERLINES	\$ 607,787
WA079	CHURCH FARMS WEST WELL	\$ 66,520
WA098	PRV-OCOTILLO AND FULTON DR.	\$ 73,641
WA099	ENCANTERRA/SHEA LINE INSTALL	\$ 148,128
WA119	RITTENHOUSE RD: COMBS TO CLOUD	\$ 369,389
WA126	POWER RD:OCOTILLO TO CHANDLER HEIGH	\$ 31,090
WA143	MERIDIAN:COMBS TO RED FERN PH II	\$ 201,698
WA149	TOWN CENTER INFRASTRUCTURE	\$ 505,960
WA152	QUEEN CREEK RD: ELLSWORTH TO CRISMON (PWP)	\$ 76,943
WA157	VILLAGES WELL REPLACEMENT	\$ 321,113
WA158	JORDE WELL SIGNAL BUTTE	\$ 321,940
WA161	SIGNAL BUTTE:QUEEN CREEK TO GERMANN	\$ 88,788
WA163	GERMANN: SIGNAL BUTTE TO MERIDIAN	\$ 775,282
WA166	CHANDLER HTS:POWER TO SOSSAMAN	\$ 1,045,035
WA173	POWER RD: CHANDLER HEIGHTS TO RIGGS (PWP)	\$ 27,692
WA176	OCOTILLO RD: SOSSAMAN TO HAWES (PWP)	\$ 1,201,350
WA178	SIGNAL BUTTE: OCOTILLO TO QC RD	\$ 127,850
WA189	GARY EAST WELL - MERIDIAN CROSSING	\$ 19,229
WA192	MERIDIAN RD & COMBS PRV	\$ 102,590
WA193	BARNEY FARMS LAKE WELL	\$ 370,216
WA195	OCOTILLO: MERIDIAN TO IRONWOOD	\$ 763,045
WA196	CHANDLER HTS:RECKER TO POWER	\$ 1,304,159
WA197	LINKS NORTH WELL	\$ 1,530,256
WA198	LINKS SOUTH WELL	\$ 790,946
WA199	PECAN NORTH IRRIGATION & TRANS LINE	\$ 63,372
WA200	SOSSAMAN WTRLN:APPLEBY TO OCOTILLO	\$ 1,327,902
WA201	GANTZELWELL REHAB/EQUIPPING	\$ 213,534
WA202	HARVEST TANK & SITE	\$ 3,231,792
WA254	QUEEN CREEK RD: CRIMSON TO SIGNAL BUTTE (PWP)	\$ 51,295
WA255	COMBS RD: ALA TO SCHNEPF	\$ 341,292
WA257	MERIDIAN:GERMANN TO FRYE	\$ 1,311,757
WA258	DAVIDSON WELL	\$ 9,000
WA259	CHANDLER HGHTS: MERIDIAN TO GANTZEL	\$ 1,128,569
WA270	SCHNEPF: COMBS TO HASHKNIFE	\$ 2,178,399
WA271	SCHNEPF: HASHKNIFE TO SKYLINE	\$ 448,809
WA275	SKYLINE: SIERRA VISTA TO QUAIL RUN	\$ 32,405
WA278	COMBS RANCH WELL REIMB	\$ 1,023,510
WA306	CHANDLER HEIGHTS: PECANS TO ELLSWORTH (PWP)	\$ 935,952
WA350	EAST PARK WATER LINES	\$ 600,000
WA351	EAST PARK WELL	\$ 1,750,000
WA352	WAST PARK LAKE	\$ 2,500,000
TBD	6 ACRE SITE AT SCHNEPF ROLLING RIDGE	\$ 150,000
TBD	HOMEPLASE LAKE FILL	\$ 476,700
WA007	SOSSAMAN WELL, BOOSTERS, SITE, & TANK	\$ 56,264
<b>Total Interim Bank Financing Water Projects</b>		<b>\$ 45,056,482</b>

PROJECT	NAME	Amount
<b>WATER - 2022 WIFA Drinking Water Loan</b>		
AR100	ASLD INFRASTRUCTURE IMPROVEMENTS	\$ 14,656,807
WA006	STAGECOACH PASS AVE: SCHNEPF RD TO KENWORTHY RD (TRANSMISSION/TRANSFER)	\$ 590,823
WA012	DIVERSIFIED WELL #1 TANK & PUMP STATION	\$ 3,000,000
WA013	WARE FARMS LAKE FILL	\$ 908,000
WA014	WARE FARMS 1 WELL	\$ 1,500,000
WA015	CORTINA ZONE PRV'S: R1,R2 & R3	\$ 908,000
WA202	HARVEST TANK, BOOSTERS, & SITE	\$ 8,000,000
WA250	SCHNEPF: CHANDLER HEIGHTS TO COMBS	\$ 1,301,600
WA273	LAREDO 750' EAST OF SCHNEPF (WIFA DIVERSIFIED)	\$ 168,058
WA290	HOME PLACE EAST WELL (WALES RANCH)	\$ 1,300,000
WA291	HOME PLACE (WALES RANCH) NORTH WELL & TRANSMISSION LINE	\$ 1,300,000
WA292	HOME PLACE (WALES RANCH) SOUTH WELL & TRANSMISSION LINE	\$ 1,500,000
WA294	HOME PLACE: KENWORTHY TO SCHNEPF	\$ 2,656,957
WA295	QUAIL RUN: SKYLINE TO ROLLING RIDGE ROAD (QUAIL RANCH)	\$ 590,823
WA296	ROLLING RIDGE: QUAIL RUN TO SIERRA VISTA (QUAIL RANCH)	\$ 1,204,370
WA298	SIERRA VISTA: COMBS TO ROLLING RIDGE	\$ 1,795,193
	CONTINGENCY	\$ 4,138,063
	<b>Total WIFA Drinking Water Loan Water Projects</b>	<b>\$ 45,518,694</b>
	<b>Grand Total 3YR Water Projects</b>	<b>\$ 90,575,176</b>

**RESOLUTION NO. 1457-22**

**A RESOLUTION OF THE MAYOR AND COMMON COUNCIL OF TOWN OF QUEEN CREEK APPROVING THE FORM AND AUTHORIZING THE EXECUTION AND DELIVERY OF A LOAN AGREEMENT WITH THE WATER INFRASTRUCTURE FINANCE AUTHORITY OF ARIZONA FROM ITS DRINKING WATER STATE REVOLVING FUND PROGRAM DELEGATING THE DETERMINATION OF CERTAIN MATTERS RELATING TO SUCH LOAN AGREEMENT TO THE MANAGER AND THE CHIEF FINANCIAL OFFICER OF THE TOWN PROVIDING FOR THE TRANSFER OF CERTAIN MONEYS AND MAKING CERTAIN COVENANTS AND AGREEMENTS WITH RESPECT TO SUCH LOAN AGREEMENT AUTHORIZING THE TAKING OF ALL OTHER ACTIONS NECESSARY TO THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED BY SUCH LOAN AGREEMENT AND THIS RESOLUTION AND DECLARING AN EMERGENCY**

WHEREAS, Town of Queen Creek (the "Town") has heretofore applied to the Water Infrastructure Finance Authority of Arizona (the "Authority") for a loan (the "Loan") from the Authority's Drinking Water Revolving Fund Program (the "Program") to provide funds for water capital improvement plan projects; and

WHEREAS, the terms and conditions under which the Loan will be made and the obligations of the Town with respect to the Loan will be set forth in a loan agreement to be executed and delivered by the Town and the Authority (the "Loan Agreement"); and

WHEREAS, the Loan and the loan repayments payable by the Town pursuant to the Loan Agreement (the "Loan Repayments") will be secured by a pledge of net revenues of the complete sewer and waterworks plant and system of the Town (collectively, the "Source of Repayment"); and

WHEREAS, the Town has determined that it will be beneficial to the citizens of the Town to enter into and to perform the Loan Agreement, whereby the Town will borrow not to exceed \$45,518,694 from the Authority, and the Loan shall be repaid on or before thirty (30) years from the date of the execution and delivery of the Loan Agreement and shall bear interest at a rate not to exceed three and one-half percent (3.50%) per annum; and

WHEREAS, there has been placed on file with the Clerk of the Town and presented at the meeting at which this Resolution was adopted the proposed form of the Loan Agreement;

**NOW THEREFORE, BE IT RESOLVED BY THE MAYOR AND COMMON COUNCIL OF TOWN OF QUEEN CREEK, THAT:**

Section 1. The form, terms and provisions of the Loan Agreement, in the form of such document (including the exhibits thereto) presented at the meeting at which this Resolution was adopted, are hereby approved, with such insertions, omissions and

changes, not inconsistent with the Town's application to the Authority or the requirements of the federal government or the Authority, as shall be approved by the Manager of the Town or the Chief Financial Officer of the Town, the execution of such document being conclusive evidence of such approval, and the Mayor and the Manager of the Town are hereby authorized and directed, as applicable, for and on behalf of the Town, to execute and attest and deliver, the Loan Agreement.

Section 2. For the payment of the principal of and interest on the Loan, the Town shall pay the Loan Repayments provided for in the Loan Agreement. The Town shall also pay all other amounts required to be paid by the Town pursuant to the provisions of the Loan Agreement.

Section 3. The obligation of the Town to pay the Loan Repayments provided for in the Loan Agreement and to make the other payments provided for in the Loan Agreement is limited to payment from the Source of Repayment, and the obligations of the Town under the Loan Agreement shall not constitute nor give rise to a general obligation of the Town or any claim against its *ad valorem* taxing powers, or constitute an indebtedness within the meaning of any statutory or constitutional debt limitation applicable to the Town.

Section 4. The appropriate officials and officers of the Town are hereby authorized and directed to take all action necessary or reasonably required to carry out, give effect to and to consummate the transactions contemplated by the Loan Agreement, and by this Resolution, including, without limitation, the execution and delivery of any closing and other documents reasonably required to be delivered in connection therewith.

Section 5. If any section, paragraph, subdivision, sentence, clause or phrase of this Resolution is for any reason held to be illegal or unenforceable, such decision will not affect the validity of the remaining portions of this Resolution. The Mayor and Common Council of the Town hereby declare that it would have adopted this Resolution and each and every other section, paragraph, subdivision, sentence, clause or phrase hereof and authorized the execution and delivery of the Loan Agreement pursuant hereto irrespective of the fact that any one or more sections, paragraphs, subdivisions, sentences, clauses or phrases of this Resolution may be held illegal, invalid or unenforceable.

Section 6. All actions of the officers and agents of the Town including the Mayor and Common Council of the Town which conform to the purposes and intent of this Resolution and which further the execution and delivery of the Loan Agreement as contemplated by this Resolution, whether heretofore or hereafter taken, are hereby ratified, confirmed and approved. The proper officers and agents of the Town are hereby authorized and directed to do all such acts and things and to execute and deliver all such documents on behalf of the Town as may be necessary to carry out the terms and intent of this Resolution.

Section 7. All acts and conditions necessary to be performed by the Town or to have been met precedent to and in the execution and delivery of the Loan Agreement in order to make it a legal, valid and binding obligation of the Town will at the time of delivery



of the Loan Agreement have been performed and have been met, in regular and due form as required by law, and no statutory, charter or constitutional limitation of indebtedness or taxation will have been exceeded in the execution and delivery of the Loan Agreement.

Section 8. All formal actions of the Mayor and Common Council of the Town concerning and relating to the passage of this Resolution were taken in an open meeting of the Mayor and Common Council of the Town, and all deliberations of the Mayor and Common Council of the Town and of any committees that resulted in those formal actions were in meetings open to the public, in compliance with all legal requirements.

Section 9. The immediate operation of the provisions of this Resolution is necessary for the preservation of the public health and welfare and for the further reason that the execution and delivery at the earliest possible date of the Loan Agreement is urgently needed to attempt to secure the lowest possible interest cost to the Town; therefore, an emergency is hereby declared to exist and this Resolution is enacted as an emergency measure and shall be in full force and effect from and after the passage and adoption by the Mayor and Common Council of the Town, as required by law, and this Resolution is hereby exempt from the referendum provisions of the Constitution and laws of the State of Arizona.

Section 10. After the execution and delivery of the Loan Agreement and upon receipt of the Loan from the Authority, this Resolution shall be and remain irrevocable until the Loan and the Loan Agreement and the interest thereon shall have been fully paid, cancelled and discharged.

**PASSED AND ADOPTED** by the Mayor and Council of the Town of Queen Creek, Arizona this 4th day of May 2022.

FOR THE TOWN OF QUEEN CREEK, ATTESTED TO:  
ARIZONA:

\_\_\_\_\_  
Gail Barney, Mayor

\_\_\_\_\_  
Maria Gonzalez, Town Clerk

REVIEWED BY:

APPROVED AS TO FORM:

\_\_\_\_\_  
John Kross, Town Manager

\_\_\_\_\_  
Dickinson Wright, PLLC  
Attorneys for the Town

## CERTIFICATION

I hereby certify that the foregoing Resolution No. 1457-22 was duly passed and adopted by the Mayor and Common Council of the Town of Queen Creek, Arizona at a regular meeting held on the 4th day of May 2022, and the vote was □ □ □ □ ayes and □ □ □ . nays.

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Maria Gonzalez, Town Clerk  
Town of Queen Creek, Arizona

**Town of Queen Creek and**  
**Water Infrastructure Finance Authority of Arizona**

**Borrower – Table of Contents**

<u>Document</u>	<u>Tab</u>
Town of Queen Creek’s Borrowing Resolution .....	1.
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Loan Agreement Addendum-Wage Rate and Forgivable Principal Requirements for Compliance with P.L. 111-88 .....	4.
Loan Agreement Addendum-American Iron and Steel Requirements for Compliance with Federal Law .....	5.
Exhibit A of Loan Agreement: Financial Terms and Conditions .....	6.
Exhibit B of Loan Agreement: Technical Terms and Conditions .....	7.
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Exhibit D of Loan Agreement: Source of Repayment and Rate Covenant Provisions .....	9.
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Exhibit G of Loan Agreement: Opinion of Local Borrower.....	12.
Exhibit H of Loan Agreement: Tax Compliance Certificate of Local Borrower .....	13.
IRS Form 8038-G .....	14.
Standard Terms and Conditions.....	15.

**Town of Queen Creek's Borrowing Resolution**

TO BE PROVIDED BY BORROWER PRIOR TO CREATION OF LOAN CLOSING DOCUMENTS

# ***Loan Resolution 2022-015 – Town of Queen Creek***

## ***Water Infrastructure Finance Authority of Arizona***

### **Section 1: Resolution**

WHEREAS, the Water Infrastructure Finance Authority of Arizona (the “*Authority*”) has received from Town of Queen Creek (the “*Local Borrower*”) a request for a loan (the “*Loan*”); and

WHEREAS, the Authority has determined that the Local Borrower has met the requirements of Arizona Revised Statutes §49-1201 et seq. (the “*Act*”) and the rules promulgated thereunder (the “*Rules*”); and

WHEREAS, the terms and conditions under which a Loan will be made and the obligations of the Local Borrower will be set forth in a loan agreement or bond purchase agreement (the “*Loan Agreement*”) to be executed by the Local Borrower and the Authority.

NOW, THEREFORE BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE AUTHORITY AS FOLLOWS:

The Executive Director of the Authority is hereby authorized and directed to execute a Loan Agreement with the Local Borrower to evidence a Loan in accordance with the Act, the Rules, the Local Borrower’s applications to the Authority, and the Project Summary detailed in Section 2 of this Loan Resolution.

The Executive Director and other Authority officials, as appropriate, are authorized and directed to sign any document and take such actions as necessary and appropriate to consummate the transactions contemplated by this Resolution and the Loan Agreement and to ensure that the Local Borrower has completed all requirements of the Authority as detailed in Section 3, Section 4, and Section 5 of this Loan Resolution.

This Resolution shall take effect immediately and shall terminate one year from the date of Board Action.

Dated: April 21, 2022

By: PENDING AUTHORIZATION  
Chairman

Attest: PENDING AUTHORIZATION  
Executive Director

# *Loan Resolution 2022-015 – Town of Queen Creek*

## *Water Infrastructure Finance Authority of Arizona*

### **Section 2: Project Summary**

#### **2.1 Project Number(s)**

DW 017-2022

#### **2.2 Project Priority Data**

<u>PPL Rank</u>	<u>Funding Cycle</u>	<u>Population Served</u>	<u>Subsidy Rate</u>
25	DW 2022	102,355	90%

#### **2.3 Project Description(s)**

This loan will fund the construction and replacement of approximately 67,000 feet of waterlines, the addition of pressure reducing valves, the addition of two new storage tanks and associated booster pumps, and the addition of five new wells. The projects will help to maintain the existing system, add capacity to meet increased demand due to the consolidation of regional water systems and growth experienced in the Town’s southeast footprint, and add system redundancy.

#### **2.4 Previous Board or Committee Actions**

October 28, 2021 – Board adopted Loan Resolution No. 2022-006 for \$8,275,000 (Loan No. 920339-22) to the Town of Queen Creek to fund the allocation of 4.162 acre-feet NIA Priority CAP water to the Town.

August 26, 2020 – Board adopted Loan Resolution No. 2021-003 for \$13,300,000 (Loan No. 920310-21) to the Town of Queen Creek acquire Diversified Water Utilities, Inc, and install an interconnection to its water system.

March 25, 2020 – Board adopted Loan Resolution No. 2020-021 for \$57,981,000 (Loan No. 920304-20) to the Town of Queen Creek to reimburse the Town for its purchase of Groundwater Extinguishment Credits.

February 26, 2020 – Board adopted Loan Resolution No. 2020-022 for NTE \$10,000,000 (Loan No. 910184-20 issued for \$8,600,000) to the Town of Queen Creek to purchase reclaimed water from the Trilogy at Encanterra community for aquifer recharge, in exchange for delivering recovered effluent to Trilogy.

February 19, 2020 – Board tabled Resolution No. 2020-021; resolution rescheduled for further consideration and action.

# ***Loan Resolution 2022-015 – Town of Queen Creek***

## ***Water Infrastructure Finance Authority of Arizona***

December 20, 2018 – Board adopted Resolution Addendum No. A2019-014 to release the 120% debt service reserve requirement and add a springing debt service reserve requirement on Loan No. 920243-14.

December 20, 2018 – Board adopted Resolution Addendum No. A2019-013 to release the 120% debt service reserve requirement and add a springing debt service reserve requirement on Loan No. 920132-08.

December 20, 2018 – Board adopted Resolution Addendum No. A2019-012 to release the 120% debt service reserve requirement and add a springing debt service reserve requirement on Loan No. 910072-05.

June 9, 2013 – Board adopted Loan Resolution No. 2013-020 for \$16,000,000 (Loan No. 920243-14) to the Town of Queen Creek for the acquisition of H2O, Inc. Water Utility.

April 20, 2011 – Board adopted Resolution Addendum No. A2011-021 to extend the loan term from 20 years to 23 years and waive the Repair and Replacement Fund requirement (Loan No. 910072-05).

2010 Technical Assistance Funding Cycle - Board awarded the Town of Queen Creek \$35,000 for clean water technical assistance for a Preliminary Engineering Report for a reuse and recharge line.

December 19, 2007 – Board adopted Loan Resolution No. 2007-045 for \$40,000,000 (Loan No. 920132-08) to the Town of Queen Creek for a water company acquisition.

February 16, 2005 – Board adopted Loan Resolution No. 2005-001 for \$34,000,000 (Loan No. 910072-05) to the Town of Queen Creek for Greenfield Water Reclamation Plant.

July 23, 2003 - Board adopted Resolution Addendum No. A2003-012 to change the Source of Repayment of Loan No. 910090-99.

February 10, 1998 - Board adopted Loan Resolution No. 1998-006 to award \$4,400,000 (Loan No. 910090-99) for a wastewater project.

### **2.5 Project Finance Committee Recommendations**

Not reviewed by the Project Finance Committee

### **Section 3: Financial Assistance Terms & Conditions** (Section 7.1 of Due Diligence)

**Financial Assistance Amount:** \$45,518,694 with \$1,012,500 in forgivable principal

**Primary Repayment Source:** Net System Revenues (DW and CW)

# ***Loan Resolution 2022-015 – Town of Queen Creek*** ***Water Infrastructure Finance Authority of Arizona***

**Secondary Repayment Source:** None

**Loan Term:** 30 years

**Frequency of Repayment:** Semi-Annual

**Loan Structure:** Standard Governmental – Modified Level 1

**Debt Service Reserve Fund Requirements:** Springing DSR\*

\*A DSR would not be funded unless, in a given fiscal year, Net Revenues fail to equal 150% of the aggregate of the debt service or comparable payments payable on any outstanding parity obligations in the current or any future fiscal year.

**Repair and Replacement Fund Requirements:** Local - Not Separate Account

**Requirements Prior to Loan Execution:**

**Require Legal Opinion:** Yes

**Other:** No Requirement

**Requirements Prior to Construction:** No Requirement

**Requirement During Construction:** No Requirement

**Requirements Prior to Final Disbursements:** No Requirement

**Loan Category:** Qualified, Not Pledged

**Policy Exceptions:** None

## **Section 4: Technical Terms & Conditions** (Section 7.2 of Due Diligence)

**Observation Schedule B:**

Observation 1: Upon borrower notification of construction commencement

Additional Observations: at least one site observation within each 12 month period

Final Observation: 80% construction budget disbursement

**Withholding Percentage:** 10% (released after deliverables received)

**Requirements Prior to Loan Execution:** No Requirement



# ***Loan Resolution 2022-015 – Town of Queen Creek*** ***Water Infrastructure Finance Authority of Arizona***

## **Requirements Prior to Construction:**

**Submittal of Construction Bids:** Yes

**Project Publicity/Signage:** Yes

The Local Borrower shall erect a construction sign displaying information on the Project and the funding sources. The Authority shall provide specifications for such construction signs.

**Other:** Yes

The Town is in the process of completing its Environmental Assessment. WIFA anticipates that a Finding of No Significant Impact may be issued after the Environmental Assessment is completed. A 30-day public comment period will then be required before construction commencement and disbursement of construction related funds.

## **Requirements During Construction:**

**Prior Review of Changes in Project Scope:** Yes

The Local Borrower shall submit to the Authority, for review and approval prior to execution, any change to the plans and specifications, construction contracts, Eligible Project Costs, or any other change which will effect the performance standards or purpose of the Project.

**Other:** No Requirement

## **Requirements Prior to Releasing Withholdings:**

### **10% Withholding**

**Require Plan of Operation:** Yes

**Require Final Approval:** Yes

**Other:** No Requirement

**Policy Exceptions:** None

## **Section 5: Additional Notice & Reporting Requirements** (Section 7.3 of Due Diligence)

**Other:** Wage rate reporting requirements; Use of American Iron and Steel requirements

**Loan Agreement**

**Water Infrastructure Finance Authority of Arizona**  
(the “Authority”)

and

**Town of Queen Creek**  
(the “Local Borrower”)

Evidencing a Loan from the  
Authority to the Local Borrower

Dated as of **TBD**

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## Loan Agreement

This Loan Agreement (this “*Loan Agreement*”) is made and entered into as of TBD by and between the Water Infrastructure Finance Authority of Arizona (the “*Authority*”), and Town of Queen Creek (the “*Local Borrower*”), a political subdivision of the State of Arizona.

This Loan Agreement includes the attached Exhibits and the attached Standard Terms and Conditions. Any capitalized terms used and not defined herein shall have the meanings ascribed to such terms in the Exhibits and the Standard Terms and Conditions.

The Authority and the Local Borrower agree as follows:

### Article 1 Description of the Loan

#### **Section 1.1 Name and Address of Local Borrower.**

Town of Queen Creek  
Attention: Jessica Platt, Enterprise Finance Manager  
22358 S. Ellsworth Rd  
Queen Creek, Arizona 85142-9311  
Telephone: (480) 358-3185

#### **Section 1.2 Authorized Officer(s) of Local Borrower.**

Town of Queen Creek  
Attention: Scott McCarty, Finance Director  
22358 South Ellsworth Road  
Queen Creek, Arizona 85142-9311  
Telephone: (480) 358-3170

**Section 1.3 Notices.** All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when hand delivered or mailed by registered or certified mail, postage prepaid, to the Local Borrower at the address specified in Section 1.1 and to the Authority at the following address:

Executive Director  
Water Infrastructure Finance Authority of Arizona  
100 North 7<sup>th</sup> Avenue, Suite 130  
Phoenix, Arizona 85007  
Telephone: (602) 364-1310  
Fax: (602) 364-1327

Any of the parties may designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent, by notice in writing given to the others.

**Section 1.4 Loan Information.** The terms of the Loan include the terms set forth in the Exhibits, which are part of this Loan Agreement:

- Exhibit A** Financial Assistance Terms and Conditions; Borrower Payment Instructions; and Loan Repayment Schedule
- Exhibit B** Technical Assistance Terms and Conditions
- Exhibit C** Reporting Requirements
- Exhibit D** Source of Repayment
- Exhibit E** Debt Service Reserve Requirements
- Exhibit F** Replacement Reserve Requirements
- Exhibit G** Opinion of Counsel to Borrower
- Exhibit H** Tax Compliance Certificate of Local Borrower

Prior to Loan Closing, the Local Borrower must deliver to the Authority the Opinion of Local Borrower Counsel in the form of Exhibit G and the Tax Compliance Certificate of Local Borrower in the form of Exhibit H, signed and dated the date of Loan Closing.

## **Article 2 Description Of The Project**

**Section 2.1 Description of Project.** The Project is described in Project Summary attached to the Loan Resolution of the Authority, and in Exhibit B of this Loan Agreement.

**Section 2.2 Description of System.** The term “System” means and includes all of the properties and facilities of the complete Sewer and Waterworks plant and system of the Local Borrower, whether lying within or without the boundaries of the Local Borrower, as now existing and as they may hereafter be improved or extended, all improvements, additions and extensions thereto or replacements thereof hereafter constructed or acquired by purchase, contract or otherwise and all contracts, rights, agreements, leases and franchises of every nature owned by the Local Borrower and used or useful or held for use in the operation of said plant and system or any part or portion thereof.

## **Article 3 Loan to Local Borrower; Amounts Payable**

**Section 3.1 The Loan.** The Authority shall loan and disburse to the Local Borrower in accordance with this Article 3 an amount listed in Exhibit A (the “Loan”), and the Local Borrower shall borrow and accept from the Authority, the Loan in the principal amount determined pursuant to this Article 3; provided, however, that (i) the Authority shall be under no obligation to disburse any amount of the Loan if an Event of Default has occurred and is continuing under this Loan Agreement, and (ii) the amount to be disbursed shall be lawfully available for disbursement. The Local Borrower shall use the proceeds of the Loan strictly in accordance with the requirements of this Loan Agreement.

**Section 3.2 Disbursements of Loan Proceeds.** The Authority may disburse funds by check, by electronic means or by means of magnetic tape or other transfer medium. Except as hereinafter provided, disbursements shall be made only when (i) the request for disbursements is in substantially the form provided by the Authority and is accompanied by the necessary certifications and documentation and (ii) an Authorized Officer of the Authority has determined that such disbursement is proper. An Authorized Officer of the Authority shall approve disbursements directly to the persons or entities entitled to payment or to the Local Borrower in the case of reimbursement for costs of services already paid, and shall provide the Local Borrower with a copy of the approval and the date approved. Disbursements may be made only for Eligible Project Costs.

**Section 3.3 Amounts Payable.** The Local Borrower shall pay to the Authority the amounts shown in Exhibit A on or before the dates shown in Exhibit A, as the same may be adjusted as provided in the Standard Terms and Conditions, to reflect any revisions to the principal repayment schedule of the Loan. Such payments shall be made by electronic funds transfer or by direct debit to the Authority.

**Section 3.4 Tax Covenants.**

(a) General. The Local Borrower acknowledges that, in connection with its state revolving fund programs, the Authority issues its bonds (“Authority Bonds”) from time to time to finance loans and the Authority also pledges certain loans to secure and to serve as the source of payment for the Authority Bonds. As a result, and under the provisions of federal tax law applicable to the Authority Bonds, it is in the Authority’s interest for the Loan to qualify and be an obligation that bears interest that is excludable from gross income for federal income tax purposes and is not an item of tax preference for purposes of the alternative minimum tax imposed on individuals and corporations under the Internal Revenue Code. Therefore, the Local Borrower represents and covenants as follows with respect to the Loan and the Authority Bonds. The Local Borrower covenants that it will not take any action, or fail to take any action, if any such action or failure to take such action would adversely affect the exclusion from gross income of the interest on the Loan or the Authority Bonds under Section 103(a) of the Internal Revenue Code or cause the interest on the Loan or the Authority Bonds to become an item of tax preference for purposes of the alternative minimum tax imposed on individuals and corporations under the Internal Revenue Code, and in the event of such action or omission, it will, promptly upon having such brought to its attention, take such reasonable actions based upon a bond counsel opinion as may rescind or otherwise negate such action or omission. The Local Borrower will not directly or indirectly use or permit the use of any proceeds of the Loan or any other funds of the Local Borrower or take or omit to take any action that would cause the Loan or the Authority Bonds to be or become “arbitrage bonds” within the meaning of Section 148(a) of the Internal Revenue Code or to fail to meet any other applicable requirement of Sections 103, 141, 148, 149 and 150 of the Internal Revenue Code or cause the interest on the Loan or the Authority Bonds to become an item of tax preference for purposes of the alternative minimum tax imposed on individuals and corporations under the Internal Revenue Code. To that end, the Local Borrower will comply with all applicable requirements of Sections 103, 141, 148, 149 and 150 of the Code to the extent applicable to the Loan.

(b) Modification Based on Bond Counsel Opinion. Notwithstanding any provision of this Section, if the Local Borrower provides to the Authority a bond counsel opinion to the effect that any action required under this Section is no longer required, or to the effect that some further action is required, to maintain the exclusion from gross income of interest on the Loan or the Authority Bonds pursuant to Section 103(a) of the Internal Revenue Code, the provisions of this Section and the covenants in this Section shall be deemed to be modified to that extent.

(c) Bond Counsel Opinion. For purposes of this Section, “bond counsel opinion” means an opinion letter of a firm of attorneys of national reputation experienced in the field of municipal bonds whose opinions are generally accepted by purchasers of municipal bonds, and who is acceptable to the Authority.

IN WITNESS WHEREOF, the Authority and the Local Borrower have caused this Loan Agreement to be executed and delivered as of the date of execution hereof.

**Water Infrastructure Finance Authority of Arizona**

By: \_\_\_\_\_  
Dan Dialessi, Executive Director

**Town of Queen Creek**

By: \_\_\_\_\_  
Scott McCarty, Finance Director

**Attest:**

By: \_\_\_\_\_  
Clerk

## **LOAN AGREEMENT ADDENDUM**

### **Wage Rate and Forgivable Principal Requirements for Compliance with P.L. 111-88**

Water Infrastructure Finance Authority of Arizona

This document (this “Wage Rate and Forgivable Principal Addendum”) sets forth additional requirements applicable to state revolving fund Loans made by the Water Infrastructure Finance Authority of Arizona (“WIFA”) that are subject to the requirements of Public Law 111-88, “Making appropriations for the Department of the Interior, environment, and related agencies for the fiscal year ending September 30, 2010, and for other purposes,” enacted October 30, 2009 (“P.L. 111-88”). The provisions in this Wage Rate and Forgivable Principal Addendum are a part of the Loan Agreement. Capitalized terms not otherwise defined herein shall have the meanings given them in the Loan Agreement.

The parties acknowledge and agree that funds disbursed by WIFA to the Local Borrower will include funds made available to WIFA by the federal government under P.L. 111-88, and that the requirements of P.L. 111-88 include those set forth in this Wage Rate and Forgivable Principal Addendum. The Local Borrower agrees to comply with all of those requirements and agrees that failure to do so is a breach of the provisions of the Loan Agreement which may result in a default under the Loan Agreement, termination of WIFA’s obligation to make disbursements on the Loan and the Local Borrower being required to repay all amounts that have been disbursed by WIFA on the Loan, together with interest and fees as provided in the Loan Agreement (including interest and fees at rates adjusted from those originally in effect as described herein).

#### **Additional Requirement for Subrecipients that are not Governmental Entities:**

Obtaining Wage Determinations - Under this Wage Rate and Forgivable Principal Addendum, the non-governmental borrower must submit its proposed Davis Bacon wage determinations to WIFA for approval prior to including the wage determination in any solicitation, contract task orders, work assignments, or similar instruments to existing contractors. **THIS PARAGRAPH DOES NOT APPLY TO GOVERNMENTAL ENTITIES.**

#### **Section 1. P.L. 111-88 Compliance - Forgivable Principal Portion.**

(a) Section 1 of Exhibit A to the Loan Agreement specifies the Total Financial Assistance Amount, the amount, if any, designated as the Forgivable Principal Portion, the Intended Repayment Amount, and the required amount of reserves to be established based upon the Intended Repayment Amount. Section 2 of Exhibit A to the Loan Agreement specifies a schedule of interest and principal payments based on the Intended Repayment Amount. If the Local Borrower fails to comply with the requirements of P.L. 111-88, including those set forth in this Wage Rate and Forgivable Principal Addendum:

(i) WIFA will provide a revised Exhibit A for the Loan Agreement to amortize the entire Total Financial Assistance Amount with the Forgivable Principal Portion set to \$1,012,500.00, adjusted, as necessary, to incorporate, previous principal payments.



- (ii) The Local Borrower will repay the Total Financial Assistance Amount.

**Section 2. P.L. 111-88 Compliance - Wage Rate Requirements.**

This language must be included in all Davis Bacon covered construction contracts and subcontracts. (29 CFR Part 5.5)

(a) The Local Borrower shall insert in full in any contract in excess of \$2,000 which is entered into for the actual construction, alteration and/or repair, including painting and decorating, of a treatment work under the CWSRF or a construction project under the DWSRF, or building or work financed in whole or in part from Federal funds or in accordance with guarantees of a Federal agency or financed from funds obtained by pledge of any contract of a Federal agency to make a loan, grant or annual contribution (except where a different meaning is expressly indicated), and which is subject to the labor standards provisions of any of the acts listed in Sec. 5.1, or the FFY 2010 appropriation, the following clauses:

(1) **Minimum wages.** (i) All laborers and mechanics employed or working upon the site of the work will be paid unconditionally and not less often than once a week, and without subsequent deduction or rebate on any account (except such payroll deductions as are permitted by regulations issued by the Secretary of Labor under the Copeland Act (29 CFR part 3)), the full amount of wages and bona fide fringe benefits (or cash equivalents thereof) due at time of payment computed at rates not less than those contained in the wage determination of the Secretary of Labor which is attached hereto and made a part hereof, regardless of any contractual relationship which may be alleged to exist between the contractor and such laborers and mechanics. Contributions made or costs reasonably anticipated for bona fide fringe benefits under section 1(b)(2) of the Davis-Bacon Act on behalf of laborers or mechanics are considered wages paid to such laborers or mechanics, subject to the provisions of paragraph (a)(1)(iv) of this section; also, regular contributions made or costs incurred for more than a weekly period (but not less often than quarterly) under plans, funds, or programs which cover the particular weekly period, are deemed to be constructively made or incurred during such weekly period. Such laborers and mechanics shall be paid the appropriate wage rate and fringe benefits on the wage determination for the classification of work actually performed, without regard to skill, except as provided in Sec. 5.5(a)(4). Laborers or mechanics performing work in more than one classification may be compensated at the rate specified for each classification for the time actually worked therein: Provided, that the employer's payroll records accurately set forth the time spent in each classification in which work is performed. The wage determination (including any additional classification and wage rates conformed under paragraph (a)(1)(ii) of this section) and the Davis-Bacon poster (WH-1321) shall be posted at all times by the contractor and its subcontractors at the site of the work in a prominent and accessible place where it can be easily seen by the workers. Local Borrowers may obtain wage determinations from the U. S. Department of Labor's web site, [www.wdol.gov](http://www.wdol.gov).

(ii)(A) The Local Borrower, on behalf of EPA, shall require that any class of laborers or mechanics, including helpers, which is not listed in the wage determination and which is to be employed under the contract shall be classified in conformance with the wage determination. The WIFA award official shall approve an additional classification and wage rate and fringe benefits therefore only when the following criteria have been met:

(1) The work to be performed by the classification requested is not performed by a classification in the wage determination; and

(2) The classification is utilized in the area by the construction industry; and

(3) The proposed wage rate, including any bona fide fringe benefits, bears a reasonable relationship to the wage rates contained in the wage determination.

(B) If the contractor and the laborers and mechanics to be employed in the classification (if known), or their representatives, and the Local Borrower agree on the classification and wage rate (including the amount designated for fringe benefits where appropriate), a report of the action taken shall be sent by the Local Borrower to the WIFA award official. The WIFA award official will transmit the report, to the Administrator of the Wage and Hour Division, Employment Standards Administration, U.S. Department of Labor, Washington, DC 20210 and to the EPA Davis Bacon Regional Coordinator concurrently. The Administrator, or an authorized representative, will approve, modify, or disapprove every additional classification action within 30 days of receipt and so advise the WIFA award official or will notify the WIFA award official within the 30-day period that additional time is necessary.

(C) In the event the contractor, the laborers or mechanics to be employed in the classification or their representatives, and the Local Borrower do not agree on the proposed classification and wage rate (including the amount designated for fringe benefits, where appropriate), the award official shall refer the questions, including the views of all interested parties and the recommendation of the WIFA award official, to the Administrator for determination. The Administrator, or an authorized representative, will issue a determination within 30 days of receipt and so advise the contracting officer or will notify the contracting officer within the 30-day period that additional time is necessary.

(D) The wage rate (including fringe benefits where appropriate) determined pursuant to paragraphs (a)(1)(ii) (B) or (C) of this section, shall be paid to all workers performing work in the classification under this contract from the first day on which work is performed in the classification.

(iii) Whenever the minimum wage rate prescribed in the contract for a class of laborers or mechanics includes a fringe benefit which is not expressed as an hourly rate, the contractor shall either pay the benefit as stated in the wage determination or shall pay another bona fide fringe benefit or an hourly cash equivalent thereof.

(iv) If the contractor does not make payments to a trustee or other third person, the contractor may consider as part of the wages of any laborer or mechanic the amount of any costs reasonably anticipated in providing bona fide fringe benefits under a plan or program, Provided, That the Secretary of Labor has found, upon the written request of the contractor, that the applicable standards of the Davis-Bacon Act have been met. The Secretary of Labor may require the contractor to set aside in a separate account assets for the meeting of obligations under the plan or program.

(2) **Withholding.** The Local Borrower shall upon its own action or upon written request of WIFA, EPA award official or an authorized representative of the Department of Labor withhold or cause to be withheld from the contractor under this contract or any other Federal contract with the same prime contractor, or any other federally-assisted contract subject to Davis-Bacon prevailing wage requirements, which is held by the same prime contractor, so much of the accrued payments or advances as may be considered necessary to pay laborers and mechanics,

including apprentices, trainees, and helpers, employed by the contractor or any subcontractor the full amount of wages required by the contract. In the event of failure to pay any laborer or mechanic, including any apprentice, trainee, or helper, employed or working on the site of the work, all or part of the wages required by the contract, the (Agency) may, after written notice to the contractor, sponsor, applicant, or owner, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds until such violations have ceased.

(3) **Payrolls and basic records.** (i) Payrolls and basic records relating thereto shall be maintained by the contractor during the course of the work and preserved for a period of three years thereafter for all laborers and mechanics working at the site of the work. Such records shall contain the name, address, and social security number of each such worker, his or her correct classification, hourly rates of wages paid (including rates of contributions or costs anticipated for bona fide fringe benefits or cash equivalents thereof of the types described in section 1(b)(2)(B) of the Davis-Bacon Act), daily and weekly number of hours worked, deductions made and actual wages paid. Whenever the Secretary of Labor has found under 29 CFR 5.5(a)(1)(iv) that the wages of any laborer or mechanic include the amount of any costs reasonably anticipated in providing benefits under a plan or program described in section 1(b)(2)(B) of the Davis-Bacon Act, the contractor shall maintain records which show that the commitment to provide such benefits is enforceable, that the plan or program is financially responsible, and that the plan or program has been communicated in writing to the laborers or mechanics affected, and records which show the costs anticipated or the actual cost incurred in providing such benefits. Contractors employing apprentices or trainees under approved programs shall maintain written evidence of the registration of apprenticeship programs and certification of trainee programs, the registration of the apprentices and trainees, and the ratios and wage rates prescribed in the applicable programs.

(ii)(A) The contractor shall submit weekly for each week in which any contract work is performed a copy of all payrolls to the Local Borrower. Such documentation shall be available on request of WIFA or EPA. As to each payroll copy received, the subrecipient shall provide written confirmation in a form satisfactory to the State indicating whether or not the project is in compliance with the requirements of 29 CFR 5.5 (a)(1) based on the most recent payroll copies for the specified week. **The payrolls shall set out accurately and completely all of the information required to be maintained under 29 CFR 5.5(a)(3)(i), except that full social security numbers and home addresses shall not be included on weekly transmittals. Instead the payrolls shall only need to include an individually identifying number for each employee (e.g., the last four digits of the employee's social security number).** The required weekly payroll information may be submitted in any form desired. Optional Form WH-347 is available for this purpose from the Wage and Hour Division Web site at <http://www.dol.gov/whd/forms/wh347.pdf> or its successor site. The prime contractor is responsible for the submission of copies of payrolls by all subcontractors. Contractors and subcontractors shall maintain the full social security number and current address of each covered worker, and shall provide them upon request to the Local Borrower for transmission to WIFA or EPA, if requested by EPA, WIFA, the contractor, or the Wage and Hour Division of the Department of Labor for purposes of an investigation or audit of compliance with prevailing wage requirements. It is not a violation of this section for a prime contractor to require a

subcontractor to provide addresses and social security numbers to the prime contractor for its own records, without weekly submission to the Local Borrower.

(B) Each payroll submitted shall be accompanied by a "Statement of Compliance," signed by the contractor or subcontractor or his or her agent who pays or supervises the payment of the persons employed under the contract and shall certify the following:

(1) That the payroll for the payroll period contains the information required to be provided under Sec. 5.5 (a)(3)(ii) of Regulations, 29 CFR part 5, the appropriate information is being maintained under Sec. 5.5 (a)(3)(i) of Regulations, 29 CFR part 5, and that such information is correct and complete;

(2) That each laborer or mechanic (including each helper, apprentice, and trainee) employed on the contract during the payroll period has been paid the full weekly wages earned, without rebate, either directly or indirectly, and that no deductions have been made either directly or indirectly from the full wages earned, other than permissible deductions as set forth in Regulations, 29 CFR part 3;

(3) That each laborer or mechanic has been paid not less than the applicable wage rates and fringe benefits or cash equivalents for the classification of work performed, as specified in the applicable wage determination incorporated into the contract.

(C) The weekly submission of a properly executed certification set forth on the reverse side of Optional Form WH-347 shall satisfy the requirement for submission of the "Statement of Compliance" required by paragraph (a)(3)(ii)(B) of this section.

(D) The falsification of any of the above certifications may subject the contractor or subcontractor to civil or criminal prosecution under section 1001 of title 18 and section 231 of title 31 of the United States Code.

(iii) The contractor or subcontractor shall make the records required under paragraph (a)(3)(i) of this section available for inspection, copying, or transcription by authorized representatives of WIFA, EPA or the Department of Labor, and shall permit such representatives to interview employees during working hours on the job. If the contractor or subcontractor fails to submit the required records or to make them available, the Federal agency or WIFA may, after written notice to the contractor, sponsor, applicant, or owner, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds. Furthermore, failure to submit the required records upon request or to make such records available may be grounds for debarment action pursuant to 29 CFR 5.12.

**(4) Apprentices and trainees** - (i) Apprentices. Apprentices will be permitted to work at less than the predetermined rate for the work they performed when they are employed pursuant to and individually registered in a bona fide apprenticeship program registered with the U.S. Department of Labor, Employment and Training Administration, Office of Apprenticeship Training, Employer and Labor Services, or with a State Apprenticeship Agency recognized by the Office, or if a person is employed in his or her first 90 days of probationary employment as an apprentice in such an apprenticeship program, who is not individually registered in the program, but who has been certified by the Office of Apprenticeship Training, Employer and Labor Services or a State Apprenticeship Agency (where appropriate) to be eligible for probationary employment as an apprentice. The allowable ratio of apprentices to journeymen on the job site in any craft classification shall not be greater than the ratio permitted to the contractor as to the entire work force under the registered program. Any worker listed on a payroll at an apprentice wage rate, who is not registered or otherwise employed as stated above,

shall be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed. In addition, any apprentice performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. Where a contractor is performing construction on a project in a locality other than that in which its program is registered, the ratios and wage rates (expressed in percentages of the journeyman's hourly rate) specified in the contractor's or subcontractor's registered program shall be observed. Every apprentice must be paid at not less than the rate specified in the registered program for the apprentice's level of progress, expressed as a percentage of the journeymen hourly rate specified in the applicable wage determination. Apprentices shall be paid fringe benefits in accordance with the provisions of the apprenticeship program. If the apprenticeship program does not specify fringe benefits, apprentices must be paid the full amount of fringe benefits listed on the wage determination for the applicable classification. If the Administrator determines that a different practice prevails for the applicable apprentice classification, fringes shall be paid in accordance with that determination. In the event the Office of Apprenticeship Training, Employer and Labor Services, or a State Apprenticeship Agency recognized by the Office, withdraws approval of an apprenticeship program, the contractor will no longer be permitted to utilize apprentices at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

(ii) Trainees. Except as provided in 29 CFR 5.16, trainees will not be permitted to work at less than the predetermined rate for the work performed unless they are employed pursuant to and individually registered in a program which has received prior approval, evidenced by formal certification by the U.S. Department of Labor, Employment and Training Administration. The ratio of trainees to journeymen on the job site shall not be greater than permitted under the plan approved by the Employment and Training Administration. Every trainee must be paid at not less than the rate specified in the approved program for the trainee's level of progress, expressed as a percentage of the journeyman hourly rate specified in the applicable wage determination. Trainees shall be paid fringe benefits in accordance with the provisions of the trainee program. If the trainee program does not mention fringe benefits, trainees shall be paid the full amount of fringe benefits listed on the wage determination unless the Administrator of the Wage and Hour Division determines that there is an apprenticeship program associated with the corresponding journeyman wage rate on the wage determination which provides for less than full fringe benefits for apprentices. Any employee listed on the payroll at a trainee rate who is not registered and participating in a training plan approved by the Employment and Training Administration shall be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed. In addition, any trainee performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. In the event the Employment and Training Administration withdraws approval of a training program, the contractor will no longer be permitted to utilize trainees at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

(iii) Equal employment opportunity. The utilization of apprentices, trainees and journeymen under this part shall be in conformity with the equal employment opportunity requirements of Executive Order 11246, as amended, and 29 CFR part 30.

(5) **Compliance with Copeland Act requirements.** The contractor shall comply with the requirements of 29 CFR part 3, which are incorporated by reference in this contract.

(6) **Subcontracts.** The contractor or subcontractor shall insert in any subcontracts the clauses contained in 29 CFR 5.5(a)(1) through (10) and such other clauses as the EPA determines may be appropriate, and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for the compliance by any subcontractor or lower tier subcontractor with all the contract clauses in 29 CFR 5.5.

(7) **Contract termination: debarment.** A breach of the contract clauses in 29 CFR 5.5 may be grounds for termination of the contract, and for debarment as a contractor and a subcontractor as provided in 29 CFR 5.12.

(8) **Compliance with Davis-Bacon and Related Act requirements.** All rulings and interpretations of the Davis-Bacon and Related Acts contained in 29 CFR parts 1, 3, and 5 are herein incorporated by reference in this contract.

(9) **Disputes concerning labor standards.** Disputes arising out of the labor standards provisions of this contract shall not be subject to the general disputes clause of this contract. Such disputes shall be resolved in accordance with the procedures of the Department of Labor set forth in 29 CFR parts 5, 6, and 7. Disputes within the meaning of this clause include disputes between the contractor (or any of its subcontractors) and the Local Borrower, WIFA, EPA, the U.S. Department of Labor, or the employees or their representatives.

(10) **Certification of eligibility.** (i) By entering into this contract, the contractor certifies that neither it (nor he or she) nor any person or firm who has an interest in the contractor's firm is a person or firm ineligible to be awarded Government contracts by virtue of section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1).

(ii) No part of this contract shall be subcontracted to any person or firm ineligible for award of a Government contract by virtue of section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1).

(iii) The penalty for making false statements is prescribed in the U.S. Criminal Code, 18 U.S.C. 1001.

(b) **Contract Work Hours and Safety Standards Act.** The Local Borrower shall insert the following clauses set forth in paragraphs (b)(1), (2), (3), and (4) of this section in full in any contract in an amount in excess of \$100,000 and subject to the overtime provisions of the Contract Work Hours and Safety Standards Act. These clauses shall be inserted in addition to the clauses required by Sec. 5.5(a) or 4.6 of part 4 of this title. As used in this paragraph, the terms laborers and mechanics include watchmen and guards.

(1) **Overtime requirements.** No contractor or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which he or she is employed on such work to work in excess of forty hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of forty hours in such workweek.

(2) Violation; liability for unpaid wages; liquidated damages. In the event of any violation of the clause set forth in paragraph (b)(1) of this section the contractor and any subcontractor responsible therefore shall be liable for the unpaid wages. In addition, such contractor and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the clause set forth in paragraph (b)(1) of this section, in the sum of \$10 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of forty hours without payment of the overtime wages required by the clause set forth in paragraph (b)(1) of this section.

(3) Withholding for unpaid wages and liquidated damages. The Local Borrower, upon its own action or upon written request of the EPA Award Official or an authorized representative of the Department of Labor shall withhold or cause to be withheld, from any moneys payable on account of work performed by the contractor or subcontractor under any such contract or any other Federal contract with the same prime contractor, or any other federally-assisted contract subject to the Contract Work Hours and Safety Standards Act, which is held by the same prime contractor, such sums as may be determined to be necessary to satisfy any liabilities of such contractor or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in paragraph (b)(2) of this section.

(4) Subcontracts. The contractor or subcontractor shall insert in any subcontracts the clauses set forth in paragraph (b)(1) through (4) of this section and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for compliance by any subcontractor or lower tier subcontractor with the clauses set forth in paragraphs (b)(1) through (4) of this section.

(c) In addition to the clauses contained in paragraph (b), in any contract subject only to the Contract Work Hours and Safety Standards Act and not to any of the other statutes cited in 29 CFR Sec. 5.1, the Local Borrower shall insert a clause requiring that the contractor or subcontractor shall maintain payrolls and basic payroll records during the course of the work and shall preserve them for a period of three years from the completion of the contract for all laborers and mechanics, including guards and watchmen, working on the contract. Such records shall contain the name and address of each such employee, social security number, correct classifications, hourly rates of wages paid, daily and weekly number of hours worked, deductions made, and actual wages paid. Further, the Local Borrower shall insert in any such contract a clause providing that the records to be maintained under this paragraph shall be made available by the contractor or subcontractor for inspection, copying, or transcription by authorized representatives of WIFA, EPA and the Department of Labor, and the contractor or subcontractor will permit such representatives to interview employees during working hours on the job.

### **Section 3. General Provisions.**

(a) Binding Effect. This Wage Rate and Forgivable Principal Addendum shall inure to the benefit of and shall be binding upon WIFA and the Local Borrower and their respective successors and assigns.

(b) Severability. In the event any provision of this Wage Rate and Forgivable Principal Addendum shall be held illegal, invalid or unenforceable by any court of competent

jurisdiction, such holding shall not invalidate, render unenforceable or otherwise affect any other provision hereof.

(c) Amendments, Supplements and Modifications. This Wage Rate and Forgivable Principal Addendum may not be amended, supplemented or modified without the prior written consent of WIFA and the Local Borrower.

(d) Execution in Counterparts. This Wage Rate and Forgivable Principal Addendum may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

(e) Applicable Law. This Wage Rate and Forgivable Principal Addendum shall be governed by and construed in accordance with the laws of the State of Arizona.

(f) Captions. The captions or headings in this Wage Rate and Forgivable Principal Addendum are for convenience only and shall not in any way define, limit or describe the scope or intent of any provisions of this Wage Rate and Forgivable Principal Addendum.

(g) Further Assurances. The Local Borrower shall, at the request of WIFA , authorize, execute, acknowledge and deliver such further resolutions, conveyances, transfers, assurances, financing statements and other instruments as may be necessary or desirable for better assuring, conveying, granting, assigning and confirming the rights and agreements granted or intended to be granted by this Wage Rate and Forgivable Principal Addendum.

(h) Arbitration. The parties hereto agree to use arbitration to the extent required by Section 12-1518 of the Arizona Revised Statutes.

(i) Notice Regarding A.R.S. § 38 511. To the extent applicable by provision of law, the parties acknowledge that this Wage Rate and Forgivable Principal Addendum is subject to cancellation pursuant to A.R.S. § 38-511, the provisions of which are hereby incorporated herein.

[SIGNATURE PAGE FOLLOWS]



WIFA and the Local Borrower are signing this Wage Rate and Forgivable Principal Addendum to be effective as part of the Loan Agreement.

**Water Infrastructure Finance Authority of Arizona**

By: \_\_\_\_\_

Dan Dialessi, Executive Director

**Town of Queen Creek**

By: \_\_\_\_\_

Scott McCarty, Finance Director

[Signature page to Wage Rate and Forgivable Principal Addendum to Loan Agreement]

## LOAN AGREEMENT ADDENDUM

### American Iron and Steel Requirements for Compliance with Federal Law

#### Water Infrastructure Finance Authority of Arizona

This document (this "American Iron and Steel Addendum") sets forth additional requirements made applicable to state revolving fund Loans made by the Water Infrastructure Finance Authority of Arizona ("WIFA") by federal law. The provisions in this American Iron and Steel Addendum are a part of the Loan Agreement. Capitalized terms not otherwise defined herein shall have the meanings given them in the Loan Agreement.

The parties acknowledge and agree that funds disbursed by WIFA to the Local Borrower will include funds made available to WIFA by the federal government under federal law, and that the requirements of federal law include those set forth in this American Iron and Steel Addendum. The Local Borrower agrees to comply with all of those requirements and agrees that failure to do so is a breach of the provisions of the Loan Agreement which may result in a default under the Loan Agreement, termination of WIFA's obligation to make disbursements on the Loan and the Local Borrower being required to repay all amounts that have been disbursed by WIFA on the Loan, together with interest and fees as provided in the Loan Agreement.

Federal law requires that WIFA include in all assistance agreements, including the Loan Agreement, for the construction, alteration, maintenance, or repair of treatment works under the Clean Water State Revolving Fund and for the construction, alteration, maintenance, or repair of a public water system under the Drinking Water State Revolving Fund, a provision requiring the application of American Iron and Steel requirements for the entirety of the construction activities financed by the assistance agreement through completion of construction, no matter when construction commences. Whether or not the project has multiple sources of funding, the American Iron and Steel requirements apply to the entire project and not just to the activities funded by the money made available to WIFA by the federal government.

#### **Section 1. American Iron and Steel Requirements.** In accordance with federal law:

(a)(1) None of the funds made available to WIFA as authorized by title VI of the Federal Water Pollution Control Act (33 U.S.C. 1381 et seq.) or as authorized by section 1452 of the Safe Drinking Water Act (42 U.S.C. 300j-12) shall be used for a project for the construction, alteration, maintenance, or repair of a public water system or treatment works unless all of the iron and steel products used in the project are produced in the United States.

(2) In this section, the term "iron and steel products" means the following products made primarily of iron or steel: lined or unlined pipes and fittings, manhole covers and other municipal castings, hydrants, tanks, flanges, pipe clamps and restraints, valves, structural steel, reinforced precast concrete, and construction materials.

(b) Subsection (a) shall not apply in any case or category of cases in which the Administrator of the Environmental Protection Agency (in this section referred to as the "Administrator") finds that—

- (1) applying subsection (a) would be inconsistent with the public interest;
  - (2) iron and steel products are not produced in the United States in sufficient and reasonably available quantities and of a satisfactory quality; or
  - (3) inclusion of iron and steel products produced in the United States will increase the cost of the overall project by more than 25 percent.
- (c) If the Administrator receives a request for a waiver under this section, the Administrator shall make available to the public on an informal basis a copy of the request and information available to the Administrator concerning the request, and shall allow for informal public input on the request for at least 15 days prior to making a finding based on the request. The Administrator shall make the request and accompanying information available by electronic means, including on the official public Internet Web site of the Environmental Protection Agency.

## **Section 2. General Provisions.**

- (a) Binding Effect. This American Iron and Steel Addendum shall inure to the benefit of and shall be binding upon WIFA and the Local Borrower and their respective successors and assigns.
- (b) Severability. In the event any provision of this American Iron and Steel Addendum shall be held illegal, invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate, render unenforceable or otherwise affect any other provision hereof.
- (c) Amendments, Supplements and Modifications. This American Iron and Steel Addendum may not be amended, supplemented or modified without the prior written consent of WIFA and the Local Borrower.
- (d) Execution in Counterparts. This American Iron and Steel Addendum may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.
- (e) Applicable Law. This American Iron and Steel Addendum shall be governed by and construed in accordance with the laws of the State of Arizona and applicable federal law.
- (f) Captions. The captions or headings in this American Iron and Steel Addendum are for convenience only and shall not in any way define, limit or describe the scope or intent of any provisions of this American Iron and Steel Addendum.
- (g) Further Assurances. The Local Borrower shall, at the request of WIFA , authorize, execute, acknowledge and deliver such further resolutions, conveyances, transfers, assurances, financing statements and other instruments as may be necessary or desirable for better assuring, conveying, granting, assigning and confirming the rights and agreements granted or intended to be granted by this American Iron and Steel Addendum.

(h) Prohibition Against Discrimination. In the event that it applies, the parties agree to comply with the Arizona Governor's Executive Order 2009-9, entitled "Prohibition of Discrimination in State Contracts Non-Discrimination in Employment by Government Contractors and Subcontractors," which mandates that all persons, regardless of race, color, religion, sex, age, or national origin shall have equal access to employment opportunities, and all other applicable state and Federal employment laws, rules, and regulations, including the Americans with Disabilities Act. The Local Borrower shall take affirmative action to ensure that applicants for employment and employees are not discriminated against due to race, creed, color, religion, sex, national origin or disability.

(i) Arbitration. In the event of a dispute, the parties agree to use arbitration, after exhausting applicable administrative review, to the extent required by Arizona Revised Statutes Section 12-1518, and the prevailing party shall be entitled to attorney's fees and costs with respect thereto.

(j) Notice of Arizona Revised Statutes Section 38-511 - Cancellation. Notice is hereby given of the provisions of Arizona Revised Statutes Section 38-511, as amended. By this reference, the provisions of said statute are incorporated herein to the extent of their applicability to this American Iron and Steel Addendum under the law of the State of Arizona.

[SIGNATURE PAGE FOLLOWS]

WIFA and the Local Borrower are signing this American Iron and Steel Addendum to be effective as part of the Loan Agreement.

**Water Infrastructure Finance Authority of Arizona**

By: \_\_\_\_\_

Dan Dialessi, Executive Director

**Town of Queen Creek**

By: \_\_\_\_\_

Scott McCarty, Finance Director

[Signature page to American Iron and Steel Addendum to Loan Agreement]

## Exhibit A of Loan Agreement

**Section 1: Financial Assistance Terms and Conditions**  
**Town of Queen Creek**  
**TBD**

Loan Number.....	TBD
Closing Date.....	TBD
First Payment Period.....	01/01/23
<b>Financial Assistance Terms and Conditions</b>	
Original Loan Amount as of the Closing Date.....	\$ 45,518,694.00
Forgivable Principal Amount.....	\$ 1,012,500.00
Intended Repayment Amount.....	\$ 44,506,194.00
Loan Term.....	30
Combined Interest & Fee Rate	2.700%
Total # of Payment Periods within Loan Term.....	60
<small>* Combined Interest and Fee Rate (CIFR) allocation: Fee = 1.5% (150 basis points); Interest = CIFR minus Fee.</small>	
<b>Principal Repayments</b>	
Period Principal Repayments Begin.....	6
First Principal Repayment Date.....	07/01/25
Final Principal Repayment Date.....	07/01/52
<b>Combined Interest and Fee Payment Dates</b>	
First Combined Interest and Fee Payment Date*.....	01/01/23
Final Combined Interest and Fee Payment Date.....	07/01/52
<small>* Actual initial Combined Interest and Fee payment calculated only on dollar amount drawn against loan as of initial payment date</small>	
<b>Debt Service Reserve Fund Requirements</b>	
Total Reserve Amount.....	\$ 2,285,720.89
Annual Amount.....	\$ 457,144.18
Reserve Funded by (Date)**.....	
<small>** A DSR would not be funded unless, in a given fiscal year, Net Revenues fail to equal 150% of the aggregate of the debt service or comparable payments payable on any outstanding parity obligations in the current or any future fiscal year</small>	
<b>Repair and Replacement Fund Requirement</b>	
Begin Funding on (Date).....	01/01/28
Annual Amount.....	\$ 457,144.18
Semi-Annual Deposit.....	\$ 228,572.09
<b>Annual Payment</b>	
Years 1 through 5.....	\$ 2,285,720.89
Years 6 through 10.....	\$ 2,285,720.89
Years 11 through 15.....	\$ 2,285,720.89
Years 16 through 20.....	\$ 2,285,720.89
Years 21 through 25.....	\$ 2,285,720.89
Years 26 through 30.....	\$ 2,285,720.89

**Section 2: Loan Repayment Schedule**  
**Town of Queen Creek**  
**15-Apr-22**

Year	Period	Semi-Annual Payment Dates	Combined Interest and Fee Rate	Semi-Annual Combined Interest and Fee Payment	Annual Principal Repayment	Total Annual Payment
1	1	01/01/23	2.700%	761,055.92		
1	2	07/01/23	2.700%	600,833.62	0.00	1,361,889.54
2	3	01/01/24	2.700%	600,833.62		
2	4	07/01/24	2.700%	600,833.62	0.00	1,201,667.24
3	5	01/01/25	2.700%	600,833.62		
3	6	07/01/25	2.700%	600,833.62	1,084,053.65	2,285,720.89
4	7	01/01/26	2.700%	586,198.89		
4	8	07/01/26	2.700%	586,198.89	1,113,323.11	2,285,720.89
5	9	01/01/27	2.700%	571,169.03		
5	10	07/01/27	2.700%	571,169.03	1,143,382.83	2,285,720.89
6	11	01/01/28	2.700%	555,733.37		
6	12	07/01/28	2.700%	555,733.37	1,174,254.15	2,285,720.89
7	13	01/01/29	2.700%	539,880.93		
7	14	07/01/29	2.700%	539,880.93	1,205,959.03	2,285,720.89
8	15	01/01/30	2.700%	523,600.49		
8	16	07/01/30	2.700%	523,600.49	1,238,519.91	2,285,720.89
9	17	01/01/31	2.700%	506,880.47		
9	18	07/01/31	2.700%	506,880.47	1,271,959.95	2,285,720.89
10	19	01/01/32	2.700%	489,709.01		
10	20	07/01/32	2.700%	489,709.01	1,306,302.87	2,285,720.89
11	21	01/01/33	2.700%	472,073.92		
11	22	07/01/33	2.700%	472,073.92	1,341,573.05	2,285,720.89
12	23	01/01/34	2.700%	453,962.68		
12	24	07/01/34	2.700%	453,962.68	1,377,795.53	2,285,720.89
13	25	01/01/35	2.700%	435,362.44		
13	26	07/01/35	2.700%	435,362.44	1,414,996.01	2,285,720.89
14	27	01/01/36	2.700%	416,259.99		
14	28	07/01/36	2.700%	416,259.99	1,453,200.91	2,285,720.89
15	29	01/01/37	2.700%	396,641.79		
15	30	07/01/37	2.700%	396,641.79	1,492,437.31	2,285,720.89
16	31	01/01/38	2.700%	376,493.88		
16	32	07/01/38	2.700%	376,493.88	1,532,733.13	2,285,720.89
17	33	01/01/39	2.700%	355,801.99		
17	34	07/01/39	2.700%	355,801.99	1,574,116.91	2,285,720.89
18	35	01/01/40	2.700%	334,551.40		
18	36	07/01/40	2.700%	334,551.40	1,616,618.09	2,285,720.89
19	37	01/01/41	2.700%	312,727.07		
19	38	07/01/41	2.700%	312,727.07	1,660,266.75	2,285,720.89
20	39	01/01/42	2.700%	290,313.46		
20	40	07/01/42	2.700%	290,313.46	1,705,093.97	2,285,720.89
21	41	01/01/43	2.700%	267,294.69		
21	42	07/01/43	2.700%	267,294.69	1,751,131.51	2,285,720.89
22	43	01/01/44	2.700%	243,654.41		
22	44	07/01/44	2.700%	243,654.41	1,798,412.07	2,285,720.89
23	45	01/01/45	2.700%	219,375.85		
23	46	07/01/45	2.700%	219,375.85	1,846,969.19	2,285,720.89
24	47	01/01/46	2.700%	194,441.77		
24	48	07/01/46	2.700%	194,441.77	1,896,837.35	2,285,720.89
25	49	01/01/47	2.700%	168,834.47		
25	50	07/01/47	2.700%	168,834.47	1,948,051.95	2,285,720.89

**Section 2: Loan Repayment Schedule**  
**Town of Queen Creek**  
**15-Apr-22**

Year Period		Semi-Annual Payment Dates	Combined Interest and Fee Rate	Semi-Annual Combined Interest and Fee Payment	Annual Principal Repayment	Total Annual Payment
26	51	01/01/48	2.700%	142,535.77		
26	52	07/01/48	2.700%	142,535.77	2,000,649.35	2,285,720.89
27	53	01/01/49	2.700%	115,527.00		
27	54	07/01/49	2.700%	115,527.00	2,054,666.89	2,285,720.89
28	55	01/01/50	2.700%	87,788.99		
28	56	07/01/50	2.700%	87,788.99	2,110,142.91	2,285,720.89
29	57	01/01/51	2.700%	59,302.06		
29	58	07/01/51	2.700%	59,302.06	2,167,116.77	2,285,720.89
30	59	01/01/52	2.700%	30,045.99		
30	60	07/01/52	2.700%	30,045.99	2,225,628.85	2,285,720.83
				22,057,547.64	44,506,194.00	66,563,741.64



**Exhibit B**

**Technical Terms and Conditions**

**Section 1  
Budget**

<b>Uses by Budget Item</b>	<b>Amount Budgeted</b>
Planning.....	\$0.00
Design & Engineering.....	\$3,338,063.00
Legal/Debt Authorization.....	\$25,000.00
Financial Advisor.....	\$50,000.00
Land/System Acquisition.....	\$0.00
Equipment/Materials.....	\$0.00
Construction/Installation/Improvement.....	\$38,042,568.00
Inspection & Construction Management.....	\$0.00
Project Officer.....	\$0.00
Administration.....	\$50,000.00
Staff Training.....	\$0.00
Capitalized Interest.....	\$0.00
Refinance Loan.....	\$0.00
Other.....	\$4,013,063.00
<b>Total Budget.....</b>	<b>\$45,518,694.00</b>

**Section 2  
Project Description**

This loan will fund the construction and replacement of approximately 67,000 feet of waterlines, the addition of pressure reducing valves, the addition of two new storage tanks and associated booster pumps, and the addition of five new wells. The projects will help to maintain the existing system, add capacity to meet increased demand due to the consolidation of regional water systems and growth experienced in the Town’s southeast footprint, and add system redundancy.

**Transmission and Distribution Projects**

The Town has identified 14 transmission and distribution line projects:

1. Schnepf: Queen Creek Wash to Combs: Diversified - 12" Water Line, 2,000 ft and 16" Water Line 2,600 ft
2. Quail Run: Skyline to Rolling Ridge Road (Quail Ranch): Diversified - 12" Water Line, 2,600 ft
3. Stagecoach Pass Ave: Schnepf Rd to Kenworthy Rd (Transmission/Transfer): Diversified - 12" Water Line, 2,600 ft
4. Rolling Ridge: Quail Run to Sierra Vista (Quail Ranch): Diversified - 12" Water Line, 5,300 ft

5. Sierra Vista: Combs to Rolling Ridge: Diversified - 12" Water Line, 7,900 ft
6. Laredo 750' East of Schnepf (WIFA Diversified): Diversified - 12" Water Line, 750 ft
7. Cortina Zone PRV's: R1,R2 & R3: New Pressure Reducing Valves (PRV) to create a needed zone boundary for better system function.
8. Ironwood Dr: Germann Rd to Pecos: State Land - 12" Water Line, 5,300 ft
9. Pecos Rd: Ironwood to Kenworthy: State Land - 12" Water Line, 5,300 ft
10. Pecos Road: Meridian to Ironwood: State Land - 12" Water Line, 5,300 ft
11. Kenworthy Road: Pecos to Germann: State Land - 16" Water Line, 5,300 ft
12. Germann Rd: Ironwood to Kenworthy: State Land - 24" Water Line, 10,614 ft
13. Germann Rd: Meridian to Ironwood: State Land - 24" Water Line, 6,140 ft
14. Home Place: Kenworthy to Schnepf: 24" Transmission Line, 5,300 ft

### **Storage Projects**

The Town has identified two storage tank and booster pump projects:

1. Diversified Well #1 Tank and Pump Station: 1MG storage tank and booster pumps
2. Harvest Tank, Boosters, and Site: 2MG storage tank and booster pumps

### **Source Projects**

The Town has identified five source water projects:

1. Ware Farms Lake Fill Well
2. Ware Farms 1 Well
3. Home Place East Well (Wales Ranch)
4. Home Place (Wales Ranch) North Well & Transmission Line
5. Home Place (Wales Ranch) South Well & Transmission Line

## **Section 3**

### **Estimated Observation and Disbursement Schedule**

#### **Observation Schedule B:**

Observation 1: Upon borrower notification of construction commencement

Additional Observations: at least one site observation within each 12 month period

Final Observation: 80% construction budget disbursement

**Additional Observations** – A WIFA representative may perform additional observations based on information provided in the projects status reports included in each Local Borrower disbursement requisition form.

**Withholding Percentage:** 10% (released after deliverables received)

## Section 4 Requirements Prior To Construction

Section 4.1 **Construction Bids**. The Local Borrower shall submit to the Authority for review and approval prior to execution:

- (a) engineering contracts related to the Project,
- (b) bid documents related to the Project,
- (c) construction contracts related to the Project, and
- (d) certification of positive effort for disadvantaged business enterprise participation.

Section 4.2 **User Charges**. The Local Borrower has established (or, if the System is not yet in operation, the Local Borrower will, at or before the time the System commences operation, establish) a system of user charges which, with other funds lawfully available, will at all times be sufficient to pay the costs of operation and maintenance of the System, including renewals and replacements of the System. The Local Borrower also agrees that such system of user charges will be established and maintained in compliance with any applicable requirements of state and federal law as long as the Local Borrower owes amounts under this Loan Agreement. The Local Borrower at its sole option may pay the costs of operation, maintenance, repair, replacement, extensions and additions to the System from any funds lawfully available to it for such purpose.

Section 4.3 **Interest in Project Site**. As a condition of the Loan, the Local Borrower will demonstrate to the satisfaction of the Authority that the Local Borrower has or will have a fee simple or such other estate or interest in the site of the Project, including necessary easements and rights-of-way, as the Authority finds sufficient to assure undisturbed use and possession for the purpose of construction and operation of the Project for the estimated life of the Project.

Section 4.4 **Federal Clean Water Act**. The Local Borrower covenants that, to the extent legally applicable, the Project will meet the requirements of the Federal Clean Water Act in effect on the date of Loan Closing and any amendments thereto that may retroactively apply to the Loan, and the Local Borrower agrees that the Project will comply with applicable provisions of those federal laws and authorities listed in Article 9 of the Standard Terms and Conditions.

Section 4.5 **Federal Safe Drinking Water Act**. The Local Borrower covenants that, to the extent legally applicable, the Project will meet the requirements of the Federal Safe Drinking Water Act in effect on the date of Loan Closing and any amendments thereto that may retroactively apply to the Loan, and the Local Borrower agrees that the Project will comply with applicable provisions of those federal laws and authorities listed in Article 9 of the Standard Terms and Conditions.

Section 4.6 **Signs**. The Local Borrower shall erect a construction sign displaying information on the Project and the funding sources. The Authority shall provide specifications for such construction signs.

Section 4.7 **Environmental Assessment**: The Local Borrower is in the process of completing its Environmental Assessment. The Authority anticipates that a Finding of No Significant Impact may be issued after the Environmental Assessment is completed. A 30-day public comment period will then be required before construction commencement and disbursement of construction related funds

## **Section 5 Requirements During Construction**

Section 5.1 **Changes in Project Scope**. The Local Borrower shall submit to the Authority, for review and approval prior to execution, any change to the plans and specifications, construction contracts, Eligible Project Costs, or any other change which will effect the performance standards or purpose of the Project.

Section 5.2 **Completion of Project and Provision of Moneys Therefor**. The Local Borrower covenants and agrees (a) to exercise its best efforts in accordance with prudent utility construction practice to complete the Project and (b) to the extent permitted by law, to provide from its own fiscal resources all moneys, in excess of the total amount of loan proceeds it receives hereunder and under any subsequent loan from the Authority, required to complete the Project.

Section 5.3 **Inspections; Information**. The Local Borrower shall permit the Authority and any party designated by the Authority to examine, visit and inspect, at any and all reasonable times, the property, if any, constituting the Project, and to inspect and make copies of any accounts, books and records, including (without limitation) its records regarding receipts, disbursements, contracts, investments and any other matters relating thereto and to its financial standing, and shall supply such reports and information as the Authority may reasonably require in connection therewith.

Section 5.4 **Adjustments for Ineligible Costs**. The Local Borrower shall promptly reimburse the Authority for any portion of the Loan which is determined to have been used for costs that are not eligible for funding under the Authority Act, the Federal Clean Water Act, as amended, or the Federal Safe Drinking Water Act, as amended, unless such matter is curable in some other manner by the Local Borrower to the satisfaction of the Authority. Such reimbursement shall be promptly repaid to the Authority upon written request of the Authority. Any such reimbursed principal amount will be applied to reduce the outstanding principal amount of the Loan.

Section 5.5 **Archaeological Artifacts**. In the event that archaeological artifacts or historical resources are discovered during construction excavation of the Project, the Local Borrower shall stop or cause to be stopped construction activities and will notify the State Historic Preservation Office and the Authority of such discovery.

## **Section 6**

### **Requirements Prior To Final Disbursements**

Section 6.1 **Plan of Operation**. After construction is 50% complete and prior to the release of the withholding, the Local Borrower will submit to the Authority a plan of operation which provides a concise, sequential description of an implementation schedule for those activities necessary to assure efficient and reliable start-up and continual operation of the Project.

Section 6.2 **Final Approval**. Prior to the release of the withholding, the Local Borrower will submit to the Authority (a) as-built drawings by a professional engineer that document all changes from the original plans and specifications (b) copies of all testing results performed by or under the supervision of a professional engineer as required by the specifications, and (c) Arizona Department of Environmental Quality (ADEQ) approval of construction or an engineer's Certificate of Completion certifying that all construction was completed in accordance with the plans and specifications or that any changes made are in conformance with the Arizona Revised Statutes, ADEQ and Environmental Protection Agency rules, permits and guidelines and are documented in the as-built drawings. Based on a review of the information submitted, the Authority reserves the right, prior to the release of the withholding, to request modifications to the Project, the system, or the materials submitted pursuant to this section.

## Exhibit C

### Reporting Requirements

Section 1. **Annual Loan Review.** The Authority’s Annual Loan Review Form and annual financial statements in a format approved by the Authority, including the report of any annual audit(s) and all audit reports required by governmental auditing standards and any applicable Arizona rules, shall be provided by the Local Borrower to the Authority within one-hundred and eighty (180) days after the end of each fiscal year of the Local Borrower. The Local Borrower shall complete all audits and submit all reports required by the federal Single Audit Act within the time limits under that federal law, currently within the earlier of 30 days after receipt of the auditor’s reports or nine months after the end of the audit period, unless a longer period is agreed to in advance by the federal agency that provided the funding or a different period is specified in a program-specific audit guide.

Section 2. **Records and Accounts.** The Local Borrower shall keep accurate records and accounts for the System, including records and accounts for the Project (the “*System Records*”), separate and distinct from its other records and accounts (the “*General Records*”). The Local Borrower must maintain the System Records in accordance with generally accepted accounting principles (GAAP), including standards relating to the reporting of infrastructure assets, as issued by the Governmental Accounting Standards Board (GASB) or by the Financial Accounting Standards Board (FASB), as applicable to the Local Borrower. If required by law, the Local Borrower must have the System Records audited annually by an independent accountant, which audit may be part of the annual audit of the General Records of the Local Borrower. The Local Borrower must make all System Records and General Records available for inspection by the Authority at any reasonable time.

Section 3. **Notice of Change In Key Personnel.** Promptly after becoming aware thereof, the Local Borrower shall provide notice in writing to the Authority of any change to the information in Section 1 of the Loan Agreement and any other change in key personnel connected to the Project and Loan.

Section 4. **Notice of Material Adverse Change.** The Local Borrower shall promptly notify the Authority of any material adverse change in the activities, prospects or condition (financial or otherwise), of the Local Borrower relating to the System, or in the ability of the Local Borrower to make all Loan Repayments from the Source of Repayment described in this Loan Agreement and otherwise to observe and perform its duties, covenants, obligations and agreements hereunder.

Section 5. **Disadvantaged Business Enterprise (DBE) Program.** The Local Borrower must report DBE participation to the Authority based on guidance from the Authority.

Section 6. **Notice of Default.** Promptly after becoming aware thereof, Local Borrower shall give notice to the Authority of (i) the occurrence of any Event of Default under the Loan Agreement or (ii) the occurrence of any breach, default, Event of Default, or event which with the giving of notice or lapse of time, or both, could become a material breach, default, or Event of Default (a “Future Breach”) under any agreement, indenture, mortgage, or other instrument

(other than the Loan Agreement) to which the Local Borrower is a party or by which it or any of its property is bound or affected. Local Borrower shall provide written notice to the Authority if the effect of such breach, default, Event of Default or Future Breach is to accelerate, or to permit the acceleration of, the maturity of any indebtedness under such agreement, indenture, mortgage, or other instrument; provided, however, that the failure of the Local Borrower to give such notice shall not affect the right and power of the Authority to exercise any and all of the remedies specified herein.

Section 7. **Notice of Construction Commencement.** The Local Borrower shall promptly notify the Authority immediately upon commencement of construction activities.

Section 8. **Notice of Non-Environmental Litigation.** Promptly after the commencement or overt threat thereof, Local Borrower shall provide the Authority with written notice of the commencement of all actions, suits, or proceedings before any court, arbitrator, or governmental department, commission, board, bureau, agency, or instrumentality affecting Local Borrower which, if adversely determined, could have a material adverse effect on the condition (financial or otherwise), operations, properties, or business of Local Borrower, or on the ability of Local Borrower to perform its obligations under the Loan Agreement.

Section 9. **Notice of Environmental Litigation.** Without limiting the provisions of Section 8 above, promptly after receipt thereof, Local Borrower shall provide the Authority with written notice of the receipt of all pleadings, orders, complaints, indictments, or other communication alleging a condition that may require Local Borrower to undertake or to contribute to a cleanup or other response under laws relating to environmental protection, or which seek penalties, damages, injunctive relief, or criminal sanctions related to alleged violations of such laws, or which claim personal injury to any person or property damage as a result of environmental factors or conditions or which, if adversely determined, could have a material adverse effect on the condition (financial or otherwise), operations, properties, or business of Local Borrower, or on the ability of Local Borrower to perform its obligations under the Loan Agreement.

Section 10. **Regulatory and Other Notices.** Promptly after receipt or submission thereof, Local Borrower shall provide the Authority with copies of any notices or other communications received from or directed to any governmental authority with respect to any matter or proceeding which could have a material adverse effect on the condition (financial or otherwise), operations, properties, or business of Local Borrower, or the ability of Local Borrower to perform its obligations under the Loan Agreement, or which reveals a substantial non compliance with any applicable law, regulation or rule.

Section 11. **Other Information.** The Local Borrower shall submit to the Authority other information regarding the condition (financial or otherwise), or operation of the Local Borrower as the Authority may, from time to time, reasonably request.

Section 12. **Additional Reporting Requirements.** The Local Borrower shall refer to the Loan Agreement Addendum for wage rate reporting requirements.

## **Exhibit D Source of Repayment: System Revenues**

### **Section 1 Certain Definitions**

As used in this Loan Agreement, the following terms shall have the meanings set forth below unless the context clearly requires otherwise:

“Additional Parity Obligations” shall mean any additional obligations having a lien payable from Net Revenues of the System on a parity with the Loan Agreement which may hereafter be issued by the Local Borrower (or any financing conduit acting on behalf of the Local Borrower) in compliance with the terms in Section 3.

“Administrative Expenses” shall mean the reasonable cost or value of all services rendered by the Local Borrower and its various departments with respect to the System.

“Fund” shall mean the fund or funds into which the Local Borrower shall deposit the Revenues of the System.

“Net Revenues” shall mean that portion of the Revenues remaining after deducting sufficient funds for the Operation and Maintenance Expenses of the System.

“Operation and Maintenance Expenses” shall mean all costs reasonably incurred in connection with the operation, use and maintenance of the System, including (i) repairs necessary to keep the System in efficient and economical operating condition, (ii) the payments of premiums for insurance hereinafter required to be carried on the System, (iii) payments of reasonable Administrative Expenses and (iv) generally all expenses of the System except depreciation, interest expense related to the Loan Agreement, any Outstanding Parity Obligations, any Additional Parity Obligations, and interest expenses on any obligations subordinate to such obligations.

“Outstanding Parity Obligations” shall mean obligations issued and outstanding having a lien payable from Net Revenues of the System on a parity with the Loan Agreement.

“Revenues” shall mean and include all income, moneys and receipts to be received by the Local Borrower, directly or indirectly, from the ownership, use or operation of the System including any waste material or by-products of the System, and also including investment income.

### **Section 2 Source of Repayment and Rate Covenant Provisions**

1. It is understood and agreed that all payments with respect to the Loan shall be made only from the Source of Repayment, which is hereby pledged to the payment of all amounts due under the Loan. The “Source of Repayment” is the Net Revenues of the System as hereinafter provided. The Net Revenues are hereby pledged by the Local Borrower to the payment of all amounts due under the Loan and the repayment of such amounts shall be secured by a lien on and pledge of the Net Revenues on parity with the pledge and lien granted by the Local Borrower for the payment and security of Outstanding Parity Obligations and Additional Parity



Obligations. The amounts due under this Loan Agreement and any Outstanding Parity Obligations and Additional Parity Obligations (exclusive of the Local Borrower's repayment obligations with respect to those reserve fund credit instruments in connection with this Loan and any Additional Parity Obligations which shall be secured on a subordinate basis), shall be equally and ratably secured by said pledge and lien without one having priority over the other. The Local Borrower intends that this pledge shall be a prior and paramount lien on and a first pledge of the Net Revenues, as will be sufficient to make all payments on the Loan, and the Local Borrower covenants to make the payments under the Loan from the Net Revenues, except to the extent that it chooses to make such payments from other legally available funds at its sole option. In no event shall the Local Borrower be required to make the payments on the Loan from any revenues, receipts or sources not derived from the Net Revenues of the System.

2. The Local Borrower covenants and agrees that it will establish and maintain schedules of rates, fees and charges for all services supplied by the System which, after making reasonable allowance for contingencies and errors in estimates, shall produce Revenues in each fiscal year that are sufficient, (a) to pay the Operation and Maintenance Expenses of the System, (b) to produce an aggregate amount of Net Revenues equal the sum of (i) one hundred twenty percent (120%) of the aggregate of the debt service or comparable payments payable on the Loan, the Outstanding Parity Obligations, and any Additional Parity Obligations in such fiscal year, and (ii) one hundred percent (100%) of the aggregate of the debt service on comparable payments, separately payable and secured on a basis subordinate to the Loan by Net Revenues, and (c) to maintain all necessary fund balances required under the resolutions or agreements of the Local Borrower authorizing the Loan, the Outstanding Parity Obligations, and Additional Parity Obligations.

### **Section 3 Additional Parity Obligations**

The Local Borrower covenants and agrees that no other obligations of any kind will be issued that are payable from or enjoy a pledge of the Net Revenues having priority over the Loan.

It is understood and agreed that Additional Parity Obligations having a lien upon and payable from the Net Revenues may be issued on parity with the Loan, but only as provided herein and only to provide funds to make improvements and expansions to the existing System, to purchase capacity rights in sewage treatment plant facilities owned by other political subdivisions of the State, to purchase capacity rights in water treatment plant facilities owned by other political subdivisions of the State, to acquire land, rights in land or water rights for the System, to provide reasonable reserves for Outstanding Parity Obligations and Additional Parity Obligations, to refund Outstanding Parity Obligations and Additional Parity Obligations or the Loan or to refund other bonds of the Local Borrower, if any, whether revenue bonds, general obligation bonds or other bonds or obligations, issued to provide funds to construct or acquire additions, extensions, improvements, expansions or replacements to the System, subject to the following conditions:

(a) The Local Borrower will not, at the time of the issuance of such Additional Parity Obligations, be in default under any Outstanding Parity Obligations, Additional Parity Obligations, the Loan or under any resolution related thereto or providing for the issuance of Additional Parity Obligations or any related credit or reserve fund credit instrument;

(b) The issuance of Additional Parity Obligations will be duly authorized at an election, if required by law, except as to any bonds or obligations to be issued exclusively for the purpose of refunding any Outstanding Parity Obligations and Additional Parity Obligations or the Loan;

(c) The issuance of Additional Parity Obligations will be provided for by a resolution duly adopted by the Local Borrower's governing body and such Additional Parity Obligations will mature and interest will be paid on the same days of the year as Outstanding Parity Obligations and Additional Parity Obligations; and

(d) The Reserve Requirement (as defined in Exhibit E), as computed for the amount of Additional Parity Obligations to be issued, shall be available in the Reserve Fund (as defined in Exhibit E) in one of the following ways: (i) Additional Parity Obligation proceeds shall be immediately deposited to the Reserve Fund, or a separate account as may be required, in an amount equal to the increased Reserve Requirement, if any, for the Additional Parity Obligations, or a Reserve Fund surety acceptable to the Authority shall be purchased in such amount; or (ii) Additional Parity Obligations, or any other revenues of the Local Borrower lawfully available to be used for such deposit, may be deposited to the Reserve Fund in equal monthly deposits such that the Reserve Requirement for such Additional Parity Obligations shall be satisfied not more than four years from the date of delivery of such Additional Parity Obligations; or (iii) any combination of (i) and (ii). The Reserve Fund may be divided into separate and discrete subaccounts each pledged to different Additional Parity Obligations provided that each Additional Parity Obligation Reserve Requirement is satisfied in one of the foregoing manners; and

(e) the aggregate amount of the Net Revenues of the System for the last full fiscal year immediately preceding the issuance of such Additional Parity Obligation, as shown in a certificate or report of an independent public accountant or firm of such accountants presented to the Authority, has been at least equal to the sum of the following: (i) not less than one hundred twenty percent (120%) of the highest year's debt service or comparable payments on all of the Outstanding Parity Obligations, the Loan, and the Additional Parity Obligations then to be issued, and (ii) not less than one hundred percent (100%) of the aggregate of amounts payable in such fiscal year and secured on a subordinate basis by such Net Revenues and (iii) not less than one hundred percent (100%) of any additional amounts required to maintain or fund necessary fund balances under the resolutions or agreements of the Local Borrower relating to the obligations described in (i).

For the purposes of the subparagraph (e), additional amounts may be added to the Net Revenues as shown on the accountant's certificate or report in the following circumstances:

(1) If the Revenues have been increased as a result of construction of additions or acquisitions to the System made prior to the issuance of such Additional Parity Obligations but during either the fiscal year in which the Additional Parity Obligations are to be issued or in the preceding fiscal year, such increased Revenues may be treated as if such additions to the System were completed on the first day of the fiscal year used for purposes of computation. The Revenues derived from such additions and acquisitions to the System may

be converted for purposes of computation to estimated Net Revenues which would have been derived therefrom if said additions and acquisitions had actually been completed on the first day of the year used for computation purposes, such estimates to be made by a professional firm experienced in estimating future revenues and expenses of water and sewer systems and having a recognized reputation for that work.

(2) If all or part of the proceeds of the Additional Parity Obligations are to be expended for the acquisition of existing water properties or facilities, there may be added to the Net Revenues of such preceding fiscal year the Net Revenues which would have been derived from the operation of such properties or facilities if such properties or facilities had been acquired and operated by the Local Borrower under the Local Borrower's applicable rate schedule during the entire preceding fiscal year, such Net Revenues to be estimated by a professional firm experienced in estimating future revenues and expenses of water and sewer systems and having a recognized reputation for that work.

(3) If prior to the issuance of the Additional Parity Obligations and subsequent to the first day of such preceding fiscal year, the Local Borrower shall have increased its rates or charges imposed for water services, there may be added to the Net Revenues of such fiscal year the additional Net Revenues which would have been received from the operation of the System during such fiscal year had such increase been in effect throughout such fiscal year, such additional Net Revenues to be estimated by a professional firm experienced in estimating future revenues and expenses of water and sewer systems and having a recognized reputation for that work.

For purposes of calculations under this subparagraph (e), if Additional Parity Obligations are to be issued exclusively for the purpose of refunding or retiring a portion of Outstanding Parity Obligations or this Loan, for the purpose of the calculation required under this subparagraph (e), the percentage requirement on such obligations will be taken into consideration only in any future fiscal year in which any fractional part of such obligations will remain outstanding after the issuance of such Additional Parity Obligations; provided that nothing herein contained shall be construed to limit or restrict the issuance of any Additional Parity Obligations if, before or as a result of the issuance and delivery of such Additional Parity Obligations, any other obligations theretofore issued will no longer be outstanding, or full payment for any such obligations will be provided for by funds from the bond or obligation proceeds.

## **Exhibit E Debt Service Reserve Requirements**

### **Held by Local Borrower – No Separate Account**

No debt service reserve fund shall be required to be funded unless in a given fiscal year Net Revenues as established in Exhibit D of this loan agreement fail to equal one hundred fifty percent (150%) of the aggregate of the debt service or comparable payments payable on the Outstanding Parity Obligations in the current or any future fiscal year. If the Local Borrower does not meet this coverage requirement, the Local Borrower covenants and agrees to fund a Reserve Fund (as hereinafter defined) in cash in accordance with this Exhibit commencing on the July 15 following the fiscal year in which the Net Revenues are less than 150 percent of the aggregate debt service or comparable payments payable on the Outstanding Parity Obligations in the current or any future fiscal year, by paying (1) on such July 15 and each January 15 and July 15 thereafter, an amount equal to one-tenth (1/10) of the amount required to fund and maintain the Reserve Fund in an amount equal to the Reserve Requirement (as hereinafter defined) until such time as the amount on deposit in the Reserve Fund shall equal the Reserve Requirement and (2) on the fifteenth (15) day of each month, commencing on the first (1st) day of the month following a payment made on the Loan from the Reserve Fund, an amount equal to one-twelfth (1/12) of the amount which, when added to the balance then in the Reserve Fund, shall be equal to the Reserve Requirement. "Reserve Requirement" shall mean at the time of deposit to the Reserve Fund, an amount equal to the highest amount of Loan Repayments to be paid by the Local Borrower in any subsequent fiscal year as shown in the Loan Repayment Schedule in Exhibit A, provided, however, that such amount shall not exceed the least of (a) ten percent (10%) of the net proceeds of the Loan as originally negotiated, (b) the greatest amount to be paid in any subsequent fiscal year of the Town with respect to the Loan as originally negotiated or (c) one hundred twenty-five percent (125%) of the average annual debt service as originally negotiated. The amount of the Reserve Requirement, and the amount of the required monthly build-up of cash in the Reserve Fund, will be adjusted to reflect any adjustment of the Loan Repayment Schedule in Exhibit A upon and after the delivery of Authority Bonds to finance the Loan or any other adjustment to the Loan Repayment Schedule in Exhibit A.

The Local Borrower shall maintain a balance which shall be, at a minimum, an amount equivalent to the Reserve Requirement (the "Minimum Balance"). The Local Borrower shall cause to be deposited in the account holding the Reserve Fund on or before the first Business Day of each month that monthly deposit as set forth in Exhibit A to cause the Reserve Requirement to be fully funded (the "Reserve Fund"); provided, however, that once the Minimum Balance is achieved such deposits shall no longer be required so long as the Minimum Balance is maintained. For so long as the Loan is outstanding, if, on any date payment is due, the Local Borrower has not paid to the Authority an amount equal to the amount of principal and interest due on the Loan pursuant to Section 3.3 of the Loan Agreement, the Local Borrower shall, on dates noted above, make such payment from the Minimum Balance and shall then deposit the first Net Revenues available (after provision is made for payment of any amounts which have become due under the Loan) an amount sufficient to cause the Minimum Balance to be at least equal to the amount then required.

Notwithstanding anything herein to the contrary, if, after the Local Borrower has been required to make deposits to the Reserve Fund as provided in the first paragraph, the Net Revenues for two consecutive fiscal years equal or exceed 150 percent of the aggregate of the debt service or comparable payments payable on the Outstanding Parity Obligations in the current or any future fiscal year for such fiscal years, any moneys held in the Reserve Fund may be released and used by the Local Borrower for any lawful purpose, and the Local Borrower's obligation to maintain the Reserve Requirement in the Reserve Fund shall terminate, subject to the first paragraph for funding the Reserve Fund if the circumstances described in the first paragraph occur.

The Local Borrower shall keep adequate and accurate records of moneys, investments and investment earnings on the Reserve Fund and the Authority shall have the right to audit the records of the Local Borrower insofar as they pertain to the Minimum Balance.

When all amounts payable by the Local Borrower under the Loan have become due, and all such amounts have been paid Local Borrower shall no longer be required to maintain the Minimum Balance.

The Local Borrower covenants and agrees that the investment of the Minimum Balance for the Loan Repayments shall at all times after the issuance of Authority Bonds to fund the Loan be restricted to a yield not greater than the yield on the Authority's Bonds, which shall be certified at the date of such Bond issuance to the Local Borrower by the Authority based upon certification to the Authority by the underwriters of the Authority's Bonds. The Local Borrower shall maintain adequate records of investment to reflect compliance with this covenant.

## **Exhibit F Replacement Reserve Requirements**

### **Held By Local Borrower – No Separate Account**

The Local Borrower shall either spend or maintain a replacement reserve (the “Replacement Reserve”) in accordance with Exhibit A. The Replacement Reserve shall be used for one or more of the following purposes: (i) the acquisition of new, or the replacement of obsolete or worn out, machinery, equipment, furniture, fixtures or other personal property for the System provided that the property is depreciable; (ii) the performance of repairs with respect to the System which are of an extraordinary and non-recurring nature provided that the property is depreciable; and/or (iii) the acquisition or construction of additions to or improvements, extensions or enlargements to, or remodeling of, the System provided that the property is depreciable (collectively, the “Permitted Uses”).

For so long as the Loan is outstanding, if on any interest payment date or principal repayment date the Local Borrower has not paid to the Authority an amount equal to the amount of principal and interest due on the Loan pursuant to the Loan Agreement, and the Reserve Fund does not hold sufficient moneys to cover the deficiency, the Local Borrower shall transfer amounts, if any, set aside for the Replacement Reserve to the Authority to cover the deficiency.

When all amounts payable by the Local Borrower under the Loan have become due, and all such amounts have been paid, and after any Outstanding Parity Obligations have been paid, any amounts set aside for the Replacement Reserve will become available to the Local Borrower for general use.

**Exhibit G Form of Opinion of Local Borrower Counsel**

Enter Date of Opinion

Water Infrastructure Finance Authority of Arizona  
Phoenix, Arizona

Ladies and Gentlemen:

I am an attorney admitted to practice in the State of Arizona and I have acted as counsel to the Town of Queen Creek (the “*Local Borrower*”), which has entered into a Loan Agreement (as hereinafter defined) with the Water Infrastructure Finance Authority of Arizona (the “*Authority*”), and have acted as such in connection with the authorization, execution and delivery by the Local Borrower of the Loan Agreement (as hereinafter defined). Terms used and not otherwise defined herein have the meanings given to them in the Loan Agreement.

In so acting I have examined the Constitution and laws of the State of Arizona. I have also examined originals, or copies certified or otherwise identified to my satisfaction, of the following:

(a) the Loan Agreement, dated as of **TBD** (the “*Loan Agreement*”) by and between the Authority and the Local Borrower; and

(b) proceedings of the governing board of the Local Borrower relating to the approval of the Loan Agreement and the Local Borrower Bond and the execution, issuance and delivery thereof on behalf of the Local Borrower, and the authorization of the undertaking and completion of the Project, including the proceedings relating to the election held on Enter Election Date on the question of authorizing the Local Borrower to enter into loan agreements with the Authority and/or issue the Local Borrower Bond, of which there is authorized but unissued capacity at least equal to the principal amount of the Loan.

I have also examined and relied upon originals, or copies certified or otherwise authenticated to my satisfaction, of such other records, documents, certificates and other instruments, and made such investigation of law as in my judgment I have deemed necessary or appropriate to enable me to render the opinions expressed below.

Based upon the foregoing, I am of the opinion that:

1. The Local Borrower is a political subdivision of the State of Arizona with the legal right to carry on the business of the System as currently being conducted and as proposed to be conducted.
2. The Local Borrower has full legal right and authority to pledge the Source of Repayment for the Loan Repayments and to execute and deliver the Loan Agreement, and to observe and perform its duties, covenants, obligations and agreements thereunder and to undertake and complete the Project; subject, however, to the effect of restrictions and limitations imposed by or

resulting from, bankruptcy, insolvency, moratorium, reorganization, debt adjustment or other similar laws affecting creditors rights generally (“*Creditor’s Rights Limitations*”) heretofore or hereafter enacted.

3. The Local Borrower has duly and validly pledged the Source of Repayment for the punctual payment of the principal of and interest on the Loan and all other amounts due under the Loan Agreement and the Local Borrower Bond according to their respective terms.

4. All additional debt tests and reserve and other requirements applicable to the Local Borrower with respect to the pledge of the Source of Repayment have been satisfied.

5. The authorizing proceedings of the Local Borrower’s governing body approving the Loan Agreement and authorizing its execution, issuance and delivery on behalf of the Local Borrower, and authorizing the Local Borrower to undertake and complete the Project (hereinafter collectively called the “*Authorizing Resolutions*”) have been duly and lawfully adopted and authorized in accordance with applicable Arizona law, at a meeting or meetings which were duly called pursuant to necessary public notice and held in accordance with applicable Arizona law, and at which quorums were present and acting throughout.

6. The Loan Agreement has been duly authorized, executed and delivered by the authorized officers of the Local Borrower; and, assuming that the Authority has all the requisite power and authority to authorize, execute and deliver, and has duly authorized, executed and delivered the Loan Agreement, the Loan Agreement constitutes the legal, valid and binding obligation of the Local Borrower enforceable in accordance with its terms; subject, however, to the effect of and to restrictions and limitations imposed by or resulting from Creditor’s Rights Limitations or other laws, judicial decisions and principles of equity relating to the enforcement of contractual obligations generally.

7. To the best of my knowledge, after such investigation as I have deemed appropriate, the authorization, execution and delivery of the Loan Agreement by the Local Borrower, the observance and performance by the Local Borrower of its duties, covenants, obligations and agreements thereunder and the consummation of the transactions contemplated therein and the undertaking and completion of the Project do not and will not contravene any existing law or any existing order, injunction, judgment, decree, rule or regulation of any court or governmental or administrative agency, authority or person having jurisdiction over the Local Borrower or its property or assets or result in a breach or violation of any of the terms and provisions of, or constitute a default under, any existing bond resolution, trust agreement, indenture, mortgage, deed of trust or other agreement to which the Local Borrower is a party or by which it, the System or its property or assets is bound.

8. To the best of my knowledge, after such investigation as I have deemed appropriate, all approvals, consents or authorizations of, or registrations of or filings with, any governmental or public agency, authority or person required to date on the part of the Local Borrower in connection with the authorization, execution, delivery and performance of the Loan Agreement, and the undertaking and completion of the Project have been obtained or made.



9. To the best of my knowledge, after such investigation as I have deemed appropriate, there is no litigation or other proceeding pending or threatened in any Court or other tribunal of competent jurisdiction (either State or Federal) questioning the creation, organization or existence of the Local Borrower or the validity, legality or enforceability of the Loan Agreement, or the undertaking or completion of the Project.

This opinion is rendered on the basis of Federal law and the laws of the State of Arizona as enacted and construed on the date hereof. I express no opinion as to any matter not set forth in the numbered paragraphs herein.

Very truly yours,

## Exhibit H Tax Compliance Certificate of Local Borrower

Water Infrastructure Finance Authority of Arizona

\$45,518,694.00 Loan to Town of Queen Creek

The Water Infrastructure Finance Authority of Arizona (the “Authority”) and Town of Queen Creek (the “Local Borrower”) are entering into a Loan Agreement (the “Loan Agreement”) in the maximum principal amount stated above pursuant to which the Authority will make a loan (the “Loan”) to the Local Borrower. In connection with its state revolving fund programs, the Authority issues its bonds (“Authority Bonds”) from time to time to finance loans and the Authority also pledges certain loans to secure and to serve as the source of payment for the Authority Bonds. As a result, and under the provisions of federal tax law applicable to the Authority Bonds, it is in the Authority’s interest for the Loan to qualify and be a Tax-Exempt Obligation that is not an AMT Obligation. Therefore, in order to establish certain facts necessary for the Loan to qualify and be treated as a Tax-Exempt Obligation that is not an AMT Obligation, and as required by the provisions of the Loan Agreement, the Local Borrower by its officer signing this Certificate, certifies, represents, and covenants as follows with respect to the Loan. All statements in this Certificate are of facts or, as to events to occur in the future, reasonable expectations.

### I. DEFINITIONS

1.10. Attachment A. The definitions and cross-references set forth in Attachment A apply to this Certificate and its Attachments. All terms relating to a particular issue, such as Sale Proceeds, relate to the Loan, unless indicated otherwise. (For example, “Sale Proceeds” refers to Sale Proceeds of the Loan, unless indicated otherwise.)

1.20. Special Definitions. Terms used herein, to the extent not defined in Attachment A or below, have the same meaning as defined in the Loan Agreement. In addition, the following definitions apply to this Certificate and its Attachments:

“Aggregate Issue” means the Clean Water Loan and the Issue.

“Instructions” means the Rebate Instructions attached hereto as Attachment A-1.

“Issue” means the Loan.

“Issuer” means the Local Borrower.

“Project” means the financing of a portion of the costs of acquisition, construction and improvement of facilities to be financed by the Loan and includes Issuance Costs and interest on the Loan for up to three years from the Issuance Date or, if later, one year after the date the Project is placed in service, all of which are governmental purposes for purposes of the Code.

“Reserve Fund” is defined in 3.40(a).

1.30. References. Reference to a Section means a section of the Code. Reference by number only (for example, “2.10”) means that numbered paragraph of this Certificate. Reference to an Attachment means an attachment to this Certificate.

## II. ISSUE DATA

2.10. Issuer. The Issuer is a Governmental Unit.

2.20. Purpose of Issue. The Issue is being issued to provide funds to pay costs of the Project.

2.30. Dates. The Sale Date of the Issue is the date on which the Loan Agreement is executed and delivered by the Authority and the Local Borrower, and the Issuance Date of the Issue is the first date on which the aggregate draws under the Loan exceed the lesser of \$50,000 or 5% of the principal amount of the Loan.

2.40. Issue Price. The Issue Price of the Issue is the principal amount actually advanced by the Authority to the Issuer as the Loan.

2.50. Sale Proceeds, Net Proceeds, and Net Sale Proceeds. The amount of Sale Proceeds equals the Issue Price. The amount of Net Proceeds equals the Issue Price minus the amount of Proceeds (if any) deposited in the Reserve Fund (if any). The amount of Net Sale Proceeds equals the amount of Net Proceeds minus the Minor Portion.

2.60. Disposition of Sale Proceeds. There will be no Pre-Issuance Accrued Interest with respect to the Issue. The Sale Proceeds will be used to pay costs of the Project and, if applicable, to fund the Reserve Fund (if any).

2.70. Higher Yielding Investments. Gross Proceeds will not be invested in Higher Yielding Investments except for (A) the Minor Portion to the extent provided in 3.80, (B) those Gross Proceeds identified in 3.10, 3.20, and 3.30, but only during the applicable Temporary Periods there described for those Gross Proceeds, and (C) Gross Proceeds held in the Reserve Fund (if any) to the extent set forth in 3.40(a).

2.80. Single Issue. No other obligations have been or will be sold less than 15 days before or after the Sale Date pursuant to the same plan of financing with the Issue that are expected to be paid from substantially the same source of funds as the Issue, determined without regard to guarantees from a person who is not a Related Party to the Issuer. Accordingly, no obligations other than those of the Issue are a part of a single issue with the Issue.

## III. ARBITRAGE (NONREBATE) MATTERS

3.10. Use of Net Sale Proceeds and Pre-Issuance Accrued Interest; Temporary Periods.

(A) Pre-Issuance Accrued Interest. There will be no Pre-Issuance Accrued Interest with respect to the Issue.

(B) Payment of Costs of the Project.

(1) All of the Net Sale Proceeds will be used to pay costs of the Project. Such Sale Proceeds may be used to acquire or hold Higher Yielding Investments for a period ending on the third anniversary of the Issuance Date (such period being the Temporary Period for such amount) because the following three tests are reasonably expected to be satisfied:

(i) At least 85% of the Net Sale Proceeds will be allocated to expenditures on the Project by the end of the Temporary Period;

(ii) Within 6 months of the Issuance Date, the Issuer will incur substantial binding obligations to third parties to expend at least 5% of the Net Sale Proceeds on the Project; and

(iii) Completion of the Project and allocation of the Net Sale Proceeds to expenditures will proceed with due diligence.

Any Sale Proceeds that remain unspent on the third anniversary of the Issuance Date, which is the expiration date of the Temporary Period for such Proceeds, shall not be invested in Higher Yielding Investments with respect to the Issue after that date except as part of the Minor Portion. In complying with the foregoing sentence, the Issuer may take into account “yield reduction payments” (within the meaning of Regulations §1.148-5(c)) paid to the United States.

(2) Any Reimbursement Allocation will qualify as a Reimbursement of Prior Capital Expenditures and will be made by an entry in the financial records of the Issuer kept with respect to the Issue showing that Sale Proceeds of the Issue have been returned to the fund or account of the Issuer from which such amount was originally and temporarily advanced to finance Capital Expenditures paid before this date by not more than (A) 18 months after the later of the date such Capital Expenditures were paid or the date on which the property resulting from such Capital Expenditures and comprising part of the Project was placed in service or (B) three years after the original expenditures were paid.

3.20. Investment Proceeds. Any Investment Proceeds will be used to pay costs of the Project and may be invested in Higher Yielding Investments during the Temporary Period identified in 3.10(B)(1) or, if longer, one year from the date of receipt, such period being the Temporary Period for such Proceeds.

3.30. Payment Fund. Amounts deposited from time to time in the fund of the Issuer from which payments will be made on the Issue, which is a Bona Fide Debt Service Fund, will be used to pay Debt Service on the Issue within 13 months after the amounts are so deposited, such period being the Temporary Period for such amounts.

3.40. Reserve Funds.

(A) Debt Service Reserve Fund. If (and only if) the Loan Agreement requires the funding of a debt service reserve fund (“Reserve Fund”) in cash: The amount of Proceeds of the Loan deposited in the Reserve Fund shall not exceed

10% of the stated principal amount of the Loan. Amounts in the portion of the Reserve Fund allocable to the Issue may be invested in Higher Yielding Investments with respect to the Issue to the extent that such amounts do not exceed the least of (i) 10% of the principal amount of the Issue; (ii) maximum annual Debt Service; and (iii) 125% of average annual Debt Service. Any amounts in the portion of the Reserve Fund allocable to the Issue in excess of the least of these amounts will not be invested in Higher Yielding Investments with respect to the Issue. In complying with the yield restriction set forth in this Section, the Issuer may take into account “yield reduction payments” (within the meaning of Regulations § 1.148-5(c)) timely paid or to be timely paid to the United States because amounts in the Reserve Fund (other than investment earnings) are not reasonably expected to be used to pay Debt Service other than in connection with reductions in the amount required to be in the Reserve Account. The establishing and funding of the Reserve Fund was reasonably required by the Authority as a condition of making the Loan.

(B) Replacement Reserve Fund. If (and only if) the Loan Agreement requires the funding of a replacement reserve fund (“Replacement Reserve Fund”) in cash: The Replacement Reserve Fund may be used for one or more of the following purposes: (i) the acquisition of new, or the replacement of obsolete or worn out, machinery, equipment, furniture, fixtures or other personal property for the Issuer’s utility system, provided that the property is depreciable; (ii) the performance of repairs with respect to the Issuer’s utility system that are of an extraordinary and non-recurring nature, provided that the property is depreciable; (iii) the acquisition or construction of additions to or improvements, extensions or enlargements to, or remodeling of, the Issuer’s utility system, provided that the property is depreciable; and/or (iv) to make Debt Service payments to the Authority on the Issue (collectively, the “Permitted Uses”). The Issuer reasonably expects to use amounts in the Replacement Reserve Fund for Permitted Uses other than to make Debt Service payments to the Authority on the Issue, and therefore there is no reasonable assurance of the availability of those amounts to make Debt Service payments to the Authority on the Issue if the Issuer encounters financial difficulties

3.50. No Other Replacement Fund or Assured Available Funds. Except as described in 3.30 and, if and to the extent applicable, 3.40(A), , the Issuer has not established and does not expect to establish or use any sinking fund, debt service fund, redemption fund, reserve or replacement fund, or similar fund, or any other fund to pay Debt Service on the Issue. Except for money referred to in 3.30 and Proceeds of a Refunding Issue, if any, no other money or Investment Property is or will be pledged as collateral or used for the payment of Debt Service on the Issue (or for the reimbursement of any others who may provide money to pay that Debt Service), or is or will be restricted, dedicated, encumbered, or set aside in any way as to afford the holders of the Issue reasonable assurance of the availability of such money or Investment Property to pay Debt Service on the Issue.

3.60. No Overissuance. The Proceeds of the Issue are not reasonably expected to exceed the amount needed for the governmental purposes of the Issue as set forth in 2.20.

3.70. Other Uses of Proceeds Negated. Except as stated otherwise in this Certificate, none of the Proceeds of the Issue will be used:

(A) to pay principal of or interest on, refund, renew, roll over, retire, or replace any other obligations issued by or on behalf of the Issuer or any other Governmental Unit,

(B) to replace any Proceeds of another issue that were not expended on the project for which such other issue was issued,

(C) to replace any money that was or will be used directly or indirectly to acquire Higher Yielding Investments,

(D) to make a loan to any person or other Governmental Unit,

(E) to pay any Working Capital Expenditure other than expenditures identified in Regulations §1.148-6(d)(3)(ii)(A) and (B) (i.e., Issuance Costs of the Issue, Qualified Administrative Costs, reasonable charges for a Qualified Guarantee or for a Qualified Hedge, interest on the Issue for a period commencing on the Issuance Date of the Issue and ending on the date that is the later of three years from such Issuance Date or one year after the date on which the project financed or refinanced by the Issue was or will be placed in service, payments of the Rebate Amount, and costs, other than those already described, that do not exceed 5% of the Sale Proceeds and that are directly related to Capital Expenditures financed or deemed financed by the Issue, principal or interest on an issue paid from unexpected excess Sale Proceeds or Investment Proceeds, and principal or interest on an issue paid from investment earnings on a reserve or replacement fund that are deposited in a Bona Fide Debt Service Fund), or

(F) to reimburse any expenditures made prior to the Issuance Date except those that qualify as a Reimbursement of Prior Capital Expenditures.

No portion of the Issue is being issued solely for the purpose of investing Proceeds in Higher Yielding Investments.

3.80. Minor Portion. The Minor Portion is equal to the lesser of 5% of the Sale Proceeds of the Issue and \$100,000. Such Minor Portion may be invested in Higher Yielding Investments with respect to the Issue.

3.90. No Other Replacement Proceeds. That portion of the Issue that is to be used to finance Capital Expenditures has a weighted average maturity that does not exceed 120% of the weighted average reasonably expected economic life of the property resulting from such Capital Expenditures.

#### IV. REBATE MATTERS

4.10. Issuer Obligation Regarding Rebate. Consistently with its covenants contained in the Loan Agreement, the Issuer will calculate and make, or cause to be calculated and made,

payments of the Rebate Amount in the amounts and at the times and in the manner provided in Section 148(f) with respect to Gross Proceeds to the extent not exempted under Section 148(f)(4) and the Instructions.

4.20. No Avoidance of Rebate Amount. No amounts that are required to be paid to the United States will be used to make any payment to a party other than the United States through a transaction or a series of transactions that reduces the amount earned on any Investment Property or that results in a smaller profit or a larger loss on any Investment Property than would have resulted in an arm's length transaction in which the Yield on the Issue was not relevant to either party to the transaction.

4.30. Exceptions.

(A) Small Issuer Exception. The Issue is exempt under Section 148(f)(4)(D) from the rebate requirement **if all** of the following requirements are satisfied:

(1) The Issuer is a Governmental Unit with general taxing powers within the meaning of Section 148(f)(4)(D), and

(2) No part of the Issue is a Private Activity Bond, and

(3) All of the Net Proceeds will be used for "local governmental activities" of the Issuer within the meaning of Section 148(f)(4)(D) and none of the Net Proceeds will be used for any Private Business Use, and

(4) The aggregate principal amount of all Tax-Exempt Obligations, including the Issue, issued or to be issued by the Issuer, its subordinate entities and entities that issue any such obligations on behalf of the Issuer, or on behalf of which the Issuer issues any such obligations, during the current calendar year does not, and is not reasonably expected to, exceed \$5,000,000. The Tax-Exempt Obligations taken into account for this purpose exclude any Private Activity Bonds and any Current Refunding Portion and Current Refunding Issue to the extent that the amount of such Current Refunding Portion or Current Refunding Issue does not exceed the outstanding amount of the obligations refunded by such Current Refunding Portion or Current Refunding Issue. No entity has been or will be formed or availed of to avoid the purposes of Section 148(f)(4)(D)(i)(IV).

**If, but only if, all of the above requirements are satisfied, check here:**

**and sign here:** \_\_\_\_\_

(B) General Exception. Notwithstanding the foregoing, the computations and payments of amounts to the United States referred to in IV need not be made to the extent that the Issuer will not thereby fail to comply with any requirements of Section 148(f) and the Instructions based on an opinion of bond counsel.

4.40. Election. The Issue is a Construction Issue. The Issuer hereby elects to apply the 2-year spending exception to the rebate requirements on the basis of actual facts instead of the Issuer's reasonable expectations.

## V. OTHER TAX MATTERS

5.10. Not Private Activity Bonds or Pool Bonds. No obligation of the Issue will be a Private Activity Bond or a pooled financing bond (within the meaning of Section 149(f)), based on the following:

(A) Not more than 5% of the Proceeds, if any, directly or indirectly, will be used for a Private Business Use and not more than 5%, if any, of the Debt Service on the Issue, directly or indirectly, will be secured by any interest in property used or to be used for a Private Business Use or payments in respect of such property, or will be derived from payments (whether or not to the Issuer) in respect of property, or borrowed money, used or to be used for a Private Business Use.

(B) Less than 5% of the Proceeds, if any, will be used to make or finance loans to any Private Person or Governmental Unit other than the Issuer.

(C) The lesser of the Proceeds that are being or will be used for any Private Business Use or the Proceeds with respect to which there are payments or (borrowed money) that are being or will be used for any Private Business Use does not exceed \$15,000,000 and none of the Proceeds will be used with respect to an "output facility" (other than a facility for the furnishing of water) within the meaning of Section 141(b)(4).

(D) The Issuer does not expect to sell or otherwise dispose of the Project or any portion thereof during the term of the Issue except for dispositions of property in the normal course at the end of such property's useful life to the Issuer. With respect to tangible personal property, if any, that is part of the Project, the Issuer reasonably expects that:

(1) Dispositions of such tangible personal property, if any, will be in the ordinary course of an established governmental program;

(2) The weighted average maturity of the obligations of the Issue financing such property (treating the obligations of the Issue properly allocable to such personal property as a separate issue for this purpose) will not be greater than 120% of the reasonably expected actual use of such property for governmental purposes;

(3) The fair market value of such property on the date of disposition will not be greater than 25% of its cost;

(4) The property will no longer be suitable for its governmental purposes on the date of disposition; and



(5) The amounts received from any disposition of such property are required to be, and will be, commingled with substantial tax or other governmental revenues and will be spent on governmental programs within 6 months from the date of such deposit and commingling.

5.20. Issue Not Federally Guaranteed. The Issue is not Federally Guaranteed.

5.30. Not Hedge Bonds. At least 85% of the Spendable Proceeds will be used to carry out the governmental purposes of the Issue within three years from the Issuance Date. Not more than 50%, if any, of the Proceeds will be invested in Nonpurpose Investments having a substantially guaranteed Yield for four years or more (including but not limited to any investment contract or fixed yield investment having a maturity of four years or more). The reasonable expectations stated above are not based on and do not take into account (A) any expectations or assumptions as to the occurrence of changes in market interest rates or changes of federal tax law or regulations or rulings thereunder or (B) any prepayments of items other than items that are customarily prepaid.

5.40. Hedge Contracts. The Issuer has not entered into, and does not reasonably expect to enter into, any Hedge with respect to the Issue, or any portion thereof. The Issuer acknowledges that entering into a Hedge with respect to the Issue, or any portion thereof, may change the Yield and that Bond Counsel should be contacted prior to entering into any Hedge with respect to the Issue in order to determine whether payments/receipts pursuant to the Hedge will be taken into account in computing the Yield.

5.50. Internal Revenue Service Information Return. Within the time and on the form prescribed by the Internal Revenue Service under Section 149(e), the Issuer will file with the Internal Revenue Service an Information Return setting forth the required information relating to the Issue. The information reported on that Information Return will be true, correct, and complete to the best of the knowledge and belief of the undersigned.

5.60. Responsibility of Officer.

(A) The officer signing this Certificate is one of the officers of the Issuer responsible for issuing the Issue.

(B) To the best of the knowledge, information, and belief of the undersigned, all expectations stated in this Certificate are the expectations of the Issuer and are reasonable, all facts stated are true, and there are no other existing facts, estimates, or circumstances that would or could materially change the statements made in this Certificate. The certifications and representations made in this Certificate are intended to be relied upon as certifications described in Regulations § 1.148-2(b). The Issuer acknowledges that any change in the facts or expectations from those set forth in this Certificate may result in different requirements or a change in status of the Issue or interest thereon under the Code, and that bond counsel should be contacted if such changes are to occur or have occurred.

Town of Queen Creek

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

## List of Attachments

Attachment A -- Definitions for Tax Compliance Certificate

Attachment A-1 -- Rebate Instructions

## Attachment A

### Definitions for Tax Compliance Certificate of Local Borrower

The following terms, as used in Attachment A and in the Tax Compliance Certificate to which it is attached and in the other Attachments to the Tax Compliance Certificate, have the following meanings unless therein otherwise defined or unless a different meaning is indicated by the context in which the term is used. Capitalized terms used within these definitions that are not defined in Attachment A have the meanings ascribed to them in the Tax Compliance Certificate to which this Attachment A is attached. The word “Issue,” in lower case, refers either to the Issue or to another issue of obligations or portion thereof treated as a separate issue for the applicable purposes of Section 148, as the context requires. The word “obligation” or “obligations,” in lower case, includes any obligation, whether in the form of bonds, notes, certificates, or any other obligation that is a “bond” within the meaning of Section 150(a)(1). All capitalized terms used in this Certificate include either the singular or the plural. All terms used in this Attachment A or in the Tax Compliance Certificate to which this Attachment A is attached, including terms specifically defined, shall be interpreted in a manner consistent with Sections 103 and 141-150 and the applicable Regulations thereunder except as otherwise specified. All references to Section, unless otherwise noted, refer to the Code.

“Advance Refunding Issue” means any Refunding Issue that is not a Current Refunding Issue.

“Advance Refunding Portion” means that portion of a Multipurpose Issue that constitutes a separate governmental purpose and that would be treated as an Advance Refunding Issue if it had been issued as a separate issue.

“AMT Obligation” means a Tax-Exempt Obligation the interest on which is an item of tax preference for purposes of the alternative minimum tax imposed on individuals and corporations under the Internal Revenue Code.

“Available Construction Proceeds” means an amount equal to (a) the sum of (i) the Issue Price of an issue, (ii) Investment Proceeds on that Issue Price, (iii) earnings on any reasonably required reserve or replacement fund allocable to the issue not funded from the Issue Price, and (iv) Investment Proceeds and earnings on (ii) and (iii), (b) reduced by the portions, if any, of the Issue Price of the issue (i) attributable to Pre-Issuance Accrued Interest and earnings thereon, (ii) allocable to the underwriter’s discount, (iii) used to pay other Issuance Costs of the issue, and (iv) deposited in a reasonably required reserve or replacement fund allocable to the issue. “Available Construction Proceeds” does not include Investment Proceeds or earnings on a reasonably required reserve or replacement fund allocable to the issue for any period after the earlier of (a) the close of the 2-year period that begins on the Issuance Date or (b) the date the construction of the project financed by the issue is substantially completed, provided, however, that such Investment Proceeds or earnings shall be excluded from “Available Construction Proceeds” if the Issuer has timely elected such exclusion. If an issue is a Multipurpose Issue that includes a New Money Portion that is a Construction Issue, this definition shall be applied by substituting “New Money Portion” for “issue” each place the latter term appears. If an issue or the New Money Portion of a Multipurpose Issue, as applicable, is

not a Construction Issue, and the Issuer makes the bifurcation election under Regulations §1.148-7(j)(1) and Section 148(f)(4)(C)(v) to treat the issue or the New Money Portion as two separate issues consisting of the Construction Portion and the Nonconstruction Portion, this definition shall be applied by substituting “Construction Portion” for “issue” each place the latter term appears.

“Bona Fide Debt Service Fund” means a fund, including a portion of or an account in that fund (or in the case of a fund established for two or more issues, the portion of that fund properly allocable to an issue), or a combination of such funds, accounts or portions that is used primarily to achieve a proper matching of revenues with Debt Service on an issue within each Bond Year and that is depleted at least once each year except for a reasonable carryover amount not to exceed the greater of the earnings thereon for the immediately preceding Bond Year or one-twelfth of the annual Debt Service on the issue for the immediately preceding Bond Year.

“Bond Year” means the annual period relevant to the application of Section 148(f) to an issue, except that the first and last Bond Years may be less than 12 months long. The last day of a Bond Year shall be the close of business on the day preceding the anniversary of the Issuance Date of an issue unless the Issuer selects another date on which to end a Bond Year in the manner permitted by the Code.

“Capital Expenditures” means costs of a type that are properly chargeable to a capital account (or would be so chargeable with a proper election or with the application of the definition of Placed in Service) under general federal income tax principles.

“Code” means the Internal Revenue Code of 1986, the Regulations (whether temporary or final) under that Code or the statutory predecessor of that Code, and any amendments of, or successor provisions to, the foregoing and any official rulings, announcements, notices, procedures and judicial determinations regarding any of the foregoing, all as and to the extent applicable. Unless otherwise indicated, reference to a Section includes any applicable successor section or provision and such applicable Regulations, rulings, announcements, notices, procedures and determinations pertinent to that Section.

“Commingled Fund” means any fund or account of the Issuer that contains both Gross Proceeds of an issue and amounts in excess of \$25,000 that are not Gross Proceeds of the issue if the amounts in the fund or account are invested and accounted for collectively, without regard to the source of funds deposited in the fund or account.

“Commingled Investment Proceeds” means Investment Proceeds of an issue (other than Investment Proceeds held in a Refunding Escrow) that are deposited in a Commingled Fund with substantial tax or other revenues from governmental operations of the Issuer and that are reasonably expected to be spent for governmental purposes within 6 months from the date of deposit in the Commingled Fund, using any reasonable accounting assumptions.

“Conduit Borrower” means the obligor on a purpose investment.

“Conduit Financing Issue” means an issue the Proceeds of which are reasonably expected to be used to finance one or more Conduit Loans.

“Conduit Loan” means a purpose investment acquired by the Issuer with Proceeds of a Conduit Financing Issue, thereby effecting a loan to the Conduit Borrower.

“Construction Expenditures” means Capital Expenditures allocable to the cost of real property (including the construction or making of improvements to real property, but excluding acquisitions of interests in land or other existing real property) or constructed personal property within the meaning of Regulations §1.148-7(g).

“Construction Issue” means an issue at least 75% of the Available Construction Proceeds of which are to be used for Construction Expenditures with respect to property that is, or upon completion will be, owned by a Governmental Unit or a 501(c)(3) Organization. If an issue is a Multipurpose Issue that includes a New Money Portion, this definition shall be applied by substituting “New Money Portion” for “Construction Issue” each place the latter term appears. If an election under Section 148(f)(4)(C)(v) and Regulations §1.148-7(j) is made to bifurcate an issue or the New Money Portion of a Multipurpose Issue, this definition shall be applied by substituting “Construction Portion” for “Construction Issue” each place the latter term appears.

“Construction Portion” means that portion of an issue or the New Money Portion of a Multipurpose Issue at least 75% of the Available Construction Proceeds of which are to be used for Construction Expenditures with respect to property that is, or upon completion will be, owned by a Governmental Unit or a 501(c)(3) Organization and that finances 100% of the Construction Expenditures.

“Controlled Group” means a group of entities controlled directly or indirectly by the same entity or group of entities within the meaning of Regulations §1.150-1(e).

“Current Refunding Issue” means a Refunding Issue that is issued not more than 90 days before the last expenditure of any Proceeds of the Refunding Issue for the payment of Debt Service on the Refunded Bonds.

“Current Refunding Portion” means that portion of a Multipurpose Issue that constitutes a separate governmental purpose and that would be treated as a Current Refunding Issue if it had been issued as a separate issue.

“Debt Service” means principal of and interest and any redemption premium on an issue.

“Excess Gross Proceeds” means all Gross Proceeds of an Advance Refunding Issue that exceed an amount equal to 1% of the Sale Proceeds of such Advance Refunding Issue, other than Gross Proceeds allocable to: (a) payment of Debt Service on the Refunded Bonds; (b) payment of Pre-Issuance Accrued Interest on the Advance Refunding Issue and interest on the Advance Refunding Issue that accrues for a period up to the completion date of any capital project financed by the Prior Issue, plus one year; (c) a reasonably required reserve or replacement fund for the

Advance Refunding Issue or Investment Proceeds of such fund; (d) payment of Issuance Costs of the Advance Refunding Issue; (e) payment of administrative costs allocable to repaying the Refunded Bonds, carrying and repaying the Advance Refunding Issue, or investments of the Advance Refunding Issue; (f) Transferred Proceeds allocable to expenditures for the governmental purpose of the Prior Issue (treating for this purpose all unspent Proceeds of the Prior Issue properly allocable to the Refunded Bonds as of the Issuance Date of the Advance Refunding Issue as Transferred Proceeds); (g) interest on purpose investments; (h) Replacement Proceeds in a sinking fund for the Advance Refunding Issue; and (i) fees for a Qualified Guarantee for the Advance Refunding Issue or the Prior Issue. If an Issue is a Multipurpose Issue that includes an Advance Refunding Portion, this definition shall be applied by substituting “Advance Refunding Portion” for “Advance Refunding Issue” each place the latter term appears.

“Federally Guaranteed” means that (a) the payment of Debt Service on an issue, or the payment of principal or interest with respect to any loans made from the Proceeds of the issue, is directly or indirectly guaranteed in whole or in part by the United States or by an agency or instrumentality of the United States, within the meaning of Section 149(b) of the Code, or (b) more than 5% of the Proceeds of an issue will be invested directly or indirectly in federally insured deposits or accounts. The preceding sentence does not apply to (a) Proceeds invested during an initial Temporary Period until such Proceeds are needed to pay costs of the project, (b) investments of a Bona Fide Debt Service Fund, (c) direct purchases from the United States of obligations issued by the United States Treasury, or (d) other investments permitted by Section 149(b) or Regulations §1.149(b)-1(b).

“501(c)(3) Organization” means an organization described in Section 501(c)(3) and exempt from tax under Section 501(a).

“Fixed Yield Issue” means an issue of obligations the Yield on which is fixed and determinable on the Issuance Date.

“Governmental Unit” means a state, territory or possession of the United States, the District of Columbia, or any political subdivision thereof referred to as a “State or local governmental unit” in Regulations §1.103-1(a). “Governmental Unit” does not include the United States or any agency or instrumentality of the United States.

“Gross Proceeds” means Proceeds and Replacement Proceeds of an issue.

“Hedge” means a contract entered into by the Issuer or the Conduit Borrower primarily to modify the Issuer’s or the Conduit Borrower’s risk of interest rate changes with respect to an obligation (e.g., an interest rate swap, an interest rate cap, a futures contract, a forward contract or an option).

“Higher Yielding Investments” means any Investment Property that produces a Yield that (a) in the case of Investment Property allocable to Replacement Proceeds of an issue and Investment Property in a Refunding Escrow, is more than one thousandth of one percentage point (.00001) higher than the Yield on the applicable issue, and (b) for all other purposes is more than one-eighth of one percentage point (.00125) higher than the Yield on the issue.

“Investment Proceeds” means any amounts actually or constructively received from investing Proceeds of an issue in Investment Property.

“Investment Property” means investment property within the meaning of Sections 148(b)(2) and 148(b)(3), including any security (within the meaning of Section 165(g)(2)(A) or (B)), any obligation, any annuity contract and any other investment-type property (including certain residential rental property for family units as described in Section 148(b)(2)(E) in the case of any bond other than a Private Activity Bond). Investment Property includes a Tax-Exempt Obligation that is a “specified private activity bond” as defined in Section 57(a)(5)(C), but does not include other Tax-Exempt Obligations.

“Issuance Costs” means costs to the extent incurred in connection with, and allocable to, the issuance of an issue, and includes underwriter’s compensation withheld from the Issue Price, counsel fees, financial advisory fees, rating agency fees, trustee fees, paying agent fees, bond registrar, certification and authentication fees, accounting fees, printing costs for bonds and offering documents, public approval process costs, engineering and feasibility study costs, guarantee fees other than for a Qualified Guarantee and similar costs, but does not include fees charged by the Issuer.

“Issuance Date” means the date of physical delivery of an issue by the Issuer in exchange for the purchase price of the issue.

“Issue Price” means in the circumstances applicable to an issue:

(1) Public Offering. In the case of obligations actually offered to the general public in a bona fide public offering at the initial offering price for each maturity set forth in the certificate of the underwriter or placement agent attached to the Tax Compliance Certificate of the Issuer, the aggregate of the initial offering price for each maturity (including any Pre-Issuance Accrued Interest and original issue premium, but excluding any original issue discount), which price is not more than the fair market value thereof as of the Sale Date, and at which initial offering price not less than 10% of the principal amount of each maturity, as of the Sale Date, was sold or reasonably expected to be sold (other than to bond houses, brokers or other intermediaries). In the case of publicly offered obligations that are not described in the preceding sentence, Issue Price means the aggregate of the initial offering price to the public of each maturity set forth in the certificate of the underwriter or placement agent attached to the Tax Compliance Certificate of the Issuer, which price is not more than the fair market value thereof as of the Sale Date, and at which initial offering price not less than 10% of the principal amount of each maturity was sold to the public.

(2) Private Placement. In the case of obligations sold by private placement, the aggregate of the prices (including any Pre-Issuance Accrued Interest and original issue premium, but excluding any original issue discount) paid to the



Issuer by the first purchaser(s) (other than bond houses, brokers or other intermediaries).

“Minor Portion” means an amount equal to the lesser of \$100,000 or 5% of the Sale Proceeds of an issue.

“Multipurpose Issue” means an issue the bonds of which are allocable to two or more separate governmental purposes within the meaning of Regulations §1.148-9(h).

“Net Proceeds” means the Sale Proceeds of an issue less the portion thereof, if any, deposited in a reasonably required reserve or replacement fund for the issue.

“Net Sale Proceeds” means the Sale Proceeds of an issue less the portion thereof, if any, deposited in a reasonably required reserve or replacement fund for the issue and the portion invested as a part of a Minor Portion for the issue.

“New Money Issue” means an issue that is not a Refunding Issue.

“New Money Portion” means that portion of a Multipurpose Issue other than the Refunding Portion.

“Nonpurpose Investments” means any Investment Property that is acquired with Gross Proceeds as an investment and not in carrying out any governmental purpose of an issue. “Nonpurpose Investments” does not include any investment that is not regarded as “investment property” or a “nonpurpose investment” for the particular purposes of Section 148 (such as certain investments in U.S. Treasury obligations in the State and Local Government Series and certain temporary investments), but does include any other investment that is a “nonpurpose investment” within the applicable meaning of Section 148.

“Placed in Service” means the date on which, based on all the facts and circumstances, a facility has reached a degree of completion that would permit its operation at substantially its design level and the facility is, in fact, in operation at such level.

“Pre-Issuance Accrued Interest” means interest on an obligation that accrued for a period not greater than one year before its Issuance Date and that will be paid within one year after such Issuance Date.

“Preliminary Expenditures” means any Capital Expenditures that are “preliminary expenditures” within the meaning of Regulations §1.150-2(f)(2), *i.e.*, architectural, engineering, surveying, soil testing, reimbursement bond issuance, and similar costs that are incurred prior to commencement of acquisition, construction, or rehabilitation of a project other than land acquisition, site preparation, and similar costs incident to commencement of construction. The aggregate amount of Preliminary Expenditures may not exceed 20% of the aggregate Issue Price of the issue or issues that financed or are reasonably expected to finance the project for which such Preliminary Expenditures are or were incurred.

“Prior Issue” means an issue of obligations all or a portion of the Debt Service on which is paid or provided for with Proceeds of a Refunding Issue. The Prior Issue may be a Refunding Issue.

“Private Activity Bond” means (a) obligations of an issue more than 10% of the Proceeds of which, directly or indirectly, are or are to be used for a Private Business Use and more than 10% of the Debt Service on which, directly or indirectly, is or is to be paid from or secured by payments with respect to property, or secured by property, used for a Private Business Use, or (b) obligations of an issue, the Proceeds of which are or are to be used to make or finance loans to any Private Person that, in the aggregate, exceed the lesser of 5% of such Proceeds or \$5,000,000. In the event of Unrelated or Disproportionate Use, the tests in (a) shall be applied by substituting 5% for 10% each place the latter term is used.

“Private Business Use” means use (directly or indirectly) in a trade or business carried on by any Private Person other than use as a member of, and on the same basis as, the general public. Any activity carried on by a Private Person (other than a natural person) shall be treated as a trade or business. In the case of a Qualified 501(c)(3) Bond, Private Business Use excludes use by a 501(c)(3) Organization that is not an unrelated trade or business activity by such 501(c)(3) Organization within the meaning of Section 513(a).

“Private Person” means any natural person or any artificial person, including a corporation, partnership, trust or other entity, other than a Governmental Unit. “Private Person” includes the United States and any agency or instrumentality of the United States.

“Proceeds” means any Sale Proceeds, Investment Proceeds, and Transferred Proceeds of an issue. “Proceeds” does not include Replacement Proceeds.

“Qualified Administrative Costs” means reasonable direct administrative costs (other than carrying costs) such as separately stated brokerage or selling commissions, but not legal and accounting fees, recordkeeping, custody and similar costs. General overhead costs and similar indirect costs of the Issuer such as employee salaries and office expenses and costs associated with computing the Rebate Amount are not Qualified Administrative Costs.

“Qualified 501(c)(3) Bonds” means an issue of obligations that satisfies the requirements of Section 145(a).

“Qualified Guarantee” means any guarantee of an obligation that constitutes a “qualified guarantee” within the meaning of Regulations §1.148-4(f).

“Qualified Hedge” means a Hedge that is a “qualified hedge” within the meaning of Regulations §1.148-4(h)(2).

“Rebate Amount” means the excess of the future value, as of any date, of all receipts on Nonpurpose Investments acquired with Gross Proceeds of an issue over the future value, as of that date, of all payments on those Nonpurpose Investments, computed in accordance with Section 148(f) and Regulations §1.148-3.

“Refunded Bonds” means obligations of a Prior Issue the Debt Service on which is or is to be paid from Proceeds of a Refunding Issue.

“Refunding Bonds” means obligations of a Refunding Issue.

“Refunding Issue” means an issue the Proceeds of which are or are to be used to pay Debt Service on Refunded Bonds and includes Issuance Costs, Pre-Issuance Accrued Interest or permitted capitalized interest, a reasonably required reserve or replacement fund and similar costs of the Refunding Issue.

“Refunding Escrow” means one or more funds established as part of a single transaction, or a series of related transactions, containing Proceeds of a Refunding Issue and any other amounts to be used to pay Debt Service on Refunded Bonds of one or more issues.

“Refunding Portion” means that portion of a Multipurpose Issue the Proceeds of which are, or are to be, used to pay Debt Service on Refunded Bonds and includes Issuance Costs, Pre-Issuance Accrued Interest or permitted capitalized interest, a reasonably required reserve or replacement fund and similar costs properly allocable to the Refunding Portion.

“Regulations” or “Reg.” means Treasury Regulations.

“Reimbursement Allocation” means an allocation of the Proceeds of an issue for the Reimbursement of Prior Capital Expenditures, other than Preliminary Expenditures, that meets each of the following requirements: (a) is evidenced on the books or records of the Issuer maintained with respect to the issue, (b) the allocation entry identifies either actual prior Capital Expenditures, or the fund or account from which the prior Capital Expenditures were paid, and (c) evidences the Issuer’s use of Proceeds of the issue to reimburse a Capital Expenditure for a governmental purpose that was originally paid from a source other than the Proceeds of the issue.

“Reimbursement of Prior Capital Expenditures” means a Reimbursement Allocation of Proceeds of the Issue to a Capital Expenditure paid prior to the Issuance Date of such Issue, that satisfies the following requirements: (a) the Capital Expenditure was paid after March 1, 1992; (b) prior to, or within 60 days after, payment of the Capital Expenditure (except Preliminary Expenditures), the Issuer adopted an official intent for the Capital Expenditure that satisfies Regulations §1.150-2(e); and (c) except for Preliminary Expenditures, the Reimbursement Allocation occurs or will occur within 18 months after the later of the date the Capital Expenditure was paid or the date the project resulting from such Capital Expenditure was Placed in Service or abandoned, but in no event more than 3 years after the Capital Expenditure was paid.

“Related Party” means, in reference to a Governmental Unit or 501(c)(3) Organization, any member of the same Controlled Group and, in reference to any person that is not a Governmental Unit or 501(c)(3) Organization, a “related person” as defined in Section 144(a)(3) of the Code.

“Replacement Proceeds” means, with respect to an issue, amounts (including any investment income, but excluding any Proceeds of any issue) replaced by Proceeds of that issue within the meaning of Section 148(a)(2). “Replacement Proceeds” includes amounts, other than Proceeds, held in a sinking fund, pledged fund or reserve or replacement fund for an issue.

“Sale Date” means, with respect to an issue, the first date on which there is a binding contract in writing with the Issuer for the sale and purchase of an issue (or of respective obligations of the issue if sold by the Issuer on different dates) on specific terms that are not later modified or adjusted in any material respect.

“Sale Proceeds” means that portion of the Issue Price actually or constructively received by the Issuer upon the sale or other disposition of an issue, including any underwriter’s compensation withheld from the Issue Price, but excluding Pre-Issuance Accrued Interest.

“Spendable Proceeds” means the Net Sale Proceeds of an issue.

“Tax-Exempt Obligation” means any obligation or issue of obligations (including bonds, notes and lease obligations treated for federal income tax purposes as evidences of indebtedness) the interest on which is excluded from gross income for federal income tax purposes within the meaning of Section 150, and includes any obligation or any investment treated as a “tax-exempt bond” for the applicable purpose of Section 148.

“Tax-Exempt Organization” means a Governmental Unit or a 501(c)(3) Organization.

“Temporary Period” means the period of time, as set forth in the Tax Compliance Certificate, applicable to particular categories of Proceeds of an issue during which such category of Proceeds may be invested in Higher Yielding Investments without the issue being treated as arbitrage bonds under Section 148.

“Transferred Proceeds” means that portion of the Proceeds of an issue (including any Transferred Proceeds of that issue) that remains unexpended at the time that any portion of the principal of the Refunded Bonds of that issue is discharged with the Proceeds of a Refunding Issue and that thereupon becomes Proceeds of the Refunding Issue as provided in Regulations §1.148-9(b). “Transferred Proceeds” does not include any Replacement Proceeds.

“Unrelated or Disproportionate Use” means Private Business Use that is not related to or is disproportionate to use by a Governmental Unit within the meaning of Section 141(b)(3) and Regulations §1.141-9.

“Variable Yield Issue” means any Issue that is not a Fixed Yield Issue.

“Working Capital Expenditures” means any costs of a type that do not constitute Capital Expenditures, including current operating expenses.

“Yield” has the meaning assigned to it for purposes of Section 148 of the Code, and means that discount rate (stated as an annual percentage) that, when used in computing the present worth of all applicable unconditionally payable payments of Debt Service, all payments for a Qualified Guarantee, if any, and all payments and receipts with respect to a Qualified Hedge, if any, paid and to be paid with respect to an obligation (paid and to be paid during and attributable to the Yield Period in the case of a Variable Yield Issue), produces an amount equal to (a) the Issue Price in the case of a Fixed Yield Issue or the present value of the Issue Price at the commencement of the applicable Yield Period in the case of a Variable Yield Issue, or (b) the purchase price for yield purposes in the case of Investment Property, all subject to the applicable methods of computation provided for under Section 148, including variations from the foregoing. The Yield on Investment Property in which Proceeds or Replacement Proceeds of an issue are invested is computed on a basis consistent with the computation of Yield on that issue, including the same compounding interval of not more than one year selected by the Issuer.

“Yield Period” means, in the case of the first Yield Period, the period that commences on the Issuance Date and ends at the close of business on the first Computation Date and, in the case of each succeeding Yield Period, the period that begins immediately after the end of the immediately preceding Yield Period and ends at the close of business on the next succeeding Computation Date.

The terms “bond”, “obligation”, “reasonably required reserve or replacement fund”, “reserve or replacement fund”, “loan”, “sinking fund”, “purpose investment”, “same plan of financing”, “other replacement proceeds”, and other terms relating to Code provisions used but not defined in this Certificate shall have the meanings given to them for purposes of Sections 103 and 141 to 150 unless the context indicates another meaning.

(End of Attachment A)

ATTACHMENT A-1  
to  
Tax Compliance Certificate of Local Borrower

INSTRUCTIONS FOR COMPLIANCE WITH REBATE  
REQUIREMENTS OF SECTION 148(f) OF THE CODE.

The Issuer covenanted in the Loan Agreement and Tax Compliance Certificate to comply with the arbitrage rebate requirement of Section 148(f) of the Code. These Instructions provide guidance for that compliance, including the spending exceptions that free the Issue from all or part of the rebate requirements.

PART I: GENERAL

SECTION 1.01. REBATE GENERALLY.

The Rebate Amount<sup>1</sup> with respect to the Issue must be paid (rebated) to the United States to prevent the bonds of the Issue from being arbitrage bonds, the interest on which is subject to federal income tax. In general, the Rebate Amount is the amount by which the actual earnings on Nonpurpose Investments purchased (or deemed to have been purchased) with Gross Proceeds of the Issue exceed the amount of earnings that would have been received if those Nonpurpose Investments had a Yield equal to the Yield on the Issue.<sup>2</sup>

Stated differently, the Rebate Amount for the Issue as of any date is the excess of the Future Value, as of that date, of all Receipts on Nonpurpose Investments over the Future Value, as of that date, of all Payments on Nonpurpose Investments, computed using the Yield on the Issue as the Future Value rate.<sup>3</sup>

If the Issue is a Fixed Yield Issue, the Yield on the Issue generally is the Yield to maturity, taking into account mandatory redemptions prior to maturity. If the Issue is a Variable Yield Issue, the Yield on the Issue is computed separately for each Yield Period selected by the Issuer.

SECTION 1.02. SPECIAL DEFINITIONS.

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<sup>1.</sup> Capitalized terms that are not defined in these Instructions are defined in Attachment A to the Tax Compliance Certificate of the Issuer.

<sup>2.</sup> Amounts earned on the Bona Fide Debt Service Fund for the Issue are not taken into account in determining the Rebate Amount since none of the obligations of the Issue are Private Activity Bonds, the rates of interest on the Issue do not vary and the average maturity of the Issue is at least 5 years.

<sup>3.</sup> The scope of these Instructions does not permit a detailed description of the computation of the Rebate Amount with respect to the Issue. If you need assistance in computing the Rebate Amount on the Issue, please contact your bond counsel.

For purposes of these Instructions, the following terms shall have the following meanings.

“Available Construction Proceeds” means an amount equal to (a) the sum of (i) the Issue Price of the issue, (ii) Investment Proceeds on that Issue Price, (iii) earnings on any reasonably required reserve or replacement fund allocated to the issue not funded from the Issue Price, and (iv) Investment Proceeds and earnings on (ii) and (iii), (b) reduced by the portions, if any, of the Issue Price of the issue (i) attributable to Pre-Issuance Accrued Interest and earnings thereon, (ii) allocated to the Underwriter’s discount, (iii) used to pay other Issuance Costs of the issue, and (iv) deposited in a reasonably required reserve or replacement fund allocated to the issue. Available Construction Proceeds do not include Investment Proceeds or earnings on a reasonably required reserve or replacement fund allocated to the issue for any period after the earlier of (a) the close of the 2-year period that begins on the Issuance Date or (b) the date the construction of the Projects financed by the issue is substantially completed. If the issue consists of a New Money Portion and a Refunding Portion and the New Money Portion is a Construction Issue, this definition shall be applied by substituting “New Money Portion” for “issue” each place the latter term appears. If the issue or the New Money Portion, as applicable, is not a Construction Issue, and the Issuer makes the election under Regulations §1.148-7(j)(1) and Section 148(f)(4)(C)(v) to treat the issue or the New Money Portion as two separate issues consisting of the Construction Portion and the Nonconstruction Portion, this definition shall be applied by substituting “Construction Portion” for “issue” each place the latter term appears.

“Bifurcated Issue” means a New Money Issue or the New Money Portion of a Multipurpose Issue that the Issuer, pursuant to Section 148(f)(4)(C)(v) and Regulations §1.148-7(j), has elected in its Tax Compliance Certificate to bifurcate into a Construction Portion and a Nonconstruction Portion.

“Bond Counsel’s Opinion” means an opinion or opinions of a nationally recognized bond counsel firm whose opinion is given with respect to the Issue when issued, or its successors or other nationally recognized bond counsel appointed by the Issuer.

“Bond Year” means the annual period relevant to the application of Section 148(f) to the issue, except that the first and last Bond Years may be less than 12 months long. The last day of a Bond Year shall be the close of business on the day preceding the anniversary of the Issuance Date of the issue unless the Issuer selects another date on which to end a Bond Year in the manner permitted by the Code.

“Computation Date” means each date on which the Rebate Amount for an issue is required to be computed under Regulations §1.148-3(e). In the case of a Fixed Yield Issue, the first Computation Date shall not be later than 5 years after the Issuance Date of the issue. Subsequent Computation Dates shall be not later than 5 years after the immediately preceding Computation Date for which an installment payment of the Rebate Amount was paid. In the case of a Variable Yield Issue, the first Computation Date shall be the last day of any Bond Year irrevocably selected by the Issuer ending on or before the fifth anniversary of the Issuance Date of such issue and

subsequent Computation Dates shall be the last day of each Bond Year thereafter or each fifth Bond Year thereafter, whichever is irrevocably selected by the Issuer after the first date on which any portion of the Rebate Amount is required to be paid to the United States. The final Computation Date is the date an issue is retired.

“Construction Expenditures” means Capital Expenditures allocable to the cost of real property (including the construction or making of improvements to real property, but excluding acquisitions of interests in land or other existing real property) or constructed personal property within the meaning of Regulations §1.148-7(g).

“Construction Issue” means an issue at least 75 percent of the Available Construction Proceeds of which are to be used for Construction Expenditures with respect to property which is or is to be owned by a Governmental Unit or a 501(c)(3) Organization. If an election has been made in the Issuer’s Tax Compliance Certificate to bifurcate an issue or the New Money Portion, the Construction Portion (i.e., that portion of the issue or the New Money Portion which satisfies the 75 percent test stated in the preceding sentence and which finances 100% of the Construction Expenditures) is treated as the Construction Issue and the balance of the issue or the New Money Portion is treated as the Nonconstruction Portion.

“Fixed Yield Issue” means an issue of obligations the Yield on which is fixed and determinable on the Issuance Date.

“Future Value” means the value of a Payment or Receipt at the end of a period determined using the economic accrual method as the value of that Payment or Receipt when it is paid or received (or treated as paid or received), plus interest assumed to be earned and compounded over the period at a rate equal to the Yield on the Issue, using the same compounding interval and financial conventions that were used to compute that Yield.

“Guaranteed Investment Contract” means any Nonpurpose Investment that has specifically negotiated withdrawal or retirement provisions and a specifically negotiated interest rate and any agreement to supply investments on two or more future dates (e.g., a forward supply contract).

“Multipurpose Issue” means an issue that consists of a Refunding Portion and a New Money Portion.

“Payment” means payments actually or constructively made to acquire Nonpurpose Investments, as specified in Regulations §1.148-3(d)(1)i) through (v).

“Qualified Administrative Costs” means the reasonable, direct administrative costs, other than carrying costs, of purchasing or selling Nonpurpose Investments such as separately stated brokerage or selling commissions. Qualified Administrative Costs do not include legal and accounting fees, recordkeeping, custody, and similar costs, general overhead costs and similar indirect costs of the Issuer such as employee salaries and office expenses and costs associated with computing the Rebate Amount. In general, Qualified Administrative Costs are not reasonable unless they are comparable to administrative costs that would be charged for the same investment or



a reasonably comparable investment if acquired with a source of funds other than Gross Proceeds of Tax-Exempt Obligations.

“Reasonable Retainage” means an amount, not to exceed 5% of the Net Sale Proceeds of the Issue, that is retained for reasonable business purposes relating to the property financed with Proceeds of the Issue. For example, Reasonable Retainage may include a retention to ensure or promote compliance with a construction contract in circumstances in which the retained amount is not yet payable, or in which the Issuer reasonably determines that a dispute exists regarding completion or payment.

“Rebate Analyst” means an independent individual, firm or entity experienced in the computation of the Rebate Amount pursuant to Section 148(f) of the Code.

“Receipt” means amounts actually or constructively received from Nonpurpose Investments as specified in Regulations §1.148-3(d)(2)(i) through (iii).

“Variable Yield Issue” means any issue that is not a Fixed Yield Issue.

“Yield Period” means, in the case of the first Yield Period, the period that commences on the Issuance Date and ends at the close of business on the first Computation Date and, in the case of each succeeding Yield Period, the period that begins immediately after the end of the immediately preceding Yield Period and ends at the close of business on the next succeeding Computation Date.

## PART II: EXCEPTIONS TO REBATE

### SECTION 2.01. SPENDING EXCEPTIONS.

The rebate requirements with respect to the Issue are deemed to have been satisfied if any one of three spending exceptions (the 6-Month, the 18-Month, or the 2-Year Spending Exception, collectively, the “Spending Exceptions”) is satisfied. The Spending Exceptions are each independent exceptions. The Issue need not meet the requirements of any other exception in order to use any one of the three exceptions. For example, a Construction Issue may qualify for the 6-Month Spending Exception or the 18-Month Spending Exception even though the Issuer makes one or more elections under the 2-Year Exception with respect to the Issue.

The following rules apply for purposes of all of the Spending Exceptions except as otherwise noted.

Refunding Issues. The only spending exception available for a Refunding Issue<sup>4</sup> is the 6-Month Spending Exception.

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<sup>4</sup> For purposes of these Instructions, references to “Refunding Issue” include the Refunding Portion of a Multipurpose Issue.

Special Transferred Proceeds Rules. In applying the Spending Exceptions to a Refunding Issue, unspent Proceeds of the Prior Issue that become Transferred Proceeds of the Refunding Issue are ignored. If the Prior Issue satisfies one of the rebate Spending Exceptions, the Proceeds of the Prior Issue that are excepted from rebate under that exception are not subject to rebate either as Proceeds of the Prior Issue or as Transferred Proceeds of the Refunding Issue.

However, if the Prior Issue does not satisfy any of the Spending Exceptions and is not otherwise exempt from rebate, the Transferred Proceeds from the Prior Issue will be subject to rebate, even if the Refunding Issue satisfies the 6-Month Spending Exception. The Rebate Amount will be calculated on the Transferred Proceeds on the basis of the Yield of the Prior Issue up to each transfer date and on the basis of the Yield of the Refunding Issue after each transfer date.

Application of Spending Exceptions to a Multipurpose Issue. If the Issue is a Multipurpose Issue, the Refunding Portion and the New Money Portion are treated for purposes of the rebate Spending Exceptions as separate issues. Thus, the Refunding Portion is eligible to use only the 6-Month Spending Exception. The New Money Portion is eligible to use any of the three Spending Exceptions.

Expenditures for Governmental Purposes of the Issue. Each of the spending exceptions requires that expenditures of Gross Proceeds be for the governmental purposes of the Issue. These purposes include payment of interest (but not principal) on the Issue.

## SECTION 2.02. 6-MONTH SPENDING EXCEPTION.

The Issue will be treated as satisfying the rebate requirements if all of the Gross Proceeds of the Issue are allocated to expenditures for the governmental purposes of the Issue within the 6-month period beginning on the Issuance Date and the Rebate Amount, if any, with respect to earnings on amounts deposited in a reasonably required reserve or replacement fund or a Bona Fide Debt Service Fund if and to the extent that such Fund is subject to rebate (see footnote 3) is timely paid to the United States. If no bond of the Issue is a Private Activity Bond (other than a Qualified 501(c)(3) Bond) or a tax or revenue anticipation bond, the 6-month period is extended for an additional 6 months if the unexpended Gross Proceeds of the Issue at the end of the 6-month period do not exceed the lesser of 5% of the Proceeds of the Issue or \$100,000.

For purposes of the 6-Month Spending Exception, Gross Proceeds required to be spent within 6 months do not include amounts in a reasonably required reserve or replacement fund for the Issue or in a Bona Fide Debt Service Fund for the Issue.

SECTION 2.03. 18-MONTH SPENDING EXCEPTION.

The Issue (or the New Money Portion if the Issue is a Multipurpose Issue) is treated as satisfying the rebate requirement if the conditions set forth in (A), (B) and (C) are satisfied.

(A) All of the Gross Proceeds of the Issue (excluding amounts in a reasonably required reserve or replacement fund for the Issue or in a Bona Fide Debt Service Fund for the Issue) are allocated to expenditures for the governmental purposes of the Issue in accordance with the following schedule, measured from the Issuance Date:

- (1) at least 15% within 6 months;
- (2) at least 60% within 12 months; and
- (3) 100% within 18 months, subject to the Reasonable Retainage exception described below.

(B) The Rebate Amount, if any, with respect to earnings on amounts deposited in a reasonably required reserve or replacement fund or in a Bona Fide Debt Service Fund for the Issue, to the extent such Fund is subject to rebate (see footnote 3), is timely paid to the United States. And,

(C) The Gross Proceeds of the Issue qualify for the initial 3-year Temporary Period.

If the only unspent Gross Proceeds at the end of the 18th month are Reasonable Retainage, the requirement that 100% of the Gross Proceeds be spent by the end of the 18th month is treated as met if the Reasonable Retainage, and all earnings thereon, are spent for the governmental purposes of the Issue within 30 months of the Issuance Date.

For purposes of determining whether the spend-down requirements have been met as of the end of each of the first two spending periods, the amount of Investment Proceeds that the Issuer reasonably expects as of the Issuance Date to earn on the Sale Proceeds and Investment Proceeds of the Issue during the 18-month period are included in Gross Proceeds of the Issue. The final spend-down requirement includes actual Investment Proceeds for the entire 18 months.

The 18-Month Spending Exception does not apply to the Issue (or the New Money Portion, as applicable) if any portion of the Issue (or New Money Portion) is treated as meeting the rebate requirement under the 2-Year Spending Exception discussed below. This rule prohibits use of the 18-Month Spending Exception for the Nonconstruction Portion of a Bifurcated Issue. The only Spending Exception available for the Nonconstruction Portion of a Bifurcated Issue is the 6-Month Spending Exception.

SECTION 2.04. 2-YEAR SPENDING EXCEPTION FOR CERTAIN CONSTRUCTION ISSUES.

(A) In general. A Construction Issue no bond of which is a Private Activity Bond (other than a Qualified 501(c)(3) Bond or a Bond that finances property to be owned by a Governmental Unit or a 501(c)(3) Organization) is treated as satisfying the rebate requirement if the Available Construction Proceeds of the Issue are allocated to expenditures for the governmental purposes of the Issue in accordance with the following schedule, measured from the Issuance Date:

- (1) at least 10% within 6 months;
- (2) at least 45% within 1 year;
- (3) at least 75% within 18 months; and
- (4) 100% within 2 years, subject to the Reasonable Retainage exception described below.

Amounts in a Bona Fide Debt Service Fund or a reasonably required reserve or replacement fund for the Issue are not treated as Gross Proceeds for purposes of the expenditure requirements. However, unless the Issuer has elected otherwise in the Tax Compliance Certificate, earnings on amounts in a reasonably required reserve or replacement fund for the Issue are treated as Available Construction Funds during the 2-year period and therefore must be allocated to expenditures for the governmental purposes of the Issue.

If the Issuer elected in the Tax Compliance Certificate to exclude from Available Construction Proceeds the Investment Proceeds or earnings on a reasonably required reserve or replacement fund for the Issue during the 2-year spend-down period, the Rebate Amount, if any, with respect to such Investment Proceeds or earnings from the Issuance Date must be timely paid to the United States. If the election is not made, the Rebate Amount, if any, with respect to such Investment Proceeds or earnings after the earlier of the date construction is substantially completed or 2 years after the Issuance Date must be timely paid to the United States. The Rebate Amount, if any, with respect to earnings on amounts in a Bona Fide Debt Service Fund must be timely paid to the extent such Fund is subject to the rebate requirements (see footnote 3).

The Issue does not fail to satisfy the spending requirement for the fourth spend-down period (i.e., 100% within 2 years of the Issuance Date) if the only unspent Available Construction Proceeds are amounts for Reasonable Retainage if such amounts (together with all earnings on such amounts) are allocated to expenditures within 3 years of the Issuance Date.

For purposes of determining whether the spend-down requirements have been met as of the end of each of the first 3 spend-down periods, Available Construction Proceeds include the amount of Investment Proceeds or earnings that the Issuer reasonably expected as of the Issuance Date to earn during the 2-year period. For purposes of satisfying the final spend-down requirement,

Available Construction Proceeds include actual Investment Proceeds or earnings from the Issuance Date through the end of the 2-year period.

Available Construction Proceeds do not include Gross Proceeds used to pay Issuance Costs financed by the Issue, but do include earnings on such Proceeds. Thus, an expenditure of Gross Proceeds to pay Issuance Costs does not count toward meeting the spend-down requirements, but expenditures of earnings on such Gross Proceeds to pay Issuance Costs do count.

(B) 1½% penalty in lieu of rebate for Construction Issues. If the Issuer elected in the Tax Compliance Certificate for a Construction Issue, or for the Construction Portion of a Bifurcated Issue, to pay a 1½% penalty in lieu of the Rebate Amount on Available Construction Proceeds in the event that the Construction Issue fails to satisfy any of the spend-down requirements, the 1½% penalty is calculated separately for each spend-down period, including each semi-annual period after the end of the fourth spend-down period until all Available Construction Proceeds have been spent. The penalty is equal to 0.015 times the underexpended Proceeds as of the end of the applicable spend-down period. The fact that no arbitrage is in fact earned during such spend-down period is not relevant. The Rebate Amount with respect to Gross Proceeds other than Available Construction Proceeds (e.g., amounts in a reasonably required reserve or replacement fund or in a Bona Fide Debt Service Fund, to the extent subject to rebate (see footnote 3)) must be timely paid.

### PART III: COMPUTATION AND PAYMENT.

#### SECTION 3.01. COMPUTATION AND PAYMENT OF REBATE AMOUNT.

If none of the Spending Exceptions described above is satisfied (and if the 1-1/2% penalty election for a Construction Issue or the Construction Portion of a Bifurcated Issue has not been made), then within 45 days after each Computation Date, the Issuer shall compute, or cause to be computed, the Rebate Amount as of such Computation Date. The first Computation Date is a date selected by the Issuer, but shall be not later than 5 years after the Issuance Date. Each subsequent Computation Date shall end 5 years after the previous Computation Date except that, in a Variable Yield Issue, the Issuer may select annual Yield Periods. The final Computation Date shall be the date the last obligation of the Issue matures or is finally discharged.

Within 60 days after each Computation Date (except the final Computation Date), the Issuer shall pay to the United States not less than 90% of the Rebate Amount, if any, computed as of such Computation Date. Within 60 days after the final Computation Date, the Issuer shall pay to the United States 100% of the Rebate Amount, if any, computed as of the final Computation Date. In computing the Rebate Amount, a computation credit of \$1,000 may be taken into account on the last day of each Bond Year to the Computation Date during which there are unspent Gross Proceeds that are subject to the rebate requirement, and on the final maturity date.

If the operative documents pertaining to the Issue establish a Rebate Fund and require the computation of the Rebate Amount at the end of each Bond Year, the Issuer shall calculate, or cause to be calculated, within 45 days after the end of each Bond Year the Rebate Amount, taking into account the computation credit of \$1,000 for each Bond Year. Within 50 days after the end of

each Bond Year, if the Rebate Amount is positive, the Issuer shall deposit in the Rebate Fund such amount as will cause the amount on deposit therein to equal the Rebate Amount, and may withdraw any amount on deposit in the Rebate Fund in excess of the Rebate Amount. Payments of the Rebate Amount to the Internal Revenue Service on a Computation Date shall be made first from amounts on deposit in the Rebate Fund and second from other amounts specified in the operative documents.

Each payment of the Rebate Amount or portion thereof shall be payable to the Internal Revenue Service and shall be made to the Internal Revenue Service Center, Ogden, UT 84201 by certified mail. Each payment shall be accompanied by Internal Revenue Service Form 8038-T and any other form or forms required to be submitted with such remittance.

### SECTION 3.02. BOOKS AND RECORDS.

(A) The Issuer or Trustee, as applicable, shall keep proper books of record and accounts containing complete and correct entries of all transactions relating to the receipt, investment, disbursement, allocation and application of the Gross Proceeds of the Issue. Such records shall specify the account or fund to which each Nonpurpose Investment (or portion thereof) held by the Issuer or Trustee is to be allocated and shall set forth as to each Nonpurpose Investment (1) its purchase price, (2) identifying information, including par amount, interest rate, and payments dates, (3) the amount received at maturity or its sales price, as the case may be, including accrued interest, (4) the amounts and dates of any payments made with respect thereto, and (5) the dates of acquisition and disposition or maturity.

The Issuer, Trustee, or Rebate Analyst, as applicable, shall retain the records of all calculations and payments of the Rebate Amount until six years after the retirement of the last obligation that is a part of the Issue.

### SECTION 3.03. FAIR MARKET VALUE.

No Nonpurpose Investment shall be acquired for an amount in excess of its fair market value. No Nonpurpose Investment shall be sold or otherwise disposed of for an amount less than its fair market value.

The fair market value of any Nonpurpose Investment shall be the price at which a willing buyer would purchase the Nonpurpose Investment from a willing seller in an arms-length transaction. Fair market value generally is determined on the date on which a contract to purchase or sell the Nonpurpose Investment becomes binding (*i.e.*, the trade date rather than the settlement date). Except as otherwise provided in this Section, a Nonpurpose Investment that is not of a type traded on an established securities market (within the meaning of Section 1273 of the Code) is rebuttably presumed to be acquired or disposed of for a price that is not equal to its fair market value.

(A) Obligations purchased directly from the Treasury. The fair market value of a United States Treasury obligation that is purchased directly from the United States Treasury is its purchase price.

(B) Safe harbor for Guaranteed Investment Contracts. The purchase price of a Guaranteed Investment Contract shall be treated as its fair market value on the purchase date if all the following conditions are met:

(1) The Issuer or broker makes a bona fide solicitation for a specified Guaranteed Investment Contract and receives at least three bona fide bids from reasonably competitive providers (of Guaranteed Investment Contracts) that have no material financial interest in the Issue.

(2) The Issuer purchases the highest-yielding Guaranteed Investment Contract for which a qualifying bid is made (determined net of broker's fees);

(3) The Yield on the Guaranteed Investment Contract (determined net of broker's fees) is not less than the Yield then available from the provider on reasonably comparable Guaranteed Investment Contracts, if any, offered to other persons from a source of funds other than Gross Proceeds of Tax-Exempt Obligations;

(4) The determination of the terms of the Guaranteed Investment Contract takes into account as a significant factor the Issuer's reasonably expected drawdown schedule for the amounts to be invested, exclusive of amounts deposited in a Bona Fide Debt Service Fund and a reasonably required reserve or replacement fund;

(5) The terms of the Guaranteed Investment Contract, including collateral security requirements, are reasonable; and

(6) The obligor on the Guaranteed Investment Contract certifies the administrative costs that it is paying (or expects to pay) to third parties in connection with the Guaranteed Investment Contract.

(C) Safe harbor for certificates of deposit. The purchase price of a certificate of deposit shall be treated as its fair market value on the purchase date if all of the following requirements are met:

(1) The certificate of deposit has a fixed interest rate, a fixed payment schedule, and a substantial penalty for early withdrawal; and

(2) The Yield on the certificate of deposit is not less than (a) the Yield on reasonably comparable direct obligations of the United States, or (b) the highest Yield that is published or posted by the provider to be currently available from the provider on reasonably comparable certificates of deposit offered to the public.

Certificates evidencing the foregoing requirements should be obtained before purchasing any Guaranteed Investment Contract or certificate of deposit.

#### SECTION 3.04. CONSTRUCTIVE SALE/PURCHASE.

- (A) Nonpurpose Investments that are held by the Issuer or Trustee as of any Computation Date (or Bond Year if the computations are required to be done annually) shall be treated for purposes of computing the Rebate Amount as of such date as having been sold for their fair market value as of such date. Investment Property which becomes allocated to Gross Proceeds of the Issue on a date after such Investment Property has actually been purchased shall be treated for purposes of the rebate requirements as having been purchased by the Issuer on such date of allocation at its fair market value on such date.
- (B) For purposes of constructive or deemed sales or purchases of Investment Property (other than Investment Property in the Escrow Fund or that is otherwise not invested for a Temporary Period or is not part of a reasonably required reserve or replacement fund for the Issue) must be valued at its fair market value on the date of constructive or deemed sale or purchase
- (C) Except as set forth in (B), fixed rate Investment Property that is (1) issued with not more than 2% of original issue discount or original issue premium, (2) issued with original issue premium that is attributable exclusively to reasonable underwriters' compensation or (3) acquired with not more than 2% of market discount or market premium, may be treated as having a fair market value equal to its outstanding stated principal amount, plus accrued interest. Fixed rate Investment Property also may be treated as having a fair market value equal to its present value.

#### SECTION 3.05. ADMINISTRATIVE COSTS.

- (A) Administrative costs shall not be taken into account in determining the payments for or receipts from a Nonpurpose Investment unless such administrative costs are Qualified Administrative Costs. Thus, administrative costs or expenses paid, directly or indirectly, to purchase, carry, sell, or retire Nonpurpose Investments generally do not increase the Payments for, or reduce the Receipts from, Nonpurpose Investments.
- (B) Qualified Administrative Costs are taken into account in determining the Payments and Receipts on Nonpurpose Investments and thus increase the Payments for, or decrease the Receipts from, Nonpurpose Investments. In the case of a Guaranteed Investment Contract, a broker's commission or similar fee paid on behalf of either the Issuer or the provider is an administrative cost that is not a Qualified Administrative Cost to the extent that the present value (computed using the taxable discount rate used by the parties to compute the commission or, if not readily ascertainable, a reasonable taxable discount rate) of the commission, as of the date the contract is purchased, exceeds the present value of annual payments equal to 0.05 percent of the weighted average amount reasonably expected to be invested each year during the term of such contract.



## PART IV: COMPLIANCE AND AMENDMENT

### SECTION 4.01. COMPLIANCE.

The Issuer, Trustee or Rebate Analyst, as applicable, shall take all necessary steps to comply with the requirements of these Instructions in order to ensure that interest on the Issue is excluded from gross income for federal income tax purposes under Section 103(a) of the Code. However, compliance shall not be required in the event and to the extent stated therein the Issuer and the Trustee receive a Bond Counsel's Opinion that either (A) compliance with such requirement is not required to maintain the exclusion from gross income for federal income tax purposes of interest on the Issue, or (B) compliance with some other requirement in lieu of such requirement will comply with Section 148(f) of the Code, in which case compliance with the other requirement specified in the Bond Counsel's Opinion shall constitute compliance with such requirement.

### SECTION 4.02. LIABILITY.

If for any reason any requirement of these Instructions is not complied with, the Issuer and the Trustee, if applicable, shall take all necessary and desirable steps to correct such noncompliance within a reasonable period of time after such noncompliance is discovered or should have been discovered with the exercise of reasonable diligence. The Trustee shall have no duty or responsibility to independently verify any of the Issuer's, or the Rebate Analyst's, calculations with respect to the payments of the Rebate Amount due and owing to the United States. Under no circumstances whatsoever shall the Trustee be liable to the Issuer, any bondholder or any other person for any inclusion of the interest on the Issue in gross income for federal income tax purposes, or any claims, demands, damages, liabilities, losses, costs or expenses resulting therefrom or in any way connected therewith, so long as the Trustee acts only in accordance with these Instructions and the operative documents pertaining to the Issue.

(End of Attachment A-1)

The 8038G will be prepared when \$50,000 of loan funds have been disbursed

LOAN AGREEMENT STANDARD TERMS AND CONDITIONS

Water Infrastructure Finance Authority of Arizona

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This document sets forth Standard Terms and Conditions applicable to the Loan made by the WATER INFRASTRUCTURE FINANCE AUTHORITY OF ARIZONA (the “*Authority*”) to the Local Borrower. These Standard Terms and Conditions are a part of the Loan Agreement to which this document is attached. Certain terms used herein are defined in Article 8.

## **Article 1 Covenants of the Local Borrower Relating to the System and the Project.**

Section 1.1 **Operation and Maintenance of System.** The Local Borrower covenants and agrees that it shall, in accordance with prudent utility practice, (a) at all times operate the properties of the System and any business in connection therewith in an efficient manner, (b) maintain the System in good repair, working order and operating condition, and (c) from time to time make all necessary and proper repairs, renewals, replacements, additions, betterments and improvements with respect to the System so that at all times the operations carried on in connection therewith shall be properly and advantageously conducted from revenues of the System or, if the Local Borrower so elects, from any other source of funds lawfully available.

Section 1.2 **Additions and Modifications.** The Local Borrower may make any additions, renewals, replacements, modifications or improvements to the System which it deems desirable and which do not materially reduce the operational integrity of any part of the System. All such renewals, replacements, additions, modifications and improvements shall become a part of the System.

Section 1.3 **Disposition of Project and System.**

(a) The Local Borrower shall not sell, lease, abandon or otherwise dispose of all or substantially all or any substantial portion of the Project or the System except upon compliance with the provisions of this Section; provided, however that the requirements of this Section shall not apply to transactions which are capital leases within the meaning of generally accepted accounting principles to finance expansion or improvement of the System and under which the Local Borrower maintains a purchaser’s interest or other beneficial ownership, use, possession and control of the System so long as no default exists.

(b) The Local Borrower may sell, lease, abandon or otherwise dispose of all or substantially all or any substantial portion of the Project or the System if the Local Borrower shall give at least ninety (90) days’ prior written notice to the Authority of the proposed transaction, and the Authority gives its written consent which shall not be unreasonably withheld. The Local Borrower understands that the Authority, in determining whether or not to give its consent, must determine that the proposed transaction will not adversely affect the Authority’s ability to meet its duties, covenants, obligations and agreements or conditions of any grant received by the Authority or the State from the United States of America, which is related to the Capital Grant Facility or any capitalization grants received by the Authority or the State under the Federal Water Pollution Control Act, as amended, and the Federal Safe Drinking Water Act, as amended.

(c) Notwithstanding the provisions of subsection (b) above, the Local Borrower may sell, lease or otherwise dispose of, any of the property comprising part of the System without prior notice to or the consent of the Authority, other than the Project, in either of the following circumstances:

(i) If the Local Borrower determines that such property is not necessary, useful or profitable to the operation of the System; or

(ii) If the value of such property sold, leased or otherwise disposed of in any one year is equal to not more than 5% of the value of the fixed assets of the System.

Section 1.4 **Cost of Project.** The Local Borrower certifies that the estimated Eligible Project Costs as listed in Section 1 of Exhibit B is a reasonable and accurate estimation of the Eligible Project Costs and, upon the direction of the Authority the Local Borrower will supply the Authority with a certificate from its engineer stating that such estimated Eligible Project Costs is a reasonable and accurate estimation.

## Article 2 Additional Covenants of the Local Borrower

Section 2.1 **Unconditional Obligations.** The obligation of the Local Borrower to make the Loan Repayments and the obligation to perform and observe the other duties, covenants, obligations and agreements on its part described herein are payable solely from the Source of Repayment described in this Loan Agreement and shall be absolute and unconditional and shall not be abated, rebated, set-off, reduced, abrogated, terminated, waived, diminished, postponed or otherwise modified in any manner or to any extent whatsoever, while any payments hereunder remain unpaid, regardless of any contingency, act of God, event or cause whatsoever, including (without limitation) any acts or circumstances that may constitute failure of consideration, eviction or constructive eviction, the taking by eminent domain or destruction of or damage to the Project or the System, commercial frustration of the purpose, any change in the laws of the United States of America or of the State or any political subdivision of either or in the rules or regulations of any governmental authority, any failure of the Authority to perform and observe any agreement, whether express or implied, or any duty, liability or obligation arising out of or connected with the Project or this Loan Agreement, or any rights of set-off, recoupment, abatement or counterclaim that the Local Borrower might otherwise have against the Authority or any other party or parties; provided, however, that payments under this Loan Agreement shall not constitute a waiver of any such rights. The Local Borrower shall not be obligated to make any payments required to be made by any other local borrowers under separate loan agreements or local borrower bonds. Notwithstanding any other provision of this Section 2.1, or this Loan Agreement, neither the Authority, nor any assignee of the Authority shall have the right or ability to compel the repayment of this Loan Agreement from any source other than the Source of Repayment.

Section 2.2 **Performance Under Loan Agreement.** The Local Borrower covenants and agrees (a) to maintain the System in good repair and operating condition; (b) to cooperate with the Authority to the extent it may lawfully do so, in the observance and performance of the respective duties, covenants, obligations and agreements of such Local Borrower and the Authority under this Loan Agreement; and (c) to comply with the covenants set forth in this Loan Agreement.

Section 2.3 **Disclaimer of Warranties.** The Local Borrower acknowledges and agrees that (i) the Authority makes no warranty or representation, either express or implied as to the value, design, condition, merchantability or fitness for particular purpose or fitness for any use of the System or the Project or any portions thereof or any other warranty or representation with respect thereto; (ii) in no event shall the Authority or its respective agents be liable or responsible for any direct, incidental, indirect, special or consequential damages in connection with or arising out of this Loan Agreement or the Project or the existence, furnishing, functioning or use of the System or the Project; and (iii) are not intended to and shall not be construed as a waiver of any defense or limitation on damages provided for under and pursuant to the laws of the United States or of the State.

Section 2.4 **Loan Repayments; Prepayments; Providing for Payment of the Loan.**

(a) Loan Repayments.

(i) The Local Borrower shall pay to the Authority the amounts set forth in the Loan Repayment Schedule contained in Exhibit A on or before the due dates shown in Exhibit A.

(ii) Each payment made as a Loan Repayment as described in subsection (i) shall be applied first to the combined interest and fee payment then due and payable on the Loan and then to the principal amount of the Loan.

(iii) In addition to the other payments required by this Section, the Local Borrower shall pay a late charge for any payment that is received by the Authority later than the tenth day following its due date, in an amount equal to six percent per annum of the amount of the late payment from its due date to the date it is actually paid; provided, however, that the combined interest and fee rate payable on the Loan including such late charge shall not be in excess of the maximum rate permitted by law or any proceedings or resolution authorizing the execution of this Loan Agreement.

(iv) Upon the final disbursement, if the Loan amount is less than the estimated Eligible Project Costs, the amount of each Principal Installment due as set forth in the Loan Repayment Schedule contained in Exhibit A shall be adjusted to achieve substantially level debt service, and the Authority shall compute the adjusted combined interest and fee amounts to reflect the adjusted principal amounts and shall enter the results in a revised Loan Repayment Schedule delivered to the Local Borrower.

(b) Prepayments. The Loan is not subject to prepayment prior to the tenth anniversary of the final loan draw. The Local Borrower may prepay the Principal Repayment Amount of the Loan in whole or in part in advance of the due dates on or after the tenth anniversary of the final loan draw without penalty upon written notice delivered to the Authority at least 60 days prior to the prepayment date. If the Local Borrower prepays the Repayment Principal Amount in part, the amount of each Principal Installment due as set forth in the Loan Repayment Schedule contained in Exhibit A shall be adjusted to achieve substantially level debt service. Upon such adjustment, the Authority shall compute the adjusted combined interest and fees amounts to reflect the adjusted principal amounts and shall enter the results in the Loan Repayment Schedule with notice to the Local Borrower.

(c) Providing for Payment of the Loan. The Local Borrower may at any time provide for the payment and discharge of the Loan, as provided in this subsection. The Loan shall be deemed to have been paid and discharged if:

(i) the Local Borrower has delivered to the Authority proof satisfactory to the Authority that the Local Borrower has deposited with a financial institution acceptable to the Authority, in trust for and irrevocably committed to payments on the Loan, cash or non-callable direct obligations of the United States of America (including obligations issued or held in book entry form on the books of the Department of Treasury of the United States of America) and obligations of any agency or instrumentality of the United States of America the timely payment of the principal of and interest on which are unconditionally guaranteed by the United States of America, which are of such maturities and interest payment dates, and bear such interest, as will be sufficient together with any moneys also deposited, without further investment or reinvestment of either the principal amount or the interest earnings (which earnings are to be held likewise in trust and so committed), to pay all the amounts due under the Loan, as set forth in the Loan Repayment Schedule contained in Exhibit A, as evidenced in a report of an independent firm of nationally recognized certified public accountants addressed to and delivered to the Authority; and

(ii) the Authority has received a bond counsel opinion (as described in Section 6.2(b) and (c) below) to the effect that the deposit of funds and the investment of such deposit, as described in the preceding paragraph, will not, by itself, adversely affect the exclusion from gross income of interest on the Loan or any Authority Bonds for federal income tax purposes.

Section 2.5 Source of Repayment of Local Borrower's Obligations and Pledge. The Local Borrower irrevocably pledges the Source of Repayment described in this Loan Agreement for the punctual payment of all amounts due under the Loan Agreement. The Authority and the Local Borrower agree that the amounts payable by the Local Borrower under this Loan Agreement are payable solely from the Source of Repayment described in this Loan Agreement and are not payable from any other source whatsoever, unless the Local Borrower chooses to pay, and pays, any amount due hereunder from any other source lawfully available to it.

Section 2.6 Insurance. The Local Borrower shall maintain or cause to be maintained in force, insurance policies with responsible insurers or self-insurance programs or through membership in a risk retention pool, including, but not limited to, the Arizona Municipal Risk Retention Pool (in accordance with the Local Borrower's customary practices) providing against risk of direct physical loss, damage or destruction of the Project and the System, at least to the extent that similar insurance is usually carried by utilities constructing, operating and maintaining system facilities of the nature of the System, including liability coverage, all to the extent available at reasonable cost.

Section 2.7 No Liens. Except for:

(a) the debt service on any future bonds, notes or other evidence of indebtedness of the Local Borrower issued or contractual obligations incurred in accordance with this Loan Agreement payable from the funds pledged to the payment of this Loan Agreement which are on parity with the lien and charge on the funds so pledged to pay this Loan Agreement and



(b) as provided in Exhibit D of this Loan Agreement, the debt service on currently outstanding bonds, notes or evidences of indebtedness or contractual obligations of the Local Borrower, if any, payable from the Source of Repayment described in Exhibit D of this Loan Agreement which the Local Borrower has disclosed to the Authority in writing,

the funds so pledged as described in this Loan Agreement after the payment of all costs of operating and maintaining the System, are and will be free and clear of any pledge, lien, charge or encumbrance thereon or with respect thereto which are prior to, or of equal rank with, the obligation of the Local Borrower to pay this Loan Agreement, and all corporate or other action on the part of the Local Borrower to that end has been and will be duly and validly taken.

Section 2.8 **Disadvantaged Business Enterprises**. As applicable, the Local Borrower shall comply with 40 C.F.R. Part 33<sup>1</sup> including but not limited to:

Local Borrowers and their prime contractors must follow, document, and maintain documentation of their good faith efforts as listed below to ensure that Disadvantage Business Enterprises (DBEs) have the opportunity to participate in the project by increasing DBE awareness of procurement efforts and outreach.

(a) Ensure DBEs are made aware of contracting opportunities to the fullest extent practicable through outreach and recruitment activities; including placing DBEs on solicitation lists and soliciting them whenever they are potential sources.

(b) Make information on forthcoming opportunities available to DBEs and arrange time frames for contracts and establish delivery schedules, where the requirements permit, in a way that encourages and facilitates participation by DBEs in the competitive process. This includes, whenever possible, posting solicitation for bids or proposals for a minimum of 30 calendar days before the bid or proposal closing date.

(c) Consider in the contracting process whether firms competing for large contracts could be subcontracted with DBEs. This will include dividing total requirements when economically feasible into smaller tasks or quantities to permit maximum participation by DBEs in the competitive process.

(d) Encourage contracting with a consortium of DBEs when a contract is too large for one of these firms to handle individually.

(e) Use the services and assistance of the Small Business Administration and the Minority Business Development Agency of the U. S. Department of Commerce.

(f) If the prime contractor awards subcontracts, require the prime contractor to take the steps in sections (a) through (e) above.

These conditions must be included in all procurement contracts entered into by the Local Borrower for all DWRF and CWRP projects:

(a) The prime contractor must pay its subcontractor for satisfactory performance no more than 30 days from the prime contractor's receipt of payment from the owner.

(b) The prime contractor must notify the owner in writing prior to the termination of any Disadvantage Business Enterprise subcontractor for convenience by the prime contractor.

(c) If a Disadvantage Business Enterprise contractor fails to complete work under the subcontract for any reason, the prime contractor must employ the six good faith efforts if soliciting a replacement contractor.

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<sup>1</sup> See Article 9 for a full list of applicable federal laws and authorities relating to Participation by Disadvantaged Business Enterprises in Procurement Under Environmental Protection Agency (EPA) Financial Assistance Agreements.

(d) The prime contractor must continue to employ the six good faith efforts even if the prime contractor has achieved its fair share objectives.

(e) The prime contractor must provide EPA Form 6100-2 DBE Program Subcontractor Participation Form to all of its Disadvantaged Business Enterprise subcontractors. Disadvantaged Business Enterprise subcontractors may send completed Form 6100-2 directly to the Region 9 DBE Coordinator listed below.

**Joe Ochab, EPA Region 9, 75 Hawthorne St. (P-22), San Francisco, CA 94105**

(f) The prime contractor must have its Disadvantaged Business Enterprise subcontractors complete EPA Form 6100-3 – DBE Program Subcontractor Performance Form. The prime contractor must include all completed forms as part of the prime contractor’s bid or proposal package to the Local Borrower.

(g) The prime contractor must complete and submit EPA 6100-4 DBE Program Subcontractor Utilization Form as part of the prime contractor’s bid or proposal package to the Local Borrower.

(h) A Local Borrower must ensure that each procurement contract it awards contains the following terms and conditions:

The contractor shall not discriminate on the basis of race, color, national origin or sex in the performance of this contract. The contractor shall carry out applicable requirements of 40 CFR Part 33 in the award and administration of contracts awarded under EPA financial assistance agreements. Failure by the contractor to carry out these requirements is a material breach of this contract which may result in the termination of this contract or other legally available remedies.

**Article 3 Representations of Local Borrower**

The Local Borrower represents for the benefit of the Authority that the representations contained in this Loan Agreement are true at the time of execution and delivery of this Loan Agreement and, other than with respect to events outside of Local Borrower’s control, will be true in all material respects at all times during the term of this Loan Agreement.

Section 3.1 **Organization and Authority.**

(a) The Local Borrower is a Political Subdivision or Indian Tribe as defined in the Authority Act.

(b) The Local Borrower has full legal right and authority and has, or will obtain as and when required, all necessary licenses and permits required to acquire, own, operate and maintain the Project and the System, to carry on its activities relating thereto, to execute and deliver this Loan Agreement, to undertake and complete the Project, to pledge the Source of Repayment, and to carry out and consummate all transactions contemplated by this Loan Agreement. The Project is a project which the Local Borrower may undertake pursuant to State law and for which the Local Borrower is authorized by law to borrow money.

(c) The proceedings of the Local Borrower’s governing body approving this Loan Agreement and authorizing its execution, issuance and delivery on behalf of the Local Borrower, and authorizing the Local Borrower to undertake and complete the Project have been duly and lawfully adopted in accordance with the laws of the State.

(d) This Loan Agreement has been duly authorized, executed and delivered by an Authorized Officer of the Local Borrower; and, assuming that the Authority has all the requisite power and authority to authorize, execute and deliver, and has duly authorized, executed and delivered this Loan Agreement, this Loan Agreement constitutes a legal and valid obligation of the Local Borrower enforceable in accordance with its terms, and the information contained under “Description of the Loan” in this Loan Agreement is true and accurate in all material respects.

Section 3.2 **Full Disclosure.**

(a) To the best of the Local Borrower's knowledge, there is no fact that the Local Borrower has not disclosed to the Authority in writing that materially adversely affects the properties, activities, prospects or condition (financial or otherwise) of the Local Borrower or the System, or the ability of the Local Borrower to make all Loan Repayments due hereunder and otherwise observe and perform its duties, covenants, obligations and agreements under this Loan Agreement.

(b) The information relating to the Local Borrower (including without limitation the financial and statistical data contained therein) submitted to the Authority by the Local Borrower in connection with the Authority's approval of the Loan was at the time of the Authority's approval of the Loan and at all times subsequent thereto up to and including the Loan Closing, will be (if necessary by amendment provided by the Local Borrower) true and correct and will not contain an untrue statement of material fact or omit to state a material fact necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading in any adverse respect. To the extent permitted by law, and notwithstanding any other provision of this Loan Agreement, the Local Borrower will indemnify, save and hold harmless the Authority, and each of the Authority's agents, for, from and against any and all claims, damages, liability and court awards including costs, expenses and reasonable attorneys' fees incurred as a result of any omission or misstatement of material fact in the information submitted to the Authority by the Local Borrower in connection with the Authority's approval of the Loan, as it may have been supplemented and amended by the Local Borrower.

Section 3.3 **Pending Litigation.** There are no proceedings pending, or to the knowledge of the Local Borrower, threatened, against or affecting the Local Borrower, in any court or before any governmental authority or arbitration board or tribunal that, if adversely determined, would materially adversely affect the properties, activities, prospects or condition (financial or otherwise) of the Local Borrower or the System, or the ability of the Local Borrower to make all Loan Repayments and otherwise observe and perform its duties, covenants, obligations and agreements under this Loan Agreement that have not been disclosed in writing to the Authority in the Local Borrower's application for the Loan or otherwise.

Section 3.4 **Compliance with Existing Laws and Agreements.** The authorization, execution and delivery of this Loan Agreement by the Local Borrower, the observance and performance by the Local Borrower of its duties, covenants, obligations and agreements hereunder and the consummation of the transactions provided for in this Loan Agreement, the compliance by the Local Borrower with the provisions of this Loan Agreement and the undertaking and completion of the Project will not result in any breach of any of the terms, conditions or provisions of, or constitute a default under, or result in the creation or imposition of any lien, charge or encumbrance upon any property or assets of the Local Borrower pursuant to any existing ordinance or resolution, trust agreement, indenture, mortgage, deed of trust, loan agreement or other instrument (other than the lien and charge of this Loan Agreement and any ordinance or resolution or indenture which authorized outstanding obligations of the Local Borrower which are on a parity with this Loan Agreement as to a lien on, or a source and security for, payment thereon from the source of payment that is pledged to the Loan Repayments) to which the Local Borrower is a party or by which the Local Borrower, the System or any of its property or assets may be bound, nor will such action result in any violation of the provisions of the charter or other document pursuant to which the Local Borrower was established or any laws, ordinances, resolutions, governmental rules, regulations or court orders to which the Local Borrower, the System or its properties or operations are subject.

Section 3.5 **No Defaults.** No event has occurred and no condition exists that, upon authorization, execution and delivery of this Loan Agreement or receipt of the amount of the Loan, would constitute an Event of Default hereunder. The Local Borrower is not in violation of, and has not received notice of any claimed violation of, any term of any agreement or other instrument to which it is a party or by which it may be bound, which violation would materially adversely affect the properties, activities, prospects or condition (financial or otherwise) of the Local Borrower or the ability of the Local Borrower to make all Loan Repayments or otherwise observe and perform its duties, covenants, obligations and agreements under this Loan Agreement.

Section 3.6 **Governmental Consent.** The Local Borrower has or will have obtained prior to the date of the Loan Closing all permits and approvals required to date by any governmental body or officer (and reasonably expects to receive all permits required in the future by any governmental agency) for the making, observance and performance

by the Local Borrower of its duties, obligations and agreements under this Loan Agreement or for the undertaking or completion of the Project and the financing thereof, and the Local Borrower has complied with all applicable provisions of law requiring any notification, declaration, filing or registration with any governmental body or officer in connection with the making, observance and performance by the Local Borrower of its duties, covenants, obligations and agreements under this Loan Agreement or with the undertaking or completion of the Project and the financing thereof; and the Local Borrower has complied with all applicable provisions of law requiring any notification, declaration, filing or registration with any governmental body or officer in connection with the making, observance and performance by the Local Borrower of its duties, covenants, obligations and agreements under this Loan Agreement or with the undertaking or completion of the Project and the financing thereof. No consent, approval or authorization of, or filing, registration or qualification with, any governmental body or officer, other than those already obtained or reasonably expected to be obtained, is required on the part of the Local Borrower as a condition to the authorization, execution and delivery of this Loan Agreement, the undertaking or completion of the Project or the consummation of any transaction herein contemplated.

Section 3.7 **Compliance with Law**. The Local Borrower:

(a) is in compliance with all laws, ordinances, governmental rules and regulations to which it is subject and the failure to comply with which would materially adversely affect the ability of the Local Borrower to conduct its activities or undertake or complete the Project or the condition (financial or otherwise) of the Local Borrower or the System; and

(b) has obtained, or will obtain as and when required, all licenses, permits, franchises or other governmental authorizations necessary for the ownership of its property or for the conduct of its activities which, if not obtained, would materially adversely affect the ability of the Local Borrower to undertake or complete the Project or the condition (financial or otherwise) of the Local Borrower or the System.

## Article 4 Assignment

Section 4.1 **Assignment and Transfer by Authority**. The Local Borrower hereby approves and consents to any assignment or transfer of this Loan Agreement that the Authority deems to be necessary in connection with the Clean Water Revolving Fund and Drinking Water Revolving Fund programs of the Authority.

Section 4.2 **Assignment by Local Borrower**. This Loan Agreement may not be assigned by the Local Borrower for any reason, unless the following conditions shall be satisfied: (i) the assignee shall be a governmental unit within the meaning of Section 141(c) of the Code or another entity acceptable to the Authority and the assignee shall have expressly assumed in writing the full and faithful observance and performance of the Local Borrower's duties, covenants, agreements and obligations hereunder; (ii) immediately after such assignment, the assignee shall not be in default in the performance or observance of any duties, covenants, obligations or agreements of the Local Borrower hereunder; and (iii) the Authority shall receive an opinion of counsel to the effect that such assignment will not violate the provisions of any agreement entered into by the Authority with, or condition of any grant received by the Authority from the United States of America relating to the Capital Grant Facility or any capitalization grants received by the Authority or the State under the Federal Water Pollution Control Act and the Federal Safe Drinking Water Act.

No assignment shall relieve the Local Borrower from primary liability for any of its obligations under this Loan Agreement and in the event of such assignment, the Local Borrower shall continue to remain primarily liable for the performance and observance of its obligations to be performed and observed under this Loan Agreement.

## Article 5 Defaults and Remedies

Section 5.1 **Events of Default**. If any of the following events occurs, it is hereby defined as and declared to be and to constitute an "*Event of Default*":

(a) failure by the Local Borrower to pay, or cause to be paid, when due any Loan Repayment;

(b) failure by the Local Borrower to make, or cause to be made, any required payments of principal, redemption premium, if any, and interest on any bonds, notes or other obligations of the Local Borrower for borrowed money (other than the Loan), after giving effect to the applicable grace period, the payments of which are secured by the Source of Repayment described in this Loan Agreement;

(c) failure by the Local Borrower to perform any duty, covenant, obligation or agreement on its part to be observed or performed under this Loan Agreement, other than as referred to in paragraphs (a) and (b) of this Section, which failure shall continue for a period of thirty (30) days after written notice, specifying such failure and requesting that it be remedied, is given to the Local Borrower by the Authority, unless the Authority agrees in writing to an extension of such time prior to its expiration, provided, however, that if the failure stated in such notice is correctable but cannot be corrected within the applicable period the Authority may not unreasonably withhold its consent to an extension of such time if corrective action is instituted by the Local Borrower and diligently pursued until the Event of Default is corrected;

(d) the institution of any proceeding, with the acquiescence of the Local Borrower, for the purpose of effecting a composition between the Local Borrower and its creditors or for the purpose of adjusting the claims of such creditors, pursuant to any federal or state statute now or hereafter enacted, if the claims of such creditors are payable from the Source of Repayment described in this Loan Agreement;

(e) a determination by the Authority that any material representation made by or on behalf of the Local Borrower contained in this Loan Agreement, or in any instrument furnished in compliance with or with reference to this Loan Agreement, is false or misleading in any material respect; and

(f) the filing of a petition by or against the Local Borrower under any federal or state bankruptcy or insolvency law or other similar law in effect on the date of this Loan Agreement or thereafter enacted, unless in the case of any such petition filed against the Local Borrower such petition shall be dismissed within thirty (30) days after such filing and such dismissal shall be final and not subject to appeal; or the Local Borrower becoming insolvent or bankrupt or making an assignment for the benefit of its creditors; or the appointment of a custodian (including, without limitation, a receiver, liquidator or trustee of the Local Borrower or any of its property including the System) by court order, or possession of the Local Borrower or its property or assets is taken if such order remains in effect or such possession continues for more than thirty (30) days.

Section 5.2 **Notice of Default.** The Local Borrower shall give the Authority prompt telephone notice of the occurrence of any Event of Default referred to in Section 5.1 paragraph (c) hereof, and of the occurrence of any other event or condition that constitutes an Event of Default, at such time as any senior administrative or financial officer of the Local Borrower becomes aware of the existence thereof. Any telephone notice pursuant to this Section shall be confirmed in writing by the end of the next Business Day.

### Section 5.3 **Remedies on Default.**

(a) Whenever an Event of Default referred to in Section 5.1 hereof shall have occurred and be continuing, the Authority shall have the right to take any action permitted or required pursuant to this Loan Agreement and to take whatever other action at law or in equity as may appear necessary or desirable to collect the amounts then due and thereafter to become due on their scheduled payment dates or to enforce the performance and observance of any duty, covenant, obligation or agreement of the Local Borrower hereunder, including, without limitation, appointment of a receiver of the System.

(b) Nothing in this Loan Agreement shall be construed to affect the Attorney General taking action to enforce this Loan Agreement in accordance with the Authority Act.

Section 5.4 **Attorney's Fees and Other Expenses.** In the event of a default hereunder by the Local Borrower, the Local Borrower shall on demand and to the extent not prohibited by applicable law pay to the Authority the reasonable fees and expenses of attorneys and other reasonable expenses (including without limitation the reasonably allocated costs of in-house counsel and legal staff) incurred by the Authority in the collection of Loan

Repayments or any other sum due hereunder or in the enforcement of performance or observance of any other duties, covenants, obligations or agreements of the Local Borrower to the extent permitted by law.

Section 5.5 **Application of Moneys.** The parties acknowledge that: (a) all amounts coming due hereunder as Loan Repayments shall be treated as principal and combined interest and fees with respect to the Loan which amounts are secured by a pledge of the Source of Repayment in accordance with Exhibit D of this Loan Agreement; and (b) amounts coming due under Section 5.4 hereof shall be secured by the Source of Repayment on a basis subordinate to the Loan Repayments, but on a parity with comparable expenses relating to such Outstanding Parity Obligations and Additional Parity Obligations.

However, any moneys collected by the Authority pursuant to Section 5.3 in the exercise of remedies with respect to amounts due or to become due hereunder shall be applied: (a) first, to pay any attorney's fees or other fees and expenses owed by the Local Borrower pursuant to Section 5.4 hereof, (b) second, to pay delinquent combined interest fees and late charges on the Loan; (c) third, to pay combined interest and fees then due and payable on the Loan; (d) fourth, to pay delinquent principal on the Loan in order of scheduled maturity; (e) fifth, to pay principal then due and payable on the Loan; and (f) sixth, to pay any other amounts due and payable pursuant to this Loan Agreement.

Section 5.6 **No Remedy Exclusive; Waiver; Notice.** No remedy conferred upon or reserved to the Authority hereunder is intended to be exclusive, and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity. No delay or omission to exercise any right, remedy or power accruing upon any Event of Default shall impair any such right, remedy or power or shall be construed to be a waiver thereof, but any such right, remedy or power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Authority to exercise any remedy reserved to it as described in this Article, it shall not be necessary to give any notice, other than such notice as may be required in this Article.

Section 5.7 **Retention of Authority's Rights.** Notwithstanding any assignment or transfer of this Agreement pursuant to the provisions hereof, or anything else to the contrary contained herein, the Authority shall have the right upon the occurrence of an Event of Default to take any action, including (without limitation) bringing an action against the Local Borrower at law or in equity, as the Authority may, in its discretion, deem necessary to enforce the obligations of the Local Borrower to the Authority.

Section 5.8 **Default by the Authority.** In the event of any default by the Authority in any duty, covenant, agreement or obligation described in this Agreement, the Local Borrower's remedy for such default shall be limited to injunction, special action, action for specific performance or any other available equitable remedy designed to enforce the performance or observance of any duty, covenant, obligation or agreement of the Authority described herein as may be necessary or appropriate. The Authority shall on demand pay to the Local Borrower the reasonable fees and expenses of attorneys and other reasonable expenses in the enforcement of such performance or observance.

## **Article 6 Provisions Applicable to Loans Financed by or Pledged to Secure Authority Bonds**

Section 6.1 **General.** The Local Borrower acknowledges that the Authority is entering into this Loan Agreement and agreeing to make the Loan at this time for the benefit of the Local Borrower, and that the Authority may finance the Loan, along with other loans to other local borrowers, through the issuance of Authority Bonds and may pledge the Loan to secure Authority Bonds. If and for so long as the Authority's source of funds to make disbursements on, or to carry, the Loan represented by this Loan Agreement is, or becomes, the proceeds of Authority Bonds, or this Loan Agreement is assigned by the Authority as security for payment of amounts due or to become due on Authority Bonds, the Local Borrower agrees to cooperate with the Authority with respect to the issuance of Authority Bonds by furnishing and certifying information concerning the Local Borrower, the Project, the System and the Source of Repayment, and by agreeing to reasonable modifications and additions to this Loan Agreement necessary or convenient for the Authority Bond transaction. Without limiting the generality of the foregoing, the Local Borrower agrees that if the Authority at any time determines, in its discretion, that it is necessary in connection with the

issuance of Authority Bonds or the maintenance of the Authority's bond program, then the provisions set forth in this Article shall be in effect.

#### Section 6.2 **Tax Covenants.**

(a) **General.** The Local Borrower acknowledges that, in connection with its state revolving fund programs, the Authority issues its Authority Bonds from time to time to finance loans and the Authority also pledges certain loans to secure and to serve as the source of payment for the Authority Bonds. As a result, and under the provisions of federal tax law applicable to the Authority Bonds, it is in the Authority's interest for the Loan to qualify and be a Tax-Exempt Obligation that is not an AMT Obligation. Therefore, the Local Borrower represents and covenants as follows with respect to the Loan and the Authority Bonds. The Local Borrower covenants that it will not take any action, or fail to take any action, if any such action or failure to take such action would adversely affect the exclusion from gross income of the interest on the Loan or the Authority Bonds under Section 103(a) of the Internal Revenue Code or cause the interest on the Loan or the Authority Bonds to become an AMT Obligation, and in the event of such action or omission, it will, promptly upon having such brought to its attention, take such reasonable actions based upon a bond counsel opinion as may rescind or otherwise negate such action or omission. The Local Borrower will not directly or indirectly use or permit the use of any proceeds of the Loan or any other funds of the Local Borrower or take or omit to take any action that would cause the Loan or the Authority Bonds to be or become "arbitrage bonds" within the meaning of Section 148(a) of the Internal Revenue Code or to fail to meet any other applicable requirement of Sections 103, 141, 148, 149 and 150 of the Internal Revenue Code or cause the interest on the Loan or the Authority Bonds to become an item of tax preference for purposes of the alternative minimum tax imposed on individuals and corporations under the Internal Revenue Code. To that end, the Local Borrower will comply with all applicable requirements of Sections 103, 141, 148, 149 and 150 of the Code to the extent applicable to the Loan.

(b) **Modification Based on Bond Counsel Opinion.** Notwithstanding any provision of this Section, if the Local Borrower provides to the Authority a bond counsel opinion to the effect that any action required under this Section is no longer required, or to the effect that some further action is required, to maintain the exclusion from gross income of interest on the Loan or the Authority Bonds pursuant to Section 103(a) of the Internal Revenue Code, the provisions of this Section and the covenants in this Section shall be deemed to be modified to that extent.

(c) **Bond Counsel Opinion.** For purposes of this Article, "bond counsel opinion" means an opinion letter of a firm of attorneys of national reputation experienced in the field of municipal bonds whose opinions are generally accepted by purchasers of municipal bonds, and who is acceptable to the Authority.

Section 6.3 **Third Party Beneficiaries.** The Trustee, the owners from time to time of the Authority Bonds, any Credit Enhancer from time to time of the Authority Bonds and any underwriter of the Authority Bonds are each expressly acknowledged to be third party beneficiaries of this Loan Agreement and each representation, agreement, duty, obligation and provision of this Loan Agreement.

Section 6.4 **Additional Documents Relating to Authority Bonds.** The Local Borrower will furnish to the Authority and certify to such information and execute and deliver and cause to be executed and delivered such documents as the Authority, the underwriter or other parties to any Authority Bond transaction may reasonably require, including, without limitation:

(a) a certificate of an Authorized Officer of the Local Borrower to the effect that the information contained in the Final Official Statement (defined in Section 6.5, paragraph (a)) for the Authority Bonds concerning the Local Borrower is correct in all material respects and is an accurate summary of the information which it purports to summarize, and that nothing has come to the Authorized Officer's attention that would lead the Authorized Officer to believe that the information in the Final Official Statement relating to the Local Borrower contains an untrue statement of a material fact or omits to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; and

(b) subject to the continuing disclosure requirements of Securities and Exchange Commission Rule 15c2-12 (the "Disclosure Rule"), a continuing disclosure undertaking of the Local Borrower meeting the requirements of the Disclosure Rule, and a statement of the Local Borrower as to whether it has failed to provide any information and

notices required by the provisions of previous continuing disclosure undertakings, if any, of the Local Borrower under the Disclosure Rule, and if it has not, describing the circumstances and status of such failure; and

(c) an appropriate certificate executed by Authorized Officer of the Local Borrower concerning the reasonable expectations of the Local Borrower as to the use of the proceeds of the Loan and such other matters as may be required on the part of the Local Borrower in order to ensure that the Authority Bonds are and will remain Tax-Exempt Obligations that are not AMT Obligations, and the Local Borrower covenants to comply with the provisions of such certificate; and

(d) such other certificates, documents and information, and supplemental opinions of Local Borrower's counsel, as the Authority, the underwriters of the Authority Bonds or other parties to the Authority Bonds transaction may reasonably require and as are necessary to confirm the continued truth and accuracy of information supplied by or on behalf of the Local Borrower.

#### Section 6.5 **Disclosure Regarding Authority Bonds.**

(a) The information, if any, relating to the Local Borrower (including without limitation the financial and statistical data contained therein) which has been furnished by the Local Borrower to be included in, and which is included in, a Preliminary Official Statement of the Authority (the "*Preliminary Official Statement*"), or a final Official Statement (the "*Final Official Statement*") of the Authority concerning any Authority Bonds, as of the respective dates of each such document and at all times subsequent thereto up to and including the Bond Closing, will be (if necessary by amendment provided by the Local Borrower) true and correct and will not contain an untrue statement of material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading. To the extent permitted by law, and notwithstanding any other provision of this Loan Agreement, the Local Borrower will indemnify, save and hold harmless the Authority and each other local borrower, if any, included in the Final Official Statement, and each of such parties' respective agents, for, from and against any and all claims, damages, liability and court awards including costs, expenses and attorneys fees incurred as a result of any omission or misstatement of a material fact in the Local Borrower's information in the Final Official Statement, as it may have been supplemented or amended by the Local Borrower.

(b) The Local Borrower agrees that from the date of the Final Official Statement and for a period until not later than 25 days after the date of the Bond Closing if and so long as the offering of the Authority Bonds continues (i) the Local Borrower will furnish such information with respect to itself as the Authority (for itself or at the request of the underwriters of the Authority Bonds) may from time to time reasonably request and (ii) if any event shall occur as a result of which it is necessary, in the opinion of Bond Counsel to the Authority, or counsel for the underwriters of the Authority Bonds, to amend or supplement the information in the Final Official Statement relating to the Local Borrower in order to make such information not misleading in light of the circumstances then existing, the Local Borrower will forthwith prepare, and furnish to the Authority and the underwriters such information relating to the Local Borrower as may be necessary to permit the preparation of an amendment of or supplement to the Final Official Statement (in form and substance satisfactory to the Bond Counsel to the Authority and counsel for the underwriters) which will amend or supplement the Final Official Statement so that it will not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in light of the circumstances then existing, not misleading.

(c) The Local Borrower agrees that if prior to the 25th day following the end of the underwriting period of the Authority Bonds, as defined for purposes of the Disclosure Rule, any event shall occur which causes the representations contained in Section 6.4, paragraph (a) to be false in any material respect, the Local Borrower shall promptly notify the Authority of such development, and if in the opinion of the Authority and the underwriters of the Authority Bonds such development requires the preparation of a supplement or an amendment to the Preliminary Official Statement or the Final Official Statement, the Local Borrower agrees to cooperate with the Authority and the underwriters for the Authority Bonds in preparing any such supplement or amendment in a form acceptable to such parties and to pay all reasonable expenses incurred by such parties in connection with the preparation thereof.

#### Section 6.6 **Assignment and Transfer by Authority to Trustee.**



(a) The Local Borrower expressly acknowledges that, other than the right of the Authority to be indemnified by the Local Borrower, all right, title and interest of the Authority in, to and under this Loan Agreement will be assigned to the Trustee as security for the Authority Bonds, as applicable, as provided in the Authority's Master Trust Indenture, and that if any Event of Default shall occur the Trustee, pursuant to the Authority's Master Trust Indenture, shall be entitled to act hereunder in the place and stead of the Authority. The Local Borrower hereby acknowledges the requirements of the Authority's Master Trust Indenture applicable to the Authority Bonds and consents to such assignment and appointment. The Authority shall retain the right to compel or otherwise enforce observance and performance by the Local Borrower of its duties, covenants, obligations and to be indemnified by the Local Borrower; provided, however, that in no event shall the Authority or the Trustee have the right to accelerate the payments under this Loan Agreement.

(b) The Local Borrower hereby approves and consents to any assignment or transfer of this Loan Agreement that the Authority deems to be necessary in connection with any refunding of the Authority Bonds or otherwise in connection with the Clean Water Revolving Fund and Drinking Water Revolving Fund programs of the Authority.

Section 6.7 **Conditions to Assignment by Local Borrower**. Notwithstanding Section 4.2, this Loan Agreement may not be assigned by the Local Borrower for any reason, unless the following conditions shall be satisfied: (i) the Authority, the Trustee and the Credit Enhancer, if any, of the Authority Bonds shall have approved said assignment in writing; (ii) the assignee shall be a governmental unit within the meaning of Section 141(c) of the Internal Revenue Code or another entity acceptable to the Authority and the assignee shall have expressly assumed in writing the full and faithful observance and performance of the Local Borrower's duties, covenants, agreements and obligations hereunder; (iii) immediately after such assignment, the assignee shall not be in default in the performance or observance of any duties, covenants, obligations or agreements of the Local Borrower hereunder; (iv) the Authority and the Trustee shall have received an opinion of bond counsel to the effect that such assignment will not adversely affect the exclusion of interest on the Authority Bonds from gross income for purposes of Federal income taxation under Section 103(a) of the Code or make the Authority Bonds or the Loan AMT Obligations; and (v) the Authority and the Trustee shall receive an opinion of counsel to the effect that such assignment will not violate the provisions of the Master Trust Indenture or any agreement entered into by the Authority with, or condition of any grant received by the Authority from, the United States of America relating to the Capital Grant Facility or any capitalization grants received by the Authority or the State under the Federal Water Pollution Control Act and the Federal Safe Drinking Water Act.

No assignment shall relieve the Local Borrower from primary liability for any of its obligations under this Loan Agreement and in the event of such assignment, the Local Borrower shall continue to remain primarily liable for the performance and observance of its obligations to be performed and observed under this Loan Agreement.

Section 6.8 **Sale or Other Disposition of Project or System**. The Local Borrower agrees that it will not sell, lease, abandon or otherwise dispose of all or substantially all or any substantial portion of the Project or the System unless (i) the transferee assumes the Local Borrower's obligations under this Loan Agreement in accordance with Section 6.6, (ii) the Authority shall by appropriate action determine, in its sole discretion, that such sale, lease, abandonment or other disposition will not adversely affect the Authority's ability to meet its duties, covenants, obligations and agreements under the Bond Documents, and will not adversely affect the eligibility of interest on Authority Bonds then outstanding or which could be issued in the future for exclusion from gross income for purposes of federal income taxation or cause such Authority Bonds to be AMT Obligations, and (iii) the Credit Enhancer, if any, of the Authority Bonds shall have given its prior written consent to such disposition.

Section 6.9 **Deficiencies Under Bond Documents Caused by Failure to Make Loan Repayment**. The Local Borrower acknowledges that payment of the Authority Bonds by the Authority, including payment from moneys drawn by the Trustee from the Bond Reserves or the CWRP Financial Assistance Account and DWRP Financial Assistance Accounts established under the Bond Documents, does not constitute payment of the amounts due under this Loan Agreement. If at any time the amounts on deposit in the Bond Reserves or the CWRP Financial Assistance Account and DWRP Financial Assistance Accounts shall be less than the amounts required by the Bond Documents as the result of any transfer of moneys from the Bond Reserves or the CWRP Financial Assistance Account and DWRP Financial Assistance Accounts which in turn is the result of a failure by the Local Borrower to make any Loan Repayments required hereunder, the Local Borrower agrees to (i) replenish such moneys so transferred, and (ii) replenish any deficiency arising from losses incurred in making such transfer as the result of the

liquidation by the Authority of investment securities acquired as an investment of moneys in the Bond Reserves or the CWRP Financial Assistance Account and DWRP Financial Assistance Accounts, by making payments to the Authority in equal monthly installments for the lesser of six (6) months or the remaining term of the Loan at a combined interest and fee rate to be determined by the Authority necessary to make up any loss caused by such deficiency, provided that the combined interest and fee rate payable on the Loan including such make-up combined interest and fees shall not exceed the maximum rate permitted by the Authorizing Proceedings which authorized this Loan Agreement.

Section 6.10 **Indemnification**. To the extent permitted by law, the Local Borrower shall indemnify, save and hold harmless the Authority against any and all claims, damages, liability and court awards including costs, expenses and attorney fees to the extent incurred as a result of any gross negligence or willful misconduct by the Local Borrower, or its employees, agents or subcontractors pursuant to the terms of this Loan Agreement.

Section 6.11 **Compliance with Master Trust Indenture**. The Local Borrower covenants and agrees to take such action as it may lawfully take and as the Authority shall reasonably request so as to enable the Authority to observe and comply with, all duties, covenants, obligations and agreements contained in the Master Trust Indenture insofar as such duties, covenants, obligations and agreements relate to the obligations of the Local Borrower under this Loan Agreement.

Section 6.12 **Provisions Relating to Default**.

(a) Any notice or information which the Local Borrower is to give to the Authority pursuant to the provisions of Article 5 shall also be given by the Local Borrower to the Trustee and to any Credit Enhancer at the same time.

(b) Notwithstanding the provisions of Section 5.3, paragraph (a) and Section 5.7, so long as a Credit Enhancer is not in default of its obligations with respect to its payment guarantee of the Authority Bonds and such guarantee is in effect, the Credit Enhancer shall have the right to direct the exercise of remedies provided for herein and the Trustee and the Authority shall not pursue any remedy except with the prior written consent of the Credit Enhancer.

(c) In the event of a default hereunder by the Local Borrower, the Local Borrower shall also pay the expenses of the Trustee and of any Credit Enhancer in the same manner as provided in Section 5.4 with respect to the expenses of the Authority.

Section 6.13 **Tax Compliance Certificate**. If the Authority Bonds are issued and sold on the basis that they are Tax-Exempt Obligations, an Authorized Officer of the Local Borrower shall deliver an appropriate certificate concerning the reasonable expectations of the Local Borrower as to the use of the proceeds of the Loan and such other matters as may be required on the part of the Local Borrower in order to ensure that the Authority Bonds are and will remain Tax-Exempt Obligations that are not AMT Obligations, and the Local Borrower covenants to comply with the provisions of such certificate.

## **Article 7 Miscellaneous**

Section 7.1 **Binding Effect**. This Loan Agreement shall inure to the benefit of and shall be binding upon the Authority and the Local Borrower and their respective successors and assigns.

Section 7.2 **Severability**. In the event any provision of this Loan Agreement shall be held illegal, invalid or unenforceable by any Court of competent jurisdiction, such holding shall not invalidate, render unenforceable or otherwise affect any other provision hereof.

Section 7.3 **Amendments, Supplements and Modifications**. This Loan Agreement may not be amended, supplemented or modified without the prior written consent of the Authority and the Local Borrower.

Section 7.4 **Execution in Counterparts**. This Loan Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 7.5 **Captions.** The captions or headings in this Loan Agreement are for convenience only and shall not in any way define, limit or describe the scope or intent of any provisions or sections of this Loan Agreement.

Section 7.6 **Further Assurances.** The Local Borrower shall, at the request of the Authority, authorize, execute, acknowledge and deliver such further resolutions, conveyances, transfers, assurances, financing statements and other instruments as may be necessary or desirable for better assuring, conveying, granting, assigning and confirming the rights and agreements granted or intended to be granted by this Loan Agreement.

Section 7.7 **State of Arizona Contract Provisions.**

(a) **Books and Records.** As required by the provisions of Arizona Revised Statutes Section 35-214, the Local Borrower agrees that all books, accounts, reports, files and other records relating to this Loan Agreement shall be retained and shall be subject at all reasonable times to inspection and audits by the Authority for five years after completion of this Loan Agreement, and that upon request by the Authority such records shall be produced at any of the Authority offices designated herein as the place at which notices to the Authority are to be given.

(b) **Prohibition Against Discrimination.** In the event that it applies, the parties agree to comply with the Arizona Governor's Executive Order 2009-9, entitled "Prohibition of Discrimination in State Contracts Non-Discrimination in Employment by Government Contractors and Subcontractors," which mandates that all persons, regardless of race, color, religion, sex, age, or national origin shall have equal access to employment opportunities, and all other applicable state and Federal employment laws, rules, and regulations, including the Americans with Disabilities Act. The Local Borrower shall take affirmative action to ensure that applicants for employment and employees are not discriminated against due to race, creed, color, religion, sex, national origin or disability.

(c) **Governing Law and Forum.** This Loan Agreement shall be governed by and construed in accordance with the laws and judicial decisions of the State of Arizona, except as such laws may be preempted by any federal rules or regulations. The parties hereto expressly acknowledge and agree and all Local Borrowers by their acceptance thereof shall be deemed to have acknowledged and agreed that any judicial action to interpret or enforce the terms of this Loan Agreement against the Authority shall be brought and maintained in the Superior Court of the State of Arizona in and for Maricopa County or in the United States District Court in and for the District of Arizona.

(d) **Arbitration.** In the event of a dispute, the parties agree to use arbitration, after exhausting applicable administrative review, to the extent required by Arizona Revised Statutes Section 12-1518, and the prevailing party shall be entitled to attorney's fees and costs with respect thereto.

(e) **Notice of Arizona Revised Statutes Section 38-511 – Cancellation.** Notice is hereby given of the provisions of Arizona Revised Statutes Section 38-511, as amended. By this reference, the provisions of said statute are incorporated herein to the extent of their applicability to this Loan Agreement under the law of the State of Arizona.

(f) **Additional Warranties and Certifications from the Local Borrower.** In compliance with Section 23-214(B) of the Arizona Revised Statutes, the Local Borrower warrants to the Authority that either (i) it is not an "employer" (within the meaning of Arizona Revised Statutes Section 23-214(B)) or (ii) it is registered with and is participating in the employment verification pilot program as jointly administered by the United States department of homeland security and the social security administration or any of its successor programs (the "E-Verify Program") and that the proof submitted to the Authority of that registration and participation is true and correct. The Local Borrower agrees that, until the Loan is fully paid, at all times during which it is an "employer" (within the meaning of Arizona Revised Statutes Section 23-214(B)) it will be registered with and will participate in the E-Verify Program. The breach by the Local Borrower of the foregoing shall be deemed a material breach by the Local Borrower of this Loan Agreement and may result in penalties up to and including the termination of this Loan Agreement. If the Authority determines that the Local Borrower is not so registered and participating when required, the Authority will notify the Local Borrower by certified mail of the determination of noncompliance and the Local Borrower's right to appeal the determination. On a final determination of noncompliance, the Local Borrower shall repay all monies received as an economic development incentive (within the meaning of Arizona Revised Statutes Section 23-214(B)) to the Authority within thirty days of the final determination.

## Article 8 Definitions

Section 8.1 **Definitions.** The following terms as used in this Loan Agreement shall, unless the context clearly requires otherwise, have the following meaning:

“*AMT Obligation*” means a Tax-Exempt Obligation the interest on which is an item of tax preference for purposes of the alternative minimum tax imposed on individuals and corporations under the Internal Revenue Code.

“*Annual Loan Review Form*” means the loan compliance questionnaire circulated by the Authority to all borrowers as part of the Authority’s annual loan portfolio review.

“*Authority*” means the Water Infrastructure Finance Authority of Arizona, a body corporate and politic of the State of Arizona duly created and validly existing under and by virtue of the Authority Act.

“*Authority Act*” means Title 49, Chapter 8 (Section 49-1201 *et seq.*) of the Arizona Revised Statutes (“A.R.S.”).

“*Authority Bonds*” means any bonds of the Authority issued to finance the State’s revolving fund established pursuant to the Water Pollution Control Act, as amended, and the Safe Drinking Water Act, as amended.

“*Authorized Officer*” means, (i) with respect to the Local Borrower, the person whose name is set forth in this Loan Agreement or such other person or persons authorized by the Local Borrower to act as an authorized officer of the Local Borrower to perform any act or execute any document relating to the Loan or this Loan Agreement whose name is furnished in writing to the Authority and the Trustee; and (ii) with respect to the Authority, the Chairman, Vice Chairman, Executive Director, or any other person or persons designated by the Board to act on behalf of the Authority with respect to this Loan Agreement; the designation of such person or persons shall be evidenced by a written certificate containing a specimen signature of such person or persons and signed on behalf of the Authority by its Chairman or Vice Chairman.

“*Bond Closing*” means the date of initial delivery of and payment for the Authority Bonds.

“*Bond Documents*” means and includes the Master Trust Indenture, any supplemental indenture and any comparable or related document pursuant to which the Authority Bonds are issued, and all further amendments and supplements thereto adopted in accordance with the provisions thereof.

“*Bond Reserves*” means reserves established by the Bond Documents for the Authority Bonds to secure timely payment of amounts due on the Authority Bonds even if one or more local borrowers do not make timely payments on their loans.

“*Business Day*” means any day other than a Saturday, Sunday or legal holiday or a day on which banking institutions, in the city in which the designated office of the Authority (being Phoenix, Arizona) is located, are closed.

“*Capital Grant Facility*” means the contractual arrangement established with the Authority by the United States of America Environmental Protection Agency to make capitalization grant payments pursuant to Title VI of the Federal Water Pollution Control Act, as amended (33 U.S.C. § 125 *et seq.*) and the Federal Safe Drinking Water Act, as amended (particularly 42 U.S.C. § 300j-12 *et seq.*).

“*Clean Water Act*” means the Federal Water Pollution Control Act amendments of 1972 (P.L. 92-500; 86 Stat. 816), as amended by the Water Quality Act of 1987 (P.L. 100-4; 101 Stat. 7) and the Water Resources Reform and Development Act of 2014 (P.L. 113-21, 128 Stat. 1193).

“*Clean Water Revolving Fund*” means the fund established by A.R.S. § 49-1221.

“*Code*” means the Internal Revenue Code of 1986, the Regulations (whether temporary or final) under that Code or the statutory predecessor of that Code, and any amendments of, or successor provisions to, the foregoing and any

official rulings, announcements, notices, procedures and judicial determinations regarding any of the foregoing, all as and to the extent applicable. Unless otherwise indicated, reference to a Section includes any applicable successor section or provision and such applicable Regulations, rulings, announcements, notices, procedures and determinations pertinent to that Section.

“*Combined Interest and Fee Rate*” means periodic interest and fee payments made by the Borrower, see Exhibit A to this Loan Agreement.

“*Construction Period*” means the period from the date of the Loan Closing until the date of the final disbursement of proceeds of the Loan pursuant to this Loan Agreement, but in no event later than the third anniversary of the Loan Closing.

“*Cost*” means those costs that are eligible to be funded from draws under the Capital Grant Facility and are reasonable, necessary and allocable to the Project and are permitted by generally accepted government auditing standards to be costs of the Project.

“*Credit Enhancer*” means the entity so designated in the Bond Documents, if any, or any successor thereto, that from time to time has issued and outstanding a municipal bond insurance policy or similar payment guarantee relating to the Authority Bonds.

“*CWRF Financial Assistance Account*” means the account so designated in the Master Trust Indenture to which loans funded by the Clean Water Revolving Fund shall be credited.

“*Debt Management Fee*” means the fee component of the combined interest and fee payments made by the Borrower, see Exhibit A to this Loan Agreement.

“*Department*” means the Department of Environmental Quality of the State of Arizona.

“*Drinking Water Facility*” has the meaning given that term in the Authority Act, currently: a community water system or a non-profit noncommunity water system as defined in the Federal Safe Drinking Water Act (P.L. 93-523; 88 Stat. 16601; P.L. 95-190; 91 Stat. 1393; P.L. 104-182; 110 Stat. 1613) that is located in the State. The term does not include water systems owned by federal agencies.

“*Drinking Water Revolving Fund*” means the fund established by A.R.S. § 49-1241.

“*DWRF Financial Assistance Account*” means the account so designated in the Master Trust Indenture to which loans funded by the Drinking Water Revolving Fund shall be credited.

“*Eligible Project Costs*” means, whether incurred before or after the date of this Loan Agreement, such portion of the Costs as is disbursed by the Authority for the benefit of the Local Borrower. The Local Borrower and the Authority acknowledge that the actual Eligible Project Costs for the Project have not been determined as of the effective date of this Loan Agreement. The final Eligible Project Costs shall be established after all disbursements have been made.

“*Event of Default*” means any occurrence or event specified in Section 5.1 hereof.

“*Indian Tribe*” has the meaning given that term by the Authority Act, currently: any Indian tribe, band, group or community that is recognized by the United States Secretary of the Interior and that exercises governmental authority within the limits of any Indian reservation under the Jurisdiction of the United States government notwithstanding the issuance of any patent and including rights-of-way running through the reservation.

“*Loan*” means (a) during the Construction Period, the commitment to lend to the Local Borrower the Estimated Eligible Project Costs set forth in this Loan Agreement (as it may be amended or revised from time to time), and (b) thereafter, the amount of money equal to the Eligible Project Costs which is actually loaned to the Local Borrower pursuant to this Loan Agreement.

“*Loan Agreement*” or “*Agreement*” means this Loan Agreement, including the Exhibits and these Standard Terms and Conditions attached to this Loan Agreement, as it may be supplemented, modified or amended from time to time in accordance with the terms hereof.

“*Loan Closing*” means the date of execution and delivery of this Loan Agreement.

“*Loan Repayment Date*” means the payment dates commencing and ending on the dates set forth in this Loan Agreement.

“*Loan Repayments*” means the payments payable by the Local Borrower pursuant to this Loan Agreement.

“*Local Borrower*” means the Political Subdivision or Indian Tribe that is a party to and is described in the first paragraph of this Loan Agreement.

“*Master Trust Indenture*” means and includes the Master Trust Indenture dated as of August 1, 1999, as supplemented, and any comparable or related document, pursuant to which the Authority issues Authority Bonds.

“*Political Subdivision*” has the meaning given that term by the Authority Act, currently: a county, city, town or special taxing district authorized by law to construct wastewater treatment facilities.

“*Project*” is the project described in Section 2.1 of the Loan Agreement, all or a portion of the Cost of which is financed from the proceeds of the Loan.

“*Repayment Period*” means the period over which the principal amount of the Loan will be repaid which period begins and ends on the dates set forth in this Loan Agreement.

“*Repayment Principal Amount*” means the amount the Authority agrees to loan to the Local Borrower pursuant to this Loan Agreement or such lesser amount of actual Eligible Project Costs as represents the aggregate amount of the Loan actually made pursuant to this Loan Agreement.

“*Reserve Fund Surety*” means a surety bond, insurance policy, letter of credit or similar arrangement representing the irrevocable obligation of the issuer thereof to pay to or at the direction of the Local Borrower an amount up to the Reserve Requirement as set forth in Exhibit A.

“*Safe Drinking Water Act*” means the Federal Safe Drinking Water Act (P.L. 93-523; 88 Stat. 1660; P.L. 96-190; 91 Stat. 1393; P.L. 104-182; 110 Stat. 1613), as amended in 1996.

“*Source of Repayment*” means the “source of repayment” set forth in this Loan Agreement as defined in Exhibit D.

“*State*” means the State of Arizona.

“*System*” means the “System” as defined in Section 2.2 of the Loan Agreement.

“*Tax-Exempt Obligation*” means any obligation or issue of obligations (including bonds, notes and lease obligations treated for federal income tax purposes as evidences of indebtedness) the interest on which is excluded from gross income for federal income tax purposes within the meaning of Section 150 of the Code, and includes any obligation or any investment treated as a “tax-exempt bond” for the applicable purpose of Section 148 of the Code

“*Trustee*” means the Trustee appointed by the Authority pursuant to the Bond Documents and its successor or successors and any other corporation which may at any time be substituted in its place as Trustee pursuant to the Bond Documents.

Terms not otherwise defined herein shall have the meanings ascribed to them in Exhibit D to the Loan Agreement.

Section 8.2 **Rules of Interpretation.** For all purposes of this Loan Agreement, except as otherwise expressly provided or unless the context otherwise requires:

- (a) Words of one gender include the corresponding words of other genders; words of neuter include both genders; and words in the singular include words in the plural and vice versa.
- (b) Words indicating persons, parties, or entities (and the like) include firms, associations, partnerships (including limited partnerships), limited liability companies (and the like), corporations, trusts and other legal entities, including public and governmental bodies, as well as natural persons.
- (c) References to a statute refer to the statute, as amended, and any successor statute, and to all regulations promulgated under or implementing the statute or successor statute, as in effect at the relevant time.
- (d) References to a governmental or quasi-governmental entity or representatives thereof also refer to an entity that succeeds to the functions of the governmental or quasi-governmental entity and representatives thereof.
- (e) Headings preceding sections of text and any table of contents are solely for convenience of reference and are not part of this Loan Agreement and are not to affect its meaning, interpretation or effect.
- (f) Actions permitted under this Loan Agreement may be taken at any time and from time to time in the actor's sole discretion.
- (g) The word "including" means "including, but not limited to" and the word "include" means "include, among others."
- (h) The terms "hereby," "hereof," "herein," and "hereunder" (and the like) refer to this Loan Agreement.
- (i) Indications of time of day mean local time in Phoenix, Arizona.
- (j) This Loan Agreement shall be governed by and construed in accordance with the applicable law of the State of Arizona, except for its conflict of law rules and except as preempted by federal.

### **Article 9 List of Federal Laws and Authorities**

By Section 5.4 and Section 5.5 of Exhibit B to the Loan Agreement, the Local Borrower agrees that the Project will comply with applicable provisions of the following federal laws and authorities:

Environmental:

1. Archaeological and Historical Preservation Act of 1974, Pub. L. 93-291; 16 U.S.C. § 469a-1.
2. Clean Air Act, Pub. L. 95-95, as amended; 42 U.S.C. § 7401 et. seq.
3. Clean Water Act, Titles II, IV, and V, Pub. L. 92-500, as amended.
4. Coastal Barrier Resources Act, Pub. L. 97-348; 16 U.S.C. § 3501 et. seq.
5. Coastal Zone Management Act, Pub. L. 92-583, as amended; 16 U.S.C. § 1451 et. seq.
6. Endangered Species Act, Pub. L. 93-205, as amended; 16 U.S.C. § 1531 et seq.
7. Environmental Justice, Executive Order 12898.
8. Farmland Protection Policy Act, Pub. L. 97-98; 7 U.S.C. § 4201 et seq.

9. Fish and Wildlife Coordination Act, Pub. L. 85-624, as amended.
10. Floodplain Management, Executive Order 11988, as amended by Executive Order 12148.
11. Magnuson-Stevens Fishery Conservation and Management Act, Pub L. 94-265, as amended; 16 U.S.C. § 1801 et. seq.
12. National Historic Preservation Act of 1966, Pub. L. 89-665, as amended; 16 U.S.C. § 470 et. seq.
13. Protection and Enhancement of the Cultural Environment, Executive Order 11593.
14. Protection of Wetlands, Executive Order 11990, as amended by Executive Order 12608; Pub. L. 99-645, as codified at 16 U.S.C. § 3901 et. seq.
15. Safe Drinking Water Act, Section 1424(e), Pub. L. 92-523, as amended; 42 U.S.C. § 300f et. seq.
16. Wild and Scenic Rivers Act, Pub. L. 90-542, as amended; 16 U.S.C. § 1271 et. seq.
17. Migratory Bird Treaty Act of 1918, 16 U.S.C. § 703 et. seq.

Social Legislation:

1. Age Discrimination Act, Pub. L. 94-135; 42 U.S.C. § 6102.
2. Civil Rights Act of 1964, Pub. L. 88-352, Title VI; 42 U.S.C. § 2000d.
3. Equal Employment Opportunity, Executive Order 11246, as amended.
4. Participation by Disadvantaged Business Enterprises in Procurement Under Environmental Protection Agency (EPA) Financial Assistance Agreements.
  - a. Promoting the use of Small, Minority, and Women-owned Businesses, Executive Orders 11625, 12138 and 12432.
  - b. Section 129 of the Small Business Administration Reauthorization and Amendment Act of 1988, Pub. L. 100-590.
  - c. Department of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1993, Pub. L. 102-389; 42 U.S.C. § 4370d.
  - d. Title X Clean Air Act, Pub. L. 101-549; 42 U.S.C. § 7601 note.
5. Rehabilitation Act of 1973, Pub. L. 93-112; 29 U.S.C. § 794 (including Executive Order 11914 and 11250).
6. Section 13 of the Federal Water Pollution Control Act, Pub. L. 92-500; 33 U.S.C. § 1251.
7. The Drug Free Workplace Act Of 1988, Pub. L. 100-690.

Economic and Miscellaneous Authority:

1. Anti-Lobbying Provision (40 CFR Part 34) and New Restrictions on Lobbying, Section 319 of Pub. L. 101-121.
2. Debarment and Suspension, Executive Order 12549.



3. Demonstration Cities and Metropolitan Development Act of 1966, Pub. L. 89-754, as amended; 42 U.S.C. § 3331 et. seq.
4. Preservation of Open Competition and Government Neutrality, Executive Order 13502.
5. Prohibitions relating to violators of the Clean Air Act, Section 306 of the Clean Air Act, 42 U.S.C. § 7505; Section 508 of the Clean Water Act, 33 U.S.C. § 1368; Executive Order 11738, Administration of the Clean Air Act and the Federal Water Pollution Control Act with Respect to Federal Contracts, Grants, or Loans.
6. Uniform Relocation and Real Property Acquisition Policies Act of 1970, Pub. L. 91-646, as amended; 42 U.S.C. §§ 4601-4655.

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TOWN OF  
**QUEEN CREEK**  
 ARIZONA

**TO:** HONORABLE MAYOR AND TOWN COUNCIL

**THROUGH:** JOHN KROSS ICMA-CM, TOWN MANAGER

**FROM:** SCOTT MCCARTY, FINANCE DIRECTOR

**RE:** CONSIDERATION AND POSSIBLE APPROVAL OF RESOLUTION 1458-22 AUTHORIZING A CLEAN WATER STATE REVOLVING FUND PROGRAM LOAN (&LDQUO;CWSRF&RDQUO;.) THROUGH THE WATER INFRASTRUCTURE FINANCE AUTHORITY OF ARIZONA (&LDQUO;WIFA&RDQUO;.) FOR WASTEWATER CAPITAL IMPROVEMENT PLAN PROJECTS IN THE AMOUNT OF \$10,098,396 AND DECLARING AN EMERGENCY TO ACCOMMODATE THE CLOSING DATE FOR THE LOAN.

**DATE:** May 4, 2022

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**Suggested Action:**

Staff recommends approval of Resolution 1458-22 authorizing the approval of a Clean Water State Revolving Fund Program Loan ("CWSRF") through the Water Infrastructure Finance Authority of Arizona ("WIFA") for wastewater capital improvement plan projects and declaring an emergency to accommodate the closing date for the loans.

***NOTE: This resolution requires six affirmative votes to pass with the emergency clause. This is being recommended to provide the most flexibility in dealing with volatile economic markets and achieving the maximum cost savings.***

**Relevant Council Goal(s):**

- Effective Government: KRA Financial Management, Financial Sustainability
- Superior Infrastructure - Capital Improvement Program

**Discussion:**

On March 3, 2021, staff made a presentation to the Town Council regarding the need to acquire financing for the construction of water and wastewater infrastructure due to the tremendous growth each system is experiencing. Town staff is recommending the approval of two loans from the Arizona Water Finance Infrastructure Authority (WIFA). On April 14, 2022, the WIFA Advisory Board approved recommendation of the Town's new WIFA loans to the Arizona Finance Authority. On April 21, 2022, the Arizona Finance Authority approved the Town's new WIFA loan requests. This staff report relates to the wastewater utility loan and a second staff report relates to the water utility loan.

The wastewater utility has experienced sustained growth in the 7% - 13% range since 2016, which is anticipated to continue into the foreseeable future. To maintain the existing level of service for

current customers and provide for new development, the Town estimates \$39M in wastewater infrastructure needs over the next three years. During the March 3, 2021 meeting, Town Council approved Resolution 1401-21 authorizing WIFA loans in an amount not to exceed \$70M. On November 3, 2021, Town Council approved interim bank financing totaling \$85M for non-WIFA eligible projects. Of which, \$29M is for wastewater projects.

In March 2022, staff submitted a WIFA Clean Water loan application for \$10M for wastewater infrastructure. The purpose of the funding is primarily system lines. The estimated interest rate for the new WIFA Loan is 2.7% (compared to 3.75% open-market transaction) and the estimated interest savings is \$2M.

This wastewater WIFA loan will also allow the Town to proceed with the redemption of a 2008 WIFA Loan. On April 20, 2022, Town Council approved Resolution 1454-22 authorizing the refinancing and redemption of the 2008 WIFA Loan. In order to move forward with a redemption of the 2008 WIFA Loan, WIFA requires the loan balance be replaced by a new WIFA loan.

At this time, the Town Council is being asked to approve the documents necessary for the wastewater WIFA financing including:

1. The Authorizing Resolution. The Resolution authorizes the execution and delivery of the WIFA Loan within certain established parameters and delegates the authority to finalize the specifics to the Town Manager and Finance Director/Chief Financial Officer.
2. The substantially final form of the WIFA Loan agreement.

Upon approval of these documents, no further Town Council action is required and the transaction is tentatively scheduled to close on or before May 13, 2022. Prior to June 30, 2022, staff anticipates closing transactions and reporting final terms to Town Council.

Staff is recommending an emergency clause for the WIFA loan resolution due to the volatile economic markets and to avoid potentially costly new federal procurement requirements associated with WIFA loans, which go into effect May 14, 2022. The resolution requires six affirmative votes to pass the emergency clause.

**Fiscal Impact:**

The Clean Water WIFA Loan obligation totals approximately \$10M. The loan will be paid over 30 years at a rate of approximately 2.7% with the first principal payment due in 2025. By maintaining a AAA credit rating and leveraging EPA’s low-cost federal funding, WIFA is able to offer the lowest cost financing available. The principal and interest costs for this loan will total about \$519K annually. Compared to open market financing estimated at 3.75%, the Town is expected to save \$2M over the life of the loan by partnering with WIFA.

The project costs associated with this obligation are summarized below:

<b>Clean Water WIFA Loan</b>	
<b><i>Purpose</i></b>	<b><i>Amount</i></b>
System Lines	\$10M
<b>Total</b>	<b>\$10M</b>

Repayment of this loan will be secured by a lien on a pledge of the net utility system revenues (water

and wastewater), which refers to the portion of the revenues remaining after deducting the expenses needed to operate and maintain the Town's water and wastewater systems. Actual payment of the loan will be made from wastewater rates and capacity fees (one-time fees collected from new development to defray the costs of new infrastructure needed to serve growth).

**Alternatives:**

None. WIFA is a federal loan program and has the lowest interest rates available.

**Attachment(s):**

1. [Project List for Wastewater Financings](#)
2. [Resolution 1458-22](#)
3. [WIFA Clean Water Loan Agreement](#)

PROJECT	NAME	Amount
<b>WASTEWATER - 2021 Interim Bank Financing</b>		
WW058	GWRP CAPITAL CONSTRUCTION	\$ 1,057,663
WW059	SEWER DOSING SITES	\$ 88,561
WW063	ALDECOA: ELLSWORTH TO ELLSWORTH LOOP	\$ 695,264
WW064	POWER: OCOTILLO TO CHANDLER HEIGHTS (PWP)	\$ 125,120
WW068	MERIDIAN RD: COMBS TO RED FERN PHASE II -LAND ACQUISITION & REMEDIATION	\$ 307,770
WW070	POWER RD T LOCK SLEEVING	\$ 2,175,780
WW072	DUNCAN ST. ELLSWORTH LOOP TO ELLSWORTH	\$ 436,008
WW073	OCOTILLO RD: SIGNAL BUTTE TO MERIDIAN (PWP)	\$ 207,649
WW083	QUEEN CREEK: 228TH TO MERIDIAN	\$ 409,608
WW084	GERMANN:SIGNAL BUTTE TO MERIDIAN	\$ 753,242
WW086	QUEEN CREEK: ELLSWORTH TO SIG BUTTE	\$ 209,658
WW089	OCOTILLO:MERIDIAN TO IRONWOOD	\$ 26,166
WW090	CHANDLER HTS:POWER TO SOSSAMAN	\$ 5,723
WW091	EMPIRE: 209TH TO 220TH	\$ 100,000
WW092	PECOS RD RECLAIMED WATER DISCHARGE	\$ 1,443,858
WW096	MERIDIAN: QUEEN CREEK TO GERMANN	\$ 2,550,000
WW205	SR24 SLEEVING: IRONWOOD & MERIDIAN	\$ 315,000
WW256	KENWORTHY: COMBS TO HASHKNIFE	\$ 1,306,053
WW257	MERIDIAN: GERMANN TO FRYE	\$ 1,546,914
WW258	COMBS: SCHNEPF TO SIERRA VISTA	\$ 28,862
WW270	SCHNEPF: COMBS TO HASHKNIFE	\$ 16,630
WW271	SCHNEPF: HASHKNIFE TO SKYLINE	\$ 33,709
WW272	HASHKNIFE LIFT STATION	\$ 654,695
WW350	EAST PARK SEWER LINES	\$ 600,000
WWT07	GWRP EXPANSION 2018 FUTURE BUILDOUT	\$ 2,166,716
WWT08	GWRP 2018 EXPANSION - RERATING	\$ 1,842,375
WWT09	GWRP 2018 EXPANSION - RENOVATIONS	\$ 2,380,731
WWT10	GWRP PLANT IMPROVEMENTS	\$ 9,766
WWT11	GWRP EQUIPMENT REPLACEMENT / LIFECYCLE	\$ 61,603
WW075	UTILITIES CORP YARD BUILDING AND IMPROVEMENTS	\$ 731,762
WW274	RWCD BASIN	\$ 200,000
WW501	ENCANTERRA CONSTRUCTION	\$ 900,000
C86	RITTENHOUSE & RAILROAD REHABILITATION (PHS1 AND PHS2)	\$ 2,500,000
TBD	WALES GRAVEL PIT	\$ 2,800,000
<b>Total Interim Bank Financing Wastewater Projects</b>		<b>\$ 28,686,888</b>
<b>WASTEWATER - 2022 WIFA Clean Water Loan</b>		
AR100	ASLD INFRASTRUCTURE IMPROVEMENTS	\$ 9,180,360
	CONTINGENCY	\$ 918,036
<b>Total WIFA Clean Water Loan Wastewater Projects</b>		<b>\$ 10,098,396</b>
<b>Grand Total 3YR Wastewater Projects</b>		<b>\$ 38,785,284</b>

**RESOLUTION NO. 1458-22**

**A RESOLUTION OF THE MAYOR AND COMMON COUNCIL OF TOWN OF QUEEN CREEK APPROVING THE FORM AND AUTHORIZING THE EXECUTION AND DELIVERY OF A LOAN AGREEMENT WITH THE WATER INFRASTRUCTURE FINANCE AUTHORITY OF ARIZONA FROM ITS CLEAN WATER STATE REVOLVING FUND PROGRAM DELEGATING THE DETERMINATION OF CERTAIN MATTERS RELATING TO SUCH LOAN AGREEMENT TO THE MANAGER AND THE CHIEF FINANCIAL OFFICER OF THE TOWN PROVIDING FOR THE TRANSFER OF CERTAIN MONEYS AND MAKING CERTAIN COVENANTS AND AGREEMENTS WITH RESPECT TO SUCH LOAN AGREEMENT AUTHORIZING THE TAKING OF ALL OTHER ACTIONS NECESSARY TO THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED BY SUCH LOAN AGREEMENT AND THIS RESOLUTION AND DECLARING AN EMERGENCY**

WHEREAS, Town of Queen Creek (the "Town") has heretofore applied to the Water Infrastructure Finance Authority of Arizona (the "Authority") for a loan (the "Loan") from the Authority's Clean Water Revolving Fund Program (the "Program") to provide funds for water capital improvement plan projects; and

WHEREAS, the terms and conditions under which the Loan will be made and the obligations of the Town with respect to the Loan will be set forth in a loan agreement to be executed and delivered by the Town and the Authority (the "Loan Agreement"); and

WHEREAS, the Loan and the loan repayments payable by the Town pursuant to the Loan Agreement (the "Loan Repayments") will be secured by a pledge of net revenues of the complete sewer and waterworks plant and system of the Town (collectively, the "Source of Repayment"); and

WHEREAS, the Town has determined that it will be beneficial to the citizens of the Town to enter into and to perform the Loan Agreement, whereby the Town will borrow not to exceed \$10,098,396 from the Authority, and the Loan shall be repaid on or before thirty (30) years from the date of the execution and delivery of the Loan Agreement and shall bear interest at a rate not to exceed three and one-half percent (3.50%) per annum; and

WHEREAS, there has been placed on file with the Clerk of the Town and presented at the meeting at which this Resolution was adopted the proposed form of the Loan Agreement;

**NOW THEREFORE, BE IT RESOLVED BY THE MAYOR AND COMMON COUNCIL OF TOWN OF QUEEN CREEK, THAT:**

Section 1. The form, terms and provisions of the Loan Agreement, in the form of such document (including the exhibits thereto) presented at the meeting at which this Resolution was adopted, are hereby approved, with such insertions, omissions and

changes, not inconsistent with the Town's application to the Authority or the requirements of the federal government or the Authority, as shall be approved by the Manager of the Town or the Chief Financial Officer of the Town, the execution of such document being conclusive evidence of such approval, and the Mayor and the Manager of the Town are hereby authorized and directed, as applicable, for and on behalf of the Town, to execute and attest and deliver, the Loan Agreement.

Section 2. For the payment of the principal of and interest on the Loan, the Town shall pay the Loan Repayments provided for in the Loan Agreement. The Town shall also pay all other amounts required to be paid by the Town pursuant to the provisions of the Loan Agreement.

Section 3. The obligation of the Town to pay the Loan Repayments provided for in the Loan Agreement and to make the other payments provided for in the Loan Agreement is limited to payment from the Source of Repayment, and the obligations of the Town under the Loan Agreement shall not constitute nor give rise to a general obligation of the Town or any claim against its *ad valorem* taxing powers, or constitute an indebtedness within the meaning of any statutory or constitutional debt limitation applicable to the Town.

Section 4. The appropriate officials and officers of the Town are hereby authorized and directed to take all action necessary or reasonably required to carry out, give effect to and to consummate the transactions contemplated by the Loan Agreement, and by this Resolution, including, without limitation, the execution and delivery of any closing and other documents reasonably required to be delivered in connection therewith.

Section 5. If any section, paragraph, subdivision, sentence, clause or phrase of this Resolution is for any reason held to be illegal or unenforceable, such decision will not affect the validity of the remaining portions of this Resolution. The Mayor and Common Council of the Town hereby declare that it would have adopted this Resolution and each and every other section, paragraph, subdivision, sentence, clause or phrase hereof and authorized the execution and delivery of the Loan Agreement pursuant hereto irrespective of the fact that any one or more sections, paragraphs, subdivisions, sentences, clauses or phrases of this Resolution may be held illegal, invalid or unenforceable.

Section 6. All actions of the officers and agents of the Town including the Mayor and Common Council of the Town which conform to the purposes and intent of this Resolution and which further the execution and delivery of the Loan Agreement as contemplated by this Resolution, whether heretofore or hereafter taken, are hereby ratified, confirmed and approved. The proper officers and agents of the Town are hereby authorized and directed to do all such acts and things and to execute and deliver all such documents on behalf of the Town as may be necessary to carry out the terms and intent of this Resolution.

Section 7. All acts and conditions necessary to be performed by the Town or to have been met precedent to and in the execution and delivery of the Loan Agreement in order to make it a legal, valid and binding obligation of the Town will at the time of delivery

of the Loan Agreement have been performed and have been met, in regular and due form as required by law, and no statutory, charter or constitutional limitation of indebtedness or taxation will have been exceeded in the execution and delivery of the Loan Agreement.

Section 8. All formal actions of the Mayor and Common Council of the Town concerning and relating to the passage of this Resolution were taken in an open meeting of the Mayor and Common Council of the Town, and all deliberations of the Mayor and Common Council of the Town and of any committees that resulted in those formal actions were in meetings open to the public, in compliance with all legal requirements.

Section 9. The immediate operation of the provisions of this Resolution is necessary for the preservation of the public health and welfare and for the further reason that the execution and delivery at the earliest possible date of the Loan Agreement is urgently needed to attempt to secure the lowest possible interest cost to the Town; therefore, an emergency is hereby declared to exist and this Resolution is enacted as an emergency measure and shall be in full force and effect from and after the passage and adoption by the Mayor and Common Council of the Town, as required by law, and this Resolution is hereby exempt from the referendum provisions of the Constitution and laws of the State of Arizona.

Section 10. After the execution and delivery of the Loan Agreement and upon receipt of the Loan from the Authority, this Resolution shall be and remain irrevocable until the Loan and the Loan Agreement and the interest thereon shall have been fully paid, cancelled and discharged.

**PASSED AND ADOPTED** by the Mayor and Council of the Town of Queen Creek, Arizona this 4th day of May 2022.

FOR THE TOWN OF QUEEN CREEK, ATTESTED TO:  
ARIZONA:

\_\_\_\_\_  
Gail Barney, Mayor

\_\_\_\_\_  
Maria Gonzalez, Town Clerk

REVIEWED BY:

APPROVED AS TO FORM:

\_\_\_\_\_  
John Kross, Town Manager

\_\_\_\_\_  
Dickinson Wright, PLLC  
Attorneys for the Town



## CERTIFICATION

I hereby certify that the foregoing Resolution No. 1458-22 was duly passed and adopted by the Mayor and Common Council of the Town of Queen Creek, Arizona at a regular meeting held on the 4th day of May 2022, and the vote was     ayes and    nays.

---

Maria Gonzalez, Town Clerk  
Town of Queen Creek, Arizona

**Town of Queen Creek and**  
Water Infrastructure Finance Authority of Arizona

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**Town of Queen Creek's Borrowing Resolution**

TO BE PROVIDED BY BORROWER PRIOR TO CREATION OF LOAN CLOSING DOCUMENTS

# ***Loan Resolution 2022-016 – Town of Queen Creek*** ***Water Infrastructure Finance Authority of Arizona***

## **Section 1: Resolution**

WHEREAS, the Water Infrastructure Finance Authority of Arizona (the “*Authority*”) has received from Town of Queen Creek (the “*Local Borrower*”) a request for a loan (the “*Loan*”); and

WHEREAS, the Authority has determined that the Local Borrower has met the requirements of Arizona Revised Statutes §49-1201 et seq. (the “*Act*”) and the rules promulgated thereunder (the “*Rules*”); and

WHEREAS, the terms and conditions under which a Loan will be made and the obligations of the Local Borrower will be set forth in a loan agreement or bond purchase agreement (the “*Loan Agreement*”) to be executed by the Local Borrower and the Authority.

NOW, THEREFORE BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE AUTHORITY AS FOLLOWS:

The Executive Director of the Authority is hereby authorized and directed to execute a Loan Agreement with the Local Borrower to evidence a Loan in accordance with the Act, the Rules, the Local Borrower’s applications to the Authority, and the Project Summary detailed in Section 2 of this Loan Resolution.

The Executive Director and other Authority officials, as appropriate, are authorized and directed to sign any document and take such actions as necessary and appropriate to consummate the transactions contemplated by this Resolution and the Loan Agreement and to ensure that the Local Borrower has completed all requirements of the Authority as detailed in Section 3, Section 4, and Section 5 of this Loan Resolution.

This Resolution shall take effect immediately and shall terminate one year from the date of Board Action.

Dated: April 21, 2022

By: PENDING APPROVAL  
Chairman

Attest: PENDING APPROVAL  
Executive Director

# *Loan Resolution 2022-016 – Town of Queen Creek*

## *Water Infrastructure Finance Authority of Arizona*

### **Section 2: Project Summary**

#### **2.1 Project Number(s)**

CW 007-2022

#### **2.2 Project Priority Data**

<u>PPL Rank</u>	<u>Funding Cycle</u>	<u>Population Served</u>	<u>Subsidy Rate</u>
10	CW 2022	45,000	90%

#### **2.3 Project Description(s)**

This loan will fund several construction projects adding approximately 30,00 linear feet of sewer lines in the recently annexed State Trust Land. The Town has needed to plan for both the community and geographical area to create a more efficient overall system.

#### **2.4 Previous Board or Committee Actions**

October 28, 2021 – Board adopted Loan Resolution No. 2022-006 for \$8,275,000 (Loan No. 920339-22) to the Town of Queen Creek to fund the allocation of 4.162 acre-feet NIA Priority CAP water to the Town

August 26, 2020 – Board adopted Loan Resolution No. 2021-003 for \$13,300,000 (Loan No. 920310-21) to the Town of Queen Creek acquire Diversified Water Utilities, Inc, and install an interconnection to its water system.

March 25, 2020 – Board adopted Loan Resolution No. 2020-021 for \$57,981,000 (Loan No. 920304-20) to the Town of Queen Creek to reimburse the Town for its purchase of Groundwater Extinguishment Credits.

February 26, 2020 – Board adopted Loan Resolution No. 2020-022 for NTE \$10,000,000 (Loan No. 910184-20 issued for \$8,600,000) to the Town of Queen Creek to purchase reclaimed water from the Trilogy at Encanterra community for aquifer recharge, in exchange for delivering recovered effluent to Trilogy.

February 19, 2020 – Board tabled Resolution No. 2020-021; resolution rescheduled for further consideration and action.

# ***Loan Resolution 2022-016 – Town of Queen Creek***

## ***Water Infrastructure Finance Authority of Arizona***

December 20, 2018 – Board adopted Resolution Addendum No. A2019-014 to release the 120% debt service reserve requirement and add a springing debt service reserve requirement on Loan No. 920243-14.

December 20, 2018 – Board adopted Resolution Addendum No. A2019-013 to release the 120% debt service reserve requirement and add a springing debt service reserve requirement on Loan No. 920132-08.

December 20, 2018 – Board adopted Resolution Addendum No. A2019-012 to release the 120% debt service reserve requirement and add a springing debt service reserve requirement on Loan No. 910072-05.

June 9, 2013 – Board adopted Loan Resolution No. 2013-020 for \$16,000,000 (Loan No. 920243-14) to the Town of Queen Creek for the acquisition of H2O, Inc. Water Utility.

April 20, 2011 – Board adopted Resolution Addendum No. A2011-021 to extend the loan term from 20 years to 23 years and waive the Repair and Replacement Fund requirement (Loan No. 910072-05).

2010 Technical Assistance Funding Cycle - Board awarded the Town of Queen Creek \$35,000 for clean water technical assistance for a Preliminary Engineering Report for a reuse and recharge line.

December 19, 2007 – Board adopted Loan Resolution No. 2007-045 for \$40,000,000 (Loan No. 920132-08) to the Town of Queen Creek for a water company acquisition.

February 16, 2005 – Board adopted Loan Resolution No. 2005-001 for \$34,000,000 (Loan No. 910072-05) to the Town of Queen Creek for Greenfield Water Reclamation Plant.

July 23, 2003 - Board adopted Resolution Addendum No. A2003-012 to change the Source of Repayment of Loan No. 910090-99.

February 10, 1998 - Board adopted Loan Resolution No. 1998-006 to award \$4,400,000 (Loan No. 910090-99) for a wastewater project.

### **2.5 Project Finance Committee Recommendations**

Not Reviewed by Project Finance Committee

## **Section 3: Financial Assistance Terms & Conditions** (Section 7.1 of Due Diligence)

**Financial Assistance Amount:** \$10,098,396

**Primary Repayment Source:** System Net Revenues (combined DW and CW)

# ***Loan Resolution 2022-016 – Town of Queen Creek*** ***Water Infrastructure Finance Authority of Arizona***

**Secondary Repayment Source:** None

**Loan Term:** 30 years

**Frequency of Repayment:** Semi-Annual

**Loan Structure:** Standard Governmental – Modified Level 1

**Debt Service Reserve Fund Requirements:** Springing DSR\*

\*A DSR would not be funded unless, in a given fiscal year, Net Revenues fail to equal 150% of the aggregate of the debt service or comparable payments payable on any outstanding parity obligations in the current or any future fiscal year.

**Repair and Replacement Fund Requirements:** Local - Not Separate Account

**Requirements Prior to Loan Execution:**

**Require Legal Opinion:** Yes

**Other:** No Requirement

**Requirements Prior to Construction:** No Requirement

**Requirement During Construction:** No Requirement

**Requirements Prior to Final Disbursements:** No Requirement

**Loan Category:** Qualified, Not Pledged

**Policy Exceptions:** None

## **Section 4: Technical Terms & Conditions** (Section 7.2 of Due Diligence)

**Observation Schedule B:**

Observation 1: Upon borrower notification of construction commencement

Additional Observations: at least one site observation within each 12 month period

Final Observation: 80% construction budget disbursement

# ***Loan Resolution 2022-016 – Town of Queen Creek***

## ***Water Infrastructure Finance Authority of Arizona***

### **Withholding Percentage:**

50% (released after FSP certification received)

10% (released after deliverables received)

**Requirements Prior to Loan Execution:** No Requirement

### **Requirements Prior to Construction:**

**Submittal of Construction Bids:** Yes

**Project Publicity/Signage:** Yes

The Local Borrower shall erect a construction sign displaying information on the Project and the funding sources. The Authority shall provide specifications for such construction signs.

**Other:** No Requirement

### **Requirements During Construction:**

**Prior Review of Changes in Project Scope:** Yes

The Local Borrower shall submit to the Authority, for review and approval prior to execution, any change to the plans and specifications, construction contracts, Eligible Project Costs, or any other change which will effect the performance standards or purpose of the Project.

**Other:** Yes

The Town is in the process of completing its Environmental Assessment. WIFA anticipates that a Finding of No Significant Impact may be issued after the Environmental Assessment is completed. A 30-day public comment period will then be required before construction commencement and disbursement of construction related funds.

### **Requirements Prior to Releasing Withholdings:**

#### **50% Withholding**

**Submission of Fiscal Sustainability Plan Certification:** Yes

**Submission of Fiscal Sustainability Plan:** No

#### **10% Withholding**

**Require Plan of Operation:** Yes

**Require Final Approval:** Yes



***Loan Resolution 2022-016 – Town of Queen Creek***  
***Water Infrastructure Finance Authority of Arizona***

**Other:** No Requirement

**Policy Exceptions:** None

**Section 5: Additional Notice & Reporting Requirements** (Section 7.3 of Due Diligence)

**Other:** Wage rate reporting requirements; Use of American Iron and Steel requirements

**Loan Agreement**

**Water Infrastructure Finance Authority of Arizona**  
(the “Authority”)

and

**Town of Queen Creek**  
(the “Local Borrower”)

Evidencing a Loan from the  
Authority to the Local Borrower

Dated as of **TBD**

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**Exhibit A** Financial Assistance Terms and Conditions; Borrower Payment Instructions; and  
Loan Repayment Schedule

**Exhibit B** Technical Assistance Terms and Conditions

**Exhibit C** Reporting Requirements

**Exhibit D** Source of Repayment

**Exhibit E** Debt Service Reserve Requirements

**Exhibit F** Replacement Reserve Requirements

**Exhibit G** Opinion of Counsel to Borrower

**Exhibit H** Tax Compliance Certificate of Local Borrower

## Loan Agreement

This Loan Agreement (this “*Loan Agreement*”) is made and entered into as of TBD by and between the Water Infrastructure Finance Authority of Arizona (the “*Authority*”), and Town of Queen Creek (the “*Local Borrower*”), a political subdivision of the State of Arizona.

This Loan Agreement includes the attached Exhibits and the attached Standard Terms and Conditions. Any capitalized terms used and not defined herein shall have the meanings ascribed to such terms in the Exhibits and the Standard Terms and Conditions.

The Authority and the Local Borrower agree as follows:

### Article 1 Description of the Loan

#### **Section 1.1 Name and Address of Local Borrower.**

Town of Queen Creek  
Attention: Jessica Platt, Enterprise Finance Manager  
22358 S. Ellsworth Rd  
Queen Creek, Arizona 85142-9311  
Telephone: (480) 358-3185

#### **Section 1.2 Authorized Officer(s) of Local Borrower.**

Town of Queen Creek  
Attention: Scott McCarty, Chief Financial Officer  
22358 South Ellsworth Road  
Queen Creek, Arizona 85142-9311  
Telephone: (480) 358-3170

**Section 1.3 Notices.** All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when hand delivered or mailed by registered or certified mail, postage prepaid, to the Local Borrower at the address specified in Section 1.1 and to the Authority at the following address:

Executive Director  
Water Infrastructure Finance Authority of Arizona  
100 North 7<sup>th</sup> Avenue, Suite 130  
Phoenix, Arizona 85007  
Telephone: (602) 364-1310  
Fax: (602) 364-1327

Any of the parties may designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent, by notice in writing given to the others.

**Section 1.4 Loan Information.** The terms of the Loan include the terms set forth in the Exhibits, which are part of this Loan Agreement:

- Exhibit A** Financial Assistance Terms and Conditions; Borrower Payment Instructions; and Loan Repayment Schedule
- Exhibit B** Technical Assistance Terms and Conditions
- Exhibit C** Reporting Requirements
- Exhibit D** Source of Repayment
- Exhibit E** Debt Service Reserve Requirements
- Exhibit F** Replacement Reserve Requirements
- Exhibit G** Opinion of Counsel to Borrower
- Exhibit H** Tax Compliance Certificate of Local Borrower

Prior to Loan Closing, the Local Borrower must deliver to the Authority the Opinion of Local Borrower Counsel in the form of Exhibit G and the Tax Compliance Certificate of Local Borrower in the form of Exhibit H, signed and dated the date of Loan Closing.

## **Article 2 Description Of The Project**

**Section 2.1 Description of Project.** The Project is described in Project Summary attached to the Loan Resolution of the Authority, and in Exhibit B of this Loan Agreement.

**Section 2.2 Description of System.** The term “System” means and includes all of the properties and facilities of the complete Sewer and Waterworks plant and system of the Local Borrower, whether lying within or without the boundaries of the Local Borrower, as now existing and as they may hereafter be improved or extended, all improvements, additions and extensions thereto or replacements thereof hereafter constructed or acquired by purchase, contract or otherwise and all contracts, rights, agreements, leases and franchises of every nature owned by the Local Borrower and used or useful or held for use in the operation of said plant and system or any part or portion thereof.

## **Article 3 Loan to Local Borrower; Amounts Payable**

**Section 3.1 The Loan.** The Authority shall loan and disburse to the Local Borrower in accordance with this Article 3 an amount listed in Exhibit A (the “Loan”), and the Local Borrower shall borrow and accept from the Authority, the Loan in the principal amount determined pursuant to this Article 3; provided, however, that (i) the Authority shall be under no obligation to disburse any amount of the Loan if an Event of Default has occurred and is continuing under this Loan Agreement, and (ii) the amount to be disbursed shall be lawfully available for disbursement. The Local Borrower shall use the proceeds of the Loan strictly in accordance with the requirements of this Loan Agreement.

**Section 3.2 Disbursements of Loan Proceeds.** The Authority may disburse funds by check, by electronic means or by means of magnetic tape or other transfer medium. Except as hereinafter provided, disbursements shall be made only when (i) the request for disbursements is in substantially the form provided by the Authority and is accompanied by the necessary certifications and documentation and (ii) an Authorized Officer of the Authority has determined that such disbursement is proper. An Authorized Officer of the Authority shall approve disbursements directly to the persons or entities entitled to payment or to the Local Borrower in the case of reimbursement for costs of services already paid, and shall provide the Local Borrower with a copy of the approval and the date approved. Disbursements may be made only for Eligible Project Costs.

**Section 3.3 Amounts Payable.** The Local Borrower shall pay to the Authority the amounts shown in Exhibit A on or before the dates shown in Exhibit A, as the same may be adjusted as provided in the Standard Terms and Conditions, to reflect any revisions to the principal repayment schedule of the Loan. Such payments shall be made by electronic funds transfer or by direct debit to the Authority.

**Section 3.4 Tax Covenants.**

(a) General. The Local Borrower acknowledges that, in connection with its state revolving fund programs, the Authority issues its bonds (“Authority Bonds”) from time to time to finance loans and the Authority also pledges certain loans to secure and to serve as the source of payment for the Authority Bonds. As a result, and under the provisions of federal tax law applicable to the Authority Bonds, it is in the Authority’s interest for the Loan to qualify and be an obligation that bears interest that is excludable from gross income for federal income tax purposes and is not an item of tax preference for purposes of the alternative minimum tax imposed on individuals and corporations under the Internal Revenue Code. Therefore, the Local Borrower represents and covenants as follows with respect to the Loan and the Authority Bonds. The Local Borrower covenants that it will not take any action, or fail to take any action, if any such action or failure to take such action would adversely affect the exclusion from gross income of the interest on the Loan or the Authority Bonds under Section 103(a) of the Internal Revenue Code or cause the interest on the Loan or the Authority Bonds to become an item of tax preference for purposes of the alternative minimum tax imposed on individuals and corporations under the Internal Revenue Code, and in the event of such action or omission, it will, promptly upon having such brought to its attention, take such reasonable actions based upon a bond counsel opinion as may rescind or otherwise negate such action or omission. The Local Borrower will not directly or indirectly use or permit the use of any proceeds of the Loan or any other funds of the Local Borrower or take or omit to take any action that would cause the Loan or the Authority Bonds to be or become “arbitrage bonds” within the meaning of Section 148(a) of the Internal Revenue Code or to fail to meet any other applicable requirement of Sections 103, 141, 148, 149 and 150 of the Internal Revenue Code or cause the interest on the Loan or the Authority Bonds to become an item of tax preference for purposes of the alternative minimum tax imposed on individuals and corporations under the Internal Revenue Code. To that end, the Local Borrower will comply with all applicable requirements of Sections 103, 141, 148, 149 and 150 of the Code to the extent applicable to the Loan.

(b) Modification Based on Bond Counsel Opinion. Notwithstanding any provision of this Section, if the Local Borrower provides to the Authority a bond counsel opinion to the effect that any action required under this Section is no longer required, or to the effect that some further action is required, to maintain the exclusion from gross income of interest on the Loan or the Authority Bonds pursuant to Section 103(a) of the Internal Revenue Code, the provisions of this Section and the covenants in this Section shall be deemed to be modified to that extent.

(c) Bond Counsel Opinion. For purposes of this Section, “bond counsel opinion” means an opinion letter of a firm of attorneys of national reputation experienced in the field of municipal bonds whose opinions are generally accepted by purchasers of municipal bonds, and who is acceptable to the Authority.

IN WITNESS WHEREOF, the Authority and the Local Borrower have caused this Loan Agreement to be executed and delivered as of the date of execution hereof.

**Water Infrastructure Finance Authority of Arizona**

By: \_\_\_\_\_  
Dan Dialessi, Executive Director

**Town of Queen Creek**

By: \_\_\_\_\_  
Scott McCarty, Chief Financial Officer

**Attest:**

By: \_\_\_\_\_  
Clerk

## LOAN AGREEMENT ADDENDUM

### Wage Rate Requirements for Compliance with P.L. 111-88

Water Infrastructure Finance Authority of Arizona

This document (this "Wage Rate Addendum") sets forth additional requirements applicable to state revolving fund Loans made by the Water Infrastructure Finance Authority of Arizona ("WIFA") that are subject to the requirements of federal Public Law 111-88, "Making appropriations for the Department of the Interior, environment, and related agencies for the fiscal year ending September 30, 2010, and for other purposes," enacted October 30, 2009 ("P.L. 111- 88"). The provisions in this Wage Rate Addendum are a part of the Loan Agreement. Capitalized terms not otherwise defined herein shall have the meanings given them in the Loan Agreement.

The parties acknowledge and agree that funds disbursed by WIFA to the Local Borrower will include funds made available to WIFA by the federal government under P.L. 111-88, and that the requirements of P.L. 111-88 include those set forth in this Wage Rate Addendum. The Local Borrower agrees to comply with all of those requirements and agrees that failure to do so is a breach of the provisions of the Loan Agreement which may result in a default under the Loan Agreement, termination of WIFA's obligation to make disbursements on the Loan and the Local Borrower being required to repay all amounts that have been disbursed by WIFA on the Loan, together with interest and fees as provided in the Loan Agreement.

#### **Additional Requirement for Subrecipients that are not Governmental Entities:**

Obtaining Wage Determinations - Under this Wage Rate Addendum, the non-governmental borrower must submit its proposed Davis Bacon wage determinations to WIFA for approval prior to including the wage determination in any solicitation, contract task orders, work assignments, or similar instruments to existing contractors. **THIS PARAGRAPH DOES NOT APPLY TO GOVERNMENTAL ENTITIES.**

#### **Section 1. Wage Rate Requirements**

The following language must be included in all Davis Bacon covered construction contracts and subcontracts. (29 CFR Part 5.5)

(a) The Local Borrower shall insert in full in any contract in excess of \$2,000 which is entered into for the actual construction, alteration and/or repair, including painting and decorating, of a treatment work under the CWSRF or a construction project under the



DWSRF, or building or work financed in whole or in part from Federal funds or in accordance with guarantees of a Federal agency or financed from funds obtained by pledge of any contract of a Federal agency to make a loan, grant or annual contribution (except where a different meaning is expressly indicated), and which is subject to the labor standards provisions of any of the acts listed in Sec. 5.1, or the FFY 2010 appropriation, the following clauses:

(1) **Minimum wages.** (i) All laborers and mechanics employed or working upon the site of the work will be paid unconditionally and not less often than once a week, and without subsequent deduction or rebate on any account (except such payroll deductions as are permitted by regulations issued by the Secretary of Labor under the Copeland Act (29 CFR part 3)), the full amount of wages and bona fide fringe benefits (or cash equivalents thereof) due at time of payment computed at rates not less than those contained in the wage determination of the Secretary of Labor which is attached hereto and made a part hereof, regardless of any contractual relationship which may be alleged to exist between the contractor and such laborers and mechanics. Contributions made or costs reasonably anticipated for bona fide fringe benefits under section 1(b)(2) of the Davis-Bacon Act on behalf of laborers or mechanics are considered wages paid to such laborers or mechanics, subject to the provisions of paragraph (a)(1)(iv) of this section; also, regular contributions made or costs incurred for more than a weekly period (but not less often than quarterly) under plans, funds, or programs which cover the particular weekly period, are deemed to be constructively made or incurred during such weekly period. Such laborers and mechanics shall be paid the appropriate wage rate and fringe benefits on the wage determination for the classification of work actually performed, without regard to skill, except as provided in Sec. 5.5(a)(4). Laborers or mechanics performing work in more than one classification may be compensated at the rate specified for each classification for the time actually worked therein: Provided, that the employer's payroll records accurately set forth the time spent in each classification in which work is performed. The wage determination (including any additional classification and wage rates conformed under paragraph (a)(1)(ii) of this section) and the Davis-Bacon poster (WH-1321) shall be posted at all times by the contractor and its subcontractors at the site of the work in a prominent and accessible place where it can be easily seen by the workers. Local Borrowers may obtain wage determinations from the U. S. Department of Labor's web site, [www.wdol.gov](http://www.wdol.gov).

(ii)(A) The Local Borrower, on behalf of EPA, shall require that any class of laborers or mechanics, including helpers, which is not listed in the wage determination and which is to be employed under the contract shall be classified in conformance with the wage determination. The WIFA award official shall approve an additional classification and wage rate and fringe benefits therefore only when the following criteria have been met:

- (1) The work to be performed by the classification requested is not performed by a classification in the wage determination; and
- (2) The classification is utilized in the area by the construction industry; and

(3) The proposed wage rate, including any bona fide fringe benefits, bears a reasonable relationship to the wage rates contained in the wage determination.

(B) If the contractor and the laborers and mechanics to be employed in the classification (if known), or their representatives, and the Local Borrower agree on the classification and wage rate (including the amount designated for fringe benefits where appropriate), a report of the action taken shall be sent by the Local Borrower to the WIFA award official. The WIFA award official will transmit the report, to the Administrator of the Wage and Hour Division, Employment Standards Administration, U.S. Department of Labor, Washington, DC 20210 and to the EPA Davis Bacon Regional Coordinator concurrently. The Administrator, or an authorized representative, will approve, modify, or disapprove every additional classification action within 30 days of receipt and so advise the WIFA award official or will notify the WIFA award official within the 30-day period that additional time is necessary.

(C) In the event the contractor, the laborers or mechanics to be employed in the classification or their representatives, and the Local Borrower do not agree on the proposed classification and wage rate (including the amount designated for fringe benefits, where appropriate), the award official shall refer the questions, including the views of all interested parties and the recommendation of the WIFA award official, to the Administrator for determination. The Administrator, or an authorized representative, will issue a determination within 30 days of receipt and so advise the contracting officer or will notify the contracting officer within the 30-day period that additional time is necessary.

(D) The wage rate (including fringe benefits where appropriate) determined pursuant to paragraphs (a)(1)(ii) (B) or (C) of this section, shall be paid to all workers performing work in the classification under this contract from the first day on which work is performed in the classification.

(iii) Whenever the minimum wage rate prescribed in the contract for a class of laborers or mechanics includes a fringe benefit which is not expressed as an hourly rate, the contractor shall either pay the benefit as stated in the wage determination or shall pay another bona fide fringe benefit or an hourly cash equivalent thereof.

(iv) If the contractor does not make payments to a trustee or other third person, the contractor may consider as part of the wages of any laborer or mechanic the amount of any costs reasonably anticipated in providing bona fide fringe benefits under a plan or program, Provided, That the Secretary of Labor has found, upon the written request of the contractor, that the applicable standards of the Davis-Bacon Act have been met. The Secretary of Labor may require the contractor to set aside in a separate account assets for the meeting of obligations under the plan or program.

(2) **Withholding.** The Local Borrower shall upon its own action or upon written request of WIFA, EPA award official or an authorized representative of the Department of Labor withhold or cause to be withheld from the contractor under this contract or any other Federal contract with the same prime contractor, or any other federally-assisted contract subject to Davis-Bacon prevailing wage requirements, which is held by the same prime contractor, so much of the accrued payments or advances as may be considered necessary to pay laborers and mechanics, including apprentices, trainees, and helpers, employed by the contractor or

any subcontractor the full amount of wages required by the contract. In the event of failure to pay any laborer or mechanic, including any apprentice, trainee, or helper, employed or working on the site of the work, all or part of the wages required by the contract, the (Agency) may, after written notice to the contractor, sponsor, applicant, or owner, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds until such violations have ceased.

**(3) Payrolls and basic records.** (i) Payrolls and basic records relating thereto shall be maintained by the contractor during the course of the work and preserved for a period of three years thereafter for all laborers and mechanics working at the site of the work. Such records shall contain the name, address, and social security number of each such worker, his or her correct classification, hourly rates of wages paid (including rates of contributions or costs anticipated for bona fide fringe benefits or cash equivalents thereof of the types described in section 1(b)(2)(B) of the Davis-Bacon Act), daily and weekly number of hours worked, deductions made and actual wages paid. Whenever the Secretary of Labor has found under 29 CFR 5.5(a)(1)(iv) that the wages of any laborer or mechanic include the amount of any costs reasonably anticipated in providing benefits under a plan or program described in section 1(b)(2)(B) of the Davis-Bacon Act, the contractor shall maintain records which show that the commitment to provide such benefits is enforceable, that the plan or program is financially responsible, and that the plan or program has been communicated in writing to the laborers or mechanics affected, and records which show the costs anticipated or the actual cost incurred in providing such benefits. Contractors employing apprentices or trainees under approved programs shall maintain written evidence of the registration of apprenticeship programs and certification of trainee programs, the registration of the apprentices and trainees, and the ratios and wage rates prescribed in the applicable programs. (ii)(A) The contractor shall submit weekly for each week in which any contract work is performed a copy of all payrolls to the Local Borrower. Such documentation shall be available on request of WIFA or EPA. As to each payroll copy received, the subrecipient shall provide written confirmation in a form satisfactory to the State indicating whether or not the project is in compliance with the requirements of 29 CFR 5.5 (a)(1) based on the most recent payroll copies for the specified week. **The payrolls shall set out accurately and completely all of the information required to be maintained under 29 CFR 5.5(a)(3)(i), except that full social security numbers and home addresses shall not be included on weekly transmittals. Instead the payrolls shall only need to include an individually identifying number for each employee (e.g., the last four digits of the employee's social security number).** The required weekly payroll information may be submitted in any form desired. Optional Form WH-347 is available for this purpose from the Wage and Hour Division Web site at <http://www.dol.gov/whd/forms/wh347.pdf> or its successor site. The prime contractor is responsible for the submission of copies of payrolls by all subcontractors. Contractors and subcontractors shall maintain the full social security number and current address of each covered worker, and shall provide them upon request to the Local Borrower for transmission to WIFA or EPA, if requested by EPA, WIFA, the contractor, or the Wage and Hour Division of the Department of Labor for purposes of an investigation or audit of

compliance with prevailing wage requirements. It is not a violation of this section for a prime contractor to require a subcontractor to provide addresses and social security numbers to the prime contractor for its own records, without weekly submission to the Local Borrower.

(B) Each payroll submitted shall be accompanied by a "Statement of Compliance," signed by the contractor or subcontractor or his or her agent who pays or supervises the payment of the persons employed under the contract and shall certify the following:

(1) That the payroll for the payroll period contains the information required to be provided under Sec. 5.5 (a)(3)(ii) of Regulations, 29 CFR part 5, the appropriate information is being maintained under Sec. 5.5 (a)(3)(i) of Regulations, 29 CFR part 5, and that such information is correct and complete;

(2) That each laborer or mechanic (including each helper, apprentice, and trainee) employed on the contract during the payroll period has been paid the full weekly wages earned, without rebate, either directly or indirectly, and that no deductions have been made either directly or indirectly from the full wages earned, other than permissible deductions as set forth in Regulations, 29 CFR part 3;

(3) That each laborer or mechanic has been paid not less than the applicable wage rates and fringe benefits or cash equivalents for the classification of work performed, as specified in the applicable wage determination incorporated into the contract.

(C) The weekly submission of a properly executed certification set forth on the reverse side of Optional Form WH-347 shall satisfy the requirement for submission of the "Statement of Compliance" required by paragraph (a)(3)(ii)(B) of this section.

(D) The falsification of any of the above certifications may subject the contractor or subcontractor to civil or criminal prosecution under section 1001 of title 18 and section 231 of title 31 of the United States Code.

(iii) The contractor or subcontractor shall make the records required under paragraph (a)(3)(i) of this section available for inspection, copying, or transcription by authorized representatives of WIFA, EPA or the Department of Labor, and shall permit such representatives to interview employees during working hours on the job. If the contractor or subcontractor fails to submit the required records or to make them available, the Federal agency or WIFA may, after written notice to the contractor, sponsor, applicant, or owner, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds. Furthermore, failure to submit the required records upon request or to make such records available may be grounds for debarment action pursuant to 29 CFR 5.12.

**(4) Apprentices and trainees** - (i) Apprentices. Apprentices will be permitted to work at less than the predetermined rate for the work they performed when they are employed pursuant to and individually registered in a bona fide apprenticeship program registered with the U.S. Department of Labor, Employment and Training Administration, Office of Apprenticeship Training, Employer and Labor Services, or with a State Apprenticeship Agency recognized by the Office, or if a person is employed in his or her first 90 days of probationary employment as an apprentice in such an apprenticeship program, who is not individually registered in the program, but who has been certified by the Office of Apprenticeship

Training, Employer and Labor Services or a State Apprenticeship Agency (where appropriate) to be eligible for probationary employment as an apprentice. The allowable ratio of apprentices to journeymen on the job site in any craft classification shall not be greater than the ratio permitted to the contractor as to the entire work force under the registered program. Any worker listed on a payroll at an apprentice wage rate, who is not registered or otherwise employed as stated above, shall be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed. In addition, any apprentice performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. Where a contractor is performing construction on a project in a locality other than that in which its program is registered, the ratios and wage rates (expressed in percentages of the journeyman's hourly rate) specified in the contractor's or subcontractor's registered program shall be observed. Every apprentice must be paid at not less than the rate specified in the registered program for the apprentice's level of progress, expressed as a percentage of the journeymen hourly rate specified in the applicable wage determination. Apprentices shall be paid fringe benefits in accordance with the provisions of the apprenticeship program. If the apprenticeship program does not specify fringe benefits, apprentices must be paid the full amount of fringe benefits listed on the wage determination for the applicable classification. If the Administrator determines that a different practice prevails for the applicable apprentice classification, fringes shall be paid in accordance with that determination. In the event the Office of Apprenticeship Training, Employer and Labor Services, or a State Apprenticeship Agency recognized by the Office, withdraws approval of an apprenticeship program, the contractor will no longer be permitted to utilize apprentices at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

(ii) Trainees. Except as provided in 29 CFR 5.16, trainees will not be permitted to work at less than the predetermined rate for the work performed unless they are employed pursuant to and individually registered in a program which has received prior approval, evidenced by formal certification by the U.S. Department of Labor, Employment and Training Administration. The ratio of trainees to journeymen on the job site shall not be greater than permitted under the plan approved by the Employment and Training Administration. Every trainee must be paid at not less than the rate specified in the approved program for the trainee's level of progress, expressed as a percentage of the journeyman hourly rate specified in the applicable wage determination. Trainees shall be paid fringe benefits in accordance with the provisions of the trainee program. If the trainee program does not mention fringe benefits, trainees shall be paid the full amount of fringe benefits listed on the wage determination unless the Administrator of the Wage and Hour Division determines that there is an apprenticeship program associated with the corresponding journeyman wage rate on the wage determination which provides for less than full fringe benefits for apprentices. Any employee listed on the payroll at a trainee rate who is not registered and participating in a training plan approved by the Employment and Training Administration shall be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed. In addition, any trainee performing work on the job site in excess of the

ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. In the event the Employment and Training Administration withdraws approval of a training program, the contractor will no longer be permitted to utilize trainees at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

(iii) Equal employment opportunity. The utilization of apprentices, trainees and journeymen under this part shall be in conformity with the equal employment opportunity requirements of Executive Order 11246, as amended, and 29 CFR part 30.

**(5) Compliance with Copeland Act requirements.** The contractor shall comply with the requirements of 29 CFR part 3, which are incorporated by reference in this contract.

**(6) Subcontracts.** The contractor or subcontractor shall insert in any subcontracts the clauses contained in 29 CFR 5.5(a)(1) through (10) and such other clauses as the EPA determines may be appropriate, and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for the compliance by any subcontractor or lower tier subcontractor with all the contract clauses in 29 CFR 5.5.

**(7) Contract termination: debarment.** A breach of the contract clauses in 29 CFR 5.5 may be grounds for termination of the contract, and for debarment as a contractor and a subcontractor as provided in 29 CFR 5.12.

**(8) Compliance with Davis-Bacon and Related Act requirements.** All rulings and interpretations of the Davis-Bacon and Related Acts contained in 29 CFR parts 1, 3, and 5 are herein incorporated by reference in this contract.

**(9) Disputes concerning labor standards.** Disputes arising out of the labor standards provisions of this contract shall not be subject to the general disputes clause of this contract. Such disputes shall be resolved in accordance with the procedures of the Department of Labor set forth in 29 CFR parts 5, 6, and 7. Disputes within the meaning of this clause include disputes between the contractor (or any of its subcontractors) and the Local Borrower, WIFA, EPA, the U.S. Department of Labor, or the employees or their representatives.

**(10) Certification of eligibility.** (i) By entering into this contract, the contractor certifies that neither it (nor he or she) nor any person or firm who has an interest in the contractor's firm is a person or firm ineligible to be awarded Government contracts by virtue of section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1).

(ii) No part of this contract shall be subcontracted to any person or firm ineligible for award of a Government contract by virtue of section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1).

(iii) The penalty for making false statements is prescribed in the U.S. Criminal Code, 18 U.S.C. 1001.

**(b) Contract Work Hours and Safety Standards Act.** The Local Borrower shall insert the following clauses set forth in paragraphs (b)(1), (2), (3), and (4) of this section in full in any contract in an amount in excess of \$100,000 and subject to the overtime provisions of the Contract Work Hours and Safety Standards Act. These clauses shall be inserted in addition to the clauses required by Sec. 5.5(a) or 4.6 of part 4 of this title. As used in this paragraph, the terms laborers and mechanics include watchmen and guards.

(1) Overtime requirements. No contractor or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which he or she is employed on such work to work in excess of forty hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of forty hours in such workweek.

(2) Violation; liability for unpaid wages; liquidated damages. In the event of any violation of the clause set forth in paragraph (b)(1) of this section the contractor and any subcontractor responsible therefore shall be liable for the unpaid wages. In addition, such contractor and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the clause set forth in paragraph (b)(1) of this section, in the sum of \$10 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of forty hours without payment of the overtime wages required by the clause set forth in paragraph (b)(1) of this section.

(3) Withholding for unpaid wages and liquidated damages. The Local Borrower, upon its own action or upon written request of the EPA Award Official or an authorized representative of the Department of Labor shall withhold or cause to be withheld, from any moneys payable on account of work performed by the contractor or subcontractor under any such contract or any other Federal contract with the same prime contractor, or any other federally-assisted contract subject to the Contract Work Hours and Safety Standards Act, which is held by the same prime contractor, such sums as may be determined to be necessary to satisfy any liabilities of such contractor or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in paragraph (b)(2) of this section.

(4) Subcontracts. The contractor or subcontractor shall insert in any subcontracts the clauses set forth in paragraph (b)(1) through (4) of this section and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for compliance by any subcontractor or lower tier subcontractor with the clauses set forth in paragraphs (b)(1) through (4) of this section.

(c) In addition to the clauses contained in paragraph (b), in any contract subject only to the Contract Work Hours and Safety Standards Act and not to any of the other statutes cited in 29 CFR Sec. 5.1, the Local Borrower shall insert a clause requiring that the contractor or subcontractor shall maintain payrolls and basic payroll records during the course of the work and shall preserve them for a period of three years from the completion of the contract for all

laborers and mechanics, including guards and watchmen, working on the contract. Such records shall contain the name and address of each such employee, social security number, correct classifications, hourly rates of wages paid, daily and weekly number of hours worked, deductions made, and actual wages paid. Further, the Local Borrower shall insert in any such contract a clause providing that the records to be maintained under this paragraph shall be made available by the contractor or subcontractor for inspection, copying, or transcription by authorized representatives of WIFA, EPA and the Department of Labor, and the contractor or subcontractor will permit such representatives to interview employees during working hours on the job.

**Section 2. General Provisions.**

(a) Binding Effect. This Wage Rate Addendum shall inure to the benefit of and shall be binding upon WIFA and the Local Borrower and their respective successors and assigns.

(b) Severability. In the event any provision of this Wage Rate Addendum shall be held illegal, invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate, render unenforceable or otherwise affect any other provision hereof.

(c) Amendments, Supplements and Modifications. This Wage Rate Addendum may not be amended, supplemented or modified without the prior written consent of WIFA and the Local Borrower.

(d) Execution in Counterparts. This Wage Rate Addendum may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

(e) Applicable Law. This Wage Rate Addendum shall be governed by and construed in accordance with the laws of the State of Arizona.

(f) Captions. The captions or headings in this Wage Rate Addendum are for convenience only and shall not in any way define, limit or describe the scope or intent of any provisions of this Wage Rate Addendum.

(g) Further Assurances. The Local Borrower shall, at the request of WIFA, authorize, execute, acknowledge and deliver such further resolutions, conveyances, transfers, assurances, financing statements and other instruments as may be necessary or desirable for better assuring, conveying, granting, assigning and confirming the rights and agreements granted or intended to be granted by this Wage Rate Addendum.

(h) Arbitration. The parties hereto agree to use arbitration to the extent required by Section 12-1518 of the Arizona Revised Statutes.



(i) Notice Regarding A.R.S. § 38 511. To the extent applicable by provision of law, the parties acknowledge that this Wage Rate Addendum is subject to cancellation pursuant to A.R.S. § 38-511, the provisions of which are hereby incorporated herein.

WIFA and the Local Borrower are signing this Wage Rate Addendum to be effective as part of the Loan Agreement.

**Water Infrastructure Finance Authority of Arizona**

By: \_\_\_\_\_

Dan Dialessi, Executive Director

**Town of Queen Creek**

By: \_\_\_\_\_

Scott McCarty, Chief Financial Officer

[Signature page to Wage Rate Addendum to Loan Agreement]

## LOAN AGREEMENT ADDENDUM

### American Iron and Steel Requirements for Compliance with Federal Law

#### Water Infrastructure Finance Authority of Arizona

This document (this "American Iron and Steel Addendum") sets forth additional requirements made applicable to state revolving fund Loans made by the Water Infrastructure Finance Authority of Arizona ("WIFA") by federal law. The provisions in this American Iron and Steel Addendum are a part of the Loan Agreement. Capitalized terms not otherwise defined herein shall have the meanings given them in the Loan Agreement.

The parties acknowledge and agree that funds disbursed by WIFA to the Local Borrower will include funds made available to WIFA by the federal government under federal law, and that the requirements of federal law include those set forth in this American Iron and Steel Addendum. The Local Borrower agrees to comply with all of those requirements and agrees that failure to do so is a breach of the provisions of the Loan Agreement which may result in a default under the Loan Agreement, termination of WIFA's obligation to make disbursements on the Loan and the Local Borrower being required to repay all amounts that have been disbursed by WIFA on the Loan, together with interest and fees as provided in the Loan Agreement.

Federal law requires that WIFA include in all assistance agreements, including the Loan Agreement, for the construction, alteration, maintenance, or repair of treatment works under the Clean Water State Revolving Fund and for the construction, alteration, maintenance, or repair of a public water system under the Drinking Water State Revolving Fund, a provision requiring the application of American Iron and Steel requirements for the entirety of the construction activities financed by the assistance agreement through completion of construction, no matter when construction commences. Whether or not the project has multiple sources of funding, the American Iron and Steel requirements apply to the entire project and not just to the activities funded by the money made available to WIFA by the federal government.

#### **Section 1. American Iron and Steel Requirements.** In accordance with federal law:

(a)(1) None of the funds made available to WIFA as authorized by title VI of the Federal Water Pollution Control Act (33 U.S.C. 1381 et seq.) or as authorized by section 1452 of the Safe Drinking Water Act (42 U.S.C. 300j-12) shall be used for a project for the construction, alteration, maintenance, or repair of a public water system or treatment works unless all of the iron and steel products used in the project are produced in the United States.

(2) In this section, the term "iron and steel products" means the following products made primarily of iron or steel: lined or unlined pipes and fittings, manhole covers and other municipal castings, hydrants, tanks, flanges, pipe clamps and restraints, valves, structural steel, reinforced precast concrete, and construction materials.

(b) Subsection (a) shall not apply in any case or category of cases in which the Administrator of the Environmental Protection Agency (in this section referred to as the "Administrator") finds that—

- (1) applying subsection (a) would be inconsistent with the public interest;
  - (2) iron and steel products are not produced in the United States in sufficient and reasonably available quantities and of a satisfactory quality; or
  - (3) inclusion of iron and steel products produced in the United States will increase the cost of the overall project by more than 25 percent.
- (c) If the Administrator receives a request for a waiver under this section, the Administrator shall make available to the public on an informal basis a copy of the request and information available to the Administrator concerning the request, and shall allow for informal public input on the request for at least 15 days prior to making a finding based on the request. The Administrator shall make the request and accompanying information available by electronic means, including on the official public Internet Web site of the Environmental Protection Agency.

## **Section 2. General Provisions.**

- (a) Binding Effect. This American Iron and Steel Addendum shall inure to the benefit of and shall be binding upon WIFA and the Local Borrower and their respective successors and assigns.
- (b) Severability. In the event any provision of this American Iron and Steel Addendum shall be held illegal, invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate, render unenforceable or otherwise affect any other provision hereof.
- (c) Amendments, Supplements and Modifications. This American Iron and Steel Addendum may not be amended, supplemented or modified without the prior written consent of WIFA and the Local Borrower.
- (d) Execution in Counterparts. This American Iron and Steel Addendum may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.
- (e) Applicable Law. This American Iron and Steel Addendum shall be governed by and construed in accordance with the laws of the State of Arizona and applicable federal law.
- (f) Captions. The captions or headings in this American Iron and Steel Addendum are for convenience only and shall not in any way define, limit or describe the scope or intent of any provisions of this American Iron and Steel Addendum.
- (g) Further Assurances. The Local Borrower shall, at the request of WIFA , authorize, execute, acknowledge and deliver such further resolutions, conveyances, transfers, assurances, financing statements and other instruments as may be necessary or desirable for better assuring, conveying, granting, assigning and confirming the rights and agreements granted or intended to be granted by this American Iron and Steel Addendum.

(h) Prohibition Against Discrimination. In the event that it applies, the parties agree to comply with the Arizona Governor's Executive Order 2009-9, entitled "Prohibition of Discrimination in State Contracts Non-Discrimination in Employment by Government Contractors and Subcontractors," which mandates that all persons, regardless of race, color, religion, sex, age, or national origin shall have equal access to employment opportunities, and all other applicable state and Federal employment laws, rules, and regulations, including the Americans with Disabilities Act. The Local Borrower shall take affirmative action to ensure that applicants for employment and employees are not discriminated against due to race, creed, color, religion, sex, national origin or disability.

(i) Arbitration. In the event of a dispute, the parties agree to use arbitration, after exhausting applicable administrative review, to the extent required by Arizona Revised Statutes Section 12-1518, and the prevailing party shall be entitled to attorney's fees and costs with respect thereto.

(j) Notice of Arizona Revised Statutes Section 38-511 - Cancellation. Notice is hereby given of the provisions of Arizona Revised Statutes Section 38-511, as amended. By this reference, the provisions of said statute are incorporated herein to the extent of their applicability to this American Iron and Steel Addendum under the law of the State of Arizona.

[SIGNATURE PAGE FOLLOWS]

WIFA and the Local Borrower are signing this American Iron and Steel Addendum to be effective as part of the Loan Agreement.

**Water Infrastructure Finance Authority of Arizona**

By: \_\_\_\_\_

Dan Dialessi, Executive Director

**Town of Queen Creek**

By: \_\_\_\_\_

Scott McCarty, Chief Financial Officer

[Signature page to American Iron and Steel Addendum to Loan Agreement]

## Exhibit A of Loan Agreement

### Section 1: Financial Assistance Terms and Conditions Town of Queen Creek **TBD**

Loan Number.....	TBD
Closing Date.....	TBD
First Payment Period.....	01/01/23
<b>Financial Assistance Terms and Conditions</b>	
Original Loan Amount as of the Closing Date.....	\$ 10,098,396.00
Loan Amount.....	\$ 10,098,396.00
Loan Term.....	30
Combined Interest & Fee Rate	2.700%
Total # of Payment Periods within Loan Term.....	60
<small>* Combined Interest and Fee Rate (CIFR) allocation: Fee = 1.5% (150 basis points); Interest = CIFR minus Fee.</small>	
<b>Principal Repayments</b>	
Period Principal Repayments Begin.....	6
First Principal Repayment Date.....	07/01/25
Final Principal Repayment Date.....	07/01/52
<b>Combined Interest and Fee Payment Dates</b>	
First Combined Interest and Fee Payment Date*.....	01/01/23
Final Combined Interest and Fee Payment Date.....	07/01/52
<small>* Actual initial Combined Interest and Fee payment calculated only on dollar amount drawn against loan as of initial payment date</small>	
<b>Debt Service Reserve Fund Requirements</b>	
Total Reserve Amount.....	\$ 518,627.02
Annual Amount.....	\$ 103,725.40
Reserve Funded by (Date)**.....	
<small>** A DSR would not be funded unless, in a given fiscal year, Net Revenues fail to equal 150% of the aggregate of the debt service or comparable payments payable on any outstanding parity obligations in the current or any future fiscal year</small>	
<b>Repair and Replacement Fund Requirement</b>	
Begin Funding on (Date).....	01/01/28
Annual Amount.....	\$ 103,725.40
Semi-Annual Deposit.....	\$ 51,862.70
<b>Annual Payment</b>	
Years 1 through 5.....	\$ 518,627.02
Years 6 through 10.....	\$ 518,627.02
Years 11 through 15.....	\$ 518,627.02
Years 16 through 20.....	\$ 518,627.02
Years 21 through 25.....	\$ 518,627.02
Years 26 through 30.....	\$ 518,627.02

**Section 2: Loan Repayment Schedule**  
**Town of Queen Creek**  
**15-Apr-22**

Year Period		Semi-Annual Payment Dates	Combined Interest and Fee Rate	Semi-Annual Combined Interest and Fee Payment	Annual Principal Repayment	Total Annual Payment
1	1	01/01/23	2.700%	172,682.57		
1	2	07/01/23	2.700%	136,328.35	0.00	309,010.92
2	3	01/01/24	2.700%	136,328.35		
2	4	07/01/24	2.700%	136,328.35	0.00	272,656.70
3	5	01/01/25	2.700%	136,328.35		
3	6	07/01/25	2.700%	136,328.35	245,970.32	518,627.02
4	7	01/01/26	2.700%	133,007.74		
4	8	07/01/26	2.700%	133,007.74	252,611.54	518,627.02
5	9	01/01/27	2.700%	129,597.49		
5	10	07/01/27	2.700%	129,597.49	259,432.04	518,627.02
6	11	01/01/28	2.700%	126,095.16		
6	12	07/01/28	2.700%	126,095.16	266,436.70	518,627.02
7	13	01/01/29	2.700%	122,498.26		
7	14	07/01/29	2.700%	122,498.26	273,630.50	518,627.02
8	15	01/01/30	2.700%	118,804.25		
8	16	07/01/30	2.700%	118,804.25	281,018.52	518,627.02
9	17	01/01/31	2.700%	115,010.50		
9	18	07/01/31	2.700%	115,010.50	288,606.02	518,627.02
10	19	01/01/32	2.700%	111,114.32		
10	20	07/01/32	2.700%	111,114.32	296,398.38	518,627.02
11	21	01/01/33	2.700%	107,112.94		
11	22	07/01/33	2.700%	107,112.94	304,401.14	518,627.02
12	23	01/01/34	2.700%	103,003.53		
12	24	07/01/34	2.700%	103,003.53	312,619.96	518,627.02
13	25	01/01/35	2.700%	98,783.16		
13	26	07/01/35	2.700%	98,783.16	321,060.70	518,627.02
14	27	01/01/36	2.700%	94,448.84		
14	28	07/01/36	2.700%	94,448.84	329,729.34	518,627.02
15	29	01/01/37	2.700%	89,997.50		
15	30	07/01/37	2.700%	89,997.50	338,632.02	518,627.02
16	31	01/01/38	2.700%	85,425.96		
16	32	07/01/38	2.700%	85,425.96	347,775.10	518,627.02
17	33	01/01/39	2.700%	80,730.99		
17	34	07/01/39	2.700%	80,730.99	357,165.04	518,627.02
18	35	01/01/40	2.700%	75,909.27		
18	36	07/01/40	2.700%	75,909.27	366,808.48	518,627.02
19	37	01/01/41	2.700%	70,957.35		
19	38	07/01/41	2.700%	70,957.35	376,712.32	518,627.02
20	39	01/01/42	2.700%	65,871.74		
20	40	07/01/42	2.700%	65,871.74	386,883.54	518,627.02
21	41	01/01/43	2.700%	60,648.81		
21	42	07/01/43	2.700%	60,648.81	397,329.40	518,627.02
22	43	01/01/44	2.700%	55,284.86		
22	44	07/01/44	2.700%	55,284.86	408,057.30	518,627.02
23	45	01/01/45	2.700%	49,776.09		
23	46	07/01/45	2.700%	49,776.09	419,074.84	518,627.02
24	47	01/01/46	2.700%	44,118.58		
24	48	07/01/46	2.700%	44,118.58	430,389.86	518,627.02
25	49	01/01/47	2.700%	38,308.32		
25	50	07/01/47	2.700%	38,308.32	442,010.38	518,627.02

**Section 2: Loan Repayment Schedule**  
**Town of Queen Creek**  
**15-Apr-22**

Year Period		Semi-Annual Payment Dates	Combined Interest and Fee Rate	Semi-Annual Combined Interest and Fee Payment	Annual Principal Repayment	Total Annual Payment
26	51	01/01/48	2.700%	32,341.18		
26	52	07/01/48	2.700%	32,341.18	453,944.66	518,627.02
27	53	01/01/49	2.700%	26,212.92		
27	54	07/01/49	2.700%	26,212.92	466,201.18	518,627.02
28	55	01/01/50	2.700%	19,919.21		
28	56	07/01/50	2.700%	19,919.21	478,788.60	518,627.02
29	57	01/01/51	2.700%	13,455.56		
29	58	07/01/51	2.700%	13,455.56	491,715.90	518,627.02
30	59	01/01/52	2.700%	6,817.39		
30	60	07/01/52	2.700%	6,817.39	504,992.22	518,627.00
				5,004,828.16	10,098,396.00	15,103,224.16



**Exhibit B**

**Technical Terms and Conditions**

**Section 1  
Budget**

<b>Uses by Budget Item</b>	<b>Amount Budgeted</b>
Planning.....	\$0.00
Design & Engineering.....	\$918,036.00
Legal/Debt Authorization.....	\$25,000.00
Financial Advisor.....	\$50,000.00
Land/System Acquisition.....	\$0.00
Equipment/Materials.....	\$0.00
Construction/Installation/Improvement.....	\$8,262,324.00
Inspection & Construction Management.....	\$0.00
Project Officer.....	\$0.00
Administration.....	\$50,000.00
Staff Training.....	\$0.00
Capitalized Interest.....	\$0.00
Refinance Loan.....	\$0.00
Other.....	\$793,036.00
<b>Total Budget.....</b>	<b>\$10,098,396.00</b>

**Section 2  
Project Description**

This loan will fund the construction of approximately 30,00 linear feet of sewer lines in the recently annexed State Trust Land. The Town has needed to plan for both the community and geographical area to create a more efficient overall system. The following sewer lines are being planned to assist in the development of the area.

**Sewer Line Projects**

- 1) C84: Ironwood Road: Germann Road to Pecos Road - 12” Sewer Line – 5,300 ft
- 2) WW601: Germann Road: Meridian Road to Ironwood Road - 18” Sewer Line – 6,140 ft
- 3) WW602: Germann Road: Ironwood Road to Kenworthy Road - 18” Sewer Line – 5,300 ft
- 4) WW609: Pecos Road: Ironwood Road to Kenworthy Road - 18” Sewer Line – 5,300 ft
- 5) WW608: Kenworthy Road: Germann Road to 1/3 miles north - 12” Sewer Line – 1,766 ft
- 6) WW604: Pecos Road: Meridian Road to Ironwood Road - 18” Sewer Line -5,300 ft

**Section 3**  
**Estimated Observation and Disbursement Schedule**

**Observation Schedule B:**

Observation 1: Upon borrower notification of construction commencement

Additional Observations: at least one site observation within each 12 month period

Final Observation: 80% construction budget disbursement

**Additional Observations** – A WIFA representative may perform additional observations based on information provided in the projects status reports included in each Local Borrower disbursement requisition form.

**Withholding Percentage:**

50% (released after Fiscal Sustainability Plan certification is received)

10% (released after deliverables received)

**Section 4**  
**Requirements Prior To Construction**

Section 4.1 **Construction Bids**. The Local Borrower shall submit to the Authority for review and approval prior to execution:

- (a) engineering contracts related to the Project,
- (b) bid documents related to the Project,
- (c) construction contracts related to the Project, and
- (d) certification of positive effort for disadvantaged business enterprise participation.

Section 4.2 **User Charges**. The Local Borrower has established (or, if the System is not yet in operation, the Local Borrower will, at or before the time the System commences operation, establish) a system of user charges which, with other funds lawfully available, will at all times be sufficient to pay the costs of operation and maintenance of the System, including renewals and replacements of the System. The Local Borrower also agrees that such system of user charges will be established and maintained in compliance with any applicable requirements of state and federal law as long as the Local Borrower owes amounts under this Loan Agreement. The Local Borrower at its sole option may pay the costs of operation, maintenance, repair, replacement, extensions and additions to the System from any funds lawfully available to it for such purpose.

Section 4.3 **Interest in Project Site.** As a condition of the Loan, the Local Borrower will demonstrate to the satisfaction of the Authority that the Local Borrower has or will have a fee simple or such other estate or interest in the site of the Project, including necessary easements and rights-of-way, as the Authority finds sufficient to assure undisturbed use and possession for the purpose of construction and operation of the Project for the estimated life of the Project.

Section 4.4 **Federal Clean Water Act.** The Local Borrower covenants that, to the extent legally applicable, the Project will meet the requirements of the Federal Clean Water Act in effect on the date of Loan Closing and any amendments thereto that may retroactively apply to the Loan, and the Local Borrower agrees that the Project will comply with applicable provisions of those federal laws and authorities listed in Article 9 of the Standard Terms and Conditions.

Section 4.5 **Federal Safe Drinking Water Act.** The Local Borrower covenants that, to the extent legally applicable, the Project will meet the requirements of the Federal Safe Drinking Water Act in effect on the date of Loan Closing and any amendments thereto that may retroactively apply to the Loan, and the Local Borrower agrees that the Project will comply with applicable provisions of those federal laws and authorities listed in Article 9 of the Standard Terms and Conditions.

Section 4.6 **Signs.** The Local Borrower shall erect a construction sign displaying information on the Project and the funding sources. The Authority shall provide specifications for such construction signs.

## **Section 5 Requirements During Construction**

Section 5.1 **Changes in Project Scope.** The Local Borrower shall submit to the Authority, for review and approval prior to execution, any change to the plans and specifications, construction contracts, Eligible Project Costs, or any other change which will effect the performance standards or purpose of the Project.

Section 5.2 **Completion of Project and Provision of Moneys Therefor.** The Local Borrower covenants and agrees (a) to exercise its best efforts in accordance with prudent utility construction practice to complete the Project and (b) to the extent permitted by law, to provide from its own fiscal resources all moneys, in excess of the total amount of loan proceeds it receives hereunder and under any subsequent loan from the Authority, required to complete the Project.

Section 5.3 **Inspections; Information.** The Local Borrower shall permit the Authority and any party designated by the Authority to examine, visit and inspect, at any and all reasonable times, the property, if any, constituting the Project, and to inspect and make copies of any accounts, books and records, including (without limitation) its records regarding receipts, disbursements, contracts, investments and any other matters relating thereto and to its financial standing, and shall supply such reports and information as the Authority may reasonably require in connection therewith.

Section 5.4 **Adjustments for Ineligible Costs.** The Local Borrower shall promptly reimburse the Authority for any portion of the Loan which is determined to have been used for costs that are not eligible for funding under the Authority Act, the Federal Clean Water Act, as amended, or the Federal Safe Drinking Water Act, as amended, unless such matter is curable in some other manner by the Local Borrower to the satisfaction of the Authority. Such reimbursement shall be promptly repaid to the Authority upon written request of the Authority. Any such reimbursed principal amount will be applied to reduce the outstanding principal amount of the Loan.

Section 5.5 **Archaeological Artifacts.** In the event that archaeological artifacts or historical resources are discovered during construction excavation of the Project, the Local Borrower shall stop or cause to be stopped construction activities and will notify the State Historic Preservation Office and the Authority of such discovery.

Section 5.6 **Environmental Assessment.** The Local Borrower is in the process of completing its Environmental Assessment. The Authority anticipates that a Finding of No Significant Impact may be issued after the Environmental Assessment is completed. A 30-day public comment period will then be required before construction commencement and disbursement of construction related funds.

## **Section 6 Requirements Prior To Final Disbursements**

Section 6.1 **Plan of Operation.** After construction is 50% complete and prior to the release of the withholding, the Local Borrower will submit to the Authority a plan of operation which provides a concise, sequential description of an implementation schedule for those activities necessary to assure efficient and reliable start-up and continual operation of the Project.

Section 6.2 **Final Approval.** Prior to the release of the withholding, the Local Borrower will submit to the Authority (a) as-built drawings by a professional engineer that document all changes from the original plans and specifications (b) copies of all testing results performed by or under the supervision of a professional engineer as required by the specifications, and (c) Arizona Department of Environmental Quality (ADEQ) approval of construction or an engineer's Certificate of Completion certifying that all construction was completed in accordance with the plans and specifications or that any changes made are in conformance with the Arizona Revised Statutes, ADEQ and Environmental Protection Agency rules, permits and guidelines and are documented in the as-built drawings. Based on a review of the information submitted, the Authority reserves the right, prior to the release of the withholding, to request modifications to the Project, the system, or the materials submitted pursuant to this section.

## Exhibit C

### Reporting Requirements

Section 1. **Annual Loan Review.** The Authority’s Annual Loan Review Form and annual financial statements in a format approved by the Authority, including the report of any annual audit(s) and all audit reports required by governmental auditing standards and any applicable Arizona rules, shall be provided by the Local Borrower to the Authority within one-hundred and eighty (180) days after the end of each fiscal year of the Local Borrower. The Local Borrower shall complete all audits and submit all reports required by the federal Single Audit Act within the time limits under that federal law, currently within the earlier of 30 days after receipt of the auditor’s reports or nine months after the end of the audit period, unless a longer period is agreed to in advance by the federal agency that provided the funding or a different period is specified in a program-specific audit guide.

Section 2. **Records and Accounts.** The Local Borrower shall keep accurate records and accounts for the System, including records and accounts for the Project (the “*System Records*”), separate and distinct from its other records and accounts (the “*General Records*”). The Local Borrower must maintain the System Records in accordance with generally accepted accounting principles (GAAP), including standards relating to the reporting of infrastructure assets, as issued by the Governmental Accounting Standards Board (GASB) or by the Financial Accounting Standards Board (FASB), as applicable to the Local Borrower. If required by law, the Local Borrower must have the System Records audited annually by an independent accountant, which audit may be part of the annual audit of the General Records of the Local Borrower. The Local Borrower must make all System Records and General Records available for inspection by the Authority at any reasonable time.

Section 3. **Notice of Change In Key Personnel.** Promptly after becoming aware thereof, the Local Borrower shall provide notice in writing to the Authority of any change to the information in Section 1 of the Loan Agreement and any other change in key personnel connected to the Project and Loan.

Section 4. **Notice of Material Adverse Change.** The Local Borrower shall promptly notify the Authority of any material adverse change in the activities, prospects or condition (financial or otherwise), of the Local Borrower relating to the System, or in the ability of the Local Borrower to make all Loan Repayments from the Source of Repayment described in this Loan Agreement and otherwise to observe and perform its duties, covenants, obligations and agreements hereunder.

Section 5. **Disadvantaged Business Enterprise (DBE) Program.** The Local Borrower must report DBE participation to the Authority based on guidance from the Authority.

Section 6. **Notice of Default.** Promptly after becoming aware thereof, Local Borrower shall give notice to the Authority of (i) the occurrence of any Event of Default under the Loan Agreement or (ii) the occurrence of any breach, default, Event of Default, or event which with the giving of notice or lapse of time, or both, could become a material breach, default, or Event of Default (a “Future Breach”) under any agreement, indenture, mortgage, or other instrument

(other than the Loan Agreement) to which the Local Borrower is a party or by which it or any of its property is bound or affected. Local Borrower shall provide written notice to the Authority if the effect of such breach, default, Event of Default or Future Breach is to accelerate, or to permit the acceleration of, the maturity of any indebtedness under such agreement, indenture, mortgage, or other instrument; provided, however, that the failure of the Local Borrower to give such notice shall not affect the right and power of the Authority to exercise any and all of the remedies specified herein.

Section 7. **Notice of Construction Commencement.** The Local Borrower shall promptly notify the Authority immediately upon commencement of construction activities.

Section 8. **Notice of Non-Environmental Litigation.** Promptly after the commencement or overt threat thereof, Local Borrower shall provide the Authority with written notice of the commencement of all actions, suits, or proceedings before any court, arbitrator, or governmental department, commission, board, bureau, agency, or instrumentality affecting Local Borrower which, if adversely determined, could have a material adverse effect on the condition (financial or otherwise), operations, properties, or business of Local Borrower, or on the ability of Local Borrower to perform its obligations under the Loan Agreement.

Section 9. **Notice of Environmental Litigation.** Without limiting the provisions of Section 8 above, promptly after receipt thereof, Local Borrower shall provide the Authority with written notice of the receipt of all pleadings, orders, complaints, indictments, or other communication alleging a condition that may require Local Borrower to undertake or to contribute to a cleanup or other response under laws relating to environmental protection, or which seek penalties, damages, injunctive relief, or criminal sanctions related to alleged violations of such laws, or which claim personal injury to any person or property damage as a result of environmental factors or conditions or which, if adversely determined, could have a material adverse effect on the condition (financial or otherwise), operations, properties, or business of Local Borrower, or on the ability of Local Borrower to perform its obligations under the Loan Agreement.

Section 10. **Regulatory and Other Notices.** Promptly after receipt or submission thereof, Local Borrower shall provide the Authority with copies of any notices or other communications received from or directed to any governmental authority with respect to any matter or proceeding which could have a material adverse effect on the condition (financial or otherwise), operations, properties, or business of Local Borrower, or the ability of Local Borrower to perform its obligations under the Loan Agreement, or which reveals a substantial non compliance with any applicable law, regulation or rule.

Section 11. **Other Information.** The Local Borrower shall submit to the Authority other information regarding the condition (financial or otherwise), or operation of the Local Borrower as the Authority may, from time to time, reasonably request.

Section 12. **Additional Reporting Requirements.** The Local Borrower shall refer to the Loan Agreement Addendum for wage rate reporting requirements.

## **Exhibit D Source of Repayment: System Revenues**

### **Section 1 Certain Definitions**

As used in this Loan Agreement, the following terms shall have the meanings set forth below unless the context clearly requires otherwise:

“Additional Parity Obligations” shall mean any additional obligations having a lien payable from Net Revenues of the System on a parity with the Loan Agreement which may hereafter be issued by the Local Borrower (or any financing conduit acting on behalf of the Local Borrower) in compliance with the terms in Section 3.

“Administrative Expenses” shall mean the reasonable cost or value of all services rendered by the Local Borrower and its various departments with respect to the System.

“Fund” shall mean the fund or funds into which the Local Borrower shall deposit the Revenues of the System.

“Net Revenues” shall mean that portion of the Revenues remaining after deducting sufficient funds for the Operation and Maintenance Expenses of the System.

“Operation and Maintenance Expenses” shall mean all costs reasonably incurred in connection with the operation, use and maintenance of the System, including (i) repairs necessary to keep the System in efficient and economical operating condition, (ii) the payments of premiums for insurance hereinafter required to be carried on the System, (iii) payments of reasonable Administrative Expenses and (iv) generally all expenses of the System except depreciation, interest expense related to the Loan Agreement, any Outstanding Parity Obligations, any Additional Parity Obligations, and interest expenses on any obligations subordinate to such obligations.

“Outstanding Parity Obligations” shall mean obligations issued and outstanding having a lien payable from Net Revenues of the System on a parity with the Loan Agreement.

“Revenues” shall mean and include all income, moneys and receipts to be received by the Local Borrower, directly or indirectly, from the ownership, use or operation of the System including any waste material or by-products of the System, and also including investment income.

### **Section 2 Source of Repayment and Rate Covenant Provisions**

1. It is understood and agreed that all payments with respect to the Loan shall be made only from the Source of Repayment, which is hereby pledged to the payment of all amounts due under the Loan. The “Source of Repayment” is the Net Revenues of the System as hereinafter provided. The Net Revenues are hereby pledged by the Local Borrower to the payment of all amounts due under the Loan and the repayment of such amounts shall be secured by a lien on and pledge of the Net Revenues on parity with the pledge and lien granted by the Local Borrower for the payment and security of Outstanding Parity Obligations and Additional Parity

Obligations. The amounts due under this Loan Agreement and any Outstanding Parity Obligations and Additional Parity Obligations (exclusive of the Local Borrower's repayment obligations with respect to those reserve fund credit instruments in connection with this Loan and any Additional Parity Obligations which shall be secured on a subordinate basis), shall be equally and ratably secured by said pledge and lien without one having priority over the other. The Local Borrower intends that this pledge shall be a prior and paramount lien on and a first pledge of the Net Revenues, as will be sufficient to make all payments on the Loan, and the Local Borrower covenants to make the payments under the Loan from the Net Revenues, except to the extent that it chooses to make such payments from other legally available funds at its sole option. In no event shall the Local Borrower be required to make the payments on the Loan from any revenues, receipts or sources not derived from the Net Revenues of the System.

2. The Local Borrower covenants and agrees that it will establish and maintain schedules of rates, fees and charges for all services supplied by the System which, after making reasonable allowance for contingencies and errors in estimates, shall produce Revenues in each fiscal year that are sufficient, (a) to pay the Operation and Maintenance Expenses of the System, (b) to produce an aggregate amount of Net Revenues equal the sum of (i) one hundred twenty percent (120%) of the aggregate of the debt service or comparable payments payable on the Loan, the Outstanding Parity Obligations, and any Additional Parity Obligations in such fiscal year, and (ii) one hundred percent (100%) of the aggregate of the debt service on comparable payments, separately payable and secured on a basis subordinate to the Loan by Net Revenues, and (c) to maintain all necessary fund balances required under the resolutions or agreements of the Local Borrower authorizing the Loan, the Outstanding Parity Obligations, and Additional Parity Obligations.

### **Section 3 Additional Parity Obligations**

The Local Borrower covenants and agrees that no other obligations of any kind will be issued that are payable from or enjoy a pledge of the Net Revenues having priority over the Loan.

It is understood and agreed that Additional Parity Obligations having a lien upon and payable from the Net Revenues may be issued on parity with the Loan, but only as provided herein and only to provide funds to make improvements and expansions to the existing System, to purchase capacity rights in sewage treatment plant facilities owned by other political subdivisions of the State, to purchase capacity rights in water treatment plant facilities owned by other political subdivisions of the State, to acquire land, rights in land or water rights for the System, to provide reasonable reserves for Outstanding Parity Obligations and Additional Parity Obligations, to refund Outstanding Parity Obligations and Additional Parity Obligations or the Loan or to refund other bonds of the Local Borrower, if any, whether revenue bonds, general obligation bonds or other bonds or obligations, issued to provide funds to construct or acquire additions, extensions, improvements, expansions or replacements to the System, subject to the following conditions:

(a) The Local Borrower will not, at the time of the issuance of such Additional Parity Obligations, be in default under any Outstanding Parity Obligations, Additional Parity Obligations, the Loan or under any resolution related thereto or providing for the issuance of Additional Parity Obligations or any related credit or reserve fund credit instrument;



(b) The issuance of Additional Parity Obligations will be duly authorized at an election, if required by law, except as to any bonds or obligations to be issued exclusively for the purpose of refunding any Outstanding Parity Obligations and Additional Parity Obligations or the Loan;

(c) The issuance of Additional Parity Obligations will be provided for by a resolution duly adopted by the Local Borrower's governing body and such Additional Parity Obligations will mature and interest will be paid on the same days of the year as Outstanding Parity Obligations and Additional Parity Obligations; and

(d) The Reserve Requirement (as defined in Exhibit E), as computed for the amount of Additional Parity Obligations to be issued, shall be available in the Reserve Fund (as defined in Exhibit E) in one of the following ways: (i) Additional Parity Obligation proceeds shall be immediately deposited to the Reserve Fund, or a separate account as may be required, in an amount equal to the increased Reserve Requirement, if any, for the Additional Parity Obligations, or a Reserve Fund surety acceptable to the Authority shall be purchased in such amount; or (ii) Additional Parity Obligations, or any other revenues of the Local Borrower lawfully available to be used for such deposit, may be deposited to the Reserve Fund in equal monthly deposits such that the Reserve Requirement for such Additional Parity Obligations shall be satisfied not more than four years from the date of delivery of such Additional Parity Obligations; or (iii) any combination of (i) and (ii). The Reserve Fund may be divided into separate and discrete subaccounts each pledged to different Additional Parity Obligations provided that each Additional Parity Obligation Reserve Requirement is satisfied in one of the foregoing manners; and

(e) the aggregate amount of the Net Revenues of the System for the last full fiscal year immediately preceding the issuance of such Additional Parity Obligation, as shown in a certificate or report of an independent public accountant or firm of such accountants presented to the Authority, has been at least equal to the sum of the following: (i) not less than one hundred twenty percent (120%) of the highest year's debt service or comparable payments on all of the Outstanding Parity Obligations, the Loan, and the Additional Parity Obligations then to be issued, and (ii) not less than one hundred percent (100%) of the aggregate of amounts payable in such fiscal year and secured on a subordinate basis by such Net Revenues and (iii) not less than one hundred percent (100%) of any additional amounts required to maintain or fund necessary fund balances under the resolutions or agreements of the Local Borrower relating to the obligations described in (i).

For the purposes of the subparagraph (e), additional amounts may be added to the Net Revenues as shown on the accountant's certificate or report in the following circumstances:

(1) If the Revenues have been increased as a result of construction of additions or acquisitions to the System made prior to the issuance of such Additional Parity Obligations but during either the fiscal year in which the Additional Parity Obligations are to be issued or in the preceding fiscal year, such increased Revenues may be treated as if such additions to the System were completed on the first day of the fiscal year used for purposes of computation. The Revenues derived from such additions and acquisitions to the System may

be converted for purposes of computation to estimated Net Revenues which would have been derived therefrom if said additions and acquisitions had actually been completed on the first day of the year used for computation purposes, such estimates to be made by a professional firm experienced in estimating future revenues and expenses of water and sewer systems and having a recognized reputation for that work.

(2) If all or part of the proceeds of the Additional Parity Obligations are to be expended for the acquisition of existing water properties or facilities, there may be added to the Net Revenues of such preceding fiscal year the Net Revenues which would have been derived from the operation of such properties or facilities if such properties or facilities had been acquired and operated by the Local Borrower under the Local Borrower's applicable rate schedule during the entire preceding fiscal year, such Net Revenues to be estimated by a professional firm experienced in estimating future revenues and expenses of water and sewer systems and having a recognized reputation for that work.

(3) If prior to the issuance of the Additional Parity Obligations and subsequent to the first day of such preceding fiscal year, the Local Borrower shall have increased its rates or charges imposed for water services, there may be added to the Net Revenues of such fiscal year the additional Net Revenues which would have been received from the operation of the System during such fiscal year had such increase been in effect throughout such fiscal year, such additional Net Revenues to be estimated by a professional firm experienced in estimating future revenues and expenses of water and sewer systems and having a recognized reputation for that work.

For purposes of calculations under this subparagraph (e), if Additional Parity Obligations are to be issued exclusively for the purpose of refunding or retiring a portion of Outstanding Parity Obligations or this Loan, for the purpose of the calculation required under this subparagraph (e), the percentage requirement on such obligations will be taken into consideration only in any future fiscal year in which any fractional part of such obligations will remain outstanding after the issuance of such Additional Parity Obligations; provided that nothing herein contained shall be construed to limit or restrict the issuance of any Additional Parity Obligations if, before or as a result of the issuance and delivery of such Additional Parity Obligations, any other obligations theretofore issued will no longer be outstanding, or full payment for any such obligations will be provided for by funds from the bond or obligation proceeds.

## **Exhibit E Debt Service Reserve Requirements**

### **Held by Local Borrower – No Separate Account**

No debt service reserve fund shall be required to be funded unless in a given fiscal year Net Revenues as established in Exhibit D of this loan agreement fail to equal one hundred fifty percent (150%) of the aggregate of the debt service or comparable payments payable on the Outstanding Parity Obligations in the current or any future fiscal year. If the Local Borrower does not meet this coverage requirement, the Local Borrower covenants and agrees to fund a Reserve Fund (as hereinafter defined) in cash in accordance with this Exhibit commencing on the July 15 following the fiscal year in which the Net Revenues are less than 150 percent of the aggregate debt service or comparable payments payable on the Outstanding Parity Obligations in the current or any future fiscal year, by paying (1) on such July 15 and each January 15 and July 15 thereafter, an amount equal to one-tenth (1/10) of the amount required to fund and maintain the Reserve Fund in an amount equal to the Reserve Requirement (as hereinafter defined) until such time as the amount on deposit in the Reserve Fund shall equal the Reserve Requirement and (2) on the fifteenth (15) day of each month, commencing on the first (1st) day of the month following a payment made on the Loan from the Reserve Fund, an amount equal to one-twelfth (1/12) of the amount which, when added to the balance then in the Reserve Fund, shall be equal to the Reserve Requirement. "Reserve Requirement" shall mean at the time of deposit to the Reserve Fund, an amount equal to the highest amount of Loan Repayments to be paid by the Local Borrower in any subsequent fiscal year as shown in the Loan Repayment Schedule in Exhibit A, provided, however, that such amount shall not exceed the least of (a) ten percent (10%) of the net proceeds of the Loan as originally negotiated, (b) the greatest amount to be paid in any subsequent fiscal year of the Town with respect to the Loan as originally negotiated or (c) one hundred twenty-five percent (125%) of the average annual debt service as originally negotiated. The amount of the Reserve Requirement, and the amount of the required monthly build-up of cash in the Reserve Fund, will be adjusted to reflect any adjustment of the Loan Repayment Schedule in Exhibit A upon and after the delivery of Authority Bonds to finance the Loan or any other adjustment to the Loan Repayment Schedule in Exhibit A.

The Local Borrower shall maintain a balance which shall be, at a minimum, an amount equivalent to the Reserve Requirement (the "Minimum Balance"). The Local Borrower shall cause to be deposited in the account holding the Reserve Fund on or before the first Business Day of each month that monthly deposit as set forth in Exhibit A to cause the Reserve Requirement to be fully funded (the "Reserve Fund"); provided, however, that once the Minimum Balance is achieved such deposits shall no longer be required so long as the Minimum Balance is maintained. For so long as the Loan is outstanding, if, on any date payment is due, the Local Borrower has not paid to the Authority an amount equal to the amount of principal and interest due on the Loan pursuant to Section 3.3 of the Loan Agreement, the Local Borrower shall, on dates noted above, make such payment from the Minimum Balance and shall then deposit the first Net Revenues available (after provision is made for payment of any amounts which have become due under the Loan) an amount sufficient to cause the Minimum Balance to be at least equal to the amount then required.

Notwithstanding anything herein to the contrary, if, after the Local Borrower has been required to make deposits to the Reserve Fund as provided in the first paragraph, the Net Revenues for two consecutive fiscal years equal or exceed 150 percent of the aggregate of the debt service or comparable payments payable on the Outstanding Parity Obligations in the current or any future fiscal year for such fiscal years, any moneys held in the Reserve Fund may be released and used by the Local Borrower for any lawful purpose, and the Local Borrower's obligation to maintain the Reserve Requirement in the Reserve Fund shall terminate, subject to the first paragraph for funding the Reserve Fund if the circumstances described in the first paragraph occur.

The Local Borrower shall keep adequate and accurate records of moneys, investments and investment earnings on the Reserve Fund and the Authority shall have the right to audit the records of the Local Borrower insofar as they pertain to the Minimum Balance.

When all amounts payable by the Local Borrower under the Loan have become due, and all such amounts have been paid Local Borrower shall no longer be required to maintain the Minimum Balance.

The Local Borrower covenants and agrees that the investment of the Minimum Balance for the Loan Repayments shall at all times after the issuance of Authority Bonds to fund the Loan be restricted to a yield not greater than the yield on the Authority's Bonds, which shall be certified at the date of such Bond issuance to the Local Borrower by the Authority based upon certification to the Authority by the underwriters of the Authority's Bonds. The Local Borrower shall maintain adequate records of investment to reflect compliance with this covenant.

## **Exhibit F Replacement Reserve Requirements**

### **Held By Local Borrower – No Separate Account**

The Local Borrower shall either spend or maintain a replacement reserve (the “Replacement Reserve”) in accordance with Exhibit A. The Replacement Reserve shall be used for one or more of the following purposes: (i) the acquisition of new, or the replacement of obsolete or worn out, machinery, equipment, furniture, fixtures or other personal property for the System provided that the property is depreciable; (ii) the performance of repairs with respect to the System which are of an extraordinary and non-recurring nature provided that the property is depreciable; and/or (iii) the acquisition or construction of additions to or improvements, extensions or enlargements to, or remodeling of, the System provided that the property is depreciable (collectively, the “Permitted Uses”).

For so long as the Loan is outstanding, if on any interest payment date or principal repayment date the Local Borrower has not paid to the Authority an amount equal to the amount of principal and interest due on the Loan pursuant to the Loan Agreement, and the Reserve Fund does not hold sufficient moneys to cover the deficiency, the Local Borrower shall transfer amounts, if any, set aside for the Replacement Reserve to the Authority to cover the deficiency.

When all amounts payable by the Local Borrower under the Loan have become due, and all such amounts have been paid, and after any Outstanding Parity Obligations have been paid, any amounts set aside for the Replacement Reserve will become available to the Local Borrower for general use.

## Exhibit G **Form of Opinion of Local Borrower Counsel**

Enter Date of Opinion

Water Infrastructure Finance Authority of Arizona  
Phoenix, Arizona

Ladies and Gentlemen:

I am an attorney admitted to practice in the State of Arizona and I have acted as counsel to the Town of Queen Creek (the “*Local Borrower*”), which has entered into a Loan Agreement (as hereinafter defined) with the Water Infrastructure Finance Authority of Arizona (the “*Authority*”), and have acted as such in connection with the authorization, execution and delivery by the Local Borrower of the Loan Agreement (as hereinafter defined). Terms used and not otherwise defined herein have the meanings given to them in the Loan Agreement.

In so acting I have examined the Constitution and laws of the State of Arizona. I have also examined originals, or copies certified or otherwise identified to my satisfaction, of the following:

(a) the Loan Agreement, dated as of **TBD** (the “*Loan Agreement*”) by and between the Authority and the Local Borrower; and

(b) proceedings of the governing board of the Local Borrower relating to the approval of the Loan Agreement and the Local Borrower Bond and the execution, issuance and delivery thereof on behalf of the Local Borrower, and the authorization of the undertaking and completion of the Project, including the proceedings relating to the election held on Enter Election Date on the question of authorizing the Local Borrower to enter into loan agreements with the Authority and/or issue the Local Borrower Bond, of which there is authorized but unissued capacity at least equal to the principal amount of the Loan.

I have also examined and relied upon originals, or copies certified or otherwise authenticated to my satisfaction, of such other records, documents, certificates and other instruments, and made such investigation of law as in my judgment I have deemed necessary or appropriate to enable me to render the opinions expressed below.

Based upon the foregoing, I am of the opinion that:

1. The Local Borrower is a political subdivision of the State of Arizona with the legal right to carry on the business of the System as currently being conducted and as proposed to be conducted.
2. The Local Borrower has full legal right and authority to pledge the Source of Repayment for the Loan Repayments and to execute and deliver the Loan Agreement, and to observe and perform its duties, covenants, obligations and agreements thereunder and to undertake and complete the Project; subject, however, to the effect of restrictions and limitations imposed by or

resulting from, bankruptcy, insolvency, moratorium, reorganization, debt adjustment or other similar laws affecting creditors rights generally (“*Creditor’s Rights Limitations*”) heretofore or hereafter enacted.

3. The Local Borrower has duly and validly pledged the Source of Repayment for the punctual payment of the principal of and interest on the Loan and all other amounts due under the Loan Agreement and the Local Borrower Bond according to their respective terms.

4. All additional debt tests and reserve and other requirements applicable to the Local Borrower with respect to the pledge of the Source of Repayment have been satisfied.

5. The authorizing proceedings of the Local Borrower’s governing body approving the Loan Agreement and authorizing its execution, issuance and delivery on behalf of the Local Borrower, and authorizing the Local Borrower to undertake and complete the Project (hereinafter collectively called the “*Authorizing Resolutions*”) have been duly and lawfully adopted and authorized in accordance with applicable Arizona law, at a meeting or meetings which were duly called pursuant to necessary public notice and held in accordance with applicable Arizona law, and at which quorums were present and acting throughout.

6. The Loan Agreement has been duly authorized, executed and delivered by the authorized officers of the Local Borrower; and, assuming that the Authority has all the requisite power and authority to authorize, execute and deliver, and has duly authorized, executed and delivered the Loan Agreement, the Loan Agreement constitutes the legal, valid and binding obligation of the Local Borrower enforceable in accordance with its terms; subject, however, to the effect of and to restrictions and limitations imposed by or resulting from Creditor’s Rights Limitations or other laws, judicial decisions and principles of equity relating to the enforcement of contractual obligations generally.

7. To the best of my knowledge, after such investigation as I have deemed appropriate, the authorization, execution and delivery of the Loan Agreement by the Local Borrower, the observance and performance by the Local Borrower of its duties, covenants, obligations and agreements thereunder and the consummation of the transactions contemplated therein and the undertaking and completion of the Project do not and will not contravene any existing law or any existing order, injunction, judgment, decree, rule or regulation of any court or governmental or administrative agency, authority or person having jurisdiction over the Local Borrower or its property or assets or result in a breach or violation of any of the terms and provisions of, or constitute a default under, any existing bond resolution, trust agreement, indenture, mortgage, deed of trust or other agreement to which the Local Borrower is a party or by which it, the System or its property or assets is bound.

8. To the best of my knowledge, after such investigation as I have deemed appropriate, all approvals, consents or authorizations of, or registrations of or filings with, any governmental or public agency, authority or person required to date on the part of the Local Borrower in connection with the authorization, execution, delivery and performance of the Loan Agreement, and the undertaking and completion of the Project have been obtained or made.

9. To the best of my knowledge, after such investigation as I have deemed appropriate, there is no litigation or other proceeding pending or threatened in any Court or other tribunal of competent jurisdiction (either State or Federal) questioning the creation, organization or existence of the Local Borrower or the validity, legality or enforceability of the Loan Agreement, or the undertaking or completion of the Project.

This opinion is rendered on the basis of Federal law and the laws of the State of Arizona as enacted and construed on the date hereof. I express no opinion as to any matter not set forth in the numbered paragraphs herein.

Very truly yours,



## Exhibit H Tax Compliance Certificate of Local Borrower

Water Infrastructure Finance Authority of Arizona

\$10,098,396.00 Loan to Town of Queen Creek

The Water Infrastructure Finance Authority of Arizona (the “Authority”) and Town of Queen Creek (the “Local Borrower”) are entering into a Loan Agreement (the “Loan Agreement”) in the maximum principal amount stated above pursuant to which the Authority will make a loan (the “Loan”) to the Local Borrower. In connection with its state revolving fund programs, the Authority issues its bonds (“Authority Bonds”) from time to time to finance loans and the Authority also pledges certain loans to secure and to serve as the source of payment for the Authority Bonds. As a result, and under the provisions of federal tax law applicable to the Authority Bonds, it is in the Authority’s interest for the Loan to qualify and be a Tax-Exempt Obligation that is not an AMT Obligation. Therefore, in order to establish certain facts necessary for the Loan to qualify and be treated as a Tax-Exempt Obligation that is not an AMT Obligation, and as required by the provisions of the Loan Agreement, the Local Borrower by its officer signing this Certificate, certifies, represents, and covenants as follows with respect to the Loan. All statements in this Certificate are of facts or, as to events to occur in the future, reasonable expectations.

### I. DEFINITIONS

1.10. Attachment A. The definitions and cross-references set forth in Attachment A apply to this Certificate and its Attachments. All terms relating to a particular issue, such as Sale Proceeds, relate to the Loan, unless indicated otherwise. (For example, “Sale Proceeds” refers to Sale Proceeds of the Loan, unless indicated otherwise.)

1.20. Special Definitions. Terms used herein, to the extent not defined in Attachment A or below, have the same meaning as defined in the Loan Agreement. In addition, the following definitions apply to this Certificate and its Attachments:

“Aggregate Issue” means the Drinking Water Loan and the Issue.

“Instructions” means the Rebate Instructions attached hereto as Attachment A-1.

“Issue” means the Loan.

“Issuer” means the Local Borrower.

“Project” means the financing of a portion of the costs of acquisition, construction and improvement of facilities to be financed by the Loan and includes Issuance Costs and interest on the Loan for up to three years from the Issuance Date or, if later, one year after the date the Project is placed in service, all of which are governmental purposes for purposes of the Code.

“Reserve Fund” is defined in 3.40(a).

1.30. References. Reference to a Section means a section of the Code. Reference by number only (for example, “2.10”) means that numbered paragraph of this Certificate. Reference to an Attachment means an attachment to this Certificate.

## II. ISSUE DATA

2.10. Issuer. The Issuer is a Governmental Unit.

2.20. Purpose of Issue. The Issue is being issued to provide funds to pay costs of the Project.

2.30. Dates. The Sale Date of the Issue is the date on which the Loan Agreement is executed and delivered by the Authority and the Local Borrower, and the Issuance Date of the Issue is the first date on which the aggregate draws under the Loan exceed the lesser of \$50,000 or 5% of the principal amount of the Loan.

2.40. Issue Price. The Issue Price of the Issue is the principal amount actually advanced by the Authority to the Issuer as the Loan.

2.50. Sale Proceeds, Net Proceeds, and Net Sale Proceeds. The amount of Sale Proceeds equals the Issue Price. The amount of Net Proceeds equals the Issue Price minus the amount of Proceeds (if any) deposited in the Reserve Fund (if any). The amount of Net Sale Proceeds equals the amount of Net Proceeds minus the Minor Portion.

2.60. Disposition of Sale Proceeds. There will be no Pre-Issuance Accrued Interest with respect to the Issue. The Sale Proceeds will be used to pay costs of the Project and, if applicable, to fund the Reserve Fund (if any).

2.70. Higher Yielding Investments. Gross Proceeds will not be invested in Higher Yielding Investments except for (A) the Minor Portion to the extent provided in 3.80, (B) those Gross Proceeds identified in 3.10, 3.20, and 3.30, but only during the applicable Temporary Periods there described for those Gross Proceeds, and (C) Gross Proceeds held in the Reserve Fund (if any) to the extent set forth in 3.40(a).

2.80. Single Issue. No other obligations have been or will be sold less than 15 days before or after the Sale Date pursuant to the same plan of financing with the Issue that are expected to be paid from substantially the same source of funds as the Issue, determined without regard to guarantees from a person who is not a Related Party to the Issuer. Accordingly, no obligations other than those of the Issue are a part of a single issue with the Issue.

## III. ARBITRAGE (NONREBATE) MATTERS

3.10. Use of Net Sale Proceeds and Pre-Issuance Accrued Interest; Temporary Periods.

(A) Pre-Issuance Accrued Interest. There will be no Pre-Issuance Accrued Interest with respect to the Issue.

(B) Payment of Costs of the Project.

(1) All of the Net Sale Proceeds will be used to pay costs of the Project. Such Sale Proceeds may be used to acquire or hold Higher Yielding Investments for a period ending on the third anniversary of the Issuance Date (such period being the Temporary Period for such amount) because the following three tests are reasonably expected to be satisfied:

(i) At least 85% of the Net Sale Proceeds will be allocated to expenditures on the Project by the end of the Temporary Period;

(ii) Within 6 months of the Issuance Date, the Issuer will incur substantial binding obligations to third parties to expend at least 5% of the Net Sale Proceeds on the Project; and

(iii) Completion of the Project and allocation of the Net Sale Proceeds to expenditures will proceed with due diligence.

Any Sale Proceeds that remain unspent on the third anniversary of the Issuance Date, which is the expiration date of the Temporary Period for such Proceeds, shall not be invested in Higher Yielding Investments with respect to the Issue after that date except as part of the Minor Portion. In complying with the foregoing sentence, the Issuer may take into account “yield reduction payments” (within the meaning of Regulations §1.148-5(c)) paid to the United States.

(2) Any Reimbursement Allocation will qualify as a Reimbursement of Prior Capital Expenditures and will be made by an entry in the financial records of the Issuer kept with respect to the Issue showing that Sale Proceeds of the Issue have been returned to the fund or account of the Issuer from which such amount was originally and temporarily advanced to finance Capital Expenditures paid before this date by not more than (A) 18 months after the later of the date such Capital Expenditures were paid or the date on which the property resulting from such Capital Expenditures and comprising part of the Project was placed in service or (B) three years after the original expenditures were paid.

3.20. Investment Proceeds. Any Investment Proceeds will be used to pay costs of the Project and may be invested in Higher Yielding Investments during the Temporary Period identified in 3.10(B)(1) or, if longer, one year from the date of receipt, such period being the Temporary Period for such Proceeds.

3.30. Payment Fund. Amounts deposited from time to time in the fund of the Issuer from which payments will be made on the Issue, which is a Bona Fide Debt Service Fund, will be used to pay Debt Service on the Issue within 13 months after the amounts are so deposited, such period being the Temporary Period for such amounts.

3.40. Reserve Funds.

(A) Debt Service Reserve Fund. If (and only if) the Loan Agreement requires the funding of a debt service reserve fund (“Reserve Fund”) in cash: The amount of Proceeds of the Loan deposited in the Reserve Fund shall not exceed

10% of the stated principal amount of the Loan. Amounts in the portion of the Reserve Fund allocable to the Issue may be invested in Higher Yielding Investments with respect to the Issue to the extent that such amounts do not exceed the least of (i) 10% of the principal amount of the Issue; (ii) maximum annual Debt Service; and (iii) 125% of average annual Debt Service. Any amounts in the portion of the Reserve Fund allocable to the Issue in excess of the least of these amounts will not be invested in Higher Yielding Investments with respect to the Issue. In complying with the yield restriction set forth in this Section, the Issuer may take into account “yield reduction payments” (within the meaning of Regulations § 1.148-5(c)) timely paid or to be timely paid to the United States because amounts in the Reserve Fund (other than investment earnings) are not reasonably expected to be used to pay Debt Service other than in connection with reductions in the amount required to be in the Reserve Account. The establishing and funding of the Reserve Fund was reasonably required by the Authority as a condition of making the Loan.

(B) Replacement Reserve Fund. If (and only if) the Loan Agreement requires the funding of a replacement reserve fund (“Replacement Reserve Fund”) in cash: The Replacement Reserve Fund may be used for one or more of the following purposes: (i) the acquisition of new, or the replacement of obsolete or worn out, machinery, equipment, furniture, fixtures or other personal property for the Issuer’s utility system, provided that the property is depreciable; (ii) the performance of repairs with respect to the Issuer’s utility system that are of an extraordinary and non-recurring nature, provided that the property is depreciable; (iii) the acquisition or construction of additions to or improvements, extensions or enlargements to, or remodeling of, the Issuer’s utility system, provided that the property is depreciable; and/or (iv) to make Debt Service payments to the Authority on the Issue (collectively, the “Permitted Uses”). The Issuer reasonably expects to use amounts in the Replacement Reserve Fund for Permitted Uses other than to make Debt Service payments to the Authority on the Issue, and therefore there is no reasonable assurance of the availability of those amounts to make Debt Service payments to the Authority on the Issue if the Issuer encounters financial difficulties

3.50. No Other Replacement Fund or Assured Available Funds. Except as described in 3.30 and, if and to the extent applicable, 3.40(A), , the Issuer has not established and does not expect to establish or use any sinking fund, debt service fund, redemption fund, reserve or replacement fund, or similar fund, or any other fund to pay Debt Service on the Issue. Except for money referred to in 3.30 and Proceeds of a Refunding Issue, if any, no other money or Investment Property is or will be pledged as collateral or used for the payment of Debt Service on the Issue (or for the reimbursement of any others who may provide money to pay that Debt Service), or is or will be restricted, dedicated, encumbered, or set aside in any way as to afford the holders of the Issue reasonable assurance of the availability of such money or Investment Property to pay Debt Service on the Issue.

3.60. No Overissuance. The Proceeds of the Issue are not reasonably expected to exceed the amount needed for the governmental purposes of the Issue as set forth in 2.20.

3.70. Other Uses of Proceeds Negated. Except as stated otherwise in this Certificate, none of the Proceeds of the Issue will be used:

(A) to pay principal of or interest on, refund, renew, roll over, retire, or replace any other obligations issued by or on behalf of the Issuer or any other Governmental Unit,

(B) to replace any Proceeds of another issue that were not expended on the project for which such other issue was issued,

(C) to replace any money that was or will be used directly or indirectly to acquire Higher Yielding Investments,

(D) to make a loan to any person or other Governmental Unit,

(E) to pay any Working Capital Expenditure other than expenditures identified in Regulations §1.148-6(d)(3)(ii)(A) and (B) (i.e., Issuance Costs of the Issue, Qualified Administrative Costs, reasonable charges for a Qualified Guarantee or for a Qualified Hedge, interest on the Issue for a period commencing on the Issuance Date of the Issue and ending on the date that is the later of three years from such Issuance Date or one year after the date on which the project financed or refinanced by the Issue was or will be placed in service, payments of the Rebate Amount, and costs, other than those already described, that do not exceed 5% of the Sale Proceeds and that are directly related to Capital Expenditures financed or deemed financed by the Issue, principal or interest on an issue paid from unexpected excess Sale Proceeds or Investment Proceeds, and principal or interest on an issue paid from investment earnings on a reserve or replacement fund that are deposited in a Bona Fide Debt Service Fund), or

(F) to reimburse any expenditures made prior to the Issuance Date except those that qualify as a Reimbursement of Prior Capital Expenditures.

No portion of the Issue is being issued solely for the purpose of investing Proceeds in Higher Yielding Investments.

3.80. Minor Portion. The Minor Portion is equal to the lesser of 5% of the Sale Proceeds of the Issue and \$100,000. Such Minor Portion may be invested in Higher Yielding Investments with respect to the Issue.

3.90. No Other Replacement Proceeds. That portion of the Issue that is to be used to finance Capital Expenditures has a weighted average maturity that does not exceed 120% of the weighted average reasonably expected economic life of the property resulting from such Capital Expenditures.

#### IV. REBATE MATTERS

4.10. Issuer Obligation Regarding Rebate. Consistently with its covenants contained in the Loan Agreement, the Issuer will calculate and make, or cause to be calculated and made,

payments of the Rebate Amount in the amounts and at the times and in the manner provided in Section 148(f) with respect to Gross Proceeds to the extent not exempted under Section 148(f)(4) and the Instructions.

4.20. No Avoidance of Rebate Amount. No amounts that are required to be paid to the United States will be used to make any payment to a party other than the United States through a transaction or a series of transactions that reduces the amount earned on any Investment Property or that results in a smaller profit or a larger loss on any Investment Property than would have resulted in an arm's length transaction in which the Yield on the Issue was not relevant to either party to the transaction.

4.30. Exceptions.

(A) Small Issuer Exception. The Issue is exempt under Section 148(f)(4)(D) from the rebate requirement **if all** of the following requirements are satisfied:

(1) The Issuer is a Governmental Unit with general taxing powers within the meaning of Section 148(f)(4)(D), and

(2) No part of the Issue is a Private Activity Bond, and

(3) All of the Net Proceeds will be used for "local governmental activities" of the Issuer within the meaning of Section 148(f)(4)(D) and none of the Net Proceeds will be used for any Private Business Use, and

(4) The aggregate principal amount of all Tax-Exempt Obligations, including the Issue, issued or to be issued by the Issuer, its subordinate entities and entities that issue any such obligations on behalf of the Issuer, or on behalf of which the Issuer issues any such obligations, during the current calendar year does not, and is not reasonably expected to, exceed \$5,000,000. The Tax-Exempt Obligations taken into account for this purpose exclude any Private Activity Bonds and any Current Refunding Portion and Current Refunding Issue to the extent that the amount of such Current Refunding Portion or Current Refunding Issue does not exceed the outstanding amount of the obligations refunded by such Current Refunding Portion or Current Refunding Issue. No entity has been or will be formed or availed of to avoid the purposes of Section 148(f)(4)(D)(i)(IV).

**If, but only if, all of the above requirements are satisfied, check here: [  ]**

**and sign here:** \_\_\_\_\_

(B) General Exception. Notwithstanding the foregoing, the computations and payments of amounts to the United States referred to in IV need not be made to the extent that the Issuer will not thereby fail to comply with any requirements of Section 148(f) and the Instructions based on an opinion of bond counsel.

4.40. Election. The Issue is a Construction Issue. The Issuer hereby elects to apply the 2-year spending exception to the rebate requirements on the basis of actual facts instead of the Issuer's reasonable expectations.

## V. OTHER TAX MATTERS

5.10. Not Private Activity Bonds or Pool Bonds. No obligation of the Issue will be a Private Activity Bond or a pooled financing bond (within the meaning of Section 149(f)), based on the following:

(A) Not more than 5% of the Proceeds, if any, directly or indirectly, will be used for a Private Business Use and not more than 5%, if any, of the Debt Service on the Issue, directly or indirectly, will be secured by any interest in property used or to be used for a Private Business Use or payments in respect of such property, or will be derived from payments (whether or not to the Issuer) in respect of property, or borrowed money, used or to be used for a Private Business Use.

(B) Less than 5% of the Proceeds, if any, will be used to make or finance loans to any Private Person or Governmental Unit other than the Issuer.

(C) The lesser of the Proceeds that are being or will be used for any Private Business Use or the Proceeds with respect to which there are payments or (borrowed money) that are being or will be used for any Private Business Use does not exceed \$15,000,000 and none of the Proceeds will be used with respect to an "output facility" (other than a facility for the furnishing of water) within the meaning of Section 141(b)(4).

(D) The Issuer does not expect to sell or otherwise dispose of the Project or any portion thereof during the term of the Issue except for dispositions of property in the normal course at the end of such property's useful life to the Issuer. With respect to tangible personal property, if any, that is part of the Project, the Issuer reasonably expects that:

(1) Dispositions of such tangible personal property, if any, will be in the ordinary course of an established governmental program;

(2) The weighted average maturity of the obligations of the Issue financing such property (treating the obligations of the Issue properly allocable to such personal property as a separate issue for this purpose) will not be greater than 120% of the reasonably expected actual use of such property for governmental purposes;

(3) The fair market value of such property on the date of disposition will not be greater than 25% of its cost;

(4) The property will no longer be suitable for its governmental purposes on the date of disposition; and

(5) The amounts received from any disposition of such property are required to be, and will be, commingled with substantial tax or other governmental revenues and will be spent on governmental programs within 6 months from the date of such deposit and commingling.

5.20. Issue Not Federally Guaranteed. The Issue is not Federally Guaranteed.

5.30. Not Hedge Bonds. At least 85% of the Spendable Proceeds will be used to carry out the governmental purposes of the Issue within three years from the Issuance Date. Not more than 50%, if any, of the Proceeds will be invested in Nonpurpose Investments having a substantially guaranteed Yield for four years or more (including but not limited to any investment contract or fixed yield investment having a maturity of four years or more). The reasonable expectations stated above are not based on and do not take into account (A) any expectations or assumptions as to the occurrence of changes in market interest rates or changes of federal tax law or regulations or rulings thereunder or (B) any prepayments of items other than items that are customarily prepaid.

5.40. Hedge Contracts. The Issuer has not entered into, and does not reasonably expect to enter into, any Hedge with respect to the Issue, or any portion thereof. The Issuer acknowledges that entering into a Hedge with respect to the Issue, or any portion thereof, may change the Yield and that Bond Counsel should be contacted prior to entering into any Hedge with respect to the Issue in order to determine whether payments/receipts pursuant to the Hedge will be taken into account in computing the Yield.

5.50. Internal Revenue Service Information Return. Within the time and on the form prescribed by the Internal Revenue Service under Section 149(e), the Issuer will file with the Internal Revenue Service an Information Return setting forth the required information relating to the Issue. The information reported on that Information Return will be true, correct, and complete to the best of the knowledge and belief of the undersigned.

5.60. Responsibility of Officer.

(A) The officer signing this Certificate is one of the officers of the Issuer responsible for issuing the Issue.

(B) To the best of the knowledge, information, and belief of the undersigned, all expectations stated in this Certificate are the expectations of the Issuer and are reasonable, all facts stated are true, and there are no other existing facts, estimates, or circumstances that would or could materially change the statements made in this Certificate. The certifications and representations made in this Certificate are intended to be relied upon as certifications described in Regulations § 1.148-2(b). The Issuer acknowledges that any change in the facts or expectations from those set forth in this Certificate may result in different requirements or a change in status of the Issue or interest thereon under the Code, and that bond counsel should be contacted if such changes are to occur or have occurred.



Town of Queen Creek

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

## List of Attachments

Attachment A -- Definitions for Tax Compliance Certificate

Attachment A-1 -- Rebate Instructions

## Attachment A

### Definitions for Tax Compliance Certificate of Local Borrower

The following terms, as used in Attachment A and in the Tax Compliance Certificate to which it is attached and in the other Attachments to the Tax Compliance Certificate, have the following meanings unless therein otherwise defined or unless a different meaning is indicated by the context in which the term is used. Capitalized terms used within these definitions that are not defined in Attachment A have the meanings ascribed to them in the Tax Compliance Certificate to which this Attachment A is attached. The word “Issue,” in lower case, refers either to the Issue or to another issue of obligations or portion thereof treated as a separate issue for the applicable purposes of Section 148, as the context requires. The word “obligation” or “obligations,” in lower case, includes any obligation, whether in the form of bonds, notes, certificates, or any other obligation that is a “bond” within the meaning of Section 150(a)(1). All capitalized terms used in this Certificate include either the singular or the plural. All terms used in this Attachment A or in the Tax Compliance Certificate to which this Attachment A is attached, including terms specifically defined, shall be interpreted in a manner consistent with Sections 103 and 141-150 and the applicable Regulations thereunder except as otherwise specified. All references to Section, unless otherwise noted, refer to the Code.

“Advance Refunding Issue” means any Refunding Issue that is not a Current Refunding Issue.

“Advance Refunding Portion” means that portion of a Multipurpose Issue that constitutes a separate governmental purpose and that would be treated as an Advance Refunding Issue if it had been issued as a separate issue.

“AMT Obligation” means a Tax-Exempt Obligation the interest on which is an item of tax preference for purposes of the alternative minimum tax imposed on individuals and corporations under the Internal Revenue Code.

“Available Construction Proceeds” means an amount equal to (a) the sum of (i) the Issue Price of an issue, (ii) Investment Proceeds on that Issue Price, (iii) earnings on any reasonably required reserve or replacement fund allocable to the issue not funded from the Issue Price, and (iv) Investment Proceeds and earnings on (ii) and (iii), (b) reduced by the portions, if any, of the Issue Price of the issue (i) attributable to Pre-Issuance Accrued Interest and earnings thereon, (ii) allocable to the underwriter’s discount, (iii) used to pay other Issuance Costs of the issue, and (iv) deposited in a reasonably required reserve or replacement fund allocable to the issue. “Available Construction Proceeds” does not include Investment Proceeds or earnings on a reasonably required reserve or replacement fund allocable to the issue for any period after the earlier of (a) the close of the 2-year period that begins on the Issuance Date or (b) the date the construction of the project financed by the issue is substantially completed, provided, however, that such Investment Proceeds or earnings shall be excluded from “Available Construction Proceeds” if the Issuer has timely elected such exclusion. If an issue is a Multipurpose Issue that includes a New Money Portion that is a Construction Issue, this definition shall be applied by substituting “New Money Portion” for “issue” each place the latter term appears. If an issue or the New Money Portion of a Multipurpose Issue, as applicable, is

not a Construction Issue, and the Issuer makes the bifurcation election under Regulations §1.148-7(j)(1) and Section 148(f)(4)(C)(v) to treat the issue or the New Money Portion as two separate issues consisting of the Construction Portion and the Nonconstruction Portion, this definition shall be applied by substituting “Construction Portion” for “issue” each place the latter term appears.

“Bona Fide Debt Service Fund” means a fund, including a portion of or an account in that fund (or in the case of a fund established for two or more issues, the portion of that fund properly allocable to an issue), or a combination of such funds, accounts or portions that is used primarily to achieve a proper matching of revenues with Debt Service on an issue within each Bond Year and that is depleted at least once each year except for a reasonable carryover amount not to exceed the greater of the earnings thereon for the immediately preceding Bond Year or one-twelfth of the annual Debt Service on the issue for the immediately preceding Bond Year.

“Bond Year” means the annual period relevant to the application of Section 148(f) to an issue, except that the first and last Bond Years may be less than 12 months long. The last day of a Bond Year shall be the close of business on the day preceding the anniversary of the Issuance Date of an issue unless the Issuer selects another date on which to end a Bond Year in the manner permitted by the Code.

“Capital Expenditures” means costs of a type that are properly chargeable to a capital account (or would be so chargeable with a proper election or with the application of the definition of Placed in Service) under general federal income tax principles.

“Code” means the Internal Revenue Code of 1986, the Regulations (whether temporary or final) under that Code or the statutory predecessor of that Code, and any amendments of, or successor provisions to, the foregoing and any official rulings, announcements, notices, procedures and judicial determinations regarding any of the foregoing, all as and to the extent applicable. Unless otherwise indicated, reference to a Section includes any applicable successor section or provision and such applicable Regulations, rulings, announcements, notices, procedures and determinations pertinent to that Section.

“Commingled Fund” means any fund or account of the Issuer that contains both Gross Proceeds of an issue and amounts in excess of \$25,000 that are not Gross Proceeds of the issue if the amounts in the fund or account are invested and accounted for collectively, without regard to the source of funds deposited in the fund or account.

“Commingled Investment Proceeds” means Investment Proceeds of an issue (other than Investment Proceeds held in a Refunding Escrow) that are deposited in a Commingled Fund with substantial tax or other revenues from governmental operations of the Issuer and that are reasonably expected to be spent for governmental purposes within 6 months from the date of deposit in the Commingled Fund, using any reasonable accounting assumptions.

“Conduit Borrower” means the obligor on a purpose investment.

“Conduit Financing Issue” means an issue the Proceeds of which are reasonably expected to be used to finance one or more Conduit Loans.

“Conduit Loan” means a purpose investment acquired by the Issuer with Proceeds of a Conduit Financing Issue, thereby effecting a loan to the Conduit Borrower.

“Construction Expenditures” means Capital Expenditures allocable to the cost of real property (including the construction or making of improvements to real property, but excluding acquisitions of interests in land or other existing real property) or constructed personal property within the meaning of Regulations §1.148-7(g).

“Construction Issue” means an issue at least 75% of the Available Construction Proceeds of which are to be used for Construction Expenditures with respect to property that is, or upon completion will be, owned by a Governmental Unit or a 501(c)(3) Organization. If an issue is a Multipurpose Issue that includes a New Money Portion, this definition shall be applied by substituting “New Money Portion” for “Construction Issue” each place the latter term appears. If an election under Section 148(f)(4)(C)(v) and Regulations §1.148-7(j) is made to bifurcate an issue or the New Money Portion of a Multipurpose Issue, this definition shall be applied by substituting “Construction Portion” for “Construction Issue” each place the latter term appears.

“Construction Portion” means that portion of an issue or the New Money Portion of a Multipurpose Issue at least 75% of the Available Construction Proceeds of which are to be used for Construction Expenditures with respect to property that is, or upon completion will be, owned by a Governmental Unit or a 501(c)(3) Organization and that finances 100% of the Construction Expenditures.

“Controlled Group” means a group of entities controlled directly or indirectly by the same entity or group of entities within the meaning of Regulations §1.150-1(e).

“Current Refunding Issue” means a Refunding Issue that is issued not more than 90 days before the last expenditure of any Proceeds of the Refunding Issue for the payment of Debt Service on the Refunded Bonds.

“Current Refunding Portion” means that portion of a Multipurpose Issue that constitutes a separate governmental purpose and that would be treated as a Current Refunding Issue if it had been issued as a separate issue.

“Debt Service” means principal of and interest and any redemption premium on an issue.

“Excess Gross Proceeds” means all Gross Proceeds of an Advance Refunding Issue that exceed an amount equal to 1% of the Sale Proceeds of such Advance Refunding Issue, other than Gross Proceeds allocable to: (a) payment of Debt Service on the Refunded Bonds; (b) payment of Pre-Issuance Accrued Interest on the Advance Refunding Issue and interest on the Advance Refunding Issue that accrues for a period up to the completion date of any capital project financed by the Prior Issue, plus one year; (c) a reasonably required reserve or replacement fund for the

Advance Refunding Issue or Investment Proceeds of such fund; (d) payment of Issuance Costs of the Advance Refunding Issue; (e) payment of administrative costs allocable to repaying the Refunded Bonds, carrying and repaying the Advance Refunding Issue, or investments of the Advance Refunding Issue; (f) Transferred Proceeds allocable to expenditures for the governmental purpose of the Prior Issue (treating for this purpose all unspent Proceeds of the Prior Issue properly allocable to the Refunded Bonds as of the Issuance Date of the Advance Refunding Issue as Transferred Proceeds); (g) interest on purpose investments; (h) Replacement Proceeds in a sinking fund for the Advance Refunding Issue; and (i) fees for a Qualified Guarantee for the Advance Refunding Issue or the Prior Issue. If an Issue is a Multipurpose Issue that includes an Advance Refunding Portion, this definition shall be applied by substituting “Advance Refunding Portion” for “Advance Refunding Issue” each place the latter term appears.

“Federally Guaranteed” means that (a) the payment of Debt Service on an issue, or the payment of principal or interest with respect to any loans made from the Proceeds of the issue, is directly or indirectly guaranteed in whole or in part by the United States or by an agency or instrumentality of the United States, within the meaning of Section 149(b) of the Code, or (b) more than 5% of the Proceeds of an issue will be invested directly or indirectly in federally insured deposits or accounts. The preceding sentence does not apply to (a) Proceeds invested during an initial Temporary Period until such Proceeds are needed to pay costs of the project, (b) investments of a Bona Fide Debt Service Fund, (c) direct purchases from the United States of obligations issued by the United States Treasury, or (d) other investments permitted by Section 149(b) or Regulations §1.149(b)-1(b).

“501(c)(3) Organization” means an organization described in Section 501(c)(3) and exempt from tax under Section 501(a).

“Fixed Yield Issue” means an issue of obligations the Yield on which is fixed and determinable on the Issuance Date.

“Governmental Unit” means a state, territory or possession of the United States, the District of Columbia, or any political subdivision thereof referred to as a “State or local governmental unit” in Regulations §1.103-1(a). “Governmental Unit” does not include the United States or any agency or instrumentality of the United States.

“Gross Proceeds” means Proceeds and Replacement Proceeds of an issue.

“Hedge” means a contract entered into by the Issuer or the Conduit Borrower primarily to modify the Issuer’s or the Conduit Borrower’s risk of interest rate changes with respect to an obligation (e.g., an interest rate swap, an interest rate cap, a futures contract, a forward contract or an option).

“Higher Yielding Investments” means any Investment Property that produces a Yield that (a) in the case of Investment Property allocable to Replacement Proceeds of an issue and Investment Property in a Refunding Escrow, is more than one thousandth of one percentage point (.00001) higher than the Yield on the applicable issue, and (b) for all other purposes is more than one-eighth of one percentage point (.00125) higher than the Yield on the issue.

“Investment Proceeds” means any amounts actually or constructively received from investing Proceeds of an issue in Investment Property.

“Investment Property” means investment property within the meaning of Sections 148(b)(2) and 148(b)(3), including any security (within the meaning of Section 165(g)(2)(A) or (B)), any obligation, any annuity contract and any other investment-type property (including certain residential rental property for family units as described in Section 148(b)(2)(E) in the case of any bond other than a Private Activity Bond). Investment Property includes a Tax-Exempt Obligation that is a “specified private activity bond” as defined in Section 57(a)(5)(C), but does not include other Tax-Exempt Obligations.

“Issuance Costs” means costs to the extent incurred in connection with, and allocable to, the issuance of an issue, and includes underwriter’s compensation withheld from the Issue Price, counsel fees, financial advisory fees, rating agency fees, trustee fees, paying agent fees, bond registrar, certification and authentication fees, accounting fees, printing costs for bonds and offering documents, public approval process costs, engineering and feasibility study costs, guarantee fees other than for a Qualified Guarantee and similar costs, but does not include fees charged by the Issuer.

“Issuance Date” means the date of physical delivery of an issue by the Issuer in exchange for the purchase price of the issue.

“Issue Price” means in the circumstances applicable to an issue:

(1) Public Offering. In the case of obligations actually offered to the general public in a bona fide public offering at the initial offering price for each maturity set forth in the certificate of the underwriter or placement agent attached to the Tax Compliance Certificate of the Issuer, the aggregate of the initial offering price for each maturity (including any Pre-Issuance Accrued Interest and original issue premium, but excluding any original issue discount), which price is not more than the fair market value thereof as of the Sale Date, and at which initial offering price not less than 10% of the principal amount of each maturity, as of the Sale Date, was sold or reasonably expected to be sold (other than to bond houses, brokers or other intermediaries). In the case of publicly offered obligations that are not described in the preceding sentence, Issue Price means the aggregate of the initial offering price to the public of each maturity set forth in the certificate of the underwriter or placement agent attached to the Tax Compliance Certificate of the Issuer, which price is not more than the fair market value thereof as of the Sale Date, and at which initial offering price not less than 10% of the principal amount of each maturity was sold to the public.

(2) Private Placement. In the case of obligations sold by private placement, the aggregate of the prices (including any Pre-Issuance Accrued Interest and original issue premium, but excluding any original issue discount) paid to the

Issuer by the first purchaser(s) (other than bond houses, brokers or other intermediaries).

“Minor Portion” means an amount equal to the lesser of \$100,000 or 5% of the Sale Proceeds of an issue.

“Multipurpose Issue” means an issue the bonds of which are allocable to two or more separate governmental purposes within the meaning of Regulations §1.148-9(h).

“Net Proceeds” means the Sale Proceeds of an issue less the portion thereof, if any, deposited in a reasonably required reserve or replacement fund for the issue.

“Net Sale Proceeds” means the Sale Proceeds of an issue less the portion thereof, if any, deposited in a reasonably required reserve or replacement fund for the issue and the portion invested as a part of a Minor Portion for the issue.

“New Money Issue” means an issue that is not a Refunding Issue.

“New Money Portion” means that portion of a Multipurpose Issue other than the Refunding Portion.

“Nonpurpose Investments” means any Investment Property that is acquired with Gross Proceeds as an investment and not in carrying out any governmental purpose of an issue. “Nonpurpose Investments” does not include any investment that is not regarded as “investment property” or a “nonpurpose investment” for the particular purposes of Section 148 (such as certain investments in U.S. Treasury obligations in the State and Local Government Series and certain temporary investments), but does include any other investment that is a “nonpurpose investment” within the applicable meaning of Section 148.

“Placed in Service” means the date on which, based on all the facts and circumstances, a facility has reached a degree of completion that would permit its operation at substantially its design level and the facility is, in fact, in operation at such level.

“Pre-Issuance Accrued Interest” means interest on an obligation that accrued for a period not greater than one year before its Issuance Date and that will be paid within one year after such Issuance Date.

“Preliminary Expenditures” means any Capital Expenditures that are “preliminary expenditures” within the meaning of Regulations §1.150-2(f)(2), *i.e.*, architectural, engineering, surveying, soil testing, reimbursement bond issuance, and similar costs that are incurred prior to commencement of acquisition, construction, or rehabilitation of a project other than land acquisition, site preparation, and similar costs incident to commencement of construction. The aggregate amount of Preliminary Expenditures may not exceed 20% of the aggregate Issue Price of the issue or issues that financed or are reasonably expected to finance the project for which such Preliminary Expenditures are or were incurred.



“Prior Issue” means an issue of obligations all or a portion of the Debt Service on which is paid or provided for with Proceeds of a Refunding Issue. The Prior Issue may be a Refunding Issue.

“Private Activity Bond” means (a) obligations of an issue more than 10% of the Proceeds of which, directly or indirectly, are or are to be used for a Private Business Use and more than 10% of the Debt Service on which, directly or indirectly, is or is to be paid from or secured by payments with respect to property, or secured by property, used for a Private Business Use, or (b) obligations of an issue, the Proceeds of which are or are to be used to make or finance loans to any Private Person that, in the aggregate, exceed the lesser of 5% of such Proceeds or \$5,000,000. In the event of Unrelated or Disproportionate Use, the tests in (a) shall be applied by substituting 5% for 10% each place the latter term is used.

“Private Business Use” means use (directly or indirectly) in a trade or business carried on by any Private Person other than use as a member of, and on the same basis as, the general public. Any activity carried on by a Private Person (other than a natural person) shall be treated as a trade or business. In the case of a Qualified 501(c)(3) Bond, Private Business Use excludes use by a 501(c)(3) Organization that is not an unrelated trade or business activity by such 501(c)(3) Organization within the meaning of Section 513(a).

“Private Person” means any natural person or any artificial person, including a corporation, partnership, trust or other entity, other than a Governmental Unit. “Private Person” includes the United States and any agency or instrumentality of the United States.

“Proceeds” means any Sale Proceeds, Investment Proceeds, and Transferred Proceeds of an issue. “Proceeds” does not include Replacement Proceeds.

“Qualified Administrative Costs” means reasonable direct administrative costs (other than carrying costs) such as separately stated brokerage or selling commissions, but not legal and accounting fees, recordkeeping, custody and similar costs. General overhead costs and similar indirect costs of the Issuer such as employee salaries and office expenses and costs associated with computing the Rebate Amount are not Qualified Administrative Costs.

“Qualified 501(c)(3) Bonds” means an issue of obligations that satisfies the requirements of Section 145(a).

“Qualified Guarantee” means any guarantee of an obligation that constitutes a “qualified guarantee” within the meaning of Regulations §1.148-4(f).

“Qualified Hedge” means a Hedge that is a “qualified hedge” within the meaning of Regulations §1.148-4(h)(2).

“Rebate Amount” means the excess of the future value, as of any date, of all receipts on Nonpurpose Investments acquired with Gross Proceeds of an issue over the future value, as of that date, of all payments on those Nonpurpose Investments, computed in accordance with Section 148(f) and Regulations §1.148-3.

“Refunded Bonds” means obligations of a Prior Issue the Debt Service on which is or is to be paid from Proceeds of a Refunding Issue.

“Refunding Bonds” means obligations of a Refunding Issue.

“Refunding Issue” means an issue the Proceeds of which are or are to be used to pay Debt Service on Refunded Bonds and includes Issuance Costs, Pre-Issuance Accrued Interest or permitted capitalized interest, a reasonably required reserve or replacement fund and similar costs of the Refunding Issue.

“Refunding Escrow” means one or more funds established as part of a single transaction, or a series of related transactions, containing Proceeds of a Refunding Issue and any other amounts to be used to pay Debt Service on Refunded Bonds of one or more issues.

“Refunding Portion” means that portion of a Multipurpose Issue the Proceeds of which are, or are to be, used to pay Debt Service on Refunded Bonds and includes Issuance Costs, Pre-Issuance Accrued Interest or permitted capitalized interest, a reasonably required reserve or replacement fund and similar costs properly allocable to the Refunding Portion.

“Regulations” or “Reg.” means Treasury Regulations.

“Reimbursement Allocation” means an allocation of the Proceeds of an issue for the Reimbursement of Prior Capital Expenditures, other than Preliminary Expenditures, that meets each of the following requirements: (a) is evidenced on the books or records of the Issuer maintained with respect to the issue, (b) the allocation entry identifies either actual prior Capital Expenditures, or the fund or account from which the prior Capital Expenditures were paid, and (c) evidences the Issuer’s use of Proceeds of the issue to reimburse a Capital Expenditure for a governmental purpose that was originally paid from a source other than the Proceeds of the issue.

“Reimbursement of Prior Capital Expenditures” means a Reimbursement Allocation of Proceeds of the Issue to a Capital Expenditure paid prior to the Issuance Date of such Issue, that satisfies the following requirements: (a) the Capital Expenditure was paid after March 1, 1992; (b) prior to, or within 60 days after, payment of the Capital Expenditure (except Preliminary Expenditures), the Issuer adopted an official intent for the Capital Expenditure that satisfies Regulations §1.150-2(e); and (c) except for Preliminary Expenditures, the Reimbursement Allocation occurs or will occur within 18 months after the later of the date the Capital Expenditure was paid or the date the project resulting from such Capital Expenditure was Placed in Service or abandoned, but in no event more than 3 years after the Capital Expenditure was paid.

“Related Party” means, in reference to a Governmental Unit or 501(c)(3) Organization, any member of the same Controlled Group and, in reference to any person that is not a Governmental Unit or 501(c)(3) Organization, a “related person” as defined in Section 144(a)(3) of the Code.

“Replacement Proceeds” means, with respect to an issue, amounts (including any investment income, but excluding any Proceeds of any issue) replaced by Proceeds of that issue within the meaning of Section 148(a)(2). “Replacement Proceeds” includes amounts, other than Proceeds, held in a sinking fund, pledged fund or reserve or replacement fund for an issue.

“Sale Date” means, with respect to an issue, the first date on which there is a binding contract in writing with the Issuer for the sale and purchase of an issue (or of respective obligations of the issue if sold by the Issuer on different dates) on specific terms that are not later modified or adjusted in any material respect.

“Sale Proceeds” means that portion of the Issue Price actually or constructively received by the Issuer upon the sale or other disposition of an issue, including any underwriter’s compensation withheld from the Issue Price, but excluding Pre-Issuance Accrued Interest.

“Spensible Proceeds” means the Net Sale Proceeds of an issue.

“Tax-Exempt Obligation” means any obligation or issue of obligations (including bonds, notes and lease obligations treated for federal income tax purposes as evidences of indebtedness) the interest on which is excluded from gross income for federal income tax purposes within the meaning of Section 150, and includes any obligation or any investment treated as a “tax-exempt bond” for the applicable purpose of Section 148.

“Tax-Exempt Organization” means a Governmental Unit or a 501(c)(3) Organization.

“Temporary Period” means the period of time, as set forth in the Tax Compliance Certificate, applicable to particular categories of Proceeds of an issue during which such category of Proceeds may be invested in Higher Yielding Investments without the issue being treated as arbitrage bonds under Section 148.

“Transferred Proceeds” means that portion of the Proceeds of an issue (including any Transferred Proceeds of that issue) that remains unexpended at the time that any portion of the principal of the Refunded Bonds of that issue is discharged with the Proceeds of a Refunding Issue and that thereupon becomes Proceeds of the Refunding Issue as provided in Regulations §1.148-9(b). “Transferred Proceeds” does not include any Replacement Proceeds.

“Unrelated or Disproportionate Use” means Private Business Use that is not related to or is disproportionate to use by a Governmental Unit within the meaning of Section 141(b)(3) and Regulations §1.141-9.

“Variable Yield Issue” means any Issue that is not a Fixed Yield Issue.

“Working Capital Expenditures” means any costs of a type that do not constitute Capital Expenditures, including current operating expenses.

“Yield” has the meaning assigned to it for purposes of Section 148 of the Code, and means that discount rate (stated as an annual percentage) that, when used in computing the present worth of all applicable unconditionally payable payments of Debt Service, all payments for a Qualified Guarantee, if any, and all payments and receipts with respect to a Qualified Hedge, if any, paid and to be paid with respect to an obligation (paid and to be paid during and attributable to the Yield Period in the case of a Variable Yield Issue), produces an amount equal to (a) the Issue Price in the case of a Fixed Yield Issue or the present value of the Issue Price at the commencement of the applicable Yield Period in the case of a Variable Yield Issue, or (b) the purchase price for yield purposes in the case of Investment Property, all subject to the applicable methods of computation provided for under Section 148, including variations from the foregoing. The Yield on Investment Property in which Proceeds or Replacement Proceeds of an issue are invested is computed on a basis consistent with the computation of Yield on that issue, including the same compounding interval of not more than one year selected by the Issuer.

“Yield Period” means, in the case of the first Yield Period, the period that commences on the Issuance Date and ends at the close of business on the first Computation Date and, in the case of each succeeding Yield Period, the period that begins immediately after the end of the immediately preceding Yield Period and ends at the close of business on the next succeeding Computation Date.

The terms “bond”, “obligation”, “reasonably required reserve or replacement fund”, “reserve or replacement fund”, “loan”, “sinking fund”, “purpose investment”, “same plan of financing”, “other replacement proceeds”, and other terms relating to Code provisions used but not defined in this Certificate shall have the meanings given to them for purposes of Sections 103 and 141 to 150 unless the context indicates another meaning.

(End of Attachment A)

ATTACHMENT A-1  
to  
Tax Compliance Certificate of Local Borrower

INSTRUCTIONS FOR COMPLIANCE WITH REBATE  
REQUIREMENTS OF SECTION 148(f) OF THE CODE.

The Issuer covenanted in the Loan Agreement and Tax Compliance Certificate to comply with the arbitrage rebate requirement of Section 148(f) of the Code. These Instructions provide guidance for that compliance, including the spending exceptions that free the Issue from all or part of the rebate requirements.

PART I: GENERAL

SECTION 1.01. REBATE GENERALLY.

The Rebate Amount<sup>1</sup> with respect to the Issue must be paid (rebated) to the United States to prevent the bonds of the Issue from being arbitrage bonds, the interest on which is subject to federal income tax. In general, the Rebate Amount is the amount by which the actual earnings on Nonpurpose Investments purchased (or deemed to have been purchased) with Gross Proceeds of the Issue exceed the amount of earnings that would have been received if those Nonpurpose Investments had a Yield equal to the Yield on the Issue.<sup>2</sup>

Stated differently, the Rebate Amount for the Issue as of any date is the excess of the Future Value, as of that date, of all Receipts on Nonpurpose Investments over the Future Value, as of that date, of all Payments on Nonpurpose Investments, computed using the Yield on the Issue as the Future Value rate.<sup>3</sup>

If the Issue is a Fixed Yield Issue, the Yield on the Issue generally is the Yield to maturity, taking into account mandatory redemptions prior to maturity. If the Issue is a Variable Yield Issue, the Yield on the Issue is computed separately for each Yield Period selected by the Issuer.

SECTION 1.02. SPECIAL DEFINITIONS.

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1. Capitalized terms that are not defined in these Instructions are defined in Attachment A to the Tax Compliance Certificate of the Issuer.
  2. Amounts earned on the Bona Fide Debt Service Fund for the Issue are not taken into account in determining the Rebate Amount since none of the obligations of the Issue are Private Activity Bonds, the rates of interest on the Issue do not vary and the average maturity of the Issue is at least 5 years.
  3. The scope of these Instructions does not permit a detailed description of the computation of the Rebate Amount with respect to the Issue. If you need assistance in computing the Rebate Amount on the Issue, please contact your bond counsel.

For purposes of these Instructions, the following terms shall have the following meanings.

“Available Construction Proceeds” means an amount equal to (a) the sum of (i) the Issue Price of the issue, (ii) Investment Proceeds on that Issue Price, (iii) earnings on any reasonably required reserve or replacement fund allocated to the issue not funded from the Issue Price, and (iv) Investment Proceeds and earnings on (ii) and (iii), (b) reduced by the portions, if any, of the Issue Price of the issue (i) attributable to Pre-Issuance Accrued Interest and earnings thereon, (ii) allocated to the Underwriter’s discount, (iii) used to pay other Issuance Costs of the issue, and (iv) deposited in a reasonably required reserve or replacement fund allocated to the issue. Available Construction Proceeds do not include Investment Proceeds or earnings on a reasonably required reserve or replacement fund allocated to the issue for any period after the earlier of (a) the close of the 2-year period that begins on the Issuance Date or (b) the date the construction of the Projects financed by the issue is substantially completed. If the issue consists of a New Money Portion and a Refunding Portion and the New Money Portion is a Construction Issue, this definition shall be applied by substituting “New Money Portion” for “issue” each place the latter term appears. If the issue or the New Money Portion, as applicable, is not a Construction Issue, and the Issuer makes the election under Regulations §1.148-7(j)(1) and Section 148(f)(4)(C)(v) to treat the issue or the New Money Portion as two separate issues consisting of the Construction Portion and the Nonconstruction Portion, this definition shall be applied by substituting “Construction Portion” for “issue” each place the latter term appears.

“Bifurcated Issue” means a New Money Issue or the New Money Portion of a Multipurpose Issue that the Issuer, pursuant to Section 148(f)(4)(C)(v) and Regulations §1.148-7(j), has elected in its Tax Compliance Certificate to bifurcate into a Construction Portion and a Nonconstruction Portion.

“Bond Counsel’s Opinion” means an opinion or opinions of a nationally recognized bond counsel firm whose opinion is given with respect to the Issue when issued, or its successors or other nationally recognized bond counsel appointed by the Issuer.

“Bond Year” means the annual period relevant to the application of Section 148(f) to the issue, except that the first and last Bond Years may be less than 12 months long. The last day of a Bond Year shall be the close of business on the day preceding the anniversary of the Issuance Date of the issue unless the Issuer selects another date on which to end a Bond Year in the manner permitted by the Code.

“Computation Date” means each date on which the Rebate Amount for an issue is required to be computed under Regulations §1.148-3(e). In the case of a Fixed Yield Issue, the first Computation Date shall not be later than 5 years after the Issuance Date of the issue. Subsequent Computation Dates shall be not later than 5 years after the immediately preceding Computation Date for which an installment payment of the Rebate Amount was paid. In the case of a Variable Yield Issue, the first Computation Date shall be the last day of any Bond Year irrevocably selected by the Issuer ending on or before the fifth anniversary of the Issuance Date of such issue and

subsequent Computation Dates shall be the last day of each Bond Year thereafter or each fifth Bond Year thereafter, whichever is irrevocably selected by the Issuer after the first date on which any portion of the Rebate Amount is required to be paid to the United States. The final Computation Date is the date an issue is retired.

“Construction Expenditures” means Capital Expenditures allocable to the cost of real property (including the construction or making of improvements to real property, but excluding acquisitions of interests in land or other existing real property) or constructed personal property within the meaning of Regulations §1.148-7(g).

“Construction Issue” means an issue at least 75 percent of the Available Construction Proceeds of which are to be used for Construction Expenditures with respect to property which is or is to be owned by a Governmental Unit or a 501(c)(3) Organization. If an election has been made in the Issuer’s Tax Compliance Certificate to bifurcate an issue or the New Money Portion, the Construction Portion (i.e., that portion of the issue or the New Money Portion which satisfies the 75 percent test stated in the preceding sentence and which finances 100% of the Construction Expenditures) is treated as the Construction Issue and the balance of the issue or the New Money Portion is treated as the Nonconstruction Portion.

“Fixed Yield Issue” means an issue of obligations the Yield on which is fixed and determinable on the Issuance Date.

“Future Value” means the value of a Payment or Receipt at the end of a period determined using the economic accrual method as the value of that Payment or Receipt when it is paid or received (or treated as paid or received), plus interest assumed to be earned and compounded over the period at a rate equal to the Yield on the Issue, using the same compounding interval and financial conventions that were used to compute that Yield.

“Guaranteed Investment Contract” means any Nonpurpose Investment that has specifically negotiated withdrawal or retirement provisions and a specifically negotiated interest rate and any agreement to supply investments on two or more future dates (e.g., a forward supply contract).

“Multipurpose Issue” means an issue that consists of a Refunding Portion and a New Money Portion.

“Payment” means payments actually or constructively made to acquire Nonpurpose Investments, as specified in Regulations §1.148-3(d)(1)i) through (v).

“Qualified Administrative Costs” means the reasonable, direct administrative costs, other than carrying costs, of purchasing or selling Nonpurpose Investments such as separately stated brokerage or selling commissions. Qualified Administrative Costs do not include legal and accounting fees, recordkeeping, custody, and similar costs, general overhead costs and similar indirect costs of the Issuer such as employee salaries and office expenses and costs associated with computing the Rebate Amount. In general, Qualified Administrative Costs are not reasonable unless they are comparable to administrative costs that would be charged for the same investment or

a reasonably comparable investment if acquired with a source of funds other than Gross Proceeds of Tax-Exempt Obligations.

“Reasonable Retainage” means an amount, not to exceed 5% of the Net Sale Proceeds of the Issue, that is retained for reasonable business purposes relating to the property financed with Proceeds of the Issue. For example, Reasonable Retainage may include a retention to ensure or promote compliance with a construction contract in circumstances in which the retained amount is not yet payable, or in which the Issuer reasonably determines that a dispute exists regarding completion or payment.

“Rebate Analyst” means an independent individual, firm or entity experienced in the computation of the Rebate Amount pursuant to Section 148(f) of the Code.

“Receipt” means amounts actually or constructively received from Nonpurpose Investments as specified in Regulations §1.148-3(d)(2)(i) through (iii).

“Variable Yield Issue” means any issue that is not a Fixed Yield Issue.

“Yield Period” means, in the case of the first Yield Period, the period that commences on the Issuance Date and ends at the close of business on the first Computation Date and, in the case of each succeeding Yield Period, the period that begins immediately after the end of the immediately preceding Yield Period and ends at the close of business on the next succeeding Computation Date.

## PART II: EXCEPTIONS TO REBATE

### SECTION 2.01. SPENDING EXCEPTIONS.

The rebate requirements with respect to the Issue are deemed to have been satisfied if any one of three spending exceptions (the 6-Month, the 18-Month, or the 2-Year Spending Exception, collectively, the “Spending Exceptions”) is satisfied. The Spending Exceptions are each independent exceptions. The Issue need not meet the requirements of any other exception in order to use any one of the three exceptions. For example, a Construction Issue may qualify for the 6-Month Spending Exception or the 18-Month Spending Exception even though the Issuer makes one or more elections under the 2-Year Exception with respect to the Issue.

The following rules apply for purposes of all of the Spending Exceptions except as otherwise noted.

Refunding Issues. The only spending exception available for a Refunding Issue<sup>4</sup> is the 6-Month Spending Exception.

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<sup>4</sup> For purposes of these Instructions, references to “Refunding Issue” include the Refunding Portion of a Multipurpose Issue.



Special Transferred Proceeds Rules. In applying the Spending Exceptions to a Refunding Issue, unspent Proceeds of the Prior Issue that become Transferred Proceeds of the Refunding Issue are ignored. If the Prior Issue satisfies one of the rebate Spending Exceptions, the Proceeds of the Prior Issue that are excepted from rebate under that exception are not subject to rebate either as Proceeds of the Prior Issue or as Transferred Proceeds of the Refunding Issue.

However, if the Prior Issue does not satisfy any of the Spending Exceptions and is not otherwise exempt from rebate, the Transferred Proceeds from the Prior Issue will be subject to rebate, even if the Refunding Issue satisfies the 6-Month Spending Exception. The Rebate Amount will be calculated on the Transferred Proceeds on the basis of the Yield of the Prior Issue up to each transfer date and on the basis of the Yield of the Refunding Issue after each transfer date.

Application of Spending Exceptions to a Multipurpose Issue. If the Issue is a Multipurpose Issue, the Refunding Portion and the New Money Portion are treated for purposes of the rebate Spending Exceptions as separate issues. Thus, the Refunding Portion is eligible to use only the 6-Month Spending Exception. The New Money Portion is eligible to use any of the three Spending Exceptions.

Expenditures for Governmental Purposes of the Issue. Each of the spending exceptions requires that expenditures of Gross Proceeds be for the governmental purposes of the Issue. These purposes include payment of interest (but not principal) on the Issue.

#### SECTION 2.02. 6-MONTH SPENDING EXCEPTION.

The Issue will be treated as satisfying the rebate requirements if all of the Gross Proceeds of the Issue are allocated to expenditures for the governmental purposes of the Issue within the 6-month period beginning on the Issuance Date and the Rebate Amount, if any, with respect to earnings on amounts deposited in a reasonably required reserve or replacement fund or a Bona Fide Debt Service Fund if and to the extent that such Fund is subject to rebate (see footnote 3) is timely paid to the United States. If no bond of the Issue is a Private Activity Bond (other than a Qualified 501(c)(3) Bond) or a tax or revenue anticipation bond, the 6-month period is extended for an additional 6 months if the unexpended Gross Proceeds of the Issue at the end of the 6-month period do not exceed the lesser of 5% of the Proceeds of the Issue or \$100,000.

For purposes of the 6-Month Spending Exception, Gross Proceeds required to be spent within 6 months do not include amounts in a reasonably required reserve or replacement fund for the Issue or in a Bona Fide Debt Service Fund for the Issue.

SECTION 2.03. 18-MONTH SPENDING EXCEPTION.

The Issue (or the New Money Portion if the Issue is a Multipurpose Issue) is treated as satisfying the rebate requirement if the conditions set forth in (A), (B) and (C) are satisfied.

(A) All of the Gross Proceeds of the Issue (excluding amounts in a reasonably required reserve or replacement fund for the Issue or in a Bona Fide Debt Service Fund for the Issue) are allocated to expenditures for the governmental purposes of the Issue in accordance with the following schedule, measured from the Issuance Date:

- (1) at least 15% within 6 months;
- (2) at least 60% within 12 months; and
- (3) 100% within 18 months, subject to the Reasonable Retainage exception described below.

(B) The Rebate Amount, if any, with respect to earnings on amounts deposited in a reasonably required reserve or replacement fund or in a Bona Fide Debt Service Fund for the Issue, to the extent such Fund is subject to rebate (see footnote 3), is timely paid to the United States. And,

(C) The Gross Proceeds of the Issue qualify for the initial 3-year Temporary Period.

If the only unspent Gross Proceeds at the end of the 18th month are Reasonable Retainage, the requirement that 100% of the Gross Proceeds be spent by the end of the 18th month is treated as met if the Reasonable Retainage, and all earnings thereon, are spent for the governmental purposes of the Issue within 30 months of the Issuance Date.

For purposes of determining whether the spend-down requirements have been met as of the end of each of the first two spending periods, the amount of Investment Proceeds that the Issuer reasonably expects as of the Issuance Date to earn on the Sale Proceeds and Investment Proceeds of the Issue during the 18-month period are included in Gross Proceeds of the Issue. The final spend-down requirement includes actual Investment Proceeds for the entire 18 months.

The 18-Month Spending Exception does not apply to the Issue (or the New Money Portion, as applicable) if any portion of the Issue (or New Money Portion) is treated as meeting the rebate requirement under the 2-Year Spending Exception discussed below. This rule prohibits use of the 18-Month Spending Exception for the Nonconstruction Portion of a Bifurcated Issue. The only Spending Exception available for the Nonconstruction Portion of a Bifurcated Issue is the 6-Month Spending Exception.

SECTION 2.04. 2-YEAR SPENDING EXCEPTION FOR CERTAIN CONSTRUCTION ISSUES.

(A) In general. A Construction Issue no bond of which is a Private Activity Bond (other than a Qualified 501(c)(3) Bond or a Bond that finances property to be owned by a Governmental Unit or a 501(c)(3) Organization) is treated as satisfying the rebate requirement if the Available Construction Proceeds of the Issue are allocated to expenditures for the governmental purposes of the Issue in accordance with the following schedule, measured from the Issuance Date:

- (1) at least 10% within 6 months;
- (2) at least 45% within 1 year;
- (3) at least 75% within 18 months; and
- (4) 100% within 2 years, subject to the Reasonable Retainage exception described below.

Amounts in a Bona Fide Debt Service Fund or a reasonably required reserve or replacement fund for the Issue are not treated as Gross Proceeds for purposes of the expenditure requirements. However, unless the Issuer has elected otherwise in the Tax Compliance Certificate, earnings on amounts in a reasonably required reserve or replacement fund for the Issue are treated as Available Construction Funds during the 2-year period and therefore must be allocated to expenditures for the governmental purposes of the Issue.

If the Issuer elected in the Tax Compliance Certificate to exclude from Available Construction Proceeds the Investment Proceeds or earnings on a reasonably required reserve or replacement fund for the Issue during the 2-year spend-down period, the Rebate Amount, if any, with respect to such Investment Proceeds or earnings from the Issuance Date must be timely paid to the United States. If the election is not made, the Rebate Amount, if any, with respect to such Investment Proceeds or earnings after the earlier of the date construction is substantially completed or 2 years after the Issuance Date must be timely paid to the United States. The Rebate Amount, if any, with respect to earnings on amounts in a Bona Fide Debt Service Fund must be timely paid to the extent such Fund is subject to the rebate requirements (see footnote 3).

The Issue does not fail to satisfy the spending requirement for the fourth spend-down period (i.e., 100% within 2 years of the Issuance Date) if the only unspent Available Construction Proceeds are amounts for Reasonable Retainage if such amounts (together with all earnings on such amounts) are allocated to expenditures within 3 years of the Issuance Date.

For purposes of determining whether the spend-down requirements have been met as of the end of each of the first 3 spend-down periods, Available Construction Proceeds include the amount of Investment Proceeds or earnings that the Issuer reasonably expected as of the Issuance Date to earn during the 2-year period. For purposes of satisfying the final spend-down requirement,

Available Construction Proceeds include actual Investment Proceeds or earnings from the Issuance Date through the end of the 2-year period.

Available Construction Proceeds do not include Gross Proceeds used to pay Issuance Costs financed by the Issue, but do include earnings on such Proceeds. Thus, an expenditure of Gross Proceeds to pay Issuance Costs does not count toward meeting the spend-down requirements, but expenditures of earnings on such Gross Proceeds to pay Issuance Costs do count.

(B) 1½% penalty in lieu of rebate for Construction Issues. If the Issuer elected in the Tax Compliance Certificate for a Construction Issue, or for the Construction Portion of a Bifurcated Issue, to pay a 1½% penalty in lieu of the Rebate Amount on Available Construction Proceeds in the event that the Construction Issue fails to satisfy any of the spend-down requirements, the 1½% penalty is calculated separately for each spend-down period, including each semi-annual period after the end of the fourth spend-down period until all Available Construction Proceeds have been spent. The penalty is equal to 0.015 times the underexpended Proceeds as of the end of the applicable spend-down period. The fact that no arbitrage is in fact earned during such spend-down period is not relevant. The Rebate Amount with respect to Gross Proceeds other than Available Construction Proceeds (e.g., amounts in a reasonably required reserve or replacement fund or in a Bona Fide Debt Service Fund, to the extent subject to rebate (see footnote 3)) must be timely paid.

### PART III: COMPUTATION AND PAYMENT.

#### SECTION 3.01. COMPUTATION AND PAYMENT OF REBATE AMOUNT.

If none of the Spending Exceptions described above is satisfied (and if the 1-1/2% penalty election for a Construction Issue or the Construction Portion of a Bifurcated Issue has not been made), then within 45 days after each Computation Date, the Issuer shall compute, or cause to be computed, the Rebate Amount as of such Computation Date. The first Computation Date is a date selected by the Issuer, but shall be not later than 5 years after the Issuance Date. Each subsequent Computation Date shall end 5 years after the previous Computation Date except that, in a Variable Yield Issue, the Issuer may select annual Yield Periods. The final Computation Date shall be the date the last obligation of the Issue matures or is finally discharged.

Within 60 days after each Computation Date (except the final Computation Date), the Issuer shall pay to the United States not less than 90% of the Rebate Amount, if any, computed as of such Computation Date. Within 60 days after the final Computation Date, the Issuer shall pay to the United States 100% of the Rebate Amount, if any, computed as of the final Computation Date. In computing the Rebate Amount, a computation credit of \$1,000 may be taken into account on the last day of each Bond Year to the Computation Date during which there are unspent Gross Proceeds that are subject to the rebate requirement, and on the final maturity date.

If the operative documents pertaining to the Issue establish a Rebate Fund and require the computation of the Rebate Amount at the end of each Bond Year, the Issuer shall calculate, or cause to be calculated, within 45 days after the end of each Bond Year the Rebate Amount, taking into account the computation credit of \$1,000 for each Bond Year. Within 50 days after the end of

each Bond Year, if the Rebate Amount is positive, the Issuer shall deposit in the Rebate Fund such amount as will cause the amount on deposit therein to equal the Rebate Amount, and may withdraw any amount on deposit in the Rebate Fund in excess of the Rebate Amount. Payments of the Rebate Amount to the Internal Revenue Service on a Computation Date shall be made first from amounts on deposit in the Rebate Fund and second from other amounts specified in the operative documents.

Each payment of the Rebate Amount or portion thereof shall be payable to the Internal Revenue Service and shall be made to the Internal Revenue Service Center, Ogden, UT 84201 by certified mail. Each payment shall be accompanied by Internal Revenue Service Form 8038-T and any other form or forms required to be submitted with such remittance.

### SECTION 3.02. BOOKS AND RECORDS.

(A) The Issuer or Trustee, as applicable, shall keep proper books of record and accounts containing complete and correct entries of all transactions relating to the receipt, investment, disbursement, allocation and application of the Gross Proceeds of the Issue. Such records shall specify the account or fund to which each Nonpurpose Investment (or portion thereof) held by the Issuer or Trustee is to be allocated and shall set forth as to each Nonpurpose Investment (1) its purchase price, (2) identifying information, including par amount, interest rate, and payments dates, (3) the amount received at maturity or its sales price, as the case may be, including accrued interest, (4) the amounts and dates of any payments made with respect thereto, and (5) the dates of acquisition and disposition or maturity.

The Issuer, Trustee, or Rebate Analyst, as applicable, shall retain the records of all calculations and payments of the Rebate Amount until six years after the retirement of the last obligation that is a part of the Issue.

### SECTION 3.03. FAIR MARKET VALUE.

No Nonpurpose Investment shall be acquired for an amount in excess of its fair market value. No Nonpurpose Investment shall be sold or otherwise disposed of for an amount less than its fair market value.

The fair market value of any Nonpurpose Investment shall be the price at which a willing buyer would purchase the Nonpurpose Investment from a willing seller in an arms-length transaction. Fair market value generally is determined on the date on which a contract to purchase or sell the Nonpurpose Investment becomes binding (*i.e.*, the trade date rather than the settlement date). Except as otherwise provided in this Section, a Nonpurpose Investment that is not of a type traded on an established securities market (within the meaning of Section 1273 of the Code) is rebuttably presumed to be acquired or disposed of for a price that is not equal to its fair market value.

(A) Obligations purchased directly from the Treasury. The fair market value of a United States Treasury obligation that is purchased directly from the United States Treasury is its purchase price.

(B) Safe harbor for Guaranteed Investment Contracts. The purchase price of a Guaranteed Investment Contract shall be treated as its fair market value on the purchase date if all the following conditions are met:

(1) The Issuer or broker makes a bona fide solicitation for a specified Guaranteed Investment Contract and receives at least three bona fide bids from reasonably competitive providers (of Guaranteed Investment Contracts) that have no material financial interest in the Issue.

(2) The Issuer purchases the highest-yielding Guaranteed Investment Contract for which a qualifying bid is made (determined net of broker's fees);

(3) The Yield on the Guaranteed Investment Contract (determined net of broker's fees) is not less than the Yield then available from the provider on reasonably comparable Guaranteed Investment Contracts, if any, offered to other persons from a source of funds other than Gross Proceeds of Tax-Exempt Obligations;

(4) The determination of the terms of the Guaranteed Investment Contract takes into account as a significant factor the Issuer's reasonably expected drawdown schedule for the amounts to be invested, exclusive of amounts deposited in a Bona Fide Debt Service Fund and a reasonably required reserve or replacement fund;

(5) The terms of the Guaranteed Investment Contract, including collateral security requirements, are reasonable; and

(6) The obligor on the Guaranteed Investment Contract certifies the administrative costs that it is paying (or expects to pay) to third parties in connection with the Guaranteed Investment Contract.

(C) Safe harbor for certificates of deposit. The purchase price of a certificate of deposit shall be treated as its fair market value on the purchase date if all of the following requirements are met:

(1) The certificate of deposit has a fixed interest rate, a fixed payment schedule, and a substantial penalty for early withdrawal; and

(2) The Yield on the certificate of deposit is not less than (a) the Yield on reasonably comparable direct obligations of the United States, or (b) the highest Yield that is published or posted by the provider to be currently available from the provider on reasonably comparable certificates of deposit offered to the public.

Certificates evidencing the foregoing requirements should be obtained before purchasing any Guaranteed Investment Contract or certificate of deposit.

#### SECTION 3.04. CONSTRUCTIVE SALE/PURCHASE.

- (A) Nonpurpose Investments that are held by the Issuer or Trustee as of any Computation Date (or Bond Year if the computations are required to be done annually) shall be treated for purposes of computing the Rebate Amount as of such date as having been sold for their fair market value as of such date. Investment Property which becomes allocated to Gross Proceeds of the Issue on a date after such Investment Property has actually been purchased shall be treated for purposes of the rebate requirements as having been purchased by the Issuer on such date of allocation at its fair market value on such date.
- (B) For purposes of constructive or deemed sales or purchases of Investment Property (other than Investment Property in the Escrow Fund or that is otherwise not invested for a Temporary Period or is not part of a reasonably required reserve or replacement fund for the Issue) must be valued at its fair market value on the date of constructive or deemed sale or purchase
- (C) Except as set forth in (B), fixed rate Investment Property that is (1) issued with not more than 2% of original issue discount or original issue premium, (2) issued with original issue premium that is attributable exclusively to reasonable underwriters' compensation or (3) acquired with not more than 2% of market discount or market premium, may be treated as having a fair market value equal to its outstanding stated principal amount, plus accrued interest. Fixed rate Investment Property also may be treated as having a fair market value equal to its present value.

#### SECTION 3.05. ADMINISTRATIVE COSTS.

- (A) Administrative costs shall not be taken into account in determining the payments for or receipts from a Nonpurpose Investment unless such administrative costs are Qualified Administrative Costs. Thus, administrative costs or expenses paid, directly or indirectly, to purchase, carry, sell, or retire Nonpurpose Investments generally do not increase the Payments for, or reduce the Receipts from, Nonpurpose Investments.
- (B) Qualified Administrative Costs are taken into account in determining the Payments and Receipts on Nonpurpose Investments and thus increase the Payments for, or decrease the Receipts from, Nonpurpose Investments. In the case of a Guaranteed Investment Contract, a broker's commission or similar fee paid on behalf of either the Issuer or the provider is an administrative cost that is not a Qualified Administrative Cost to the extent that the present value (computed using the taxable discount rate used by the parties to compute the commission or, if not readily ascertainable, a reasonable taxable discount rate) of the commission, as of the date the contract is purchased, exceeds the present value of annual payments equal to 0.05 percent of the weighted average amount reasonably expected to be invested each year during the term of such contract.

## PART IV: COMPLIANCE AND AMENDMENT

### SECTION 4.01. COMPLIANCE.

The Issuer, Trustee or Rebate Analyst, as applicable, shall take all necessary steps to comply with the requirements of these Instructions in order to ensure that interest on the Issue is excluded from gross income for federal income tax purposes under Section 103(a) of the Code. However, compliance shall not be required in the event and to the extent stated therein the Issuer and the Trustee receive a Bond Counsel's Opinion that either (A) compliance with such requirement is not required to maintain the exclusion from gross income for federal income tax purposes of interest on the Issue, or (B) compliance with some other requirement in lieu of such requirement will comply with Section 148(f) of the Code, in which case compliance with the other requirement specified in the Bond Counsel's Opinion shall constitute compliance with such requirement.

### SECTION 4.02. LIABILITY.

If for any reason any requirement of these Instructions is not complied with, the Issuer and the Trustee, if applicable, shall take all necessary and desirable steps to correct such noncompliance within a reasonable period of time after such noncompliance is discovered or should have been discovered with the exercise of reasonable diligence. The Trustee shall have no duty or responsibility to independently verify any of the Issuer's, or the Rebate Analyst's, calculations with respect to the payments of the Rebate Amount due and owing to the United States. Under no circumstances whatsoever shall the Trustee be liable to the Issuer, any bondholder or any other person for any inclusion of the interest on the Issue in gross income for federal income tax purposes, or any claims, demands, damages, liabilities, losses, costs or expenses resulting therefrom or in any way connected therewith, so long as the Trustee acts only in accordance with these Instructions and the operative documents pertaining to the Issue.

(End of Attachment A-1)



The 8038G will be prepared when \$50,000 of loan funds have been disbursed

LOAN AGREEMENT STANDARD TERMS AND CONDITIONS

Water Infrastructure Finance Authority of Arizona

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This document sets forth Standard Terms and Conditions applicable to the Loan made by the WATER INFRASTRUCTURE FINANCE AUTHORITY OF ARIZONA (the “*Authority*”) to the Local Borrower. These Standard Terms and Conditions are a part of the Loan Agreement to which this document is attached. Certain terms used herein are defined in Article 8.

## **Article 1 Covenants of the Local Borrower Relating to the System and the Project.**

Section 1.1 **Operation and Maintenance of System.** The Local Borrower covenants and agrees that it shall, in accordance with prudent utility practice, (a) at all times operate the properties of the System and any business in connection therewith in an efficient manner, (b) maintain the System in good repair, working order and operating condition, and (c) from time to time make all necessary and proper repairs, renewals, replacements, additions, betterments and improvements with respect to the System so that at all times the operations carried on in connection therewith shall be properly and advantageously conducted from revenues of the System or, if the Local Borrower so elects, from any other source of funds lawfully available.

Section 1.2 **Additions and Modifications.** The Local Borrower may make any additions, renewals, replacements, modifications or improvements to the System which it deems desirable and which do not materially reduce the operational integrity of any part of the System. All such renewals, replacements, additions, modifications and improvements shall become a part of the System.

Section 1.3 **Disposition of Project and System.**

(a) The Local Borrower shall not sell, lease, abandon or otherwise dispose of all or substantially all or any substantial portion of the Project or the System except upon compliance with the provisions of this Section; provided, however that the requirements of this Section shall not apply to transactions which are capital leases within the meaning of generally accepted accounting principles to finance expansion or improvement of the System and under which the Local Borrower maintains a purchaser’s interest or other beneficial ownership, use, possession and control of the System so long as no default exists.

(b) The Local Borrower may sell, lease, abandon or otherwise dispose of all or substantially all or any substantial portion of the Project or the System if the Local Borrower shall give at least ninety (90) days’ prior written notice to the Authority of the proposed transaction, and the Authority gives its written consent which shall not be unreasonably withheld. The Local Borrower understands that the Authority, in determining whether or not to give its consent, must determine that the proposed transaction will not adversely affect the Authority’s ability to meet its duties, covenants, obligations and agreements or conditions of any grant received by the Authority or the State from the United States of America, which is related to the Capital Grant Facility or any capitalization grants received by the Authority or the State under the Federal Water Pollution Control Act, as amended, and the Federal Safe Drinking Water Act, as amended.

(c) Notwithstanding the provisions of subsection (b) above, the Local Borrower may sell, lease or otherwise dispose of, any of the property comprising part of the System without prior notice to or the consent of the Authority, other than the Project, in either of the following circumstances:

(i) If the Local Borrower determines that such property is not necessary, useful or profitable to the operation of the System; or

(ii) If the value of such property sold, leased or otherwise disposed of in any one year is equal to not more than 5% of the value of the fixed assets of the System.

Section 1.4 **Cost of Project.** The Local Borrower certifies that the estimated Eligible Project Costs as listed in Section 1 of Exhibit B is a reasonable and accurate estimation of the Eligible Project Costs and, upon the direction of the Authority the Local Borrower will supply the Authority with a certificate from its engineer stating that such estimated Eligible Project Costs is a reasonable and accurate estimation.

## Article 2 Additional Covenants of the Local Borrower

Section 2.1 **Unconditional Obligations.** The obligation of the Local Borrower to make the Loan Repayments and the obligation to perform and observe the other duties, covenants, obligations and agreements on its part described herein are payable solely from the Source of Repayment described in this Loan Agreement and shall be absolute and unconditional and shall not be abated, rebated, set-off, reduced, abrogated, terminated, waived, diminished, postponed or otherwise modified in any manner or to any extent whatsoever, while any payments hereunder remain unpaid, regardless of any contingency, act of God, event or cause whatsoever, including (without limitation) any acts or circumstances that may constitute failure of consideration, eviction or constructive eviction, the taking by eminent domain or destruction of or damage to the Project or the System, commercial frustration of the purpose, any change in the laws of the United States of America or of the State or any political subdivision of either or in the rules or regulations of any governmental authority, any failure of the Authority to perform and observe any agreement, whether express or implied, or any duty, liability or obligation arising out of or connected with the Project or this Loan Agreement, or any rights of set-off, recoupment, abatement or counterclaim that the Local Borrower might otherwise have against the Authority or any other party or parties; provided, however, that payments under this Loan Agreement shall not constitute a waiver of any such rights. The Local Borrower shall not be obligated to make any payments required to be made by any other local borrowers under separate loan agreements or local borrower bonds. Notwithstanding any other provision of this Section 2.1, or this Loan Agreement, neither the Authority, nor any assignee of the Authority shall have the right or ability to compel the repayment of this Loan Agreement from any source other than the Source of Repayment.

Section 2.2 **Performance Under Loan Agreement.** The Local Borrower covenants and agrees (a) to maintain the System in good repair and operating condition; (b) to cooperate with the Authority to the extent it may lawfully do so, in the observance and performance of the respective duties, covenants, obligations and agreements of such Local Borrower and the Authority under this Loan Agreement; and (c) to comply with the covenants set forth in this Loan Agreement.

Section 2.3 **Disclaimer of Warranties.** The Local Borrower acknowledges and agrees that (i) the Authority makes no warranty or representation, either express or implied as to the value, design, condition, merchantability or fitness for particular purpose or fitness for any use of the System or the Project or any portions thereof or any other warranty or representation with respect thereto; (ii) in no event shall the Authority or its respective agents be liable or responsible for any direct, incidental, indirect, special or consequential damages in connection with or arising out of this Loan Agreement or the Project or the existence, furnishing, functioning or use of the System or the Project; and (iii) are not intended to and shall not be construed as a waiver of any defense or limitation on damages provided for under and pursuant to the laws of the United States or of the State.

Section 2.4 **Loan Repayments; Prepayments; Providing for Payment of the Loan.**

(a) Loan Repayments.

(i) The Local Borrower shall pay to the Authority the amounts set forth in the Loan Repayment Schedule contained in Exhibit A on or before the due dates shown in Exhibit A.

(ii) Each payment made as a Loan Repayment as described in subsection (i) shall be applied first to the combined interest and fee payment then due and payable on the Loan and then to the principal amount of the Loan.

(iii) In addition to the other payments required by this Section, the Local Borrower shall pay a late charge for any payment that is received by the Authority later than the tenth day following its due date, in an amount equal to six percent per annum of the amount of the late payment from its due date to the date it is actually paid; provided, however, that the combined interest and fee rate payable on the Loan including such late charge shall not be in excess of the maximum rate permitted by law or any proceedings or resolution authorizing the execution of this Loan Agreement.

(iv) Upon the final disbursement, if the Loan amount is less than the estimated Eligible Project Costs, the amount of each Principal Installment due as set forth in the Loan Repayment Schedule contained in Exhibit A shall be adjusted to achieve substantially level debt service, and the Authority shall compute the adjusted combined interest and fee amounts to reflect the adjusted principal amounts and shall enter the results in a revised Loan Repayment Schedule delivered to the Local Borrower.

(b) Prepayments. The Loan is not subject to prepayment prior to the tenth anniversary of the final loan draw. The Local Borrower may prepay the Principal Repayment Amount of the Loan in whole or in part in advance of the due dates on or after the tenth anniversary of the final loan draw without penalty upon written notice delivered to the Authority at least 60 days prior to the prepayment date. If the Local Borrower prepays the Repayment Principal Amount in part, the amount of each Principal Installment due as set forth in the Loan Repayment Schedule contained in Exhibit A shall be adjusted to achieve substantially level debt service. Upon such adjustment, the Authority shall compute the adjusted combined interest and fees amounts to reflect the adjusted principal amounts and shall enter the results in the Loan Repayment Schedule with notice to the Local Borrower.

(c) Providing for Payment of the Loan. The Local Borrower may at any time provide for the payment and discharge of the Loan, as provided in this subsection. The Loan shall be deemed to have been paid and discharged if:

(i) the Local Borrower has delivered to the Authority proof satisfactory to the Authority that the Local Borrower has deposited with a financial institution acceptable to the Authority, in trust for and irrevocably committed to payments on the Loan, cash or non-callable direct obligations of the United States of America (including obligations issued or held in book entry form on the books of the Department of Treasury of the United States of America) and obligations of any agency or instrumentality of the United States of America the timely payment of the principal of and interest on which are unconditionally guaranteed by the United States of America, which are of such maturities and interest payment dates, and bear such interest, as will be sufficient together with any moneys also deposited, without further investment or reinvestment of either the principal amount or the interest earnings (which earnings are to be held likewise in trust and so committed), to pay all the amounts due under the Loan, as set forth in the Loan Repayment Schedule contained in Exhibit A, as evidenced in a report of an independent firm of nationally recognized certified public accountants addressed to and delivered to the Authority; and

(ii) the Authority has received a bond counsel opinion (as described in Section 6.2(b) and (c) below) to the effect that the deposit of funds and the investment of such deposit, as described in the preceding paragraph, will not, by itself, adversely affect the exclusion from gross income of interest on the Loan or any Authority Bonds for federal income tax purposes.

Section 2.5 Source of Repayment of Local Borrower's Obligations and Pledge. The Local Borrower irrevocably pledges the Source of Repayment described in this Loan Agreement for the punctual payment of all amounts due under the Loan Agreement. The Authority and the Local Borrower agree that the amounts payable by the Local Borrower under this Loan Agreement are payable solely from the Source of Repayment described in this Loan Agreement and are not payable from any other source whatsoever, unless the Local Borrower chooses to pay, and pays, any amount due hereunder from any other source lawfully available to it.

Section 2.6 Insurance. The Local Borrower shall maintain or cause to be maintained in force, insurance policies with responsible insurers or self-insurance programs or through membership in a risk retention pool, including, but not limited to, the Arizona Municipal Risk Retention Pool (in accordance with the Local Borrower's customary practices) providing against risk of direct physical loss, damage or destruction of the Project and the System, at least to the extent that similar insurance is usually carried by utilities constructing, operating and maintaining system facilities of the nature of the System, including liability coverage, all to the extent available at reasonable cost.

Section 2.7 No Liens. Except for:

(a) the debt service on any future bonds, notes or other evidence of indebtedness of the Local Borrower issued or contractual obligations incurred in accordance with this Loan Agreement payable from the funds pledged to the payment of this Loan Agreement which are on parity with the lien and charge on the funds so pledged to pay this Loan Agreement and

(b) as provided in Exhibit D of this Loan Agreement, the debt service on currently outstanding bonds, notes or evidences of indebtedness or contractual obligations of the Local Borrower, if any, payable from the Source of Repayment described in Exhibit D of this Loan Agreement which the Local Borrower has disclosed to the Authority in writing,

the funds so pledged as described in this Loan Agreement after the payment of all costs of operating and maintaining the System, are and will be free and clear of any pledge, lien, charge or encumbrance thereon or with respect thereto which are prior to, or of equal rank with, the obligation of the Local Borrower to pay this Loan Agreement, and all corporate or other action on the part of the Local Borrower to that end has been and will be duly and validly taken.

Section 2.8 **Disadvantaged Business Enterprises**. As applicable, the Local Borrower shall comply with 40 C.F.R. Part 33<sup>1</sup> including but not limited to:

Local Borrowers and their prime contractors must follow, document, and maintain documentation of their good faith efforts as listed below to ensure that Disadvantage Business Enterprises (DBEs) have the opportunity to participate in the project by increasing DBE awareness of procurement efforts and outreach.

(a) Ensure DBEs are made aware of contracting opportunities to the fullest extent practicable through outreach and recruitment activities; including placing DBEs on solicitation lists and soliciting them whenever they are potential sources.

(b) Make information on forthcoming opportunities available to DBEs and arrange time frames for contracts and establish delivery schedules, where the requirements permit, in a way that encourages and facilitates participation by DBEs in the competitive process. This includes, whenever possible, posting solicitation for bids or proposals for a minimum of 30 calendar days before the bid or proposal closing date.

(c) Consider in the contracting process whether firms competing for large contracts could be subcontracted with DBEs. This will include dividing total requirements when economically feasible into smaller tasks or quantities to permit maximum participation by DBEs in the competitive process.

(d) Encourage contracting with a consortium of DBEs when a contract is too large for one of these firms to handle individually.

(e) Use the services and assistance of the Small Business Administration and the Minority Business Development Agency of the U. S. Department of Commerce.

(f) If the prime contractor awards subcontracts, require the prime contractor to take the steps in sections (a) through (e) above.

These conditions must be included in all procurement contracts entered into by the Local Borrower for all DWRF and CWRP projects:

(a) The prime contractor must pay its subcontractor for satisfactory performance no more than 30 days from the prime contractor's receipt of payment from the owner.

(b) The prime contractor must notify the owner in writing prior to the termination of any Disadvantage Business Enterprise subcontractor for convenience by the prime contractor.

(c) If a Disadvantage Business Enterprise contractor fails to complete work under the subcontract for any reason, the prime contractor must employ the six good faith efforts if soliciting a replacement contractor.

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<sup>1</sup> See Article 9 for a full list of applicable federal laws and authorities relating to Participation by Disadvantaged Business Enterprises in Procurement Under Environmental Protection Agency (EPA) Financial Assistance Agreements.



(d) The prime contractor must continue to employ the six good faith efforts even if the prime contractor has achieved its fair share objectives.

(e) The prime contractor must provide EPA Form 6100-2 DBE Program Subcontractor Participation Form to all of its Disadvantaged Business Enterprise subcontractors. Disadvantaged Business Enterprise subcontractors may send completed Form 6100-2 directly to the Region 9 DBE Coordinator listed below.

**Joe Ochab, EPA Region 9, 75 Hawthorne St. (P-22), San Francisco, CA 94105**

(f) The prime contractor must have its Disadvantaged Business Enterprise subcontractors complete EPA Form 6100-3 – DBE Program Subcontractor Performance Form. The prime contractor must include all completed forms as part of the prime contractor’s bid or proposal package to the Local Borrower.

(g) The prime contractor must complete and submit EPA 6100-4 DBE Program Subcontractor Utilization Form as part of the prime contractor’s bid or proposal package to the Local Borrower.

(h) A Local Borrower must ensure that each procurement contract it awards contains the following terms and conditions:

The contractor shall not discriminate on the basis of race, color, national origin or sex in the performance of this contract. The contractor shall carry out applicable requirements of 40 CFR Part 33 in the award and administration of contracts awarded under EPA financial assistance agreements. Failure by the contractor to carry out these requirements is a material breach of this contract which may result in the termination of this contract or other legally available remedies.

**Article 3 Representations of Local Borrower**

The Local Borrower represents for the benefit of the Authority that the representations contained in this Loan Agreement are true at the time of execution and delivery of this Loan Agreement and, other than with respect to events outside of Local Borrower’s control, will be true in all material respects at all times during the term of this Loan Agreement.

Section 3.1 **Organization and Authority.**

(a) The Local Borrower is a Political Subdivision or Indian Tribe as defined in the Authority Act.

(b) The Local Borrower has full legal right and authority and has, or will obtain as and when required, all necessary licenses and permits required to acquire, own, operate and maintain the Project and the System, to carry on its activities relating thereto, to execute and deliver this Loan Agreement, to undertake and complete the Project, to pledge the Source of Repayment, and to carry out and consummate all transactions contemplated by this Loan Agreement. The Project is a project which the Local Borrower may undertake pursuant to State law and for which the Local Borrower is authorized by law to borrow money.

(c) The proceedings of the Local Borrower’s governing body approving this Loan Agreement and authorizing its execution, issuance and delivery on behalf of the Local Borrower, and authorizing the Local Borrower to undertake and complete the Project have been duly and lawfully adopted in accordance with the laws of the State.

(d) This Loan Agreement has been duly authorized, executed and delivered by an Authorized Officer of the Local Borrower; and, assuming that the Authority has all the requisite power and authority to authorize, execute and deliver, and has duly authorized, executed and delivered this Loan Agreement, this Loan Agreement constitutes a legal and valid obligation of the Local Borrower enforceable in accordance with its terms, and the information contained under “Description of the Loan” in this Loan Agreement is true and accurate in all material respects.

Section 3.2 **Full Disclosure.**

(a) To the best of the Local Borrower's knowledge, there is no fact that the Local Borrower has not disclosed to the Authority in writing that materially adversely affects the properties, activities, prospects or condition (financial or otherwise) of the Local Borrower or the System, or the ability of the Local Borrower to make all Loan Repayments due hereunder and otherwise observe and perform its duties, covenants, obligations and agreements under this Loan Agreement.

(b) The information relating to the Local Borrower (including without limitation the financial and statistical data contained therein) submitted to the Authority by the Local Borrower in connection with the Authority's approval of the Loan was at the time of the Authority's approval of the Loan and at all times subsequent thereto up to and including the Loan Closing, will be (if necessary by amendment provided by the Local Borrower) true and correct and will not contain an untrue statement of material fact or omit to state a material fact necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading in any adverse respect. To the extent permitted by law, and notwithstanding any other provision of this Loan Agreement, the Local Borrower will indemnify, save and hold harmless the Authority, and each of the Authority's agents, for, from and against any and all claims, damages, liability and court awards including costs, expenses and reasonable attorneys' fees incurred as a result of any omission or misstatement of material fact in the information submitted to the Authority by the Local Borrower in connection with the Authority's approval of the Loan, as it may have been supplemented and amended by the Local Borrower.

Section 3.3 **Pending Litigation.** There are no proceedings pending, or to the knowledge of the Local Borrower, threatened, against or affecting the Local Borrower, in any court or before any governmental authority or arbitration board or tribunal that, if adversely determined, would materially adversely affect the properties, activities, prospects or condition (financial or otherwise) of the Local Borrower or the System, or the ability of the Local Borrower to make all Loan Repayments and otherwise observe and perform its duties, covenants, obligations and agreements under this Loan Agreement that have not been disclosed in writing to the Authority in the Local Borrower's application for the Loan or otherwise.

Section 3.4 **Compliance with Existing Laws and Agreements.** The authorization, execution and delivery of this Loan Agreement by the Local Borrower, the observance and performance by the Local Borrower of its duties, covenants, obligations and agreements hereunder and the consummation of the transactions provided for in this Loan Agreement, the compliance by the Local Borrower with the provisions of this Loan Agreement and the undertaking and completion of the Project will not result in any breach of any of the terms, conditions or provisions of, or constitute a default under, or result in the creation or imposition of any lien, charge or encumbrance upon any property or assets of the Local Borrower pursuant to any existing ordinance or resolution, trust agreement, indenture, mortgage, deed of trust, loan agreement or other instrument (other than the lien and charge of this Loan Agreement and any ordinance or resolution or indenture which authorized outstanding obligations of the Local Borrower which are on a parity with this Loan Agreement as to a lien on, or a source and security for, payment thereon from the source of payment that is pledged to the Loan Repayments) to which the Local Borrower is a party or by which the Local Borrower, the System or any of its property or assets may be bound, nor will such action result in any violation of the provisions of the charter or other document pursuant to which the Local Borrower was established or any laws, ordinances, resolutions, governmental rules, regulations or court orders to which the Local Borrower, the System or its properties or operations are subject.

Section 3.5 **No Defaults.** No event has occurred and no condition exists that, upon authorization, execution and delivery of this Loan Agreement or receipt of the amount of the Loan, would constitute an Event of Default hereunder. The Local Borrower is not in violation of, and has not received notice of any claimed violation of, any term of any agreement or other instrument to which it is a party or by which it may be bound, which violation would materially adversely affect the properties, activities, prospects or condition (financial or otherwise) of the Local Borrower or the ability of the Local Borrower to make all Loan Repayments or otherwise observe and perform its duties, covenants, obligations and agreements under this Loan Agreement.

Section 3.6 **Governmental Consent.** The Local Borrower has or will have obtained prior to the date of the Loan Closing all permits and approvals required to date by any governmental body or officer (and reasonably expects to receive all permits required in the future by any governmental agency) for the making, observance and performance

by the Local Borrower of its duties, obligations and agreements under this Loan Agreement or for the undertaking or completion of the Project and the financing thereof, and the Local Borrower has complied with all applicable provisions of law requiring any notification, declaration, filing or registration with any governmental body or officer in connection with the making, observance and performance by the Local Borrower of its duties, covenants, obligations and agreements under this Loan Agreement or with the undertaking or completion of the Project and the financing thereof; and the Local Borrower has complied with all applicable provisions of law requiring any notification, declaration, filing or registration with any governmental body or officer in connection with the making, observance and performance by the Local Borrower of its duties, covenants, obligations and agreements under this Loan Agreement or with the undertaking or completion of the Project and the financing thereof. No consent, approval or authorization of, or filing, registration or qualification with, any governmental body or officer, other than those already obtained or reasonably expected to be obtained, is required on the part of the Local Borrower as a condition to the authorization, execution and delivery of this Loan Agreement, the undertaking or completion of the Project or the consummation of any transaction herein contemplated.

Section 3.7 **Compliance with Law**. The Local Borrower:

(a) is in compliance with all laws, ordinances, governmental rules and regulations to which it is subject and the failure to comply with which would materially adversely affect the ability of the Local Borrower to conduct its activities or undertake or complete the Project or the condition (financial or otherwise) of the Local Borrower or the System; and

(b) has obtained, or will obtain as and when required, all licenses, permits, franchises or other governmental authorizations necessary for the ownership of its property or for the conduct of its activities which, if not obtained, would materially adversely affect the ability of the Local Borrower to undertake or complete the Project or the condition (financial or otherwise) of the Local Borrower or the System.

## Article 4 Assignment

Section 4.1 **Assignment and Transfer by Authority**. The Local Borrower hereby approves and consents to any assignment or transfer of this Loan Agreement that the Authority deems to be necessary in connection with the Clean Water Revolving Fund and Drinking Water Revolving Fund programs of the Authority.

Section 4.2 **Assignment by Local Borrower**. This Loan Agreement may not be assigned by the Local Borrower for any reason, unless the following conditions shall be satisfied: (i) the assignee shall be a governmental unit within the meaning of Section 141(c) of the Code or another entity acceptable to the Authority and the assignee shall have expressly assumed in writing the full and faithful observance and performance of the Local Borrower's duties, covenants, agreements and obligations hereunder; (ii) immediately after such assignment, the assignee shall not be in default in the performance or observance of any duties, covenants, obligations or agreements of the Local Borrower hereunder; and (iii) the Authority shall receive an opinion of counsel to the effect that such assignment will not violate the provisions of any agreement entered into by the Authority with, or condition of any grant received by the Authority from the United States of America relating to the Capital Grant Facility or any capitalization grants received by the Authority or the State under the Federal Water Pollution Control Act and the Federal Safe Drinking Water Act.

No assignment shall relieve the Local Borrower from primary liability for any of its obligations under this Loan Agreement and in the event of such assignment, the Local Borrower shall continue to remain primarily liable for the performance and observance of its obligations to be performed and observed under this Loan Agreement.

## Article 5 Defaults and Remedies

Section 5.1 **Events of Default**. If any of the following events occurs, it is hereby defined as and declared to be and to constitute an "*Event of Default*":

(a) failure by the Local Borrower to pay, or cause to be paid, when due any Loan Repayment;

(b) failure by the Local Borrower to make, or cause to be made, any required payments of principal, redemption premium, if any, and interest on any bonds, notes or other obligations of the Local Borrower for borrowed money (other than the Loan), after giving effect to the applicable grace period, the payments of which are secured by the Source of Repayment described in this Loan Agreement;

(c) failure by the Local Borrower to perform any duty, covenant, obligation or agreement on its part to be observed or performed under this Loan Agreement, other than as referred to in paragraphs (a) and (b) of this Section, which failure shall continue for a period of thirty (30) days after written notice, specifying such failure and requesting that it be remedied, is given to the Local Borrower by the Authority, unless the Authority agrees in writing to an extension of such time prior to its expiration, provided, however, that if the failure stated in such notice is correctable but cannot be corrected within the applicable period the Authority may not unreasonably withhold its consent to an extension of such time if corrective action is instituted by the Local Borrower and diligently pursued until the Event of Default is corrected;

(d) the institution of any proceeding, with the acquiescence of the Local Borrower, for the purpose of effecting a composition between the Local Borrower and its creditors or for the purpose of adjusting the claims of such creditors, pursuant to any federal or state statute now or hereafter enacted, if the claims of such creditors are payable from the Source of Repayment described in this Loan Agreement;

(e) a determination by the Authority that any material representation made by or on behalf of the Local Borrower contained in this Loan Agreement, or in any instrument furnished in compliance with or with reference to this Loan Agreement, is false or misleading in any material respect; and

(f) the filing of a petition by or against the Local Borrower under any federal or state bankruptcy or insolvency law or other similar law in effect on the date of this Loan Agreement or thereafter enacted, unless in the case of any such petition filed against the Local Borrower such petition shall be dismissed within thirty (30) days after such filing and such dismissal shall be final and not subject to appeal; or the Local Borrower becoming insolvent or bankrupt or making an assignment for the benefit of its creditors; or the appointment of a custodian (including, without limitation, a receiver, liquidator or trustee of the Local Borrower or any of its property including the System) by court order, or possession of the Local Borrower or its property or assets is taken if such order remains in effect or such possession continues for more than thirty (30) days.

Section 5.2 **Notice of Default.** The Local Borrower shall give the Authority prompt telephone notice of the occurrence of any Event of Default referred to in Section 5.1 paragraph (c) hereof, and of the occurrence of any other event or condition that constitutes an Event of Default, at such time as any senior administrative or financial officer of the Local Borrower becomes aware of the existence thereof. Any telephone notice pursuant to this Section shall be confirmed in writing by the end of the next Business Day.

Section 5.3 **Remedies on Default.**

(a) Whenever an Event of Default referred to in Section 5.1 hereof shall have occurred and be continuing, the Authority shall have the right to take any action permitted or required pursuant to this Loan Agreement and to take whatever other action at law or in equity as may appear necessary or desirable to collect the amounts then due and thereafter to become due on their scheduled payment dates or to enforce the performance and observance of any duty, covenant, obligation or agreement of the Local Borrower hereunder, including, without limitation, appointment of a receiver of the System.

(b) Nothing in this Loan Agreement shall be construed to affect the Attorney General taking action to enforce this Loan Agreement in accordance with the Authority Act.

Section 5.4 **Attorney's Fees and Other Expenses.** In the event of a default hereunder by the Local Borrower, the Local Borrower shall on demand and to the extent not prohibited by applicable law pay to the Authority the reasonable fees and expenses of attorneys and other reasonable expenses (including without limitation the reasonably allocated costs of in-house counsel and legal staff) incurred by the Authority in the collection of Loan

Repayments or any other sum due hereunder or in the enforcement of performance or observance of any other duties, covenants, obligations or agreements of the Local Borrower to the extent permitted by law.

Section 5.5 **Application of Moneys**. The parties acknowledge that: (a) all amounts coming due hereunder as Loan Repayments shall be treated as principal and combined interest and fees with respect to the Loan which amounts are secured by a pledge of the Source of Repayment in accordance with Exhibit D of this Loan Agreement; and (b) amounts coming due under Section 5.4 hereof shall be secured by the Source of Repayment on a basis subordinate to the Loan Repayments, but on a parity with comparable expenses relating to such Outstanding Parity Obligations and Additional Parity Obligations.

However, any moneys collected by the Authority pursuant to Section 5.3 in the exercise of remedies with respect to amounts due or to become due hereunder shall be applied: (a) first, to pay any attorney's fees or other fees and expenses owed by the Local Borrower pursuant to Section 5.4 hereof, (b) second, to pay delinquent combined interest fees and late charges on the Loan; (c) third, to pay combined interest and fees then due and payable on the Loan; (d) fourth, to pay delinquent principal on the Loan in order of scheduled maturity; (e) fifth, to pay principal then due and payable on the Loan; and (f) sixth, to pay any other amounts due and payable pursuant to this Loan Agreement.

Section 5.6 **No Remedy Exclusive; Waiver; Notice**. No remedy conferred upon or reserved to the Authority hereunder is intended to be exclusive, and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity. No delay or omission to exercise any right, remedy or power accruing upon any Event of Default shall impair any such right, remedy or power or shall be construed to be a waiver thereof, but any such right, remedy or power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Authority to exercise any remedy reserved to it as described in this Article, it shall not be necessary to give any notice, other than such notice as may be required in this Article.

Section 5.7 **Retention of Authority's Rights**. Notwithstanding any assignment or transfer of this Agreement pursuant to the provisions hereof, or anything else to the contrary contained herein, the Authority shall have the right upon the occurrence of an Event of Default to take any action, including (without limitation) bringing an action against the Local Borrower at law or in equity, as the Authority may, in its discretion, deem necessary to enforce the obligations of the Local Borrower to the Authority.

Section 5.8 **Default by the Authority**. In the event of any default by the Authority in any duty, covenant, agreement or obligation described in this Agreement, the Local Borrower's remedy for such default shall be limited to injunction, special action, action for specific performance or any other available equitable remedy designed to enforce the performance or observance of any duty, covenant, obligation or agreement of the Authority described herein as may be necessary or appropriate. The Authority shall on demand pay to the Local Borrower the reasonable fees and expenses of attorneys and other reasonable expenses in the enforcement of such performance or observance.

## **Article 6 Provisions Applicable to Loans Financed by or Pledged to Secure Authority Bonds**

Section 6.1 **General**. The Local Borrower acknowledges that the Authority is entering into this Loan Agreement and agreeing to make the Loan at this time for the benefit of the Local Borrower, and that the Authority may finance the Loan, along with other loans to other local borrowers, through the issuance of Authority Bonds and may pledge the Loan to secure Authority Bonds. If and for so long as the Authority's source of funds to make disbursements on, or to carry, the Loan represented by this Loan Agreement is, or becomes, the proceeds of Authority Bonds, or this Loan Agreement is assigned by the Authority as security for payment of amounts due or to become due on Authority Bonds, the Local Borrower agrees to cooperate with the Authority with respect to the issuance of Authority Bonds by furnishing and certifying information concerning the Local Borrower, the Project, the System and the Source of Repayment, and by agreeing to reasonable modifications and additions to this Loan Agreement necessary or convenient for the Authority Bond transaction. Without limiting the generality of the foregoing, the Local Borrower agrees that if the Authority at any time determines, in its discretion, that it is necessary in connection with the

issuance of Authority Bonds or the maintenance of the Authority's bond program, then the provisions set forth in this Article shall be in effect.

#### Section 6.2 **Tax Covenants.**

(a) **General.** The Local Borrower acknowledges that, in connection with its state revolving fund programs, the Authority issues its Authority Bonds from time to time to finance loans and the Authority also pledges certain loans to secure and to serve as the source of payment for the Authority Bonds. As a result, and under the provisions of federal tax law applicable to the Authority Bonds, it is in the Authority's interest for the Loan to qualify and be a Tax-Exempt Obligation that is not an AMT Obligation. Therefore, the Local Borrower represents and covenants as follows with respect to the Loan and the Authority Bonds. The Local Borrower covenants that it will not take any action, or fail to take any action, if any such action or failure to take such action would adversely affect the exclusion from gross income of the interest on the Loan or the Authority Bonds under Section 103(a) of the Internal Revenue Code or cause the interest on the Loan or the Authority Bonds to become an AMT Obligation, and in the event of such action or omission, it will, promptly upon having such brought to its attention, take such reasonable actions based upon a bond counsel opinion as may rescind or otherwise negate such action or omission. The Local Borrower will not directly or indirectly use or permit the use of any proceeds of the Loan or any other funds of the Local Borrower or take or omit to take any action that would cause the Loan or the Authority Bonds to be or become "arbitrage bonds" within the meaning of Section 148(a) of the Internal Revenue Code or to fail to meet any other applicable requirement of Sections 103, 141, 148, 149 and 150 of the Internal Revenue Code or cause the interest on the Loan or the Authority Bonds to become an item of tax preference for purposes of the alternative minimum tax imposed on individuals and corporations under the Internal Revenue Code. To that end, the Local Borrower will comply with all applicable requirements of Sections 103, 141, 148, 149 and 150 of the Code to the extent applicable to the Loan.

(b) **Modification Based on Bond Counsel Opinion.** Notwithstanding any provision of this Section, if the Local Borrower provides to the Authority a bond counsel opinion to the effect that any action required under this Section is no longer required, or to the effect that some further action is required, to maintain the exclusion from gross income of interest on the Loan or the Authority Bonds pursuant to Section 103(a) of the Internal Revenue Code, the provisions of this Section and the covenants in this Section shall be deemed to be modified to that extent.

(c) **Bond Counsel Opinion.** For purposes of this Article, "bond counsel opinion" means an opinion letter of a firm of attorneys of national reputation experienced in the field of municipal bonds whose opinions are generally accepted by purchasers of municipal bonds, and who is acceptable to the Authority.

Section 6.3 **Third Party Beneficiaries.** The Trustee, the owners from time to time of the Authority Bonds, any Credit Enhancer from time to time of the Authority Bonds and any underwriter of the Authority Bonds are each expressly acknowledged to be third party beneficiaries of this Loan Agreement and each representation, agreement, duty, obligation and provision of this Loan Agreement.

Section 6.4 **Additional Documents Relating to Authority Bonds.** The Local Borrower will furnish to the Authority and certify to such information and execute and deliver and cause to be executed and delivered such documents as the Authority, the underwriter or other parties to any Authority Bond transaction may reasonably require, including, without limitation:

(a) a certificate of an Authorized Officer of the Local Borrower to the effect that the information contained in the Final Official Statement (defined in Section 6.5, paragraph (a)) for the Authority Bonds concerning the Local Borrower is correct in all material respects and is an accurate summary of the information which it purports to summarize, and that nothing has come to the Authorized Officer's attention that would lead the Authorized Officer to believe that the information in the Final Official Statement relating to the Local Borrower contains an untrue statement of a material fact or omits to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; and

(b) subject to the continuing disclosure requirements of Securities and Exchange Commission Rule 15c2-12 (the "Disclosure Rule"), a continuing disclosure undertaking of the Local Borrower meeting the requirements of the Disclosure Rule, and a statement of the Local Borrower as to whether it has failed to provide any information and

notices required by the provisions of previous continuing disclosure undertakings, if any, of the Local Borrower under the Disclosure Rule, and if it has not, describing the circumstances and status of such failure; and

(c) an appropriate certificate executed by Authorized Officer of the Local Borrower concerning the reasonable expectations of the Local Borrower as to the use of the proceeds of the Loan and such other matters as may be required on the part of the Local Borrower in order to ensure that the Authority Bonds are and will remain Tax-Exempt Obligations that are not AMT Obligations, and the Local Borrower covenants to comply with the provisions of such certificate; and

(d) such other certificates, documents and information, and supplemental opinions of Local Borrower's counsel, as the Authority, the underwriters of the Authority Bonds or other parties to the Authority Bonds transaction may reasonably require and as are necessary to confirm the continued truth and accuracy of information supplied by or on behalf of the Local Borrower.

#### Section 6.5 **Disclosure Regarding Authority Bonds.**

(a) The information, if any, relating to the Local Borrower (including without limitation the financial and statistical data contained therein) which has been furnished by the Local Borrower to be included in, and which is included in, a Preliminary Official Statement of the Authority (the "*Preliminary Official Statement*"), or a final Official Statement (the "*Final Official Statement*") of the Authority concerning any Authority Bonds, as of the respective dates of each such document and at all times subsequent thereto up to and including the Bond Closing, will be (if necessary by amendment provided by the Local Borrower) true and correct and will not contain an untrue statement of material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading. To the extent permitted by law, and notwithstanding any other provision of this Loan Agreement, the Local Borrower will indemnify, save and hold harmless the Authority and each other local borrower, if any, included in the Final Official Statement, and each of such parties' respective agents, for, from and against any and all claims, damages, liability and court awards including costs, expenses and attorneys fees incurred as a result of any omission or misstatement of a material fact in the Local Borrower's information in the Final Official Statement, as it may have been supplemented or amended by the Local Borrower.

(b) The Local Borrower agrees that from the date of the Final Official Statement and for a period until not later than 25 days after the date of the Bond Closing if and so long as the offering of the Authority Bonds continues (i) the Local Borrower will furnish such information with respect to itself as the Authority (for itself or at the request of the underwriters of the Authority Bonds) may from time to time reasonably request and (ii) if any event shall occur as a result of which it is necessary, in the opinion of Bond Counsel to the Authority, or counsel for the underwriters of the Authority Bonds, to amend or supplement the information in the Final Official Statement relating to the Local Borrower in order to make such information not misleading in light of the circumstances then existing, the Local Borrower will forthwith prepare, and furnish to the Authority and the underwriters such information relating to the Local Borrower as may be necessary to permit the preparation of an amendment of or supplement to the Final Official Statement (in form and substance satisfactory to the Bond Counsel to the Authority and counsel for the underwriters) which will amend or supplement the Final Official Statement so that it will not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in light of the circumstances then existing, not misleading.

(c) The Local Borrower agrees that if prior to the 25th day following the end of the underwriting period of the Authority Bonds, as defined for purposes of the Disclosure Rule, any event shall occur which causes the representations contained in Section 6.4, paragraph (a) to be false in any material respect, the Local Borrower shall promptly notify the Authority of such development, and if in the opinion of the Authority and the underwriters of the Authority Bonds such development requires the preparation of a supplement or an amendment to the Preliminary Official Statement or the Final Official Statement, the Local Borrower agrees to cooperate with the Authority and the underwriters for the Authority Bonds in preparing any such supplement or amendment in a form acceptable to such parties and to pay all reasonable expenses incurred by such parties in connection with the preparation thereof.

#### Section 6.6 **Assignment and Transfer by Authority to Trustee.**

(a) The Local Borrower expressly acknowledges that, other than the right of the Authority to be indemnified by the Local Borrower, all right, title and interest of the Authority in, to and under this Loan Agreement will be assigned to the Trustee as security for the Authority Bonds, as applicable, as provided in the Authority's Master Trust Indenture, and that if any Event of Default shall occur the Trustee, pursuant to the Authority's Master Trust Indenture, shall be entitled to act hereunder in the place and stead of the Authority. The Local Borrower hereby acknowledges the requirements of the Authority's Master Trust Indenture applicable to the Authority Bonds and consents to such assignment and appointment. The Authority shall retain the right to compel or otherwise enforce observance and performance by the Local Borrower of its duties, covenants, obligations and to be indemnified by the Local Borrower; provided, however, that in no event shall the Authority or the Trustee have the right to accelerate the payments under this Loan Agreement.

(b) The Local Borrower hereby approves and consents to any assignment or transfer of this Loan Agreement that the Authority deems to be necessary in connection with any refunding of the Authority Bonds or otherwise in connection with the Clean Water Revolving Fund and Drinking Water Revolving Fund programs of the Authority.

Section 6.7 **Conditions to Assignment by Local Borrower**. Notwithstanding Section 4.2, this Loan Agreement may not be assigned by the Local Borrower for any reason, unless the following conditions shall be satisfied: (i) the Authority, the Trustee and the Credit Enhancer, if any, of the Authority Bonds shall have approved said assignment in writing; (ii) the assignee shall be a governmental unit within the meaning of Section 141(c) of the Internal Revenue Code or another entity acceptable to the Authority and the assignee shall have expressly assumed in writing the full and faithful observance and performance of the Local Borrower's duties, covenants, agreements and obligations hereunder; (iii) immediately after such assignment, the assignee shall not be in default in the performance or observance of any duties, covenants, obligations or agreements of the Local Borrower hereunder; (iv) the Authority and the Trustee shall have received an opinion of bond counsel to the effect that such assignment will not adversely affect the exclusion of interest on the Authority Bonds from gross income for purposes of Federal income taxation under Section 103(a) of the Code or make the Authority Bonds or the Loan AMT Obligations; and (v) the Authority and the Trustee shall receive an opinion of counsel to the effect that such assignment will not violate the provisions of the Master Trust Indenture or any agreement entered into by the Authority with, or condition of any grant received by the Authority from, the United States of America relating to the Capital Grant Facility or any capitalization grants received by the Authority or the State under the Federal Water Pollution Control Act and the Federal Safe Drinking Water Act.

No assignment shall relieve the Local Borrower from primary liability for any of its obligations under this Loan Agreement and in the event of such assignment, the Local Borrower shall continue to remain primarily liable for the performance and observance of its obligations to be performed and observed under this Loan Agreement.

Section 6.8 **Sale or Other Disposition of Project or System**. The Local Borrower agrees that it will not sell, lease, abandon or otherwise dispose of all or substantially all or any substantial portion of the Project or the System unless (i) the transferee assumes the Local Borrower's obligations under this Loan Agreement in accordance with Section 6.6, (ii) the Authority shall by appropriate action determine, in its sole discretion, that such sale, lease, abandonment or other disposition will not adversely affect the Authority's ability to meet its duties, covenants, obligations and agreements under the Bond Documents, and will not adversely affect the eligibility of interest on Authority Bonds then outstanding or which could be issued in the future for exclusion from gross income for purposes of federal income taxation or cause such Authority Bonds to be AMT Obligations, and (iii) the Credit Enhancer, if any, of the Authority Bonds shall have given its prior written consent to such disposition.

Section 6.9 **Deficiencies Under Bond Documents Caused by Failure to Make Loan Repayment**. The Local Borrower acknowledges that payment of the Authority Bonds by the Authority, including payment from moneys drawn by the Trustee from the Bond Reserves or the CWRP Financial Assistance Account and DWRP Financial Assistance Accounts established under the Bond Documents, does not constitute payment of the amounts due under this Loan Agreement. If at any time the amounts on deposit in the Bond Reserves or the CWRP Financial Assistance Account and DWRP Financial Assistance Accounts shall be less than the amounts required by the Bond Documents as the result of any transfer of moneys from the Bond Reserves or the CWRP Financial Assistance Account and DWRP Financial Assistance Accounts which in turn is the result of a failure by the Local Borrower to make any Loan Repayments required hereunder, the Local Borrower agrees to (i) replenish such moneys so transferred, and (ii) replenish any deficiency arising from losses incurred in making such transfer as the result of the



liquidation by the Authority of investment securities acquired as an investment of moneys in the Bond Reserves or the CWRP Financial Assistance Account and DWRP Financial Assistance Accounts, by making payments to the Authority in equal monthly installments for the lesser of six (6) months or the remaining term of the Loan at a combined interest and fee rate to be determined by the Authority necessary to make up any loss caused by such deficiency, provided that the combined interest and fee rate payable on the Loan including such make-up combined interest and fees shall not exceed the maximum rate permitted by the Authorizing Proceedings which authorized this Loan Agreement.

Section 6.10 **Indemnification**. To the extent permitted by law, the Local Borrower shall indemnify, save and hold harmless the Authority against any and all claims, damages, liability and court awards including costs, expenses and attorney fees to the extent incurred as a result of any gross negligence or willful misconduct by the Local Borrower, or its employees, agents or subcontractors pursuant to the terms of this Loan Agreement.

Section 6.11 **Compliance with Master Trust Indenture**. The Local Borrower covenants and agrees to take such action as it may lawfully take and as the Authority shall reasonably request so as to enable the Authority to observe and comply with, all duties, covenants, obligations and agreements contained in the Master Trust Indenture insofar as such duties, covenants, obligations and agreements relate to the obligations of the Local Borrower under this Loan Agreement.

Section 6.12 **Provisions Relating to Default**.

(a) Any notice or information which the Local Borrower is to give to the Authority pursuant to the provisions of Article 5 shall also be given by the Local Borrower to the Trustee and to any Credit Enhancer at the same time.

(b) Notwithstanding the provisions of Section 5.3, paragraph (a) and Section 5.7, so long as a Credit Enhancer is not in default of its obligations with respect to its payment guarantee of the Authority Bonds and such guarantee is in effect, the Credit Enhancer shall have the right to direct the exercise of remedies provided for herein and the Trustee and the Authority shall not pursue any remedy except with the prior written consent of the Credit Enhancer.

(c) In the event of a default hereunder by the Local Borrower, the Local Borrower shall also pay the expenses of the Trustee and of any Credit Enhancer in the same manner as provided in Section 5.4 with respect to the expenses of the Authority.

Section 6.13 **Tax Compliance Certificate**. If the Authority Bonds are issued and sold on the basis that they are Tax-Exempt Obligations, an Authorized Officer of the Local Borrower shall deliver an appropriate certificate concerning the reasonable expectations of the Local Borrower as to the use of the proceeds of the Loan and such other matters as may be required on the part of the Local Borrower in order to ensure that the Authority Bonds are and will remain Tax-Exempt Obligations that are not AMT Obligations, and the Local Borrower covenants to comply with the provisions of such certificate.

## **Article 7 Miscellaneous**

Section 7.1 **Binding Effect**. This Loan Agreement shall inure to the benefit of and shall be binding upon the Authority and the Local Borrower and their respective successors and assigns.

Section 7.2 **Severability**. In the event any provision of this Loan Agreement shall be held illegal, invalid or unenforceable by any Court of competent jurisdiction, such holding shall not invalidate, render unenforceable or otherwise affect any other provision hereof.

Section 7.3 **Amendments, Supplements and Modifications**. This Loan Agreement may not be amended, supplemented or modified without the prior written consent of the Authority and the Local Borrower.

Section 7.4 **Execution in Counterparts**. This Loan Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 7.5 **Captions.** The captions or headings in this Loan Agreement are for convenience only and shall not in any way define, limit or describe the scope or intent of any provisions or sections of this Loan Agreement.

Section 7.6 **Further Assurances.** The Local Borrower shall, at the request of the Authority, authorize, execute, acknowledge and deliver such further resolutions, conveyances, transfers, assurances, financing statements and other instruments as may be necessary or desirable for better assuring, conveying, granting, assigning and confirming the rights and agreements granted or intended to be granted by this Loan Agreement.

Section 7.7 **State of Arizona Contract Provisions.**

(a) **Books and Records.** As required by the provisions of Arizona Revised Statutes Section 35-214, the Local Borrower agrees that all books, accounts, reports, files and other records relating to this Loan Agreement shall be retained and shall be subject at all reasonable times to inspection and audits by the Authority for five years after completion of this Loan Agreement, and that upon request by the Authority such records shall be produced at any of the Authority offices designated herein as the place at which notices to the Authority are to be given.

(b) **Prohibition Against Discrimination.** In the event that it applies, the parties agree to comply with the Arizona Governor's Executive Order 2009-9, entitled "Prohibition of Discrimination in State Contracts Non-Discrimination in Employment by Government Contractors and Subcontractors," which mandates that all persons, regardless of race, color, religion, sex, age, or national origin shall have equal access to employment opportunities, and all other applicable state and Federal employment laws, rules, and regulations, including the Americans with Disabilities Act. The Local Borrower shall take affirmative action to ensure that applicants for employment and employees are not discriminated against due to race, creed, color, religion, sex, national origin or disability.

(c) **Governing Law and Forum.** This Loan Agreement shall be governed by and construed in accordance with the laws and judicial decisions of the State of Arizona, except as such laws may be preempted by any federal rules or regulations. The parties hereto expressly acknowledge and agree and all Local Borrowers by their acceptance thereof shall be deemed to have acknowledged and agreed that any judicial action to interpret or enforce the terms of this Loan Agreement against the Authority shall be brought and maintained in the Superior Court of the State of Arizona in and for Maricopa County or in the United States District Court in and for the District of Arizona.

(d) **Arbitration.** In the event of a dispute, the parties agree to use arbitration, after exhausting applicable administrative review, to the extent required by Arizona Revised Statutes Section 12-1518, and the prevailing party shall be entitled to attorney's fees and costs with respect thereto.

(e) **Notice of Arizona Revised Statutes Section 38-511 – Cancellation.** Notice is hereby given of the provisions of Arizona Revised Statutes Section 38-511, as amended. By this reference, the provisions of said statute are incorporated herein to the extent of their applicability to this Loan Agreement under the law of the State of Arizona.

(f) **Additional Warranties and Certifications from the Local Borrower.** In compliance with Section 23-214(B) of the Arizona Revised Statutes, the Local Borrower warrants to the Authority that either (i) it is not an "employer" (within the meaning of Arizona Revised Statutes Section 23-214(B)) or (ii) it is registered with and is participating in the employment verification pilot program as jointly administered by the United States department of homeland security and the social security administration or any of its successor programs (the "E-Verify Program") and that the proof submitted to the Authority of that registration and participation is true and correct. The Local Borrower agrees that, until the Loan is fully paid, at all times during which it is an "employer" (within the meaning of Arizona Revised Statutes Section 23-214(B)) it will be registered with and will participate in the E-Verify Program. The breach by the Local Borrower of the foregoing shall be deemed a material breach by the Local Borrower of this Loan Agreement and may result in penalties up to and including the termination of this Loan Agreement. If the Authority determines that the Local Borrower is not so registered and participating when required, the Authority will notify the Local Borrower by certified mail of the determination of noncompliance and the Local Borrower's right to appeal the determination. On a final determination of noncompliance, the Local Borrower shall repay all monies received as an economic development incentive (within the meaning of Arizona Revised Statutes Section 23-214(B)) to the Authority within thirty days of the final determination.

## Article 8 Definitions

Section 8.1 **Definitions.** The following terms as used in this Loan Agreement shall, unless the context clearly requires otherwise, have the following meaning:

“*AMT Obligation*” means a Tax-Exempt Obligation the interest on which is an item of tax preference for purposes of the alternative minimum tax imposed on individuals and corporations under the Internal Revenue Code.

“*Annual Loan Review Form*” means the loan compliance questionnaire circulated by the Authority to all borrowers as part of the Authority’s annual loan portfolio review.

“*Authority*” means the Water Infrastructure Finance Authority of Arizona, a body corporate and politic of the State of Arizona duly created and validly existing under and by virtue of the Authority Act.

“*Authority Act*” means Title 49, Chapter 8 (Section 49-1201 et seq.) of the Arizona Revised Statutes (“A.R.S.”).

“*Authority Bonds*” means any bonds of the Authority issued to finance the State’s revolving fund established pursuant to the Water Pollution Control Act, as amended, and the Safe Drinking Water Act, as amended.

“*Authorized Officer*” means, (i) with respect to the Local Borrower, the person whose name is set forth in this Loan Agreement or such other person or persons authorized by the Local Borrower to act as an authorized officer of the Local Borrower to perform any act or execute any document relating to the Loan or this Loan Agreement whose name is furnished in writing to the Authority and the Trustee; and (ii) with respect to the Authority, the Chairman, Vice Chairman, Executive Director, or any other person or persons designated by the Board to act on behalf of the Authority with respect to this Loan Agreement; the designation of such person or persons shall be evidenced by a written certificate containing a specimen signature of such person or persons and signed on behalf of the Authority by its Chairman or Vice Chairman.

“*Bond Closing*” means the date of initial delivery of and payment for the Authority Bonds.

“*Bond Documents*” means and includes the Master Trust Indenture, any supplemental indenture and any comparable or related document pursuant to which the Authority Bonds are issued, and all further amendments and supplements thereto adopted in accordance with the provisions thereof.

“*Bond Reserves*” means reserves established by the Bond Documents for the Authority Bonds to secure timely payment of amounts due on the Authority Bonds even if one or more local borrowers do not make timely payments on their loans.

“*Business Day*” means any day other than a Saturday, Sunday or legal holiday or a day on which banking institutions, in the city in which the designated office of the Authority (being Phoenix, Arizona) is located, are closed.

“*Capital Grant Facility*” means the contractual arrangement established with the Authority by the United States of America Environmental Protection Agency to make capitalization grant payments pursuant to Title VI of the Federal Water Pollution Control Act, as amended (33 U.S.C. § 125 et seq.) and the Federal Safe Drinking Water Act, as amended (particularly 42 U.S.C. § 300j-12 et seq.).

“*Clean Water Act*” means the Federal Water Pollution Control Act amendments of 1972 (P.L. 92-500; 86 Stat. 816), as amended by the Water Quality Act of 1987 (P.L. 100-4; 101 Stat. 7) and the Water Resources Reform and Development Act of 2014 (P.L. 113-21, 128 Stat. 1193).

“*Clean Water Revolving Fund*” means the fund established by A.R.S. § 49-1221.

“*Code*” means the Internal Revenue Code of 1986, the Regulations (whether temporary or final) under that Code or the statutory predecessor of that Code, and any amendments of, or successor provisions to, the foregoing and any

official rulings, announcements, notices, procedures and judicial determinations regarding any of the foregoing, all as and to the extent applicable. Unless otherwise indicated, reference to a Section includes any applicable successor section or provision and such applicable Regulations, rulings, announcements, notices, procedures and determinations pertinent to that Section.

“*Combined Interest and Fee Rate*” means periodic interest and fee payments made by the Borrower, see Exhibit A to this Loan Agreement.

“*Construction Period*” means the period from the date of the Loan Closing until the date of the final disbursement of proceeds of the Loan pursuant to this Loan Agreement, but in no event later than the third anniversary of the Loan Closing.

“*Cost*” means those costs that are eligible to be funded from draws under the Capital Grant Facility and are reasonable, necessary and allocable to the Project and are permitted by generally accepted government auditing standards to be costs of the Project.

“*Credit Enhancer*” means the entity so designated in the Bond Documents, if any, or any successor thereto, that from time to time has issued and outstanding a municipal bond insurance policy or similar payment guarantee relating to the Authority Bonds.

“*CWRF Financial Assistance Account*” means the account so designated in the Master Trust Indenture to which loans funded by the Clean Water Revolving Fund shall be credited.

“*Debt Management Fee*” means the fee component of the combined interest and fee payments made by the Borrower, see Exhibit A to this Loan Agreement.

“*Department*” means the Department of Environmental Quality of the State of Arizona.

“*Drinking Water Facility*” has the meaning given that term in the Authority Act, currently: a community water system or a non-profit noncommunity water system as defined in the Federal Safe Drinking Water Act (P.L. 93-523; 88 Stat. 16601; P.L. 95-190; 91 Stat. 1393; P.L. 104-182; 110 Stat. 1613) that is located in the State. The term does not include water systems owned by federal agencies.

“*Drinking Water Revolving Fund*” means the fund established by A.R.S. § 49-1241.

“*DWRF Financial Assistance Account*” means the account so designated in the Master Trust Indenture to which loans funded by the Drinking Water Revolving Fund shall be credited.

“*Eligible Project Costs*” means, whether incurred before or after the date of this Loan Agreement, such portion of the Costs as is disbursed by the Authority for the benefit of the Local Borrower. The Local Borrower and the Authority acknowledge that the actual Eligible Project Costs for the Project have not been determined as of the effective date of this Loan Agreement. The final Eligible Project Costs shall be established after all disbursements have been made.

“*Event of Default*” means any occurrence or event specified in Section 5.1 hereof.

“*Indian Tribe*” has the meaning given that term by the Authority Act, currently: any Indian tribe, band, group or community that is recognized by the United States Secretary of the Interior and that exercises governmental authority within the limits of any Indian reservation under the Jurisdiction of the United States government notwithstanding the issuance of any patent and including rights-of-way running through the reservation.

“*Loan*” means (a) during the Construction Period, the commitment to lend to the Local Borrower the Estimated Eligible Project Costs set forth in this Loan Agreement (as it may be amended or revised from time to time), and (b) thereafter, the amount of money equal to the Eligible Project Costs which is actually loaned to the Local Borrower pursuant to this Loan Agreement.

“*Loan Agreement*” or “*Agreement*” means this Loan Agreement, including the Exhibits and these Standard Terms and Conditions attached to this Loan Agreement, as it may be supplemented, modified or amended from time to time in accordance with the terms hereof.

“*Loan Closing*” means the date of execution and delivery of this Loan Agreement.

“*Loan Repayment Date*” means the payment dates commencing and ending on the dates set forth in this Loan Agreement.

“*Loan Repayments*” means the payments payable by the Local Borrower pursuant to this Loan Agreement.

“*Local Borrower*” means the Political Subdivision or Indian Tribe that is a party to and is described in the first paragraph of this Loan Agreement.

“*Master Trust Indenture*” means and includes the Master Trust Indenture dated as of August 1, 1999, as supplemented, and any comparable or related document, pursuant to which the Authority issues Authority Bonds.

“*Political Subdivision*” has the meaning given that term by the Authority Act, currently: a county, city, town or special taxing district authorized by law to construct wastewater treatment facilities.

“*Project*” is the project described in Section 2.1 of the Loan Agreement, all or a portion of the Cost of which is financed from the proceeds of the Loan.

“*Repayment Period*” means the period over which the principal amount of the Loan will be repaid which period begins and ends on the dates set forth in this Loan Agreement.

“*Repayment Principal Amount*” means the amount the Authority agrees to loan to the Local Borrower pursuant to this Loan Agreement or such lesser amount of actual Eligible Project Costs as represents the aggregate amount of the Loan actually made pursuant to this Loan Agreement.

“*Reserve Fund Surety*” means a surety bond, insurance policy, letter of credit or similar arrangement representing the irrevocable obligation of the issuer thereof to pay to or at the direction of the Local Borrower an amount up to the Reserve Requirement as set forth in Exhibit A.

“*Safe Drinking Water Act*” means the Federal Safe Drinking Water Act (P.L. 93-523; 88 Stat. 1660; P.L. 96-190; 91 Stat. 1393; P.L. 104-182; 110 Stat. 1613), as amended in 1996.

“*Source of Repayment*” means the “source of repayment” set forth in this Loan Agreement as defined in Exhibit D.

“*State*” means the State of Arizona.

“*System*” means the “System” as defined in Section 2.2 of the Loan Agreement.

“*Tax-Exempt Obligation*” means any obligation or issue of obligations (including bonds, notes and lease obligations treated for federal income tax purposes as evidences of indebtedness) the interest on which is excluded from gross income for federal income tax purposes within the meaning of Section 150 of the Code, and includes any obligation or any investment treated as a “tax-exempt bond” for the applicable purpose of Section 148 of the Code

“*Trustee*” means the Trustee appointed by the Authority pursuant to the Bond Documents and its successor or successors and any other corporation which may at any time be substituted in its place as Trustee pursuant to the Bond Documents.

Terms not otherwise defined herein shall have the meanings ascribed to them in Exhibit D to the Loan Agreement.

Section 8.2 **Rules of Interpretation.** For all purposes of this Loan Agreement, except as otherwise expressly provided or unless the context otherwise requires:

- (a) Words of one gender include the corresponding words of other genders; words of neuter include both genders; and words in the singular include words in the plural and vice versa.
- (b) Words indicating persons, parties, or entities (and the like) include firms, associations, partnerships (including limited partnerships), limited liability companies (and the like), corporations, trusts and other legal entities, including public and governmental bodies, as well as natural persons.
- (c) References to a statute refer to the statute, as amended, and any successor statute, and to all regulations promulgated under or implementing the statute or successor statute, as in effect at the relevant time.
- (d) References to a governmental or quasi-governmental entity or representatives thereof also refer to an entity that succeeds to the functions of the governmental or quasi-governmental entity and representatives thereof.
- (e) Headings preceding sections of text and any table of contents are solely for convenience of reference and are not part of this Loan Agreement and are not to affect its meaning, interpretation or effect.
- (f) Actions permitted under this Loan Agreement may be taken at any time and from time to time in the actor's sole discretion.
- (g) The word "including" means "including, but not limited to" and the word "include" means "include, among others."
- (h) The terms "hereby," "hereof," "herein," and "hereunder" (and the like) refer to this Loan Agreement.
- (i) Indications of time of day mean local time in Phoenix, Arizona.
- (j) This Loan Agreement shall be governed by and construed in accordance with the applicable law of the State of Arizona, except for its conflict of law rules and except as preempted by federal.

### **Article 9 List of Federal Laws and Authorities**

By Section 5.4 and Section 5.5 of Exhibit B to the Loan Agreement, the Local Borrower agrees that the Project will comply with applicable provisions of the following federal laws and authorities:

Environmental:

1. Archaeological and Historical Preservation Act of 1974, Pub. L. 93-291; 16 U.S.C. § 469a-1.
2. Clean Air Act, Pub. L. 95-95, as amended; 42 U.S.C. § 7401 et. seq.
3. Clean Water Act, Titles II, IV, and V, Pub. L. 92-500, as amended.
4. Coastal Barrier Resources Act, Pub. L. 97-348; 16 U.S.C. § 3501 et. seq.
5. Coastal Zone Management Act, Pub. L. 92-583, as amended; 16 U.S.C. § 1451 et. seq.
6. Endangered Species Act, Pub. L. 93-205, as amended; 16 U.S.C. § 1531 et seq.
7. Environmental Justice, Executive Order 12898.
8. Farmland Protection Policy Act, Pub. L. 97-98; 7 U.S.C. § 4201 et seq.

9. Fish and Wildlife Coordination Act, Pub. L. 85-624, as amended.
10. Floodplain Management, Executive Order 11988, as amended by Executive Order 12148.
11. Magnuson-Stevens Fishery Conservation and Management Act, Pub L. 94-265, as amended; 16 U.S.C. § 1801 et. seq.
12. National Historic Preservation Act of 1966, Pub. L. 89-665, as amended; 16 U.S.C. § 470 et. seq.
13. Protection and Enhancement of the Cultural Environment, Executive Order 11593.
14. Protection of Wetlands, Executive Order 11990, as amended by Executive Order 12608; Pub. L. 99-645, as codified at 16 U.S.C. § 3901 et. seq.
15. Safe Drinking Water Act, Section 1424(e), Pub. L. 92-523, as amended; 42 U.S.C. § 300f et. seq.
16. Wild and Scenic Rivers Act, Pub. L. 90-542, as amended; 16 U.S.C. § 1271 et. seq.
17. Migratory Bird Treaty Act of 1918, 16 U.S.C. § 703 et. seq.

Social Legislation:

1. Age Discrimination Act, Pub. L. 94-135; 42 U.S.C. § 6102.
2. Civil Rights Act of 1964, Pub. L. 88-352, Title VI; 42 U.S.C. § 2000d.
3. Equal Employment Opportunity, Executive Order 11246, as amended.
4. Participation by Disadvantaged Business Enterprises in Procurement Under Environmental Protection Agency (EPA) Financial Assistance Agreements.
  - a. Promoting the use of Small, Minority, and Women-owned Businesses, Executive Orders 11625, 12138 and 12432.
  - b. Section 129 of the Small Business Administration Reauthorization and Amendment Act of 1988, Pub. L. 100-590.
  - c. Department of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1993, Pub. L. 102-389; 42 U.S.C. § 4370d.
  - d. Title X Clean Air Act, Pub. L. 101-549; 42 U.S.C. § 7601 note.
5. Rehabilitation Act of 1973, Pub. L. 93-112; 29 U.S.C. § 794 (including Executive Order 11914 and 11250).
6. Section 13 of the Federal Water Pollution Control Act, Pub. L. 92-500; 33 U.S.C. § 1251.
7. The Drug Free Workplace Act Of 1988, Pub. L. 100-690.

Economic and Miscellaneous Authority:

1. Anti-Lobbying Provision (40 CFR Part 34) and New Restrictions on Lobbying, Section 319 of Pub. L. 101-121.
2. Debarment and Suspension, Executive Order 12549.

3. Demonstration Cities and Metropolitan Development Act of 1966, Pub. L. 89-754, as amended; 42 U.S.C. § 3331 et. seq.
4. Preservation of Open Competition and Government Neutrality, Executive Order 13502.
5. Prohibitions relating to violators of the Clean Air Act, Section 306 of the Clean Air Act, 42 U.S.C. § 7505; Section 508 of the Clean Water Act, 33 U.S.C. § 1368; Executive Order 11738, Administration of the Clean Air Act and the Federal Water Pollution Control Act with Respect to Federal Contracts, Grants, or Loans.
6. Uniform Relocation and Real Property Acquisition Policies Act of 1970, Pub. L. 91-646, as amended; 42 U.S.C. §§ 4601-4655.

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TOWN OF  
**QUEEN CREEK**  
ARIZONA

12.C

**TO:** HONORABLE MAYOR AND TOWN COUNCIL

**THROUGH:**

**FROM:** COUNCIL BUDGET COMMITTEE, JOHN KROSS ICMA-CM, TOWN MANAGER,  
SCOTT MCCARTY, FINANCE DIRECTOR

**RE:** CONSIDERATION AND POSSIBLE ACTION ON THE TOWN'S FY 2022-23 TENTATIVE  
BUDGET OF \$730.2M AND REQUEST TO SET THE PUBLIC HEARING FOR MAY 18,  
2022 FOR BOTH THE FINAL BUDGET AND THE TRUTH-IN-TAXATION PER  
REQUIREMENTS UNDER ARIZONA STATE STATUTES.

**DATE:** May 4, 2022

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**Suggested Action:**

Motion to approve the Town's FY 2022-23 Tentative Budget of \$730.2 million and to set the public hearing for both the FY 2022-23 Final Budget and the Truth-in-Taxation hearing requirement for primary property taxes under Arizona State statutes. Such hearings will occur on May 18, 2022 at 6:30 p.m. in the Town Council Chambers.

**Relevant Council Goal(s):**

- Effective Government
- Superior Infrastructure - Capital Improvement Program
- Safe Community – Public Safety

**Discussion:**

The budget is one of the most significant policy documents considered by the Town Council. The FY 2022-23 Tentative Budget is balanced and allocates resources consistent with the needs of a growing community. It was developed in accordance with the Council's strategic priorities identified in the Corporate Strategic Plan.

The budget was also developed following two years of unprecedented upheaval caused by the COVID-19 pandemic and its aftermath of growing inflation, tight labor markets, and supply-chain issues. The Town's financial condition has weathered the crisis better than expected, with actual revenue collections exceeding initial projections and building permit activity remaining strong. Within the resources available, the Tentative Budget is consistent with the Council's priorities identified in the Corporate Strategic Plan.

The Tentative Budget totals \$730.2 million. Consistent with the needs of our growing community and the Council's priorities, the budget includes full funding for the first phase of the Parks Master Plan. The budget also includes funding to continue building the new Queen Creek Police Department as

well as resources to start an Emergency Transportation Service program should the Council determine to do so. Finally, the budget includes funding to continue our investments in new streets, water and wastewater infrastructure; continued funding for possible acquisition of water rights to meet our long-term water plans; and funding for construction of roads and utilities to accommodate potential development on the State Lands parcels.

The Capital Improvements (CIP) budget totals \$531.3 million and comprises 73% of the total budget. In addition to the Parks Master Plan, the CIP budget includes funding to continue our investments in new streets, public safety, water and wastewater infrastructure, and continued funding for possible acquisition of water rights to meet our long-term water plans.

Notably, Standard & Poor's (S&P) and Fitch both recently upgraded the Town's bond ratings one step, from "AA" to "AA+" with a stable outlook. This upgrade places the Town's bond rating just one notch below the highest rating possible of "AAA." Both rating agencies cited several positive factors in their reports, including the following:

- Stable and diverse revenue base
- Expected strong revenue growth and resiliency through economic cycles
- Strong Arizona economy and connectivity to Phoenix-Metro Area
- Elimination of unfunded pension liabilities and manageable pension costs
- Increasing reserves
- Very strong financial management policies and practices

This higher bond rating means lower interest rates on the Town's future debt issues, which will save the Town's taxpayers hundreds of thousands of dollars in interest costs over time. The Town will use the comments in the ratings reports as a roadmap to our ultimate goal of achieving a "AAA" rating.

## **GUIDING PRINCIPLES AND KEY ISSUES**

The following guiding principles and key issues shaped the FY 2022-23 budget:

- Prioritization of Resources. The budget uses the Corporate Strategic Plan to prioritize its allocation of resources. Guidance to the organization is found within our strategic priorities adopted by the Town Council as follows:
  - o Effective Government;
  - o Safe Community;
  - o Secure Future;
  - o Superior Infrastructure; and
  - o Quality Lifestyle.
- The Economy. The national and state economies are poised to expand, bringing higher consumer confidence and strong demand for goods and services. Growth expectations have recently been tempered by the geopolitical turmoil in Eastern Europe and persistent inflation pressures; however, economists are optimistic that the U.S. economy will continue to grow in the near term.
- Population Growth and Commercial Investment. The Town has seen significant residential and commercial growth in the last several years, inclusive of annexations. We expect that growth to continue. Developing plans to deal with an increasing residential population and business investment is critical to ensure both operational and infrastructure needs are met.

- Public Safety and Infrastructure. The budget continues investments in these critical areas to ensure we are providing appropriate levels of service to our current residents as well as those who will live, work, and shop here in the future.
- Maintain a Balanced Five-Year Operating Budget. The five-year financial plan remains balanced, reflecting increased revenues and expenses based on population growth and new commercial development.

## **BUDGET HIGHLIGHTS**

Following are the highlights of the FY 2022-23 Tentative Budget:

- Parks and Recreation. The budget includes \$136 million for completion of Mansel Carter Oasis Park, construction of a new 85-acre park in the northeast section of the Town, and the design and construction of a Recreation Center and Aquatic Center. The budget also includes \$23 million for potential land acquisition for future parks development.
- Police Services. The budget includes 15 new positions for the Queen Creek Police Department, as well as funding for the necessary software, hardware, and equipment for these new staff.
- Emergency Transportation Services (ETS). As directed by the Council at the Strategic Planning Session in February 2022, and again at the April 6th Town Council meeting, the budget includes funding for 26 new positions to begin an ambulance service program in the Fire and Medical Department. Staff will respond to additional questions from Town Council Members regarding the ETS program as the budget process moves forward. The budget also includes two additional staff to assist with administration of the Fire Department.
- Comprehensive Capital Improvement Plan (CIP). As a growing community, the need for new infrastructure for transportation, water, and wastewater remains a priority. Resources are budgeted to build such infrastructure as well as continue planning for future infrastructure needs. Contingency allocations have been included to ensure we have the authority to meet the dynamic environment's infrastructure needs. The budget acknowledges the critical nexus infrastructure plays in increasing opportunities for private sector investment within the community, particularly as it relates to the opening of the new State Route 24 freeway in middle-to-late 2022, the Town's first freeway frontage/access.
- Acquisition of Water Rights. Ensuring the Town has adequate water resources is a top priority of the Town Council. The budget includes \$60 million for the potential acquisition of additional water rights.
- Additional Staffing. In addition to the positions mentioned above, the budget includes funding for 21 other new positions:
  - Five Utilities and three Public Works staff to operate, maintain, and service the Town's facilities, streets, traffic signals, and utility systems. These positions are critical to protect the Town's multi-million dollar investments in infrastructure and maintain existing service levels to our residents and businesses.
  - Three Development Services and one Economic Development staff to ensure the development community's needs are being met without delays or obstacles to their desired plans for new homes and businesses in Queen Creek.

- Three staff in Community Services to assist with design and development of the new parks and recreation facilities, as well as to prepare the department for the new operational activities and structure that will come with the opening of those facilities.
  - Three Information Technology and one Human Resources staff to maintain critical technology infrastructure, deploy new hardware and software, and service the day-to-day needs of the Town's employees.
  - Two staff in Finance to support other departments' procurement and accounting activities.
- Employee Compensation. Resources have been allocated to fund recommendations of the Town's recent Compensation and Classification Study, including a 2.5% market increase for all staff and additional increases as identified in the Study.
  - Healthcare Costs. The Town has a very active wellness program, which is a positive factor that has helped manage healthcare costs for both the Town and our employees. The budget includes a 2.2% increase in major medical premiums, which is recommended to be absorbed by the organization. Therefore, individual employee premiums remain unchanged.

### **TENTATIVE BUDGET**

The purpose of the Tentative Budget is to establish the maximum budget, or budget ceiling, for the next fiscal year. Approving the Tentative Budget is the required first step by state law. Once the Tentative Budget is approved, the Final Budget can go no higher; however, the Final Budget can be reduced or re-allocated between programs and/or funds.

As part of approving the Tentative Budget, the Town Council also approves the time and place for conducting the public hearing on the Town's Final Budget. The public hearing and final action on the Town's FY 2022-23 Final Budget is scheduled for the Town Council meeting on May 18, 2022. In addition, the Town Council will conduct a public hearing that evening on the Truth-in-Taxation requirement for primary property taxes. This item is discussed later in this report.

Adoption of the Final Budget on May 18, 2022 is predicated on the Town Council approving the Tentative Budget on May 4, 2022. The legal posting requirements to adopt the Final Budget on this timeline must begin by May 5th with submittal of the required newspaper budget advertisement.

### **PRIMARY PROPERTY TAXES (TRUTH IN TAXATION REQUIREMENTS)**

For FY 2022-23, primary property taxes are estimated to be \$12.5 million. The primary property tax is dedicated to fund Public Safety, and funds about 27% of the Public Safety Budget of \$46.1M. The public safety budget includes the Fire and Medical Department and the Police Department.

The Tentative Budget includes a \$1.83 primary property tax levy rate. However, even though the tax rate remains unchanged at \$1.83 per \$100 of assessed value, the appreciation of property values (exclusive of the increase from new construction) results in more revenue and triggers the "Truth in Taxation" requirements in State law. As a result, the Town is required to publish a prescribed notice and have a public hearing in anticipation of the Town Council accepting the increase in revenues. As indicated, the Town Council will be conducting a public hearing on these requirements as part of the May 18th Town Council meeting. Required notices are scheduled for publication to meet this deadline.

**Fiscal Impact:**

The Tentative Budget for FY 2022-23 totals \$730.2 million. The required Auditor General Schedules, which provide all the allocations by fund, are included as an Attachment to this staff report.

**Alternatives:**

The Town Council can modify the Tentative Budget in any manner prior to adoption. The Council could delay adoption of the Tentative Budget until the next Council meeting on May 18, which would delay adoption of the Final Budget until June 1, 2022 and move the Truth-in-Taxation hearing for property taxes to June 15, 2022. However, the Town Council is currently not scheduled to meet on June 15th. The Town would also be required to re-publish the Truth-in-Taxation notices in the newspaper.

**Attachment(s):**

1. [FY 2022-23 Tentative Budget Adoption Presentation](#)
2. [Required State Budget Forms \(Schedules A-G\)](#)
3. [FY 2022-23 Budget Committee Follow-Up Memo](#)



# FY 2022-23 Tentative Budget Adoption

Town Council Meeting

May 4, 2022

# BUDGET DISCUSSIONS THUS FAR ...



Date	Item
February 26	Strategic Planning Session: Budget Introduction and Overview
April 11	Budget Committee Meeting

# Budget Committee Action

- Approved Unanimous Motion to Recommend Approval of the FY 22-23 \$730.2M Tentative Budget to the Town Council
  - This Represents an Increase of \$23M for Park Land Acquisition from the Town Manager's Recommended Budget





# Purpose of Presentation

1. Economic Overview and Growth Projections
2. Important Financial Policies
3. FY 22-23 Policy Decisions
4. Overview Summary
5. Operating Budget
6. Other Major Budgets
7. Calendar





# 1. Economic Overview and Growth Projections

# The Economy

## US

- COVID
- Rising Inflation
- Rising Wage Growth
- Rising Interest Rates

## ARIZONA

- #3 in Job Growth
- #3 in Population Growth
- Expected to be Better than US Average



# Why Growth Projections are Critical to QC?



## 1. Indicates Quantity and Cost of New Services

- Example: PD and Fire/EMS Calls

## 2. Identifies Location of New Infrastructure

- Examples: Roads, Water and Wastewater Infrastructure

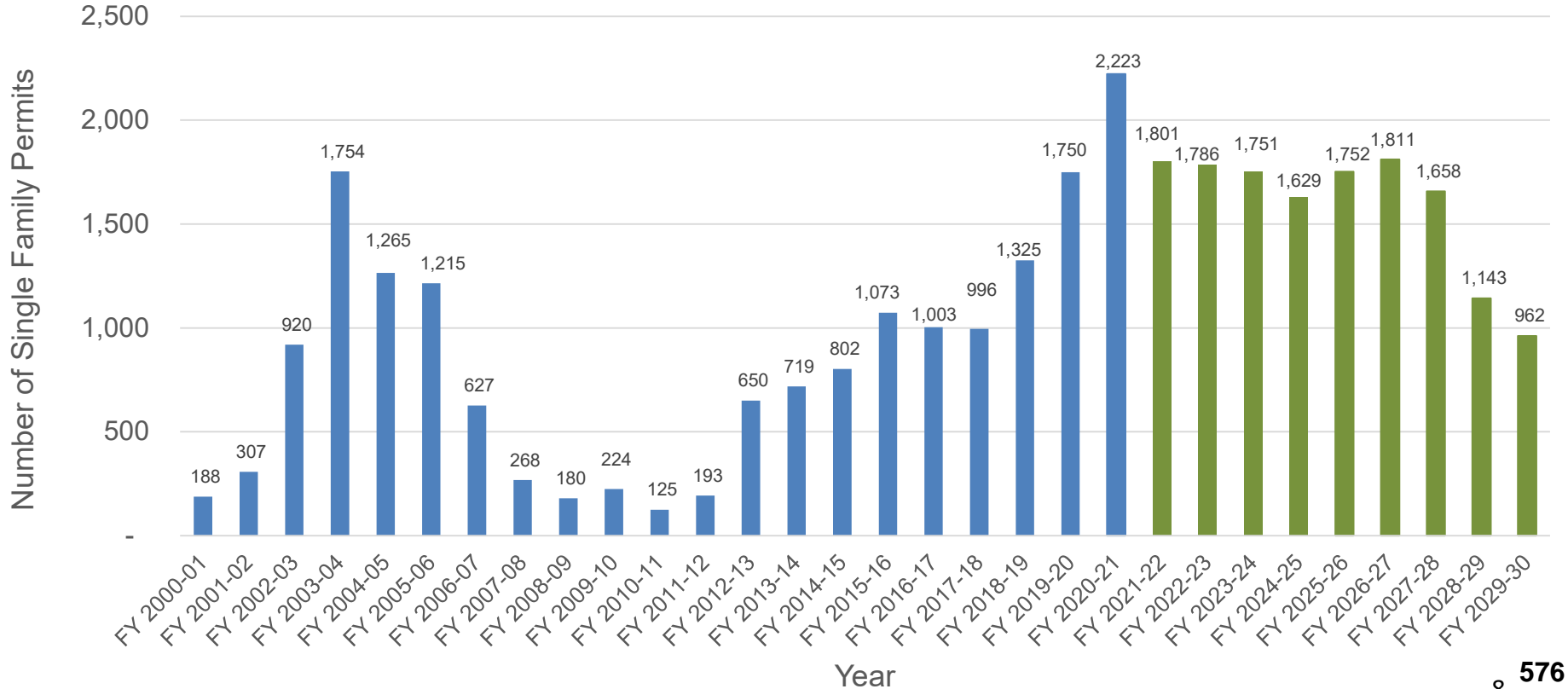
## 3. Identifies One-Time Revenues

- Building Permit Revenues, Construction Sales Tax, Impact/Capacity Fees

## 4. Identifies Ongoing Revenues

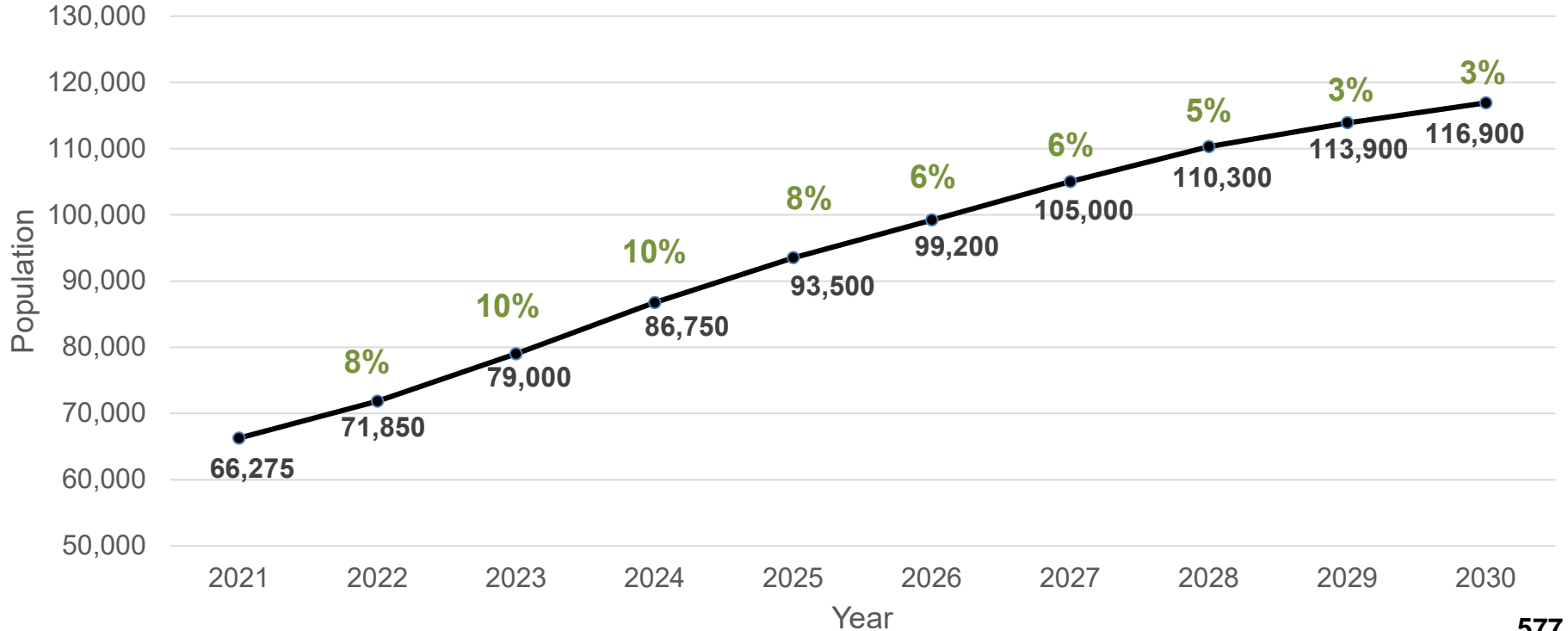
- Sales Tax Revenues, State Shared Revenues

# Single-Family Permit Projections



# 10-Year Population Projections

Buildout Population: ~150K



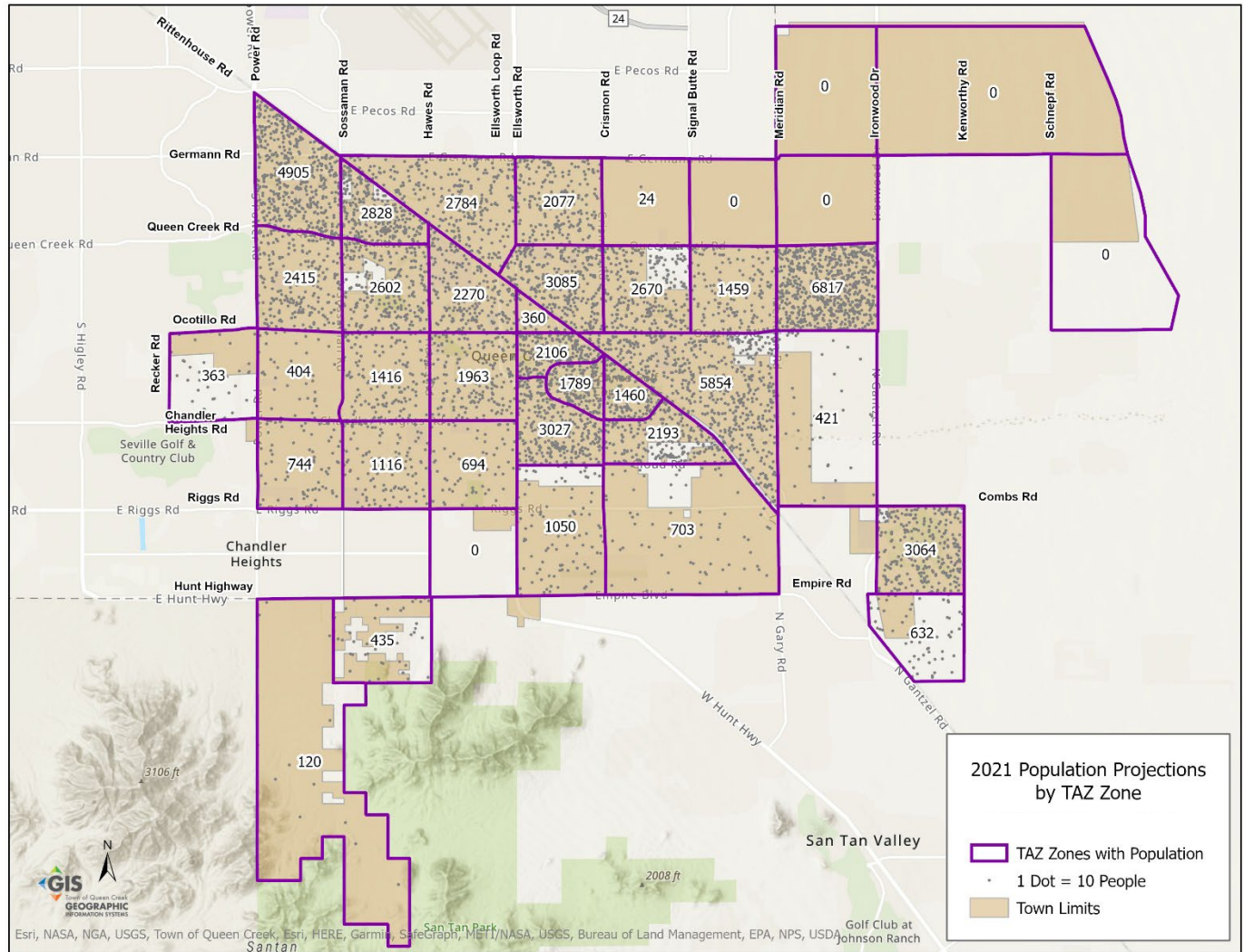


# Population Projection Dot Maps (In Town)



# 2021

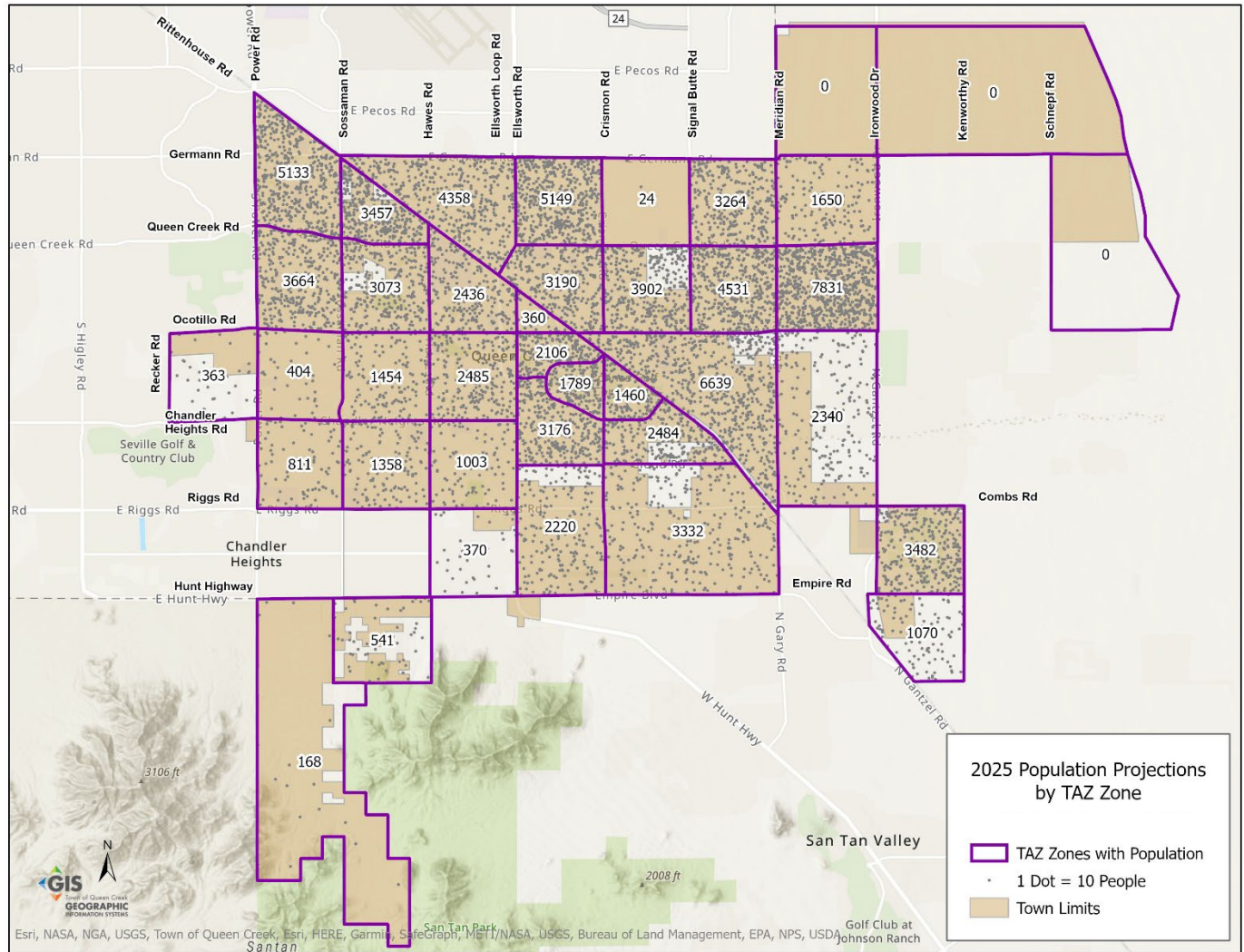
# Population 66,275





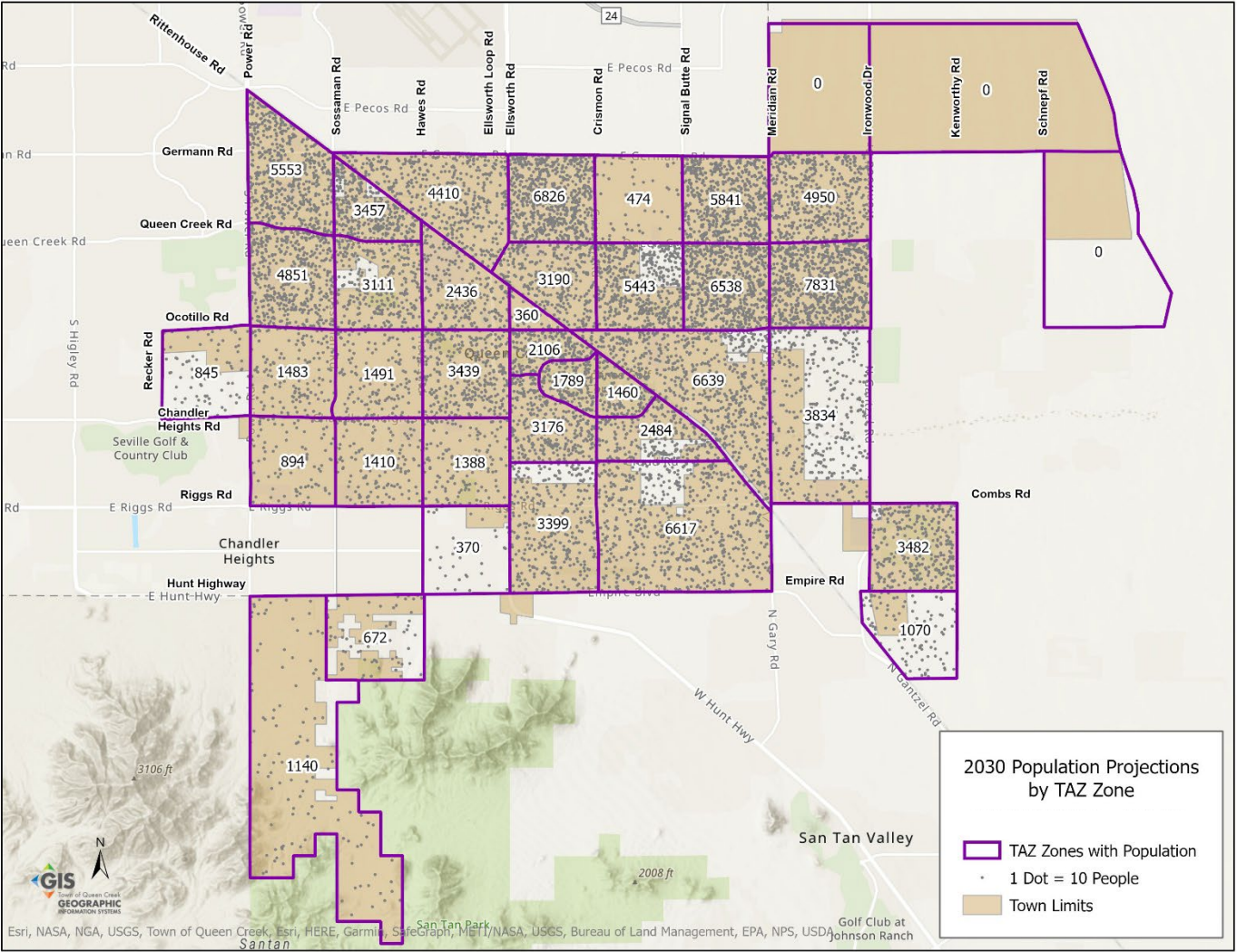
# 2025

# Population 93,500



# 2030

# Population 116,900

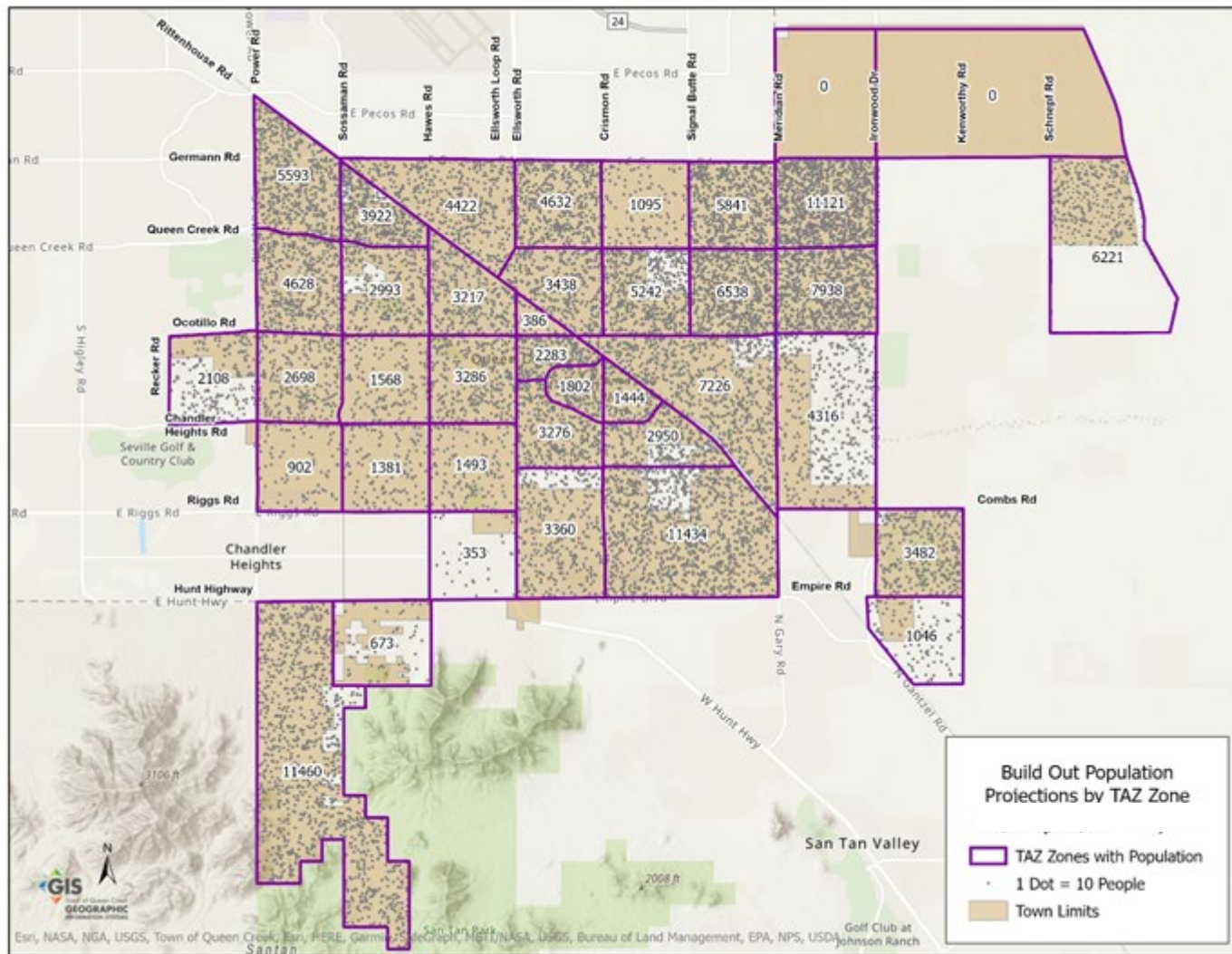


Esri, NASA, NGA, USGS, Town of Queen Creek, Esri, HERE, Garmin, Safe Software, METI/NASA, USGS, Bureau of Land Management, EPA, NPS, USDA, Johnson Ranch

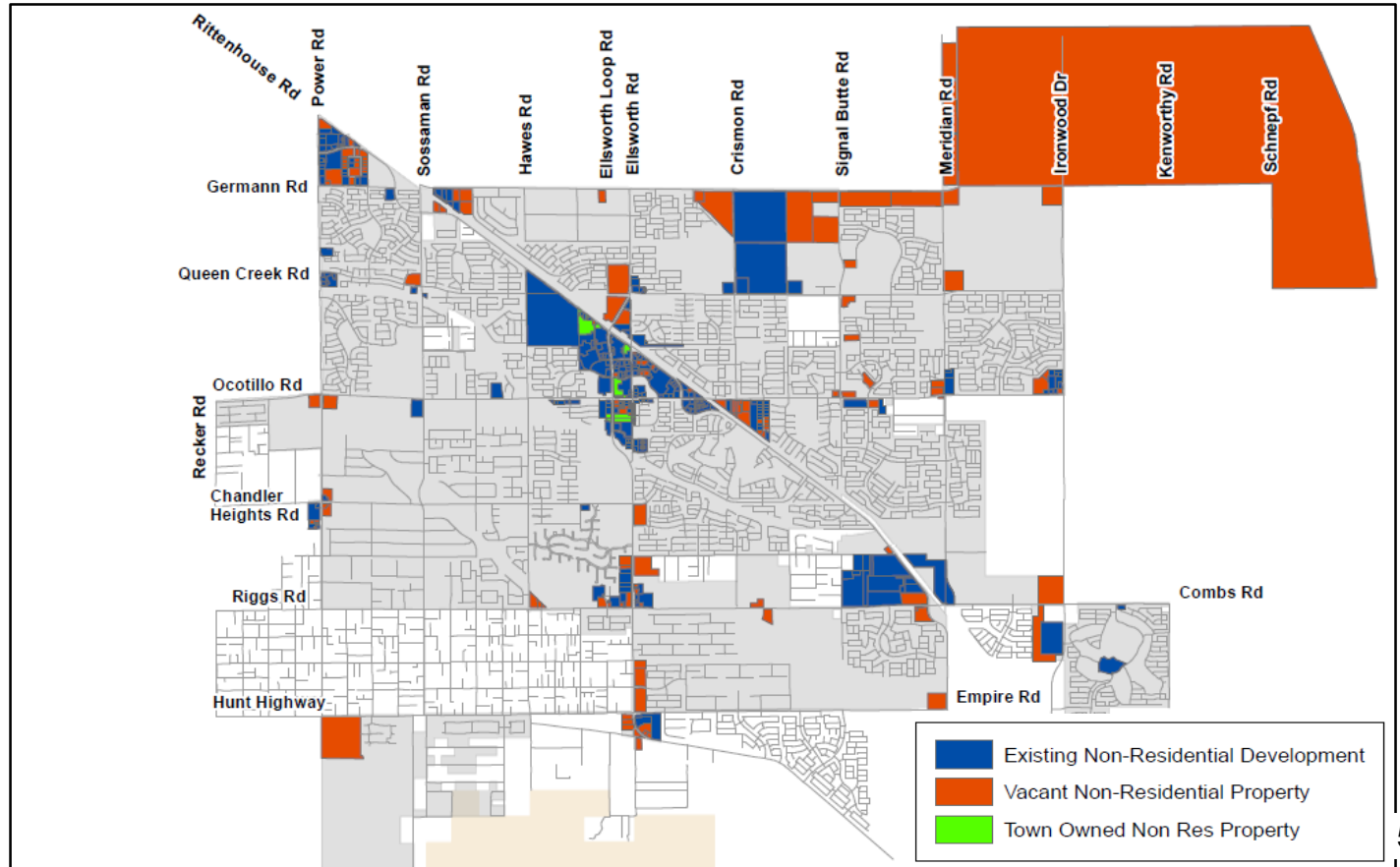


# Buildout

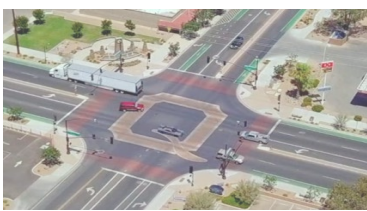
# Population ~150K



# Non-Residential Development



# Remaining Non-Residential Development



Development Type	Acres to Buildout	Total Buildout Square Footage
Mixed	91	620K
Regional Commercial	36	161K
Community Commercial	479	4.8M
Light Industrial	90	987K
Office	35	308K
Religious	<u>47</u>	<u>346K</u>
<b>Total</b>	<b>777</b>	<b>7.2M</b>



## 2. Important Financial Policies



# Important Financial Policies

## 1. Pension Funding Policy

1. Fire (Fully Funded)
2. \$26.3M Police Reserve (Fully Funded)
  - Will be Transferred to PSPRS Police Plan at a Future Date
3. \$22.7M ASRS Reserve (Fully Funded)
  - Reserve Amount: \$19.4M Operating Budget, \$3.3M in Utility Funds
  - FY 22-23 Savings: \$925K in Operating Budget, \$333K in Utilities



# Important Financial Policies

(continued)

2. Operating Budget: 25% Revenue Reserve Policy (\$32.5M at 6/30/23)
  - Funded from Annual Revenue Increase
  - Example:
    - FY 22-23 Revenue Increase = \$11.3M
    - Savings = \$2.9M (25%)
    - Saving 25¢ out of every new dollar
3. Operating Budget: Asset Repair/Replacement Accounts
  - IT: \$425K Annually (Increased from \$325K)
  - Buildings: \$350K Annually (Increased from \$250K)
  - HPEC: \$150K Annually
4. Employee Compensation
  - Class and Compensation Study: \$2.3M





# Important Financial Policies (continued)



## 5. Parks Master Plan Funding

- Phase 1: \$11.3M Annual Increase at Completion
  - \$7.8M Debt Service (\$138M Bond Issue)
  - \$3.5M Operating Expenses

## 6. New Position Placeholder

- Increased to 25 Positions Annually (from 15) in the Operating Budget

# Important Financial Policies (concluded)

## 7. Program Funding Placeholders

- The Intention is to Set Aside Annual Expense Capacity in the Operating Budget for the Expansion of Specifically Identified Programs

	FY 22-23 Amount
New Road Construction (Remaining from \$6.5M Original Placeholder)	\$0.9M
Road Replacement (Increases \$0.5M Annually)	\$1.0M
Parks Master Plan, Phase 2 Funding (Increases \$0.5M Annually)	<u>\$0.5M</u>
<b>TOTAL</b>	<b>\$2.4M</b>



# 3. FY 22-23 Policy Decisions

# FY 2022-23 Policy Decisions



1. Create an Ambulance Transportation Service
  - Annual Revenues (once fully operational): \$2.2M
  - Annual Expenses (once fully operational): \$2.9M
2. Amount to be Received from Primary Property Taxes
  - \$12.5M Annual Revenues by Maintaining the Current \$1.83 Levy Rate

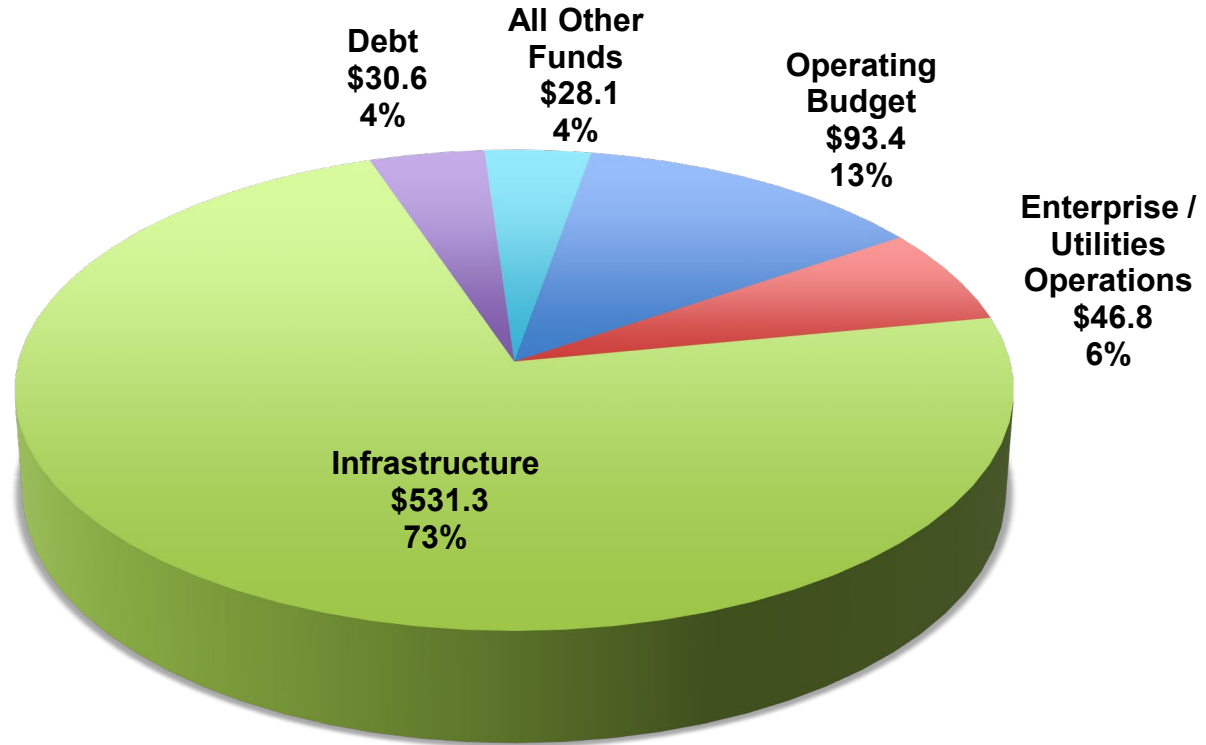


# 4. Summary Information

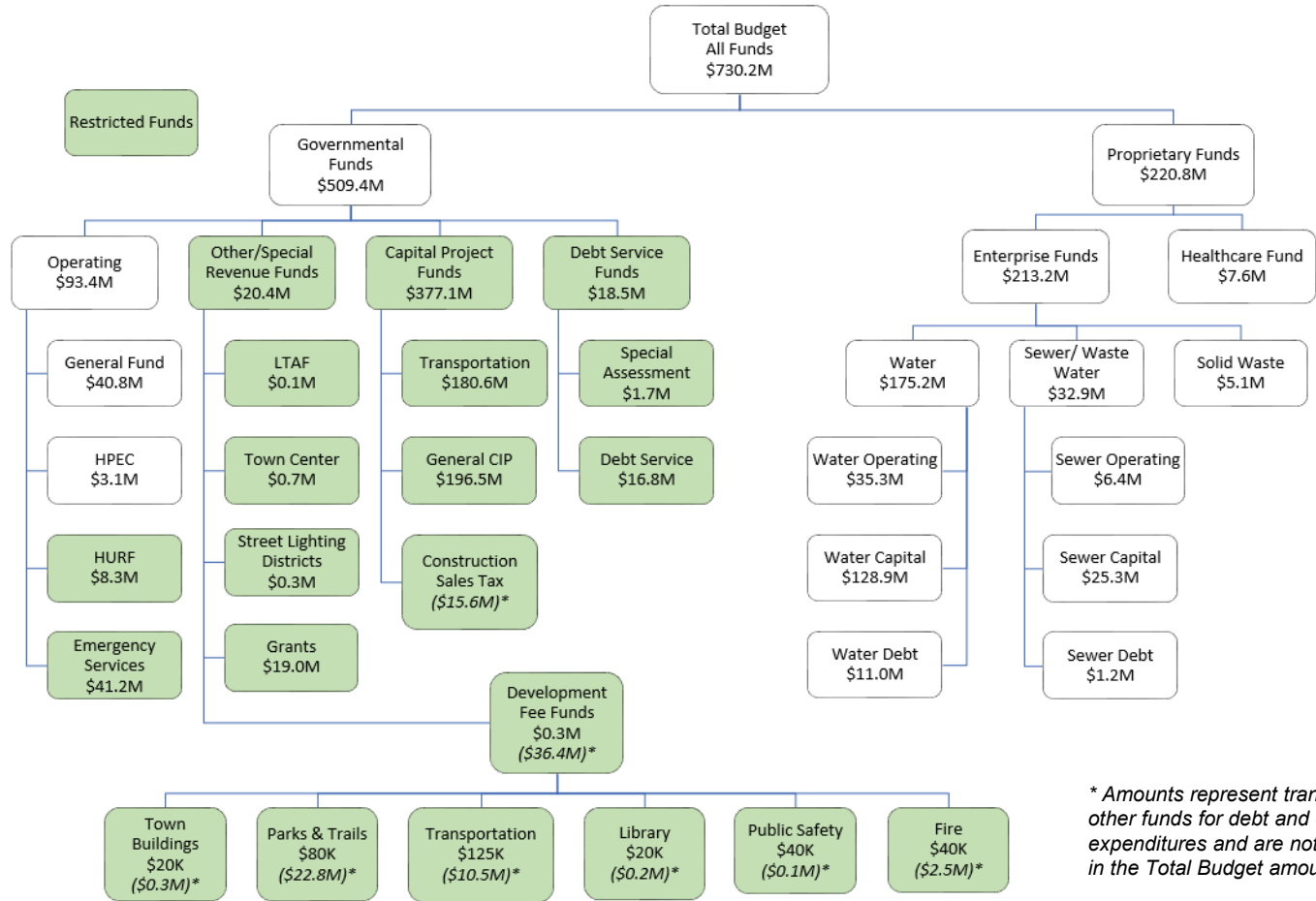


# FY 22-23 TENTATIVE BUDGET: \$730.2M

## (BY PURPOSE)



# Tentative Budget: \$730.2M (By Fund)



\* Amounts represent transfers to other funds for debt and capital expenditures and are not included in the Total Budget amount

# Tentative Budget Summary



	FY 21/22 Revised Budget	FY 22/23 Tentative Budget	\$ Change	% Change
<b>Total Expenses</b>	<b>\$487.2M</b>	<b>\$730.2M</b>	<b>+\$243.0M</b>	<b>+50%</b>

	FY 21/22 Revised Budget	FY 22/23 Tentative Budget	\$ Change	% Change
<b>Revenues</b>	<b>\$300.4M</b>	<b>\$368.4M</b>	<b>+\$68.0M</b>	<b>+23%</b>
<b>Use of Fund Balances</b>	<b><u>\$186.8M</u></b>	<b><u>\$361.8M</u></b>		
<b>Total Sources</b>	<b>\$487.2M</b>	<b>\$730.2M</b>		



# Expense Summary and Prior Year Comparison

	FY 2021/22 Revised Budget	FY 2022/23 Tentative Budget	\$ Change from Revised
Operating Budget	\$84.6M	\$93.4M	\$8.8M
Enterprise/Utilities	<u>\$34.3M</u>	<u>\$46.8M</u>	<u>\$12.5M</u>
Subtotal Operating	\$118.9M	\$140.2M	\$21.3M
Transportation Infrastructure	\$135.9M	\$180.6M	\$44.7M
Parks & Trails Infrastructure	\$25.9M	\$172.1M	\$146.2M
Water Infrastructure	\$53.4M	\$68.9M	\$15.5M
Wastewater Infrastructure	\$31.2M	\$25.3M	(\$5.9M)
Water Rights	\$53.0M	\$60.0M	\$7.0M
All Other Infrastructure	<u>\$25.0M</u>	<u>\$24.4M</u>	<u>(\$0.6M)</u>
Subtotal - Infrastructure	\$324.4M	\$531.3M	\$206.9M
Debt	\$28.7M	\$30.6M	\$1.9M
All Other Funds	<u>\$15.2M</u>	<u>\$28.1M</u>	<u>\$12.9M</u>
Total Budget	\$487.2M	<b>\$730.2M</b>	\$243.0M

# FY 22-23 New Positions: 64

## Public Safety: 43 Positions

- Fire Department: 28
  - 26 Ambulance Transport
  - 2 Administration
- Police Department: 15
  - 10 Sworn PD
  - 5 Civilian PD

## Other: 21 Positions

- Utilities: 5
- Info. Tech: 3
- Public Works: 3
- Dev. Services: 3
- CMR: 3
- Finance: 2
- HR: 1
- Econ. Dev: 1





# 5. Operating Budget

# FY 22-23 Budget Parameters

- Maintain Existing Service Levels
  - Additional Positions Needed
- Increased Service Levels
  - Police
- New Services or Programs
  - Ambulance Transportation

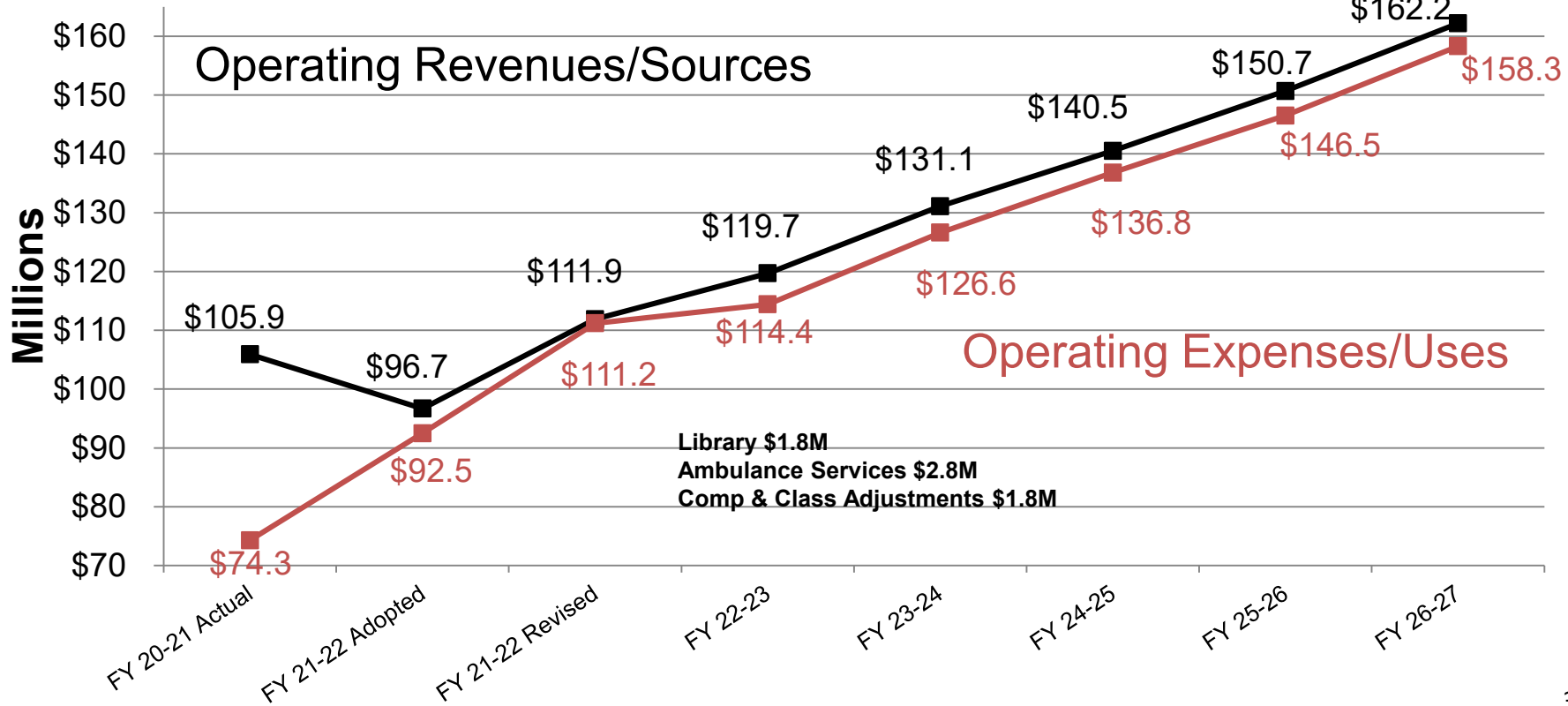


# 5-Year Planning Thoughts and Goals



1. Fully Operational PD
2. Initiate Ambulance Service Transport
3. Fund New Library Operating Costs
4. Fully Funded Compensation & Class Study
5. Fully Funded Phase 1 of Parks Master Plan
6. Continue Placeholders for New Staff, New Infrastructure, and Infrastructure Replacement
7. Maintain Fully Funded Pensions

# Operating Budget 5-Year Projection

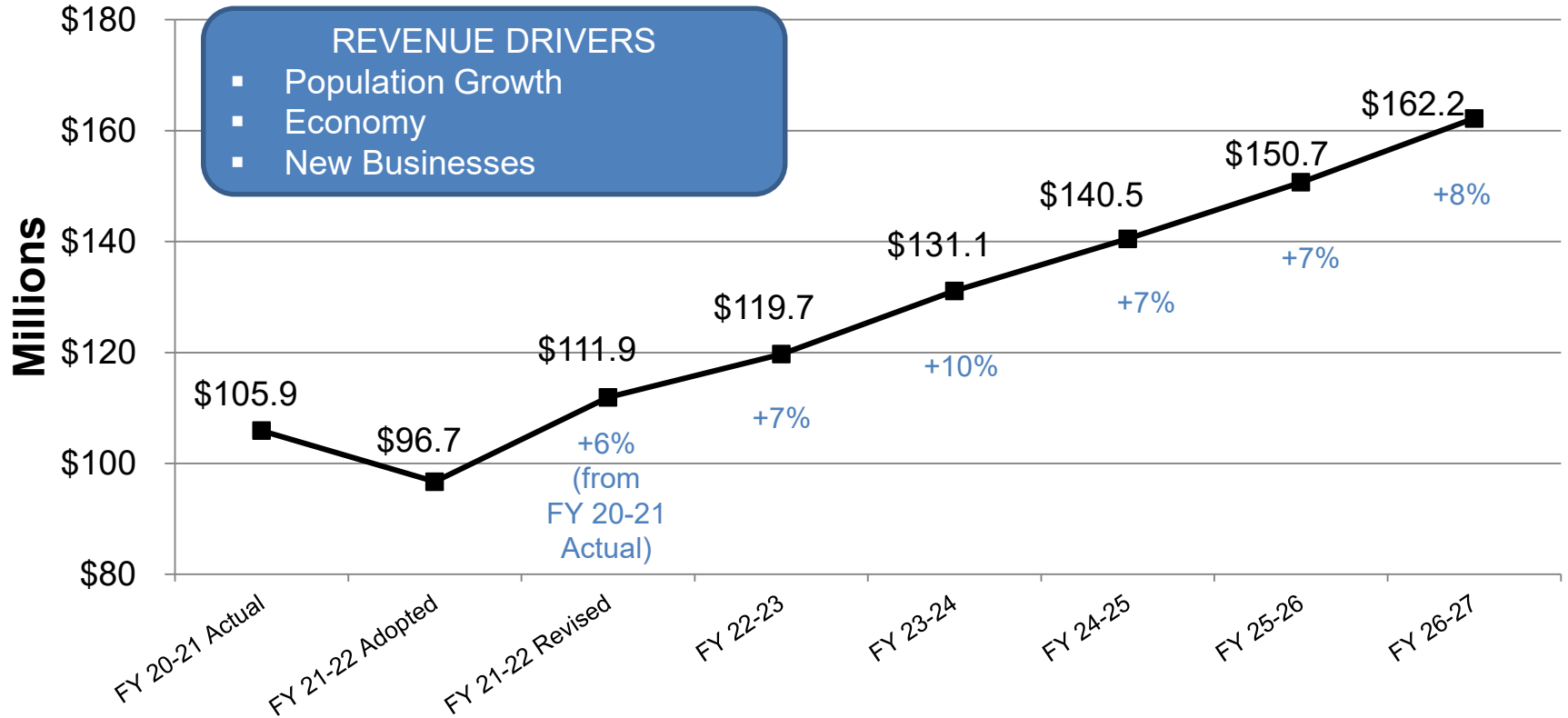






# Operating Revenue Projections

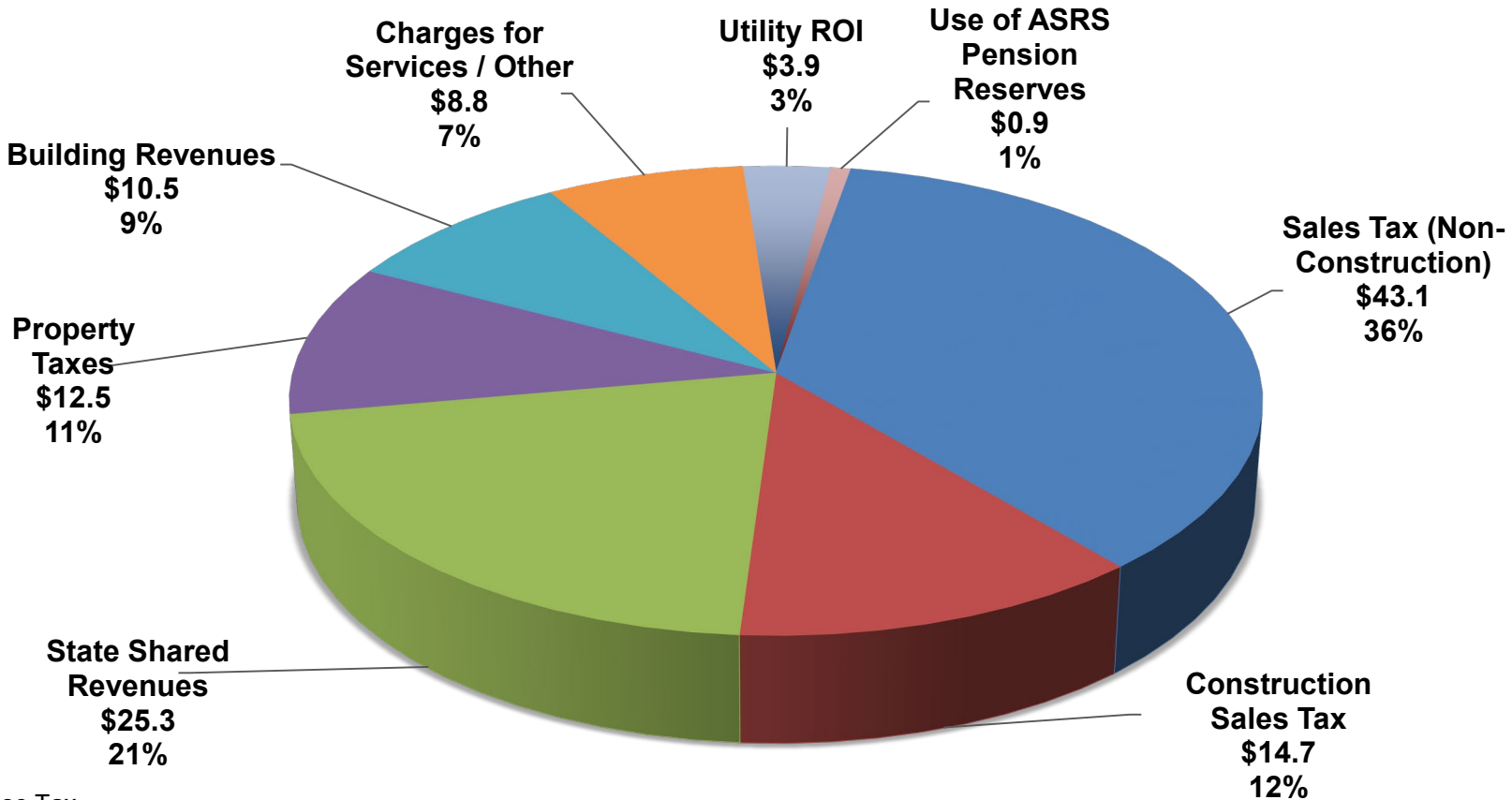
# Operating Budget Revenues/Sources





# FY 22-23 OPERATING REVENUES / SOURCES

## \$119.7M



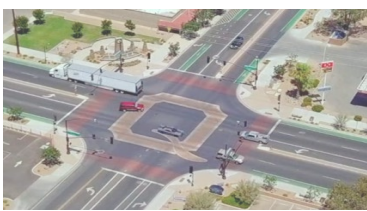
Sales Tax  
Income Tax  
Gas Tax  
Vehicle License Tax

# OPERATING REVENUES/SOURCES

Category	FY 21-22 Revised Budget	FY 22-23 Tentative Budget	\$ Change	% Change
Sales Tax (Non-Construction)	\$36.2M	\$43.1M	\$6.9M	+19%
Construction Sales Tax	\$16.6M	\$14.7M	(\$1.9M)	(11%)
State Shared Revenues	\$21.8M	\$25.3M	\$3.5M	+16%
Property Taxes	\$11.0M	\$12.5M	\$1.5M	+13%
Building Revenues	\$10.4M	\$10.5M	\$0.1M	+1%
Charges for Services / Other	\$6.1M	\$8.8M	\$2.7M	+44%
Utility ROI for Public Safety	\$3.4M	\$3.9M	\$0.5M	+15%
Federal Grants	<u>\$4.8M</u>	\$ -	(\$4.8M)	(100%)
<i>Subtotal Revenues</i>	<i>\$110.3M</i>	<i>\$118.8M</i>	<i>\$8.5M</i>	<i>+8%</i>
Use of Pension Reserves - Police	\$0.8M	\$ -	(\$0.8M)	(100%)
Use of Pension Reserves – ASRS	<u>\$0.8M</u>	<u>\$0.9M</u>	<u>\$0.1M</u>	<u>13%</u>
<i>Subtotal Sources</i>	<i>\$1.6M</i>	<i>\$0.9M</i>	<i>(\$0.7M)</i>	<i>(44%)</i>
<b>Total Revenues and Sources</b>	<b>\$111.9M</b>	<b>\$119.7M</b>	<b>\$7.8M</b>	<b>7%</b>

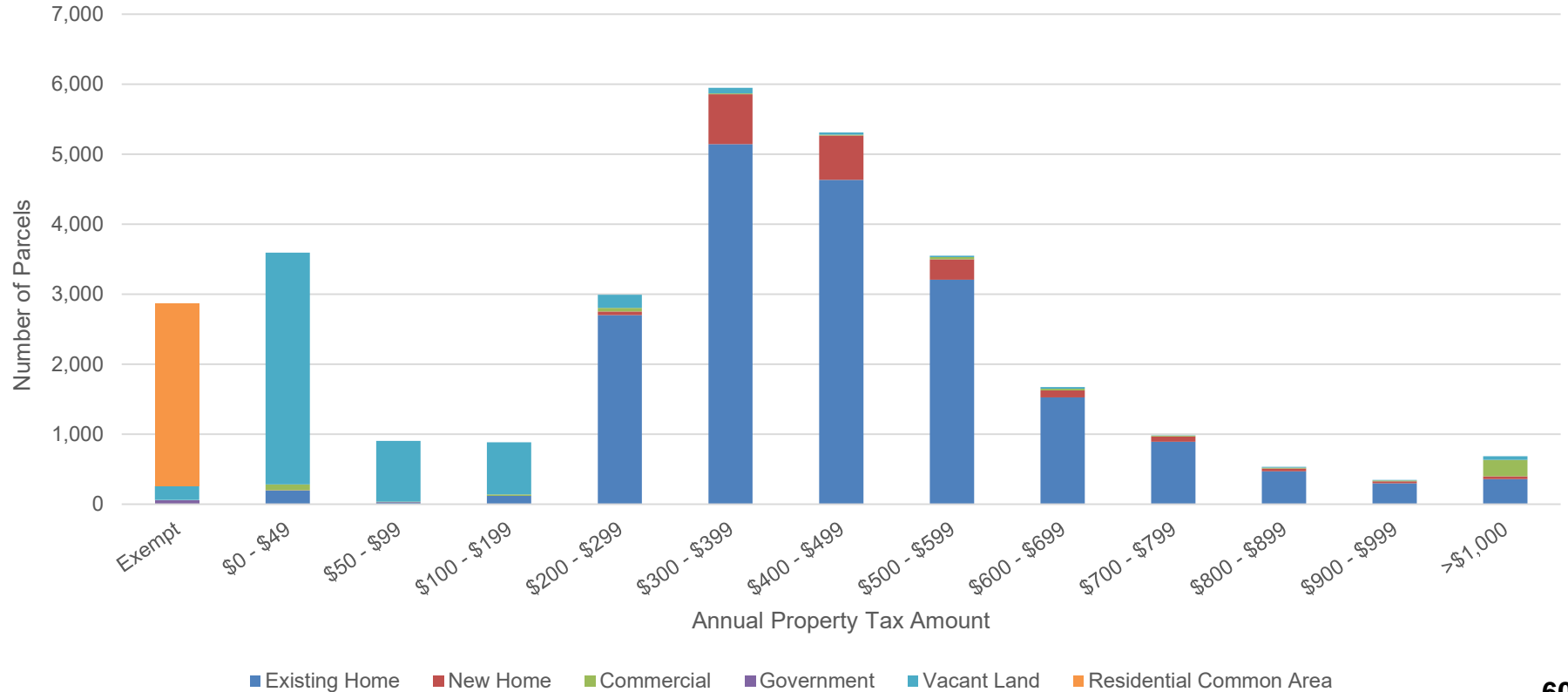


# FY 22-23 Assessed Value Increase

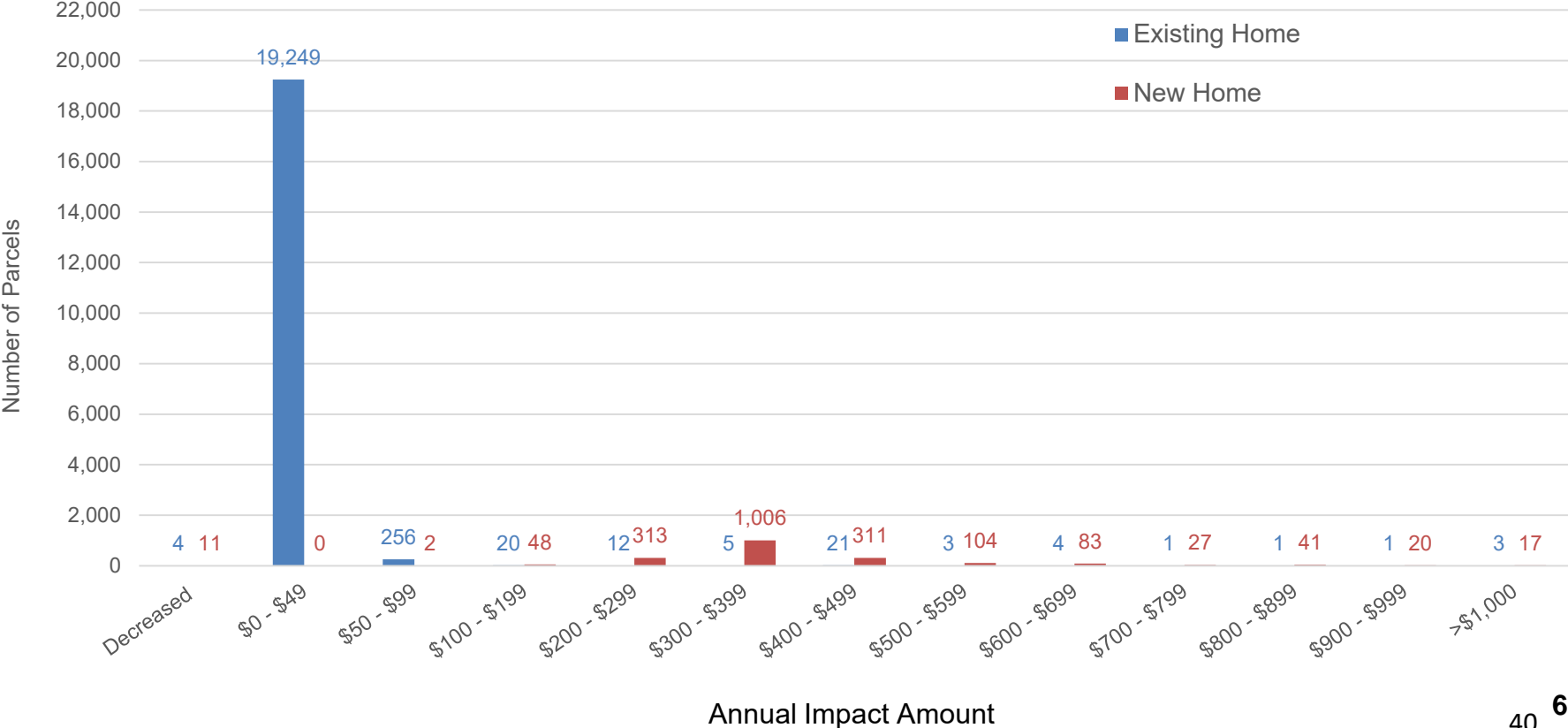


	Assessed Value	% Change
FY 21-22 Total	\$605.0M	
FY 22-23 Increase:		
Existing Property	\$33.1M	+5%
New Construction	<u>\$45.0M</u>	+8%
<b>FY 22-23 Increase</b>	<b>\$78.1M</b>	
<b>FY 22-23 Total</b>	<b>\$683.1M</b>	<b>+13%</b>

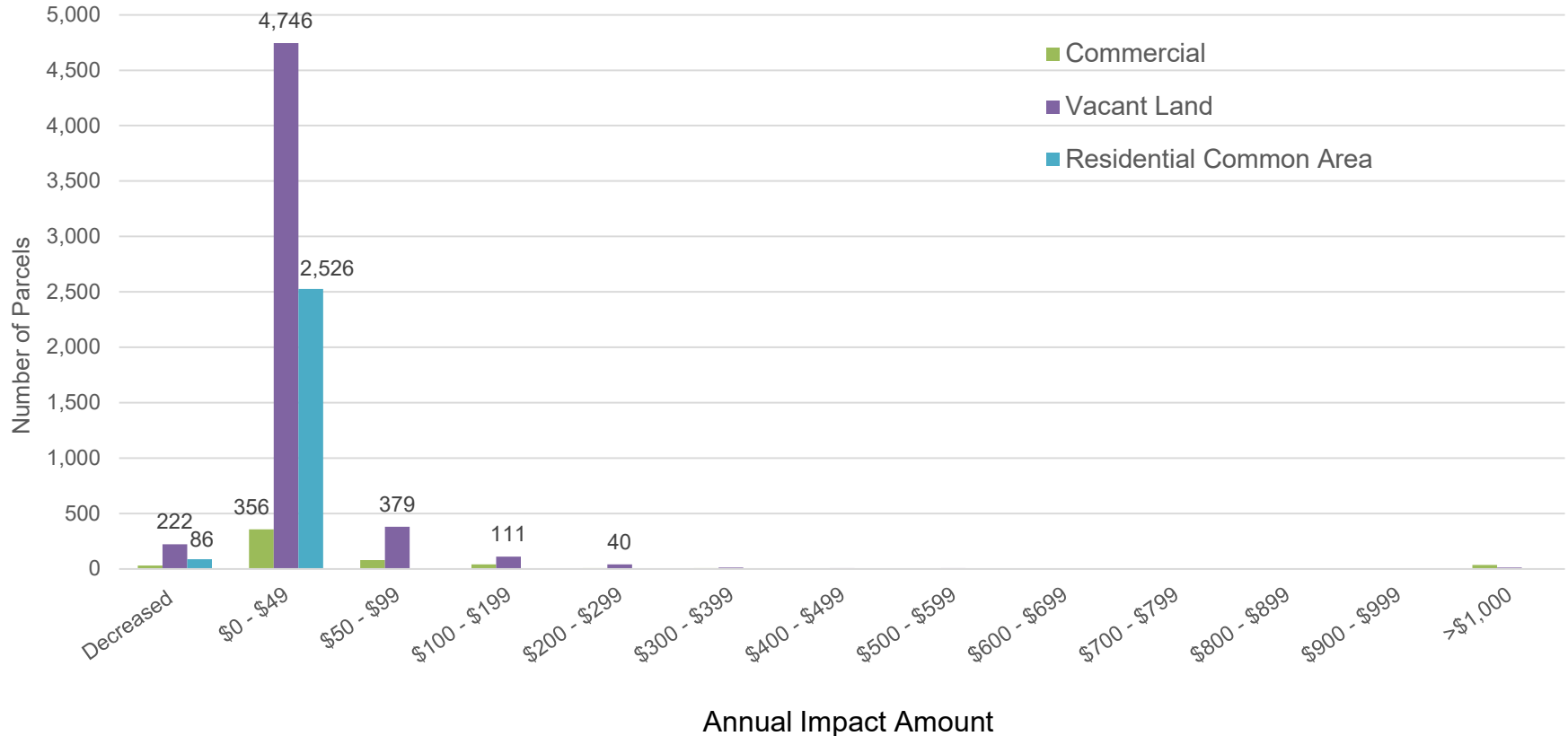
# Property Taxes: All Property Types (~30K Parcels)



# Residential Property Impact @ \$1.83 Levy Rate



# Non-Residential Property Impact @ \$1.83 Levy Rate

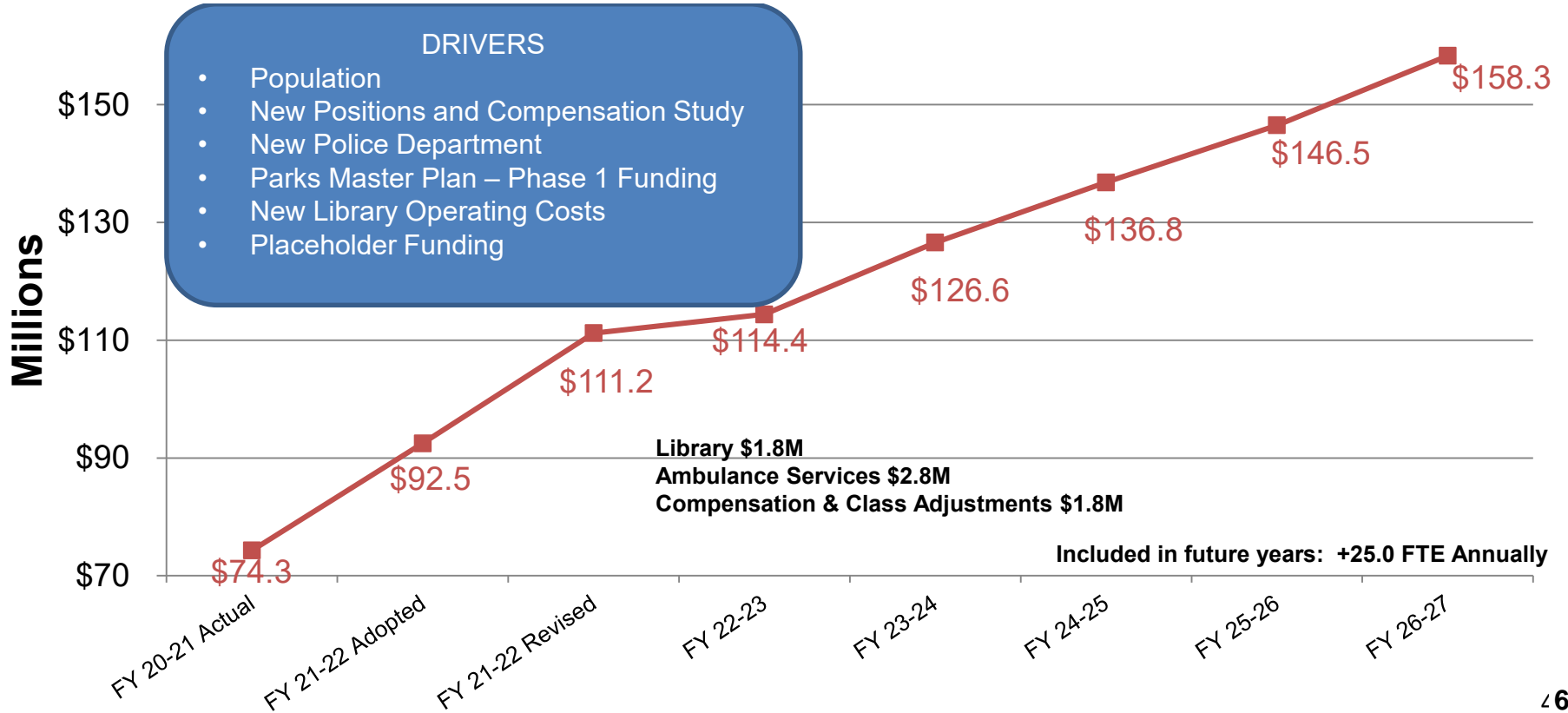




# Operating Expense Projections

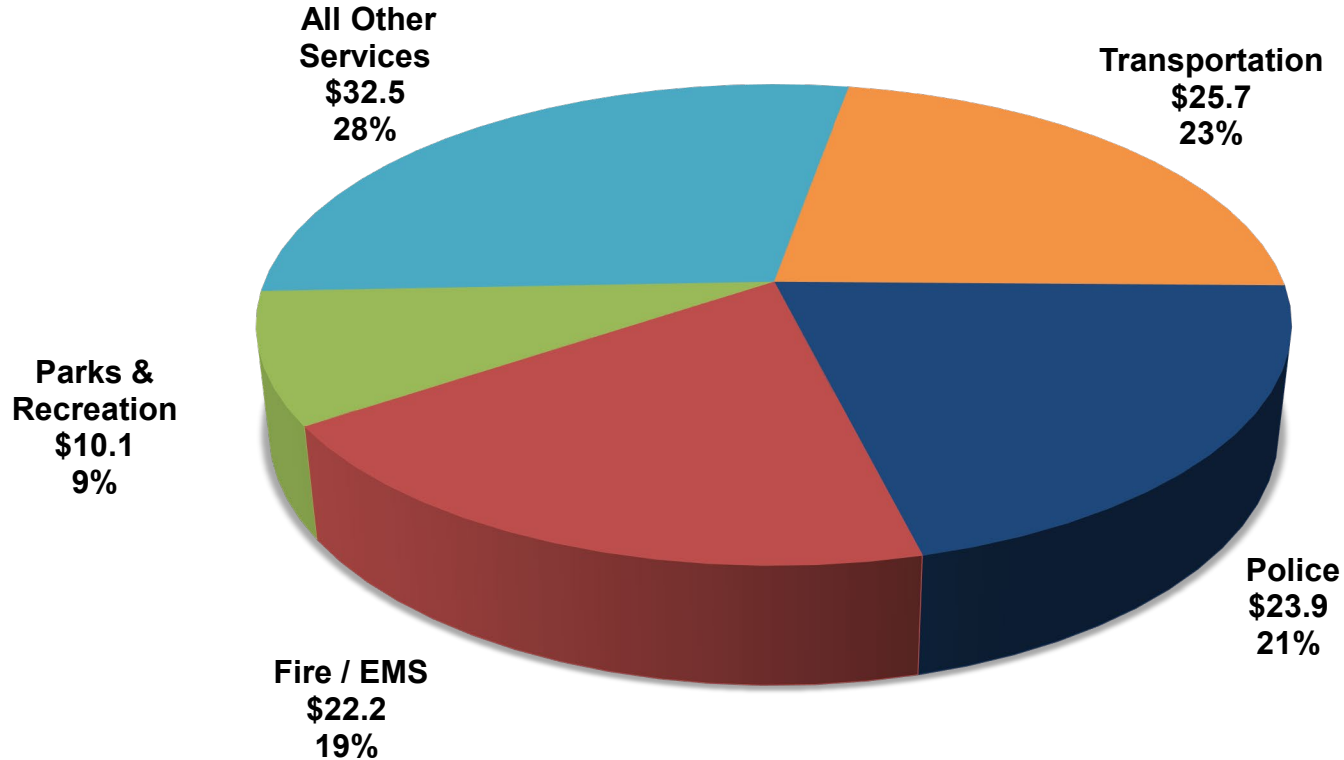
# 5-Year Operating Budget Expenses/Uses

- DRIVERS**
- Population
  - New Positions and Compensation Study
  - New Police Department
  - Parks Master Plan – Phase 1 Funding
  - New Library Operating Costs
  - Placeholder Funding

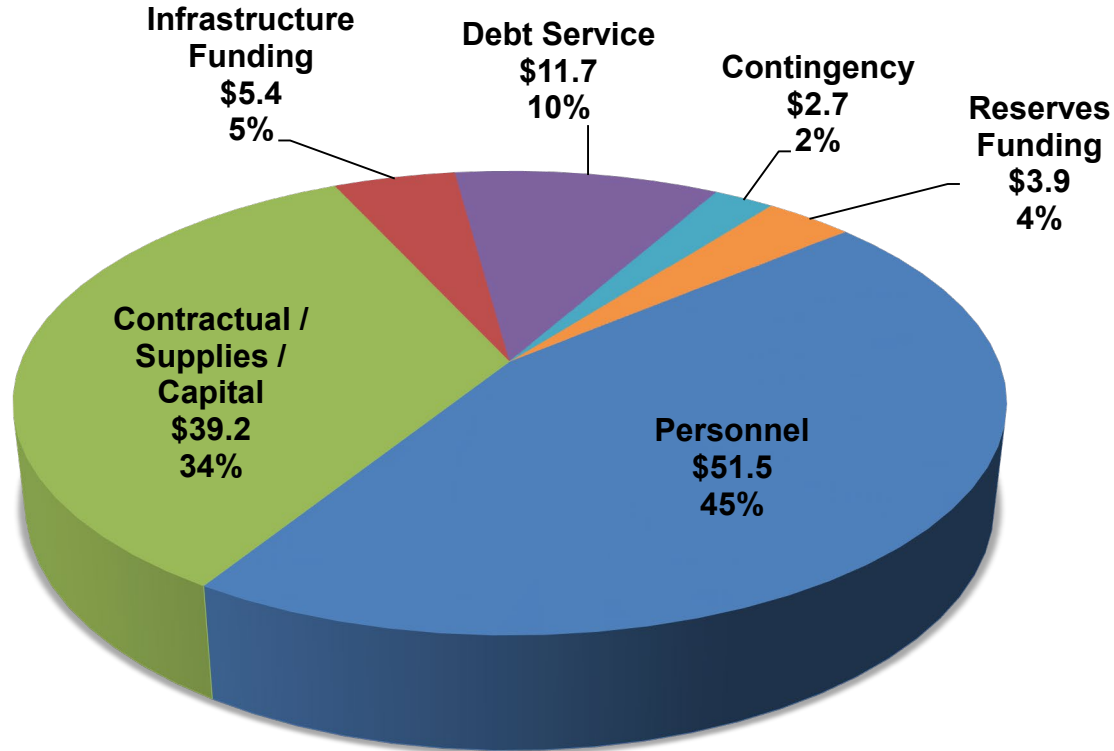




# FY 22-23 OPERATING EXPENSES / USES: \$114.4M (BY PROGRAM)



# FY 22-23 OPERATING EXPENSES / USES: \$114.4M (BY CATEGORY)



# OPERATING EXPENSES/USES



Category	FY 21-22 Revised Budget	FY 22-23 Tentative Budget	\$ Change	% Change
Personnel	\$40.1M	\$51.5M	\$11.4M	28%
Sheriff Contract	\$3.9M	\$ -	(\$3.9M)	(100%)
Contractual/Supplies/Capital	\$39.8M	\$39.2M	(\$0.6M)	(2%)
Contingency (3% of Operating Expenses)	<u>\$0.8M</u>	<u>\$2.7M</u>	<u>\$1.9M</u>	<u>238%</u>
<i>Subtotal Expenses</i>	<i>\$84.6M</i>	<i>\$93.4M</i>	<i>\$8.8M</i>	<i>10%</i>
Transfers Out:				
Infrastructure Funding	\$10.9M	\$5.4M	(\$5.5M)	(50%)
Debt Service	<u>\$8.0M</u>	<u>\$11.7M</u>	<u>\$3.7M</u>	<u>46%</u>
<i>Subtotal Transfers Out</i>	<i>\$18.9M</i>	<i>\$17.1M</i>	<i>(\$1.8M)</i>	<i>(10%)</i>
<b>Total Uses (Expenses &amp; Transfers Out)</b>	<b>\$103.5M</b>	<b>\$110.5M</b>	<b>\$7.0M</b>	<b>7%</b>
25% Operating Reserve Funding	\$7.2M	\$2.9M	(\$4.3M)	(60%)
Road Replacement Reserve Funding	<u>\$0.5M</u>	<u>\$1.0M</u>	<u>\$0.5M</u>	<u>100%</u>
<b>Total Uses w/ Reserves Funding</b>	<b><u>\$111.2M</u></b>	<b><u>\$114.4M</u></b>	<b><u>\$3.2M</u></b>	<b><u>3%</u></b>

# Important Expense Changes: \$3.2M



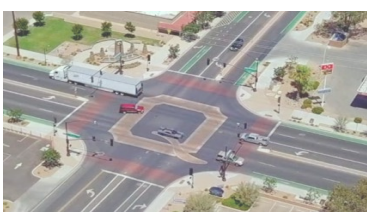
Item	Amount
Personnel Costs: 31 new FTEs (15 PD, 16 Non-PD), HSA Funding, Overtime Increases, and Benefit Changes	\$7.2M
New Debt Service – Parks Master Plan (1 <sup>st</sup> year interest only)	\$3.7M
Ambulance Services – First Year Operating Costs (includes 26 FTEs)	\$2.8M
Department Support Costs – Updated Allocation for PD, Fire, and Streets	\$2.3M
Compensation and Classification Study	\$1.8M
Library Services Contract Increase	\$1.8M
Fund Contingency	\$1.9M
Contract and Operating Increases, net of base budget adjustments	\$0.9M
Increase to Road Replacement Reserve Funding	<u>\$0.5M</u>
Subtotal	\$22.9M
Lower Capital Equipment Requests (long-lead items ordered in FY22)	(\$6.0M)
Lower CIP PAYGO (Public Works Facilities funded in FY22)	(\$5.5M)
Amount added to 25% Reserve is less than prior year	(\$4.3M)
MCSO Contract Elimination	(\$3.9M)
<b>Total</b>	<b>\$3.2M</b>



# Operating Budget Reserves

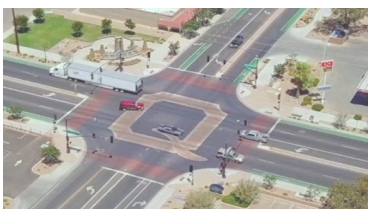
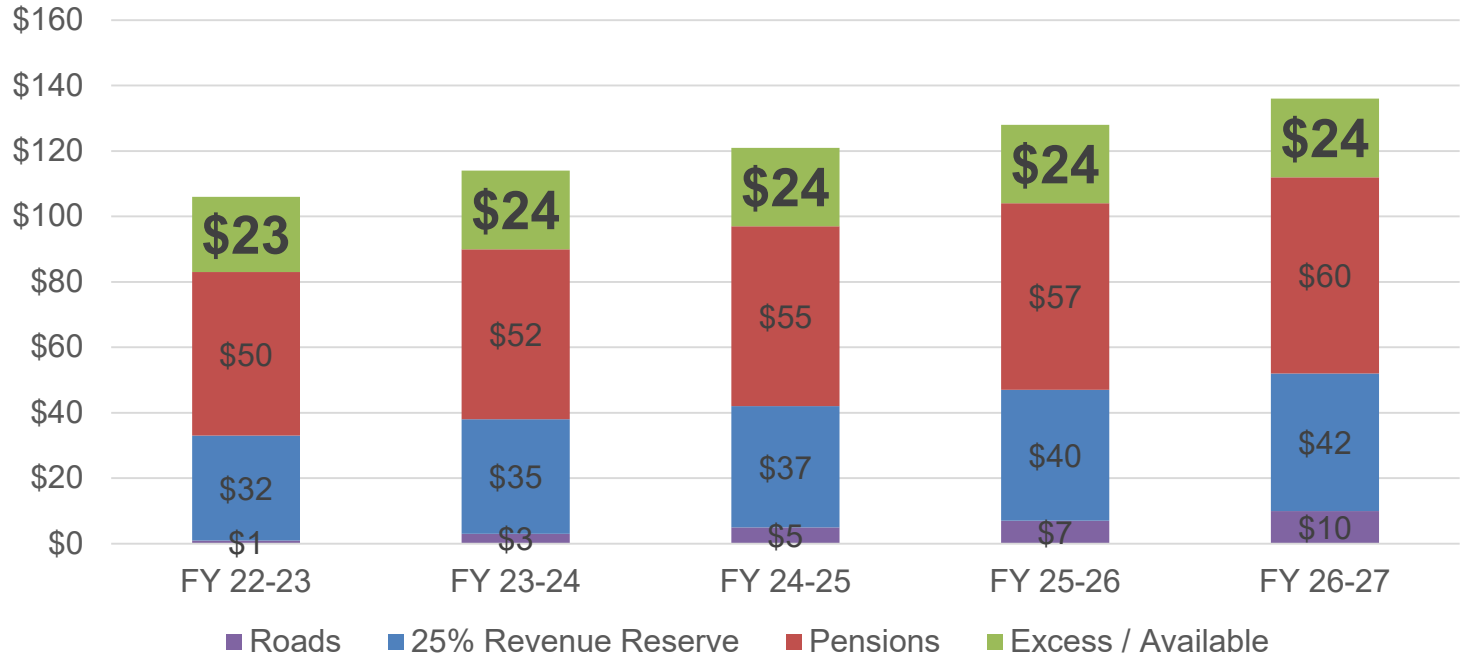
# Ending Reserves at June 30, 2023

	FY 2022-23	
Revenues / Sources	\$119.7M	
Expenses / Uses	<u>(\$114.4M)</u>	
Net FY 22-23	<u>\$5.3M</u>	
Ending Fund Balance		\$106.7M
Restrictions:		
25% Revenue Reserve Requirement	\$32.5M	
Road Replacement Reserve	\$1.5M	
PD Pension Reserve (Fully Funded)	\$26.3M	
ASRS Pension Reserve (Fully Funded)	<u>\$23.6M</u>	
Total Restrictions		\$83.9M
<b>Available</b>		<b>\$22.8M</b>





# Projected Operating Budget Reserves





# 6. Other Major Budgets

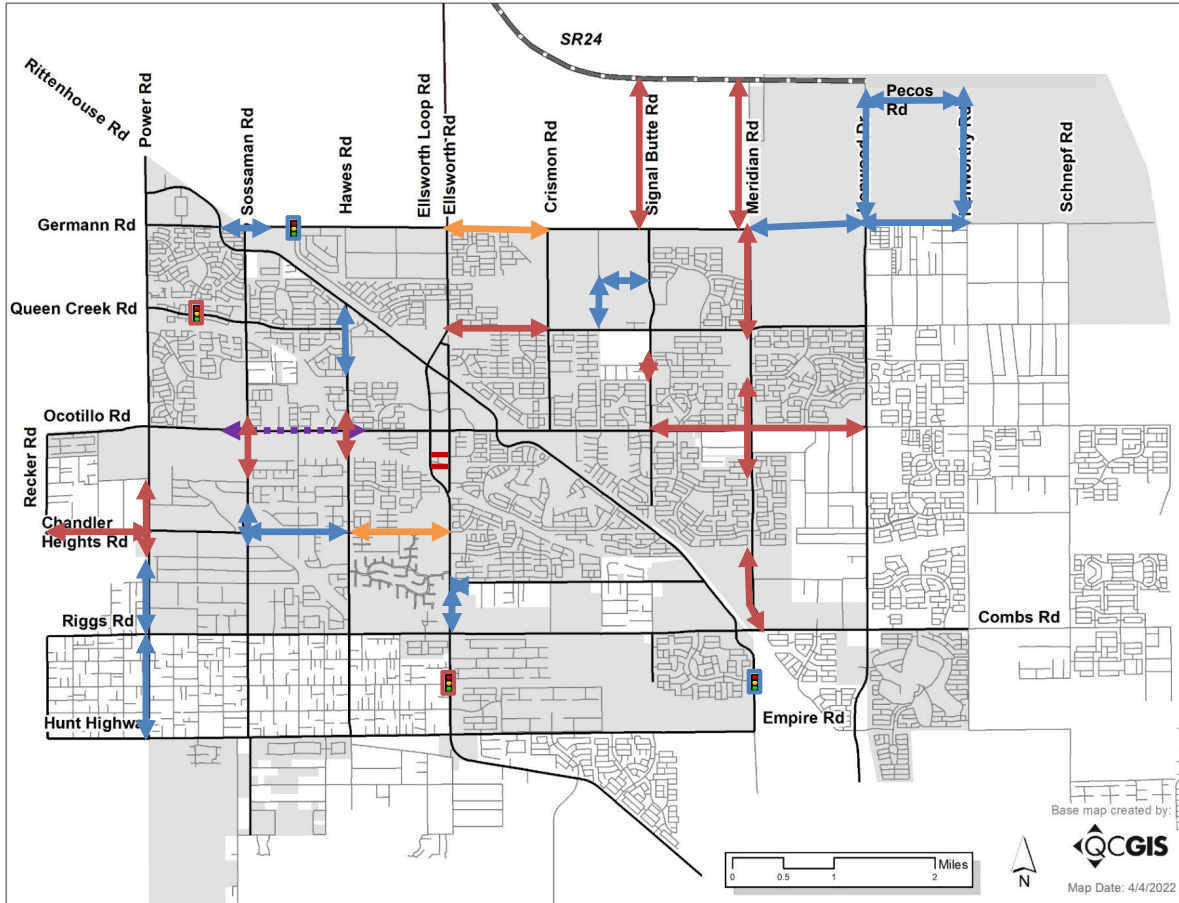


# Infrastructure Budget Summary

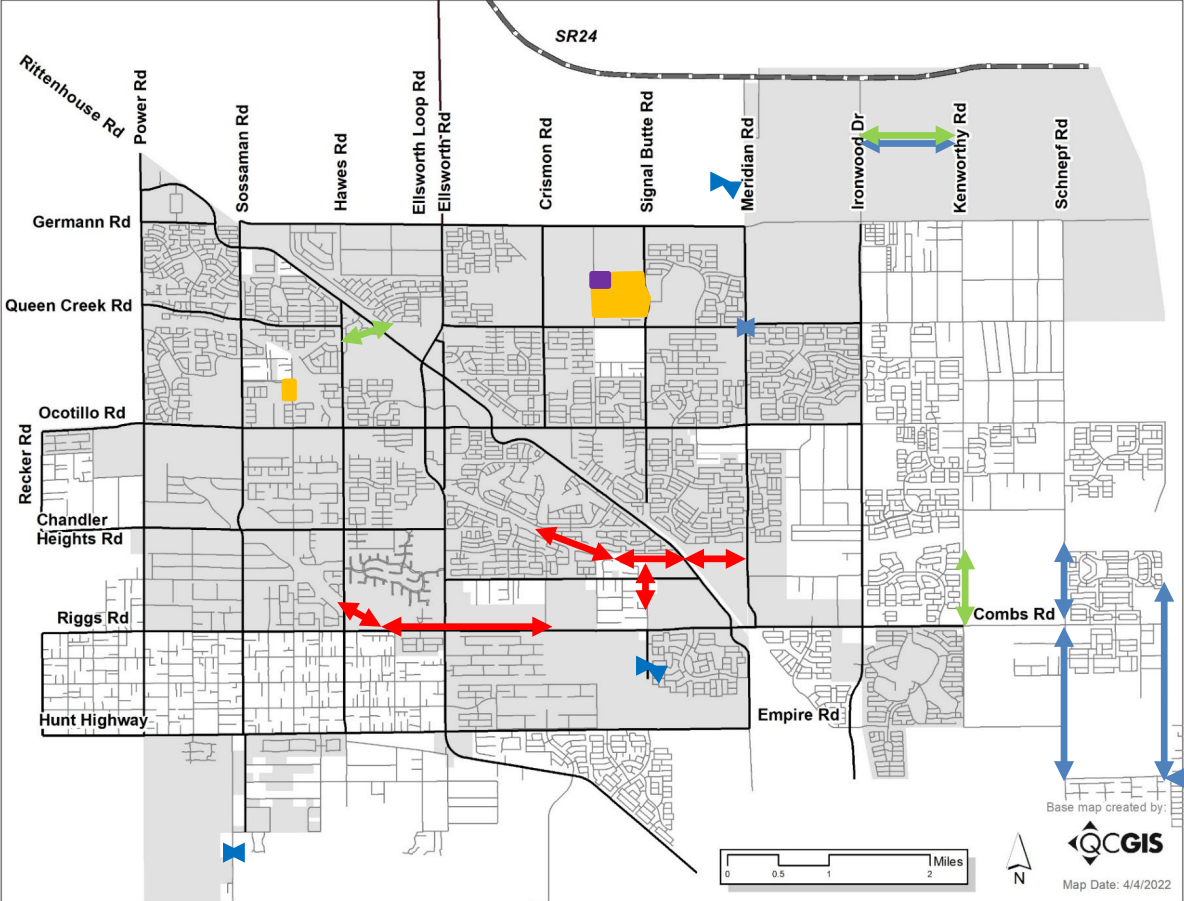


	Projects Under Contract	Previously Approved Projects	New Projects	FY 22-23 Tentative Budget
<b>Transportation</b>	\$46.2M	\$48.8M	\$65.6M	\$160.6M
<b>Parks and Trails</b>	3.7M	11.3M	157.1M	172.1M
<b>Water</b>	11.0M	18.5M	39.4M	68.9M
<b>Wastewater</b>	2.3M	6.7M	16.3M	25.3M
<b>Water Rights</b>	-	-	60.0M	60.0M
<b>Fire</b>	4.7M	5.8M	3.0M	13.5M
<b>Police</b>	-	-	3.5M	3.5M
<b>Municipal Facilities</b>	-	7.4M	-	7.4M
<b>Contingencies</b>	<u>-</u>	<u>-</u>	<u>20.0M</u>	<u>20.0M</u>
<b>Total Infrastructure</b>	<b>\$67.9M</b>	<b>\$98.5M</b>	<b>\$364.9M</b>	<b>\$531.3M</b>

# CIP Projects – Transportation



# CIP Projects – Other Projects



## Key

- Wastewater System  
↔
- Water System Improvements  
↔
- Park Projects  
↔
- Trail Projects  
↔
- Municipal Facilities  
↔

Note: The utility projects shown are stand alone projects and are not associated with roadway improvements.

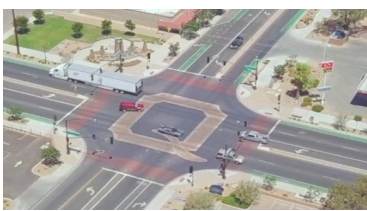
# Street Infrastructure

- 10-Year Capital Plan: \$430M
- FY 22-23 CIP Budget: \$161M
  - Carry-Forward Projects: \$95M
  - New Projects: \$66M



# Parks and Trails Infrastructure: \$172.1M

- Parks: \$167.3M
- Major Projects
  1. Frontier Family Park Design/Development: \$62M
  2. Recreation Center Design/Development: \$40M
  3. Aquatic Center Design/Development: \$25M
  4. Mansel Carter Park Phase 2: \$9M
  5. Land Acquisition: \$23M
- Trails: \$4.8M
  - Sonoqui Wash design and construction: \$2.4M
  - QC Wash design and construction: \$2.4M





# Water Operating Fund (Self-Funded)

- \$60M Placeholder for Water Rights Purchases
- \$1.0M for 5 new FTEs plus Compensation & Classification Study
- Operational Increases Due to System Growth
- No Rate Increase but Rate Study Underway



# Wastewater Operating Fund (Self-Funded)

- Operational Increases Offset by Reduction in Equipment Funding
- No Rate Increase but Study Underway



# Solid Waste/Recycling Fund (Self-Funded)

- Service Provider Costs increasing 23% due to Account Growth (\$710K)
  - Revenue from New Accounts Will Cover Increased Costs
- No Rate Increase but Study Underway





# Town Center Fund

- Dedicated 0.25% Sales Tax: \$1.0M Annually
- Implementing Town Center Master Plan
  - Constructing Drainage Improvements
  - New Transportation and Utilities Infrastructure (Budgeted Separately in Appropriate Funds)



# Streetlight Improvement Districts

- Property Tax Assessments: \$93K
  - FY 21-22 Assessment = \$18K (\$75K increase)
- Number of SLIDs: 131 (76 with a Levy)
- Number of Parcels: 18,223 (11,614 with a Levy)



# Healthcare Fund

- The Town is Self-Funded for Healthcare Costs
- Revenues: \$7.6M
  - 2.2% Increase to Employer Premiums
  - No Change to Employee Premiums
- Claims/Costs: \$7.6M
- Future Policy Objective: Establish a Formal Reserve Policy



# Contingency Budgets

Purpose	Description	Amount
1. Projects Under Contract	Carryforward of approved contracts into FY 22-23	\$67.9M
2. Remaining Uncommitted Project Budgets	Expenditure authority for projects previously approved but not yet under contract	\$98.5M
3. Unanticipated CIP Expenses	Expenditure authority for new CIP projects or unanticipated CIP costs	<u>\$20.0M</u>
	<b>Total CIP Contingency</b>	<b>\$186.4</b>
4. Grants Contingency	Expenditure authority for potential receipt of grants for PD, Fire, Traffic, Streets, and Trails	\$10.0M
5. Carry-Forward for Long-Lead Capital Items	Expenditure authority for vehicles and equipment ordered in FY 21-22 but will not be received until FY 22-23	\$7.0M
6. Operating Contingencies	Expenditure authority for unanticipated operating costs in the Operating Budget and Utility Funds (set at 3% of budgeted expenses)	\$3.7M
7. Development Agreements	Expenditure authority for commitments under existing development agreements	<u>\$2.0M</u>
	<b>Total FY 22-23 Contingencies</b>	<b><u>\$209.1M</u></b>





# *Debt Budgets*

# Annual Bond Debt Payment (1)

Funding Source	FY 22-23 Payment	% of Total Payment
Operating Budget	\$11.7M	70%
Dedicated Transportation Sales Tax	\$1.5M	9%
Fire Impact Fees	\$1.1M	7%
Transportation Impact Fees	\$0.9M	5%
Parks Impact Fees	\$0.5M	3%
Town Center Sales Tax	\$0.3M	2%
Town Building Impact Fees	\$0.3M	2%
Law Enforcement Impact Fees	\$0.2M	1%
Library Impact Fees	<u>\$0.2M</u>	<u>1%</u>
<b>TOTAL</b>	<b>\$16.7M</b>	<b>100%</b>

(1) Excludes Water, Wastewater, and Non-Town Improvement District Debt



# Outstanding Bonded Debt (1)

Purpose	Outstanding Amount 6/30/22	% of Total (3)
Parks (2)	\$141.4M	45%
Transportation	\$124.2M	40%
Fire	\$29.0M	9%
Library	\$4.5M	2%
Town Buildings	\$4.0M	1%
HPEC	\$4.0M	1%
Recreation Annex	\$3.9M	1%
Law Enforcement	<u>\$1.7M</u>	<u>1%</u>
<b>TOTAL</b>	<b>\$312.7M</b>	<b>100%</b>

(1) Excludes Water, Wastewater, and Non-Town Improvement District Debt.

(2) Includes \$138M new debt expected to be issued in May 2022.

(3) 50% of outstanding debt is for Transportation, Fire, and Law Enforcement.

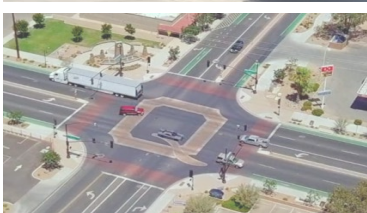
# Annual Debt Service - Utilities

Purpose	Operating Revenues / Rates	Capacity Fees	Total FY 22-23 Payment
Water – Company Acquisitions	\$4.4M	\$ -	\$4.4M
Water – Infrastructure	\$1.5M	\$2.0M	\$3.5M
Water – Water Resources	\$3.1M	\$ -	\$3.1M
Wastewater – Infrastructure	\$0.3M	\$0.5M	\$0.8M
Wastewater – Treatment Plant	<u>\$0.4M</u>	<u>\$ -</u>	<u>\$0.4M</u>
<b>TOTAL</b>	<b>\$9.7M</b>	<b>\$2.5M</b>	<b>\$12.2M</b>
<b>% of Total</b>	<b>80%</b>	<b>20%</b>	



# Outstanding Bonded Debt - Utilities

Purpose	Total Outstanding Amount 6/30/22	% of Total
Water – Infrastructure	\$106.0M	38%
Water – Water Resources	\$73.2M	26%
Water – Company Acquisitions	\$64.0M	23%
Wastewater – Infrastructure	\$35.0M	12%
Wastewater – Treatment Plant	<u>\$2.3M</u>	<u>1%</u>
<b>TOTAL</b>	<b>\$280.5M</b>	<b>100%</b>



# 7. Calendar

# Remaining Budget Dates



Date	Item
May 4	Tentative Budget Approval
May 18	Final Budget Adoption
June 1	Property Tax Levy Adoption

# RECOMMENDED MOTION

Move to Approve the FY 2022-23 Tentative Budget of \$730.2M and Set May 18, 2022 as the date of the Public Hearing for the FY 2022-23 Final Budget and the Truth-in-Taxation Hearing as required under Arizona Revised Statutes

- Sets the Maximum Budget for FY 22-23





# Discussion and Questions

**Town of Queen Creek**  
**Summary Schedule of estimated revenues and expenditures/expenses**  
**Fiscal year 2023**

Fiscal year	S c h		Funds							
			General Fund	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Permanent Fund	Enterprise Funds Available	Internal Service Funds	Total all funds
2022	E	1	35,930,490	57,375,415	14,792,873	186,827,759	0	185,954,620	6,302,457	487,183,614
2022	E	2	35,930,490	57,375,415	14,792,873	58,892,660	0	147,519,539	6,302,457	320,813,434
2023		3	105,211,521	52,474,806	1,570	248,874,441	0	94,583,767	1,524,346	502,670,451
2023	B	4	12,470,611							12,470,611
2023	B	5								0
2023	C	6	85,682,024	62,772,687	1,732,010	80,102,991	0	118,053,023	7,601,515	355,944,250
2023	D	7	0	0	0	0	0	0	0	0
2023	D	8	0	0	0	0	0	0	0	0
2023	D	9	0	22,903,631	16,737,426	52,770,423	0	12,172,880	0	104,584,360
2023	D	10	36,654,137	55,757,343	0	0	0	12,172,880	0	104,584,360
2023		12	166,710,019	82,393,781	18,471,006	381,747,855	0	212,636,790	9,125,861	871,085,312
2023	E	13	40,772,915	73,069,129	18,469,436	377,014,504	0	213,203,416	7,601,515	730,130,915

**Expenditure limitation comparison**

	2022	2023
1 Budgeted expenditures/expenses	\$ 487,183,614	\$ 730,130,915
2 Add/subtract: estimated net reconciling items		
3 Budgeted expenditures/expenses adjusted for reconciling items	487,183,614	730,130,915
4 Less: estimated exclusions		
5 Amount subject to the expenditure limitation	\$ 487,183,614	\$ 730,130,915
6 EEC expenditure limitation	\$ 487,183,614	\$ 730,130,915

\* Includes expenditure/expense adjustments approved in the current year from Schedule E.

\*\* Includes actual amounts as of the date the proposed budget was prepared, adjusted for estimated activity for the remainder of the fiscal year.

\*\*\* Amounts on this line represent beginning fund balance/(deficit) or net position/(deficit) amounts except for nonspendable amounts (e.g., prepaids and inventories) or amounts legally or contractually required to be maintained intact (e.g., principal of a permanent fund).

**Town of Queen Creek**  
**Tax levy and tax rate information**  
**Fiscal year 2023**

	<b>2022</b>	<b>2023</b>
1. Maximum allowable primary property tax levy. A.R.S. §42-17051(A)	\$ <u>17,234,077</u>	\$ <u>18,819,008</u>
2. Amount received from primary property taxation in the <b>current year</b> in excess of the sum of that year's maximum allowable primary property tax levy. A.R.S. §42-17102(A)(18)	\$ _____	
3. Property tax levy amounts		
A. Primary property taxes	\$ <u>11,045,515</u>	\$ <u>12,470,611</u>
Property tax judgment	_____	_____
B. Secondary property taxes	_____	_____
Property tax judgment	_____	_____
C. Total property tax levy amounts	\$ <u>11,045,515</u>	\$ <u>12,470,611</u>
4. Property taxes collected*		
A. Primary property taxes		
(1) <b>Current</b> year's levy	\$ <u>11,045,515</u>	
(2) Prior years' levies	<u>15,524</u>	
(3) Total primary property taxes	\$ <u>11,061,039</u>	
B. Secondary property taxes		
(1) <b>Current</b> year's levy	\$ _____	
(2) Prior years' levies	_____	
(3) Total secondary property taxes	\$ _____	
C. Total property taxes collected	\$ <u>11,061,039</u>	
5. Property tax rates		
A. City/Town tax rate		
(1) Primary property tax rate	<u>1.8257</u>	<u>1.8257</u>
Property tax judgment	_____	_____
(2) Secondary property tax rate	_____	_____
Property tax judgment	_____	_____
(3) Total city/town tax rate	<u>1.8257</u>	<u>1.8257</u>
B. Special assessment district tax rates		
Secondary property tax rates—As of the date the proposed budget was prepared, the city/town was operating _____ special assessment districts for which secondary property taxes are levied. For information pertaining to these special assessment districts and their tax rates, please contact the city/town.		

\* Includes actual property taxes collected as of the date the proposed budget was prepared, plus estimated property tax collections for the remainder of the fiscal year.

**Town of Queen Creek  
Revenues other than property taxes  
Fiscal Year 2023**

Source of revenues	Estimated revenues 2022	Actual revenues* 2022	Estimated revenues 2023
<b>General Fund</b>			
<b>Local taxes</b>			
City Sales Tax	\$ 28,328,818	\$ 32,201,875	\$ 38,318,568
Construction Sales Tax	7,520,485	14,776,000	13,092,900
<b>Licenses and permits</b>			
Business Licenses	75,000	75,000	75,000
Liquor License	10,500	10,500	10,500
Building Revenue	7,362,600	10,400,000	10,486,700
<b>Intergovernmental</b>			
State Sales Tax	6,898,800	7,500,000	8,385,700
Urban Revenue Sharing	7,494,700	7,647,963	9,421,900
<b>Charges for services</b>			
Recreation User Fees	442,491	442,491	689,876
<b>Interest on investments</b>			
Interest Income	200,000	200,000	500,000
<b>Contributions</b>			
Voluntary contributions			
<b>Miscellaneous</b>			
Telecommunications	165,000	165,000	175,000
Building Lease Revenue			
Gas Franchises	115,000	115,000	135,000
Cable Licenses	390,000	390,000	360,000
Miscellaneous	103,500	103,500	101,000
Departmental Support Revenue	1,686,218	1,686,218	3,929,880
<b>Total General Fund</b>	<b>\$ 60,793,112</b>	<b>\$ 75,713,547</b>	<b>\$ 85,682,024</b>

\* Includes actual revenues recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated revenues for the remainder of the fiscal year.



**Town of Queen Creek  
Revenues other than property taxes  
Fiscal Year 2023**

Source of revenues	Estimated revenues 2022	Actual revenues* 2022	Estimated revenues 2023
<b>Special revenue funds</b>			
<b>Highway User Revenue Fund</b>			
Highway User Revenue	\$ 4,083,000	\$ 3,900,000	\$ 4,321,500
Pinal County Taxes	23,600	23,600	30,000
Vehicle License Tax	3,162,100	2,700,000	3,138,200
Grants	255,000	255,000	
Interest Income			
<b>Total Highway User Revenue Fund</b>	<b>\$ 7,523,700</b>	<b>\$ 6,878,600</b>	<b>\$ 7,489,700</b>
<b>Municipal Town Center Fund</b>			
City Sales Tax	\$ 1,010,719	\$ 1,175,000	\$ 1,280,750
Building Lease Revenue	81,426	81,426	83,868
Signage Revenue	20,000	20,000	20,000
Interest Income			
<b>Total Municipal Town Center Fund</b>	<b>\$ 1,112,145</b>	<b>\$ 1,276,426</b>	<b>\$ 1,384,618</b>
<b>Construction Sales Tax Fund</b>			
2% Construction Sales Tax	\$ 7,520,485	\$ 14,776,000	\$ 13,142,900
<b>Total Construction Sales Tax Fund</b>	<b>\$ 7,520,485</b>	<b>\$ 14,776,000</b>	<b>\$ 13,142,900</b>
<b>Grants &amp; Contingency Fund</b>			
Grants	\$ 5,000,000	\$ 7,407,947	\$ 10,000,000
<b>Total Grants &amp; Contingency Fund</b>	<b>\$ 5,000,000</b>	<b>\$ 7,407,947</b>	<b>\$ 10,000,000</b>
<b>Parks Development Fund</b>			
Parks Development Fee	\$ 4,967,809	\$ 6,506,840	7,083,843
3rd Party Contributions			
Interest Income	143,740	143,740	143,740
Miscellaneous			
<b>Total Parks Development Fund</b>	<b>\$ 5,111,549</b>	<b>\$ 6,650,580</b>	<b>\$ 7,227,583</b>
<b>Town Building Fund</b>			
Town Building & Vehicle Development Fee	\$ 118,316	\$ 155,000	\$ 168,568
Interest Income	3,000	3,000	3,000
<b>Total Town Building Fund</b>	<b>\$ 121,316</b>	<b>\$ 158,000</b>	<b>\$ 171,568</b>
<b>Transportation Development Fee Fund</b>			
Transportation Development Impact Fee	\$ 3,921,888	\$ 4,813,656	\$ 5,292,250
Interest Income	5,000	5,000	5,000
<b>Total Transportation Development Fee Fund</b>	<b>\$ 3,926,888</b>	<b>\$ 4,818,656</b>	<b>\$ 5,297,250</b>
<b>Library Development Fee Fund</b>			
Library Development Impact Fee	\$ 260,157	\$ 340,747	\$ 370,929
Interest Income	3,000	3,000	3,000
	\$ 263,157	\$ 343,747	\$ 373,929
<b>Public Safety Development Fee Fund</b>			
Public Safety Development Fees	\$ 1,054,861	\$ 1,378,563	\$ 1,553,557
Interest Income			
<b>Total Public Safety Development Fee Fund</b>	<b>\$ 1,054,861</b>	<b>\$ 1,378,563</b>	<b>\$ 1,553,557</b>
<b>Emergency Services Fund</b>			
City Sales Tax	\$ 3,541,102	\$ 4,025,234	\$ 4,789,821
Construction Sales Tax	940,061	1,847,000	1,636,600
County Island Fire District	1,500,000	1,500,000	1,500,000
Fire Inspections	75,000	75,000	75,000
PSPRS Premium Tax Credit	145,000	145,000	180,000
ROI Utility Revenue	3,372,160	3,372,160	3,887,150
IGA - School District	155,000	155,000	155,000
Wildland Reimbursement	15,000	15,000	15,000
Building Lease Revenue	28,000	28,000	28,000
Grants	6,000,000		
Miscellaneous	40,000	40,000	82,332
<b>Total Emergency Services Fund</b>	<b>\$ 15,811,323</b>	<b>\$ 11,202,394</b>	<b>\$ 12,348,903</b>

**Town of Queen Creek  
Revenues other than property taxes  
Fiscal Year 2023**

Source of revenues	Estimated revenues 2022	Actual revenues* 2022	Estimated revenues 2023
<b>Fire Development Fee Fund</b>			
Fire Development Fees	\$ 1,959,010	\$ 2,553,268	\$ 2,852,113
Interest Income	5,000	5,000	5,000
<b>Total Fire Development Fee Fund</b>	<b>\$ 1,964,010</b>	<b>\$ 2,558,268</b>	<b>\$ 2,857,113</b>
<b>Streetlight Improvement Districts</b>			
Special Assessment	\$ 43,720	\$ 43,720	\$ 150,000
Interest Income			
<b>Total Streetlight Improvement Districts</b>	<b>\$ 43,720</b>	<b>\$ 43,720</b>	<b>\$ 150,000</b>
<b>Community Events Fund</b>			
Contributions / Donations	\$ 75,000	\$ 75,000	\$
<b>Total Community Events Fund</b>	<b>\$ 75,000</b>	<b>\$ 75,000</b>	<b>\$</b>
<b>Horseshoe Park &amp; Equestrian Center Fund</b>			
Park Revenues	\$ 650,000	\$ 650,000	\$ 775,566
<b>Total Horseshoe Park Equestrian Fund</b>	<b>\$ 650,000</b>	<b>\$ 650,000</b>	<b>\$ 775,566</b>
<b>Total special revenue funds</b>	<b>\$ 50,178,154</b>	<b>\$ 58,217,901</b>	<b>\$ 62,772,687</b>

\* Includes actual revenues recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated revenues for the remainder of the fiscal year.

**Town of Queen Creek  
Revenues other than property taxes  
Fiscal Year 2023**

Source of revenues	Estimated revenues 2022	Actual revenues* 2022	Estimated revenues 2023
<b>Debt service funds</b>			
<b>Special Assessment Fund</b>			
Property Assessments	\$ 1,737,222	\$ 1,737,222	\$ 1,732,010
<b>Total Special Assessment Fund</b>	<b>\$ 1,737,222</b>	<b>\$ 1,737,222</b>	<b>\$ 1,732,010</b>
<b>Total debt service funds</b>	<b>\$ 1,737,222</b>	<b>\$ 1,737,222</b>	<b>\$ 1,732,010</b>
<b>Capital projects funds</b>			
<b>Drainage &amp; Transportation Fund</b>			
Reimbursement from Government Agency	\$ 14,438,253	\$ 14,438,253	\$ 16,828,633
Other Funding	12,500,000	12,500,000	59,500,000
Interest Income	150,000	150,000	150,000
Bond / Loan Proceeds			
<b>Total Drainage &amp; Transportation Fund</b>	<b>\$ 27,088,253</b>	<b>\$ 27,088,253</b>	<b>\$ 76,478,633</b>
<b>General CIP</b>			
Contributions from Outside Agencies	\$	\$	\$
Other Funding			624,358
Bond / Loan Proceeds	10,000,000	10,000,000	
Miscellaneous	2,500,000	2,500,000	3,000,000
<b>Total General CIP</b>	<b>\$ 12,500,000</b>	<b>\$ 12,500,000</b>	<b>\$ 3,624,358</b>
<b>Total capital projects funds</b>	<b>\$ 39,588,253</b>	<b>\$ 39,588,253</b>	<b>\$ 80,102,991</b>

\* Includes actual revenues recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated revenues for the remainder of the fiscal year.

**Town of Queen Creek  
Revenues other than property taxes  
Fiscal Year 2023**

Source of revenues	Estimated revenues 2022	Actual revenues* 2022	Estimated revenues 2023
<b>Enterprise funds</b>			
<b>Sewer Utility Funds</b>			
User Fees	\$ 8,246,236	\$ 8,246,236	9,229,590
Miscellaneous	990,946	990,946	1,106,154
Bond / Loan Proceeds	3,689,965	3,689,965	4,647,268
Capacity Fee	50,000	50,000	100,000
Interest Income			
<b>Total Sewer Utility</b>	<b>\$ 12,977,147</b>	<b>\$ 12,977,147</b>	<b>\$ 15,083,012</b>
<b>Water Fund</b>			
Water Revenues / User Fees	\$ 31,519,400	\$ 31,519,400	\$ 32,051,416
Capacity Fee	3,900,954	3,900,954	5,330,154
Miscellaneous	518,526	518,526	561,685
Interest Income	250,000	250,000	380,100
Bond / Loan Proceeds	53,000,000	53,000,000	60,000,000
<b>Total Water Fund</b>	<b>\$ 89,188,880</b>	<b>\$ 89,188,880</b>	<b>\$ 98,323,355</b>
<b>Solid Waste Fund</b>			
User Fees	\$ 4,417,279	\$ 4,417,279	\$ 4,366,122
Recycling	16,000	16,000	8,934
Cart Fees	270,000	270,000	267,900
Interest Income	5,100	5,100	3,700
Miscellaneous			
<b>Total Solid Waste Fund</b>	<b>\$ 4,708,379</b>	<b>\$ 4,708,379</b>	<b>\$ 4,646,656</b>
<b>Total enterprise funds</b>	<b>\$ 106,874,406</b>	<b>\$ 106,874,406</b>	<b>\$ 118,053,023</b>

\* Includes actual revenues recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated revenues for the remainder of the fiscal year.

**Town of Queen Creek  
Revenues other than property taxes  
Fiscal Year 2023**

Source of revenues	Estimated revenues 2022	Actual revenues* 2022	Estimated revenues 2023
<b>Internal service funds</b>			
<b>Healthcare Self-Insurance</b>			
Premiums	\$ 6,988,351	\$ 6,988,351	7,501,515
Stop Loss Reimbursement	100,000	100,000	100,000
	<u>\$ 7,088,351</u>	<u>\$ 7,088,351</u>	<u>\$ 7,601,515</u>
<b>Total internal service funds</b>	<u>\$ 7,088,351</u>	<u>\$ 7,088,351</u>	<u>\$ 7,601,515</u>
<b>Total all funds</b>	<u>\$ 266,259,498</u>	<u>\$ 289,219,680</u>	<u>\$ 355,944,250</u>

\* Includes actual revenues recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated revenues for the remainder of the fiscal year.

**Town of Queen Creek**  
**Other financing sources/(uses) and interfund transfers**  
**Fiscal year 2023**

Fund	Other financing 2023		Interfund transfers 2023	
	Sources	(Uses)	In	(Out)
<b>General Fund</b>				
Debt Service	\$	\$	\$	\$ 10,350,506
Interfund Loan				
Infrastructure (CIP)				3,400,000
Emergency Services Fund				19,225,276
Horseshoe Park & Equestrian Center Fund				2,642,732
HURF				1,035,623
Community Events				
<b>Total General Fund</b>	\$	\$	\$	\$ 36,654,137
<b>Special revenue funds</b>				
Library Development Fee Fund	\$	\$	\$	\$ 232,731
Emergency Services Fund			19,225,276	2,837,200
Grants Fund				
Parks Development				22,818,116
Public Safety Development Fee Fund				142,175
Town Buildings & Vehicles Development Fund				288,727
Fire Development Fee Fund				2,532,088
Transportation Development Fund				10,449,419
Construction Sales Tax				15,565,276
Town Center				332,500
HURF			1,035,623	263,888
Community Events				
Horseshoe Park & Equestrian Center Fund			2,642,732	295,223
<b>Total special revenue funds</b>	\$	\$	\$ 22,903,631	\$ 55,757,343
<b>Debt service funds</b>				
Special Assessment Fund	\$	\$	\$	\$
Debt service			16,737,426	
<b>Total debt service funds</b>	\$	\$	\$ 16,737,426	\$
<b>Capital projects funds</b>				
Transportation CIP	\$	\$	\$ 26,965,935	\$
General CIP			25,804,488	
<b>Total capital projects funds</b>	\$	\$	\$ 52,770,423	\$
<b>Enterprise funds</b>				
Water Fund	\$	\$	\$	\$ 9,013,422
Water Capacity				1,954,758
Water CIP				
Water Debt			10,968,180	
Sewer / Wastewater Fund				638,486
Sewer / Wastewater Capacity				566,214
Sewer / Wastewater CIP				
Sewer / Wastewater Debt			1,204,700	
<b>Total enterprise funds</b>	\$	\$	\$ 12,172,880	\$ 12,172,880
<b>Total all funds</b>	\$	\$	\$ 104,584,360	\$ 104,584,360

**Town of Queen Creek  
Expenditures/expenses by fund  
Fiscal year 2023**

Fund/Department	Adopted budgeted expenditures/ expenses 2022	Expenditure/ expense adjustments approved 2022	Actual expenditures/ expenses* 2022	Budgeted expenditures/ expenses 2023
<b>General Fund</b>				
Town Council	\$ 444,052	\$	\$ 444,052	\$ 451,445
Town Manager	1,141,580	20,700	1,162,280	1,057,830
Legal Services	565,000		565,000	796,000
Town Clerk	284,121	250	284,371	368,406
Finance	3,308,469	(314,407)	2,994,062	2,909,485
Human Resources	1,091,101	87,649	1,178,750	956,092
Information Technology	4,650,567	616,618	5,267,185	7,406,468
Community Services	2,771,852	11,800	2,783,652	5,525,522
Economic Development	1,115,287	(4,124)	1,111,163	1,303,498
Development Services	3,691,598	193,209	3,884,807	4,425,566
Public Works	9,417,099	2,248,182	11,665,281	9,667,003
Centralized Services	6,051,050	(1,461,163)	4,589,887	5,905,600
<b>Total General Fund</b>	<b>\$ 34,531,776</b>	<b>\$ 1,398,714</b>	<b>\$ 35,930,490</b>	<b>\$ 40,772,915</b>
<b>Special revenue funds</b>				
HURF	\$ 7,027,077	\$ 887,255	\$ 7,914,332	\$ 8,261,435
Municipal Town Center Fund	967,400	662	968,062	752,000
Streetlight Improvement District	199,360		199,360	300,000
Grants & Contingency Fund	17,000,000	(8,677,322)	8,322,678	19,000,000
Construction Sales Tax Fund				
Parks Development Fund	80,000	(48,875)	31,125	80,000
Town Buildings & Vehicles Fund	20,000	(9,625)	10,375	20,000
Transporation Development Fund	125,000	23,625	148,625	125,000
Library Development Fund	20,000	(9,625)	10,375	20,000
Public Safety Development Fund	40,000	(19,250)	20,750	40,000
Fire Development Fund	40,000	(19,250)	20,750	40,000
Emergency Serives Fund	33,069,993	4,422,644	37,492,637	41,207,619
Horseshoe Park & Equestrian Fund	1,936,443	36,700	1,973,143	3,123,075
LTAf		98,203	98,203	100,000
Community Events Fund	165,000		165,000	
<b>Total special revenue funds</b>	<b>\$ 60,690,273</b>	<b>\$ (3,314,858)</b>	<b>\$ 57,375,415</b>	<b>\$ 73,069,129</b>
<b>Debt service funds</b>				
Debt Service Fund	\$ 13,055,651	\$	\$ 13,055,651	\$ 16,737,426
Special Assessment Fund	1,737,222		1,737,222	1,732,010
<b>Total debt service funds</b>	<b>\$ 14,792,873</b>	<b>\$</b>	<b>\$ 14,792,873</b>	<b>\$ 18,469,436</b>
<b>Capital projects funds</b>				
Drainage & Transportation	\$ 131,669,814	\$ 7,441,984	\$ 139,111,798	\$ 180,551,680
Carryforward Allowance			(95,044,915)	
General CIP	53,888,492	(6,172,531)	47,715,961	196,462,824
Carryforward Allowance			(32,890,184)	
<b>Total capital projects funds</b>	<b>\$ 185,558,306</b>	<b>\$ 1,269,453</b>	<b>\$ 58,892,660</b>	<b>\$ 377,014,504</b>
<b>Enterprise funds</b>				
<b>Sewer / Wastewater Funds</b>				
Sewer Operating	\$ 5,014,615	\$ 537,914	\$ 5,552,529	\$ 6,413,422
Sewer Capacity		41,500	41,500	
Sewer Capital	31,057,770	137,000	31,194,770	25,272,881
Sewer Debt	2,679,421		2,679,421	1,204,700
Carryforward Allowance			(8,952,648)	
<b>Subtotal Water Fund</b>	<b>38,751,806</b>	<b>716,414</b>	<b>30,515,572</b>	<b>32,891,003</b>
<b>Water Funds</b>				
Water Operating	\$ 77,197,446	\$ (83,735)	\$ 77,113,711	\$ 95,321,016
Water Capacity		41,500	41,500	
Water Capital	53,454,777	(45,330)	53,409,447	68,883,471
Water Debt	11,257,252		11,257,252	10,968,183
Carryforward Allowance			(29,482,433)	
<b>Subtotal Water Fund</b>	<b>141,909,475</b>	<b>(87,565)</b>	<b>112,339,477</b>	<b>175,172,670</b>
<b>Solid Waste Fund</b>	<b>4,646,648</b>	<b>17,842</b>	<b>4,664,490</b>	<b>5,139,743</b>
<b>Total enterprise funds</b>	<b>\$ 185,307,929</b>	<b>646,691</b>	<b>147,519,539</b>	<b>213,203,416</b>
<b>Internal service funds</b>				
Healthcare Self-Insurance	\$ 6,302,457	\$	\$ 6,302,457	\$ 7,601,515
<b>Total internal service funds</b>	<b>\$ 6,302,457</b>	<b>\$</b>	<b>\$ 6,302,457</b>	<b>\$ 7,601,515</b>
<b>Total all funds</b>	<b>\$ 487,183,614</b>	<b>\$</b>	<b>\$ 320,813,434</b>	<b>\$ 730,130,915</b>

\* Includes actual expenditures/expenses recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated expenditures/expenses for the remainder of the fiscal year.

**Town of Queen Creek  
Expenditures/expenses by department  
Fiscal year 2023**

Department/Fund	Adopted budgeted expenditures/ expenses 2022	Expenditure/ expense adjustments approved 2022	Actual expenditures/ expenses* 2022	Budgeted expenditures/ expenses 2023
<b>Town Council</b>				
General Fund	\$ 444,052	\$	\$ 444,052	\$ 451,445
<b>Town Council Total</b>	<b>\$ 444,052</b>	<b>\$</b>	<b>\$ 444,052</b>	<b>\$ 451,445</b>
<b>Town Manager</b>				
General Fund	\$ 1,141,580	\$ 20,700	\$ 1,162,280	\$ 1,057,830
<b>Town Manager Total</b>	<b>\$ 1,141,580</b>	<b>\$ 20,700</b>	<b>\$ 1,162,280</b>	<b>\$ 1,057,830</b>
<b>Legal Services</b>				
General Fund	\$ 565,000	\$	\$ 565,000	\$ 796,000
<b>Legal Services Total</b>	<b>\$ 565,000</b>	<b>\$</b>	<b>\$ 565,000</b>	<b>\$ 796,000</b>
<b>Town Clerk</b>				
General Fund	\$ 284,121	\$ 250	\$ 284,371	\$ 368,406
<b>Town Clerk Total</b>	<b>\$ 284,121</b>	<b>\$ 250</b>	<b>\$ 284,371</b>	<b>\$ 368,406</b>
<b>Finance</b>				
General Fund	\$ 3,308,469	\$ (314,407)	\$ 2,994,062	\$ 2,909,485
<b>Finance Total</b>	<b>\$ 3,308,469</b>	<b>\$ (314,407)</b>	<b>\$ 2,994,062</b>	<b>\$ 2,909,485</b>
<b>Community Services</b>				
General Fund	\$ 2,771,852	\$ 11,800	\$ 2,783,652	\$ 5,525,522
Parks Development Fund	80,000	(48,875)	31,125	80,000
Library Development Fund	20,000	(9,625)	10,375	20,000
Community Events Fund	165,000	\$	165,000	\$
<b>Community Services Total</b>	<b>\$ 3,036,852</b>	<b>\$ (46,700)</b>	<b>\$ 2,990,152</b>	<b>\$ 5,625,522</b>
<b>Development Services</b>				
General Fund	\$ 3,691,598	\$ 193,209	\$ 3,884,807	\$ 4,425,566
<b>Development Services Total</b>	<b>\$ 3,691,598</b>	<b>\$ 193,209</b>	<b>\$ 3,884,807</b>	<b>\$ 4,425,566</b>
<b>Public Works</b>				
General Fund	\$ 9,417,099	\$ 2,248,182	\$ 11,665,281	\$ 9,667,003
HURF	7,027,077	887,255	7,914,332	8,261,435
Solid Waste Fund	4,646,648	17,842	4,664,490	5,139,743
LTAF	\$	98,203	98,203	100,000
Transportation Development Fund	125,000	23,625	148,625	125,000
Drainage & Transportation Fund	131,669,814	7,441,984	139,111,798	180,551,680
<b>Public Works Total</b>	<b>\$ 152,885,638</b>	<b>\$ 10,717,091</b>	<b>\$ 163,602,729</b>	<b>\$ 203,844,861</b>
<b>Human Resources</b>				
General Fund	\$ 1,091,101	\$ 87,649	\$ 1,178,750	\$ 956,092
<b>Human Resource Total</b>	<b>\$ 1,091,101</b>	<b>\$ 87,649</b>	<b>\$ 1,178,750</b>	<b>\$ 956,092</b>
<b>Information Technology</b>				
General Fund	\$ 4,650,567	\$ 616,618	\$ 5,267,185	\$ 7,406,468
<b>Information Technology Total</b>	<b>\$ 4,650,567</b>	<b>\$ 616,618</b>	<b>\$ 5,267,185</b>	<b>\$ 7,406,468</b>
<b>Economic Development</b>				
General Fund	\$ 1,115,287	\$ (4,124)	\$ 1,111,163	\$ 1,303,498
Municipal Town Center Fund	967,400	662	968,062	752,000
Horseshoe Park Fund	1,936,443	36,700	1,973,143	3,123,075
<b>Economic Development Total</b>	<b>\$ 4,019,130</b>	<b>\$ 33,238</b>	<b>\$ 4,052,368</b>	<b>\$ 5,178,573</b>
<b>Emergency Management Services (EMS)</b>				
Emergency Services Fund	\$ 33,069,993	\$ 4,422,644	\$ 37,492,637	\$ 41,207,620
Public Safety Development Fund	40,000	(19,250)	20,750	40,000
Fire Development Fund	40,000	(19,250)	20,750	40,000
<b>EMS Total</b>	<b>\$ 33,149,993</b>	<b>\$ 4,384,144</b>	<b>\$ 37,534,137</b>	<b>\$ 41,287,620</b>
<b>Utilities Department</b>				
Sewer Utility Fund	\$ 5,014,615	\$ 537,914	\$ 5,552,529	\$ 6,413,422
Sewer Capacity Fund	\$	41,500	41,500	\$
Sewer Capital Fund	31,057,770	137,000	31,194,770	25,272,881
Sewer Debt Fund	2,679,421	\$	2,679,421	1,204,700
Carryforward Allowance	\$	\$	\$	\$
Water Operating Fund	77,197,446	(83,735)	77,113,711	95,321,016
Water Capacity Fund	\$	41,500	41,500	\$
Water Capital Fund	53,454,777	(45,330)	53,409,447	68,883,471
Water Debt Fund	11,257,252	\$	11,257,252	10,968,183
Carryforward Allowance	\$	\$	\$	\$
<b>Utilities Department Total</b>	<b>\$ 180,661,281</b>	<b>\$ 628,849</b>	<b>\$ 181,290,130</b>	<b>\$ 208,063,673</b>
<b>Centralized Service / General Operations</b>				
General Fund	\$ 6,051,050	\$ (1,461,163)	\$ 4,589,887	\$ 5,905,600
General CIP	53,888,492	(6,172,531)	47,715,961	173,462,824
Construction Sales Tax	\$	\$	\$	\$
Town Buildings & Vehicle Development	20,000	(9,625)	10,375	20,000
Grants & Contingency Fund	17,000,000	(8,686,159)	8,313,841	19,000,000
Streetlight Improvement Districts	199,360	\$	199,360	300,000
Special Assessments Fund	1,737,222	\$	1,737,222	1,732,010
Debt Service Fund	13,055,651	\$	13,055,651	16,737,426
Healthcare / Self-Insurance	6,302,457	\$	6,302,457	7,601,515
Carryforward Allowance	\$	\$	\$	\$
<b>Centralized Services / General Operations Total</b>	<b>\$ 98,254,232</b>	<b>\$ (16,329,478)</b>	<b>\$ 81,924,754</b>	<b>\$ 224,759,375</b>
<b>Total All Departments</b>	<b>\$ 487,183,614</b>	<b>\$ (8,837)</b>	<b>\$ 487,174,777</b>	<b>\$ 707,130,916</b>

\* Includes actual expenditures/expenses recognized on the modified accrual or accrual basis as of the date the proposed budget was prepared, plus estimated expenditures/expenses for the remainder of the fiscal year.



**Town of Queen Creek**  
**Full-time employees and personnel compensation**  
**Fiscal year 2023**

Fund	Full-time equivalent (FTE)	Employee salaries and hourly costs	Retirement costs	Healthcare costs	Other benefit costs	Total estimated personnel compensation
	2023	2023	2023	2023	2023	2023
<b>General Fund</b>						
Town Council	\$ 7	\$ 196,151	\$	\$ 69,713	\$ 49,111	\$ 314,975
Town Manager	4	720,859	91,249	58,800	90,842	961,750
Town Clerk	2	206,118	21,564	22,480	15,364	265,526
Finance	39	1,889,258	214,960	240,862	153,660	2,498,740
Community Services	23	2,095,708	205,429	227,567	188,723	2,717,427
Development Services	31	2,858,951	315,206	356,585	271,109	3,801,851
Public Works	53	3,689,501	401,845	575,049	365,508	5,031,903
Human Resources	6	607,982	69,291	65,804	49,725	792,802
Information Technology	17	1,591,857	181,813	214,980	128,420	2,117,070
Economic Development	5	586,374	68,585	63,244	51,845	770,048
Non-Departmental						
<b>Total General Fund</b>	<b>\$ 188</b>	<b>\$ 14,442,759</b>	<b>\$ 1,569,942</b>	<b>\$ 1,895,084</b>	<b>\$ 1,364,307</b>	<b>\$ 19,272,092</b>
<b>Special revenue funds</b>						
Emergency Services	\$ 197	\$ 20,866,104	\$ 2,740,622	\$ 2,841,755	\$ 2,151,558	\$ 28,600,039
HPEC	8	614,215	62,846	71,845	63,183	812,089
HURF	19	1,348,839	141,379	203,459	133,997	1,827,674
<b>Total special revenue funds</b>	<b>\$ 224</b>	<b>\$ 22,829,158</b>	<b>\$ 2,944,847</b>	<b>\$ 3,117,059</b>	<b>\$ 2,348,738</b>	<b>\$ 31,239,802</b>
<b>Capital projects funds</b>						
CIP Administration	\$ 19	\$ 1,924,972	\$ 220,258	\$ 263,190	\$ 168,764	\$ 2,577,184
<b>Total capital projects funds</b>	<b>\$ 19</b>	<b>\$ 1,924,972</b>	<b>\$ 220,258</b>	<b>\$ 263,190</b>	<b>\$ 168,764</b>	<b>\$ 2,577,184</b>
<b>Enterprise funds</b>						
Sewer Utility Fund	\$ 6	\$ 543,653	\$ 58,605	\$ 81,843	\$ 58,330	\$ 742,431
Water Fund	57	6,358,319	687,947	913,353	611,440	8,571,059
Solid Waste Fund	4	411,621	47,013	57,741	36,331	552,706
<b>Total enterprise funds</b>	<b>\$ 67</b>	<b>\$ 7,313,593</b>	<b>\$ 793,565</b>	<b>\$ 1,052,937</b>	<b>\$ 706,101</b>	<b>\$ 9,866,196</b>
<b>Total all funds</b>	<b>\$ 498</b>	<b>\$ 46,510,482</b>	<b>\$ 5,528,612</b>	<b>\$ 6,328,270</b>	<b>\$ 4,587,910</b>	<b>\$ 62,955,274</b>

**TO: HONORABLE MAYOR AND TOWN COUNCIL**  
**THROUGH: JOHN KROSS, TOWN MANAGER, ICMA-CM**  
**FROM: SCOTT MCCARTY, FINANCE DIRECTOR**  
**RE: FY 2022-23 BUDGET COMMITTEE FOLLOW-UP MEMO**  
**DATE: April 25, 2022**

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During budget briefings with the Town Council, as well as during the Budget Committee Meeting on April 11, several questions and comments were raised regarding the FY 2022-23 Town Manager's Recommended Budget. This memo is intended to address those items for the benefit of the full Town Council.

**1. The budget includes one new "Police Support" FTE. What is the role of a Police Support employee in the Police Department?**

The Police Support Specialist position is a non-sworn position with the primary responsibility to investigate accidents and to help with callback reports. They will also be trained to assist with jail transports so that patrol officers don't have to leave the Town.

**2. The Police Department is asking for 15 new positions next year. Will the Police Department be asking for the same number of new FTE in future years?**

Based on the current outlook, the Police Department anticipates to ask for between 15 and 20 positions each year over the next 5 years. This is based off of program needs within the department as the Town continues to grow.

**3. For the new Emergency Transportation Service within the Fire & Medical Department, will you be making lateral hires or will you hire new recruits?**

The recruitment for all ETS positions will be open to both experienced or those with limited experience as long as they meet the minimum qualifications with certifications.

**4. For the new Emergency Transportation Service within the Fire & Medical Department, will you run an academy like you do for new recruits? If not, what is the training program for ETS new hires?**

There will not be an academy for the ETS personnel as we do for sworn fire personnel. We will schedule orientation/training sessions for the new ETS staff that will likely run one to two weeks. These sessions will include town specific training (new hire orientation) as well as training that is specific to the job the new staff will be doing such as driver's training with the ambulances and familiarization with the medical equipment carried on the ambulances.

**5. For the new Emergency Transportation Service within the Fire & Medical Department, will the work shifts mirror sworn fire shifts or will they be regular 8-hour shifts?**

The ETS personnel will work the same shift schedule as our sworn fire staff; the 48/96 schedule. This work schedule means that a person works 48 hours on shift and then off shift for 96 hours before returning to work.

**6. What is the status of the Fire Resource Center given recent cost increases in overall construction costs?**

The original cost estimate for the Fire Resource Center was \$5,025,000. This amount was estimated in 2018 when the project was first recommended to the Town Council for approval. This amount was also included in the 2020 excise tax bonds that were issued in June 2020 to build the facility while the project was still under design.

After the facility's design was complete and while a contractor was being selected, construction costs started to climb due to inflation, supply-chain issues, and labor shortages related to the COVID-19 pandemic. In mid-2021, staff asked the contractor for updated cost estimates, which came in at \$8 million. Staff worked with the contractor and design team to identify potential cost savings through value engineering and changes to the facility's design and possible uses. However, all of the changes considered could not bring the cost back down to the original \$5.0 million estimate.

Costs for all types of construction have continued to increase significantly, both nationally and locally. According to the Bureau of Labor Statistics, the January 2022 Producer Price Index (PPI) for building materials reported a 20.3% year-over-year increase. For example, softwood lumber has increased 73.9%, interior paint has increased 21.2%, concrete was up 9.1%, gypsum products increased 23%, and steel mill products were up 157%. These cost increases are not expected to abate anytime soon, which means the original \$5.0 million cost estimate is no longer realistic.

At the Budget Committee meeting, Chief Gray provided an explanation of the options staff is considering, including reducing the overall footprint and eliminating the interior areas of the facility related to skills training. Finance staff also proposed using some of the Town's federal ARPA funds to cover some of the cost increase, as shown in the slide on the next page.

The Town Council has previously directed staff to use all of the Town's ARPA funds for public safety expenses. Using a portion of the funds for a Fire Resource Center would be consistent with that direction in that the funds would still be used for public safety. Additionally, the federal guidelines for ARPA funds would allow the Town to do so. To date, the Town has not spent any of its \$4.8 million allocation.

# Fire Resource Center

	Original Cost Estimate	Current Cost Estimate	Increase	Optional – Use of ARPA Funds <sup>(1)</sup>
Operating Budget (52%)	\$2.6M	\$4.2M	\$1.6M	\$2.6M
Fire Impact Fees (48%)	<u>\$2.4M</u>	<u>\$3.8M</u>	<u>\$1.4M</u>	\$3.8M
Total	\$5.0M	\$8.0M	\$3.0M	
Use of ARPA Funds <sup>(1)</sup>				<u>\$1.6M</u>
				\$8.0M

(1) The Town's total ARPA allocation is \$4.8M. The balance of ARPA Funds will be applied to Public Safety Personnel Expenses in the Operating Budget, as directed by the Town Council.

While this is one option under consideration, staff is also exploring the possibility of co-locating Fire and Police facilities at another site. Staff expects to bring a formal recommendation to the Town Council during FY 2022-23 where these options can be further considered and discussed.

- 7. The budget includes a new position for the Economic Development team. Given the strong interest in Queen Creek from the business sector right now, is one position adequate to meet the needs of responding to business interest requests?**

Staff believes that one position will be sufficient to address the various inquiries we are currently receiving.

- 8. HPEC: With the addition of 64 stalls, how many stalls will we have in total?**

With the additional stalls, the facility will have a total of 384 stalls.

- 9. HPEC: The request for 64 new stalls includes an estimated annual ongoing expense of \$50,000. What expenses will be incurred by adding these stalls?**

The expense is for bedding/shavings and labor to clean out the stalls. The cost of bedding/shavings is fully recovered through sales of bedding/shavings to the customers, and the cost of cleaning the stalls is partially recovered through the stall rental fee.

- 10. HPEC: Do your cost proposals for an RV dump station include costs for additional signage?**

No; however, any required signage will be minimal and will be paid for with existing operating funds.

**11. HPEC: Will any of the requests for facility improvements require additional staff to operate and maintain the facilities?**

Operations and maintenance for the new facilities is not expected to require additional staff.

**12. State-shared Revenue in the Operating Budget is projected to increase 16%. Why is this rate of increase higher than our population increase of 10%?**

Two factors impact the rate of growth in state-shared revenues. First, the state's economy is growing which increases the total revenues available for sharing among all cities and towns. Second, the Town's population is growing faster than any other city or town in Arizona which means the Town's percent of total AZ population is larger than the prior year. Therefore, the Town is getting a larger slice of a larger economic "pie."

**13. Do we have sufficient data related to online sales tax collections to feel comfortable that businesses are reporting their online sales activity correctly?**

The state-mandated TPT tax return has a separate reporting category for online sales. Businesses use this category to report their online retail activity, and this reporting category is included in the monthly data file we receive from the Department of Revenue (DOR). From our review of the data, we feel comfortable that the larger retailers (WalMart, Target, Amazon, etc.) are using this separate category correctly, and dozens of other smaller entities are using this category as well. It is possible that small businesses are still using the generic "retail" category for their online sales reporting; however, DOR would need to perform extensive auditing to ensure 100% conformity in how businesses use each category. In the end, both retail and online sales tax roll into the same revenue line for the Town's budget, which means the Town is still collecting the sales tax regardless of which category a business uses for reporting.

**14. Do we know if the legislature will continue to make attempts at changing the statutes related to construction sales tax?**

We cannot predict what the legislature will do each year; however, we have not made any changes to our assumptions about construction sales tax revenues for the FY 2022-23 budget. Should the legislature make changes, we will analyze the potential impact to the Town's revenues and recommend adjustments to the budget accordingly.

**15. The amount being added to the Town's Operating Budget 25% Reserve in FY 2022-23 is less than the amount that will be added in FY 2021-22. Please explain why.**

By policy, the 25% Operating Reserve amount is based on the *next* year's estimated revenues, not the budget year's revenues. For example, the reserve amount for FY 2021-22 is based on FY 2022-23 revenue estimates. The Town's adopted budgets typically include conservative revenue estimates for all five years of the Town's financial planning horizon. This means that at the end of any fiscal year when staff closes the Town's books, the amount that is needed to be set aside in the 25% Operating Reserve is based on conservative future revenue estimates.

In recent years, the Town’s actual revenues have well exceeded the original estimates which has required the Town to increase its revenue estimates over all five years of our planning horizon. This increase in revenue estimates automatically increases the amount required to be set aside in the 25% Operating Reserve. In essence, the current-year Reserve needs to “catch up” to be in line with higher revenue estimates. When preparing the next year’s budget, the addition to the Reserve is based on estimated revenues in the following year, which are still increasing but at a smaller rate. The chart below explains the calculation of the 25% Operating Reserve amount for fiscal years 21-22 and 22-23:

	FY 21-22 ADOPTED Budget	FY 21-22 REVISED Budget	FY 22-23 PROPOSED Budget
The <i>next</i> year's budgeted revenue is...	\$ 102.0	\$ 118.8	\$ 130.0
The amount in the 25% Reserve needs to be 25% of <i>next</i> year's budgeted revenue, or...	25.5	29.7	32.5
The amount that is already in the 25% Reserve, before additional funding is...	22.5	22.5	29.7
The increase needed to bring the 25% Reserve to full funding is...	3.0	7.2	2.8

**16. Why was the Recommended Budget increased by \$23 million, from \$707.2 million to \$730.2 million?**

The increase is related to a possible land acquisition. The Town Council recently gave direction to staff to obtain an appraisal and negotiate a purchase contract on property that could be used for construction of a future park. The Town Council also approved adding \$23 million to the upcoming parks excise tax bond to provide funding for the purchase.

When discussions first began with the property owner, staff believed it would be possible to close the land acquisition by June 30, 2022, which would have allowed us to use existing FY 2021-22 budget authority from contingencies. However, staff now believes the process will not be complete until July or August 2022 which will require the use of FY 2022-23 budget authority. This property acquisition was not included in the Town Manager’s Recommended Budget, therefore staff recommended adding \$23 million to the budget to accommodate this potential land acquisition. The Budget Committee agreed with the recommendation and included the \$730.2 million budget amount in its final motion.