



MEMORANDUM Transportation & Development Department - Memo No. TDA14-067

DATE: MARCH 13, 2014

TO: MAYOR AND COUNCIL

THRU: RICH DLUGAS, CITY MANAGER *rd*
MARSHA REED, ASSISTANT CITY MANAGER *mr*
R.J. ZEDER, TRANSPORTATION & DEVELOPMENT DIRECTOR *RJZ*
DAVE SIEGEL, MUNICIPAL UTILITIES DIRECTOR

FROM: DARYL RACZ, DEVELOPMENT PROJECT ADMINISTRATOR *DR*

SUBJECT: CITY PARTICIPATION AGREEMENT CP13-001 WITH ASHTON WOODS ARIZONA, LLC, FOR THE DESIGN AND INSTALLATION OF THE RIGGS ROAD WELL INFRASTRUCTURE ADJACENT TO THE JACARANDA PLACE SUBDIVISION, IN EXCESS OF THEIR OFFSITE IMPROVEMENT OBLIGATION, AT A COST TO THE CITY IN AN AMOUNT NOT TO EXCEED \$58,555.00

RECOMMENDATION: Staff recommends City Council approve City Participation Agreement CP13-001 with Ashton Woods Arizona, LLC, for the design and installation of the Riggs Road Well infrastructure adjacent to the Jacaranda Subdivision, in excess of their offsite improvement obligation, at a cost to the City in an amount not to exceed \$58,555.00.

BACKGROUND AND DISCUSSION: The 2008 Water Master Plan recommends 74.5 million gallons per day (MGD) build-out capacity for groundwater wells. As the City's groundwater wells age, well production will decrease over time. To maintain the required capacity, new wells are needed. The new well, known as the Riggs Road Well, will be located north of Riggs Road, between Gilbert and Lindsay Roads. Both a Municipal Utilities Construction Contract and a Construction Management Services Project Agreement for the new Riggs Road Well are also scheduled for this meeting.

A residential subdivision named Jacaranda Place is being developed on the northwest corner of Riggs Road and South 142nd Street by Ashton Woods Arizona, LLC. The Riggs Road Well infrastructure will extend through the limits of the offsite improvements to 142nd Street and exceeds their development obligation. The City requests the developer design and install the necessary well site infrastructure including electrical and water lines in South 142nd Street in an amount not to exceed \$58,555.00.

FINACIAL IMPLICATION:

Cost	Not to exceed \$58,555.00
Savings	N/A
Long Term Costs	Normal infrastructure operation and maintenance
Funding Source	Riggs Road Well 603.3820.6713.6WA034

PROPOSED MOTION: Move City Council approve City Participation Agreement CP13-001 with Ashton Woods Arizona, LLC, for the design and installation of the Riggs Road Well infrastructure adjacent to the Jacaranda Place Subdivision, in excess of their offsite improvement obligation, at a cost to the City in an amount not to exceed \$58,555.00, and authorize the Mayor to sign the Agreement.

Attachment: City Participation Agreement CP13-001, Location Map

**AGREEMENT FOR CITY PARTICIPATION IN
OFFSITE CONSTRUCTION COSTS
AGREEMENT NUMBER CP13-001**

THIS AGREEMENT, made and entered into this ___ day of _____, 201_, by and between the CITY OF CHANDLER, a municipal corporation of the State of Arizona, hereinafter designated as "City", and Ashton Woods Arizona, LLC referred to herein as "Developer".

RECITALS:

- A. City desires additional offsite improvements as required in connection with development of the following described property:

SEE EXHIBIT "A", LEGAL DESCRIPTION, ATTACHED HERETO AND INCORPORATED HEREIN BY REFERENCE.

- B. A Benefit Study has been performed which determined the Developer's obligation to provide offsite improvements.
- C. The value of the improvements constructed by Developer exceeds the Developer's offsite improvement obligation.
- D. City funds have been budgeted and are available to pay that part of the cost of construction of these improvements which exceed the Developer's obligation.
- E. Existing Development will preclude reimbursement of these costs from other property owners.
- F. Developer desires to enter into an agreement with City for City participation for reimbursement of costs incurred by Developer for construction of offsite improvements bordering existing development that does not belong to Developer, whose value exceeds the Developer's offsite improvement obligation.
- G. Chandler City Code Section 47-11.6 and 47-11.7 authorize the City Council to enter into an agreement providing for City participation for reimbursement to Developer from City funds when requested by developers.

NOW, THEREFORE, it is agreed as follows:

1. Developer agrees to construct improvements as required by the Chandler City Code. Construction shall be in accordance with plans approved by the City Engineer.
2. Developer agrees to pay all construction costs including, but not limited to, right-of-way, easement, legal, engineering, and energization, which are required to complete the work. The improvements eligible for cost reimbursement are described as follows: Design and construction of all infrastructure as it relates to the city well site, as more specifically described on Exhibit "B" attached hereto and incorporated herein.
3. City shall acquire ownership of said improvements, including those eligible for reimbursement, when completed, approved and accepted by written notification to Developer from the City Engineer. Following acceptance, all costs for maintenance and power shall become the responsibility of the City.

4. Should Developer be adjudged bankrupt or make an assignment for benefit of creditors prior to the completion of the construction of the work to be performed under the terms of this Agreement, all rights under the reimbursement provisions hereof, if any, shall be null and void and without force or effect, and facilities constructed prior to bankruptcy become the property of the City in fee simple, free and clear of any and all encumbrances, claims or liens whatsoever of Developer.
5. City Participation. The City's participation in the Project shall be limited to the actual cost of the items included in the Project, up to an amount not to exceed FIFTY EIGHT THOUSAND FIVE HUNDRED FIFTY FIVE DOLLARS AND NO CENTS (\$58,555.00), and the unit costs for those improvements for which the City is providing reimbursement shall not exceed the unit cost for the entire offsite improvements.
6. Progress Payment. The City shall make payments to the Developer for portions of the Project completed by the contractor and accepted by the City. Progress payments for completed work shall be submitted to the City Engineer. Payment requests shall be signed by the contractor and the engineer for the Developer and accompanied by such supporting documentation as may reasonably be required, including, but not limited to, documentation showing Developer's unit costs for all of Developer's offsite improvements.
7. Inspection. Offsite inspection of the construction will be performed by City staff. Any additional inspection required for the construction shall be performed by the Developer's engineer at the Developer's sole expense.
8. As-Built Drawings. As-built drawings shall be prepared and certified by Developer's engineer prior to final acceptance of the Project by the City.
9. Warranty Bond. The Developer, at his expense, shall provide the City with a warranty bond to guarantee, warrant and/or maintain said improvements for a period of one year after final acceptance of the Project by the City.
10. Enforcement. The City shall be entitled to recover all costs, expenses and fees, including reasonable attorney's fees, incurred by it should litigation be instituted to enforce any term or provision of this Agreement or any portion of the amount payable under this Agreement.
11. Governing Law. This Agreement shall be governed by the laws of the State of Arizona and may be executed in counterparts, each of which shall constitute the original. There are no understandings or agreements except as expressly stated herein.
12. Waiver. No waiver by either party of a breach of any of the terms, covenants or conditions of this Agreement shall be construed or held to be a waiver of any succeeding or preceding breach of the same or any other term, covenant or condition herein contained.
13. Severability. In the event that any phrase, clause, sentence, paragraph, section, article or portion of this Agreement shall become illegal, null or void or against public policy, for any reason, or shall be held by any court of competent jurisdiction to be illegal, null or void or against public policy, the remaining portions of this Agreement shall not be affected thereby and shall remain in force and effect to the fullest extent permissible by law, except if the remaining portions of the Agreement do not provide one or both of the parties with the essential consideration for entering into this Agreement.

14. Entire Agreement. This Agreement constitutes the entire agreement between the parties hereto pertaining to the subject matter hereof and all prior and contemporaneous agreements, representations, negotiations and understandings of the parties hereto, oral or written, are hereby superseded and merged herein.

IN WITNESS WHEREOF, the City has caused this Agreement to be duly executed in its name and behalf by its Mayor and its seal to be hereunder duly affixed and attested by its City Clerk, and the Developer has signed the same, on or as of the day and year first above written.

CITY OF CHANDLER, a municipal corporation of the State of Arizona

ATTEST:

City Clerk

Mayor

APPROVED AS TO FORM:

[Signature]
City Attorney

STATE OF ARIZONA)
)ss
County of Maricopa)

The foregoing Agreement was acknowledged before me this ____ day of _____, 200_ by _____, Mayor of the City of Chandler, who acknowledges that he signed the foregoing instrument on behalf of the City of Chandler.

Notary Public

My Commission Expires:

Ashton Woods Arizona, LLC

By: [Signature]

Its: Dir. Pres.

STATE OF ARIZONA)
)ss
County of Maricopa)

On this 30th day of January, 2014, before me the undersigned Notary Public, personally appeared Scott Moore, of Ashton Woods Arizona, and that he/she being authorized so to do, executed the foregoing Agreement in the capacity therein stated and for the purposes therein contained.

[Signature]
Notary Public

My Commission Expires: Jan 2, 2016

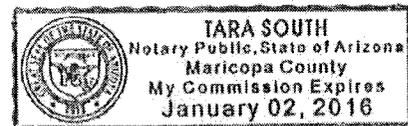


EXHIBIT "A"
LEGAL DESCRIPTION

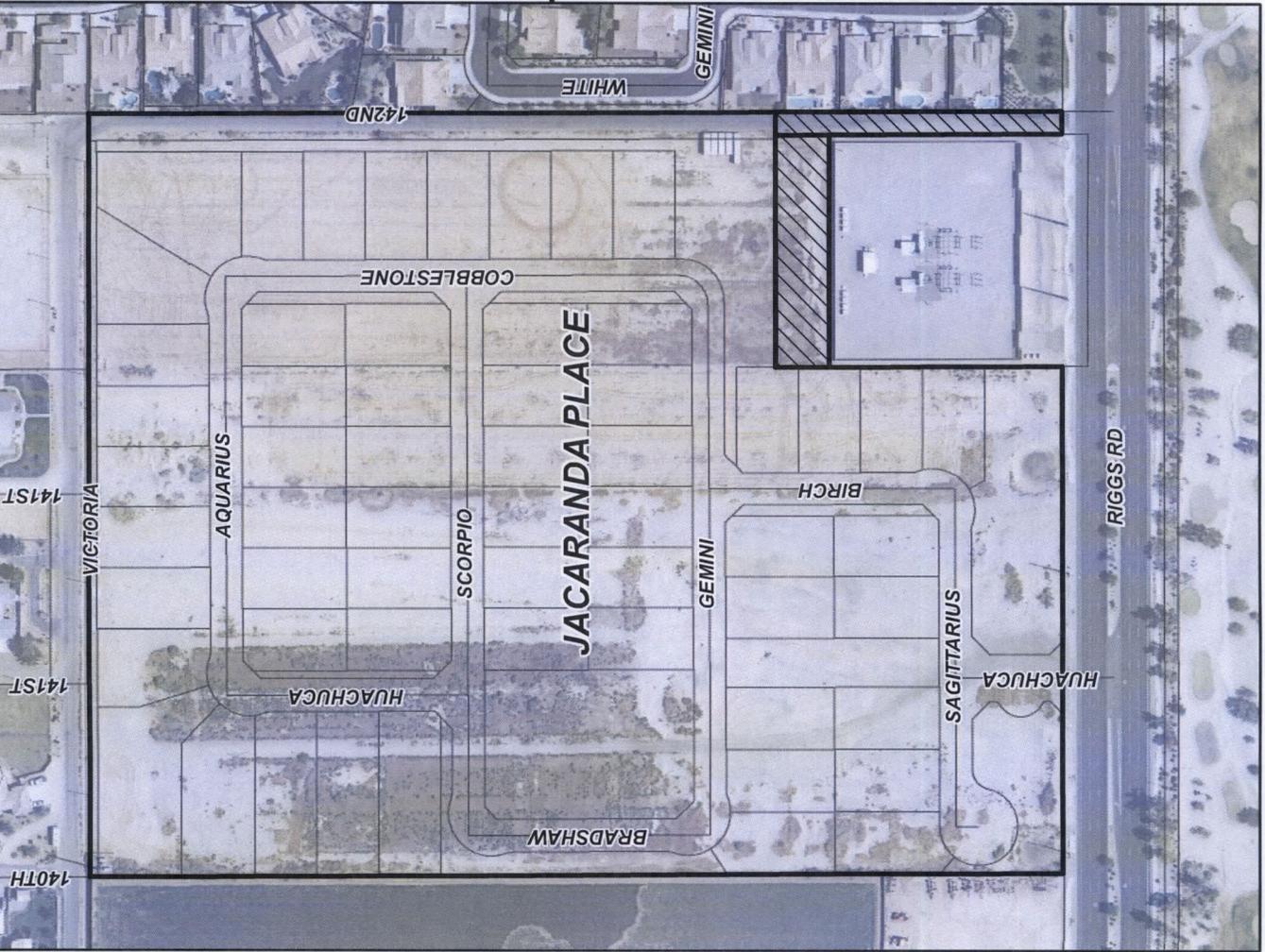
Lots 1 through 57, inclusive, and Tracts A through M, inclusive of JACARANDA PLACE RE-PLAT, a subdivision recorded in Book 1166 of Maps, Page 27, records of Maricopa County, Arizona.

EXHIBIT "B"

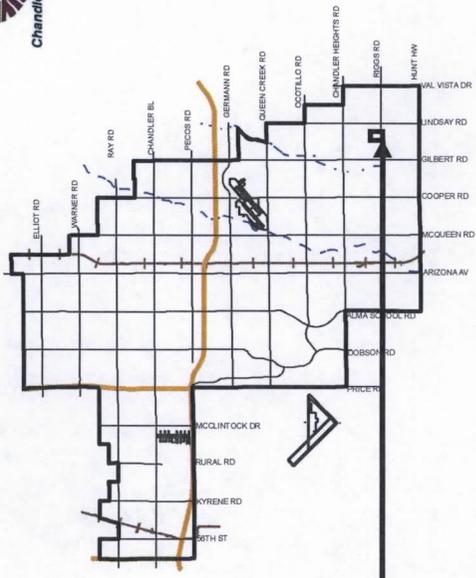
**TOTAL COST FOR DESIGN AND INSTALLATION OF CITY WELLSITE
INFRASTRUCTURE**

Description	Qty	Unit	Cost	Total
12" Waterline Stub	1	LS	\$1,830.00	\$1,830.00
12"x2" cap with blowoff	1	EA	\$600.00	\$600.00
12" VB&C	2	EA	\$1,900.00	\$3,800.00
10" DIP reclaimed water line	1019	LF	\$41.50	\$42,288.00
10" VB&C	1	EA	\$1,800.00	\$1,800.00
MAG 250-2 Driveway w/ sidewalk	1	EA	\$2,400.00	\$2,400.00
Water Valve Adjustment	2	EA	\$260.00	\$520.00
SRP Design	1	LS	\$2,697.00	\$2,697.00
Bowman Design	1	LS	\$2,620.00	\$2,620.00

Total **\$58,555.00**



JACARANDA PLACE AT RIGGS RD / 142 ST CP 13-001



MEMO NO. TDA14-067

-  JACARANDA PLACE
-  PROJECT LOCATION

