



# CITY COUNCIL AGENDA

CITY COUNCIL CHAMBERS . 11465 WEST CIVIC CENTER DRIVE . AVONDALE, AZ 85323

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**WORK SESSION**  
**May 19, 2014**  
**6:00 PM**

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## CALL TO ORDER BY MAYOR

- 1 **ROLL CALL BY THE CITY CLERK**
2. **Proposed Amendment to Chapter 10 of the Avondale City Code Relating to Fireworks**  
City Council will receive information regarding changes in state law affecting the city's fireworks ordinance and review the proposed amendments to the Chapter 10 of the Avondale City Code. For information, discussion and direction.
3. **Arizona 51st Legislature -- Second Regular Session Wrap Up Report**  
Staff will provide a legislative wrap-up of key bills heard during the 2014 Arizona State Legislature 51st Legislature - Second Regular Session. For information and discussion only.
- 4 **ADJOURNMENT**

Respectfully submitted,

Carmen Martinez  
City Clerk

Individuals with special accessibility needs, including sight or hearing impaired, large print, or interpreter, should contact the City Clerk at 623-333-1200 or TDD 623-333-0010 at least two business days prior to the Council Meeting.

Personas con necesidades especiales de accesibilidad, incluyendo personas con impedimentos de vista u oído, o con necesidad de impresión grande o intérprete, deben comunicarse con la Secretaria de la Ciudad at 623-333-1200 o TDD 623-333-0010 cuando menos dos días hábiles antes de la junta del Concejo.

Notice is hereby given that pursuant to A.R.S. 1-602.A.9, subject to certain specified statutory exceptions, parents have a right to consent before the State or any of its political subdivisions make a video or audio recording of a minor child. Meetings of the City Council may be audio and/or video recorded and, as a result, proceedings in which children are present may be subject to such recording. Parents, in order to exercise their rights may either file written consent with the City Clerk to such recording, or take personal action to ensure that their child or children are not present when a recording may be made. If a child is present at the time a recording is made, the City will assume that the rights afforded parents pursuant to A.R.S. 1-602.A.9 have been waived.

De acuerdo con la ley A.R.S. 1-602.A.9, y sujeto a ciertas excepciones legales, se da aviso que los padres tienen derecho a dar su consentimiento antes de que el Estado o cualquier otra entidad política haga grabaciones de video o audio de un menor de edad. Las juntas del Concejo de la Ciudad pueden ser grabadas y por consecuencia, existe la posibilidad de que si hay menores de edad presentes estos aparezcan en estos videos o grabaciones de audio. Los padres puedan ejercitar su derecho si presentan su consentimiento por escrito a la Secretaria de la Ciudad, o pueden asegurarse que los niños no estén presentes durante la grabación de la junta. Si hay algún menor de edad presente durante la grabación, la Ciudad dará por entendido que los padres han renunciado sus derechos de acuerdo a la ley contenida A.R.S. 1-602.A.9.



## CITY COUNCIL AGENDA

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**SUBJECT:**

Proposed Amendment to Chapter 10 of the Avondale City Code Relating to Fireworks

**MEETING DATE:**

5/19/2014

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**TO:** Mayor and Council**FROM:** Paul Adams, Fire Chief (623) 333-6100**THROUGH:** David Fitzhugh, Acting City Manager**PURPOSE:**

Staff will provide council with information regarding changes in state law affecting the city's fireworks ordinance and review the proposed amendments to the Chapter 10 of the Avondale City Code.

**BACKGROUND:**

On December 6, 2010 the city council adopted Ordinance 1432-1210 which amended Chapter 10 of the city code adding Article IV relating to the sale and use of fireworks within the city limits. In the recently completed legislative session SB1158, including an emergency clause, was adopted and signed by the Governor. This legislation amended Chapter 13, Article 1 of the Arizona Revised Statutes relating to the sale and use of fireworks within the State of Arizona, which will require Avondale to amend the city code relating to fireworks.

**DISCUSSION:**

Under the current city code the use of fireworks within the city limits is prohibited at any time. At the time the city ordinance was adopted state statute preempted the city from restricting the sale of fireworks in any manner. The recent changes to state law have modified the city's ability in both the sales and use areas and will require that the city amend its ordinance in order to comply with state law.

To be in compliance with state law staff is recommending the following amendments to Chapter 10, Article IV of the City Code relating to fireworks:

- The sale of fireworks within the city limits will be prohibited except that permissible consumer fireworks may be sold during the periods of May 20 through July 6 and December 10 through January 3 of each year
- The use of fireworks within the city limits will be prohibited except that permissible consumer fireworks may be used during the periods of June 24 through July 6 and December 24 through January 3 of each year
- The penalty for violation is changed from a class 3 misdemeanor to a civil penalty of \$1000.

The recent legislation also further clarified the types of fireworks that were permitted or restricted which will help address issues with certain vendors that were encountered this past December as to whether or not certain products that were being sold were permissible.

A copy of the chaptered version of SB1158 is attached to this report for further reference.

**BUDGET IMPACT:**

There would be no budgetary impact associated with this item.

**RECOMMENDATION:**

This item is for information, discussion and direction only. No action is requested.

**ATTACHMENTS:**

**Description**

[SB 1158 Chaptered Version](#)

[Proposed Amendment](#)

State of Arizona  
Senate  
Fifty-first Legislature  
Second Regular Session  
2014

**CHAPTER 108**  
**SENATE BILL 1158**

AN ACT

AMENDING SECTIONS 36-1601, 36-1605, 36-1606 AND 36-1608, ARIZONA REVISED  
STATUTES; RELATING TO FIREWORKS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 36-1601, Arizona Revised Statutes, is amended to  
3 read:

4 36-1601. Definitions

5 In this article, unless the context otherwise requires:

6 1. "APA 87-1" MEANS THE AMERICAN PYROTECHNICS ASSOCIATION STANDARD  
7 87-1, STANDARD FOR CONSTRUCTION AND APPROVAL FOR TRANSPORTATION OF FIREWORKS,  
8 NOVELTIES AND THEATRICAL PYROTECHNICS, DECEMBER 1, 2001 VERSION.

9 ~~1.~~ 2. "Consumer firework" means small firework devices that contain  
10 restricted amounts of pyrotechnic composition designed primarily to produce  
11 visible or audible effects by combustion and that comply with the  
12 construction, chemical composition and labeling regulations prescribed in 49  
13 Code of Federal Regulations ~~part~~ PARTS 172 and 173, regulations of the United  
14 States consumer product safety commission as prescribed in 16 Code of Federal  
15 Regulations parts 1500 and 1507 and the ~~American pyrotechnics association~~  
16 ~~standard APA 87-1, standard for construction and approval for transportation~~  
17 ~~of fireworks, novelties and theatrical pyrotechnics, December 1, 2001~~  
18 ~~version.~~

19 ~~2.~~ 3. "Display firework" means large firework devices that are  
20 explosive materials intended for use in fireworks displays and designed to  
21 produce visible or audible effects by combustion, deflagration or detonation  
22 as prescribed by 49 Code of Federal Regulations part 172, regulations of the  
23 United States consumer product safety commission as prescribed in 16 Code of  
24 Federal Regulations parts 1500 and 1507 and the ~~American pyrotechnics~~  
25 ~~association standard APA 87-1, standard for construction and approval for~~  
26 ~~transportation of fireworks, novelties and theatrical pyrotechnics, December~~  
27 ~~1, 2001 version.~~

28 ~~3.~~ 4. "Fireworks":

29 (a) Means any combustible or explosive composition, substance or  
30 combination of substances, or any article prepared for the purpose of  
31 producing a visible or audible effect by combustion, explosion, deflagration  
32 or detonation, that is a consumer firework or display firework.

33 (b) Does not include:

34 (i) Toy pistols, toy canes, toy guns or other devices in which paper  
35 caps containing not more than twenty-five hundredths grains of explosive  
36 compound are used if constructed so that the hand cannot come in contact with  
37 the cap when in place for the explosion.

38 (ii) Toy pistol paper caps that contain less than twenty-hundredths  
39 grains of explosive mixture, or fixed ammunition or primers therefor.

40 (iii) Federally deregulated novelty items that are known as snappers,  
41 snap caps, party poppers, glow worms, snakes, toy smoke devices and  
42 sparklers.

43 (iv) PERMISSIBLE CONSUMER FIREWORKS.

44 ~~4.~~ 5. "Governing body" means the board of supervisors of a county as  
45 to the area within the county but without the corporate limits of an

1 incorporated city or town and means the governing body of an incorporated  
2 city or town as to the area within its corporate limits.

3 ~~5.~~ 6. "Permissible consumer fireworks":

4 (a) Means the following types of consumer fireworks as defined by the  
5 ~~American pyrotechnics association standard APA 87-1, standard for~~  
6 ~~construction and approval for transportation of fireworks, novelties and~~  
7 ~~theatrical pyrotechnics, December 1, 2001 version:~~

8 (i) Ground and handheld sparkling devices.

9 (ii) Cylindrical fountains.

10 (iii) Cone fountains.

11 (iv) Illuminating torches.

12 (v) Wheels.

13 (vi) Ground spinners.

14 (vii) Flitter sparklers.

15 (viii) Toy smoke devices.

16 (ix) Wire sparklers or dipped sticks.

17 (x) Multiple tube ~~fireworks~~ GROUND AND HANDHELD SPARKLING devices, ~~and~~  
18 ~~pyrotechnic articles~~ CYLINDRICAL FOUNTAINS, CONE FOUNTAINS AND ILLUMINATING  
19 TORCHES MANUFACTURED IN ACCORDANCE WITH SECTION 3.5 OF THE APA 87-1.

20 (b) Does not include anything that is designed or intended to rise  
21 into the air and explode or to detonate in the air or to fly above the  
22 ground, including, ~~for example,~~ firework items ~~commonly~~ DEFINED BY THE APA  
23 87-1 AND known as FIRECRACKERS, bottle rockets, sky rockets, missile-type  
24 rockets, helicopters, AERIAL SPINNERS, torpedoes, roman candles, ~~and jumping~~  
25 ~~jacks~~ MINE DEVICES, SHELL DEVICES AND AERIAL SHELL KITS OR RELOADABLE TUBES.

26 ~~6.~~ 7. "Person" includes an individual, partnership, firm or  
27 corporation.

28 Sec. 2. Section 36-1605, Arizona Revised Statutes, is amended to read:  
29 36-1605. Permitted uses; violations; civil penalties

30 A. This article does not prohibit:

31 1. The sale at wholesale by a resident wholesaler, dealer or jobber of  
32 fireworks that are not prohibited by this article.

33 2. The sale of fireworks TO BONA FIDE WHOLESALERS, DEALERS OR JOBBERS  
34 that are to be and are shipped directly out of the state, IF THE SELLER OF  
35 FIREWORKS UNDER THIS PARAGRAPH MAINTAINS FOR A PERIOD OF FIVE YEARS AND MAKES  
36 AVAILABLE ON REQUEST TO THE STATE FIRE MARSHAL OR LOCAL FIRE MARSHAL, AS  
37 APPLICABLE, THE FOLLOWING INFORMATION:

38 (a) THE NAME AND ADDRESS OF EACH BONA FIDE WHOLESALER, DEALER OR  
39 JOBBER FOR WHICH A SHIPMENT IS TO BE AND IS MADE DIRECTLY OUT OF THE STATE,  
40 INCLUDING EACH WHOLESALER'S, DEALER'S AND JOBBER'S APPLICABLE STATE FIREWORKS  
41 PERMIT.

42 (b) AN INVOICE FOR EACH SALE FOR WHICH A SHIPMENT IS TO BE AND IS MADE  
43 DIRECTLY OUT OF THE STATE THAT CONTAINS A DETAILED LISTING OF THE PRODUCTS  
44 SOLD FOR THE SHIPMENT THAT IS TO BE AND IS MADE DIRECTLY OUT OF THE STATE.

45 (c) A BILL OF LADING FOR EACH SHIPMENT THAT IS TO BE AND IS SHIPPED  
46 DIRECTLY OUT OF THE STATE THAT CONTAINS BOTH OF THE FOLLOWING:

- 1 (i) THE NAME AND ADDRESS OF THE OUT-OF-STATE SHIPMENT DESTINATION.  
2 (ii) THE NAME OF THE PRIVATE CARRIER MAKING THE OUT-OF-STATE DELIVERY.  
3 (d) A STATEMENT FROM EACH BONA FIDE WHOLESALER, DEALER OR JOBBER  
4 PURCHASING FIREWORKS THAT ARE TO BE AND ARE SHIPPED DIRECTLY OUT OF THE STATE  
5 THAT CONTAINS BOTH OF THE FOLLOWING:  
6 (i) THE PURPOSE FOR WHICH THE FIREWORKS THAT ARE TO BE AND ARE SHIPPED  
7 DIRECTLY OUT OF THE STATE ARE TO BE USED, INCLUDING THE LOCATION WHERE THE  
8 FIREWORKS WILL BE USED.  
9 (ii) THAT THE FIREWORKS THAT ARE NOT PERMISSIBLE FIREWORKS IN THIS  
10 STATE ARE FOR SALE OR USE ONLY OUTSIDE OF THIS STATE.  
11 3. The use of fireworks by railroads or other transportation agencies  
12 for signal purposes or illumination.  
13 4. The sale or use of explosives for blasting or other legitimate  
14 industrial purposes.  
15 5. The use of fireworks or explosives, or both, by farmers, ranchers  
16 and their employees WHO ARE REGULATED UNDER TITLE 3, and by state and federal  
17 employees who manage wildlife resources, to rally, drive or otherwise  
18 disperse concentrations of wildlife for the purpose of protecting property or  
19 wildlife, IF THE SELLER OF FIREWORKS FOR USE UNDER THIS PARAGRAPH MAINTAINS  
20 FOR A PERIOD OF FIVE YEARS AND MAKES AVAILABLE ON REQUEST TO THE STATE FIRE  
21 MARSHAL OR LOCAL FIRE MARSHAL, AS APPLICABLE, ALL OF THE FOLLOWING  
22 INFORMATION:  
23 (a) THE NAME AND ADDRESS OF EACH PERSON OR BUSINESS PURCHASING  
24 FIREWORKS FOR USE PURSUANT TO THIS PARAGRAPH.  
25 (b) A COPY OF ONE OF THE FOLLOWING TYPES OR CATEGORIES OF CURRENT  
26 LICENSES ISSUED BY THE ARIZONA DEPARTMENT OF AGRICULTURE FOR EACH PERSON OR  
27 BUSINESS PURCHASING FIREWORKS FOR USE PURSUANT TO THIS PARAGRAPH:  
28 (i) DAIRY AND MILK LICENSE.  
29 (ii) EGG AND EGG PRODUCTS LICENSE.  
30 (iii) FEEDLOT LICENSE.  
31 (iv) CITRUS, FRUIT AND VEGETABLE LICENSE.  
32 (v) BRAND LICENSE.  
33 (vi) PESTICIDE USE LICENSE.  
34 (c) A STATEMENT FROM EACH PERSON OR BUSINESS PURCHASING FIREWORKS FOR  
35 USE PURSUANT TO THIS PARAGRAPH THAT CONTAINS THE PURPOSE FOR WHICH THE  
36 FIREWORKS ARE TO BE USED, INCLUDING THE LOCATION WHERE THE FIREWORKS WILL BE  
37 USED.  
38 6. The sale of permissible consumer fireworks by a retail  
39 establishment if the retail establishment complies with the rules adopted  
40 pursuant to section 36-1609.  
41 7. The use of permissible consumer fireworks by the general public,  
42 unless the use is prohibited by a governing body of an incorporated city or  
43 town.  
44 B. A PERSON WHO FAILS TO MAINTAIN OR TO MAKE AVAILABLE ON REQUEST  
45 RECORDS AS REQUIRED BY SUBSECTION A, PARAGRAPH 2 OF THIS SECTION IS SUBJECT  
46 TO A CIVIL PENALTY OF FIVE HUNDRED DOLLARS PER VIOLATION. A PERSON WHO

1 ATTEMPTS TO PURCHASE FIREWORKS THAT ARE TO BE AND ARE SHIPPED DIRECTLY OUT OF  
2 THE STATE PURSUANT TO SUBSECTION A, PARAGRAPH 2 OF THIS SUBSECTION, OTHER  
3 THAN PERMISSIBLE FIREWORKS, FOR USE IN THIS STATE IS SUBJECT TO A CIVIL  
4 PENALTY OF ONE HUNDRED FIFTY DOLLARS PER VIOLATION. A SELLER OF FIREWORKS  
5 WHO ATTEMPTS EITHER TO SELL FIREWORKS PURSUANT TO SUBSECTION A, PARAGRAPH 2  
6 OF THIS SECTION, OTHER THAN PERMISSIBLE FIREWORKS, FOR USE IN THIS STATE OR  
7 TO AID A PURCHASER IN PURCHASING FIREWORKS PURSUANT TO SUBSECTION A,  
8 PARAGRAPH 2 OF THIS SECTION, OTHER THAN PERMISSIBLE FIREWORKS, FOR USE IN  
9 THIS STATE IS SUBJECT TO A CIVIL PENALTY OF ONE THOUSAND DOLLARS PER  
10 VIOLATION AND THE STATE FIRE MARSHAL OR LOCAL FIRE MARSHAL, AS APPLICABLE,  
11 MAY PROHIBIT THE SELLER FROM SELLING PERMISSIBLE FIREWORKS IN THIS STATE OR  
12 THE APPLICABLE JURISDICTION.

13 C. A PERSON WHO FAILS TO MAINTAIN OR TO MAKE AVAILABLE ON REQUEST  
14 RECORDS AS REQUIRED BY SUBSECTION A, PARAGRAPH 5 OF THIS SECTION IS SUBJECT  
15 TO A CIVIL PENALTY OF FIVE HUNDRED DOLLARS PER VIOLATION. A PERSON WHO  
16 ATTEMPTS TO USE FIREWORKS PURCHASED PURSUANT TO SUBSECTION A, PARAGRAPH 5 OF  
17 THIS SECTION FOR A USE OTHER THAN THE USE AUTHORIZED PURSUANT TO SUBSECTION  
18 A, PARAGRAPH 5 OF THIS SECTION IS SUBJECT TO A CIVIL PENALTY OF ONE HUNDRED  
19 FIFTY DOLLARS PER VIOLATION. A SELLER OF FIREWORKS UNDER SUBSECTION A,  
20 PARAGRAPH 5 OF THIS SECTION WHO ATTEMPTS EITHER TO SELL FIREWORKS TO A  
21 PURCHASER FOR USE IN THIS STATE OTHER THAN THE USE AUTHORIZED BY SUBSECTION  
22 A, PARAGRAPH 5 OF THIS SECTION OR TO AID A PURCHASER IN PURCHASING FIREWORKS  
23 FOR USE IN THIS STATE OTHER THAN AS AUTHORIZED BY SUBSECTION A, PARAGRAPH 5  
24 OF THIS SECTION IS SUBJECT TO A CIVIL PENALTY OF ONE THOUSAND DOLLARS PER  
25 VIOLATION AND THE STATE FIRE MARSHAL OR LOCAL FIRE MARSHAL, AS APPLICABLE,  
26 MAY PROHIBIT THE SELLER FROM SELLING PERMISSIBLE FIREWORKS IN THIS STATE OR  
27 THE APPLICABLE JURISDICTION.

28 Sec. 3. Section 36-1606, Arizona Revised Statutes, is amended to read:

29 36-1606. Consumer fireworks regulation; state preemption;  
30 further regulation of fireworks by local  
31 jurisdiction

32 A. The sale and use of permissible consumer fireworks are of statewide  
33 concern. The regulation of permissible consumer fireworks pursuant to this  
34 article and their use is not subject to further regulation by a governing  
35 body, except that an incorporated city or town **IN A COUNTY WITH A POPULATION**  
36 **OF LESS THAN FIVE HUNDRED THOUSAND PERSONS** may regulate the use **AND SALE** of  
37 permissible consumer fireworks within its corporate limits and a county **WITH**  
38 **A POPULATION OF LESS THAN FIVE HUNDRED THOUSAND PERSONS** may regulate the use  
39 **AND SALE** of permissible consumer fireworks within the unincorporated areas of  
40 the county ~~during times when there is a reasonable risk of wildfires in the~~  
41 ~~immediate~~ **WHEN A FEDERAL OR STATE AGENCY IMPLEMENTS STAGE ONE FIRE**  
42 **RESTRICTIONS IN ANY PORTION OF THE** county.

43 B. **IN A COUNTY WITH A POPULATION OF MORE THAN FIVE HUNDRED THOUSAND**  
44 **PERSONS, AN INCORPORATED CITY OR TOWN MAY REGULATE THE USE AND SALE OF**  
45 **PERMISSIBLE CONSUMER FIREWORKS WITHIN ITS CORPORATE LIMITS AND THE COUNTY MAY**

1 REGULATE THE USE AND SALE OF PERMISSIBLE CONSUMER FIREWORKS WITHIN THE  
2 UNINCORPORATED AREAS OF THE COUNTY.

3 C. EXCEPT AS PROVIDED IN SECTION 36-1608 AND NOTWITHSTANDING  
4 SUBSECTION B OF THIS SECTION:

5 1. THE SALE OF PERMISSIBLE CONSUMER FIREWORKS SHALL BE ALLOWED FROM  
6 MAY 20 THROUGH JULY 6 AND DECEMBER 10 THROUGH JANUARY 3 EACH YEAR.

7 2. THE USE OF PERMISSIBLE CONSUMER FIREWORKS SHALL BE ALLOWED FROM  
8 JUNE 24 THROUGH JULY 6 AND DECEMBER 24 THROUGH JANUARY 3 EACH YEAR.

9 D. This article does not prohibit the imposition by ordinance of  
10 further regulations and prohibitions on the sale, use and possession of  
11 fireworks other than permissible consumer fireworks by a governing body. A  
12 governing body shall not permit or authorize the sale, use or possession of  
13 any fireworks in violation of this article.

14 Sec. 4. Section 36-1608, Arizona Revised Statutes, is amended to read:

15 36-1608. Violation; civil penalty; classification

16 A. A person violating a provision of this article is ~~guilty of a class~~  
17 ~~3 misdemeanor~~ SUBJECT TO A CIVIL PENALTY OF ONE THOUSAND DOLLARS.

18 B. A PERSON WHO USES FIREWORKS OR PERMISSIBLE CONSUMER FIREWORKS ON  
19 PRESERVATION LANDS OWNED BY A CITY OR TOWN THAT HAS PURCHASED MORE THAN  
20 FIFTEEN THOUSAND ACRES OF LAND FOR PRESERVATION PURPOSES IS GUILTY OF A CLASS  
21 1 MISDEMEANOR AND SHALL PAY A FINE OF AT LEAST ONE THOUSAND DOLLARS.

22 Sec. 5. Emergency

23 This act is an emergency measure that is necessary to preserve the  
24 public peace, health or safety and is operative immediately as provided by  
25 law.

APPROVED BY THE GOVERNOR APRIL 22, 2014.

FILED IN THE OFFICE OF THE SECRETARY OF STATE APRIL 23, 2014.

## **Article IV – Fireworks.**

10-44 Definitions

10-45 Use of fireworks prohibited; exceptions

10-46 Sale of fireworks

10-47 Authority to enforce violations of this article; means of enforcement

10-48 Liability for emergency responses related to use of fireworks

10-49 Penalty

**Section 10-44 - Definitions.** The following words, terms and phrases, when used in this article, have the meanings ascribed to them in this article, except where the context clearly indicates a different meaning:

**“Consumer Firework”** means those fireworks defined as such by ARIZ. REV. STAT. § 36-1601, as amended.

**“Display Firework”** means those fireworks defined as such by ARIZ. REV. STAT. § 36-1601, as amended.

**“Expenses of an Emergency Response”** means reasonable costs directly incurred by public agencies, for-profit entities or not-for-profit entities that make an appropriate emergency response to an incident.

**“Fireworks”** means any combustible or explosive composition, substance or combination of substances, or any article prepared for the purpose of producing a visible or audible effect by combustion, explosion, deflagration or detonation, including a consumer firework, display firework or permissible consumer firework as defined by ARIZ. REV. STAT. § 36-1601, as amended.

**“Novelty Items”** means federally deregulated novelty items that are known as snappers, snap caps, party poppers, glow worms, snakes, toy smoke devices, sparklers, and certain toys excluded from the definition of fireworks, as fireworks is defined in ARIZ. REV. STAT. § 36-1601, as amended.

**“Permissible Consumer Fireworks”** means those fireworks defined as such by ARIZ. REV. STAT. § 36-1601, as amended.

**“Reasonable Costs”** includes the costs of providing police, fire fighting, rescue and emergency medical services at the scene of an incident and the salaries of the persons who respond to the incident.

**“Supervised Public Display”** means a monitored performance of display fireworks open to the public and authorized by permit by the fire chief or authorized designee.

**Section 10-45 - Use of Fireworks prohibited; exceptions.**

(a) The use, discharge or ignition of fireworks within the corporate limits of the city is prohibited, except that permissible consumer fireworks may be used during the periods of June 24 through July 6 and December 24 through January 3 of each year.

(b) Nothing in this Section 10-45 or in this article shall be construed to prohibit the use, discharge or ignition of novelty items or the occurrence of a supervised public display of fireworks.

(c) Permits may be granted by the fire chief or his authorized designee for conducting a properly supervised public display of fireworks. Every such supervised public display of fireworks shall be of such character and so located, discharged or fired, only after proper inspection and in a manner that does not endanger persons, animals or property. A permit shall not be issued, and may be revoked, during time periods of high fire danger warnings as declared by the United States National Weather Service. The fire chief or authorized designee has authority to impose conditions on any permits granted.

(d) Failure to comply with any permit requirements issued by the fire chief or authorized designee is a civil offense punishable by a fine of up to seven hundred and fifty dollars (\$750.00) for each violation.

**Section 10-46 - Sale of fireworks.**

(a) The sale of fireworks within the corporate limits of the city is prohibited, except that permissible consumer fireworks may be sold during the periods of May 20 through July 6 and December 10 through January 3 of each year.

(b) Nothing in this section 10-46 or in this article shall be construed to prohibit the sale of novelty items.

(c) No person shall sell, permit or authorize the sale of permissible consumer fireworks to a person who is under sixteen (16) years of age.

(d) Permits for the sale of permissible consumer fireworks are required and may be granted by the fire chief or authorized designee. Violations of this article or Arizona Revised Statute, Chapter 13, Article 1, shall be grounds for immediate revocation of such permit.

(e) The storage of fireworks within the corporate limits of the city shall be in accordance with the National Fire Protection Association Standards 1124, 2006 Edition, as amended.

(f) No person shall sell, permit or authorize the sale of permissible consumer fireworks in conflict with state law.

**Section 10-47 - authority to enforce violations of this article; means of enforcement.**

(a) The fire chief or his authorized designee, a city police officer, a city code enforcement officer, a city park ranger or the city prosecutor may issue civil complaints to enforce violations of this article designated as civil offenses.

(b) Any person authorized pursuant to this section 10-47 to issue a civil complaint may also issue a notice of violation specifying actions to be taken and the time in which they are to be taken to avoid issuance of a civil complaint.

**Section 10-48 - Liability for emergency responses related to use of fireworks.**

(a) A person who uses, discharges or ignites permissible consumer fireworks, fireworks or anything that is designed or intended to rise into the air and explode or to detonate in the air or to fly above the ground, is liable for the expenses of any emergency response that is required by such use, discharge or ignition. The fact that a person is convicted or found responsible for a violation(s) of this article is prima facie evidence of liability under this section 10-49.

(b) The expenses of an emergency response are a charge against the person liable for those expenses pursuant to subsection (a) of this section 10-48. The charge constitutes a debt of that person and may be collected proportionately by the public agencies, for-profit entities or not-for-profit entities that incurred the expenses. The liability imposed under this section 10-48 is in addition to and not in limitation of any other liability that may be imposed.

**Section 10-49 - Penalty.**

Unless otherwise specifically set forth in this article, the penalty for violating any prohibition or requirement imposed by this article is a fine of one thousand dollars (\$1,000.00).



## CITY COUNCIL AGENDA

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**SUBJECT:**

Arizona 51st Legislature -- Second Regular  
Session Wrap Up Report

**MEETING DATE:**

5/19/2014

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**TO:** Mayor and Council**FROM:** Pier Simeri, Community Relations and Public Affairs Director (623) 333-1611**THROUGH:** David Fitzhugh, Acting City Manager**PURPOSE:**

Staff will update Council on the highlights of the key bills heard during the 2014 Arizona State Legislature 51st Second Session.

**BACKGROUND:**

The 2014 - 51st Regular Session adjourned sine die on April 24. The legislature was in session for 101 days. During that time, legislators introduced a total of 1,350 bills, resolutions and memorials; 302 bills passed; the governor signed 277 bills and vetoed 25.

Key issues the legislature dealt with included funding for additional CPS case workers, partial funding for the new stand-alone agency for child welfare, passing a \$9.22 billion state budget, and enacting a modified form of the Governor's sales tax exemption on electricity for manufacturers. Staff will update council on key measures that passed the legislature and discuss their impact.

**DISCUSSION:**

This session, CPS and un-investigated child abuse complaints dominated the headlines. While these headlines grabbed the public's attention, cities were concerned with a host of other bills which threatened revenues and local control.

**2015 Budget:**

The Joint Legislative Budget Committee forecasts FY 2015 General Fund revenues of \$9.46 billion which includes a \$600 million carryover from the current fiscal year. The new budget will spend \$9.22 billion which is an increase of 4.1%. The state's Budget Stabilization Fund reserve balance increases slightly to \$460 million.

**Local Control:**

Cities beat back several legislative initiatives that threatened their ability to govern with local needs and concerns in mind. Whether opposing a mandate allowing chickens in backyards (SB1151), killing a poorly written bill which would threaten the ability of cities to zone (HB2448) or defeating a bill deliberately designed to prevent cities from lobbying effectively at the legislature (HB2093),

cities won major victories in preserving their right to self govern.

## **Medicaid**

Last year's Medicaid expansion was estimated to add approximately 300,000 residents to the AHCCS rolls. As you may recall the measure allows the AHCCCS director to impose by rule an assessment or "bed tax" of about \$250 million a year on hospitals to pay for the state's share of expansion costs. The state uses these revenues as matching funds to draw down federal dollars. On April 22, however, the Arizona Court of Appeals ruled that legislators have standing to challenge the imposition of this assessment by rule. Legislators contend that this assessment is truly a tax and thus triggers Prop 108, which mandates a two-thirds majority of the legislature before any tax can be enacted. If the Court of Appeals finds for the plaintiffs, then this ruling would rip a very large hole in the budget and put AHCCS expansion in peril.

## **Tax Simplification**

While cities had concerns regarding the Governor's initiative on allowing a sales tax exemption on electricity for manufacturers (SB1413), cities prevailed upon legislators to tighten up imprecise language and allow for a local option. The League of Arizona Cities and Towns changed its position to *neutral* and estimated a small potential hit to state shared revenues of \$1 million.

## **RECOMMENDATION:**

For information, discussion and direction only.



# CITY COUNCIL AGENDA

CITY COUNCIL CHAMBERS . 11465 WEST CIVIC CENTER DRIVE . AVONDALE, AZ 85323

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## REGULAR MEETING

May 19, 2014

7:00 PM

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### CALL TO ORDER BY MAYOR PLEDGE OF ALLEGIANCE MOMENT OF REFLECTION

#### 1 ROLL CALL AND STATEMENT OF PARTICIPATION BY THE CITY CLERK

#### 2 UNSCHEDULED PUBLIC APPEARANCES

(Limit three minutes per person. Please state your name.)

#### 3 CONSENT AGENDA

Items on the consent agenda are of a routine nature or have been previously studied by the City Council at a work session. They are intended to be acted upon in one motion. Council members may pull items from consent if they would like them considered separately.

##### a. Approval of Minutes

1. Budget Meeting of April 28, 2014
2. Regular Meeting of May 5, 2014

##### b. **City-Designated Holidays Schedule for Fiscal Years 2014/2015 and 2015/2016**

City Council will consider a request to approve the City-designated holiday schedule for Fiscal Years 2014/2015 and 2015/2016. The Council will take appropriate action.

##### c. **CIP Budget Transfers Request - Central Avenue Construction Management**

City Council will consider a request to authorize two transfers of funds in the amount of \$51,650 from Citywide Water Improvements, Line Item 514-1057-00-8520 to Central Avenue Waterline, Line Item 514-1282-00-8520 and \$51,650 from Citywide Sewer Improvements, Line Item 513-1047-00-8610 to Central Avenue Sewerline, Line Item 513-1282-00-8610. The Council will take appropriate action.

##### d. **Resolution 3184-514 and Ordinance 1545-514 - Amendments to Personnel Policies and Procedures Manual**

City Council will consider a resolution declaring as a public record Chapter 18 - Grounds of Discipline/Termination and Chapter 19 - Grievances and Appeals Policy of the Personnel Policies and Procedures Manual and an ordinance adopting the same and amending Chapters 2, 13 and 20 of the Personnel Policies and Procedures Manual. The Council will take appropriate action.

##### e. **Resolution 3185-514 - Intergovernmental Agreement with ADOT for the Dysart Road Pedestrian and Bicycle Improvement Project**

City Council will consider a resolution authorizing an Intergovernmental Agreement with ADOT for the advertisement, bidding, and administration of the construction of the

Dysart Road Pedestrian and Bicycle Improvements Project, and authorize the Mayor, or City Manager and City Clerk to execute the necessary documents. The Council will take appropriate action.

**f. Resolution 3186-514 - Change Order to Intergovernmental Agreement for Dial-a-Ride Services**

City Council will consider a resolution approving a change order to the Intergovernmental Agreement with the City of Phoenix for ADA required services for an estimated annual cost of \$19F,798 and authorize the Mayor and City Clerk to execute the appropriate documents. The Council will take appropriate action.

**4 Resolution 3188-514 - Setting forth the Fiscal Year 2014-2015 Tentative Budget**

City Council will consider a resolution adopting the tentative budget and setting the maximum expenditure limit in the amount of \$178,984,760 for the 2014-2015 fiscal year. The Council will take appropriate action.

**5 Resolution 3189-514 - Adopting Development Fees in Compliance with State Law**

City Council will consider a resolution adopting the development fee study, including the amended development fees. The Council will take appropriate action.

**6 City Information Systems Security**

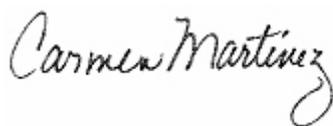
City Council will receive a short presentation on the state of information and systems security, steps the City has taken to protect the organization and community, as well as coming initiatives. For information and discussion only.

**7 EXECUTIVE SESSION**

City Council may hold an executive session pursuant to Ariz. Rev. Stat. § 38-431.03 (A)(4) for discussion or consultation with the City's Attorney in order to consider its position and instruct the City's Attorney regarding potential litigation with respect to tax matters. The Council will take appropriate action.

**8 ADJOURNMENT**

Respectfully submitted,



Carmen Martinez  
City Clerk

Individuals with special accessibility needs, including sight or hearing impaired, large print, or interpreter, should contact the City Clerk at 623-333-1200 or TDD 623-333-0010 at least two business days prior to the Council Meeting.

Personas con necesidades especiales de accesibilidad, incluyendo personas con impedimentos de vista u oído, o con necesidad de impresión grande o intérprete, deben comunicarse con la Secretaria de la Ciudad at 623-333-1200 o TDD 623-333-0010 cuando menos dos días hábiles antes de la junta del Concejo.

Notice is hereby given that pursuant to A.R.S. 1-602.A.9, subject to certain specified statutory exceptions, parents have a right to consent before the State or any of its political subdivisions make a video or audio recording of a minor child. Meetings of the City Council may be audio and/or video recorded and, as a result, proceedings in which children are present may be subject to such recording. Parents, in order to exercise their rights may either file written consent with the City Clerk to such recording, or take personal action to ensure that their child or children are not present when a recording may be made. If a child is present at the time a recording is made, the City will assume that the rights afforded parents pursuant to A.R.S. 1-602.A.9 have been waived.

De acuerdo con la ley A.R.S. 1-602.A.9, y sujeto a ciertas excepciones legales, se da aviso que los padres tienen derecho a dar su consentimiento antes de que el Estado o cualquier otra entidad política haga grabaciones de video o audio de un menor de edad. Las juntas del Concejo de la Ciudad pueden ser grabadas y por consecuencia, existe la posibilidad de que si hay menores de edad presentes estos aparezcan en estos videos o grabaciones de audio. Los padres puedan ejercitar su derecho si presentan su consentimiento por escrito a la Secretaria de la Ciudad, o pueden asegurarse que los niños no estén presentes.

durante la grabacion de la junta. Si hay algun menor de edad presente durante la grabacion, la Ciudad dara por entendido que los padres han renunciado sus derechos de acuerdo a la ley contenida A.R.S. 1-602.A.9.



## CITY COUNCIL AGENDA

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**SUBJECT:**

City-Designated Holidays Schedule for Fiscal  
Years 2014/2015 and 2015/2016

**MEETING DATE:**

5/19/2014

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**TO:** Mayor and Council**FROM:** Cherlene Penilla, Human Resources Director (623) 333-2218**THROUGH:** David Fitzhugh, Acting City Manager**PURPOSE:**

Council will review and consider approval of City-designated holidays for the 2014/2015 and 2015/2016 fiscal years. This listing of City designated holidays will be included in the City's Administrative Policies and posted no later than June 1 of each fiscal year. The listing will specify any and all designated holidays for the City of Avondale. A two year calendar has been prepared for better planning capabilities.

**BACKGROUND:**

On June 2, 2008, the City of Avondale implemented the "Green Friday" pilot program to extend customer service hours Monday through Thursday from 7:00 A.M. to 6:00 P.M., and close specific City offices on Fridays. After extensive surveying of the City of Avondale citizenry to assess customer satisfaction, the Green Friday program was officially adopted by Council on October 6, 2008. The Green Friday program was implemented with the understanding that it was to enhance customer service and reduce costs to the City.

**DISCUSSION:**

The City has operated under the new customer service hours Monday through Thursday from 7:00 A.M. to 6:00 P.M., for approximately six (6) years. During this time period City staff has operated under a policy that meets the following objectives:

- Equalize the holiday leave allocation, so that each full-time regular employee receives 88 hours and each part-time employee receives 44 hours of holiday leave per fiscal year.
- Identify the methods that maximize the number of days that City offices are open to the public.
- Ensure the adoption of a Green Friday schedule or other alternative work schedules does not increase the costs of doing business for the City.
- Implement a system to increase flexibility for employees to utilize their holiday compensation.

As part of the the requirements under the City of Avondale Personnel Policies and Procedures Manual:

- A list of City designated holidays will be prepared each fiscal year and posted no later than June 1st.
- Holidays that fall on a Friday will not be designated as holidays for employees on the Green

Friday schedule or for employees that work a schedule with Friday off. The eight (8) hours normally granted for holiday compensation will remain in the employees' holiday bank and be considered "floating holidays".

- Floating holiday leave must be approved in the same manner as vacation leave.
- Floating holiday leave may not be used for unplanned absences.
- Floating holiday leave must be used in full day increments.
- For those times when an employee does not have enough holiday leave to cover a full day, vacation leave or compensatory time may be used.
- Holiday leave will be forfeited if an employee leaves the City prior to using the leave or if an employee fails to use the leave prior to June 30 of each fiscal year.
- There will be no "cash out" or "carryover" of holiday leave balances.
- "Holiday Differential Pay" - Each June a list of holidays will be published that will be designated for "Holiday Differential Pay". These are the actual observed holidays.
- Employees (non-exempt) that must work on a Holiday will be paid in addition to the regular pay rate, "Holiday Differential Pay" equal to one-half of their regular straight-time hourly rate for hours worked on designated holidays. (Holiday Differential pay is only for the actual holiday - Employees that do not have vacation or compensatory leave time to cover a designated holiday will be placed in a leave without pay (LWOP) status.
- Holiday hours do not count as time worked for the purposes of calculating overtime for hourly (non-exempt) employees.
- Firefighters working a 56 hour work week are not eligible for holiday pay.
- Sworn police officers, detention officers, park rangers, and police communications staff do not participate in the holiday bank program. Instead, they receive eight hours of compensation for holidays as they occur in the calendar. In addition, employees that work on the actual holiday receive in addition to their regular pay rate, "Holiday Differential Pay" equal to one-half of their regular straight-time hourly rate for hours worked on designated holidays.

**BUDGET IMPACT:**

There are no direct costs associated with the designation of City of Avondale listing of designated holidays for the fiscal years of 2014/2015 and 2015/2016.

**RECOMMENDATION:**

Staff recommends that Council adopt the recommended list of designated City of Avondale holidays for fiscal years 2014/2015 and 2015/2016.

**ATTACHMENTS:**

**Description**

[Holiday Calendar FY 2014-2015 and 2015-2016](#)

## HOLIDAY CALENDAR

### FY 2014-2015

July 4	Independence Day	Friday	
September 1	Labor Day	Monday	Closed
November 11	Veteran's Day	Tuesday	Closed
November 27	Thanksgiving Day	Thursday	Closed
December 25	Christmas	Thursday	Closed
January 1	New Year's Day	Thursday	Closed
January 19	Martin Luther King, Jr. Day	Monday	Closed
February 16	President's Day	Monday	Closed
May 25	Memorial Day	Monday	Closed

City Hall will be closed on the days designated. Employees working a Monday through Thursday, 10 hours/day schedule will utilize 80 hours of holiday bank to cover the holiday time in FY 2014-2015.

### FY 2015-2016

July 4	Independence Day	Saturday	
September 7	Labor Day	Monday	Closed
November 11	Veteran's Day	Wednesday	Closed
November 26	Thanksgiving Day	Thursday	Closed
December 25	Christmas	Friday	
January 1	New Year's Day	Friday	
January 18	Martin Luther King, Jr. Day	Monday	Closed
February 15	President's Day	Monday	Closed
May 30	Memorial Day	Monday	Closed

City Hall will be closed on the days designated. Employees working a Monday through Thursday, 10 hours/day schedule will utilize 60 hours of holiday bank to cover the holiday time in FY 2015-2016.



## CITY COUNCIL AGENDA

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**SUBJECT:**

CIP Budget Transfers Request - Central Avenue  
Construction Management

**MEETING DATE:**

5/19/2014

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**TO:** Mayor and Council**FROM:** Wayne Janis, Public Works Director 623-333-4411**THROUGH:** David Fitzhugh, Acting City Manager**PURPOSE:**

Staff is requesting the the City Council approve a CIP Budget Transfer of \$51,650 from Line Item 514-1057-00-8520 to Line Item 514-1282-00-8520, and from Line Item 513-1047-00-8610 to Line Item 513-1282-00-8610.

**DISCUSSION:**

On February 18, 2014, City Council approved a Professional Services Agreement with Oridian Construction Services, LLC to provide construction inspection services for various projects in the City. One of the projects is inspection services for the Central Avenue water and sewer construction. The Council report at that time did not detail where the funds were to be transferred from for this project. Staff is requesting that the City Council approve these transfers to provide funds for the Central Avenue water and sewer project.

**BUDGET IMPACT:**

Transfer of \$51,650 from Citywide Water Improvements, Line Item 514-1057-00-8520 to Central Avenue Waterline, Line Item 514-1282-00-8520 and \$51,650 from Citywide Sewer Improvements, Line Item 513-1047-00-8610 to Central Avenue Sewerline, Line Item 513-1282-00-8610. These transfers will not affect any other ongoing projects.

**RECOMMENDATION:**

Staff recommends that that the City Council approve a budget transfer of \$51,650 from Line Item 514-1057-00-8520 to Line Item 514-1282-00-8520 and \$51,650 from Line Item 513-1047-00-8610 to Line Item 513-1282-00-8610.



## CITY COUNCIL AGENDA

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**SUBJECT:**

Resolution 3184-514 and Ordinance 1545-514 -  
Amendments to Personnel Policies and  
Procedures Manual

**MEETING DATE:**

5/19/2014

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**TO:** Mayor and Council**FROM:** Cherlene Penilla, Human Resources Director (623) 333-2218**THROUGH:** David Fitzhugh, Acting City Manager**PURPOSE:**

Council will consider proposed amendments to the Personnel Policies and Procedures Manual, Chapter 18 Grounds for Discipline/Termination; and Chapter 19, Grievances, and amending Chapter 2, Organization for Personnel Administration, Chapter 13, Employee Records and Reports, and Chapter 20, Definitions to reflect the changes in Chapter 18 and Chapter 19.

**BACKGROUND:**

On May 5, 2014 City Council provided direction to staff to amend Chapters 18, Grounds for Discipline/Termination and Chapter 19 Grievances of the Personnel Policies and Procedures manual to reflect staff's recommended changes and to add a provision in the policies that describes the selection process of an Independent Hearing Officer to hear employee appeals on major disciplinary actions (suspension without pay of more than 40 hours, suspension without pay of more than eight hours for law enforcement officers and detention officers, reduction in pay in lieu of suspension without pay of more than 40 hours and reduction in pay in lieu of suspension without pay of more than eight hours for law enforcement officer and detention officers, demotions, and terminations). Additionally, amendments were made to Chapter 2, Organization for Personnel Administration, Chapter 13, Employee Records and Reports, and Chapter 20, Definitions to reflect the changes in Chapter 18 and Chapter 19.

On May 16, 2011 the City Council approved a Memorandum of Understanding (MOU) between the City of Avondale and Avondale Professional Firefighter Association, International Association of Fire Fighters, Local 3924. On February 21, 2012 the City Council approved an inaugural MOU between the City of Avondale and Avondale Police Association. Since that time additional MOU's have been approved for both the Police and Fire Associations. Due to the implementation of these MOU's, the Personnel Policies and Procedures now require amendment. Furthermore, changes in the City's practices require consideration of amendments to the policies.

The City has managed major personnel issues requiring an appeals process through a Personnel Board comprised of five (5) citizens. Since August of 2000 a total of ten appeals were heard at the Personnel Board level. The last Personnel Board hearing occurred in February of 2007, over seven years ago. The majority of personnel appeal cases that reach the Personnel Board have typically been complex cases requiring review of multiple witnesses, documents, policies, and laws. These hearings require the five Personnel Board members, Human Resource staff, the Department Director of the employee appealing an action, various City employee witnesses, public member

witnesses, and legal counsel to be present for the entire hearing. Many of the hearings last for an entire evening and some have lasted beyond 2:00 A.M.

In an effort to improve the appeals process staff is proposing a change from an appeal to a Personnel Board to the appeal to an Independent Hearing Officer. The primary difference between the Personnel Board and the Independent Hearing Officer is that a Personnel Board consists of a five member citizen panel and the hearings have a more formal atmosphere. In contrast, the new Independent Hearing Officer process is less formal, and the Independent Hearing Officer is an attorney specializing in employment matters.

An appeal before the Independent Hearing Officer is considered an expedient and more convenient alternative to the more formal Personnel Board proceedings, and will likely provide a faster resolution to an employee appeal.

The Independent Hearing Officer process would abide by the same guidelines as the Personnel Board and decisions would be based upon the evidence presented at the hearing. The Independent Hearing Officer would provide findings and recommendations that will be advisory to the City Manager, just as the Personnel Board provided findings and advisory recommendations.

## **DISCUSSION:**

The following are major highlights of the changes to Chapter 18, Grounds for Discipline/Termination:

- Changes the title of Chapter 18 from Grounds for Discipline/Termination to Discipline
- Adds language to specifically exclude appeal rights to part-time employees hired after the approval and implementation of these amendments.
- Requires Department Directors to meet with a member of the Human Resources Department prior to the implementation of any employee discipline outlined in these policies.
- Adds language to reflect the change from appealing disciplinary actions to Personnel Board to an Independent Hearing Officer.
- Clarifies that a "formal" reprimand is required to be in writing and clarifies that Department Directors have the flexibility to have informal discussions with employees regarding issues that do not rise to the level of a formal written reprimand.
- Adds language to reflect the change in state law which requires the ability for a law enforcement officer and a detention officer to appeal a suspension of more than eight (8) hours.
- Changes calendar days to working days consistently throughout Chapter 18, Discipline.
- Adds language to define "working days", "law enforcement officer" and "detention officer".

The following are major highlights of the changes to Chapter 19 Grievances:

- Changes Language to reflect provisions in both MOU's for grievances covering the content of the MOU's.
- Clarifies that part-time employees are not entitled to the due process procedures in these policies.
- Changes language to reflect a 15 *working day* time frame to file a grievance instead of 60 days.
- Changes language to reflect *working days* instead of calendar days.
- Defines *working days* as Monday through Thursday, exclusive of City designated holidays.
- Changes language to reflect that appeals on disciplinary matters (suspensions, reductions in pay in lieu of suspension without pay, demotions, and terminations) are made to an Independent Hearing Officer instead of a Personnel Board.
- Provides language to describe the manner in which an Independent Hearing Officer is selected.

The following are highlights of changes to Chapter 2 Organization of Personnel Administration:

- Changes language to reflect the change from a Personnel Board to an Independent Hearing Officer

The following are highlights of Changes to Chapter 13, Employee Records and Reports:

- Changes language to reflect the change from a Personnel Board to an Independent Hearing Officer

The following are highlights of changes to Chapter 20 definitions:

- Changes language to reflect the change from a Personnel Board to an Independent Hearing Officer.
- Changes language to reflect the same definition of grievance found in Chapter 19, Grievances and Appeals.

**BUDGET IMPACT:**

There are no direct costs associated with the amendments to the City of Aovndale Policies and Procedures, Chapter 18 and Chapter 19, Chapter 2, Chapter 13, and Chapter 20.

**RECOMMENDATION:**

Staff recommends approval of the proposed amendments to the Personnel Policies and Procedures.

**ATTACHMENTS:**

**Description**

[Resolution 3184-514](#)

[Chapter 18 - Discipline](#)

[Chapter 19 - Grievances](#)

[Ordinance 1545-514](#)

**RESOLUTION NO. 3184-514**

A RESOLUTION OF THE COUNCIL OF THE CITY OF AVONDALE, ARIZONA, DECLARING AS A PUBLIC RECORD THOSE CERTAIN DOCUMENTS FILED WITH THE CITY CLERK AND ENTITLED THE "CITY OF AVONDALE DISCIPLINE POLICY, AMENDED AND RESTATED MAY 19, 2014" AND THE "CITY OF AVONDALE GRIEVANCES AND APPEALS POLICY, AMENDED AND RESTATED MAY 19, 2014."

**BE IT RESOLVED** BY THE COUNCIL OF THE CITY OF AVONDALE as follows:

SECTION 1. That certain document entitled the "City of Avondale Discipline Policy, Amended and Restated May 19, 2014," of which three copies are on file in the office of the City Clerk and open for public inspection during normal business hours, is hereby declared to be a public record and said copies are ordered to remain on file with the City Clerk.

SECTION 2. That certain document entitled the "City of Avondale Grievances and Appeals Policy, Amended and Restated May 19, 2014," of which three copies are on file in the office of the City Clerk and open for public inspection during normal business hours, is hereby declared to be a public record and said copies are ordered to remain on file with the City Clerk.

**PASSED AND ADOPTED** by the Council of the City of Avondale, May 19, 2014.

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Marie Lopez Rogers, Mayor

ATTEST:

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Carmen Martinez, City Clerk

APPROVED AS TO FORM:

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Andrew J. McGuire, City Attorney

**CITY OF AVONDALE  
DISCIPLINE POLICY**

**AMENDED AND RESTATED  
May 19, 2014**

## **CHAPTER 18**

### **Discipline**

#### **A. Statement**

This Chapter applies to all employees including represented and certified employee units. Any action that reflects negatively upon the City of Avondale will be considered good cause for disciplinary action against any officer or employee. For all disciplinary actions that are implemented in hours, a 1.4 times conversion rate will be applied to sworn fire personnel on a 56 hour schedule.

As way of example only, the following are the types of behavior that constitute grounds for termination. These examples are simply that, and do not constitute an all-inclusive list:

1. Incompetency, inefficiency or in attendance to, or dereliction of duty.
2. Dishonesty, intemperate conduct, insubordination, discourteous treatment of the public or of fellow employees, any act or commission or omission tending to injure the public service, any failure on the part of the employee to properly conduct himself or herself, or violations of the Arizona Revised Statutes, City ordinances, or other rules and regulations applicable to the employee.
3. Any violation of the City's substance abuse policy.
4. Conviction of any felony or misdemeanor that involves dishonesty, scandal, or in any other way may bring disrepute to the employee or the City.
5. Arrest for any matter that makes it impossible and/or impractical to properly complete his/her duties.
6. Any violation of the policies contained in this manual, departmental rules, supervisory instructions, any other City rules/policies (e.g. those contained in the Ethics Handbook), or any other conduct that may bring discredit to the City.

#### **B. Unlawful Acts Prohibited**

1. No person will willfully make any false statement, certificate, mark, rating, or report in regard to any application for employment, test, rating, certification, or appointment held or made under these policies and procedures or ordinances of the City of Avondale. Such conduct may be grounds for disciplinary action, up to and including termination.
2. No person seeking appointment to or promotion in any position in the City service will either directly or indirectly give, promise, render, or pay any money, service, or anything else of value to any person for, on account of, or in connection with his/her test, appointment, proposed appointment, promotion, or proposed promotion.

## **C. Procedures**

The City does not have a progressive discipline policy. It may take varying forms of discipline against its employees, as best serve the City's and the citizens' interests in each particular circumstance. The City reserves the right to take any appropriate disciplinary action that circumstances require. Temporary and probationary employees have no appeal rights for actions outlined in these policies. Part-time employees hired before June 18, 2014 have appeal rights for actions outlined in these policies, but part-time employees hired after June 18, 2014 have no appeal rights for actions outlined in these policies. When a department director identifies the need for employee discipline he/she shall meet with the Human Resources Director or designee prior to any discussion with the employee. Before any employee is given a letter of reprimand, notice of intent to suspend without pay, notice of intent to reduce pay, notice of intent to demote, or notice of intent to terminate, the Department Director shall consult with the Human Resources Director or designee. Below are examples of forms of discipline that the City may take. However, this is not an exclusive list.

### **1. Formal Reprimand**

- a. The immediate supervisor, department director, one of the Assistant City Managers, or the City Manager may formally reprimand any employee under his/her supervision for cause.
- b. Such a formal reprimand will be in writing and addressed to the employee.
- c. A signed copy will be forwarded to the employee and the Human Resources Director for inclusion in the employee's personnel file. The City Manager will also be notified of the reprimand.
- d. Formal reprimands cannot be appealed to the Independent Hearing Officer.
- e. However, within ten (10) working days of receipt, the employee may file a letter of response to the reprimand, which will be attached to the reprimand in his/her file. In its sole discretion, City management may choose to modify or revoke the reprimand after reviewing the employee's letter and circumstances surrounding the discipline.

### **2. Suspension**

- a. The City Manager or an Assistant City Manager, at his/her own discretion or upon the recommendation of a department director, may suspend an employee for cause without pay for a period or periods not exceeding thirty (30) calendar days in any twelve (12) month period — except as provided in subsection (2)(d) below.
- b. Suspensions of 40 hours or less cannot be appealed to the Independent Hearing Officer, except as specified for law enforcement officers and detention officers in ARIZ. REV. STAT. § 38-1101; however, the employee may request review of the decision within ten (10) working days of the notice. Upon receipt of the employee's request for review, the Human Resources Department shall coordinate and appoint another department director or supervisor to review the matter. The designated department director or supervisor will issue a written memorandum either upholding the non-appealable suspension or

suggesting that the City Manager reverse or modify the discipline. If the designated department director or supervisor suggests a reversal or modification, the City Manager will review the matter and make a final decision.

- c. If an employee appeals his/her suspension of more than 40 hours, he/she must first receive a hearing before the Assistant City Manager or designee prior to suspension. After the hearing, the Assistant City Manager or designee will determine whether this action is appropriate. The City Manager will be notified of the decision. If the suspension is upheld, the employee may request an appeal to the City's Independent Hearing Officer within ten (10) working days of receipt of the hearing decision. The appeal must be in writing and submitted to the Human Resources Director as outlined in Chapter 19. After the Independent Hearing Officer conducts a hearing as outlined in Chapter 19, he/she will make a written recommendation within (10) working days to the City Manager or designee for final determination. The Independent Hearing Officer serves an advisory role to the City Manager or designee.
- d. Any regular employee who is arrested for a serious public offense, other than minor traffic violations, whether imprisoned, pending probation or released on bail, may be suspended without pay until such time that judgment is rendered by the court; provided, however, if the employee is found not guilty, he/she will receive compensation for the period of suspension. The employee may not appeal a suspension under this provision.

### **3. Reduction in Pay in Lieu of Suspension**

- a. A department director may choose to impose a reduction in pay of an employee instead of a suspension without pay. Any reduction in pay in lieu of suspension that is equal to forty (40) hours or less cannot be appealed to the Independent Hearing Officer, except as specified for law enforcement officers and detention officers in ARIZ. REV. STAT. § 38-1101; however, the employee may request review of the decision within ten (10) working days of the effective date. Upon receipt of the employee's request for review, the Human Resources Department shall coordinate and appoint another department director or supervisor to review the matter. The designated department director or supervisor will issue a written memorandum either upholding the non-appealable reduction in pay or suggesting that the City Manager reverse or modify the discipline. If the designated department director or supervisor suggests a reversal or modification, the City Manager will review the matter and make a final decision.
- b. The total dollar amount of the reduction in pay shall not exceed the dollar amount of the suspension for which the reduction is substituted.
- c. The reduction in pay shall not reduce the employee's salary below the Federal minimum wage.
- d. If an employee appeals his/her reduction in pay in lieu of suspension (for amounts equivalent to or more than forty (40) hours' suspension), he/she must first receive a hearing before an Assistant City Manager or designee prior to implementing a reduction in pay in lieu of suspension. After the hearing, the Assistant City Manager or designee will determine whether this action is appropriate. The City Manager will be notified of

the decision. If the reduction in pay in lieu of suspension is upheld, the employee may appeal the decision within ten (10) working days of receipt of the hearing decision. The appeal must be in writing and submitted to the Human Resources Director as outlined in Chapter 19. After the Independent Hearing Officer conducts a hearing as outlined in Chapter 19, he/she will make a written recommendation within (10) working days to the City Manager or designee for final determination. The Independent Hearing Officer serves an advisory role to the City Manager or designee.

#### **4. Demotion**

- a. The City Manager or an Assistant City Manager, at his/her own discretion or upon the recommendation of a department director, may demote an employee for cause. If appealed pursuant to subsection 4(b) below, the City Manager or designee will make the final determination after receiving a recommendation from the Independent Hearing Officer.
- b. If an employee appeals his/her demotion, he/she must first receive a hearing before the Assistant City Manager or designee prior to implementing the demotion. After the hearing, the Assistant City Manager or designee will determine whether the demotion is appropriate. The City Manager will be notified of the decision. If the demotion is upheld, the employee may request an appeal to the Independent Hearing Officer within ten (10) working days of receipt of the hearing decision. The appeal must be in writing and submitted to the Human Resources Director as outlined in Chapter 19. After the Independent Hearing Officer conducts a hearing as outlined in Chapter 19, he/she will make a written recommendation within (10) working days to the City Manager or designee for final determination. The Independent Hearing Officer serves an advisory role to the City Manager or designee.
- c. All regular employees demoted for disciplinary reasons will not be eligible for promotion or an increase in compensation for a period of one (1) year from the time of the demotion.

#### **5. Termination**

- a. The City Manager or an Assistant City Manager may terminate for cause any employee of the City by delivery of a Notice of Intent to Terminate, which outlines a statement of reasons for potential termination. In most cases, the Assistant City Manager or designee will make the initial termination decision. If appealed, the City Manager or designee will make the final determination after receiving a recommendation from the Independent Hearing Officer.
- b. Part-time employees or employees serving in the probationary period need not receive a Notice of Intent to Terminate prior to termination.
- c. Pre-Termination Hearing

If an employee appeals his/her termination, he/she must receive a pre-termination hearing before the Assistant City Manager or designee prior to termination.

d. Final Decision

After the pre-termination hearing, the Assistant City Manager or designee will determine whether termination is appropriate. The City Manager will be notified of the termination decision. If terminated, the employee may request an appeal Independent Hearing Officer within ten (10) working days of receipt of the hearing decision. The appeal must be in writing and submitted to the Human Resources Director as outlined in Chapter 19. After the Independent Hearing Officer conducts a hearing as outlined in Chapter 19, he/she will make a written recommendation within (10) working days to the City Manager or designee for final determination. The Independent Hearing Officer serves an advisory role to the City Manager or designee.

e. Process

Managers requesting termination of an employee as a disciplinary measure will first consult with the Human Resources Director or designee.

**6. Exit Interviews**

Any employee leaving the City's services is given the option to provide Human Resources with an exit interview.

**D. For the purposes of this Chapter:**

1. "Working Days" means Monday through Thursday, exclusive of City designated Holidays.
2. "Law Enforcement Officer" means an individual, other than a probationary employee, who is certified by the Arizona Peace Officer Standards and Training Board and employed by the City of Avondale.
3. "Detention Officer" means a detention officer, other than a probationary employee, who is employed by the City of Avondale.

**CITY OF AVONDALE  
GRIEVANCES AND APPEALS POLICY**

**AMENDED AND RESTATED  
May 19, 2014**

## **CHAPTER 19**

### **Grievances and Appeals**

#### **A. Statement**

This Chapter applies to all employees including represented and certified employee units. The City of Avondale, in keeping with its policy of maintaining satisfactory working conditions, will provide a means to ensure fair handling of employee complaints and grievances. Any employee whose state of mind is so affected by a grievance that he/she will not endeavor to, or cannot do the proper thing in course of performing his/her regular duties should immediately pursue the prescribed procedures for grievances.

#### **B. Matters Subject to Grievances**

1. For the purpose of this Chapter, a grievance means any dispute regarding the meaning, interpretation, or alleged violation of these policies and procedures.
2. Any employee in the classified service will have the right to appeal, under this rule, a decision affecting his/her employment, over which his/her appointing power has partial or complete jurisdiction, with the exception of suspensions, demotions, reductions in pay in lieu of suspension, or terminations which will be appealed directly to the Independent Hearing Officer, through the Assistant City Manager or designee as provided by these policies.

#### **C. Matters Not Subject to Grievance**

As discussed above, suspensions, demotions, reductions in pay in lieu of suspension, and terminations are not grievable. In addition, an employee cannot grieve the contents of a performance evaluation, the lack or amount of a pay increase (merit or otherwise), or any form of reprimand. In addition, an employee that is a member of a certified Employee Group pursuant to Chapter 2, Article II, Division 4, Section 2-56 of the Avondale City Code, may not grieve any issue covered under a Memorandum of Understanding. In addition, part-time employees are not entitled to any rights pursuant to this Chapter. Finally, an employee may not file a grievance for any concern more than fifteen (15) working days after the employee first becomes aware of it.

#### **D. Procedures**

##### **1. Informal Grievance Procedure**

- a. An employee who has a problem or complaint should first try to settle it through discussion with his/her immediate supervisor without undue delay.

- b. If, after this discussion, he/she does not believe the problem has been satisfactorily resolved, he/she will have the right to discuss it with his/her supervisor's immediate department director. If the employee's supervisor does not have a department director, he/she shall discuss the matter with Human Resources. In some circumstances, Human Resources will determine that matter should be referred to the City Manager, or his/her designee, at this stage.
- c. Every effort should be made to find an acceptable solution by informal means at the lowest level of supervision. If an employee fails to follow this informal procedure, the grievance will be denied and he/she will not be permitted to proceed to the formal grievance procedure outlined below.

## **2. Formal Grievance Procedure**

Levels of review through the chain of command are listed below:

### **a. First Level of Review**

- (1) If the employee has properly followed the informal grievance procedure and the matter is not resolved, the employee is eligible to elevate the grievance to the first level. Initially, the employee must reduce the grievance to writing, citing the article and section of the personnel policies and procedures alleged to be violated, the date of the violation that is the basis for the grievance, the nature of the grievance, and the relief requested.
- (2) This grievance should be presented to the employee's immediate supervisor, within fifteen (15) working days of the occurrence, and no later than ten (10) working days after the informal grievance procedure has been fully exhausted. The supervisor will render his/her decision and comments in writing and return them to the employee within fifteen (15) working days after receiving the grievance.
- (3) If the employee does not agree with his/her supervisor's decision, or if no answer has been received within fifteen (15) working days, and the employee wishes to continue in the grievance process, the employee may present the grievance in writing to his/her supervisor's immediate department director (the "second level supervisor").
- (4) Failure of the employee to take further action within ten (10) working days after receipt of the written decision of his/her supervisor or within a total of twenty-five (25) working days after presentation of the grievance to the employee's immediate supervisor if no decision is rendered, will constitute a withdrawal of the grievance.

b. Further Level(s) of Review as Appropriate

- (1) The second level supervisor receiving the grievance will review it, render his/her decision and comments in writing, and return them to the employee within fifteen (15) working days after receiving the grievance.
- (2) If the employee does not agree with the second level supervisor's decision, or if no answer has been received within fifteen (15) working days after the second level supervisor received the grievance, and the employee wishes to continue in the grievance process, he/she may present the grievance in writing to the City Manager – through the Human Resources Director.
- (3) Failure of the employee to take further action within ten (10) working days after receipt of the decision, or within a total of twenty-five (25) working days of referral to his/her second level supervisor if no decision is rendered, will constitute a withdrawal of the grievance.

c. City Manager

- (1) Upon receiving the grievance, the City Manager or designee should discuss the grievance with the employee and with other appropriate persons.
- (2) The City Manager or designee may designate a fact-finding committee or supervisor to advise him/her concerning the grievance.
- (3) The City Manager or designee will render a final decision. Grievances may not be appealed to the Independent Hearing Officer.

**3. Appeal to the Independent Hearing Officer**

a. Right to Appeal

Any regular employee in the classified service will have the right to appeal to the Independent Hearing Officer any disciplinary action by the City which involves termination, demotion, suspension without pay, or reduction in pay in lieu of suspension without pay, except in instances where the right of appeal is specifically prohibited by these policies.

b. Methods of Appeal

- (1) Appeals will be in writing, signed by the appellant, and delivered in person, email or by first-class mail to the Human Resources Director. Appeals must be delivered to the Human Resources Director within ten (10) working days of the

date of the disciplinary action to be appealed. The formality of a legal pleading is not required. However, failure to file the appeal on time will constitute a waiver, and the decision will become final.

- (2) Within ten (10) working days after receipt of the appeal, the Human Resources Director will notify the Assistant City Manager, the Independent Hearing Officer, and such other persons named or affected by the appeal.
- (3) Upon filing of an appeal, the Independent Hearing Officer will set a date for a hearing on the appeal not less than ten (10) working days or no more than thirty (30) working days from the date of filing.
- (4) The Human Resources Director will notify all interested parties of the date, time, and place of the hearing. The Human Resources Department will provide administrative assistance to the Independent Hearing Officer.
- (5) The appeal will be a written statement, addressed to the Independent Hearing Officer, explaining the matter appealed, the specific grounds for the appeal (explaining why he/she believes the decision appealed is incorrect), and setting forth therein a statement of the action desired by the appellant. The written appeal will constitute the entire matter before the Independent Hearing Officer. The appellant may not add new matters, grounds, facts, or theories to those already stated in the original appeal. The Independent Hearing Officer will not have jurisdiction to consider any such additional matters, grounds, facts, or theories outside of the written appeal.

c. Independent Hearing Officer

- (1) Pursuant to a periodic solicitation for statements of qualifications, the City shall establish a list of at least five attorneys (or fewer if an insufficient number of qualified candidates respond to the solicitation), who are licensed and in good standing with the State Bar of Arizona and who have at least five years of experience and knowledge of municipal law and/or employment law, to serve as the Independent Hearing Officer. Upon receipt of a written appeal, the City Manager or designee shall select the Independent Hearing Officer from the qualified list on a rotational basis. If the attorney next in rotation is unable to serve on an appeal, the City may enlist the next attorney in rotation to serve.
- (2) The City shall pay the reasonable fees and costs of the Independent Hearing Officer; however, the Independent Hearing Officer will not represent either the City or the appellant. The duties of the Independent Hearing Officer are to make rulings and determinations pursuant to these rules.
- (3) Independent Hearing Officer

The Independent Hearing Officer shall have the following duties and authority.

(a) Pre-Hearing

- i. Consider and rule on any pre-hearing motions, including those that could result in the dismissal of the appeal for failure to follow these rules;
- ii. Set reasonable restrictions and deadlines for the timing and conduct of the hearing;
- iii. Prepare the hearing notice and agenda.

(b) Presiding over the Hearing

- i. Rule on objections and motions by a party, unless they are dispositive of the appeal;
- ii. At the hearing, the Independent Hearing Officer shall make the final decision on the merits of the appeal;
- iii. Prepare a written report and recommendation for the City Manager.

d. Pre-hearing Procedures.

As outlined above, the Independent Hearing Officer shall set the time and place for the hearing. Prior to the hearing, the Independent Hearing Officer shall do the following:

- (1) Within five working (5) days of filing the written appeal with the Human Resources Director, the appellant may request his/her personnel record from the City. Neither party shall be entitled to any additional discovery in this process, except as outlined below.
- (2) At least seven (7) working days prior to the hearing, the City and the appellant shall disclose to one another the witnesses that each anticipates calling, a synopsis of their testimony, and any documents each anticipates presenting to the Independent Hearing Officer. The proposed testimony and exhibits must relate to the written appeal filed by the appellant. Any proposed testimony or exhibits that do not relate to the written appeal shall not be considered or presented. The Independent Hearing Officer will make this determination, as necessary.

- (3) Not less than three (3) working days after the exchange of proposed testimony and exhibits, the parties shall work together to determine if either side objects to any exhibits, and work through those objections. If after consulting with one another, there is still a disagreement, the parties shall file a brief letter (no more than one page) outlining the disputed items to the Independent Hearing Officer. The letter must be filed at least two (2) working days prior to the hearing. If there is no dispute, no letter need be filed. The Independent Hearing Officer shall rule on any disagreement prior to the hearing. All exchanged exhibits will be deemed admissible and presented to the Independent Hearing Officer at the hearing.

e. Hearings

- (1) The appellant shall appear personally and testify before the Independent Hearing Officer at the time and place of the hearing.
- (2) The proposed testimony and exhibits used by the appellant shall only be those permitted pursuant to subsection (d) above. No other witnesses or documents will be considered by the Independent Hearing Officer unless (i) the party can show that it was newly discovered, there was prompt disclosure, and the evidence is crucial or (ii) the Independent Hearing Officer rules otherwise for good cause shown. In addition, the Independent Hearing Officer may, at his/her discretion, exclude certain witnesses or documents even if timely disclosed if such evidence would be irrelevant, cumulative, redundant, or overly prejudicial.
- (3) The appellant may be represented by any person (other than the Independent Hearing Officer) or attorney as he/she may select, and at the hearing may produce on his/her behalf relevant oral or documentary evidence.
- (4) The City will present its case first, establishing the reasons for the employment action. At the conclusion of the City's case, the appellant will then present his/her case in opposition. Each side may call disclosed its witnesses. The parties are responsible for securing the attendance of their own witnesses, but the City will make current City employees available for the hearing if timely disclosed. The parties do not have any subpoena power to compel a witness's attendance.
- (5) Cross-examination of witnesses will be permitted.
- (6) The conduct and decorum of the hearing will be under the control of the Independent Hearing Officer, with due regard to the rights and privileges of the parties.

- (7) Hearings need not be conducted according to technical rules relating to evidence and witnesses.
- (8) Hearings will be closed and held in executive session unless the appellant, in writing to the Independent Hearing Officer, requests an open, public hearing.

f. Findings and Recommendations

- (1) The Independent Hearing Officer will, within fifteen (15) working days after the conclusion of the hearing, certify his/her findings and recommendations that will be advisory to the City Manager. The Independent Hearing Officer may recommend that the City Manager affirm, revoke, or modify the employment action taken.
- (2) The City Manager or designee will review the findings and recommendations of the Independent Hearing Officer. He/she may then affirm, revoke, or modify the action taken as in his/her judgment seems warranted.
- (3) The City Manager or designee will inform the appellant within twenty (20) working days of his/her decision. The action of the City Manager or designee will be final.

**4. Conduct of Appeal Procedure**

The time limits specified above may be extended to a definite date by mutual agreement of the employee and the reviewer concerned.

**E. For the purposes of this Chapter:**

1. “Working Days” means Monday through Thursday, exclusive of City designated Holidays.

**ORDINANCE NO. 1545-514**

AN ORDINANCE OF THE COUNCIL OF THE CITY OF AVONDALE, ARIZONA, AMENDING CHAPTERS 2, 13 AND 20 OF THE CITY OF AVONDALE PERSONNEL POLICIES AND PROCEDURES; ADOPTING BY REFERENCE THOSE CERTAIN DOCUMENTS KNOWN AS THE “CITY OF AVONDALE DISCIPLINE POLICY, AMENDED AND RESTATED MAY 19, 2014” AND THE “CITY OF AVONDALE GRIEVANCES AND APPEALS POLICY, AMENDED AND RESTATED MAY 19, 2014”; AND AMENDING THE CITY OF AVONDALE PERSONNEL POLICIES AND PROCEDURES MANUAL, CHAPTERS 18 AND 19.

**BE IT ORDAINED** BY THE COUNCIL OF THE CITY OF AVONDALE as follows:

SECTION 1. The City of Avondale Personnel Policies and Procedures, Chapter 2, Organization for Personnel Administration, Section (D)(1), Administration, is hereby amended as follows:

1. Attend all HEARINGS OF THE INDEPENDENT HEARING OFFICER. ~~meetings of the Personnel Board.~~

SECTION 2. The City of Avondale Personnel Policies and Procedures, Chapter 13, Employee Records & Reports, Section (F)(3), Access to Files, is hereby amended as follows:

**F. Access to Files**

Employee personnel records maintained by the City will be available to:

.....

3. THE INDEPENDENT HEARING OFFICER ~~Personnel Board members~~ only when considering an employee APPEAL ~~grievance~~ to review specifically the information and infractions pertaining to the case.

SECTION 3. The City of Avondale Personnel Policies and Procedures, Chapter 20, Definition of Terms, Section (C), Appeal, is hereby amended as follows:

**C. Appeal**

A request to the ~~Personnel Board~~ INDEPENDENT HEARING OFFICER. Such will be limited to action taken by the City which involves, as a disciplinary action, dismissal, DEMOTION, ~~separation from service, reduction in grade or, suspension without pay~~ OF

MORE THAN 40 HOURS, SUSPENSION WITHOUT PAY FOR MORE THAN EIGHT HOURS FOR LAW ENFORCEMENT OFFICERS AND DETENTION OFFICERS PURSUANT TO ARIZ. REV. STAT. § 38-1101, REDUCTION IN PAY IN LIEU OF SUSPENSION WITHOUT PAY OF MORE THAN 40 HOURS, OR REDUCTION IN PAY IN LIEU OF SUSPENSION WITHOUT PAY FOR LAW ENFORCEMENT OFFICERS AND DETENTION OFFICERS PURSUANT TO ARIZ. REV. STAT. § 38-1101. All other appeals to the INDEPENDENT HEARING OFFICER ~~Personnel Board, except as provided by Section X herein,~~ are specifically prohibited. The right of appeal hereunder extends to all regular employees in the classified service.

SECTION 4. The City of Avondale Personnel Policies and Procedures, Chapter 20, Definition of Terms, Section (F), Board, is hereby deleted in its entirety, and Sections (G) through (U) are renumbered as Sections (F) through (T):

SECTION 5. The City of Avondale Personnel Policies and Procedures, Chapter 20, Definition of Terms, former Section (S), Grievance (new Section (R), pursuant to Section 4 of this Ordinance), is hereby amended as follows:

**R. Grievance**

A GRIEVANCE MEANS ANY DISPUTE REGARDING THE MEANING, INTERPRETATION, OR ALLEGED VIOLATION OF THESE POLICIES AND PROCEDURES. ~~A disagreement relating to employment and working conditions or relationships between an employee and his/her supervisor or other employees.~~

SECTION 6. The City of Avondale Personnel Policies and Procedures, Chapter 20, Definition of Terms, is hereby amended by adding a new section (U), Independent Hearing Officer, as follows:

**U. Independent Hearing Officer**

An attorney licensed and in good standing with the State Bar of Arizona with at least five years of experience and knowledge of municipal law and/or employment law that the City Manager or designee selects to hear an appeal from the City's list of qualified independent hearing officers on a rotational basis.

SECTION 7. That certain document known as the "City of Avondale Discipline Policy, Amended and Restated May 19, 2014" three copies of which are on file in the office of the City Clerk, which document was made a public record by Resolution No. 3184-514 of the City of Avondale, Arizona, is hereby referred to, adopted and made a part hereof as if fully set out in this Ordinance.

SECTION 8. The City of Avondale Personnel Policies and Procedures Manual (the "Personnel Manual"), Chapter 18, is hereby deleted in its entirety and replaced by the City of Avondale Discipline Policy, Amended and Restated May 19, 2014, which shall be inserted into the Personnel Manual as a new Chapter 18.

SECTION 9. That certain document known as the "City of Avondale Grievances and Appeals Policy, Amended and Restated May 19, 2014" three copies of which are on file in the

office of the City Clerk, which document was made a public record by Resolution No. 3184-514 of the City of Avondale, Arizona, is hereby referred to, adopted and made a part hereof as if fully set out in this Ordinance.

SECTION 10. The Personnel Manual, Chapter 19, is hereby deleted in its entirety and replaced by the City of Avondale Grievances and Appeals Policy, Amended and Restated May 19, 2014, which shall be inserted into the Personnel Manual as a new Chapter 19.

SECTION 11. If any section, subsection, sentence, clause, phrase or portion of this Ordinance or any part of the City of Avondale Discipline Policy, Amended and Restated May 19, 2014 or the City of Avondale Grievances and Appeals Policy, Amended and Restated May 19, 2014, adopted herein by reference, is for any reason to be held invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions thereof.

SECTION 12. The Mayor, the City Manager, the City Clerk and the City Attorney are hereby authorized and directed to take all steps and to execute all documents necessary to carry out the purpose and intent of this Ordinance.

**PASSED AND ADOPTED** by the Council of the City of Avondale, May 19, 2014.

\_\_\_\_\_  
Marie Lopez Rogers, Mayor

ATTEST:

\_\_\_\_\_  
Carmen Martinez, City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
Andrew J. McGuire, City Attorney



## CITY COUNCIL AGENDA

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**SUBJECT:**

Resolution 3185-514 - Intergovernmental Agreement with ADOT for the Dysart Road Pedestrian and Bicycle Improvement Project

**MEETING DATE:**

5/19/2014

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**TO:** Mayor and Council**FROM:** Charles Andrews, P.E., City Engineer (623) 333-4216**THROUGH:** David Fitzhugh, Acting City Manager**PURPOSE:**

Staff is requesting that the City Council adopt a resolution authorizing an Intergovernmental Agreement (IGA) between the City of Avondale and the Arizona Department of Transportation (ADOT) for the advertisement, bidding, and administration of the construction of the Dysart Road Pedestrian and Bicycle Improvements Project (Phase 2), and authorize the Mayor, or City Manager and City Clerk to execute the necessary documents.

**BACKGROUND:**

The City of Avondale applied for Transportation Alternatives Program (TA) funding through the Maricopa Association of Governments (MAG) for the Dysart Road Pedestrian and Bicycle Improvements Project (Phase 2). MAG has programmed this Project for construction in FY2015. The Project's estimated construction cost is \$971,500. The federal contribution is estimated to be \$840,685 and the City's cost share is estimated to be \$130,815. In addition, the City will be responsible for the design component which is estimated at \$280,000. The City's total cost share for design and construction is estimated to be \$410,815. In order to receive federal funding for the construction component, an IGA is necessary.

**DISCUSSION:**

Dysart Road from Van Buren Street to MC85 (Western Avenue) is currently a 4 thru-lane plus center turn lane roadway. This 1-mile long corridor of Dysart Road has approximately 38 power poles that are located along the east side of the road. The double-strand 12Kv lines are unsightly and pose a potential safety issue for vehicular traffic. The existing power poles are located in the sidewalk area and create accessibility problems for pedestrians and bicyclists. In addition, in accordance with the American with Disabilities Act (ADA), a minimum of 5 feet in width is required for sidewalks.

Currently, Dysart Road from Van Buren Street to MC85 (Western Avenue) is not striped for bicyclists. Bicyclists may use the discontinuous sidewalk for bicycle travel, but this is not desirable. In addition, sidewalk facilities on the east and west sides are discontinuous and in some areas, non-existent. Furthermore, the vast majority of driveways are not ADA compliant. The undergrounding of the existing poles is currently being designed (Phase 1) and will be completed before the construction of the proposed pedestrian and bicycle improvements (Phase 2). It is estimated that the undergrounding (Phase 1) which consists of: installing a joint trench, providing new power services, installing new streetlights, and removing the existing power poles, will be completed no

later than February 2015 at a cost of approximately \$2.4M. Combined, Phase 1 and Phase 2 involve approximately \$3.6M of improvements.

The proposed Dysart Road Pedestrian and Bicycle Improvement Project (Phase 2) will provide:

- Continuous ADA compliant sidewalks on both sides of Dysart Road within the project limits
- New ADA compliant driveways at all the existing entrances
- 3-foot landscape area behind the existing curb and gutter
- Lighted entry feature (arch) at Dysart Road and Western Avenue
- Pedestrian lighting (streetlighting will be installed along with the power undergrounding)
- 4-foot striped bike lane on each side of Dysart Road
- Improvements to the corridor's aesthetic appearance
- Improvements to property values
- Incentive for the creation of new businesses along the corridor
- Improvements to electrical power service reliability
- Sidewalk and bicycle connectivity and increased safety

Per the IGA, the City will:

- Pay the initial Project Management Design Review (PMDR) costs, currently estimated at \$30,000.
- Prepare and provide design plans, specifications and other documents required for construction bidding and construction of the Project Enter into an agreement with the design consultant which states that the design consultant shall provide professional post-design services as required and requested throughout and upon completion of the construction phase of the Project.
- Upon completion of design and prior to bid advertisement, remit to the State, the City's Project construction costs.
- Be responsible for all costs incurred in performing and accomplishing the work not covered by federal funding.
- Be obligated to incur any expenditure should unforeseen conditions or circumstances increase the cost of work required by a change in the extent of scope of the work requested by the City.
- Certify that all necessary rights-of-way have been or will be acquired prior to advertisement for bid and also certify that all obstructions or unauthorized encroachments of whatever nature, either above or below the surface of the Project area, shall be removed from the proposed right-of-way, or will be removed prior to the start of construction.
- Not permit or allow any encroachments upon or private use of the right-of-way, except those authorized by permit. In the event of any unauthorized encroachment or improper use, the City shall take all necessary steps to remove or prevent any such encroachment or use.
- Grant the State, its agents and/or contractors, the right to enter City rights-of-way, to conduct any and all construction and preconstruction related activities.
- Upon completion of the construction phase of the Project, provide an electronic version of the as-built plans to Arizona Department of Transportation, Urban Project Management Group.
- Upon notification of Project completion from the State, agree to accept, maintain and assume full responsibility of the Project in writing.

Per the IGA, the State will:

- Be the designated agent for the City, if the Project is approved by FHWA and funds are available.
- Invoice the City for the initial PMDR costs, currently estimated at \$30,000.
- Review design plans, specifications and other documents and provide services required for the construction bidding and construction administration of the Project.
- Upon completion of design and prior to bid advertisement, invoice the City for the City's share

of the Project construction costs, currently estimated at \$100,815.

- Submit all documentation required to FHWA with the recommendation that funding be approved for construction. Request the maximum programmed federal funds for the construction of this Project.
- Advertise, receive and open bids, subject to concurrence of the City, and enter into a contract (s) with a firm(s) for the construction of the Project.
- Be granted the right to enter City right-of-way as required to conduct any and all construction and pre-construction related activities for the Project.
- Notify the City that the Project has been completed and is considered acceptable, coordinating with the City as appropriate to turn over full responsibility of the Project improvements. De-obligate or otherwise release any remaining federal funds from the construction phase of the Project within ninety (90) days of final acceptance.
- Not be obligated to maintain the Project.

**BUDGET IMPACT:**

Funding for this project is included in the proposed budget for FY 2014-15 under the One Time Project Fund Line Item 304-1345, Dysart Road Bike and Pedestrian Facilities, Van Buren Street to MC85 (Phase 2).

**RECOMMENDATION:**

Staff recommends that the City Council adopt a resolution authorizing an Intergovernmental Agreement (IGA) between the City of Avondale and the Arizona Department of Transportation (ADOT) for the advertisement, bidding, and administration for the construction of the Dysart Road Pedestrian and Bicycle Improvements Project (Phase 2), and authorize the Mayor, or City Manager and City Clerk to execute the necessary documents.

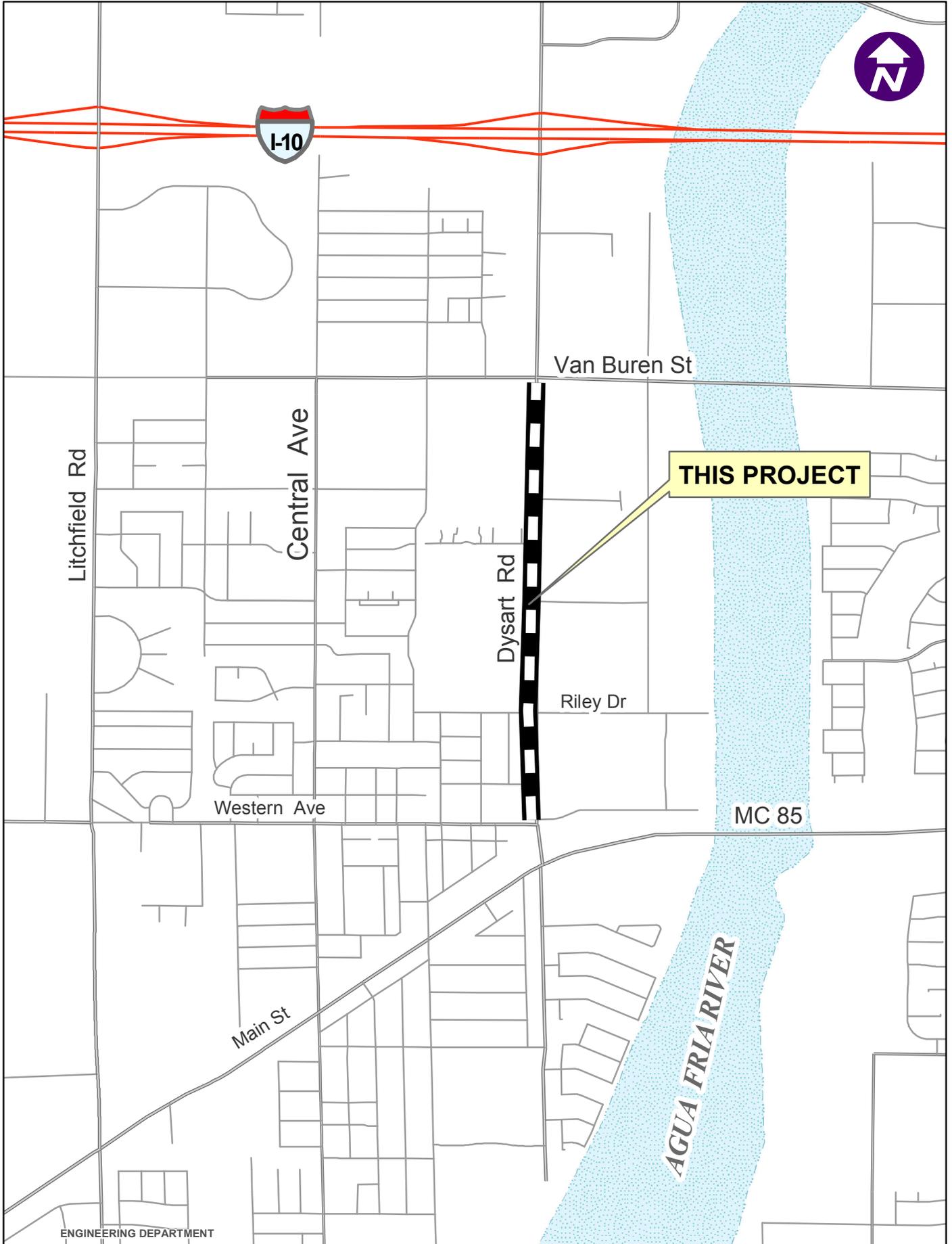
**ATTACHMENTS:**

**Description**

[Project Vicinity Map](#)

[Resolution](#)

# VICINITY MAP



**Dysart Road  
Van Buren St to Western Ave**

**RESOLUTION NO. 3185-514**

A RESOLUTION OF THE COUNCIL OF THE CITY OF AVONDALE, ARIZONA, APPROVING THE INTERGOVERNMENTAL AGREEMENT WITH THE STATE OF ARIZONA RELATING TO THE DESIGN AND CONSTRUCTION OF THE DYSART ROAD PEDESTRIAN AND BICYCLE PATH IMPROVEMENT PROJECT.

**BE IT RESOLVED** BY THE COUNCIL OF THE CITY OF AVONDALE as follows:

SECTION 1. The Intergovernmental Agreement with the State of Arizona, Department of Transportation, for the administration of the design and construction of a pedestrian and bicycle path along both sides of Dysart Road from Van Buren Street to MC-85 (Western Avenue) (the "Agreement") is hereby approved substantially in the form attached hereto as Exhibit A and incorporated herein by reference.

SECTION 2. The Mayor, the City Manager, the City Clerk and the City Attorney are hereby authorized and directed to cause the execution of the Agreement and to take all steps necessary to carry out the purpose and intent of this Resolution.

**PASSED AND ADOPTED** by the Council of the City of Avondale, May 19, 2014.

\_\_\_\_\_  
Marie Lopez Rogers, Mayor

ATTEST:

\_\_\_\_\_  
Carmen Martinez, City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
Andrew J. McGuire, City Attorney

EXHIBIT A  
TO  
RESOLUTION NO. 3185-514

[Agreement]

See following pages.

ADOT File No.: IGA/JPA 14-0004234-I  
AG Contract No.:  
Project: Pedestrian and Bicycle Path  
Improvements  
Section: Dysart Road; Van Buren Street,  
to MC-85.  
**Federal-aid No.: AVN-0(219)T**  
**ADOT Project No.: SZ144 01D 01C**  
**TIP/STIP No.: AVN16-402**  
**CFDA No.: 20.205 - Highway Planning  
and Construction**  
**Budget Source Item No.: N/A**

## INTERGOVERNMENTAL AGREEMENT

BETWEEN  
THE STATE OF ARIZONA  
AND  
CITY OF AVONDALE

**THIS AGREEMENT** is entered into this date, \_\_\_\_\_, 2014, pursuant to the Arizona Revised Statutes §§ 11-951 through 11-954, as amended, between the STATE OF ARIZONA, acting by and through its DEPARTMENT OF TRANSPORTATION (the "State" or "ADOT") and the CITY OF AVONDALE, acting by and through its MAYOR and CITY COUNCIL (the "City"). The State and the City are collectively referred to as "Parties."

### I. RECI TALS

1. The State is empowered by Arizona Revised Statutes § 28-401 to enter into this Agreement and has delegated to the undersigned the authority to execute this Agreement on behalf of the State.
  2. The City is empowered by Arizona Revised Statutes § 48-572 to enter into this Agreement and has, by resolution, a copy of which is attached hereto and made a part hereof, resolved to enter into this Agreement and has authorized the undersigned to execute this Agreement on behalf of the City.
  3. The work proposed under this Agreement will consist of providing installation of ADA compliant sidewalks, ramps and bicycle facilities along both sides of Dysart Road from Van Buren Street to MC-85 (Western Avenue), hereinafter referred to as the "Project". The City will administer the design and the State will advertise, bid, award, and administer the construction of the Project. The plans, estimates and specifications for the Project will be prepared and, as required, submitted to the State and Federal Highway Administration (FHWA) for its review and approval.
  4. The City, in order to obtain federal funds for the construction/installation of the Project, is willing to provide City funds to match federal funds in the ratio required or as finally fixed and determined by the City and FHWA, including actual construction engineering and administration costs (CE).
  5. The interest of the State in this Project is the acquisition of federal funds for the use and benefit of the City and to authorize such federal funds for the Project pursuant to federal law and regulations. The State shall be the designated agent for the City.
  6. The Parties shall perform their responsibilities consistent with this Agreement and any change or modification to the Project will only occur with the mutual written consent of both Parties.
-

7. The federal funds will be used for the construction of the Project. The estimated Project scoping, design and construction costs are as follows:

**SZ144 01D (ADOT Project Management Design Review (PMDR) Cost):**

City's contribution @ 100%	<u>\$ 30,000.00</u>
<b>Subtotal – Scoping/Design/PMDR*</b>	<b>\$ 30,000.00</b>

**SZ 144 01C (construction):**

Federal-aid funds @ 94.3% (capped)	\$ 840,685.00
City's match @ 5.7%	\$ 50,815.00
City's contribution @ 100%	<u>\$ 50,000.00</u>
<b>Subtotal – Construction** (State administered)</b>	<b>\$ 941,500.00</b>

**Summary:**

<b>Total Estimated City Funds*</b>	<b>\$ 130,815.00</b>
<b>Total Federal Funds</b>	<b><u>\$ 840,685.00</u></b>

**Estimated TOTAL Project Cost** **\$ 971,500.00**

\* (Included in the City's Estimated Funds)

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

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

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

**II. SCOPE OF WORK**

1. The State will:

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

b. Upon execution of this Agreement, and prior to performing or authorizing any work, invoice the City for the initial PMDR costs, currently estimated at **\$30,000.00**. If, during the development of the design, additional funding from the City is required, the State will invoice the City in increments of \$5,000.00 to cover projected PMDR costs. Once the Project costs have been finalized, the State will either invoice or reimburse the City for the difference between estimated and actual PMDR costs.

c. Upon receipt of the initial PMDR costs, review the design plans, specifications and other such documents and provide services required for the construction bidding and construction administration of the Project and provide comments to the City, as appropriate.

d. Upon completion of design and prior to bid advertisement, invoice the City for the City's share of the Project construction costs, currently estimated at **\$100,815.00**. Once the Project costs have been

finalized, the State will either invoice or reimburse the City for the difference between estimated and actual Project construction costs.

e. Upon receipt of the City's estimated share of the Project construction costs, submit all documentation required to FHWA with the recommendation that funding be approved for construction. Request the maximum programmed federal funds for the construction of this Project. Should costs exceed the maximum federal funds available, it is understood and agreed that the City will be responsible for any overage.

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

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

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

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

2. The City will:

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

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

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

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

e. Upon completion of design, within thirty (30) days of receipt of an invoice from the State and prior to bid advertisement, remit to the State, the City's Project construction costs, currently estimated at **\$100,815.00**. Once the Project costs have been finalized, the State will either invoice or reimburse the City for the difference between estimated and actual costs.

f. Be responsible for all costs incurred in performing and accomplishing the work as set forth under this Agreement, not covered by federal funding. Should costs be deemed ineligible or exceed the maximum federal funds available, it is understood and agreed that the City is responsible for these costs, and payment for these costs shall be made within thirty (30) days of receipt of an invoice from the State.

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

h. Certify that all necessary rights-of-way have been or will be acquired prior to advertisement for bid and also certify that all obstructions or unauthorized encroachments of whatever nature, either above or below the surface of the Project area, shall be removed from the proposed right-of-way, or will be removed prior to the start of construction, in accordance with The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 as amended; 49 CFR 24.102 Basic Acquisition Policies; 49 CFR 24.4 Assurances, Monitoring and Corrective Action, parts (a) & (b) and ADOT ROW Manual Project Management Section: Chapters 8.02 Responsibilities, 8.03 Prime Functions, 9.06 Monitoring Process and 9.07 Certification of Compliance. Coordinate with the appropriate State's right-of-way personnel during any right-of-way process performed by the City, if applicable.

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

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

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

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

### **III. MISC ELLANEOUS PROVISIONS**

1. The terms, conditions and provisions of this Agreement shall remain in full force and effect until completion of the Project and related deposits or reimbursement, except any provisions for maintenance shall be perpetual, unless assumed by another competent entity. Further, this Agreement may be cancelled at any time prior to the award of the Project construction contract, upon thirty (30) days' written notice to the other Party. It is understood and agreed that, in the event the City terminates this Agreement, the City shall be responsible for all costs incurred by the State up to the time of termination. It is further understood and agreed that, in the event the City terminates this Agreement, the State shall in no way be obligated to maintain or complete the Project.

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

or event arising out of the performance or non-performance of any provisions of this Agreement by the State, any of its departments, agencies, officers and employees, or its independent contractors, the City, any of its agents, officers and employees, or its independent contractors. Costs incurred by the State, any of its departments, agencies, officers or employees shall include in the event of any action, court costs, and expenses of litigation and attorneys' fees.

3. The cost of work covered by this Agreement is to be borne by FHWA and the City, each in the proportion prescribed or as fixed and determined by FHWA as stipulated in this Agreement. Therefore, the City agrees to furnish and provide the difference between the total cost of the work provided for in this Agreement and the amount of federal aid received.

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

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

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

7. The City acknowledges compliance with federal laws and regulations and may be subject to the Office of Management and Budget (OMB), Single Audit, Circular A-133 (Audits of States, Local Governments, and Non-Profit Organizations). Entities that expend \$500,000.00 or more (prior to 12/26/14) and \$750,000.00 or more (on or after 12/26/14) of federal assistance (federal funds, federal grants, or federal awards) are required to comply by having an independent audit. Either an electronic or hardcopy of the Single Audit is to be sent to Arizona Department of Transportation, Financial Management Services within the required deadline of nine (9) months of the sub recipient fiscal year end.

ADOT – FMS  
Attn: Cost Accounting Administrator  
206 S 17<sup>th</sup> Ave. Mail Drop 204B  
Phoenix, AZ 85007  
[SingleAudit@azdot.gov](mailto:SingleAudit@azdot.gov)

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

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

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

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

12. Non-Availability of Funds: Every payment obligation of the State under this Agreement is conditioned upon the availability of funds appropriated or allocated for the payment of such obligations. If funds are not allocated and available for the continuance of this Agreement, this Agreement may be

terminated by the State at the end of the period for which the funds are available. No liability shall accrue to the State in the event this provision is exercised, and the State shall not be obligated or liable for any future payments as a result of termination under this paragraph.

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

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

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

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

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

City of Avondale  
David W. Fitzhugh, Acting City Manager  
11465 W. Civic Center Drive  
Avondale, Arizona 85323-6804  
(623) 333-1000  
(623) 338-0100 Fax

With copy to:

Gust Rosenfeld, P.L.C.  
Andrew J. McGuire, Esq.  
One East Washington, Suite 1600  
Phoenix, Arizona 85004-2553  
(602) 254-4878 Fax

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

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

**CITY OF AVONDALE**

**STATE OF ARIZONA**

Department of Transportation

By \_\_\_\_\_  
**MARIE LOPEZ ROGERS**  
Mayor

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

ATTEST:

By \_\_\_\_\_  
**CARMEN MARTINEZ**  
City Clerk

**ATTORNEY APPROVAL FORM FOR THE CITY OF AVONDALE**

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

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

DATED this \_\_\_\_\_ day of \_\_\_\_\_, 2014.

\_\_\_\_\_  
City Attorney



## CITY COUNCIL AGENDA

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**SUBJECT:**

Resolution 3186-514 - Change Order to Intergovernmental Agreement for Dial-a-Ride Services

**MEETING DATE:**

5/19/2014

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**TO:** Mayor and Council**FROM:** Pier Simeri, Community Relations and Public Affairs Director (623) 333-1611**THROUGH:** David Fitzhugh, Acting City Manager**PURPOSE:**

Staff is requesting that the City Council adopt a resolution approving a change order to the Intergovernmental Agreement with the City of Phoenix for ADA required services and authorize the Mayor and City Clerk to execute the appropriate documents.

**BACKGROUND:**

On behalf of the Avondale Urbanized Area (Avondale and Goodyear), the City of Avondale entered into an Intergovernmental Agreement with the City of Phoenix on June 6, 2011 for transit services.

**DISCUSSION:**

All routes that Phoenix provides for Avondale are now being paid through the Regional Transit Sales Tax (Proposition 400) funds. Phoenix bills RPTA directly. Phoenix also provides the American's with Disabilities Act (ADA) Dial-a-Ride Services for Avondale. The FTA requires that ADA service be provided within 3/4 mile of any fixed route service. This ADA service also covers Tolleson and Goodyear and they will be billed accordingly.

**BUDGET IMPACT:**

The total cost to the City of Avondale during FY15 will be an estimated \$191,798. Of this amount, Goodyear and Tolleson will be billed for their portion which will be approximately \$70,000. The remainder will be Avondale's portion and is eligible to be reimbursed by Valley Metro RPTA from the regional Prop 400 sales tax.

**RECOMMENDATION:**

Staff recommends that the City Council adopt a resolution approving a Change Order to the Intergovernmental Agreement with the City of Phoenix for ADA required services for an estimated annual cost of \$191,798 and authorize the Mayor and City Clerk to execute the appropriate documents.

**ATTACHMENTS:**

Description

[Resolution 3186-514](#)

**RESOLUTION NO. 3186-514**

A RESOLUTION OF THE COUNCIL OF THE CITY OF AVONDALE, ARIZONA, APPROVING A CHANGE ORDER ADJUSTING THE CONTRACT AMOUNT FOR THE INTERGOVERNMENTAL AGREEMENT WITH THE CITY OF PHOENIX FOR FIXED-ROUTE TRANSIT SERVICES RELATING TO DIAL-A-RIDE SERVICE.

**WHEREAS**, the City of Avondale (the “City”) entered into an intergovernmental agreement dated June 6, 2011, with the City of Phoenix relating to fixed-route transit services (the “Agreement”); and

**WHEREAS**, the Council of the City of Avondale desires to approve Change Order No. 3, dated April 16, 2014 (the “Change Order”) to the Agreement for the continuation and adjustment of fixed-route transit services relating to Dial-a-Ride services for the City, as described in the Agreement and as amended by the Change Order.

**NOW, THEREFORE, BE IT RESOLVED** BY THE COUNCIL OF THE CITY OF AVONDALE as follows:

SECTION 1. The recitals above are hereby incorporated as if fully set forth herein.

SECTION 2. The Change Order is hereby approved in substantially the form attached hereto as Exhibit A and incorporated herein by reference.

SECTION 3. The expenditure of \$191,798 for Dial-a-Ride services, resulting in an increase in the total funds designated for fixed-route transit services in the amount of \$1,672,131 as described in the Change Order, is hereby authorized.

SECTION 4. The Mayor, the City Manager, the City Clerk and the City Attorney are hereby authorized and directed to take all steps necessary to cause the execution of the Change Order and to take all steps necessary to carry out the purpose and intent of this Resolution.

[SIGNATURES ON FOLLOWING PAGE]

**PASSED AND ADOPTED** by the Council of the City of Avondale, May 19, 2014.

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Marie Lopez Rogers, Mayor

ATTEST:

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Carmen Martinez, City Clerk

APPROVED:

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Andrew J. McGuire, City Attorney

EXHIBIT A  
TO  
RESOLUTION NO. 3186-514

[Change Order]

See following pages.

CITY OF PHOENIX  
PUBLIC TRANSIT DEPARTMENT  
**CONTRACT CHANGE ORDER**

Change Order No.  
**3**

Contract No.  
**131437**

Issued To: (Name of Contractor or Consultant)  
**City of Avondale**

Date  
**4/16/2014**

**Project Description: Transit Service Agreement**

**YOU ARE HEREBY requested to make the following changes to the contract, or to do the work described below which is not included in the contract. (Give brief description of work, estimate of quantities, fees or prices to be paid, etc.)**

This contract change order is to provide complimentary Dial-a-Ride service for the City of Avondale.

The total estimated annual Dial-a-Ride hours of service to be provided to Avondale for 2014-15 are 3,572.6. The total estimated charge for Dial-a-Ride service provided by Phoenix is \$219,292, with an estimated credit for fare revenue of \$27,494. Total net cost for the service is \$191,798.

Current projected payments will consist of one (1) payment of \$15,985, eleven (11) payments of \$15,983.  
All payments shall be made as follows:

- Payment No. 1 \$15,985 is due on or before July 31, 2014
- Payment No. 2 \$15,983 is due on or before August 31, 2014
- Payment No. 3 \$15,983 is due on or before September 30, 2014
- Payment No. 4 \$15,983 is due on or before October 31, 2014
- Payment No. 5 \$15,983 is due on or before November 30, 2014
- Payment No. 6 \$15,983 is due on or before December 31, 2014
- Payment No. 7 \$15,983 is due on or before January 31, 2015
- Payment No. 8 \$15,983 is due on or before February 28, 2015
- Payment No. 9 \$15,983 is due on or before March 31, 2015
- Payment No. 10 \$15,983 is due on or before April 30, 2015
- Payment No. 11 \$15,983 is due on or before May 31, 2015
- Payment No. 12 \$15,983 is due on or before June 30, 2015

All other terms and conditions of this agreement remain the same.

1. Amount of this Change Order	2. Amt. Of Prior Change Orders	3. Orig. Contract Amt.	4. Adj. Contract Amt. (1, 2 & 3)	Council Approved 4/2/2014	
(\$191,798)	(\$399,091)	(\$1,081,242)	(\$1,672,131)	RCA #72349	

**ACCEPTANCE**

We, the undersigned, have given careful consideration to the change proposed, and hereby agree; if this proposal is approved that we will provide all equipment, furnish all materials, except as may otherwise be noted above, and perform all services necessary for the work specified, and will accept as full payment therefore the fees or prices shown above.

**FIRM City of Avondale**

SIGNATURE: \_\_\_\_\_

TITLE: \_\_\_\_\_

DATE: \_\_\_\_\_

DATE SENT BY CITY OF PHOENIX: \_\_\_\_\_

REQUESTED BY:	DATE
_____	
Markus Coleman, Project Manager	
RECOMMENDED BY:	DATE
_____	
Jesus Sapien, Deputy Public Transit Director	
PTD FISCAL SECTION REVIEW:	DATE
_____	
Dianna Evans, Department Budget Supervisor	
CHECKED AS TO AVAILABILITY OF FUNDS BY:	DATE
N/A	
_____	
Budget and Research Department	
APPROVED FOR THE CITY MANAGER BY:	DATE
_____	
Maria Hyatt, Interim Public Transit Director / Ted Mariscal-----	

**REVENUE**       **EXPENDITURE**

**PURCHASE OF TRANSIT SERVICES  
 CONTRACT ESTIMATE  
 DIAL A RIDE ONLY  
 FY 2014-15**

<b>Service</b>	<b>Service Provider</b>	<b>Annual Hours</b>	<b>Rate Hour</b>	<b>Annual Cost</b>	<b>Estimated Revenue</b>	<b>Net Cost</b>
Dial-a-Ride	MV Transportation	3,572.6	\$ 61.3817	\$ 219,292	\$ (27,494)	\$ 191,798
<b>Totals</b>		<b>3,572.6</b>		<b>\$ 219,292</b>	<b>\$ (27,494)</b>	<b>\$ 191,798</b>

<u>Amount Due</u>	<u>Due Date</u>
\$ 15,985	July 31, 2014
15,983	Aug 31, 2014
15,983	Sept 30, 2014
15,983	Oct 31, 2014
15,983	Nov 30, 2014
15,983	Dec 31, 2014
15,983	Jan 31, 2015
15,983	Feb 28, 2015
15,983	Mar 31, 2015
15,983	April 30, 2015
15,983	May 31, 2015
15,983	June 30, 2015
Total: \$ 191,798	



## CITY COUNCIL AGENDA

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**SUBJECT:**

Resolution 3188-514 - Setting forth the Fiscal Year 2014-2015 Tentative Budget

**MEETING DATE:**

5/19/2014

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**TO:** Mayor and Council**FROM:** Kevin Artz, Finance and Budget Director (623) 333- 2012**THROUGH:** David Fitzhugh, Acting City Manager**PURPOSE:**

To adopt a resolution, setting forth the fiscal year 2014-2015 tentative budget and establish the City's annual expenditure limitation in the amount of \$178,984,760.

**BACKGROUND:**

On April 14, 2014 and April 28, 2014, the City Manager presented his recommended budget to the Mayor and Council for the 2014-2015 fiscal year. The initial estimates of revenues and expenditures are posted on the City's website as required by A.R.S. 42-17103.

The City Manager's initial expenditure proposal totaled \$171,212,890. The City Manager also recommended supplemental requests be added to the budget totaling \$7,978,690 including a compensation and benefit package totaling \$2,087,520.

In conformance with State law and the City Charter, the tentative budget must be adopted prior to the third Monday in July. The adoption of the tentative budget will set the maximum limit of expenditures for fiscal year 2014-2015. The total budget may be reduced prior to final adoption, but cannot be increased.

**DISCUSSION:**

The combined operating and capital budget for fiscal year 2014-2015, as adjusted, totals \$178,984,760. Total revenues anticipated for fiscal year 2014-2015 are \$153,745,010, including property taxes and bond proceeds. Fund balances will be utilized for one-time expenditures, carryover requests and capital projects.

Supplemental requests included in the tentative total \$5,891,170. However, supplementals for additional replacement vehicle funding have now been reclassified to transfers to the replacement funds and therefore will not increase expenditure appropriation but rather will increase transfers out of the respective fund while also increasing the transfers in to the respective replacement funds. The funding for transit operations and the Zoom Circulator were also reclassified as transfers.

The compensation package funding of \$2,087,520 covers a 4% merit based adjustment for employees, Public Safety employee group agreements, 10% increase in medical benefits, and funding for internal equity adjustments.

Carryover appropriation is used for projects or purchases that were planned for the current year but will not be completed until next fiscal year. Since appropriations lapse on June 30, this

appropriation must be included in the tentative budget to ensure the spending authority is included in the maximum limit. Carryover requests total \$20,162,190 most of which are needed to complete capital projects. This amount may decrease after actual expenditures have been analyzed and the 2013-2014 fiscal year is closed.

Finally, an adjustment to the Risk Management Trust fund contingency increasing it to the \$500,000 as discussed on April 28, 2014 is included as well as a few minor benefit adjustments totaling \$10,680. The adjustments from the initial budget estimates are summarized in the following table.

Description	Expenditure Budget	Transfers
Initial Budget Estimate	171,212,890	22,441,790
Adjustments		
Add Supplementals	5,891,170	
Shift of replacement vehicle increases to transfers	(337,500)	337,500
Transfer for transit operations + Zoom GF Funding	(130,000)	640,510
Compensation & Benefit Package	2,087,520	
Risk Management Trust Fund Contingency Increase	250,000	
Minor benefit adjustments	10,680	
<b>Tentative Budget Total</b>	<b>178,984,760</b>	<b>23,419,800</b>

Each year with the final budget adoption, the Council also considers the City's fee resolution which establishes the fees for the fiscal year. Attached for informational purposes is the proposed fee schedule for review. A summary of changes is also attached. Notice of fee changes, as required by A.R.S. §9-499.15, has been posted on the City's website. The tentative budget is presented on the forms developed by the Auditor General in conformance with A.R.S. §42-17101.

The forms include a summary of the City's budget on the following schedules:

- Schedule A- Summary Schedule of Estimated Revenues and Expenditures/Expenses
- Schedule B- Tax Levy and Tax Rate Information
- Schedule C- Revenues Other Than Property Taxes
- Schedule D- Other Financing Sources and Interfund Transfers
- Schedule E- Expenditures/Expenses by Fund
- Schedule F- Expenditures/Expenses by Department
- Schedule G- Full-Time Employees and Personnel Compensation

A summary of the tentative budget and a notice of public hearing on the budget and property tax levy will be published as required by A.R.S. 42-17103. The following list shows the timeline for all actions required for formal adoption of the City's annual budget:

- May 19th Adopt tentative budget
- June 3rd First publication of tentative budget
- June 10th Second publication of tentative budget
- June 16th Hold public hearing on budget and property tax levy. Convene special meeting to adopt final budget
- July 7th Adopt property tax levy

**BUDGET IMPACT:**

Adoption of this resolution will set the maximum expenditure budget for FY 2014-15 no additional appropriations may be added. The budget, however, may be reduced or adjusted between items.

**RECOMMENDATION:**

Staff recommends that Council adopt a resolution setting forth the fiscal year 2014-2015 tentative budget and authorize staff to proceed with the required publication process.

**ATTACHMENTS:****Description**

[Proposed Fee Schedule](#)

[Summary of Fee Changes](#)

[Resolution 3188-514](#)

# City of Avondale

## Fee Schedule - By Resolution

Fee/User Type	Description	Fee	Unit of Measure
<b>General Fees</b>			
<b>Fee</b>			
All Users	Certification of Documents	\$5.00	Per Packet
All Users	Flash/Thumb Drive	\$5.00 - \$25.00	Each/Per Size
All Users	Self Service Copy Machine	\$0.25 - \$1.00	Per Page
All Users	Web/Phone Payment Processing Fee	\$1.50	Per Transaction
All Users	Annexation	\$4,000.00	Deposit
All Users	Copies	\$0.25	Per Page
All Users	Copies - Color	\$1.25	Per Page
All Users	Copies - Information CD	\$5.00	Each
All Users	Fire Records Report	\$5.00	Per Report
All Users	Notary	\$2.00	Per Signature
All Users	NSF Check Fee	\$25.00	Each
All Users	Recording - General Documents, Governmental Agencies	\$7.00	Per Recording
All Users	Recording - Maps and Plats, Governmental Agencies, first sheet	\$14.00	Per Recording
All Users	Recording - Maps and Plats, Governmental Agencies, for each sheet after the first	\$10.00	Per Sheet
All Users	Recording - General Documents, Governmental Agencies, for each page over 5	\$0.50	Per Page
<b>Passport Fee</b>			
All Users	Passport Application Processing	\$25.00	Per Application
All Users	Passport Photo Fees	\$13.00	Each
<b>Recreation</b>			
All Users	Facility Rental	\$100.00	Deposit
Non-Resident	Facility Rental - Non Resident	\$30.00	Per Hour
Resident	Facility Rental	\$25.00	Per Hour
<b>Licenses Fees</b>			
<b>License</b>			
All Users	Business License	\$25.00	Processing
All Users	Business License	\$40.00	Annual
All Users	Special Event Business	\$15.00	Per Day
All Users	Sexually Oriented Business Application fee	\$250.00	Per License

# City of Avondale

## Fee Schedule - By Resolution

Fee/User Type	Description	Fee	Unit of Measure
<b>Licenses Fees</b>			
<b>License</b>			
All Users	Sexually Oriented Business Annual Fee	\$600.00	Per License
All Users	Sexually Oriented Business Employee Application Fee	\$100.00	Per License
All Users	Sexually Oriented Business Employee Annual Fee	\$200.00	Per License
All Users	Background Check Fee for Peddlers and SOB Licenses	\$24.00	Per License
<b>Liquor License</b>			
All Users	Liquor License Application Fee (All Series)	\$250.00	Per License
All Users	Liquor License Issuance Fee (All Series)	\$500.00	Per License
All Users	Liquor License Annual Fee - Series 1 (In State Producer)	\$600.00	Per License
All Users	Liquor License Annual Fee - Series 3 (Microbrewery)	\$600.00	Per License
All Users	Liquor License Annual Fee - Series 6 (Bar)	\$600.00	Per License
All Users	Liquor License Annual Fee - Series 7 (Beer and Wine Bar)	\$400.00	Per License
All Users	Liquor License Annual Fee - Series 9 (Liquor Store)	\$400.00	Per License
All Users	Liquor License Annual Fee - Series 10 (Beer and Wine Store)	\$200.00	Per License
All Users	Liquor License Annual Fee - Series 11 (Hotel/Motel)	\$600.00	Per License
All Users	Liquor License Annual Fee - Series 12 (Restaurant)	\$600.00	Per License
All Users	Liquor License Annual Fee - Series 13 (Domestic Farm Winery)	\$600.00	Per License
All Users	Liquor License Annual Fee - Series 14 (Private Club)	\$200.00	Per License
All Users	Special Event Liquor License	\$25.00	Per Day

### Planning/Permitting

#### Administrative

All Users	Medical Marijuana Dispensary and Cultivation Permit	\$460.00	Each
All Users	Zoning Verification Letter	\$130.00	Each
All Users	Zoning Interpretation Letter	\$180.00	Each
All Users	Manufactured/Modular Building	\$75.00	Each

# City of Avondale

## Fee Schedule - By Resolution

Fee/User Type	Description	Fee	Unit of Measure
<b>Planning/Permitting</b>			
<b>Administrative</b>			
All Users	Seasonal Sales Permit	\$180.00	Per Permit
All Users	Administrative Relief (Residential)	\$205.00	Each
All Users	Administrative Relief (Commercial)	\$460.00	Each
All Users	Appeals	\$305.00	Each
<b>Conditional Use Permit</b>			
All Users	Conditional Use Permit	\$1,250.00	Per Permit
All Users	CUP Unauthorized Use	\$2,500.00	Each
All Users	CUP Extension		50% of current fee
<b>General Plan &amp; Specific Plan</b>			
All Users	Major Text Amendment	\$1,025.00	Each
All Users	Minor Text Amendment	\$890.00	Each
All Users	Major Map Amendment	\$1,025.00	Each
All Users	Major Map Amendment	\$65.00	Per Acre
All Users	Minor Map Amendment	\$890.00	Each
All Users	Minor Map Amendment	\$55.00	Per Acre
<b>Miscellaneous</b>			
All Users	4th Plan Review		50% of First Review Fee
All Users	Development Agreement	\$510.00	Each
All Users	Applicant Initiated Continuance	\$510.00	Each
All Users	Copies - Full Size (24" x 36")	\$3.00	Per Page
All Users	Copies (8.5" x 11")	\$0.25	Per Page
All Users	Planner Consultation	\$45.00	Per Hour
<b>Plat/Subdivision/Land Division</b>			
All Users	Formation of Maintenance Improvement District	\$15.00	Per Lot
All Users	Preliminary Plat	\$1,785.00	Each
All Users	Preliminary Plat	\$9.00	Per Lot
All Users	Preliminary Plat Extension		50% of current fee
All Users	Preliminary Plat Amendment		50% of current fee
All Users	Final Plat	\$995.00	Each
All Users	Final Plat	\$9.00	Per Lot
All Users	Final Plat Amendment/Replat		50% of current fee
All Users	Minor Land Division	\$460.00	Each

# City of Avondale

## Fee Schedule - By Resolution

Fee/User Type	Description	Fee	Unit of Measure
<b>Planning/Permitting</b>			
<b>Plat/Subdivision/Land Division</b>			
All Users	Map of Dedication	\$360.00	Each
All Users	Single Family House Product Plan Review	\$25.00	Per Lot
<b>Pre-Application Meeting</b>			
All Users	Planner Pre-Application Meeting	\$150.00	Each
All Users	Team Pre-Application Meeting	\$300.00	Each
All Users	Planner Consultation	\$45.00	Per Hour
<b>Public Notification Fees</b>			
All Users	Required Publications		Current WVV Rate Provided by Applicant
All Users	Required Postings		Provided by Applicant
All Users	Required Property Owner Notifications		Provided by Applicant
<b>Publication</b>			
All Users	As-Builts	\$3.00	Per Sheet
All Users	As-Builts	\$5.00	Per Disc
All Users	Zoning Ordinance	\$30.00	Each
All Users	Subdivision Ordinance	\$10.00	Each
All Users	General Plan	\$30.00	Each
All Users	General Plan Map	\$10.00	Each
All Users	Specific Area Plans/Other Plans	\$20.00	Each
All Users	Zoning Atlas	\$10.00	Each
All Users	Development Progress Map	\$20.00	Each
All Users	Design Manuals	\$20.00	Each
All Users	Design Manual CD	\$10.00	Each
All Users	General Engineering Requirements	\$25.00	Each
All Users	MAG Supplemental	\$30.00	Each
All Users	Documents placed on CD	\$5.00	Each
<b>Rezoning</b>			
All Users	Historic Avondale Infill Overlay District	\$500.00	Each
All Users	MSED District	\$1,785.00	Each
All Users	MSED District	\$70.00	Per Acre
All Users	Rezoning - Single Family	\$1,070.00	Each
All Users	Rezoning - Single Family	\$55.00	Per Acre
All Users	Rezoning - Multi-family	\$1,070.00	Each
All Users	Rezoning - Multi-family	\$70.00	Per Acre

# City of Avondale

## Fee Schedule - By Resolution

Fee/User Type	Description	Fee	Unit of Measure
<b>Planning/Permitting</b>			
<b>Rezoning</b>			
All Users	Rezoning - Non Residential	\$1,425.00	Each
All Users	Rezoning - Non Residential	\$70.00	Per Acre
All Users	Rezoning PAD (Commercial/Residential)	\$1,785.00	Each
All Users	Rezoning PAD (Commercial/Residential)	\$70.00	Per Acre
All Users	Rezoning CC (City Center)	\$1,785.00	Each
All Users	Rezoning CC (City Center)	\$70.00	Per Acre
All Users	Zoning Ordinance Text Amendment	\$890.00	Each
All Users	Overlay District	\$1,250.00	Each
All Users	Overlay District	\$70.00	Per Acre
All Users	Overlay District Extension		50% of current fee
All Users	PAD Extension or Amendment		50% of current fee
<b>Sign Review</b>			
All Users	Permanent Sign (Plan Review Fee + s.f. cost)	\$30.00	Each
All Users	Permanent Sign (Electrical; Per Sign)	\$40.00	Each
All Users	Permanent Sign (Unauthorized Installation)		Double Applicable Fee
All Users	Temporary Sign	\$30.00	Each
All Users	Square Foot Cost: 0-31 s.f.	\$70.00	Each
All Users	Square Foot Cost: 32-47 s.f.	\$100.00	Each
All Users	Square Foot Cost: 48+ s.f.	\$155.00	Each
All Users	Comprehensive Sign Package	\$510.00	Each
<b>Site Plan/Design Review</b>			
All Users	Site Plan/Design Review	\$1,375.00	Each
All Users	Site Plan/Design Review	\$50.00	Per Acre
All Users	Site Plan/DR Amendment/Extension		50% of current fee
All Users	Design Review Waiver	\$75.00	Each
<b>Variance</b>			
All Users	Variance - Residential	\$205.00	Each
All Users	Variance - Non Residential	\$1,070.00	Each
All Users	Un-authorized Construction/Installation		Double plan fee
<b>Building Fees</b>			

# City of Avondale

## Fee Schedule - By Resolution

Fee/User Type	Description	Fee	Unit of Measure
<b>Building Fees</b>			
<b>Administrative</b>			
All Users	Replication of Plans (when legally authorized)	\$50.00	Plus Actual Replication Costs
<b>Building Permit</b>			
All Users	Tier A - Total Valuation \$1.00 to \$500	\$50.00	Per Permit
All Users	Tier B - Total Valuation \$501.00 to \$2,000.00 (Includes Tier A)	\$5.00	For each additional \$100.00 or fraction thereof, to and including \$2,000.00
All Users	Tier C - Total Valuation \$2,001.00 to \$25,000.00 (Includes Tiers A & B)	\$14.00	For each additional \$1000.00 or fraction thereof, to and including \$25,000.00
All Users	Tier D - Total Valuation \$25,001.00 to \$50,000.00 (Includes Tiers A, B & C)	\$14.00	For each additional \$1,000.00 or fraction thereof, to and including \$50,000.00
All Users	Tier E - Total Valuation \$50,001.00 to \$100,000.00 (Includes Tiers A, B, C & D)	\$9.00	For each additional \$1,000.00 or fraction thereof, to and including \$100,000.00
All Users	Tier F - Total Valuation \$100,001.00 to \$500,000.00 (Includes Tiers A, B, C, D & E)	\$8.00	For each additional \$1,000.00 or fraction thereof, to and including \$500,000.00
All Users	Tier G - Total Valuation \$500,001.00 to \$1,000,000.00 (Includes Tiers A, B, C, D, E & F)	\$7.00	For each additional \$1,000.00 or fraction thereof, to and including \$1,000,000.00
All Users	Tier H - Total Valuation \$1,000,000.00 and up (Includes Tiers A, B, C, D, E, F & G)	\$5.00	For each additional \$1,000.00 or fraction thereof
<b>Building Plan Review</b>			
All Users	Additional Reviews as Required	\$100.00	Per Hour
All Users	Annual Renewal of Standard House Plans	\$100.00	Each
All Users	Annual Renewal of Standard Pool Plans	\$50.00	Each
All Users	Building Review Fee		65% of building permit Fee
All Users	Model Home Complex Site Plan Review	\$205.00	Each

# City of Avondale

## Fee Schedule - By Resolution

Fee/User Type	Description	Fee	Unit of Measure
<b>Building Fees</b>			
<b>Building Plan Review</b>			
All Users	Review of Deferred Submittals (outside consultants)		Actual Cost
All Users	Review of Deferred Submittals (submitted after initial plan review) In-house	\$180.00	Per Submittal
All Users	Site Plan Review - Model Home Complex Site	\$205.00	Each
All Users	Site Plan Review (or Revision) for Residential Standard Plan	\$50.00	Each
All Users	Temporary Sales Trailers - Plan Review	\$100.00	Each
All Users	Temporary Trailers - Plan Review	\$100.00	Each
<b>Inspection</b>			
All Users	Appliance/Piece of Equipment Regulated by the Plumbing Code, not classed in any other category	\$40.00	Each
All Users	Certificate of Completion for Commercial Shell Buildings	\$100.00	Each
All Users	Certificate of Occupancy for Commercial Buildings	\$100.00	Each
All Users	Certificate of Occupancy for Commercial Tennant Improvement	\$50.00	Each
All Users	Certificate of Occupancy for Residential	\$50.00	Each
All Users	Expedited Plan Review		Double Plan Review Fee
All Users	For Use of Outside Consultants for Inspections		Actual Costs
All Users	Industrial Waste Pretreatment Interceptor/Trap (Except kitchen-type grease interceptor functioning as a fixture trap)	\$20.00	Each
All Users	Inspections Outside of Normal Business Hours (min. charge - 4 hours)	\$100.00	Per Hour
All Users	Landscape Inspection Fee	\$100.00	Each
All Users	Rainwater Systems (inside building)	\$10.00	Per Drain
All Users	Re-inspection Fees	\$100.00	Per Hour
All Users	Request for Certificate of Occupancy for Change of Use Group	\$50.00	Each
All Users	Work Commenced Without Permit		Fees Doubled

# City of Avondale

## Fee Schedule - By Resolution

Fee/User Type	Description	Fee	Unit of Measure
<b>Building Fees</b>			
<b>Mechanical Permit</b>			
All Users	HVAC/Heating, Venting, and Air Conditioning - Other Than Residential Single-Family (per unit with duct work), each	\$80.00	Per Unit
All Users	HVAC/Heating, Venting, and Air Conditioning - Other Than Residential Single-Family (per unit without ductwork), each	\$50.00	Per Unit
All Users	HVAC/Heating, Venting, and Air Conditioning - Residential, Single Family, Multifamily/hotel/motel	\$40.00	Per Unit or Room
<b>Permits</b>			
All Users	Building Demolition - Accessory Structure	\$25.00	Each
All Users	Building Demolition - Single-Family Residence and Other Structures	\$100.00	Each
All Users	Swimming Pools/Spas - Above Ground	\$50.00	Each
All Users	Swimming Pools/Spas - In-Ground	\$510.00	Each
All Users	Swimming Pools/Spas - Pool with Spa	\$560.00	Each
All Users	Swimming Pools/Spas - Spa or Hot Tub	\$50.00	Each
All Users	Temporary Sales Trailers - Building Permit	\$205.00	Each
All Users	Temporary Trailers - Building Permit	\$205.00	Each
All Users	Temporary Trailers - Generator	\$40.00	Each
All Users	Electrical Permit Fee	\$40.00	Per Permit
All Users	Electrical Permit Fee - Generator, Each	\$40.00	Per Permit
All Users	Electrical Permit Fee - For services of 600 volts or less and not over 200 amperes in rating	\$40.00	Per Permit
All Users	Electrical Permit Fee - For services of 600 volts or less and over 200 amperes in rating	\$80.00	Per Permit
All Users	Electrical Permit Fee - For services over 600 volts or over 1,000 amperes in rating	\$205.00	Per Permit
All Users	Electrical Permit Fee - Multi-Family and Hotels/Motels	\$40.00	Per Unit or Room
All Users	Electrical Permit Fee - Temporary Power Pole and Service	\$40.00	Per Permit
All Users	Mechanical Permit Fee	\$40.00	Per Permit

# City of Avondale

## Fee Schedule - By Resolution

Fee/User Type	Description	Fee	Unit of Measure
<b>Building Fees</b>			
<b>Permits</b>			
All Users	Mechanical Permit Fee - Air Conditioning - Residential Single-Family (with or without duct work including associated electrical work)	\$40.00	Per Unit
All Users	Mechanical Permit Fee - Air Conditioning - Other than Residential Single-Family (with duct work)	\$80.00	Per Unit
All Users	Mechanical Permit Fee - Air Conditioning - Other than Residential Single-Family (without duct work)	\$50.00	Per Unit
All Users	Mechanical Permit Fee - Multi-Family and Hotels/Motels	\$40.00	Per Unit or Room
All Users	Plumbing Permit Fee	\$40.00	Per Permit
All Users	Plumbing Permit Fee - Miscellaneous - Appliance or piece of equipment regulated by the Plumbing Code but not classed in any other categories or for which no other fee is listed	\$40.00	Each
All Users	Plumbing Permit Fee - Multi-Family and Hotels/Motels	\$40.00	Per Unit or Room
All Users	Plumbing Permit Fee - Sewers, Disposal Systems and Interceptors	\$25.00	Per Unit
All Users	Plumbing Permit Fee - Sewers, Disposal Systems and Interceptors - Industrial waste pretreatment interceptor	\$20.00	Each
All Users	Plumbing Permit Fee - Sewers, Disposal Systems and Interceptors - Private Sewage Disposal System	\$75.00	Per Unit
All Users	Plumbing Permit Fee - Sewers, Disposal Systems and Interceptors - Rainwater Systems	\$10.00	Per Drain
<b>Plumbing Permit</b>			
All Users	Multi-family or Hotels/Motels	\$40.00	Each
All Users	Plumbing Permit (except Multi-family/hotels/motels), each	\$40.00	Each
<b>Submittal Fees</b>			
All Users	Commercial - 10,001 - 20,000 Square Feet	\$2,850.00	Each
All Users	Commercial - 20,001 SF and Up	\$5,100.00	Each
All Users	Commercial - Up to 10,000 Square Feet	\$1,630.00	Each

# City of Avondale

## Fee Schedule - By Resolution

Fee/User Type	Description	Fee	Unit of Measure
<b>Building Fees</b>			
<b>Submittal Fees</b>			
All Users	Single Family Dwelling	\$460.00	Per Plan
All Users	Tenant Improvement - 10,001 SF and Up	\$1,425.00	Each
All Users	Tenant Improvement - Up to 10,000 Square Feet	\$255.00	Each
<b>Fire Fees</b>			
<b>Fire Plan Review</b>			
All Users	Administrative Fee	\$50.00	Per Occurrence
All Users	Outsource Review Fee		Actual Cost Per Review
All Users	Plan Review Fee	\$100.00	Per Hour
All Users	Submittal Fee	\$200.00	Per Permit
All Users	Other Fire Code - Expedited plan review (based on staff availability)		Double Review Fee
All Users	Other Fire Code - Revision to previously reviewed plan (one hour minimum)	\$100.00	Per Hour
All Users	Other Fire Code - Fire Marshal review of alternative materials and methods request(one hour minimum)	\$100.00	Per Hour
All Users	Other Fire Code - Fire Marshal review of technical assistance request (one hour minimum)	\$100.00	Per Hour
All Users	Other Fire Code - Fire Marshal Review of Code Modification request	\$100.00	Per Hour
<b>Inspection</b>			
All Users	Fee to conduct inspection for facilities licensed by the State of Arizona	\$100.00	Per Inspection
All Users	Stop Work Order Inspection	\$250.00	Per Occurance
All Users	Other Fire Code - After hours inspections (four hour minimum)	\$100.00	Per Hour
All Users	Other Fire Code - Standby personnel (two hour minimum) (OT \$75.00hr)	\$50.00	Per Hour
All Users	Other Fire Code - Standby personnel (Overtime)	\$75.00	Per Overtime Hour
All Users	Other Fire Code - Re-inspection fee (fee doubles each occurrence per job)	\$100.00	Per Permit
All Users	Other Fire Code - Additional Inspections (two hour minimum)	\$50.00	Per Hour

# City of Avondale

## Fee Schedule - By Resolution

Fee/User Type	Description	Fee	Unit of Measure
<b>Fire Fees</b>			
<b>Permits</b>			
	Temporary Use and Operational - Temporary fire protection water supply (maximum 120 days)	\$200.00	Per Permit
All Users	Annual fee for fire protection equipment contractor permit to do business in the City of Avondale	\$75.00	Per Permit
All Users	Annual fee to store, transport on-site, dispense, use or handle hazardous materials in T105.6.21	\$300.00	Per Permit
All Users	Temporary Use and Operational - Amusement Building - 30 Days	\$200.00	Per Permit
All Users	Temporary Use and Operational - Blasting site operations (each 30 day period)	\$250.00	Per Permit
All Users	Temporary Use and Operational - Carnival, Fair, Circus, Haunt or other Public Special Event - 30 Days	\$200.00	Per Permit
All Users	Temporary Use and Operational - Consumer Fireworks retail sales - 30 Days	\$300.00	Per Permit
All Users	Temporary Use and Operational - Each additional tent, canopy, or membrane structure	\$100.00	Per Permit
All Users	Temporary Use and Operational - Exhibits and Trade Show	\$100.00	Per Permit
All Users	Temporary Use and Operational - Fireworks Display - each new location	\$300.00	Per Permit
All Users	Temporary Use and Operational - Fireworks Display - repeat location previously approved	\$200.00	Per Permit
All Users	Temporary Use and Operational - Flame Effects	\$250.00	Per Permit
All Users	Temporary Use and Operational - Fuel Tank & Dispensing	\$100.00	Per Permit
All Users	Temporary Use and Operational - LP Gas - Construction site use of containers over 100 lbs.	\$100.00	Per Permit
All Users	Temporary Use and Operational - LP Gas - public special event use of containers over 40 lbs.	\$50.00	Per Permit
All Users	Temporary Use and Operational - Motor Vehicle Fueling from Tank Vehicles	\$200.00	Per Permit

# City of Avondale

## Fee Schedule - By Resolution

Fee/User Type	Description	Fee	Unit of Measure
<b>Fire Fees</b>			
<b>Permits</b>			
All Users	Temporary Use and Operational - Open burning or bon fires	\$50.00	Per Permit
All Users	Temporary Use and Operational - Pyrotechnics Display	\$250.00	Per Permit
All Users	Temporary Use and Operational - Single tent, canopy or membrane structure installation	\$200.00	Per Permit
All Users	Temporary Use and Operational - Temporary fire apparatus access road (maximum 120 days)	\$1,000.00	Per Permit
All Users	Temporary Use and Operational - Consumer Fireworks Wholesale Distribution and/or Storage - 30 Days	\$900.00	Per Permit
All Users	Fire Alarm & Detection System - New Installation under 5,000 sq. ft.	\$300.00	Per Permit
All Users	Fire Alarm & Detection System - New Installation 5,001 - 10,000 sq. ft.	\$400.00	Per Permit
All Users	Fire Alarm & Detection System - New Installation 10,001 - 50,000 sq. ft.	\$600.00	Per Permit
All Users	Fire Alarm & Detection System - New Installation 50,001 - 100,000 sq. ft.	\$900.00	Per Permit
All Users	Fire Alarm & Detection System - New Installation 100,001 - 150,000 sq. ft.	\$1,200.00	Per Permit
All Users	Fire Alarm & Detection System - New Installation over 150,000 sq. ft.	\$1,500.00	Per Permit
All Users	Fire Alarm & Detection System - Modification (including TI), 1-5 devices	\$100.00	Per Permit
All Users	Fire Alarm & Detection System - Modification (including TI), 6-20 devices	\$200.00	Per Permit
All Users	Fire Alarm & Detection System - Modification (including TI), 21-50 devices	\$400.00	Per Permit
All Users	Fire Alarm & Detection System - Modification (including TI), over 50 devices	\$500.00	Per Permit
All Users	Fire Alarm & Detection System - Modification, new fire alarm control panel	\$150.00	Per Permit
All Users	Fire Alarm & Detection System - Modification, connection to access-controlled egress doors or delayed egress locks	\$150.00	Per Permit

# City of Avondale

## Fee Schedule - By Resolution

Fee/User Type	Description	Fee	Unit of Measure
<b>Fire Fees</b>			
<b>Permits</b>			
All Users	Automatic Fire Sprinkler System - New installation under 10,000 sq. ft.	\$300.00	Per Permit
All Users	Automatic Fire Sprinkler System - New installation 10,001 - 52,000 sq. ft.	\$400.00	Per Permit
All Users	Automatic Fire Sprinkler System - New installation 52,001 - 104,000 sq. ft.	\$800.00	Per Permit
All Users	Automatic Fire Sprinkler System - New installation over 104,001 sq. ft.	\$1,200.00	Per Permit
All Users	Automatic Fire Sprinkler System - Modification (including TI), 1 - 20 sprinklers	\$100.00	Per Permit
All Users	Automatic Fire Sprinkler System - Modification (including TI), 21 - 100 sprinklers	\$200.00	Per Permit
All Users	Automatic Fire Sprinkler System - Modification (including TI), 101 - 500 sprinklers	\$300.00	Per Permit
All Users	Automatic Fire Sprinkler System - Modification (including TI), over 500 sprinklers	\$400.00	Per Permit
All Users	Automatic Fire Sprinkler System - 13 D Residential - New installation or modification	\$100.00	Per Permit
All Users	Alternative Fire-Extinguishing System - New installation: water, foam, CO2, clean agent, halon, chemical, etc.	\$200.00	Per Permit
All Users	Alternative Fire-Extinguishing System - New installation commercial cooking - single system	\$150.00	Per Permit
All Users	Alternative Fire-Extinguishing System - Each additional system installed at the same time	\$100.00	Per Permit
All Users	Alternative Fire-Extinguishing System - Modification to any alternative fire system	\$100.00	Per Permit
All Users	Standpipe - New Installation	\$200.00	Per Permit
All Users	Standpipe - Modification	\$100.00	Per Permit
All Users	Fire Pump - New Installation	\$500.00	Per Permit
All Users	Fire Pump - Modification (minimum one hour)	\$100.00	Per Permit

# City of Avondale

## Fee Schedule - By Resolution

Fee/User Type	Description	Fee	Unit of Measure
<b>Fire Fees</b>			
<b>Permits</b>			
All Users	Private Fire Protection Water Supply - New installation - Private fire protection water supply system	\$200.00	Per Permit
All Users	Private Fire Protection Water Supply - Modification to private fire protection water supply system (includes private underground fireline)	\$100.00	Per Permit
All Users	Private Fire Protection Water Supply - Fire flow test (not related to sprinkler system design)	\$100.00	Per Permit
All Users	Fire Department Access - Modification - Interior/private fire apparatus access road	\$100.00	Per Permit
All Users	Fire Department Access - New installation - Fire lane marking	\$100.00	Per Permit
All Users	Fire Department Access - New installation - Address directory	\$100.00	Per Permit
All Users	Fire Department Access - New installation - Fire apparatus automatic access gate (each)	\$100.00	Per Permit
All Users	Fire Department Access - New installation - Fire apparatus manual access gate (each)	\$100.00	Per Permit
All Users	Fire Department Access - New installation - Firefighter access walkway gate (each gate)	\$100.00	Per Permit
All Users	Fire Department Access - New installation - Fire access equipment (key box, key switch, padlock)	\$0.00	Per Permit
All Users	Fire Department Access - Modification to each fire department access items (except key box, key switch, padlock)	\$100.00	Per Hour
All Users	Flammable and combustible liquid tanks - New installation tank	\$200.00	Per Permit
All Users	Flammable and combustible liquid tanks - Each additional tank installed	\$100.00	Per Permit
All Users	Flammable and combustible liquid tanks - Modification	\$100.00	Per Permit
All Users	Flammable and combustible liquid tanks - Removal	\$100.00	Per Permit
All Users	Flammable and combustible liquid tanks - Each additional tank removed at same time	\$50.00	Per Permit

## City of Avondale

### Fee Schedule - By Resolution

Fee/User Type	Description	Fee	Unit of Measure
<b>Fire Fees</b>			
<b>Permits</b>			
All Users	Flammable and combustible liquid tanks - New installation >120 gal. part of emergency/standby power	\$100.00	Per Permit
All Users	Hazardous Materials - HMIS Assessment (minimum one hour)	\$100.00	Per Hour
All Users	Hazardous Materials - HMMP Assessment (minimum one hour)	\$100.00	Per Hour
All Users	Hazardous Materials - New installation - HazMat container, tank or process	\$200.00	Per Review
All Users	Hazardous Materials - Each additional container, tank, or process installed at the same time	\$100.00	Per Review
All Users	Hazardous Materials - Modification (minimum one hour)	\$100.00	Per Hour
All Users	L-P Gas - New installation - Prefilled portable cylinders for consumer exchange	\$100.00	Per Permit
All Users	L-P Gas - New installation - Storage containers awaiting use or resale	\$200.00	Per Permit
All Users	L-P Gas - New installation - L-P gas system	\$300.00	Per Permit
All Users	Spraying or Dipping - New installation - Spray room, dip tank, or booth	\$250.00	Per Permit
All Users	Spraying or Dipping - Modification (minimum one hour)	\$100.00	Per Permit
All Users	Compressed Gases - New installation - Under 400 lbs.	\$150.00	Per Permit
All Users	Compressed Gases - New installation - Over 400 lbs.	\$300.00	Per Permit
All Users	Compressed Gases - Modification	\$100.00	Per Permit
All Users	Other Fire Code - High-piled storage plan	\$100.00	Per Permit
All Users	Other Fire Code - Firefighter air system (FAS)	\$300.00	Per Permit
All Users	Other Fire Code - Public safety radio amplification system	\$300.00	Per Permit
All Users	Other Fire Code - Work commencing before permit issuance		Double Permit Fee

### Engineering Fees

# City of Avondale

## Fee Schedule - By Resolution

Fee/User Type	Description	Fee	Unit of Measure
<b>Engineering Fees</b>			
<b>Engineering Plan Review</b>			
All Users	GER Standards Deviation Application Processing Fee	\$125.00	Per Application
All Users	GER Standards Deviation Application Review Fee	\$200.00	Per Hour
All Users	Mass Grading Plan	\$375.00	Per Sheet
All Users	Grading & Drainage Plan	\$375.00	Per Sheet
All Users	Offsite Paving Plan	\$375.00	Per Sheet
All Users	Improvement Plans (commercial)	\$375.00	Per Sheet
All Users	Paving & Storm Drain Plan	\$375.00	Per Sheet
All Users	Water Plan	\$375.00	Per Sheet
All Users	Sewer Plan	\$375.00	Per Sheet
All Users	Striping & Signing Plan	\$375.00	Per Sheet
All Users	Streetlight Plan	\$375.00	Per Sheet
All Users	Traffic Signal Plan	\$375.00	Per Sheet
All Users	Building Plan Review	\$120.00	Per Hour
All Users	Third Review Plans	\$375.00	Per Sheet
All Users	Fourth and Subsequent Review of Plans	\$475.00	Per Sheet
All Users	Drainage Report	\$120.00	Per Hour
All Users	Geo Tech Report (soils, paving, etc.)	\$120.00	Per Hour
All Users	Water Report	\$120.00	Per Hour
All Users	Sewer Report	\$120.00	Per Hour
All Users	Traffic Impact Study	\$120.00	Per Hour
All Users	Supplemental Report	\$120.00	Per Hour
All Users	Third Review Reports	\$120.00	Per Hour
All Users	Fourth and Subsequent Review of Reports	\$200.00	Per Hour
All Users	Storm Water Pollution Prevention Plan (SWPPP) Report	\$120.00	Per Hour
All Users	Water Pollution Control Drawings (WPCD)	\$375.00	Per Sheet
All Users	Other	\$375.00	Per Sheet
<b>Fee</b>			
All Users	Copies - Non Standard Sizes (Plans, Maps, other)	\$3.00	Per Sheet
All Users	Streetlight Repair/Replacement	\$100.00	Per Hour; Minimum 2 Hours
All Users	Streetlight Shield Installation	\$100.00	

# City of Avondale

## Fee Schedule - By Resolution

Fee/User Type	Description	Fee	Unit of Measure
<b>Engineering Fees</b>			
<b>Fee</b>			
All Users	Traffic Sign/Signal Repair/Replacement	\$100.00	Per Hour; Minimum 2 Hours
<b>Inspection</b>			
All Users	After Business Hours & Green Friday Inspections (2-Hr min.)	\$120.00	Per Hour
All Users	Second and subsequent re-inspections required for failure to correct deficiencies	\$120.00	Per Hour
<b>Permits</b>			
All Users	Grading - All	\$200.00	Base Fee + SY (Fee Below)
All Users	Grading - Less than 5 acres	\$0.05	Square Yard
All Users	Grading - 5 - 20 acres	\$0.04	Square Yard
All Users	Grading - Greater than 20 acres	\$0.03	Square Yard
All Users	Drainage - Storm Sewer Pipe	\$1.00	Linear Foot
All Users	Drainage - Storm Sewer Manholes	\$65.00	Each
All Users	Drainage - Underground Storm Water Ret Pipe	\$2.00	Linear Foot
All Users	Drainage - Drywell	\$80.00	Each
All Users	Drainage - Spillway	\$50.00	Each
All Users	Drainage - Rip Rap	\$3.00	Cubic Yard
All Users	Drainage - Curb Opening	\$25.00	Each
All Users	Irrigation Pipe	\$1.00	Linear Feet
All Users	Irrigation Manhole/Structure	\$65.00	Each
All Users	Sanitary Sewer - Main Line Pipe	\$1.20	Linear Foot
All Users	Sanitary Sewer - Service Line Pipe	\$0.80	Linear Foot
All Users	Sanitary Sewer - Manhole	\$65.00	Each
All Users	Sanitary Sewer - Drop Connection	\$40.00	Each
All Users	Sanitary Sewer - Cleanouts; Mains & Service Lines	\$40.00	Each
All Users	Sanitary Sewer - Sewer Tap	\$65.00	Each
All Users	Sanitary Sewer - Pipe Connection	\$65.00	Each
All Users	Sanitary Sewer - Pipe Encasement	\$25.00	Linear Foot
All Users	Sanitary Sewer - Utility Adjustment (On-Site)	\$15.00	Each
All Users	Water - Water Main Line	\$1.20	Linear Foot
All Users	Water - Water Service Line	\$0.80	Linear Foot

# City of Avondale

## Fee Schedule - By Resolution

Fee/User Type	Description	Fee	Unit of Measure
<b>Engineering Fees</b>			
<b>Permits</b>			
All Users	Water - Tapping Sleeve	\$80.00	Each
All Users	Water - Mainline/Lateral/FH Valve	\$25.00	Each
All Users	Water - Water Valve or ARV MH Vault	\$65.00	Each
All Users	Water - Fire Line	\$1.20	Linear Foot
All Users	Water - Fire Hydrants	\$45.00	Each
All Users	Water - Blow Off/Tapped Cap	\$25.00	Each
All Users	Water - Meter Box	\$25.00	Each
All Users	Water - Backflow Preventer (Up to 3-in.)	\$60.00	Each
All Users	Water - Backflow Preventer (3-in. & Greater)	\$90.00	Each
All Users	Water - Water Line Connection	\$65.00	Each
All Users	Water - Utility Adjustment (On-Site)	\$15.00	Each
All Users	Utilities - Open Trench (R/W) Paved	\$0.80	Linear Foot
All Users	Utilities - Open Trench (R/W) Un-Paved	\$0.45	Linear Foot
All Users	Utilities - Boring Only	\$0.30	Linear Foot
All Users	Utilities - Bore/Splice Pit	\$40.00	Each
All Users	Utilities - Pothole	\$50.00	Each
All Users	Concrete Structures - Catch Basins & Headwalls	\$70.00	Each
All Users	Concrete Structures - Scuppers	\$70.00	Each
All Users	Concrete Structures - Box Culvert (% of Estimated Construction Cost)		4% of Cost
All Users	Concrete - Sidewalk	\$0.10	Square foot
All Users	Concrete - 6" Vert Curb & Gutter, Single Curb & Ribbon Curb	\$0.25	Linear Foot
All Users	Concrete - Valley Gutter & Apron	\$0.30	Square foot
All Users	Concrete - Bus Bay, R Turn Lane	\$0.20	Square Foot
All Users	Concrete - Return Type Driveway (Commercial)	\$0.20	Square Foot
All Users	Concrete - Sidewalk Ramps	\$40.00	Each
All Users	Concrete - Driveway (Non-return Type)	\$75.00	Each
All Users	Paving - New Conc. Asphalt Pavement (Full Section in Place)	\$0.60	Square Yard
All Users	Paving - Asphalt Concrete Overlay (1 Lift)	\$0.30	Square Yard
All Users	Paving - Slurry / Micro Seal	\$0.05	Square Yard
All Users	Paving - Utility Adjustments (Offsite)	\$25.00	Each

# City of Avondale

## Fee Schedule - By Resolution

Fee/User Type	Description	Fee	Unit of Measure
<b>Engineering Fees</b>			
<b>Permits</b>			
All Users	Paving - Survey Monuments	\$25.00	Each
All Users	Paving - Street Signs	\$25.00	Each
All Users	Paving - Barricade / Guardrail	\$4.00	Linear Foot
All Users	Paving - Striping (4-in Equiv.)	\$0.05	Linear Foot
All Users	Paving - Asphalt Pavement Replacement: (Also for Utility Cuts) Area < 100 SY	\$20.00	Square Yard
All Users	Paving - Asphalt Pavement Replacement: (Also for Utility Cuts) 100 SY - 700 SY	\$5.00	Square Yard
All Users	Paving - Asphalt Pavement Replacement: (Also for Utility Cuts) 700 SY - 1,760 SY	\$1.50	Square Yard
All Users	Paving - Asphalt Pavement Replacement: (Also for Utility Cuts) Area > 1,760 SY	\$0.60	Square Yard
All Users	Street Lights	\$50.00	Each
All Users	Landscaping (ROW Area)	\$0.08	Square Yard
All Users	Landscape Backflow Preventer	\$60.00	Each
All Users	Unspecified Items - % of Estimated Construction Cost		4%
All Users	Dirt Haul Permit	\$75.00	LS
All Users	Permit Modification	\$50.00	LS
All Users	Renew Expired Permit (With City Approval)	\$150.00	LS
All Users	Retaining Walls	\$0.50	Linear Foot
All Users	Theme Wall	\$0.05	Linear Foot
<b>Publication</b>			
All Users	GER Manual	\$25.00	Each
All Users	MAG Supplement Manual	\$30.00	Each
<b>Police Fees</b>			
<b>Fee</b>			
All Users	Archived Police Report - CD or Email	\$20.00	Per Report
All Users	Archived Rush Police Report - CD or Email	\$40.00	Per Report
All Users	Archived Rush Police Report - Every page after 20	\$1.60	Per Page
All Users	Archived Rush Police Report - First 20 Pages	\$40.00	Per Report
All Users	Rush Police Report - CD or Email	\$20.00	Per Report

## City of Avondale

### Fee Schedule - By Resolution

Fee/User Type	Description	Fee	Unit of Measure
<b>Police Fees</b>			
<b>Fee</b>			
All Users	Rush Police Report Printed - Every page after 20	\$0.80	Per Page
All Users	Rush Police Report Printed - First 20 Pages	\$20.00	Per Report
All Users	Fingerprint Fees	\$15.00	Per Set
All Users	Standard Police Report - First 20 Pages	\$5.00	Per Report
All Users	Standard Police Report - Every page after 20	\$0.20	Per Page
All Users	Archived Police Report - First 20 Pages	\$20.00	Per Report
All Users	Archived Police Report - Every page after 20	\$0.80	Per Page
All Users	Standard Police Report – CD or Emailed	\$5.00	Per Report
All Users	Crime Analysis or Statistical Research	\$30.00	Per Hour
All Users	Crime Analysis or Statistical Research	\$0.20	Per Page
All Users	Vehicle Impound Release	\$150.00	Per Vehicle
All Users	Audio CD	\$10.00	Each
All Users	Audio Recordings That Need to be Transcribed - Minimum of \$10.00	\$2.00	Per Minute
All Users	Alarm System Registration	\$25.00	Each
All Users	Alarm System Registration Renewal	\$25.00	Each
<b>City Court Fees</b>			
<b>Fee</b>			
All Users	Audio/Video Record Duplication Fee	\$17.00	Per Appeal
All Users	Civil Traffic Appeal Fee	\$35.00	Per Appeal
All Users	Court Copy Rates	\$0.50	Per page
All Users	Court Enhancement Fee	\$19.00	Per Case
All Users	Default Fee	\$100.00	Per Case
All Users	Defensive Driving Diversion Fee	\$115.00	Per Case
All Users	NSF Check Fee	\$25.00	Per Check
<b>Fines - Civil - Initial Assessment</b>			
All Users	Child Not in Restraint	\$133.00	Per Violation
All Users	Control Devices	\$168.00	Per Violation
All Users	Control Signal	\$168.00	Per Violation
All Users	Driver License Not in Possession	\$133.00	Per Violation

# City of Avondale

## Fee Schedule - By Resolution

Fee/User Type	Description	Fee	Unit of Measure
<b>City Court Fees</b>			
<b>Fines - Civil - Initial Assessment</b>			
All Users	Failure to Control Speed to Avoid a Collision - Accident without serious injury	\$168.00	Per Violation
All Users	Failure to Drive Right Side of Roadway	\$168.00	Per Violation
All Users	Failure to Get Duplicate Plates	\$133.00	Per Violation
All Users	Failure to Report Name/Change of Address	\$133.00	Per Violation
All Users	Failure to Stop for Red Light	\$218.00	Per Violation
All Users	Insurance Violations	\$140.00	With valid proof of insurance
All Users	Insurance Violations	\$953.00	For First Offense
All Users	License Plate Display Violation	\$523.00	Per Violation
All Users	Motorcycle Between Lanes of Traffic/Driving on Sidewalk	\$168.00	Per Violation
All Users	Neighborhood Electric Vehicle Speed Restrictions	\$133.00	Per Violation
All Users	No Valid Drivers License/Endorsement	\$133.00	Per Violation
All Users	Pedestrian Violations	\$78.00	Per Violation
All Users	Pedestrian Violations	\$168.00	Per Violation
All Users	Private Property to Avoid Traffic Device	\$168.00	Per Violation
All Users	Raise/Lower Vehicle > 15 mph	\$168.00	Per Violation
All Users	Registration Card Violation	\$140.00	Per Violation
All Users	Registration in County Residence	\$223.00	Per Violation
All Users	Registration Violation	\$133.00	Per Violation - upon proof of registration
All Users	Registration Violation	\$585.00	Per Violation
All Users	Registration Violations	\$133.00	Per Violation
All Users	Resident with Out of State Plates	\$585.00	Per Violation
All Users	Seat Belt Violations	\$51.50	Per Violation
All Users	Speed Less than Reasonable and Prudent	\$168.00	Per Violation
All Users	Speed Not to Impede Traffic	\$168.00	Per Violation
All Users	Speeding in School Zone/Failure To Stop in School Zone	\$168.00	Per Violation
All Users	Stop Sign/Yield Sign - Stop from Alley	\$168.00	Per Violation
All Users	Various - (Failure to have proper mirrors/Load or cover insecure)	\$133.00	Per Violation
All Users	Various - (Obstruction of View, Unsafe Backing)	\$168.00	Per Violation

# City of Avondale

## Fee Schedule - By Resolution

Fee/User Type	Description	Fee	Unit of Measure
<b>City Court Fees</b>			
<b>Fines - Civil - Initial Assessment</b>			
All Users	0-9 mph over speed limit	\$218.00	Per Violation
All Users	10-15 mph over speed limit	\$238.00	Per Violation
All Users	16-20 mph over speed limit	\$253.00	Per Violation
All Users	21-29 mph over speed limit	\$308.00	Per Violation
All Users	30-39 mph over speed limit	\$391.00	Per Violation
All Users	40+ mph or more over speed limit	\$493.00	Per Violation
All Users	Various - (Operate unsafe vehicle/Brake Violation)	\$133.00	Per Violation
All Users	Vehicle in Bike Path/Lane Stop	\$168.00	Per Violation
All Users	Vio/Flashing Red Stop Signal	\$168.00	Per Violation
All Users	Vio/Flashing Yellow Signal	\$168.00	Per Violation
All Users	Yield to Pedestrian	\$168.00	Per Violation
All Users	Pedestrian Use Sidewalks	\$78.00	Per Violation
<b>Fines - Civil - Initial Assessment in Default</b>			
All Users	Child Not in Restraint	\$233.00	Default Violation
All Users	Control Devices	\$268.00	Default Violation
All Users	Control Signal	\$268.00	Default Violation
All Users	Driver License Not in Possession	\$268.00	Default Violation
All Users	Failure to Carry Vehicle Registration Card	\$223.00	Default Violation
All Users	Failure to Control Speed to Avoid a Collision - Accident without serious injury	\$268.00	Default Violation
All Users	Failure to Display Legible Plates	\$223.00	Default Violation
All Users	Failure to Drive Right Side of Roadway	\$268.00	Per Violation
All Users	Failure to Get Duplicate Plates	\$223.00	Per Violation
All Users	Failure to Report Name/Change of Address	\$223.00	Per Violation
All Users	Failure to Stop for Red Light	\$318.00	Per Violation
All Users	Insurance Violations	\$1,053.00	Per Violation
All Users	Motorcycle Between Lanes of Traffic/Driving on Sidewalk	\$268.00	Per Violation
All Users	No Current Registration	\$685.00	Per Violation
All Users	No Valid Drivers License/Endorsement	\$223.00	Per Violation
All Users	Pedestrian Use Sidewalks	\$178.00	Per Violation
All Users	Pedestrian Violations	\$178.00	Per Violation
All Users	Pedestrian Violations	\$268.00	Per Violation

# City of Avondale

## Fee Schedule - By Resolution

Fee/User Type	Description	Fee	Unit of Measure
<b>City Court Fees</b>			
<b>Fines - Civil - Initial Assessment in Default</b>			
All Users	Private Property to Avoid Traffic Device	\$268.00	Per Violation
All Users	Various - (Failure to have proper mirrors/Load or cover insecure)	\$223.00	Per Violation
All Users	Various - (Obstruction of View, Unsafe Backing)	\$268.00	Per Violation
All Users	Various - (Operate unsafe vehicle/Brake Violation)	\$223.00	Per Violation
All Users	Vehicle in Bike Path/Lane Stop	\$268.00	Per Violation
All Users	Vio/Flashing Red Stop Signal	\$268.00	Per Violation
All Users	Vio/Flashing Yellow Signal	\$268.00	Per Violation
All Users	Yield to Pedestrian	\$178.00	Per Violation
All Users	Speed Not to Impede Traffic	\$268.00	Per Violation
All Users	Speeding in School Zone/Failure To Stop in School Zone	\$268.00	Per Violation
All Users	Stop Sign/Yield Sign - Stop from Alley	\$268.00	Per Violation
All Users	0-9 mph over speed limit	\$318.00	Per Violation
All Users	10-15 mph over speed limit	\$338.00	Per Violation
All Users	16-20 mph over speed limit	\$353.00	Per Violation
All Users	Raise/Lower Vehicle > 15 mph	\$268.00	Per Violation
All Users	Registration Violations	\$223.00	Per Violation
All Users	Resident with Out of State Plates	\$685.00	Per Violation
All Users	Speed Less than Reasonable and Prudent	\$268.00	Per Violation

### Recreation Fees

#### Library

All Users	Blocked Cardholder Computer Pass Fee	\$1.00	Per Day
All Users	DVD Case Replacement	\$2.00	Per Item
All Users	Missing Barcode	\$1.00	Per Item
All Users	Missing Inset	\$5.00	Per Item
All Users	Missing RFID Tag	\$1.00	Per Item
All Users	Non-Cardholder Computer Pass Fee	\$1.00	Per Day
All Users	Printing	\$0.25	Per Page
All Users	Processing Fee	\$5.00	Per Item

#### Recreation

All Users	Baseball Mound Rental	\$25.00	Per Field
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# City of Avondale

## Fee Schedule - By Resolution

Fee/User Type	Description	Fee	Unit of Measure
<b>Recreation Fees</b>			
<b>Recreation</b>			
All Users	Community Center Usage and Facility Rental Deposit	\$100.00	Deposit
All Users	Light Fee	\$10.00 - \$35.00	Per Hour
All Users	Field Preparation	\$25.00 - \$150.00	Per Reservation
All Users	Field Preparation Fee, Initial	\$25.00	Per Each Unique Field
All Users	Field Preparation Fee, Additional	\$25.00 - \$75.00	Per Each Unique Field
All Users	Reservation, Administrative Fee	\$25.00	Per Ongoing Allocation
All Users	Sports Programs	\$20.00 - \$475.00	Per Program
All Users	Softball Tournament Deposit	\$250.00 - \$750.00	Deposit
All Users	Tournament Staff	\$15.00 - \$20.00	Per Hour/Per Staff
All Users	Special Events	\$5.00 - \$150.00	Per Event
All Users	Special Interest Classes	\$5.00 - \$150.00	Per Class
All Users	Senior Activities	\$2.00 - \$100.00	Per Activity
All Users	Adult (Non-Senior) Activities	\$15.00 - \$150.00	Per Activity
All Users	Day Trips	\$5.00 - \$250.00	Per Trip
All Users	Overnight (or longer) trips	\$50.00 - \$300.00	Per Trip
All Users	Private Pay / Senior Meals	\$2.00 - \$10.00	Per Meal
All Users	Youth Activities	\$10.00 - \$150.00	Per Activity
All Users	Summer Program	\$50.00 - \$200.00	Per Week
Non-Resident	Park Vendor Permit	\$150.00	Per 6 Months
Non-Resident	Special Event Vendor Permit	\$275.00	Per Event
Non-Resident	Conference Room Rental	\$30.00	Per Hour
Non-Resident	Facility Rental - After Hours	\$65.00	Per Hour
Non-Resident	Facility Electricity Usage	\$10.00	Per Hour
Non-Resident	Community Center & Facility Usage	\$35.00	Per Hour
Non-Resident	Ramadas - Single	\$10.00	Per Hour
Non-Resident	Ramadas - Double	\$15.00	Per Hour
Non-Resident	Field Reservation - Daytime	\$15.00	Per Hour
Non-Resident	Field Reservation - Prime Time (6pm to 10pm)	\$35.00	Per Hour
Non-Resident	Lights	\$20.00	Per Hour
Non-Resident	Summer Program	\$50.00 - \$750.00	For Entire Session
Resident	Conference Room Rental	\$25.00	Per Hour
Resident	Park Vendor Permit	\$100.00	Per 6 months
Resident	Special Event Vendor Permit	\$250.00	Per Event

## City of Avondale

### Fee Schedule - By Resolution

Fee/User Type	Description	Fee	Unit of Measure
<b>Recreation Fees</b>			
<b>Recreation</b>			
Resident	Facility Rental - After Hours	\$65.00	Per Hour
Resident	Facility Electricity Usage	\$5.00	Per Hour
Resident	Ramadas - Single	\$5.00	Per Hour
Resident	Ramadas - Double	\$10.00	Per Hour
Resident	Field Reservation - Daytime	\$10.00	Per Hour
Resident	Field Reservation - Prime Time (6pm to 10pm)	\$20.00	Per Hour
Resident	Lights	\$10.00	Per Hour
Resident	Summer Program	\$45.00 - \$750.00	For Entire Session
<b>Library Fees</b>			
<b>Library</b>			
All Users	Overdue Fines - Books & Audio Books	\$0.20	Per Day
All Users	Overdue Fines - DVDs	\$1.00	Per Day
All Users	Overdue Fines - Interlibrary Loans	\$2.00	Per Day
All Users	Lost or Destroyed Items for Checkout - (Or Actual cost of item plus processing fee)	\$3.00 - \$5.00	Per Item
All Users	Daily Computer Pass	\$1.00	Per Day
All Users	Art Cards	\$2.00 - \$5.00	Per Card
All Users	Unclaimed Item Fee	\$1.00 - \$5.00	Per Item
All Users	Library Card Replacement	\$2.00 - \$5.00	Per Card
All Users	Returned Check Fee (Will also incur bank fee as well)	\$25.00	Per Occurrence
All Users	Collection Agency Fee	\$15.00	Per Account
All Users	Library Merchandise	\$0.10 - \$30.00	Per Item
All Users	Copy/Faxing/Scanning Fee	\$0.02 - \$2.00	Per Page
Non-Resident	Library Card Fee - Non-Resident	\$40.00	Per Application
<b>Water/Sewer/Sanitation</b>			
<b>Water</b>			
All Users	Tampering with Water Meter Fine	\$100.00	Per Incident
<b>Water Miscellaneous</b>			
All Users	Environmental Fee	\$1.00	Per Month

# City of Avondale

## Summary of Fee Changes

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### Building and Planning

Added the following fees:

Fee for Formation of Maintenance Improvement District	\$15	per lot
Landscape Inspection Fee	\$100	each
4 <sup>th</sup> Plan Review	50% of 1 <sup>st</sup> review fee	
Historic Avondale Infill Overlay District	\$500	each

### Code Enforcement

Added

Violation of the Property Maintain Ordinance	\$250	First Violation
Violation of the Property Maintain Ordinance	\$500	Second violation in a 24 month period
Violation of the Property Maintain Ordinance	\$1000	Third violation in a 24 month period
Violation of the Property Maintain Ordinance	up to \$2500	per violation
Abatement Administrative Fee	25% of actual cost of abatement	
Demolition Administrative Fee	25% of actual cost of demolition	

### Engineering

No Changes

### City Courts

No changes

### Water Miscellaneous

No changes

### Fire

Temporary Use and Operational – Consumer Fireworks Wholesale Distribution and/or Storage was

# City of Avondale

## Summary of Fee Changes

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\$500 increased to \$900 was 60 days decreased to 30 days

Temporary Use and Operational - Consumer Fireworks retail sales was \$200 increased to \$300  
was 60 days decreased to 30 days

Deleted

Temporary Use and Operational – Consumer Fireworks - Retail Sales Annual Permit \$500

### Police

Added

Rush Police report – CD or Emailed \$20 per report

Rush Police report printed – first 20 pages \$20 per report

Rush Police report printed – every page after 20 \$.80 per page

Archived Rush Police report – Cd or Emailed \$40 per report

Archived Rush Police report printed – first 20 pages \$40 per report

Archived Rush Police report printed – every page after 20 \$1.60 per page

### Library

Added

Processing Fee \$5.00 per item

Non-cardholder computer pass fee \$1.00 per day

Blocked cardholder computer pass fee \$1.00 per day

DVD Replacement Case \$2 per item

Missing Insert \$5 per item

Missing Barcode \$1.00 per item

Missing RFID Tag \$1 per item

# City of Avondale

## Summary of Fee Changes

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Printing \$0.25 per page

Library Card Non-Resident \$40 per application

### Changed

Lost or Destroyed Library Items for Checkout \$3-\$500 per item (or retail list price of item)

Was Actual cost of item plus \$5 processing fee

### Parks

Day Trips was \$20 - \$250 per trip changed to \$5 - \$250 per trip

### Added

All Users Baseball Mound Rental \$25 per field

Resident Park Vendor Permit \$100 / 6 months

Non-Resident Park Vendor Permit \$150 / 6 months

Resident Special Event Vendor Permit \$250 per event

Non-Resident Special Event Vendor Permit \$275 per event

### City Clerk

#### Added

Certification of Documents \$5.00 per packet

Flash/Thumb Drive \$5-\$25 price based on size and purchase cost

Self Service Copy/Fax Machine \$.25 - \$1.00 per page

**RESOLUTION NO. 3188-514**

A RESOLUTION OF THE COUNCIL OF THE CITY OF AVONDALE, ARIZONA, SETTING FORTH THE TENTATIVE BUDGET AND ESTABLISHING THE EXPENDITURE LIMITATION FOR THE CITY OF AVONDALE FOR FISCAL YEAR 2014-2015.

**WHEREAS**, pursuant to the provisions of the laws of the State of Arizona and the City Charter, the Council of the City of Avondale (the "City Council") is required to adopt a budget; and

**WHEREAS**, in accordance with ARIZ. REV. STAT. § 42-17102, the City Manager has prepared and filed with the City Council the City Manager's Budget estimates for the fiscal year beginning July 1, 2014 and ending June 30, 2015; and

**WHEREAS**, the qualified electors of the City of Avondale (the "City") did, on August 28, 2012, approve the Home Rule Option for expenditure limitations pursuant to the Arizona Constitution Article IX, Section 20; and

**WHEREAS**, the Home Rule Option requires that an expenditure limitation must be established each year as part of the annual budget.

**NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF AVONDALE** as follows:

SECTION 1. The recitals above are hereby incorporated as if fully set forth herein.

SECTION 2. The statements and schedules attached hereto as Exhibit A and incorporated herein by reference are hereby adopted as the City's official tentative budget for the fiscal year beginning July 1, 2014, and ending June 30, 2015, including the establishment of the expenditure limitation for such fiscal year in the amount of \$178,984,760.

SECTION 3. Upon approval of the City Council, the City Manager or designee shall publish in the official City newspaper once per week for two consecutive weeks (i) the official tentative budget and (ii) a notice of the public hearing of the City Council to hear taxpayers and make tax levies at designated times and places. The notice shall include the physical addresses of the Avondale Civic Center Library, the Sam Garcia Western Avenue Library and the Avondale City Hall, and the website where the tentative budget may be found. If a truth in taxation notice is required under ARIZ. REV. STAT. § 42-17107, it may be combined with such hearing notice.

SECTION 4. The City Manager or designee shall, not later than seven business days following consideration of this Resolution by the City Council, make available at the Avondale Civic Center Library, the Sam Garcia Western Avenue Library and the Avondale City Hall a complete copy of the tentative budget, and shall post the tentative budget on the City's website.

SECTION 5. The Mayor, the City Manager, the City Clerk and the City Attorney are hereby authorized and directed to take all steps necessary to carry out the purpose and intent of this Resolution.

**PASSED AND ADOPTED** by the Council of the City of Avondale, May 19, 2014.

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Marie Lopez Rogers, Mayor

ATTEST:

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Carmen Martinez, City Clerk

APPROVED AS TO FORM:

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Andrew J. McGuire, City Attorney

EXHIBIT A  
TO  
RESOLUTION NO. 3188-514

[Statements and Schedules]

See following pages.

CITY OF AVONDALE

Summary Schedule of Estimated Revenues and Expenditures/Expenses

Fiscal Year 2015

FUND	ADOPTED BUDGETED EXPENDITURES/ EXPENSES* 2014	ACTUAL EXPENDITURES/ EXPENSES** 2014	FUND BALANCE/ NET POSITION *** July 1, 2014	PROPERTY TAX REVENUES 2015	ESTIMATED REVENUES OTHER THAN PROPERTY TAXES 2015	OTHER FINANCING 2015		INTERFUND TRANSFERS 2015		TOTAL FINANCIAL RESOURCES AVAILABLE 2015	BUDGETED EXPENDITURES/ EXPENSES 2015
						SOURCES:	<USES>:	IN:	<OUT>:		
1. General Fund	47,959,870	68,351,164	35,996,679	Primary: 2,546,900	50,575,310				11,648,760	89,118,889	50,376,840
2. Special Revenue	19,800,550	18,249,621	14,287,916		26,743,160			941,510	7,498,610	41,972,586	20,371,360
3. Debt Service Funds Available	11,261,390	15,873,939	5,177,267	Secondary: 3,413,500	532,620			6,602,000		15,752,387	10,031,800
4. Less: Designation for Future Debt Service											
5. Total Debt Service Funds	11,261,390	15,873,939	5,177,267	3,413,500	532,620			6,602,000	-	15,752,387	10,031,800
6. Capital Projects	48,082,460	21,399,487	19,439,705		10,616,420	25,000,000		11,573,700	302,000	67,509,424	54,480,430
7. Permanent Funds											
8. Enterprise Funds Available	39,594,840	47,431,848	56,835,697		30,150,640			4,107,590	3,957,590	91,093,927	38,821,230
9. Less: Designation for Future Debt Service											
10. Total Enterprise Funds	39,594,840	47,431,848	56,835,697	-	30,150,640			4,107,590	3,957,590	91,093,927	38,821,230
11. Internal Service	4,477,830	6,644,236	3,061,465		4,166,460			195,000	12,840	7,422,925	4,903,100
<b>Total All Funds</b>	<b>\$ 171,176,940</b>	<b>\$ 177,950,295</b>	<b>\$ 134,798,728</b>	<b>\$ 5,960,400</b>	<b>\$ 122,784,610</b>	<b>\$ 25,000,000</b>		<b>\$ 23,419,800</b>	<b>\$ 23,419,800</b>	<b>\$ 312,870,137</b>	<b>\$ 178,984,760</b>

EXPENDITURE LIMITATION COMPARISON

1. Budgeted expenditures/expenses
2. Add/subtract: estimated net reconciling items
3. Budgeted expenditures/expenses adjusted for reconciling items
4. Less: estimated exclusions
5. Amount subject to the expenditure limitation
6. EEC or voter-approved alternative expenditures limitation

	2014	2015
1. Budgeted expenditures/expenses	\$ 171,176,940	\$ 178,984,760
2. Add/subtract: estimated net reconciling items		
3. Budgeted expenditures/expenses adjusted for reconciling items	171,176,940	178,984,760
4. Less: estimated exclusions		
5. Amount subject to the expenditure limitation	\$ 171,176,940	\$ 178,984,760
6. EEC or voter-approved alternative expenditures limitation	\$ 171,176,940	\$ 178,984,760

\*Includes Expenditure/Expense Adjustments Approved in 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 in this column represent Fund Balance/Net Position amounts except for amounts not in spendable form (e.g., prepaids and inventories) or legally or contractually required to be maintained intact (e.g., principal of a permanent fund).

The detailed budget schedules are on file with the City Clerk's Office at 11465 W. Civic Center Drive, Avondale, Arizona 85323. Budget Schedules can also be viewed at <http://www.avondale.org>

Public Hearing on this budget and Property Tax Levy will be held on June 17th at 7 p.m. at the City of Avondale Civic Center, Council Chambers 11465 W. Civic Center Drive, Avondale, Arizona 85323

**City of Avondale**  
**Summary of Tax Levy and Tax Rate Information**  
**Fiscal Year 2015**

	<u>2013-14</u> <u>Fiscal Year</u>	<u>2014-15</u> <u>Fiscal Year</u>
1. Maximum allowable primary property tax levy. A.R.S. §42-17051(A)	\$ 2,397,576	\$ 2,546,904
2. Amount received from primary property taxation in the current year 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	2,328,590	2,546,900
B. Secondary Property Taxes	2,267,260	3,413,500
C. Total property tax levy amounts	\$ <u>4,595,850</u>	\$ <u>5,960,400</u>
4. Property taxes collected*		
A. Primary property taxes		
(1) 2013-14 year's levy	2,504,472	
(2) Prior Years' Levies	14,366	
(3) Total primary property taxes	\$ <u>2,518,838</u>	
B. Secondary property taxes		
(1) 2013-14 year's levy	3,183,484	
(2) Prior Years' Levies	22,000	
(3) Total secondary property taxes	\$ <u>3,205,484</u>	
C. Total property taxes collected	\$ <u>5,724,322</u>	
5. Property tax rates		
A. City/Town tax rate		
(1) Primary property tax rate	<u>0.7884</u>	<u>0.7766</u>
(2) Secondary property tax rate	<u>1.0176</u>	<u>0.9734</u>
(3) Total city/town tax rate	<u>1.8060</u>	<u>1.7500</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.

**CITY OF AVONDALE**  
**Summary by Fund Type of Revenues Other Than Property Taxes**  
**Fiscal Year 2014-15**

SOURCE OF REVENUES	Estimated Revenues 2014	Actual Revenues* 2014	Estimated Revenues 2015
<b>General Fund</b>			
<b>Taxes</b>			
Local Sales Taxes	23,369,620	61,825,984	25,911,640
Franchise Taxes	1,099,880	2,428,447	1,050,020
Audit Assessments	201,380	640,447	280,450
In-Lieu Taxes	38,910	104,053	43,430
Prior Year Taxes	75,590	96,194	14,370
<b>Intergovernmental Revenues</b>			
State Urban Revenue Sharing	8,532,260	21,280,756	9,169,340
City's Share of St. Sales Tax	6,452,550	16,635,289	6,931,760
Auto Lieu Tax	2,495,250	6,769,196	2,713,890
IGAs Other Cities & Towns	80,200	245,870	73,880
State Grants	68,160	192,724	68,160
<b>Licenses and Permits</b>			
Building & Develop Permits	706,030	1,303,177	358,320
Licenses	280,170	787,485	286,500
Other Permits	34,860	85,294	29,980
<b>Charges for Services</b>			
Recreation Charges for Service	826,010	823,840	806,090
Other Charges for Service	259,710	683,608	254,410
Development Charges for Service	243,030	540,901	151,040
Development Charges for Service	7,200	17,449	6,080
Internal Service Charges	125,000	125,000	0
<b>Fines, Forfeitures and Penalties</b>			
Fines & Forfeitures	1,207,370	3,103,044	1,199,100
Other Fines	62,460	167,712	64,400
<b>Miscellaneous Revenue</b>			
Other Revenue	602,690	1,925,810	731,500
Interest	331,920	742,749	320,950
Donations	101,110	104,270	110,000
<b>Total General Fund</b>	<b>\$47,201,360</b>	<b>\$120,629,297</b>	<b>\$50,575,310</b>
<b>Special Revenue</b>			
<b>Highway User Revenue Fund</b>			
Highway User Fees (Gas Tax)	4,128,910	10,694,085	4,249,940
IGAs Other Cities & Towns	0	237,918	105,780
Other Revenue	8,690	11,708	2,010
Interest	3,290	5,188	1,160

\*Includes actual revenues recognized on the modified accrual or accrual basis as of the date the proposed budget, plus estimated revenues for the remainder of the fiscal year.

**CITY OF AVONDALE**  
**Summary by Fund Type of Revenues Other Than Property Taxes**  
**Fiscal Year 2014-15**

SOURCE OF REVENUES	Estimated Revenues 2014	Actual Revenues* 2014	Estimated Revenues 2015
<b>Social Service</b>			
Senior Nutrition	328,000	728,490	266,660
Community Action Program	91,260	300,409	97,910
<b>CDBG</b>			
CDBG	606,570	875,253	872,510
Federal Grants	241,100	241,100	0
<b>Other Grants</b>			
Home Grant	288,110	626,493	431,880
<b>0.5% Dedicated Sales Tax</b>			
0.5% Dedicated Sales Tax	5,779,200	15,522,337	6,408,510
<b>Public Safety Dedicated Sales Tax</b>			
Public Safety Dedicated Sales Tax	5,779,960	15,524,170	6,409,220
<b>Regional Family Advocacy</b>			
Regional Family Advocacy	719,250	1,541,829	856,330
<b>R.I.C.O. All Agencies</b>			
Federal R.I.C.O. With A.G.	0	0	0
State R.I.C.O. W/ Attorney General	0	0	0
Co. R.I.C.O. w/Maricopa Atty	0	4,000	0
<b>NPDES Environmental Fund</b>			
Environmental Programs Fund	226,740	635,573	268,370
<b>Public Arts Fund</b>			
Public Arts Fund	50	58	50
<b>ARRA Fund</b>			
Broadband Technology Opportunities G	0	9,668	0
E.E.C.B.G Grant	0	111,115	0
Edward Byrne Memorial JAG	0	32,996	0
Police - COPS Hiring ARRA	0	270,142	0
<b>Transit Fund</b>			
Federal Grants	450,000	750,083	510,510
IGAs Other Cities & Towns	390,000	1,073,171	227,000
Local Transp. Assist.(Lottery)	0	0	224,180
Interest	2,010	4,470	2,010
<b>Other Grants</b>			
Non-Departmental	5,000,000	17	5,000,010
NSP Home Buyer Assistance Grant	318,720	2,556,737	350,810
First Things First	185,000	271,490	175,000

\*Includes actual revenues recognized on the modified accrual or accrual basis as of the date the proposed budget, plus estimated revenues for the remainder of the fiscal year.

**CITY OF AVONDALE**  
**Summary by Fund Type of Revenues Other Than Property Taxes**  
**Fiscal Year 2014-15**

SOURCE OF REVENUES	Estimated Revenues 2014	Actual Revenues* 2014	Estimated Revenues 2015
<b>Other Grants</b>			
Fines & Forfeitures	104,510	263,544	106,610
Care 1st Resource Center	121,850	146,621	100,000
Gila River Indian Grant	0	109,864	54,930
APS Bill Assistance Grant	0	25,023	15,000
ACAA Utility Assistance Grant - General	0	8,958	4,730
Victims' Activities - Privately Funded	1,160	10,658	1,160
Interest	360	873	440
GOHS - DUI Task Force	10,000	61,337	0
AK-CHIN Indian Community Grant	0	157,000	0
ADOH	440,000	68	0
ACAA Utility Assistance Grant-SRP	0	834	0
Library Projects	0	130,729	0
Police - Victims' Rights Program	0	30,070	0
Edward Byrne Memorial JAG	0	24,702	0
Police--Bullet Proof Vests	0	38,055	0
Traffic Engineering	0	186,917	0
UASI GRANTS	0	83,814	0
Voca Crime Victim Advocate	48,000	43,897	0
2007 UASI GRANTS	0	4,647	0
<b>Volunteer Fireman's Pension</b>			
Volunteer Fireman's Pension	320	489	110
<b>Cemetery Maintenance</b>			
Cemetery Maintenance Fund	0	646	330
<b>Total Special Revenue</b>	<b>\$25,273,060</b>	<b>\$53,357,248</b>	<b>\$26,743,160</b>
<b>Debt Service</b>			
General Obligation Bonds	604,310	1,627,059	531,450
0.5% Dedicated Sales Tax	640	4,043	990
Hwy User's Bonds '85/91/98	130	288	130
Dysart Road M.D.C.	30	78	40
Park Issue	117,350	234,713	10
<b>Total Debt Service</b>	<b>\$722,460</b>	<b>\$1,866,181</b>	<b>\$532,620</b>
<b>Capital Projects</b>			
<b>Street Construction</b>			
IGA - Counties	4,700,000	0	3,600,000
IGA - Counties	0	0	2,800,000
Federal Grants	3,664,000	801,420	1,100,000

\*Includes actual revenues recognized on the modified accrual or accrual basis as of the date the proposed budget, plus estimated revenues for the remainder of the fiscal year.

**CITY OF AVONDALE**  
**Summary by Fund Type of Revenues Other Than Property Taxes**  
**Fiscal Year 2014-15**

SOURCE OF REVENUES	Estimated Revenues 2014	Actual Revenues* 2014	Estimated Revenues 2015
<b>Street Construction</b>			
Development Fees	278,550	701,535	985,220
Interest	70,900	25,700	11,000
IGAs Other Cities & Towns	0	150,068	0
One-Time Cost Sharing	275,090	35,090	0
<b>Police Development</b>			
Development Fees	48,900	354,265	144,780
Interest	1,780	205	1,000
<b>Parkland</b>			
Development Fees	176,700	119,335	231,720
Interest	11,150	1,948	2,000
Donations	0	800,000	0
<b>Library Development</b>			
Development Fees	53,590	34,961	51,600
Interest	20	30	600
<b>One Time Capital</b>			
IGA - Counties	0	0	840,000
Federal Grants	0	0	409,290
Other Revenue	0	0	200,000
<b>Other Capital</b>			
Landscaping Landfill Remediation	26,420	72,505	26,420
<b>General Government Development</b>			
Development Fees	135,750	403,857	27,290
Interest	0	1,770	0
<b>Fire Dept. Development</b>			
Development Fees	141,450	720,386	176,170
Interest	10,010	805	2,000
<b>Vehicle Replacement</b>			
Interest	10,670	17,234	6,800
Sale of Assets	9,730	41,988	0
<b>Technology Replacement Fund</b>			
Interest	980	1,436	530
Sale of Assets	11,350	25,790	0
<b>Total Capital Projects</b>	<b>\$9,627,040</b>	<b>\$4,310,327</b>	<b>\$10,616,420</b>
<b>Enterprise</b>			
<b>Water Fund</b>			
Water Sales	11,766,040	29,725,954	12,064,170

\*Includes actual revenues recognized on the modified accrual or accrual basis as of the date the proposed budget, plus estimated revenues for the remainder of the fiscal year.

**CITY OF AVONDALE**  
**Summary by Fund Type of Revenues Other Than Property Taxes**  
**Fiscal Year 2014-15**

SOURCE OF REVENUES	Estimated Revenues 2014	Actual Revenues* 2014	Estimated Revenues 2015
<b>Water Fund</b>			
Development Fees	1,045,650	867,870	1,913,210
Other Revenue	396,990	1,191,046	511,130
Interest	271,910	333,791	57,580
Meter Fees	9,870	48,408	20,440
Fines & Forfeitures	3,450	9,040	3,700
Other Charges for Service	0	34,966	0
<b>Wastewater Fund</b>			
Sewer Fees	7,405,100	19,397,722	8,097,310
Development Fees	823,950	724,804	2,010,540
Interest	128,880	194,498	56,220
Sewer Taps	2,790	23,642	10,130
Other Revenue	51,300	51,275	0
<b>Sanitation Fund</b>			
Refuse Collection	4,969,200	13,006,206	5,350,130
Other Permits	59,490	114,762	37,100
Other Revenue	27,440	46,161	11,440
Interest	16,720	16,360	7,540
Sale of Assets	0	104,991	0
<b>Total Enterprise</b>	<b>\$26,978,780</b>	<b>\$65,891,495</b>	<b>\$30,150,640</b>
<b>Internal Service</b>			
<b>Printer - Copier Service</b>			
Internal Service Charges	225,700	470,477	198,750
Interest	390	866	390
<b>Risk Management</b>			
Internal Service Charges	1,781,260	4,288,160	1,781,260
Interest	3,970	8,751	3,970
Other Revenue	3,860	7,784	3,860
<b>Fleet Services Management</b>			
Internal Service Charges	2,150,000	5,635,277	2,177,420
Other Revenue	540	2,143	800
Interest	0	22	10
<b>Total Internal Service</b>	<b>\$4,165,720</b>	<b>\$10,413,478</b>	<b>\$4,166,460</b>
<b>Total All Funds</b>	<b>\$113,968,420</b>	<b>\$256,468,027</b>	<b>\$122,784,610</b>

\*Includes actual revenues recognized on the modified accrual or accrual basis as of the date the proposed budget, plus estimated revenues for the remainder of the fiscal year.

**CITY OF AVONDALE**  
**Summary by Fund Type of Other Financing Sources/<Uses> and Interfund Transfers**  
**Fiscal Year 2015**

FUND	Other Financing 2015		Interfund Transfers 2015	
	Sources	<Uses>	In	Out
<b>General Fund</b>				
General Fund	0		0	11,648,760
<b>Total General Fund</b>	<b>\$0</b>		<b>\$0</b>	<b>\$11,648,760</b>
<b>Special Revenue</b>				
CDBG	0		0	300,870
Environmental Programs Fund	0		0	1,270
Public Safety Dedicated Sales Tax	0		0	262,700
0.5% Dedicated Sales Tax	0		0	6,150,000
Regional Family Advocacy	0		215,800	33,270
Transit Fund	0		640,510	870
Other Grants	0		25,000	
Home Grant	0		35,200	
Highway User Revenue Fund	0		0	749,630
Public Arts Fund	0		25,000	
<b>Total Special Revenue</b>	<b>\$0</b>		<b>\$941,510</b>	<b>\$7,498,610</b>
<b>Debt Service</b>				
0.5% Dedicated Sales Tax	0		5,802,000	
Dysart Road M.D.C.	0		400,000	
Hwy User's Bonds '85/91/98	0		400,000	
<b>Total Debt Service</b>	<b>\$0</b>		<b>\$6,602,000</b>	
<b>Capital Projects</b>				
One Time Capital	0		2,900,000	
Street Construction	0		1,800,000	
Police Development	0		1,750,000	
Parkland	0		2,900,000	
Library Development	0		75,000	208,000
Improvement Districts	25,000,000		0	
Vehicle Replacement	0		1,376,150	
Equipment Replacement Fund	0		772,550	
Fire Dept. Development	0		0	94,000
<b>Total Capital Projects</b>	<b>\$25,000,000</b>		<b>\$11,573,700</b>	<b>\$302,000</b>
<b>Enterprise</b>				
Water Operations	0		0	2,951,360
Sewer Operations	0		0	242,740
Sewer Development	0		150,000	
Water Development	0		2,650,000	
Sanitation	0		0	763,490
Sanitation Development	0		50,000	
Water Equipment Replacement	0		301,360	
Sewer Equipment Replacement	0		242,740	

**CITY OF AVONDALE**  
**Summary by Fund Type of Other Financing Sources/<Uses> and Interfund Transfers**  
**Fiscal Year 2015**

FUND	Other Financing 2015		Interfund Transfers 2015	
	Sources	<Uses>	In	Out
Sanitation Equipment Replacement	0		713,490	
<b>Total Enterprise</b>	<b>\$0</b>		<b>\$4,107,590</b>	<b>\$3,957,590</b>
<b>Internal Service</b>				
Fleet Services Fund	0		0	10,990
Risk Management Fund	0		195,000	1,850
<b>Total Internal Service</b>	<b>\$0</b>		<b>\$195,000</b>	<b>\$12,840</b>
<b>Total All Funds</b>	<b>\$25,000,000</b>		<b>\$23,419,800</b>	<b>\$23,419,800</b>

**CITY OF AVONDALE**  
**Summary by Department of Expenditures/Expenses Within Each Fund Type**  
**Fiscal Year 2015**

FUND/DEPARTMENT	Adopted Budgeted Expenditures/ Expenses 2014	Expenditure/ Expense Adjustments Approved 2014	Actual Expenditures/ Expenses* 2014	Budgeted Expenditures/ Expenses 2015
<b>General Fund</b>				
General Government	11,840,870	(267,265)	16,806,573	12,670,826
Public Safety	20,912,010	192,965	34,829,111	22,731,280
Health and Welfare	1,539,390	-	2,407,569	1,805,560
Economic and Community Development	4,749,370	186,656	5,388,387	5,086,420
Culture and Recreation	4,403,670	(39,600)	5,792,364	4,265,754
Contingency	3,700,000	(538,406)	0	3,000,000
Debt Principal	137,020	-	193,333	0
Interest on Debt	1,670	-	2,354	0
Capital Outlay	675,870	252,650	2,931,274	817,000
<b>Total General Fund</b>	<b>\$47,959,870</b>	<b>(\$213,000)</b>	<b>\$68,350,965</b>	<b>\$50,376,840</b>
<b>Special Revenue</b>				
Special Revenue	19,065,620	(96,295)	18,258,260	19,387,870
Contingency	795,000	(30,705)	0	983,490
<b>Total Special Revenue</b>	<b>\$19,860,620</b>	<b>(\$127,000)</b>	<b>\$18,258,260</b>	<b>\$20,371,360</b>
<b>Debt Service</b>				
Debt Service	14,272,340	-	19,093,309	10,031,800
<b>Total Debt Service</b>	<b>\$14,272,340</b>	<b>\$0</b>	<b>\$19,093,309</b>	<b>\$10,031,800</b>
<b>Capital Projects</b>				
Capital Projects	48,082,460	340,000	21,399,487	54,480,430
<b>Total Capital Projects</b>	<b>\$48,082,460</b>	<b>\$340,000</b>	<b>\$21,399,487</b>	<b>\$54,480,430</b>
<b>Enterprise</b>				
Sanitation	3,799,450	-	6,145,697	3,964,040
Sanitation Equipment Replacement	1,672,000	-	2,486,251	1,237,000
Sewer Operations	7,175,860	-	10,120,295	6,752,420
Sewer Development	4,878,300	-	6,501,194	2,250,000
Sewer Equipment Replacement	224,500	-	40,770	656,200
Water Operations	10,335,930	250,000	14,359,066	10,781,370
Water Development	8,758,300	-	7,681,268	10,400,000
Water Equipment Replacement	250,500	-	97,307	280,200
Contingency	2,500,000	(250,000)	0	2,500,000
<b>Total Enterprise</b>	<b>\$39,594,840</b>	<b>\$0</b>	<b>\$47,431,848</b>	<b>\$38,821,230</b>
<b>Internal Service</b>				
Fleet Services Fund	2,090,870	21,290	3,387,161	2,188,790
Printer - Copier Service Fund	167,000	-	159,033	366,500
Risk Management Fund	1,919,960	-	3,098,042	1,797,810
Contingency	300,000	(21,290)	0	550,000
<b>Total Internal Service</b>	<b>\$4,477,830</b>	<b>\$0</b>	<b>\$6,644,236</b>	<b>\$4,903,100</b>
<b>Total All Funds</b>	<b>\$174,247,960</b>	<b>\$0</b>	<b>\$181,178,105</b>	<b>\$178,984,760</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.

**CITY OF AVONDALE**  
**Summary by Department of Expenditures/Expenses**  
**Fiscal Year 2015**

DEPARTMENT/FUND	Adopted Budgeted Expenditures/ Expenses 2014	Expenditure/ Expense Adjustments Approved 2014	Actual Expenditures/ Expenses* 2014	Budgeted Expenditures/ Expenses 2015
<b>City Council</b>				
General Fund	244,670	-7,515	305,650	291,820
<b>Total City Council</b>	<b>\$244,670</b>	<b>(\$7,515)</b>	<b>\$305,650</b>	<b>\$291,820</b>
<b>City Administration</b>				
General Fund	1,587,870	0	2,294,452	1,681,430
<b>Total City Administration</b>	<b>\$1,587,870</b>	<b>\$0</b>	<b>\$2,294,452</b>	<b>\$1,681,430</b>
<b>Information Technology</b>				
General Fund	2,018,170	0	2,742,891	2,251,930
<b>Total Information Technology</b>	<b>\$2,018,170</b>	<b>\$0</b>	<b>\$2,742,891</b>	<b>\$2,251,930</b>
<b>Community Relations</b>				
Transit Fund	1,554,640	0	2,294,446	1,835,100
General Fund	1,026,820	-7,076	1,424,783	1,101,580
Public Arts Fund	122,290	0	0	147,290
ARRA Fund	0	1,661	1,613	0
Other Grants	25,000	0	0	0
<b>Total Community Relations</b>	<b>\$2,728,750</b>	<b>(\$5,415)</b>	<b>\$3,720,842</b>	<b>\$3,083,970</b>
<b>Non-Departmental</b>				
Other Grants	5,000,000	-917,327	0	5,000,000
General Fund	4,943,690	-582,518	3,886,313	4,142,670
Public Safety Dedicated Sales Tax	495,000	-30,705	8,900	683,490
Printer - Copier Service Fund	167,000	0	159,033	366,500
Highway User Revenue Fund	250,000	0	0	254,090
Cemetery Maintenance Fund	5,000	0	720	15,740
0.5% Dedicated Sales Tax	4,000	0	8,900	4,000
Water Operations	0	169,463	0	0
<b>Total Non-Departmental</b>	<b>\$10,864,690</b>	<b>(\$1,361,087)</b>	<b>\$4,063,866</b>	<b>\$10,466,490</b>
<b>Finance &amp; Budget</b>				
General Fund	1,832,400	-41,512	2,458,782	2,108,480
<b>Total Finance &amp; Budget</b>	<b>\$1,832,400</b>	<b>(\$41,512)</b>	<b>\$2,458,782</b>	<b>\$2,108,480</b>
<b>Human Resources</b>				
Risk Management Fund	2,169,960	0	3,098,042	2,297,810
General Fund	1,163,080	0	1,855,924	1,154,210
<b>Total Human Resources</b>	<b>\$3,333,040</b>	<b>\$0</b>	<b>\$4,953,966</b>	<b>\$3,452,020</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.

**CITY OF AVONDALE**  
**Summary by Department of Expenditures/Expenses**  
**Fiscal Year 2015**

DEPARTMENT/FUND	Adopted Budgeted Expenditures/ Expenses 2014	Expenditure/ Expense Adjustments Approved 2014	Actual Expenditures/ Expenses* 2014	Budgeted Expenditures/ Expenses 2015
<b>Development &amp; Engineering Services</b>				
General Fund	2,898,450	0	3,588,776	3,074,840
Highway User Revenue Fund	1,961,310	0	2,628,209	2,140,760
Environmental Programs Fund	349,840	0	198,770	379,590
Other Grants	0	7,488	13,254	0
<b>Total Development &amp; Engineering Services</b>	<b>\$5,209,600</b>	<b>\$7,488</b>	<b>\$6,429,009</b>	<b>\$5,595,190</b>
<b>City Clerk</b>				
General Fund	511,670	0	762,612	581,720
<b>Total City Clerk</b>	<b>\$511,670</b>	<b>\$0</b>	<b>\$762,612</b>	<b>\$581,720</b>
<b>Police</b>				
General Fund	14,138,490	0	23,446,174	14,936,320
Public Safety Dedicated Sales Tax	2,955,360	0	4,207,257	3,244,350
Regional Family Advocacy	886,120	50,937	1,254,704	1,100,930
Other Grants	11,040	257,177	81,995	11,060
ARRA Fund	0	0	-12,858	0
Co. R.I.C.O. w/Maricopa Atty	0	0	2,000	0
Voca Crime Victim Advocate	60,070	0	4,893	0
<b>Total Police</b>	<b>\$18,051,080</b>	<b>\$308,114</b>	<b>\$28,984,165</b>	<b>\$19,292,660</b>
<b>City Court</b>				
General Fund	970,580	0	1,453,954	971,610
Court Payments	220,660	0	98,682	293,600
Public Safety Dedicated Sales Tax	217,990	18,580	348,782	256,770
<b>Total City Court</b>	<b>\$1,409,230</b>	<b>\$18,580</b>	<b>\$1,901,418</b>	<b>\$1,521,980</b>
<b>Fire</b>				
General Fund	7,303,520	238,965	11,382,937	8,342,960
Public Safety Dedicated Sales Tax	1,870,300	12,125	2,755,902	1,911,110
Volunteer Fireman's Pension	5,000	0	7,200	5,000
Other Grants	0	78,500	38,917	0
<b>Total Fire</b>	<b>\$9,178,820</b>	<b>\$329,590</b>	<b>\$14,184,956</b>	<b>\$10,259,070</b>
<b>Economic Development</b>				
General Fund	1,850,920	186,656	1,807,343	2,011,580
<b>Total Economic Development</b>	<b>\$1,850,920</b>	<b>\$186,656</b>	<b>\$1,807,343</b>	<b>\$2,011,580</b>
<b>Parks, Recreation &amp; Libraries</b>				
General Fund	5,839,230	0	8,538,667	5,885,570

\*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.

**CITY OF AVONDALE**  
**Summary by Department of Expenditures/Expenses**  
**Fiscal Year 2015**

DEPARTMENT/FUND	Adopted Budgeted Expenditures/ Expenses 2014	Expenditure/ Expense Adjustments Approved 2014	Actual Expenditures/ Expenses* 2014	Budgeted Expenditures/ Expenses 2015
<b>Parks, Recreation &amp; Libraries</b>				
Senior Nutrition	358,880	6,954	625,419	343,490
Community Action Program	0	6,650	8,440	0
Library Projects	0	8,000	12,991	0
Other Grants	0	17,160	0	0
<b>Total Parks, Recreation &amp; Libraries</b>	<b>\$6,198,110</b>	<b>\$38,764</b>	<b>\$9,185,517</b>	<b>\$6,229,060</b>
<b>Neighborhood &amp; Family Services</b>				
General Fund	1,513,690	0	2,346,998	1,725,850
CDBG	606,700	0	377,450	447,900
Other Grants	1,065,570	-109,796	819,508	385,440
Home Grant	321,660	509,700	150,513	342,680
Community Action Program	135,360	-44,104	146,635	109,980
<b>Total Neighborhood &amp; Family Services</b>	<b>\$3,642,980</b>	<b>\$355,800</b>	<b>\$3,841,104</b>	<b>\$3,011,850</b>
<b>Public Works</b>				
Water Operations	11,335,930	-169,463	14,359,066	11,781,370
Water Development	8,758,300	0	7,681,268	10,400,000
Sewer Operations	8,175,860	0	10,120,295	7,752,420
Sanitation	4,299,450	0	6,145,697	4,464,040
Sewer Development	4,878,300	0	6,501,194	2,250,000
Fleet Services Fund	2,140,870	0	3,387,161	2,238,790
Highway User Revenue Fund	1,378,830	0	2,175,018	1,458,990
Sanitation Equipment Replacement	1,672,000	0	2,486,251	1,237,000
Sewer Equipment Replacement	224,500	0	40,770	656,200
Water Equipment Replacement	250,500	0	97,307	280,200
General Fund	116,620	0	54,908	114,270
<b>Total Public Works</b>	<b>\$43,231,160</b>	<b>(\$169,463)</b>	<b>\$53,048,935</b>	<b>\$42,633,280</b>
<b>Debt Service</b>				
0.5% Dedicated Sales Tax	5,753,780	0	8,578,004	5,513,190
General Obligation Bonds	4,895,550	0	6,509,324	3,910,230
Hwy User's Bonds '85/91/98	415,460	0	443,441	411,970
Dysart Road M.D.C.	196,600	0	343,170	196,410
Park Issue	3,010,950	0	3,219,370	0
<b>Total Debt Service</b>	<b>\$14,272,340</b>	<b>\$0</b>	<b>\$19,093,309</b>	<b>\$10,031,800</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.

**CITY OF AVONDALE**  
**Summary by Department of Expenditures/Expenses**  
**Fiscal Year 2015**

DEPARTMENT/FUND	Adopted Budgeted Expenditures/ Expenses 2014	Expenditure/ Expense Adjustments Approved 2014	Actual Expenditures/ Expenses* 2014	Budgeted Expenditures/ Expenses 2015
<b>Capital Projects</b>				
Improvement Districts	25,000,000	0	0	25,000,000
Street Construction	14,109,680	0	8,509,520	13,313,850
One Time Capital	0	0	0	4,328,040
Parkland	1,078,300	0	760,572	3,711,000
Vehicle Replacement	1,814,020	340,000	1,526,404	2,605,000
Police Development	847,960	0	931,210	2,330,430
Street Drainage	0	0	0	2,219,000
Equipment Replacement Fund	454,900	0	787,286	709,330
Fire Dept. Development	2,192,160	0	4,259,541	163,780
City Center	2,585,440	0	4,624,954	100,000
<b>Total Capital Projects</b>	<b>\$48,082,460</b>	<b>\$340,000</b>	<b>\$21,399,487</b>	<b>\$54,480,430</b>
<b>Total All Funds</b>	<b>\$174,247,960</b>	<b>\$0</b>	<b>\$181,178,304</b>	<b>\$178,984,760</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.

**CITY OF AVONDALE**  
**Full-Time Employees and Personnel Compensation**  
**Fiscal Year 2015**

FUND	Full-Time Equivalent (FTE) 2015	Employee Salaries and Hourly Costs 2015	Retirement Costs 2015	Healthcare Costs 2015	Other Benefit Costs 2015	Total Estimated Personnel Compensation 2015
General Fund	341.95	23,379,030	3,327,910	2,633,810	3,190,020	32,530,770
<b>Total</b>	<b>341.95</b>	<b>\$23,379,030</b>	<b>\$3,327,910</b>	<b>\$2,633,810</b>	<b>\$3,190,020</b>	<b>\$32,530,770</b>
<b>Special Revenue</b>						
Highway User Revenue Fund	17.00	960,290	115,720	137,640	197,160	1,410,810
Senior Nutrition	4.50	149,980	17,440	19,390	14,980	201,790
Community Action Program	2.00	74,240	8,610	18,090	6,560	107,500
Home Grant		114,940	-	-	-	114,940
Other Grants		81,140	1,210	-	9,850	92,200
Transit Fund	1.00	78,640	9,120	9,280	6,790	103,830
Court Payments	0.80	77,190	8,930	11,870	6,860	104,850
Regional Family Advocacy	5.00	315,130	36,520	37,730	27,230	416,610
Public Safety Dedicated Sales Tax	48.00	3,096,920	526,750	365,040	595,480	4,584,190
CDBG	1.00	116,620	9,100	8,430	7,550	141,700
Environmental Programs Fund	1.00	82,470	9,570	8,730	7,150	107,920
<b>Total Special Revenue</b>	<b>80.30</b>	<b>\$5,147,560</b>	<b>\$742,970</b>	<b>\$616,200</b>	<b>\$879,610</b>	<b>\$7,386,340</b>
<b>Enterprise</b>						
Water Operations	33.14	1,938,620	230,760	213,870	267,750	2,651,000
Sewer Operations	21.11	1,223,400	144,540	141,470	159,840	1,669,250
Sanitation	18.00	933,250	115,840	136,350	202,630	1,388,070
<b>Total Enterprise</b>	<b>72.25</b>	<b>\$4,095,270</b>	<b>\$491,140</b>	<b>\$491,690</b>	<b>\$630,220</b>	<b>\$5,708,320</b>
<b>Internal Service</b>						
Risk Management Fund	2.00	158,820	18,410	13,440	13,870	204,540
Fleet Services Fund	6.00	347,950	40,810	46,870	42,660	478,290
<b>Total Internal Service</b>	<b>8.00</b>	<b>\$506,770</b>	<b>\$59,220</b>	<b>\$60,310</b>	<b>\$56,530</b>	<b>\$682,830</b>
<b>Total All Funds</b>	<b>502.50</b>	<b>\$33,128,630</b>	<b>\$4,621,240</b>	<b>\$3,802,010</b>	<b>\$4,756,380</b>	<b>\$46,308,260</b>



## CITY COUNCIL AGENDA

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**SUBJECT:**

Resolution 3189-514 - Adopting Development Fees in Compliance with State Law

**MEETING DATE:**

5/19/2014

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**TO:** Mayor and Council**FROM:** Kevin Artz, Finance and Budget Director (623) 333-2012**THROUGH:** David Fitzhugh, Acting City Manager**PURPOSE:**

Staff is requesting that the City Council adopt a resolution approving the final development fee study which includes the final calculated development fees in compliance with State Law.

**BACKGROUND:**

On December 5, 2013, a notice of public hearing on the City's land use assumptions (LUA) and infrastructure improvements plan (IIP) was posted on the City's website. Copies of these documents were released and also posted on the City's website for inspection by interested parties.

On December 16, 2013, the LUA and IIP were presented to Council with an overview of the service area, land uses and projected growth assumptions prepared by TischlerBise as well as the proposed methodology for the development fees to be calculated for eligible necessary public service categories.

On February 3 2014, the City Council conducted a public hearing on the proposed LUA and IIP and received input from one individual representing a home builder that asked Council to consider reduced fees.

On March 5, 2014, the City Council formally adopted the LUA/IIP along with a resolution of notice of intent to assess development fees in compliance with State law. The adopted LUA/IIP was posted on the City's website after adoption. The dates of all required public hearings have been posted on the City's webpage since early January 2014. Thirty days have expired since the adoption of the notice of intent to assess development fees.

On April 14, 2014, the City Council held a public hearing on the proposed development fees as calculated in the Draft Development Fee Study report. The final report has been drafted and is posted on the City's website for interested parties to review.

**DISCUSSION:**

Per direction received from the City Council, staff has finalized the development fee report including the maximum supportable fees that the City may assess on new development. The final adopted development fees will not be effective for at least 75 days. All new permits issued commencing on the first business day in August of 2014, August 4, 2014, will include the amended development fees.

**RECOMMENDATION:**

Staff requests that Council adopt resolution approving the final development fee study and calculated development fees.

**ATTACHMENTS:**

Description

[Resolution 3189-514](#)

**RESOLUTION NO. 3189-514**

A RESOLUTION OF THE COUNCIL OF THE CITY OF AVONDALE, ARIZONA, ADOPTING DEVELOPMENT FEES IN COMPLIANCE WITH STATE LAW.

**WHEREAS**, Arizona's enabling legislation for development fees, ARIZ. REV. STAT. § 9-463.05 (the "Development Fee Statute") requires the City to produce three integrated documents prior to assessing development fees: (i) land use assumptions ("LUA"), (ii) an infrastructure improvements plan ("IIP"), and (iii) a development fee study based upon the LUA/IIP. The Development Fee Statute also requires a two-phase adoption process, whereby the LUA and IIP are reviewed, refined and adopted before the development fee study is addressed; and

**WHEREAS**, in accordance with the Development Fee Statute, (i) the LUA and IIP were released to the public, (ii) the City Council held a public hearing on February 3, 2014, to receive public comment on the LUA/IIP and (iii) the City Council approved Resolution 3173-314 on March 5, 2014, adopting the LUA/IIP and giving notice of its intent to assess development fees; and

**WHEREAS**, in accordance with the Development Fee Statute, the City Council held a public hearing on April 14, 2014, to receive input on the document entitled Land Use Assumptions, Infrastructure Improvements Plan and Draft Development Fee Study, dated March 5, 2014, prepared by TischlerBise (the "Draft Development Fee Study"); and

**WHEREAS**, the Draft Development Fee Study has been updated to include comments received from the public, including representatives of the development community (the updated document is referred to as the "Final Development Fee Study"); and

**WHEREAS**, the City Council desires to conclude the second phase of the development fee adoption process by approving the Final Development Fee Study.

**NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF AVONDALE** as follows:

SECTION 1. The recitals above are hereby incorporated as if fully set forth herein.

SECTION 2. The Final Development Fee Study is hereby adopted in substantially the form and substance of Exhibit A, attached hereto and incorporated herein by reference.

SECTION 3. In accordance with the Development Fee Statute, the development fees set forth in the Final Development Fee Report shall not be effective until 75 days after the date of this Resolution.

SECTION 4. The Mayor, the City Manager, the City Clerk and the City Attorney are hereby authorized and directed to take all steps necessary to carry out the purpose and intent of this Resolution.

**PASSED AND ADOPTED** by the Council of the City of Avondale, May 19, 2014.

\_\_\_\_\_  
Marie Lopez Rogers, Mayor

ATTEST:

\_\_\_\_\_  
Carmen Martinez, City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
Andrew J. McGuire, City Attorney

EXHIBIT A  
TO  
RESOLUTION NO. 3189-514

[Final Development Fee Study]

See the following pages.

**CITY OF AVONDALE DEVELOPMENT FEE STUDY:  
LAND USE ASSUMPTIONS,  
INFRASTRUCTURE IMPROVEMENTS PLAN, AND  
DEVELOPMENT FEE REPORT**

*Prepared for:  
City of Avondale, Arizona*

*May 19, 2014*

**TischlerBise**  
Fiscal, Economic & Planning Consultants

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Bethesda, MD  
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[www.tischlerbise.com](http://www.tischlerbise.com)**

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## EXECUTIVE SUMMARY

The City of Avondale engaged TischlerBise to assist the City with updating its Infrastructure Improvements Plan and development fees for several necessary public services pursuant to Arizona Revised Statutes § 9-463.05. Municipalities in Arizona may assess development fees to offset infrastructure costs to a municipality associated with providing necessary public services to new development. The development fees must be based on an Infrastructure Improvements Plan. Development fees cannot be used for, among other things: projects not included in the Infrastructure Improvements Plan, projects related to existing development, or costs related to operations and maintenance.

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

- General Government Facilities
- Library Facilities
- Parks and Recreational Facilities
- Fire Facilities
- Police Facilities
- Street Facilities
- Water Facilities
- Wastewater Facilities

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

### ARIZONA DEVELOPMENT FEE ENABLING LEGISLATION

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Arizona Revised Statutes § 9-463.05 (hereafter referred to as “development fee enabling legislation”) governs how development fees are calculated for municipalities in Arizona. During the state legislative session of 2011, Senate Bill 1525 (SB 1525) was introduced which significantly amended the development fee enabling legislation. The changes included:

- Amending existing development fee programs to discontinue collection of certain fees by January 1, 2012.
- Abandoning existing development fee programs by August 1, 2014.
- Establishing a new development fee program structure revolving around a unified Land Use Assumptions document and Infrastructure Improvements Plan.
- Establishing a new adoption procedure for the Land Use Assumptions, Infrastructure Improvements Plan, and development fees.
- Establishing a new definition, including “necessary public services” which defines what categories and types of infrastructure may be funded with development fees.
- Establishing time limitations in development fee collections and expenditures.
- Modifying requirements for credits, “grandfathering” rules, and refunds.

Governor Brewer signed SB 1525 into law on April 26, 2011. This update of the City's Development Fee Study complies with all of the new requirements of SB 1525.

## NECESSARY PUBLIC SERVICES

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The City of Avondale currently collects development fees for the following infrastructure categories:

- General Government
- Libraries
- Parks and Recreation
- Fire
- Police
- Streets
- Water
- Wastewater

Under the new requirements of the development fee enabling legislation, development fees may be only used for construction, acquisition or expansion of public facilities that are necessary public services. “Necessary public service” means any of the following categories of facilities that have a life expectancy of three or more years and that are owned and operated by or on behalf of the municipality:

- Water Facilities
- Wastewater Facilities
- Storm Water, Drainage, and Flood Control Facilities
- Library Facilities
- Streets Facilities
- Fire and Police Facilities
- Neighborhood Parks and Recreational Facilities
- Any facility that was financed before June 1, 2011 and that meets the following requirements:
  1. Development fees were pledged to repay debt service obligations related to the construction of the facility.
  2. After August 1, 2014, any development fees collected are used solely for the payment of principal and interest on the portion of the bonds, notes, or other debt service obligations issued before June 1, 2011 to finance construction of the facility.

## INFRASTRUCTURE IMPROVEMENTS PLAN

---

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

*Element #1: A description of the existing necessary public services in the service area and the costs to upgrade, update, improve, expand, correct or replace those necessary public services to meet existing needs and usage and stricter safety, efficiency, environmental or regulatory standards, which shall be prepared by qualified professionals licensed in this state, as applicable.*

*Element #2: An analysis of the total capacity, the level of current usage and commitments for usage of capacity of the existing necessary public services, which shall be prepared by qualified professionals licensed in this state, as applicable.*

*Element #3: A description of all or the parts of the necessary public services or facility expansions and their costs necessitated by and attributable to development in the service area based on the approved land use assumptions, including a forecast of the costs of infrastructure, improvements, real property, financing, engineering and architectural services, which shall be prepared by qualified professionals licensed in the this state, as applicable.*

*Element #4: A table establishing the specific level or quantity of use, consumption, generation or discharge of a service unit for each category of necessary public services or facility expansions and an equivalency or conversion table establishing the ratio of a service unit to various types of land uses, including residential, commercial and industrial.*

*Element #5: The total number of projected service units necessitated by and attributable to new development in the service area based on the approved land use assumptions and calculated pursuant to generally accepted engineering and planning criteria.*

*Element #6: The projected demand for necessary public services or facility expansions required by new service units for a period not to exceed ten years.*

*Element #7: A forecast of revenues generated by new service units other than development fees, which shall include estimated state-shared revenue, highway users revenue, federal revenue, ad valorem property taxes, construction contracting or similar excise taxes and the capital recovery portion of utility fees attributable to development based on the approved land use assumptions and a plan to include these contributions in determining the extent of the burden imposed by the development as required in subsection B, paragraph 12 of this section.*

## OFFSETS

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New development should not be required to pay twice for the cost of new facilities – once through development fees and again through other taxes or fees that are used to fund the same facilities. To avoid such potential double-payment, development fees may be reduced, and such a reduction is referred to as an “offset.” Offsets are incorporated into the development fee calculation. While this has long been a part of development fee practice in Arizona, SB 1525 amended the state enabling act to add a mandate regarding construction contracting excise tax, as highlighted in the following provision (ARS § 9-463.05(B)(12):

*The municipality shall forecast the contribution to be made in the future in cash or by taxes, fees, assessments or other sources of revenue derived from the property owner towards the capital costs of the necessary public service covered by the development fee and shall include these contributions in determining the extent of the burden imposed by the development. **Beginning August 1, 2014, for purposes of calculating the required offset to development fees pursuant to this subsection, if a municipality imposes a construction contracting or similar excise tax rate in excess of the percentage amount of the transaction privilege tax rate imposed on the majority of other transaction privilege tax classifications, the entire excess portion of the construction contracting or similar excise tax shall be treated as a contribution to the capital costs of necessary public services provided to development for which development fees are assessed, unless the excess portion was already taken into account for such purpose pursuant to this subsection.***

In general, offsets are only required for funding that is dedicated for capacity-expanding improvements addressed by the IIP. A municipality is not required to use general fund revenue to pay for growth-related improvements.

Finally, the new language inserted in the state enabling act by SB 1525, cited above, now requires municipalities to provide offsets for the excess portion of any construction contracting excise tax. **Because the City of Avondale does not charge a construction excise tax at a rate higher than for other types of business activities, no such offset is required.**

## QUALIFIED PROFESSIONALS

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The IIP must be developed by qualified professionals using generally accepted engineering and planning practices. A qualified professional is defined as “a professional engineer, surveyor, financial analyst or planner providing services within the scope of the person’s license, education, or experience.”

TischlerBise is a fiscal, economic, and planning consulting firm specializing in the cost of growth services. Our services include development fees, fiscal impact analysis, infrastructure financing analyses, user fee/cost of service studies, capital improvement plans, and fiscal software. TischlerBise has prepared over 800 development fee studies over the past 30 years for local governments across the United States.

## DEVELOPMENT FEE REPORT

### CALCULATION METHODOLOGIES

Development fees for the necessary public services necessitated by new development must be based on the same level of service provided to existing development in the service area. There are three basic methodologies used to calculate development fees. They examine the past, present, and future status of infrastructure. The objective of evaluating these different methodologies is to determine the best measure of the demand created by new development for additional infrastructure capacity.

- **Cost recovery (past)** is used in instances when a community has oversized a facility or asset in anticipation of future development. This methodology is based on the rationale that new development is repaying the community for its share of the remaining unused capacity.
- **Incremental expansion method (present)** documents the current level of service for each type of public facility. The intent is to use revenue collected to expand or provide additional facilities, as needed to accommodate new development, based on the current cost to provide capital improvements.
- **Plan-based method (future)** utilizes a community’s capital improvement plan and/or other adopted plans or engineering studies to guide capital improvements needed to serve new development.

A summary is provided in Figure 1 showing the methodologies, components and allocations used to calculate the IIP for each necessary public service.

**Figure 1: Necessary Public Service Calculation Methodologies**

Necessary Public Service	Methodology		
	Cost Recovery (Past)	Incremental Expansion (Present)	Plan Based (Future)
General Government	<ul style="list-style-type: none"> <li>• Facilities</li> </ul>	Not Applicable	Not Applicable
Library	<ul style="list-style-type: none"> <li>• Facilities</li> </ul>	Not Applicable	Not Applicable
Parks and Recreational	Not Applicable	<ul style="list-style-type: none"> <li>• Parkland</li> <li>• Park Amenities</li> </ul>	Not Applicable
Fire	Not Applicable	<ul style="list-style-type: none"> <li>• Facilities</li> <li>• Vehicles and Equipment</li> </ul>	Not Applicable
Police	Not Applicable	<ul style="list-style-type: none"> <li>• Facilities</li> <li>• Vehicles and Equipment</li> <li>• Communications Equipment</li> </ul>	Not Applicable
Street	Not Applicable	Not Applicable	<ul style="list-style-type: none"> <li>• Arterial Roadways</li> <li>• Signalized Intersections</li> </ul>
Water	<ul style="list-style-type: none"> <li>• Existing Wells</li> <li>• Water Resource Recharge</li> </ul>	Not Applicable	<ul style="list-style-type: none"> <li>• Planned Wells</li> </ul>
Wastewater	Not Applicable	Not Applicable	<ul style="list-style-type: none"> <li>• Treatment Plant</li> </ul>

**Reporting Results**

Calculations throughout this Development Fee Study are based on analysis conducted using Excel software. Formulas and results are discussed herein using one and two-digit places (in most cases), which represent rounded figures. However, the analysis itself uses figures carried to their ultimate decimal places; therefore the sums and products generated in the analysis may not equal the sum or product if the reader replicates the calculation with the factors shown in the report (due to the rounding of figures shown, not in the analysis).

**MAXIMUM SUPPORTABLE DEVELOPMENT FEES**

Based on the data, assumptions, and calculation methodologies in this [Land Use Assumptions](#) document and [Infrastructure Improvements Plan](#), the preliminary development fees are listed in the figure below.

**Figure 2: Maximum Supportable City of Avondale Development Fees**

Land Use Category	General Government	Library	Parks & Recreation	Fire	Police	Street	PROPOSED Development Fee
<b>Residential</b>							
<i>Per Housing Unit</i>							
2+ Unit	\$295	\$148	\$658	\$501	\$412	\$2,058	\$4,072
Single Unit	\$357	\$179	\$796	\$607	\$499	\$2,945	\$5,383
<b>Nonresidential</b>							
<i>Per Square Foot of Floor Area</i>							
Commercial	\$0.37	\$0.18	\$0.82	\$0.62	\$0.51	\$3.66	\$6.16
Office	\$0.10	\$0.05	\$0.24	\$0.18	\$0.15	\$1.58	\$2.30
Industrial	\$0.06	\$0.03	\$0.13	\$0.10	\$0.08	\$1.00	\$1.40

Utility Meter Size and Type	Water Facilities	Waste Water	PROPOSED Development Fee
<b>Residential</b>			
<i>per Unit</i>			
	\$4,651	\$7,673	\$12,324
<b>Meters</b>			
<i>Per Meter</i>			
0.75" Displacement	\$4,651	\$7,673	\$12,324
1.00" Displacement	\$7,767	\$12,814	\$20,581
1.50" Displacement	\$15,488	\$25,551	\$41,039
2.00" Compound	\$24,790	\$40,898	\$65,688
3.00" Compound	\$49,627	\$81,873	\$131,500
4.00" Compound	\$77,533	\$127,912	\$205,445
6.00" Compound	\$155,021	\$255,748	\$410,769

Source: TischlerBise. (2014).

**COMPARISON TO CURRENT DEVELOPMENT FEES**

The City of Avondale currently collects development fees for the following infrastructure categories:

- General Government
- Libraries
- Parks and Recreation
- Fire
- Police
- Streets
- Water
- Wastewater

The City’s current development fees, effective as of September 2012, are shown below.

**Figure 3: City of Avondale Current Development Fees**

Land Use Category	General Government	Library	Parks & Recreation	Fire	Police	Street	Current Fee
<b>Residential</b>							
	<i>Per Housing Unit</i>						
2+ Unit	\$713	\$272	\$928	\$742	\$257	\$1,137	\$4,049
Single Unit	\$905	\$345	\$1,178	\$943	\$326	\$1,857	\$5,554
<b>Nonresidential [1]</b>							
	<i>Per Square Foot of Floor Area</i>						
Commercial	\$0.88	\$0.00	\$0.00	\$0.70	\$1.38	\$4.08	\$7.04
Office	\$1.03	\$0.00	\$0.00	\$1.07	\$0.48	\$1.56	\$4.14
Industrial	\$0.46	\$0.00	\$0.00	\$0.49	\$0.15	\$0.50	\$1.60

Utility Meter Size and Type	Water Facilities	Waste Water	Current Fee
<b>Meters</b>			
0.75"	Displacement	\$5,251	\$10,744
1.00"	Displacement	\$8,833	\$18,103
1.50"	Displacement	\$16,985	\$34,893
2.00"	Compound	\$27,067	\$55,642
3.00"	Compound	\$56,248	\$115,698
4.00"	Compound	\$86,800	\$178,574
6.00"	Compound	Not Calculated for 2012	-

[1] The 2012 Commercial and Office fees were by size thresholds, averages are shown here.  
An average of 2012 fees for Light Industrial, Warehousing, and Manufacturing are shown here.

Source: City of Avondale. (25Sept12). Development Fee Utilization Report.

The changes between the maximum supportable fees discussed herein, and the current fees are shown in the figure below. Note: the red figures in parentheses represent decreases in fee amounts.

**Figure 4: Changes Between City of Avondale Current and Proposed Development Fees**

Land Use Category	Net Change							Total Difference
	General Government	Library	Parks & Recreation	Police	Fire	Street		
<b>Residential</b>								
~~~~~ Per Housing Unit ~~~~~								
2+ Unit	(\$418)	(\$124)	(\$270)	(\$241)	\$155	\$921		\$23
Single Unit	(\$548)	(\$166)	(\$382)	(\$336)	\$173	\$1,088		(\$171)
<b>Nonresidential</b>								
~~~~~ Per Square Foot of Floor Area ~~~~~								
Commercial	(\$0.51)	\$0.18	\$0.82	(\$0.08)	(\$0.87)	(\$0.42)		(\$0.88)
Office	(\$0.93)	\$0.05	\$0.24	(\$0.89)	(\$0.33)	\$0.02		(\$1.84)
Industrial	(\$0.40)	\$0.03	\$0.13	(\$0.39)	(\$0.07)	\$0.50		(\$0.20)

Land Use Category	Net Change							Total Difference
	General Government	Library	Parks & Recreation	Police	Fire	Street		
<b>Meters</b>								
								~~~~~ Per Meter ~~~~~
0.75"	Displacement							(\$600)      \$2,180      \$1,580
1.00"	Displacement							(\$1,066)      \$3,544      \$2,478
1.50"	Displacement							(\$1,497)      \$7,643      \$6,146
2.00"	Compound							(\$2,277)      \$12,323      \$10,046
3.00"	Compound							(\$6,621)      \$22,423      \$15,802
4.00"	Compound							(\$9,267)      \$36,138      \$26,871
6.00"	Compound							-      -      -

Source: City of Avondale. (2012). TischlerBise. (2014).

## GENERAL GOVERNMENT FACILITIES – INFRASTRUCTURE IMPROVEMENTS PLAN

### OVERVIEW

---

General Government Facilities are not included in the definition of necessary public service found in ARS § 9-463.05(T)(7)(a)-(g). However, fees for such facilities can continue to be collected to repay debt incurred before the implementation of SB 1525, as set forth in ARS § 9-463.05(R)(1)-(2), which allows inclusion of any facility that was financed before June 1, 2011 and that meets the following requirements:

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

The General Government Facilities IIP includes a cost recovery component for General Government facilities, that meet the requirements of ARS § 9-463.05(T)(7)(h), as well as the cost of preparing the General Government Facilities IIP and Development Fee Study. In December of 2012, the Avondale City Council reaffirmed the existing General Government pledged debt in Ordinance No. 1482-1211:

*“The Development Fee Study included calculation of the debt service/financing costs for constructing and equipment City Hall facility and a City Court Facility, including the portions of those costs to be borne by the City’s general fund (on behalf of existing residents) and by impact fees (on behalf of new residents). The resulting General Government Development Impact Fee (the “General Government DIF”) was then included in the calculations of the repayment of principal and interest on bonds, notes or other debt service obligations issued to pay costs of construction of the City Hall and City Court. The General Government DIFs have been lawfully collected and applied to such debt service accordingly.”*

Accordingly, previously issued debt for the General Government facilities meets the requirements for inclusion in the 2013 Development Fee Study.

### SERVICE AREA

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The General Government facilities are intended to serve the City at a consistent level of service, therefore the General Government Facilities development fees will be implemented in the Base Service Area, as defined in the [Land Use Assumptions](#).

## PROPORTIONATE SHARE

ARS § 9-463.05 (B)(3) states that development fees shall not exceed a proportionate share of the cost of necessary public services needed to provide necessary public services to the development. The General Government Facilities IIP and development fees utilize the “functional population” approach to calculate and assess the proportionate share of demand placed on General Government facilities by types of land use and service units. This approach is a generally accepted methodology for development fees, and is based on the observation that demand for facilities tends to be proportional to the presence of people at a particular site.

Functional population is analogous to the concept of “full-time equivalent” employees. It represents the number of “full-time equivalent” people present at the site of a land use, and it is used to determine the impact of a particular development on the need for capital facilities. For residential development, functional population is a factor of average household size multiplied by the percent of time a person spends at home. For nonresidential development, functional population is based on a formula that considers trip generation rates, average vehicle occupancy, employee density, and average number of hours spent by employees and visitors at a land use.

See the **Functional Population** section of Appendix C for additional information regarding the calculation of functional population by land use and development units (i.e., dwelling unit or 1,000 square feet of nonresidential floor area). A summary of the functional population factors per development unit, and total Base Service Area functional population by land use is shown in Figure 5.

**Figure 5: Functional Population for City of Avondale, 2013**

Land Use	Unit	Existing Units [1]	2013 Functional Population	
			per Unit	Total
Single Unit	Dwelling	22,792	2.24	51,054
2+ Unit	Dwelling	4,548	1.85	8,414
Retail/Commercial	1,000 sq. ft.	3,486	2.32	8,088
Office	1,000 sq. ft.	3,919	0.68	2,665
Industrial	1,000 sq. ft.	1,723	0.38	655
Total Functional Population, 2013				70,876

Source: TischlerBise. (2014). Development Fee Land Use Assumptions.

## IIP FOR GENERAL GOVERNMENT FACILITIES

For each necessary public service that is the subject of a development fee, ARS § 9-463.05(E) requires the IIP to include seven elements. The sections below detail each of these elements. (A forecast of new revenues generated by development can be found in **Appendix B – Forecast of Revenues Other Than Development Fees.**)

**ANALYSIS OF CAPACITY, USAGE, AND COSTS OF EXISTING PUBLIC SERVICES**

ARS § 9-463.05 (E)(1) requires:

*“A description of the existing necessary public services in the service area and the costs to upgrade, update, improve, expand, correct or replace those necessary public services to meet existing needs and usage and stricter safety, efficiency, environmental or regulatory standards, which shall be prepared by qualified professionals licensed in this state, as applicable.”*

ARS § 9-463.05 (E)(2) requires:

*“An analysis of the total capacity, the level of current usage and commitments for usage of capacity of the existing necessary public services, which shall be prepared by qualified professionals licensed in this state, as applicable.”*

**Level of Service – General Government**

The City completed an expansion of its General Government facilities in 2003. The current inventory of facilities totals 82,000. The current inventory was built with excess capacity to serve future demand. The level of service for General Government facilities is a measure of square feet per service unit. The base year level of service, based on functional population service units, is calculated as follows: 82,000 square feet / 70,876 functional population = 1.16 square feet per service unit.

**Figure 6: Level of Service – General Government Facilities**

Facility	Square Feet
Civic Center - City Hall	70,000
Civic Center - Court Facility	12,000
TOTAL	82,000

Source: City of Avondale

Level of Service	2013	2016
Functional Population	70,876	77,163
Square Feet per Functional Population	1.16	1.06

Debt was issued in 2003 to help fund the expansion of General Government facilities. As new development utilizes its proportionate share of the available capacity of the facilities, the City plans to have new development pay a proportionate share of the debt incurred for construction. As shown above, if no new facilities are added, and development occurs at the rate shown in the approved [Land Use Assumptions](#), the LOS for General Government facilities is projected to change from 1.16 square feet per service unit, to 1.06.

**Cost per Service unit**

Debt was issued in 2003 to pay for the expansion of General Government facilities. As shown below, development fee revenue was pledged to pay for 57.26 percent of the debt obligation incurred to expand the Civic Center facility. In fiscal year 2013, development fee revenue was insufficient to contribute the pledged portion; therefore, an inter-fund transfer of \$1 million from the General Fund was made to retire the debt.

**Figure 7: City of Avondale 2003 General Government Debt Service Schedule**

Fiscal Year	Total Bond Issue Debt Service			Percent Pledged	Pledged Purpose	Pledged Debt Service		
	Principal	Interest	Total			Principal	Interest	Total
2013	\$1,370,000	\$95,475	\$1,465,475	57.26%	Civic Center	\$784,423	\$54,666	\$839,089
2014	\$1,275,000	\$55,950	\$1,330,950	57.26%	Civic Center	\$730,029	\$32,035	\$762,064
Total 2003 MDC	\$2,645,000	\$151,425	\$2,796,425	\$1	\$0	\$1,514,452	\$86,701	\$1,601,153

Debt Retired Fiscal Year	Payment from General Fund
2013	\$1,000,000

Source: City of Avondale. (30Oct12.) Finance Department Debt Schedules.

TischlerBise projects the City of Avondale will add 6,287 in net new functional population between 2013 and 2016. Development fee revenue collected from new development during this period will refund the General Fund and serve as new development’s buy in to the excess capacity of the existing facilities. The cost per service unit is calculated as follows: \$1,000,000 reimbursement / 6,287 net increase in functional population = \$159.06 cost per service unit.

**Figure 8: Cost Recovery – General Government Facilities**

Obligation		Fiscal Year of	Reimbursement to
Name of Debt	Year of Debt	Payment	General Fund [1]
Civic Center	2003	2013	\$1,000,000

Source: City of Avondale, Finance Department

Increase 2013-2016 Service Units [2]	Cost per Service Unit
6,287 Functional Population	<b>\$159.06</b>

[1] Debt remaining at the start of Fiscal Year 2013

[2] Development Fee Land Use Assumptions

**Excluded Costs**

Development fees in Avondale exclude costs to upgrade, update, improve, expand, correct or replace those necessary public services to meet existing needs and usage, stricter safety, efficiency, environmental or regulator standards. The City of Avondale Capital Improvement Plan includes the cost of these excluded items.

**Current Use and Available Capacity**

The General Government Facilities discussed above have surplus capacity to serve growth; therefore, a cost recovery methodology was used to calculate the growth share of remaining debt service.

**RATIO OF SERVICE UNIT TO DEVELOPMENT UNIT**

ARS § 9-463.05 (E)(4) requires:

*“A table establishing the specific level or quantity of use, consumption, generation or discharge of a service unit for each category of necessary public services or facility expansions and an equivalency or conversion table establishing the ratio of a service unit to various types of land uses, including residential, commercial and industrial.”*

Displayed below are the ratios of a service unit to various types of land uses for residential and nonresidential development. See the **Functional Population** section of Appendix C for additional information regarding the calculation of functional population by land use and development units (i.e., dwelling unit or 1,000 square feet of nonresidential floor area).

**Figure 9: Functional Population for Residential Development by Type**

Housing Type	Unit	Person per Household [1]	Occupancy Factor	Functional Population per Unit
Single Unit	Dwelling	3.35	0.67	2.24
2+ Unit	Dwelling	2.76	0.67	1.85

[1] U.S. Census Bureau, American Community Survey 2011 3-Year Estimates applied to 2010 Census Summary File 1 counts

**Figure 10: Functional Population per Unit for Nonresidential Uses**

Land Use	Unit	Trip Rate [1]	Persons/ Trip [2]	Employee/ Unit [3]	Visitors/ Unit	Functional Population per Unit
Retail/Commercial	1,000 sq. ft.	21.35	1.96	1.98	39.86	2.32
Office	1,000 sq. ft.	5.52	1.24	1.34	5.50	0.68
Industrial	1,000 sq. ft.	3.49	1.24	0.67	3.65	0.38

[1] Institute of Transportation Engineers. (2012). Trip Generation 9th Edition.

[2] Federal Highway Administration. (2009). Nationwide Household Travel Survey.

[3] TischlerBise. Development Fee Land Use Assumptions.

Service Area 2013 estimates of employees per all existing nonresidential floor area by industry type.

**PROJECTED SERVICE UNITS AND PROJECTED DEMAND FOR SERVICES**

ARS § 9-463.05(E)(3) requires:

*“A description of all or the parts of the necessary public services or facility expansions and their costs necessitated by and attributable to development in the service area based on the approved land use assumptions, including a forecast of the costs of infrastructure, improvements, real property, financing, engineering and architectural services, which shall be prepared by qualified professionals licensed in this state, as applicable.”*

ARS § 9-463.05(E)(5) requires:

*“The total number of projected service units necessitated by and attributable to new development in the service area based on the approved land use assumptions and calculated pursuant to generally accepted engineering and planning criteria.”*

ARS § 9-463.05(E)(6) requires:

*“The projected demand for necessary public services or facility expansions required by new service units for a period not to exceed ten years.”*

TischlerBise projects the City of Avondale will gain 6,287 in new functional population service units over the remaining term of the General Government debt obligation. As existing and new development utilizes the available capacity of the General Government facilities at the planned LOS of 0.1.06 square feet per service unit, the available facilities will reach capacity in 2016.

**Figure 11: Projected Demand for General Government Facilities**

General Government Facilities = 82,000 SF				
	Functional Population	Planned LOS	Demand for Facility SF	Remaining Capacity
<b>Base Yr. 2013</b>	70,876	1.06	75,319	6,681
<b>1 2014</b>	72,912	1.06	77,483	4,517
<b>2 2015</b>	75,007	1.06	79,709	2,291
<b>3 2016</b>	77,163	1.06	82,000	0

**General Government Facilities Improvements Plan**

The City of Avondale does not plan to use General Government development fees collected in the next five years to pay for any new expansion of General Government facilities.

## MAXIMUM SUPPORTABLE GENERAL GOVERNMENT FACILITIES DEVELOPMENT FEES

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The maximum supportable development fees for General Government Facilities are shown in Figure 12. The development fee is calculated by multiplying the *Functional Population per Unit* factors by the net capital cost per service unit.

### IIP and Development Fee Study

Included in the General Government Facilities per service unit cost is the cost to prepare the General Government Facilities IIP and Development Fee Study. See **Appendix A – Cost of Professional Services** for the detailed calculations.

### Revenue Credit

Included in the maximum supportable General Government Facilities development fees is a *Revenue Credit* of 0 percent. The unadjusted development fees per service unit would not generate more revenue over the remaining life of the debt obligation, based on the approved [Land Use Assumptions](#), than the identified growth-related necessary expenditures of \$1,007,493 (debt service plus the IIP and Development Fee Study cost). To ensure that no more fee revenue is collected than the City plans to spend, the potential gross cost per service unit is reduced by the revenue credit to calculate the net capital cost per service unit. **Based on the gross capital costs per service unit, the projected development fee revenue would not exceed the necessary public services. Therefore, no revenue credit is necessary.** See Figure 12 and Figure 13 for information regarding the revenue credit calculations.

**Figure 12: Maximum Supportable General Government Facilities Development Fees**

	<u>per Functional</u>
<b>General Government Residential Capital Costs</b>	<b>Population</b>
General Government Facilities	\$159.06
IIP and Development Fee Study	\$0.69
<b>GROSS CAPITAL COST</b>	<b>\$159.75</b>
Revenue Credit	0% (\$0.00)
<b>NET CAPITAL COST</b>	<b>\$159.75</b>

<b>General Government Development Fee Schedule</b>		<b>Development Fee per Housing Unit</b>		
<b>Unit Type</b>	<b>Functional Pop. Per Unit</b>	<b>Proposed Fee</b>	<b>Current Fee</b>	<b>Increase (Decrease)</b>
2+ Unit	1.85	\$295	\$713	(\$418)
Single Unit	2.24	\$357	\$905	(\$548)

	<u>per Functional</u>
<b>General Government Nonresidential Capital Costs</b>	<b>Population</b>
General Government Facilities	\$159.06
IIP and Development Fee Study	\$0.69
<b>GROSS CAPITAL COST</b>	<b>\$159.75</b>
Revenue Credit	0% (\$0.00)
<b>NET CAPITAL COST</b>	<b>\$159.75</b>

<b>General Government Development Fee Schedule</b>		<b>Development Fee per Square Foot of Floor Area</b>		
<b>Nonresidential Land Use Type</b>	<b>Functional Pop. Per Unit</b>	<b>Proposed Fee</b>	<b>Current Fee [1]</b>	<b>Increase (Decrease)</b>
	(per 1,000 SF)	(Per Square Foot of Floor Area)		
Commercial	2.32	\$0.37	\$0.88	(\$0.51)
Office/Institutional	0.68	\$0.10	\$1.03	(\$0.93)
Industrial/Flex	0.38	\$0.06	\$0.46	(\$0.40)

[1] The 2012 Commercial and Office fees were by size thresholds, averages are shown here.

An average of 2012 fees for Light Industrial, Warehousing, and Manufacturing are shown here.

**FORECAST OF REVENUES**

**Appendix B – Forecast of Revenues Other Than Development Fees** contains a forecast of revenue other than development fees required by Arizona’s enabling legislation.

**General Government Cash Flow**

The cash flow summary shown below provides an indication of the development fee revenue and capital costs necessary to meet the demand for General Government facilities. **For the inter-fund loan from the General Fund, development fees will only be collected until such time that the level of service for existing facilities reaches the expected 1.06 square feet per service unit.** To the extent the rate of development either accelerates or slows down, there will be a corresponding change in the development fee revenue.

**Figure 13: General Government Facilities Cash Flow Summary**

*Ten-Year Growth-Related Costs*

General Government Facilities [1]	\$1,000,000
IIP and Development Fee Study	\$7,493
<b>TOTAL</b>	<b>\$1,007,493</b>

[1] City of Avondale. (20Feb14). FY13 General Fund Trial Balance Report.

		<i>per Housing Unit</i>		<i>Per Square Foot of Floor Area</i>		
		<i>Single Unit</i>	<i>2+ Units</i>	<i>Commercial</i>	<i>Office</i>	<i>Industrial</i>
		\$357	\$295	\$0.37	\$0.10	\$0.06
<i>Year</i>		<i>Housing Units Added</i>		<i>Square Feet Added (1,000)</i>		
Base	2013	22,792	4,548	3,486	3,919	1,723
Year 1	2014	23,291	4,650	3,681	4,111	1,921
Year 2	2015	23,802	4,754	3,887	4,312	2,142
Year 3	2016	24,323	4,861	4,104	4,523	2,388
<i>Ten-Yr. Increase</i>		1,531	313	618	604	665
<i>Projected Fees (Rounded) =&gt;</i>		\$546,567	\$92,335	\$228,660	\$60,400	\$39,900
<b>Total Projected Revenues</b>				<b>\$967,862</b>		
<b>Cumulative Net Surplus/(Deficit)</b>				<b>(\$39,631)</b>		

Source: TischlerBise. (2014).

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## LIBRARY FACILITIES – INFRASTRUCTURE IMPROVEMENTS PLAN

### OVERVIEW

Library Facilities of the size constructed by Avondale are not included in the definition of necessary public service found in ARS § 9-463.05(T)(7)(a)-(g). However, fees for such facilities can continue to be collected to repay debt incurred before the implementation of SB 1525, as set forth in ARS § 9-463.05(R)(1)-(2), which allows inclusion of any facility that was financed before June 1, 2011 and that meets the following requirements:

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

The Library Facilities IIP includes a cost recovery component for Library facilities, as well as the cost of preparing the Library Facilities IIP and Development Fee Study. In December of 2012, the Avondale City Council reaffirmed the existing Library pledged debt in Ordinance No. 1482-1211:

*“The Development Fee Study included calculation of the debt service/financing costs for the construction and equipping of a Civic Center Library facility, including the portions of those costs to be borne by the City’s general fund (on behalf of existing residents) and by impact fees (on behalf of new residents). The resulting Libraries Development Impact Fee (the “Library DIF”) was then included in the calculations of the repayment of principal and interest on bonds, notes or other debt service obligations issued to pay costs of construction of the Civic Center Library. The Library DIFs have been lawfully collected and applied to such debt service accordingly.”*

Accordingly, previously issued debt for the Library facilities meets the requirements for inclusion in the 2013 Development Fee Study.

### SERVICE AREA

The City of Avondale intends to provide Library facilities at a consistent level of service to the resident population, therefore the Library Facilities development fees will be implemented in the Base Service Area, as defined in the [Land Use Assumptions](#).

### PROPORTIONATE SHARE

ARS § 9-463.05 (B)(3) states that the development fee shall not exceed a proportionate share of the cost of necessary public services needed to provide necessary public services to the development. The Library Facilities IIP and development fees utilize the “functional population” approach to calculate and assess the proportionate share of demand placed on Library Facilities by types of land use and service units. This approach is a generally accepted methodology for development fees, and is based on the observation that demand for Facilities tends to be proportional to the presence of people at a particular site.

Functional population is analogous to the concept of “full-time equivalent” employees. It represents the number of “full-time equivalent” people present at the site of a land use, and it is used to determine the impact of a particular development on the need for capital Facilities. For residential development, functional population is a factor of average household size multiplied by the percent of time a person

spends at home. For nonresidential development, functional population is based on a formula that considers trip generation rates, average vehicle occupancy, employee density, and average number of hours spent by employees and visitors at a land use.

See the **Functional Population** section of Appendix C for additional information regarding the calculation of functional population by land use and development units (i.e., dwelling unit or 1,000 square feet of nonresidential floor area). A summary of the functional population factors per development unit, and total Base Service Area functional population by land use is shown below.

**Figure 14: Functional Population for City of Avondale, 2013**

Land Use	Unit	Existing Units [1]	2013 Functional Population	
			per Unit	Total
Single Unit	Dwelling	22,792	2.24	51,054
2+ Unit	Dwelling	4,548	1.85	8,414
Retail/Commercial	1,000 sq. ft.	3,486	2.32	8,088
Office	1,000 sq. ft.	3,919	0.68	2,665
Industrial	1,000 sq. ft.	1,723	0.38	655
Total Functional Population, 2013				70,876

Source: TischlerBise. (2014). Development Fee Land Use Assumptions.

### IIP FOR LIBRARY FACILITIES

For each necessary public service that is the subject of a development fee, ARS § 9-463.05(E) requires the IIP to include seven elements. The sections below detail each of these elements. (A forecast of new revenues generated by development can be found in **Appendix B – Forecast of Revenues Other Than Development Fees.**)

### ANALYSIS OF CAPACITY, USAGE, AND COSTS OF EXISTING PUBLIC SERVICES

ARS § 9-463.05 (E)(1) requires:

*“A description of the existing necessary public services in the service area and the costs to upgrade, update, improve, expand, correct or replace those necessary public services to meet existing needs and usage and stricter safety, efficiency, environmental or regulatory standards, which shall be prepared by qualified professionals licensed in this state, as applicable.”*

ARS § 9-463.05 (E)(2) requires:

*“An analysis of the total capacity, the level of current usage and commitments for usage of capacity of the existing necessary public services, which shall be prepared by qualified professionals licensed in this state, as applicable.”*

**Level of Service**

The City completed an expansion of its Library facilities in 2006. The current inventory of Library facilities totals 43,200 square feet. The current inventory was built with excess capacity to serve future demand. The level of service for Library facilities is a measure of square feet per service unit. The base year level of service for residential development is calculated as follows: 43,200 square feet / 70,876 persons = 0.61 square feet per service unit.

**Figure 15: Level of Service – Library Facilities**

Facility	Square Feet
Civic Center Library	30,500
Sam Garcia Library	12,700
<b>TOTAL</b>	<b>43,200</b>

Source: City of Avondale

Level of Service	2013	2027
Functional Population	70,876	105,374
Square Feet per Functional Population	<b>0.61</b>	<b>0.41</b>

Debt was issued in 2006 to help fund the expansion of Library facilities. As new development utilizes its proportionate share of the available capacity of the Library facilities, the City plans to have new development pay a proportionate share of the remaining debt, scheduled to be retired in 2027. As shown above, if no new Library facilities are added and development occurs at the rate shown in the [Land Use Assumptions](#), the LOS for Library facilities will change over the remaining life of the debt service. The level of service is projected to change from 0.61 square feet service unit, to 0.41 over the remaining life of bonds used to fund the Library facilities expansion.

**Cost per Service unit**

Debt was issued in 2006 to pay for the expansion of Library facilities. As shown below, development fee revenue was pledged to pay for 14.86 percent of the debt obligation incurred to expand the facility. As of fiscal year 2013, development fee revenue has been pledged towards \$2,748,155 of the remaining principal and interest.

**Figure 16: City of Avondale Library Debt Service Schedule**

Fiscal Year	Total Bond Issue Debt Service			Percent Pledged	Pledged Purpose	Pledged Debt Service		
	Principal	Interest	Total			Principal	Interest	Total
2015	\$805,000	\$637,188	\$1,442,188	14.86%	Library	\$119,662	\$94,717	\$214,379
2016	\$835,000	\$601,700	\$1,436,700	14.86%	Library	\$124,122	\$89,442	\$213,564
2017	\$870,000	\$564,725	\$1,434,725	14.86%	Library	\$129,324	\$83,946	\$213,270
2018	\$910,000	\$519,225	\$1,429,225	14.86%	Library	\$135,270	\$77,182	\$212,452
2019	\$955,000	\$476,250	\$1,431,250	14.86%	Library	\$141,959	\$70,794	\$212,753
2020	\$1,000,000	\$426,250	\$1,426,250	14.86%	Library	\$148,649	\$63,361	\$212,010
2021	\$1,045,000	\$374,000	\$1,419,000	14.86%	Library	\$155,338	\$55,595	\$210,933
2022	\$1,100,000	\$319,000	\$1,419,000	14.86%	Library	\$163,514	\$47,419	\$210,933
2023	\$1,155,000	\$261,250	\$1,416,250	14.86%	Library	\$171,689	\$38,834	\$210,523
2024	\$1,210,000	\$200,750	\$1,410,750	14.86%	Library	\$179,865	\$29,841	\$209,706
2025	\$1,275,000	\$137,000	\$1,412,000	14.86%	Library	\$189,527	\$20,365	\$209,892
2026	\$1,335,000	\$70,250	\$1,405,250	14.86%	Library	\$198,446	\$10,443	\$208,889
2027	\$1,405,000	\$0	\$1,405,000	14.86%	Library	\$208,851	\$0	\$208,851
<b>Total 2006 MDC</b>	<b>\$13,900,000</b>	<b>\$4,587,588</b>	<b>\$18,487,588</b>		<b>Total, Library</b>	<b>\$2,066,216</b>	<b>\$681,939</b>	<b>\$2,748,155</b>

Source: City of Avondale. (30Oct12.) Finance Department Debt Schedules.

TischlerBise projects the City of Avondale will add 34,498 net new service units between of 2013 and 2027. The cost per service unit for is calculated as follows: \$2,748,155 remaining principal and interest / 34,498 net increase in functional population = \$79.66 cost per service unit.

**Figure 17: Cost Recovery – Library Facilities**

Obligation		Year of Final	Remaining Principal
Name of Debt	Year of Debt	Payment	Interest [1]
Civic Center Library	2006	2027	\$2,748,155

Source: City of Avondale, Finance Department

Increase 2013-2027	Cost per
Service Units [2]	Service Unit
34,498 Functional Population	<b>\$79.66</b>

[1] Debt remaining at the start of Fiscal Year 2015

[2] TischlerBise. (2014). Development Fee Land Use Assumptions

**Excluded Costs**

Development fees in Avondale exclude costs to upgrade, update, improve, expand, correct or replace those necessary public services to meet existing needs and usage, stricter safety, efficiency, environmental or regulator standards. The City of Avondale Capital Improvement Plan includes the cost of these excluded items.

**Current Use and Available Capacity**

The Library Facilities discussed above have surplus capacity to serve growth; therefore, a cost recovery methodology was used to calculate the growth share of remaining debt service.

**RATIO OF SERVICE UNIT TO DEVELOPMENT UNIT**

ARS § 9-463.05 (E)(4) requires:

*“A table establishing the specific level or quantity of use, consumption, generation or discharge of a service unit for each category of necessary public services or facility expansions and an equivalency or conversion table establishing the ratio of a service unit to various types of land uses, including residential, commercial and industrial.”*

Displayed below are the ratios of a service unit to various types of land uses for residential and nonresidential development. See the **Functional Population** section of Appendix C for additional information regarding the calculation of functional population by land use and development units (i.e., dwelling unit or 1,000 square feet of nonresidential floor area).

**Figure 18: Functional Population for Residential Development by Type**

Housing Type	Unit	Person per Household [1]	Occupancy Factor	Functional Population per Unit
Single Unit	Dwelling	3.35	0.67	2.24
2+ Unit	Dwelling	2.76	0.67	1.85

[1] U.S. Census Bureau, American Community Survey 2011 3-Year Estimates applied to 2010 Census Summary File 1 counts

**Figure 19: Functional Population per Unit for Nonresidential Uses**

Land Use	Unit	Trip Rate [1]	Persons/ Trip [2]	Employee/ Unit [3]	Visitors/ Unit	Functional Population per Unit
Retail/Commercial	1,000 sq. ft.	21.35	1.96	1.98	39.86	2.32
Office	1,000 sq. ft.	5.52	1.24	1.34	5.50	0.68
Industrial	1,000 sq. ft.	3.49	1.24	0.67	3.65	0.38

[1] Institute of Transportation Engineers. (2012). Trip Generation 9th Edition.

[2] Federal Highway Administration. (2009). Nationwide Household Travel Survey.

[3] TischlerBise. Development Fee Land Use Assumptions.

Service Area 2013 estimates of employees per all existing nonresidential floor area by industry type.

**PROJECTED SERVICE UNITS AND INFRASTRUCTURE DEMAND**

ARS § 9-463.05(E)(3) requires:

*“A description of all or the parts of the necessary public services or facility expansions and their costs necessitated by and attributable to development in the service area based on the approved land use assumptions, including a forecast of the costs of infrastructure, improvements, real property, financing, engineering and architectural services, which shall be prepared by qualified professionals licensed in this state, as applicable.”*

ARS § 9-463.05(E)(5) requires:

*“The total number of projected service units necessitated by and attributable to new development in the service area based on the approved land use assumptions and calculated pursuant to generally accepted engineering and planning criteria.”*

ARS § 9-463.05(E)(6) requires:

*“The projected demand for necessary public services or facility expansions required by new service units for a period not to exceed ten years.”*

TischlerBise projects the City of Avondale will add an additional 34,498 service units over the 13 years of the remaining debt service for Library Facilities. As existing and new development utilizes the available capacity of the Library facility at a level of service of 0.41 square feet per person, the available Library facilities will reach capacity in 2027. See Figure 20 for additional details.

**Figure 20: Projected Demand for Library Facilities**

				Library Facilities = 43,200 SF	
		Functional Population	Planned LOS	Demand for Facility SF	Remaining Capacity
<b>Base Yr.</b>	<b>2013</b>	70,876	0.41	29,057	14,143
<b>1</b>	<b>2014</b>	72,912	0.41	29,892	13,308
<b>2</b>	<b>2015</b>	75,007	0.41	30,750	12,450
<b>3</b>	<b>2016</b>	77,163	0.41	31,634	11,566
<b>4</b>	<b>2017</b>	79,380	0.41	32,543	10,657
<b>5</b>	<b>2018</b>	81,661	0.41	33,478	9,722
<b>6</b>	<b>2019</b>	84,007	0.41	34,440	8,760
<b>7</b>	<b>2020</b>	86,421	0.41	35,430	7,770
<b>8</b>	<b>2021</b>	88,904	0.41	36,448	6,752
<b>9</b>	<b>2022</b>	91,458	0.41	37,495	5,705
<b>10</b>	<b>2023</b>	94,086	0.41	38,572	4,628
<b>11</b>	<b>2024</b>	96,789	0.41	39,680	3,520
<b>12</b>	<b>2025</b>	99,570	0.41	40,821	2,379
<b>13</b>	<b>2026</b>	102,431	0.41	41,993	1,207
<b>14</b>	<b>2027</b>	105,374	0.41	43,200	0

Source: TischlerBise. (2014).

## Library Facilities Improvements Plan

The City of Avondale does not plan to use Library Facilities development fees collected in the next five years to pay for any new expansion of Library Facilities.

### MAXIMUM SUPPORTABLE LIBRARY FACILITIES DEVELOPMENT FEES

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The maximum supportable development fees for Library Facilities are shown in Figure 21. The development fee is calculated by multiplying the *Functional Population per Unit* by the net capital cost per service unit.

#### IIP and Development Fee Study

Included in the Library Facilities per service unit cost is the cost to prepare the Library Facilities IIP and Development Fee Study. See **Appendix A – Cost of Professional Services** for the detailed calculations.

#### Revenue Credit

Included in the maximum supportable Library Facilities development fees is a *Revenue Credit* of 0 percent. The unadjusted development fees per service unit would not generate more revenue over the next ten years, based on the approved [Land Use Assumptions](#), than the identified growth-related necessary expenditures of \$1,918,310 (10-years of the debt service plus the IIP and Development Fee Study cost). To ensure that no more fee revenue is collected than the City plans to spend, the potential gross cost per service unit is reduced by the revenue credit to calculate the net capital cost per service unit. Based on the gross capital costs per service unit, the projected development fee revenue would not exceed the necessary public services. Therefore, no revenue credit is necessary. See Figure 21 and Figure 22 for information regarding the revenue credit calculations.

**Figure 21: Maximum Supportable Library Facilities Development Fees**

<i>Library Residential Capital Costs</i>	<i>per Functional Population</i>	
Library Facilities	\$79.66	
IIP and Development Fee Study	\$0.69	
<b>GROSS CAPITAL COST</b>	<b>\$80.35</b>	
<b>Revenue Credit</b>	<b>0%</b>	<b>(\$0.00)</b>
<b>NET CAPITAL COST</b>	<b>\$80.35</b>	

<i>Library Development Fee Schedule</i>		Development Fee per Housing Unit		
<i>Unit Type</i>	<i>Functional Pop. Per Unit</i>	<i>Proposed Fee</i>	<i>Current Fee</i>	<i>Increase (Decrease)</i>
2+ Unit	1.85	\$148	\$272	(\$124)
Single Unit	2.24	\$179	\$345	(\$166)

<i>Library Nonresidential Capital Costs</i>	<i>per Functional Population</i>	
Library Facilities	\$79.66	
IIP and Development Fee Study	\$0.69	
<b>GROSS CAPITAL COST</b>	<b>\$80.35</b>	
<b>Revenue Credit</b>	<b>0%</b>	<b>(\$0.00)</b>
<b>NET CAPITAL COST</b>	<b>\$80.35</b>	

<i>Library Development Fee Schedule</i>		Development Fee per Square Foot of Floor Area		
<i>Nonresidential Land Use Type</i>	<i>Functional Pop. Per Unit</i>	<i>Proposed Fee</i>	<i>Current Fee [1]</i>	<i>Increase (Decrease)</i>
	<i>(per 1,000 SF)</i>	<i>(Per Square Foot of Floor Area)</i>		
Commercial	2.32	\$0.18	\$0.00	\$0.18
Office/Institutional	0.68	\$0.05	\$0.00	\$0.05
Industrial/Flex	0.38	\$0.03	\$0.00	\$0.03

[1] City of Avondale. The 2012 City development fees do not assess Library Facilities development fees on nonresidential development.

**FORECAST OF REVENUES**

**Appendix B – Forecast of Revenues Other Than Development Fees** contains a forecast of revenue other than development fees required by Arizona’s enabling legislation.

**Library Facilities Cash Flow**

The cash flow summary shown below provides an indication of the 10-year projected necessary expenditures to meet the demand for growth-related Library Facilities, and projected development fee revenue based on the approved Land Use Assumptions. To the extent the rate of development either accelerates or slows down, there will be a corresponding change in the development fee revenue and capital costs. **The remaining debt service for which Library Facilities development fees are pledged is \$2,748,155, to be paid in fiscal years 2015-2027. Shown below is 10-years of the remaining 13-year pledged debt service.**

**Figure 22: Library Facilities Cash Flow Summary**

*Ten-Year Growth-Related Costs*

Library Facilities [1]	\$1,910,817
IIP and Development Fee Study	\$7,493
<b>TOTAL</b>	<b>\$1,918,310</b>

[1] City of Avondale. (30Oct12.) Finance Department Debt Schedules.  
Represents only 10-years of the remaining 13-year pledged debt service

		<i>per Housing Unit</i>		<i>Per Square Foot of Floor Area</i>		
		<i>Single Unit</i>	<i>2+ Units</i>	<i>Commercial</i>	<i>Office</i>	<i>Industrial</i>
		\$179	\$148	\$0.18	\$0.05	\$0.03
<i>Year</i>		<i>Housing Units Added</i>		<i>Square Feet Added (1,000)</i>		
Base	2013	22,792	4,548	3,486	3,919	1,723
Year 1	2014	23,291	4,650	3,681	4,111	1,921
Year 2	2015	23,802	4,754	3,887	4,312	2,142
Year 3	2016	24,323	4,861	4,104	4,523	2,388
Year 4	2017	24,856	4,970	4,334	4,744	2,663
Year 5	2018	25,400	5,081	4,576	4,976	2,969
Year 6	2019	25,957	5,195	4,832	5,219	3,310
Year 7	2020	26,525	5,312	5,102	5,475	3,691
Year 8	2021	27,106	5,431	5,388	5,742	4,115
Year 9	2022	27,700	5,553	5,689	6,023	4,588
Year 10	2023	28,307	5,677	6,007	6,318	5,116
<i>Ten-Yr. Increase</i>		5,515	1,129	2,521	2,399	3,393
<i>Projected Fees (Rounded) =&gt;</i>		\$987,185	\$167,092	\$453,780	\$119,950	\$101,790
<b>Total Projected Revenues</b>		<b>\$1,829,797</b>				
<b>Cumulative Net Surplus/(Deficit)</b>		<b>(\$45,511)</b>				

Source: TischlerBise. (2014).

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## PARKS AND RECREATIONAL FACILITIES – INFRASTRUCTURE IMPROVEMENTS PLAN

### OVERVIEW

ARS § 9-463.05 (T)(7)(g) defines the facilities and assets that can be included in the Parks and Recreational Facilities IIP:

*“Neighborhood parks and recreational facilities on real property up to thirty acres in area, or parks and recreational facilities larger than thirty acres if the facilities provide a direct benefit to the development. Park and recreational facilities do not include vehicles, equipment or that portion of any facility that is used for amusement parks, aquariums, aquatic centers, auditoriums, arenas, arts and cultural facilities, bandstand and orchestra facilities, bathhouses, boathouses, clubhouses, community centers greater than three thousand square feet in floor area, environmental education centers, equestrian facilities, golf course facilities, greenhouses, lakes, museums, theme parks, water reclamation or riparian areas, wetlands, zoo facilities or similar recreational facilities, but may include swimming pools.”*

The Parks and Recreational Facilities IIP includes components for the incremental expansion of parkland, and park amenities, the cost of preparing the Parks and Recreational Facilities IIP, and an offset for future contributions to existing debt service.

### SERVICE AREA

The Parks and Recreational Facilities are intended to service the resident population of the City at a consistent level of service, therefore the Parks and Recreational Facilities development fees will be implemented in the Base Service Area, as defined in the [Land Use Assumptions](#).

### PROPORTIONATE SHARE

ARS § 9-463.05 (B)(3) states that the development fee shall not exceed a proportionate share of the cost of necessary public services needed to provide necessary public services to the development. The Parks and Recreational Facilities IIP and development fees utilize the “functional population” approach to calculate and assess the proportionate share of demand placed on Parks and Recreational Facilities by types of land use and service units. This approach is a generally accepted methodology for development fees, and is based on the observation that demand for facilities tends to be proportional to the presence of people at a particular site.

Functional population is analogous to the concept of “full-time equivalent” employees. It represents the number of “full-time equivalent” people present at the site of a land use, and it is used to determine the impact of a particular development on the need for capital Facilities. For residential development, functional population is a factor of average household size multiplied by the percent of time a person spends at home. For nonresidential development, functional population is based on a formula that considers trip generation rates, average vehicle occupancy, employee density, and average number of hours spent by employees and visitors at a land use.

See the [Functional Population](#) section of Appendix C for additional information regarding the calculation of functional population by land use and development units (i.e., dwelling unit or 1,000 square feet of

nonresidential floor area). A summary of the functional population factors per development unit, and total Base Service Area functional population by land use is shown below.

**Figure 23: Functional Population for City of Avondale, 2013**

Land Use	Unit	Existing Units [1]	2013 Functional Population	
			per Unit	Total
Single Unit	Dwelling	22,792	2.24	51,054
2+ Unit	Dwelling	4,548	1.85	8,414
Retail/Commercial	1,000 sq. ft.	3,486	2.32	8,088
Office	1,000 sq. ft.	3,919	0.68	2,665
Industrial	1,000 sq. ft.	1,723	0.38	655
Total Functional Population, 2013				70,876

Source: TischlerBise. (2014). Development Fee Land Use Assumptions.

## IIP FOR PARKS AND RECREATIONAL FACILITIES

For each necessary public service that is the subject of a development fee, ARS § 9-463.05(E) requires that the IIP include seven elements. The sections below detail each of the required components of the Parks and Recreational Facilities IIP. (A forecast of new revenues generated by development can be found in **Appendix B – Forecast of Revenues Other Than Development Fees.**)

### ANALYSIS OF CAPACITY, USAGE, AND COSTS OF EXISTING PUBLIC SERVICES

ARS § 9-463.05(E)(1) requires:

*“A description of the existing necessary public services in the service area and the costs to upgrade, update, improve, expand, correct or replace those necessary public services to meet existing needs and usage and stricter safety, efficiency, environmental or regulatory standards, which shall be prepared by qualified professionals licensed in this state, as applicable.”*

ARS § 9-463.05(E)(2) requires:

*“An analysis of the total capacity, the level of current usage and commitments for usage of capacity of the existing necessary public services, which shall be prepared by qualified professionals licensed in this state, as applicable.”*

ARS § 9-463.05(E)(3) requires:

*“A description of all or the parts of the necessary public services or facility expansions and their costs necessitated by and attributable to development in the service area based on the approved land use assumptions, including a forecast of the costs of infrastructure, improvements, real property, financing, engineering and architectural services, which shall be prepared by qualified professionals licensed in this state, as applicable.”*

### Parkland

The City of Avondale plans to maintain the level of service for developed parks that it provides to existing development. Thus, the incremental expansion methodology is used to calculate this component of the Parks and Recreational Facilities IIP and development fees.

All of the City’s existing parks are located in the Base Service Area. The City’s 2009 Parks, Recreation and Trails Master Plan details planning standards for neighborhood and community parks. According to the plan, neighborhood parks should be 5-10 acres and have a service area of about a one-half mile radius, while a community park has a recommended size of 30-80 acres and a service area of about a three-mile radius. The 30-acre park size authorized for development fees falls somewhere between a neighborhood and community park. Because Friendship Community Park and Festival Fields host amenities for use by the entire population of Avondale, their entire inventory provides direct benefit to new development occurring anywhere in the Base Service Area.

The inventory of existing eligible parkland facilities in the Base Service Area is provided in Figure 24. There are 175 acres of eligible parkland. The current level of service (LOS) is 2.50 acres per thousand service units, which is determined by dividing the total number of acres (175) by the 2013 functional population (70,876) and multiplying this total by 1,000.

The cost per service unit is calculated by multiplying the current level of service (2.47) by the cost factor for park acres (\$88,800 per acre) and dividing this total by 1,000. This results in a current cost per service unit of \$219.26.

**Figure 24: Incremental Expansion - Parkland**

Park	Total Acres	Eligible Acres
Sernas Plaza Mini-Park	1	0
Doc Rhodes Mini-Park	1	0
Fred Campbell Neighborhood Park	2	2
Dennis Deconcini Neighborhood Park	5	5
Las Ligas Neighborhood Park	8	8
Mountain View Neighborhood Park	6	6
Dessie Lorenz Neighborhood Park	5	5
Donnie Hale Neighborhood Park	8	8
Friendship Community Park	55	55
Avondale Community Center	1	1
Festival Fields	85	85
<b>Total</b>	<b>177</b>	<b>175</b>

Source: City of Avondale.

**Level of Service (LOS) Standards**

Inventory of Parkland Acres	177	175
2013 Avondale Functional Population	70,876	70,876
<b>LOS: Acres per Thousand Service Units</b>	<b>2.50</b>	<b>2.47</b>

**Cost Analysis**

LOS: Acres per Thousand Service Units	2.5
Land Cost per Acre	\$45,500
Land Development Cost per Acre <sup>1</sup>	\$43,300
<b>Total Parkland Cost per Acre</b>	<b>\$88,800</b>
<b>Parkland Cost per Service Unit</b>	<b>\$219.26</b>

Source: City of Avondale.

1. Includes landscaping and utilities.

**Park Amenities**

The inventory of existing eligible park amenities and level of service is provided in Figure 25. There are 70 amenities distributed within the 177 developed parkland acres, which equates to approximately 0.4 amenities per acre. The current level of service is 0.99 amenities per 1,000 service units, which is found by dividing the total number of amenities (70) by the 2013 Avondale functional population (70,876) and multiplying this total by 1,000.

The cost per service unit is calculated by multiplying the current level of service (0.99) by the cost factor for amenities (\$157,126 per average amenity). The current park amenity cost per service unit is \$155.18 per service unit, as shown below.

**Figure 25: Incremental Expansion - Park Amenities**

Amenity	Number of Units	Average Cost per Unit	Total Value
Softball Field	6	\$40,000	\$240,000
Youth Baseball Field	3	\$40,000	\$120,000
Soccer Field	10	\$275,000	\$2,750,000
Multi-Use Field	2	\$275,000	\$550,000
Tennis Court	2	\$100,000	\$200,000
Basketball Court	7	\$100,000	\$700,000
Volleyball Court	3	\$20,000	\$60,000
Walking Path	5	\$274,560	\$1,372,800
Play Equipment	8	\$75,000	\$600,000
Ramada	11	\$30,000	\$330,000
Restroom	5	\$350,000	\$1,750,000
Parking Lots	8	\$290,750	\$2,326,000
<b>Total</b>	<b>70</b>		<b>\$10,998,800</b>
<b>Average Cost per Amenity</b>	<b>\$157,126</b>		

Source: City of Avondale.

**Level of Service (LOS) Standards**

Inventory of Park Amenities	70
Total Park Acres	177
Amenities per Acre	0.4
2013 Avondale Functional Population	70,876
<b>LOS: Amenities per Thousand Service Units</b>	<b>0.99</b>

**Cost Analysis**

LOS: Amenities per Thousand Service Units	0.99
Average Cost per Amenity	<b>\$157,126</b>
<b>Amenity Cost per Service Unit</b>	<b>\$155.18</b>

Source: City of Avondale.

**Existing Parks and Recreational Facilities Debt Service**

The Parks and Recreational Facilities development fees calculated in this report are based on the existing level of service for the Base Service Area; there are no existing deficiencies. Other than development fees, the City has no dedicated source of revenue to fund growth-related park improvements. The City has not received any grant funding for park improvements in recent years, and does not anticipate any grants over the next ten years.

The City has funded park improvements with development fees and by issuing Municipal Development Corporation or general obligation bonds. The debt is retired with property tax or other general revenues of the City. **New development will generate a portion of the general revenue that will be used to retire the debt, and consequently an offset should be calculated to account for this future revenue contribution.**

While future debt service payments will include both principal and interest costs, the offset is calculated based on the outstanding principal only. No financing or interest costs have been included in determining the improvement costs, and it would be inconsistent to provide an offset for a cost component that is not included in the fee calculation. In addition, inclusion of interest costs would raise complicated issues about the time value of money. The simplest and most reasonable approach to calculating the offset is to determine the current amount of outstanding debt principal per existing park service unit (i.e., functional population). This represents the cost of existing Parks and Recreational Facilities that is being paid for through debt by existing development. **Deducting this same amount from the park cost per service unit puts new development on an equal footing with existing development.**

**Figure 26: Debt Service – Parks and Recreational Facilities**

Bond	Year of Obligation	Name	Principal Borrowed	Prin. Remaining 6/30/2014	Total Capacity
2003 MDC Bonds	2003	Friendship Park	\$4,407,859	\$561,061	\$306,033
1998 GADA GO Bonds	1998	Parks	\$2,000,000	\$853,487	\$853,487
<b>Total</b>			<b>\$6,407,859</b>	<b>\$1,414,548</b>	<b>\$1,159,520</b>

Source: City of Avondale, Finance Department

**Cost Analysis**

Remaining Principal	\$1,414,548
2013 Avondale Functional Population	70,876
<b>Offset Cost per Service Unit</b>	<b>\$19.96</b>

**Excluded Costs**

Development fees in Avondale exclude costs to upgrade, update, improve, expand, correct or replace those necessary public services to meet existing needs and usage, stricter safety, efficiency, environmental or regulator standards. The City of Avondale Capital Improvement Plan includes the cost of these excluded items.

**Current Use and Available Capacity**

The current Parks and Recreational Facilities discussed above are fully utilized and there is no available capacity for future development.

**RATIO OF SERVICE UNIT TO DEVELOPMENT UNIT**

ARS § 9-463.05(E)(4) requires:

*“A table establishing the specific level or quantity of use, consumption, generation or discharge of a service unit for each category of necessary public services or facility expansions and an equivalency or conversion table establishing the ratio of a service unit to various types of land uses, including residential, commercial and industrial.”*

Displayed below are the ratios of a service unit to various types of land uses for residential and nonresidential development. See the **Functional Population** section of Appendix C for additional information regarding the calculation of functional population by land use and development units (i.e., dwelling unit or 1,000 square feet of nonresidential floor area).

**Figure 27: Functional Population for Residential Development by Type**

Housing Type	Unit	Person per Household [1]	Occupancy Factor	Functional Population per Unit
Single Unit	Dwelling	3.35	0.67	2.24
2+ Unit	Dwelling	2.76	0.67	1.85

[1] U.S. Census Bureau, American Community Survey 2011 3-Year Estimates applied to 2010 Census Summary File 1 counts

**Figure 28: Functional Population per Unit for Nonresidential Uses**

Land Use	Unit	Trip Rate [1]	Persons/Trip [2]	Employee/Unit [3]	Visitors/Unit	Functional Population per Unit
Retail/Commercial	1,000 sq. ft.	21.35	1.96	1.98	39.86	2.32
Office	1,000 sq. ft.	5.52	1.24	1.34	5.50	0.68
Industrial	1,000 sq. ft.	3.49	1.24	0.67	3.65	0.38

[1] Institute of Transportation Engineers. (2012). Trip Generation 9th Edition.

[2] Federal Highway Administration. (2009). Nationwide Household Travel Survey.

[3] TischlerBise. Development Fee Land Use Assumptions.

Service Area 2013 estimates of employees per all existing nonresidential floor area by industry type.

**PROJECTED DEMAND FOR SERVICES AND COSTS**

ARS § 9-463.05(E)(3) requires:

*“A description of all or the parts of the necessary public services or facility expansions and their costs necessitated by and attributable to development in the service area based on the approved land use assumptions, including a forecast of the costs of infrastructure, improvements, real property, financing, engineering and architectural services, which shall be prepared by qualified professionals licensed in this state, as applicable.”*

ARS § 9-463.05(E)(5) requires:

*“The total number of projected service units necessitated by and attributable to new development in the service area based on the approved land use assumptions and calculated pursuant to generally accepted engineering and planning criteria.”*

ARS § 9-463.05(E)(6) requires:

*“The projected demand for necessary public services or facility expansions required by new service units for a period not to exceed ten years.”*

The [Land Use Assumptions](#) project an additional 23,210 service units over the next ten years. This projected demand is multiplied by the current levels-of-service for parkland acres and amenities to determine the total demand for new Facilities over the next ten years. New development will demand an additional 57 acres of parkland and 23 new park amenities. These totals, multiplied by their respective cost factors results in the projected demand for \$5,088,936 of parkland investments, and \$3,613,898 of amenities investments.

**Figure 29: Projected Demand for Parks and Recreational Facilities**

			Parkland (acres)	Amenities (units)
<b>LOS</b>	per 1,000 Service Units		2.47	0.99
	Average Cost per Component		\$88,800	\$157,126

			Projected Demand (Rounded)	
Projected Service Units			Parkland (acres)	Amenities (units)
	Functional Pop.			
Base	2013	70,876	175	70
1	2014	72,912	180	72
2	2015	75,007	185	74
3	2016	77,163	191	76
4	2017	79,380	196	78
5	2018	81,661	202	81
6	2019	84,007	207	83
7	2020	86,421	213	85
8	2021	88,904	220	88
9	2022	91,458	226	90
10	2023	94,086	232	93
<b>Ten-Yr. Total</b>		<b>23,210</b>	<b>57</b>	<b>23</b>
Cost of Parks			\$5,088,936	
Cost of Amenities			\$3,613,898	
<b>Ten Year Total Investment</b>			<b>\$8,702,834</b>	

Source: TischlerBise. (2014).

### Parks and Recreational Facilities Improvements Plan

Assuming that growth occurs in the next ten years as projected in the [Land Use Assumptions](#), the City plans to complete approximately \$6.5 million in growth-related improvements to the Parks and Recreational Facilities. A summary of Parks and Recreation Facilities development fee eligible projects is shown in Figure 30. The timing of individual improvements will depend on the pace and location of new development. Some improvements may be constructed by developers in return for credits against their development fees. The Capital Improvements Plan is updated annually during the budget process. The Development Fee Study IIP and [Land Use Assumptions](#) will be used to inform future changes to the CIP necessary to meet projected demand identified by the Development Fee Study.

**Figure 30: Parks and Recreational Facilities Capital Plan 2013 - 2023**

Project	10 Year Project Cost	Percent Eligible	FY 2014 - 2018	FY 2019 - 2023	Total
Future Park Improvements	\$6,500,000	100%		\$6,500,000	<b>\$6,500,000</b>
Friendship Park Enhancements	\$650,000	0%			<b>\$0</b>
W Valley Corridor/ Multi-Modal Trail	\$3,750,000	0%			<b>\$0</b>
Agua Fria Restoration	\$6,300,000	0%			<b>\$0</b>
Festival Fields	\$1,420,000	0%			<b>\$0</b>
El Rio Nature Area	\$5,000,000	0%			<b>\$0</b>
Impact Fee Update Studies	\$31,550	100%	\$15,775	\$15,775	<b>\$31,550</b>
<b>Total</b>	<b>\$23,651,550</b>		<b>\$15,775</b>	<b>\$6,515,775</b>	<b>\$6,531,550</b>

Source: City of Avondale, (2009). Parks, Recreation Facilities & Trails Master Plan.

### MAXIMUM SUPPORTABLE PARKS AND RECREATIONAL FACILITIES DEVELOPMENT FEES

The proposed development fees for Parks and Recreational Facilities are shown in Figure 31. The development fee is calculated by multiplying the *Functional Population per Unit* factors by the net capital cost per service unit.

#### IIP and Development Fee Study

Included in the Parks and Recreational Facilities per service unit cost is the cost to prepare the Parks and Recreational Facilities IIP and Development Fee Study. See [Appendix A – Cost of Professional Services](#) for the detailed calculations.

#### Revenue Credit

Included in the maximum supportable Parks and Recreational Facilities development fees is a *Revenue Credit* of 0 percent. The unadjusted development fees per service unit would not generate more revenue over the next ten years, based on the approved [Land Use Assumptions](#), than the identified growth-related necessary expenditures of \$8,717,032 (incremental expansions plus the IIP and Development Fee Study cost). To ensure that no more fee revenue is collected than the City plans to spend, the potential cost per service unit is reduced by the revenue credit to calculate the net capital cost per service unit. Based on the gross capital costs minus the necessary offsets per service unit, the projected development fee revenue would not exceed the necessary public services. Therefore, no revenue credit is necessary.

**Figure 31: Maximum Supportable Parks and Recreational Facilities Development Fees**

	<i>per Functional Population</i>
<b><i>Parks and Recreational Residential Capital Costs</i></b>	
Parkland Costs	\$219.26
Park Amenity Costs	\$155.18
IIP and Development Fee Study	\$1.32
<b>GROSS CAPITAL COST</b>	<b>\$375.76</b>
Park Debt Service Credit	(\$19.96)
Revenue Credit	0% (\$0.00)
<b>NET CAPITAL COST</b>	<b>\$355.80</b>

<b><i>Parks and Recreational Development Fee Schedule</i></b>		<b>Development Fee per Housing Unit</b>		
<b><i>Unit Type</i></b>	<b><i>Functional Pop. Per Unit</i></b>	<b><i>Proposed Fee</i></b>	<b><i>Current Fee</i></b>	<b><i>Increase (Decrease)</i></b>
2+ Unit	1.85	\$658	\$713	(\$55)
Single Unit	2.24	\$796	\$905	(\$109)

	<i>per Functional Population</i>
<b><i>Parks and Recreational Nonresidential Capital Costs</i></b>	
Parkland Costs	\$219.26
Park Amenity Costs	\$155.18
IIP and Development Fee Study	\$1.32
<b>GROSS CAPITAL COST</b>	<b>\$375.76</b>
Park Debt Service Credit	(\$19.96)
Revenue Credit	0% (\$0.00)
<b>NET CAPITAL COST</b>	<b>\$355.80</b>

<b><i>Parks and Recreational Development Fee Schedule</i></b>		<b>Development Fee per Square Foot of Floor Area</b>		
<b><i>Nonresidential Land Use Type</i></b>	<b><i>Functional Pop. Per Unit</i></b>	<b><i>Proposed Fee</i></b>	<b><i>Current Fee [1]</i></b>	<b><i>Increase (Decrease)</i></b>
	(per 1,000 SF)	(Per Square Foot of Floor Area)		
Commercial	2.32	\$0.82	\$0.00	\$0.82
Office/Institutional	0.68	\$0.24	\$0.00	\$0.24
Industrial/Flex	0.38	\$0.13	\$0.00	\$0.13

[1] City of Avondale. The 2012 City development fees do not assess Parks and Recreational Facilities development fees on nonresidential development.

**FORECAST OF REVENUES**

**Appendix B – Forecast of Revenues Other Than Development Fees** contains a forecast of revenue other than development fees required by Arizona’s enabling legislation.

**Parks and Recreational Facilities Cash Flow**

The cash flow summary shown below provides an indication of the 10-year projected necessary expenditures to meet the demand for growth-related Parks and Recreational Facilities, and projected development fee revenue based on the approved Land Use Assumptions. To the extent the rate of development either accelerates or slows down, there will be a corresponding change in the development fee revenue and capital costs. **The deficit shown is a result of the Park Debt Service Credit necessary to ensure new development is not asked to pay for the same facilities through tax and development fee payments.**

**Figure 32: Potential Parks and Recreational Facilities Cash Flow Summary**

*Ten-Year Growth-Related Costs*

Parkland	\$5,088,936
Park Amenities	\$3,613,898
IIP and Development Fee Study	\$14,198
<b>TOTAL</b>	<b>\$8,717,032</b>

		<i>per Housing Unit</i>		<i>Per Square Foot of Floor Area</i>		
		<i>Single Unit</i>	<i>2+ Units</i>	<i>Commercial</i>	<i>Office</i>	<i>Industrial</i>
		\$796	\$658	\$0.82	\$0.24	\$0.13
<i>Year</i>		<i>Housing Units Added</i>		<i>Square Feet Added (1,000)</i>		
Base	2013	22,792	4,548	3,486	3,919	1,723
Year 1	2014	23,291	4,650	3,681	4,111	1,921
Year 2	2015	23,802	4,754	3,887	4,312	2,142
Year 3	2016	24,323	4,861	4,104	4,523	2,388
Year 4	2017	24,856	4,970	4,334	4,744	2,663
Year 5	2018	25,400	5,081	4,576	4,976	2,969
Year 6	2019	25,957	5,195	4,832	5,219	3,310
Year 7	2020	26,525	5,312	5,102	5,475	3,691
Year 8	2021	27,106	5,431	5,388	5,742	4,115
Year 9	2022	27,700	5,553	5,689	6,023	4,588
Year 10	2023	28,307	5,677	6,007	6,318	5,116
<i>Ten-Yr. Increase</i>		5,515	1,129	2,521	2,399	3,393
<i>Projected Fees (Rounded) =&gt;</i>		\$4,389,940	\$742,882	\$2,067,220	\$575,760	\$441,090
<b>Total Projected Revenues</b>		<b>\$8,216,892</b>				
<b>Cumulative Net Surplus/(Deficit)</b>		<b>(\$500,140)</b>				

Source: TischlerBise. (2014).

## FIRE FACILITIES – INFRASTRUCTURE IMPROVEMENTS PLAN

### OVERVIEW

ARS § 9-463.05 (T)(7)(f) defines the facilities and assets that can be included in the Fire Facilities IIP:

*“Fire and police facilities, including all appurtenances, equipment and vehicles. Fire and police facilities do not include a facility or portion of a facility that is used to replace services that were once provided elsewhere in the municipality, vehicles and equipment used to provide administrative services, helicopters or airplanes or a facility that is used for training firefighters or officers from more than one station or substation.”*

The Fire Facilities IIP includes components for Fire facilities, vehicles and equipment, the cost of preparing the Fire Facilities IIP and Development Fee Study, and an offset for future contributions to existing debt service.

### SERVICE AREA

The current and recommended service area for Fire Facilities development fees is the Base Service Area, as defined in the [Land Use Assumptions](#). Most Fire protection and emergency response is provided by response units located in four stations, supported by administrative facilities in Station 172. While units are typically dispatched to an incident from the nearest station, units from other stations may respond if the unit from the closest station is responding to another incident. In addition, units from multiple stations may be dispatched to a major incident. Fire Facilities thus form an integrated system, and the Base Service Area is appropriate.

### PROPORTIONATE SHARE

The two most common methodologies used in calculating public safety service units and development fees are the “calls-for-service” approach and the “functional population” approach. This update utilizes the “functional population” approach to calculate the Fire Facilities IIP, and assess the proportionate share of demand placed on Fire facilities by types of land use and service units. This approach is a generally accepted methodology for development fees, and is based on the observation that demand for facilities tends to be proportional to the presence of people at a particular site.

Functional population is analogous to the concept of “full-time equivalent” employees. It represents the number of “full-time equivalent” people present at the site of a land use, and it is used to determine the impact of a particular development on the need for capital Facilities. For residential development, functional population is a factor of average household size multiplied by the percent of time a person spends at home. For nonresidential development, functional population is based on a formula that considers trip generation rates, average vehicle occupancy, employee density, and average number of hours spent by employees and visitors at a land use.

See the **Functional Population** section of Appendix C for additional information regarding the calculation of functional population by land use and development units (i.e., dwelling unit or 1,000 square feet of nonresidential floor area). A summary of the functional population factors per development unit, and total Base Service Area functional population by land use is shown in Figure 33.

**Figure 33: Functional Population for City of Avondale, 2013**

Land Use	Unit	Existing Units [1]	2013 Functional Population	
			per Unit	Total
Single Unit	Dwelling	22,792	2.24	51,054
2+ Unit	Dwelling	4,548	1.85	8,414
Retail/Commercial	1,000 sq. ft.	3,486	2.32	8,088
Office	1,000 sq. ft.	3,919	0.68	2,665
Industrial	1,000 sq. ft.	1,723	0.38	655
Total Functional Population, 2013				70,876

Source: TischlerBise. (2014). Development Fee Land Use Assumptions.

### IIP FOR FIRE FACILITIES

For each necessary public service that is the subject of a development fee, ARS § 9-463.05(E) requires that the IIP include seven elements. The sections below detail each of the required components of the Fire IIP. (A forecast of new revenues generated by development can be found in **Appendix B – Forecast of Revenues Other Than Development Fees.**)

### ANALYSIS OF CAPACITY, USAGE, AND COSTS OF EXISTING PUBLIC SERVICES

ARS § 9-463.05(E)(1) requires:

*“A description of the existing necessary public services in the service area and the costs to upgrade, update, improve, expand, correct or replace those necessary public services to meet existing needs and usage and stricter safety, efficiency, environmental or regulatory standards, which shall be prepared by qualified professionals licensed in this state, as applicable.”*

ARS § 9-463.05(E)(2) requires:

*“An analysis of the total capacity, the level of current usage and commitments for usage of capacity of the existing necessary public services, which shall be prepared by qualified professionals licensed in this state, as applicable.”*

ARS § 9-463.05(E)(3) requires:

*“A description of all or the parts of the necessary public services or facility expansions and their costs necessitated by and attributable to development in the service area based on the approved land use assumptions, including a forecast of the costs of infrastructure, improvements, real property, financing, engineering and architectural services, which shall be prepared by qualified professionals licensed in this state, as applicable.”*

**Fire Facilities**

The City’s recently built Northwest Public Safety Facility provides the most current construction cost information for Fire facilities. Construction of the facility is complete. The building began a phased opening in January 2014. In return for providing the land, the Maricopa County Community College District has the use of a portion of the facility. The remainder of the facility will be occupied by the City of Avondale Fire and Police Departments. The construction cost for this facility, which equates to \$311 per square foot, as shown below.

**Figure 34: Fire Facilities Cost per Square Foot**

	Fire	Police	Comm. College	Total
Building Square Feet	8,460	7,500	2,700	18,660
Acres	1.58	1.41	0.51	3.50
Design and Construction				\$3,479,520
Fire Portion Finish-Out (est.)				\$1,000,000
Furniture, Fixtures and Equipment (est.)				\$1,323,632
Total Construction Cost				\$5,803,152
÷ Building Square Feet				18,660
<b>Cost per Square Foot</b>				<b>\$311</b>

Source: City of Avondale.

The inventory of existing eligible Fire facilities and current level of service is provided in Figure 35. There are 44,054 square feet of Fire facilities in Avondale. The current level of service is 0.62 square feet per service unit, which is found by dividing the total inventory (44,054) by the 2013 Avondale functional population (70,876).

The cost per service unit is calculated by multiplying the current level of service (0.62 square feet per functional population) by the cost per square foot (\$311). The current cost per service unit is \$193.31, as shown below.

**Figure 35: Incremental Expansion - Fire Facilities**

Fire Facility	Total Square Feet
Fire Station 171	6,620
Fire Station 172/Admin	16,974
Fire Station 173	12,000
NW Pub Safety Facility [1]	8,460
<b>Total</b>	<b>44,054</b>

Source: City of Avondale.

[1] Fire Department share of total facility space

**Level of Service (LOS) Standards**

Inventory of Fire Facilities	44,054
2013 Avondale Functional Population	70,876
<b>LOS: SF per Service Units</b>	<b>0.62</b>

**Cost Analysis**

LOS: SF per Functional Population	0.62
Cost per Square Foot	\$311
<b>Fire Facilities Cost per Service Unit</b>	<b>\$193.31</b>

**Fire Vehicles and Equipment**

The inventory of existing Fire vehicles and equipment and current level of service is provided in Figure 36. There are 107 units in Avondale. The current level of service is 1.51 units per 1,000 service units, which is found by dividing the total inventory (107) by the 2013 Avondale functional population (70,876).

The cost per service unit is calculated by multiplying the current level of service (1.51/1,000) by the cost per unit (\$58,421). The current cost per service unit is \$88.20, as shown below.

**Figure 36: Incremental Expansion - Fire Vehicles and Equipment**

Vehicle and Equipment	Total Units	Cost per Unit	Replacement Value
Engines (Pierce)	4	\$550,000	\$2,200,000
Light and Air Truck	1	\$550,000	\$550,000
Heavy Rescue Truck (Pierce)	1	\$750,000	\$750,000
Ladder Truck	1	\$1,260,000	\$1,260,000
Brush Truck (F550)	1	\$340,000	\$340,000
Command Vehicle (F350)	2	\$70,000	\$140,000
Sedan/SUV	4	\$35,000	\$140,000
Life Safety Trailer (Scotty)	1	\$35,000	\$35,000
Light Pickup Truck	5	\$25,000	\$125,000
Medium Pickup Truck (F350)	1	\$50,000	\$50,000
Trailer - Generator and Light Tower	2	\$7,000	\$14,000
Utility Van	1	\$40,000	\$40,000
Trailer - Flatbed	1	\$5,000	\$5,000
ATV - EMS Rescue	1	\$12,000	\$12,000
ATV - Brush Truck	1	\$12,000	\$12,000
Portable Radios	58	\$7,500	\$435,000
Mobile Radios	22	\$6,500	\$143,000
<b>TOTAL</b>	<b>107</b>		<b>\$6,251,000</b>
<b>Average Cost per Unit</b>		<b>\$58,421</b>	

Source: City of Avondale.

**Level of Service (LOS) Standards**

Inventory of Vehicles and Equipment	107
2013 Avondale Functional Population	70,876
<b>LOS: Vehicle and Equipment per Thousand Service Units</b>	<b>1.51</b>

**Cost Analysis**

LOS: Vehicles and Equipment per Thousand Service Units	1.51
Average Cost per Unit	\$58,421
<b>Unit Cost per Service Unit</b>	<b>\$88.20</b>

Source: City of Avondale.

**Existing Fire Facilities Debt Service**

As noted in the Executive Summary, development fees should be reduced (or “offset”) in order to account for other types of revenues that will be generated by new development and used to fund a portion of the cost of capacity expanding improvements funded by the development fees. Cases in which such an offset is

warranted include funding of existing deficiencies, outstanding debt payments on existing facilities, and dedicated revenue sources to fund growth-related improvements.

The Fire Facilities development fees calculated in this report are based on the existing level of service, so there are no existing deficiencies. Other than development fees, the City has no dedicated source of revenue to fund growth-related Fire Facilities. The City has not received any grant funding for Fire improvements in recent years, and does not anticipate any grants over the next ten years.

The City has funded Fire improvements with development fees and by issuing Municipal Development Corporation bonds or general obligation bonds. The debt is retired with sales tax, property tax, other general revenues, and in some cases with a pledge of development fee. **New development will generate a portion of the general revenue that will be used to retire the debt, and consequently an offset should be calculated to account for this future revenue contribution toward existing Fire Facilities inventory.**

While future debt service payments will include both principal and interest costs, the offset is calculated based on the outstanding principal only. No financing or interest costs have been included in determining the other components, and therefore it would be inconsistent to provide an offset for a cost component that is not included in the fee calculation. In addition, inclusion of interest costs would raise complicated issues about the time value of money. The simplest and most reasonable approach to calculating the offset is to determine the current amount of outstanding debt principal per existing service unit (i.e., functional population). This represents the cost of existing capital investments that is being paid for through debt by existing development. **Deducting this same amount from the Fire Facilities cost per service unit puts new development on an equal footing with existing development.**

The Fire Facilities Debt Service net cost per service unit is calculated by dividing the outstanding debt by the base year functional population (70,876), resulting in a debt service offset of \$11.50 per service unit.

**Figure 37: Debt Service – Fire Facilities**

Bond	Year of	Name	Original Amount	Total 6/30/2014	Total Capacity
2003B GO Refunding Bonds	2003	Fire Equipment	\$145,714	\$46,667	\$46,667
1998 GADA GO Bonds	1998	Fire Station 172	\$1,800,000	\$768,140	\$768,140
<b>Total</b>			<b>\$1,945,714</b>	<b>\$814,807</b>	<b>\$814,807</b>

Source: City of Avondale, Finance Department

**Cost Analysis**

Remaining Principal	\$814,807
2013 Avondale Functional Population	<b>70,876</b>
<b>Offset Cost per Service Unit</b>	<b>\$11.50</b>

**Excluded Costs**

Development fees in Avondale exclude costs to upgrade, update, improve, expand, correct or replace those necessary public services to meet existing needs and usage, stricter safety, efficiency, environmental or regulator standards. The City of Avondale Capital Improvement Plan includes the cost of these excluded items.

**Current Use and Available Capacity**

The current Fire Facilities discussed above are fully utilized and there is no available capacity for future development.

**RATIO OF SERVICE UNIT TO DEVELOPMENT UNIT**

ARS § 9-463.05 (E)(4) requires:

*“A table establishing the specific level or quantity of use, consumption, generation or discharge of a service unit for each category of necessary public services or facility expansions and an equivalency or conversion table establishing the ratio of a service unit to various types of land uses, including residential, commercial and industrial.”*

Displayed below are the ratios of a service unit to various types of land uses for residential and nonresidential development. See the **Functional Population** section of Appendix C for additional information regarding the calculation of functional population by land use and development units (i.e., dwelling unit or 1,000 square feet of nonresidential floor area).

**Figure 38: Functional Population for Residential Development by Type**

Housing Type	Unit	Person per Household [1]	Occupancy Factor	Functional Population per Unit
Single Unit	Dwelling	3.35	0.67	2.24
2+ Unit	Dwelling	2.76	0.67	1.85

[1] U.S. Census Bureau, American Community Survey 2011 3-Year Estimates applied to 2010 Census Summary File 1 counts

**Figure 39: Functional Population per Unit for Nonresidential Uses**

Land Use	Unit	Trip Rate [1]	Persons/ Trip [2]	Employee/ Unit [3]	Visitors/ Unit	Functional Population per Unit
Retail/Commercial	1,000 sq. ft.	21.35	1.96	1.98	39.86	2.32
Office	1,000 sq. ft.	5.52	1.24	1.34	5.50	0.68
Industrial	1,000 sq. ft.	3.49	1.24	0.67	3.65	0.38

[1] Institute of Transportation Engineers. (2012). Trip Generation 9th Edition.

[2] Federal Highway Administration. (2009). Nationwide Household Travel Survey.

[3] TischlerBise. Development Fee Land Use Assumptions.

Service Area 2013 estimates of employees per all existing nonresidential floor area by industry type.

**PROJECTED SERVICE UNITS AND PROJECTED DEMAND FOR SERVICES**

ARS § 9-463.05(E)(3) requires:

*“A description of all or the parts of the necessary public services or facility expansions and their costs necessitated by and attributable to development in the service area based on the approved land use assumptions, including a forecast of the costs of infrastructure, improvements, real property, financing, engineering and architectural services, which shall be prepared by qualified professionals licensed in this state, as applicable.”*

ARS § 9-463.05(E)(5) requires:

*“The total number of projected service units necessitated by and attributable to new development in the service area based on the approved land use assumptions and calculated pursuant to generally accepted engineering and planning criteria.”*

ARS § 9-463.05(E)(6) requires:

*“The projected demand for necessary public services or facility expansions required by new service units for a period not to exceed ten years.”*

TischlerBise projects the functional population for the City of Avondale to increase by 23,210 between 2013 and 2023. This new development will demand an additional 14,427 square feet of Fire facilities and 35 units of vehicles and equipment, which equates to a total investment of \$6,531,380. See Figure 40 for additional details.

**Figure 40: Projected Demand for Fire Facilities**

LOS	Functional Population	Facilities	Vehicles & Equipment
		per Service Unit	per 1,000 Service Units
		0.62	1.51
	Average Cost per Unit	<b>\$311</b>	<b>\$58,421</b>

		Projected Demand (Rounded)		
		Projected Service Units	Facilities	Vehicles & Equipment
		Functional Pop.	(square feet)	(units)
Base	2013	70,876	44,054	107
1	2014	72,912	45,320	110
2	2015	75,007	46,622	113
3	2016	77,163	47,962	116
4	2017	79,380	49,340	120
5	2018	81,661	50,758	123
6	2019	84,007	52,216	127
7	2020	86,421	53,716	130
8	2021	88,904	55,260	134
9	2022	91,458	56,847	138
10	2023	94,086	58,481	142
<b>Ten Yr Total</b>		<b>23,210</b>	<b>14,427</b>	<b>35</b>
Cost of Facilities		\$4,486,645		
Cost of Vehicles and Equipment		\$2,044,735		
<b>Ten Year Total Investment</b>		<b>\$6,531,380</b>		

Source: TischlerBise. (2014).

**Fire Facilities Improvements Plan**

In the next decade, the City plans to complete over \$9 million in growth-related Fire Facilities improvements, as summarized below. The timing of individual improvements will depend on the pace and location of new development. Fire Facilities improvements may be constructed by developers in return for credits against Fire Facilities development fees. The Capital Improvements Plan is updated annually during the budget process. The Development Fee Study IIP and [Land Use Assumptions](#) will be used to inform future changes to the CIP necessary to meet projected demand identified by the Development Fee Study.

**Figure 41: Fire Facilities Improvements Plan 2013 - 2023**

Project Description	Total 10-Yr Project Cost	Percent Eligible	Planned Impact Fee-Eligible Expenditures		
			FY 2014-18	FY 2019-23	10-Year Total
Latkin Ranch Fire Station & Pumper	\$4,600,000	100%	\$0	\$4,600,000	\$4,600,000
Northwest Fire Station Finish-Out	\$2,000,000	100%	\$2,000,000	\$0	\$2,000,000
Debt Principal for Fire Station 173	\$567,298	100%	\$301,613	\$265,685	\$567,298
Impact Fee Update Studies	\$31,550	100%	\$15,775	\$15,775	\$31,550
Vehicle and Equipment Investments	\$2,024,500	100%	\$941,400	\$1,083,100	\$2,024,500
<b>Total</b>	<b>\$9,223,348</b>		<b>\$3,258,788</b>	<b>\$5,964,560</b>	<b>\$9,223,348</b>

Source: City of Avondale, Annual Budget & Financial Plan, Fiscal Year 2012-2013

## MAXIMUM SUPPORTABLE FIRE FACILITIES DEVELOPMENT FEES

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The maximum supportable development fees for Fire Facilities are shown in the figure below. The development fee is calculated by multiplying the *Functional Population per Unit* by the net capital cost per service unit.

### IIP and Development Fee Study

Included in the Fire Facilities per service unit cost is the cost to prepare the Fire Facilities IIP and Development Fee Study. See **Appendix A – Cost of Professional Services** for the detailed calculations.

### Revenue Credit

Included in the maximum supportable Fire Facilities development fees is a *Revenue Credit* of 0 percent. The unadjusted development fees per service unit would not generate more revenue over the next ten years, based on the approved [Land Use Assumptions](#), than the identified growth-related necessary expenditures of \$6,545,578 (incremental expansions plus the IIP and Development Fee Study cost). To ensure that no more fee revenue is collected than the City plans to spend, the potential gross cost per service unit minus required offsets is reduced by the revenue credit to calculate the net capital cost per service unit. Based on the capital costs per service unit, the projected development fee revenue would not exceed the necessary public services. Therefore, no revenue credit is necessary.

**Figure 42: Maximum Supportable Fire Facilities Development Fees**

	<u>per Functional Population</u>
<b>Fire Residential Capital Costs</b>	
Fire Facilities	\$193.31
Fire Vehicles and Equipment	\$88.20
IIP and Development Fee Study	\$1.32
<b>GROSS CAPITAL COST</b>	<b>\$282.83</b>
Debt Service Credit	(\$11.50)
Revenue Credit	0% (\$0.00)
<b>NET CAPITAL COST</b>	<b>\$271.33</b>

<b>Fire Development Fee Schedule</b>		<b>Development Fee per Housing Unit</b>		
<b>Unit Type</b>	<b>Functional Pop. Per Unit</b>	<b>Proposed Fee</b>	<b>Current Fee</b>	<b>Increase (Decrease)</b>
2+ Unit	1.85	\$501	\$742	(\$241)
Single Unit	2.24	\$607	\$943	(\$336)

	<u>per Functional Population</u>
<b>Fire Nonresidential Capital Costs</b>	
Fire Facilities	\$193.31
Fire Vehicles and Equipment	\$88.20
IIP and Development Fee Study	\$1.32
<b>GROSS CAPITAL COST</b>	<b>\$282.83</b>
Debt Service Credit	(\$11.50)
Revenue Credit	0% (\$0.00)
<b>NET CAPITAL COST</b>	<b>\$271.33</b>

<b>Fire Development Fee Schedule</b>		<b>Development Fee per Square Foot of Floor Area</b>		
<b>Nonresidential Land Use Type</b>	<b>Functional Pop. Per Unit</b>	<b>Proposed Fee</b>	<b>Current Fee [1]</b>	<b>Increase (Decrease)</b>
	(per 1,000 SF)	(Per Square Foot of Floor Area)		
Commercial	2.32	\$0.62	\$0.70	(\$0.08)
Office/Institutional	0.68	\$0.18	\$1.07	(\$0.89)
Industrial/Flex	0.38	\$0.10	\$0.49	(\$0.39)

[1] The 2012 Commercial and Office fees were by size thresholds, averages are shown here.  
An average of 2012 fees for Light Industrial, Warehousing, and Manufacturing are shown here.

**FORECAST OF REVENUES**

**Appendix B – Forecast of Revenues Other Than Development Fees** contains a forecast of revenue other than development fees required by Arizona’s enabling legislation.

**Fire Facilities Cash Flow**

The cash flow summary shown below provides an indication of the 10-year projected necessary expenditures to meet the demand for growth-related Fire Facilities. To the extent the rate of development either accelerates or slows down, there will be a corresponding change in the development fee revenue and capital costs. **The deficit shown is a result of the Fire Debt Service Credit necessary to ensure new development is not asked to pay for the same facilities through tax and development fee payments.**

**Figure 43: Fire Facilities Cash Flow Summary**

*Ten-Year Growth-Related Costs*

Fire Facilities	\$4,486,645
Fire Vehicles and Equipment	\$2,044,735
IIP and Development Fee Study	\$14,198
<b>TOTAL</b>	<b>\$6,545,578</b>

		<i>per Housing Unit</i>		<i>Per Square Foot of Floor Area</i>		
		<i>Single Unit</i>	<i>2+ Units</i>	<i>Commercial</i>	<i>Office</i>	<i>Industrial</i>
		<b>\$607</b>	<b>\$501</b>	<b>\$0.62</b>	<b>\$0.18</b>	<b>\$0.10</b>
<i>Year</i>		<i>Housing Units Added</i>		<i>Square Feet Added (1,000)</i>		
Base	2013	22,792	4,548	3,486	3,919	1,723
Year 1	2014	23,291	4,650	3,681	4,111	1,921
Year 2	2015	23,802	4,754	3,887	4,312	2,142
Year 3	2016	24,323	4,861	4,104	4,523	2,388
Year 4	2017	24,856	4,970	4,334	4,744	2,663
Year 5	2018	25,400	5,081	4,576	4,976	2,969
Year 6	2019	25,957	5,195	4,832	5,219	3,310
Year 7	2020	26,525	5,312	5,102	5,475	3,691
Year 8	2021	27,106	5,431	5,388	5,742	4,115
Year 9	2022	27,700	5,553	5,689	6,023	4,588
Year 10	2023	28,307	5,677	6,007	6,318	5,116
<i>Ten-Yr. Increase</i>		5,515	1,129	2,521	2,399	3,393
Projected Fees (Rounded) =>		\$3,347,605	\$565,629	\$1,563,020	\$431,820	\$339,300
<b>Total Projected Revenues</b>		<b>\$6,247,374</b>				
Cumulative Net Surplus/(Deficit)		<b>(\$298,204)</b>				

Source: TischlerBise. (2014).

## POLICE FACILITIES – INFRASTRUCTURE IMPROVEMENTS PLAN

### OVERVIEW

ARS § 9-463.05 (T)(7)(f) defines the facilities and assets that can be included in the Police Facilities IIP:

*“Fire and police facilities, including all appurtenances, equipment and vehicles. Fire and police facilities do not include a facility or portion of a facility that is used to replace services that were once provided elsewhere in the municipality, vehicles and equipment used to provide administrative services, helicopters or airplanes or a facility that is used for training firefighters or officers from more than one station or substation.”*

The Police Facilities IIP includes components for Police facilities, vehicles and equipment, communications equipment, and the cost of preparing the Police Facilities IIP and Development Fee Study.

### SERVICE AREA

The current and recommended service area for Police development fees is the Base Service Area, as defined in the [Land Use Assumptions](#). Most Police Facilities are centralized in the Main Police Station, and police protection is provided throughout the city from roving patrol cars. Police Facilities thus form an integrated system, and the Base Service Area is appropriate.

### PROPORTIONATE SHARE

The two most common methodologies used in calculating public safety service units and development fees are the “calls-for-service” approach and the “functional population” approach. This update utilizes the “functional population” approach to calculate the Police Facilities IIP, and assess the proportionate share of demand placed on Police Facilities by types of land use and service units. This approach is a generally accepted methodology for development fees, and is based on the observation that demand for Facilities tends to be proportional to the presence of people at a particular site.

Functional population is analogous to the concept of “full-time equivalent” employees. It represents the number of “full-time equivalent” people present at the site of a land use, and it is used to determine the impact of a particular development on the need for capital facilities. For residential development, functional population is a factor of average household size multiplied by the percent of time a person spends at home. For nonresidential development, functional population is based on a formula that considers trip generation rates, average vehicle occupancy, employee density, and average number of hours spent by employees and visitors at a land use.

See the **Functional Population** section of Appendix C for additional information regarding the calculation of functional population by land use and development units (i.e., dwelling unit or 1,000 square feet of nonresidential floor area). A summary of the functional population factors per development unit, and total Base Service Area functional population by land use is shown in Figure 44.

**Figure 44: Functional Population for City of Avondale, 2013**

Land Use	Unit	Existing Units [1]	2013 Functional Population	
			per Unit	Total
Single Unit	Dwelling	22,792	2.24	51,054
2+ Unit	Dwelling	4,548	1.85	8,414
Retail/Commercial	1,000 sq. ft.	3,486	2.32	8,088
Office	1,000 sq. ft.	3,919	0.68	2,665
Industrial	1,000 sq. ft.	1,723	0.38	655
Total Functional Population, 2013				70,876

Source: TischlerBise. (2014). Development Fee Land Use Assumptions.

### IIP FOR POLICE FACILITIES

For each necessary public service that is the subject of a development fee, ARS § 9-463.05(E) requires that the IIP include seven elements. The sections below detail each of the required components of the Police IIP. (A forecast of new revenues generated by development can be found in **Appendix B – Forecast of Revenues Other Than Development Fees.**)

### ANALYSIS OF CAPACITY, USAGE, AND COSTS OF EXISTING PUBLIC SERVICES

ARS § 9-463.05(E)(1) requires:

*“A description of the existing necessary public services in the service area and the costs to upgrade, update, improve, expand, correct or replace those necessary public services to meet existing needs and usage and stricter safety, efficiency, environmental or regulatory standards, which shall be prepared by qualified professionals licensed in this state, as applicable.”*

ARS § 9-463.05(E)(2) requires:

*“An analysis of the total capacity, the level of current usage and commitments for usage of capacity of the existing necessary public services, which shall be prepared by qualified professionals licensed in this state, as applicable.”*

ARS § 9-463.05(E)(3) requires:

*“A description of all or the parts of the necessary public services or facility expansions and their costs necessitated by and attributable to development in the service area based on the approved land use assumptions, including a forecast of the costs of infrastructure, improvements, real property, financing, engineering and architectural services, which shall be prepared by qualified professionals licensed in this state, as applicable.”*

**Police Facilities**

The inventory of existing eligible Police facilities and current level of service is provided below. The construction cost per square foot will be based on the original cost of the City’s main police station. The construction cost for this facility equates to \$201 per square foot, as shown below.

**Figure 45: Construction Cost for Police Facilities**

Civic Center Police Station	Construction Cost
Design Construction	\$4,827,045
Furniture, Fixtures and Equipment (FFE)	\$449,781
<b>Total Construction Cost</b>	<b>\$5,276,826</b>
÷ Building Square Feet	26,258
<b>Cost per Square Foot</b>	<b>\$201</b>

Source: City of Avondale

There are 43,238 square feet of non-administrative Police facilities in Avondale. The current level of service is 0.61 square feet per service unit, which is found by dividing the total inventory (43,238) by the 2013 Avondale functional population (70,876).

The cost per service unit is calculated by multiplying the current level of service (0.61) by the cost per square foot (\$201). The current cost per service unit is \$122.62, as shown below.

**Figure 46: Incremental Expansion - Police Facilities**

Police Facilities	Total Square Feet
Main Police Station	26,258
Northwest Public Safety Facility [1]	7,500
Police Substation	6,480
Cashion Police Substation	3,000
<b>Total</b>	<b>43,238</b>

Source: City of Avondale.

[1] Police Department share of total facility space

**Level of Service (LOS) Standards**

Inventory of Police Facilities	43,238
2013 Avondale Functional Population	70,876
<b>LOS: SF per Service Units</b>	<b>0.61</b>

**Cost Analysis**

LOS: SF per Service Units	0.61
Cost per Square Foot	\$201
<b>Facilities Cost per Service Unit</b>	<b>\$122.62</b>

**Police Vehicles and Equipment**

The inventory of existing Police vehicles and equipment and current level of service is provided below. There are 105 units in Avondale. The current level of service is 1.48 units per 1,000 service units, which is found by dividing the total inventory (105) by the 2013 Avondale functional population (70,876 / 1,000).

The cost per service unit is calculated by multiplying the current level of service (1.48 / 1,000) by the cost per unit (\$44,895). The current cost per service unit is \$66.51, as shown below.

**Figure 47: Incremental Expansion - Police Vehicles and Equipment**

Vehicles/Equipment	Units	Cost/Unit	Total Cost
Patrol Sedan	45	\$42,000	\$1,890,000
Non-Patrol Sedan	25	\$20,000	\$500,000
Motorcycle	6	\$27,500	\$165,000
Light Duty Pickup	6	\$22,000	\$132,000
Medium Duty Pickup	7	\$30,000	\$210,000
Trailer	2	\$5,000	\$10,000
Armored Truck	1	\$350,000	\$350,000
Command Vehicle	1	\$400,000	\$400,000
SUV	6	\$45,000	\$270,000
Small Bus	5	\$25,000	\$125,000
Large Bus	1	\$60,000	\$60,000
Computer Hardware [1]	na	na	\$602,000
<b>Total</b>	<b>105</b>		<b>\$4,714,000</b>
<b>Average Cost per Unit</b>	<b>\$44,895</b>		

Source: City of Avondale.

[1] Vehicle installed computer components

**Level of Service (LOS) Standards**

Inventory of Vehicles and Equipment	105
2013 Avondale Functional Population	70,876
<b>LOS: Vehicle and Equipment per Thousand Service Units</b>	<b>1.48</b>

**Cost Analysis**

LOS: Vehicles and Equipment per Thousand Service Units	1.48
Average Cost per Unit	<b>\$44,895</b>
<b>Vehicle and Equipment Cost per Service Unit</b>	<b>\$66.51</b>

**Police Communications Equipment**

The inventory of existing Police communications equipment and current level of service is provided below. There are 258 units in Avondale. The current level of service is 3.64 units per 1,000 service units, which is found by dividing the total inventory (258) by the 2013 Avondale functional population (70,876 / 1,000).

The cost per service unit is calculated by multiplying the current level of service (3.64 / 1,000) by the average cost per unit (\$8,915). The cost per service unit is \$32.45, as shown below.

**Figure 48: Incremental Expansion - Police Communications Equipment**

Communications Equipment	Units	Cost per Unit [1]	Total Value
Centracom Series II Console	4	\$30,066	\$120,262
XTL5000 Console	4	\$7,612	\$30,446
Alias Database Manager	1	\$46,233	\$46,233
Logging Recorder Interface	1	\$5,638	\$5,638
Portable/Mobile Radios	248	\$8,457	\$2,097,418
<b>Total</b>	<b>258</b>		<b>\$2,299,998</b>
<b>Average Cost per Unit</b>	<b>\$8,915</b>		

Source: City of Avondale.

[1] 2007 Purchase price adjusted to October 2013 value from Consumer Price Index

**Level of Service (LOS) Standards**

Inventory of Communications Equipment	258
2013 Avondale Functional Population	70,876
<b>LOS: Communications Equipment per Thousand Service Units</b>	<b>3.64</b>

**Cost Analysis**

LOS: Communications Equipment per Thousand Service Units	3.64
Average Cost per Unit	<b>\$8,915</b>
<b>Communications Equipment Cost per Service Unit</b>	<b>\$32.45</b>

**Excluded Costs**

Development fees in Avondale exclude costs to upgrade, update, improve, expand, correct or replace those necessary public services to meet existing needs and usage, stricter safety, efficiency, environmental or regulator standards. The City of Avondale Capital Improvement Plan includes the cost of these excluded items.

**Current Use and Available Capacity**

The current Police Facilities discussed above are fully utilized and there is no available capacity for future development.

**RATIO OF SERVICE UNIT TO DEVELOPMENT UNIT**

ARS § 9-463.05 (E)(4) requires:

*“A table establishing the specific level or quantity of use, consumption, generation or discharge of a service unit for each category of necessary public services or facility expansions and an equivalency or conversion table establishing the ratio of a service unit to various types of land uses, including residential, commercial and industrial.”*

Displayed below are the ratios of a service unit to various types of land uses for residential and nonresidential development. See the **Functional Population** section of Appendix C for additional information regarding the calculation of functional population by land use and development units (i.e., dwelling unit or 1,000 square feet of nonresidential floor area).

**Figure 49: Functional Population for Residential Development by Type**

Housing Type	Unit	Person per Household [1]	Occupancy Factor	Functional Population per Unit
Single Unit	Dwelling	3.35	0.67	2.24
2+ Unit	Dwelling	2.76	0.67	1.85

[1] U.S. Census Bureau, American Community Survey 2011 3-Year Estimates applied to 2010 Census Summary File 1 counts

**Figure 50: Functional Population per Unit for Nonresidential Uses**

Land Use	Unit	Trip Rate [1]	Persons/ Trip [2]	Employee/ Unit [3]	Visitors/ Unit	Functional Population per Unit
Retail/Commercial	1,000 sq. ft.	21.35	1.96	1.98	39.86	2.32
Office	1,000 sq. ft.	5.52	1.24	1.34	5.50	0.68
Industrial	1,000 sq. ft.	3.49	1.24	0.67	3.65	0.38

[1] Institute of Transportation Engineers. (2012). Trip Generation 9th Edition.

[2] Federal Highway Administration. (2009). Nationwide Household Travel Survey.

[3] TischlerBise. Development Fee Land Use Assumptions.

Service Area 2013 estimates of employees per all existing nonresidential floor area by industry type.

**PROJECTED SERVICE UNITS AND PROJECTED DEMAND FOR SERVICES**

ARS § 9-463.05(E)(3) requires:

*“A description of all or the parts of the necessary public services or facility expansions and their costs necessitated by and attributable to development in the service area based on the approved land use assumptions, including a forecast of the costs of infrastructure, improvements, real property, financing, engineering and architectural services, which shall be prepared by qualified professionals licensed in this state, as applicable.”*

ARS § 9-463.05(E)(5) requires:

*“The total number of projected service units necessitated by and attributable to new development in the service area based on the approved land use assumptions and calculated pursuant to generally accepted engineering and planning criteria.”*

ARS § 9-463.05(E)(6) requires:

*“The projected demand for necessary public services or facility expansions required by new service units for a period not to exceed ten years.”*

TischlerBise projects the functional population for the City of Avondale will increase by 23,210 between 2013 and 2023. This new development will demand an additional 14,159 square feet of Police facilities, 34 units of vehicles and equipment, and 84 new communications equipment units. See Figure 51 for additional details.

**Figure 51: Projected Demand for Police Facilities**

		Facilities	Vehicles & Equipment	Comm. Equipment
		per Service Unit	per 1,000 Service Units	
<b>LOS</b>	Functional Population	0.61	1.48	3.64
	Average Cost per Unit	<b>\$201</b>	<b>\$44,895</b>	<b>\$8,915</b>

		Projected Demand (Rounded)			
Projected Service Units Functional Pop.		Facilities (square feet)	Vehicles & Equipment (units)	Comm. Equipment (units)	
Base	2013	70,876	43,238	105	258
1	2014	72,912	44,480	108	265
2	2015	75,007	45,758	111	273
3	2016	77,163	47,073	114	281
4	2017	79,380	48,426	118	289
5	2018	81,661	49,817	121	297
6	2019	84,007	51,249	124	306
7	2020	86,421	52,721	128	315
8	2021	88,904	54,236	132	324
9	2022	91,458	55,794	135	333
10	2023	94,086	57,397	139	342
<b>Ten Yr. Total</b>		<b>23,210</b>	<b>14,159</b>	<b>34</b>	<b>84</b>
Cost of Facilities		\$2,846,018			
Cost of Vehicles and Equipment		\$1,526,430			
Cost of Communications Equipment		\$748,860			
<b>Ten Year Total Investment</b>		<b>\$5,121,308</b>			

Source: TischlerBise. (2014).

**Police Facilities Improvements Plan**

Identified below is an incremental plan for necessary Police Facilities improvements and expansions identified by City of Avondale as qualified for development fee revenue. As demand is generated for additional Police Facilities, investments from this list will be made. The Capital Improvements Plan is updated annually during the budget process. The Development Fee Study IIP and [Land Use Assumptions](#) will be used to inform future changes to the CIP necessary to meet projected demand identified by the Development Fee Study.

**Figure 52: Police Facilities Improvements Plan 2013 - 2023**

Project Description	CIP No.	Total 10-Yr Project Cost	Percent Eligible	Planned Development Fee-Eligible Expenditures		
				FY 2014-18	FY 2019-23	10-Yr Total
Property and Evidence Room	PL1161	\$3,000,000	100%	\$0	\$3,000,000	\$3,000,000
Joint Training Facility with Glendale	PL1176	\$450,000	0%	\$0	\$0	\$0
RWC Radio System Consoles	PL1296	\$750,000	20%	\$0	\$150,000	\$150,000
RWC Police Radio Upgrade	PL1297	\$2,218,640	5%	\$0	\$110,932	\$110,932
Lakin Ranch Substation	PL1908	\$3,000,000	100%	\$0	\$3,000,000	\$3,000,000
Command Vehicle*	PL1999	\$750,000	47%	\$0	\$350,000	\$350,000
Debt Principal - Civic Center Station	TR09	\$152,744	100%	\$152,744	\$0	\$152,744
Impact Fee Update Studies	PL1329	\$31,550	100%	\$15,775	\$15,775	\$31,550
<b>Total</b>		<b>\$10,352,934</b>		<b>\$168,519</b>	<b>\$6,626,707</b>	<b>\$6,795,226</b>

Source: City of Avondale, Annual Budget & Financial Plan, Fiscal Year 2012-2013

**MAXIMUM SUPPORTABLE POLICE FACILITIES DEVELOPMENT FEES**

The maximum supportable development fees for Police Facilities are shown in the figure below. The development fee is calculated by multiplying the *Functional Population per Unit* by the net capital cost per service unit.

**IIP and Development Fee Study**

Included in the Police Facilities per service unit cost is the cost to prepare the Police Facilities IIP and Development Fee Study. See [Appendix A – Cost of Professional Services](#) for the detailed calculations.

**Revenue Credit**

Included in the maximum supportable Police Facilities development fees is a *Revenue Credit* of 0.01 percent. The unadjusted development fees per service unit would generate more revenue over the next ten years, based on the approved [Land Use Assumptions](#), than the identified growth-related necessary expenditures of \$5,135,506 (incremental expansions plus the IIP and Development Fee Study cost). To ensure that no more fee revenue is collected than the City plans to spend, the potential gross cost per service unit is reduced by the revenue credit to calculate the net capital cost per service unit. Based on the gross capital costs per service unit, the projected development fee revenue exceeds the necessary public services by \$621.31. Therefore, a small revenue credit is necessary to calculate the net capital cost per service unit.

**Figure 53: Maximum Supportable Police Facilities Development Fees**

	<u>per Functional</u>
<b>Police Residential Capital Costs</b>	<b>Population</b>
Police Facilities	\$122.62
Police Vehicles and Equipment	\$66.51
Police Communications Equipment	\$32.45
IIP and Development Fee Study	\$1.32
<b>GROSS CAPITAL COST</b>	<b>\$222.90</b>
<b>Revenue Credit</b>	<b>0.01%</b>
	<b>(\$0.03)</b>
<b>NET CAPITAL COST</b>	<b>\$222.87</b>

<b>Police Development Fee Schedule</b>		<b>Development Fee per Housing Unit</b>		
<b>Unit Type</b>	<b>Functional Pop. Per Unit</b>	<b>Proposed Fee</b>	<b>Current Fee</b>	<b>Increase (Decrease)</b>
2+ Unit	1.85	\$412	\$257	\$155
Single Unit	2.24	\$499	\$326	\$173

	<u>per Functional</u>
<b>Police Nonresidential Capital Costs</b>	<b>Population</b>
Police Facilities	\$122.62
Police Vehicles and Equipment	\$66.51
Police Communications Equipment	\$32.45
IIP and Development Fee Study	\$1.32
<b>GROSS CAPITAL COST</b>	<b>\$222.90</b>
<b>Revenue Credit</b>	<b>0.01%</b>
	<b>(\$0.03)</b>
<b>NET CAPITAL COST</b>	<b>\$222.87</b>

<b>Police Development Fee Schedule</b>		<b>Development Fee per Square Foot of Floor Area</b>		
<b>Nonresidential Land Use Type</b>	<b>Functional Pop. Per Unit</b>	<b>Proposed Fee</b>	<b>Current Fee [1]</b>	<b>Increase (Decrease)</b>
	(per 1,000 SF)	(Per Square Foot of Floor Area)		
Commercial	2.32	\$0.51	\$1.38	(\$0.87)
Office/Institutional	0.68	\$0.15	\$0.48	(\$0.33)
Industrial/Flex	0.38	\$0.08	\$0.15	(\$0.07)

[1] The 2012 Commercial and Office fees were by size thresholds, averages are shown here.

An average of 2012 fees for Light Industrial, Warehousing, and Manufacturing are shown here.

**FORECAST OF REVENUES**

**Appendix B – Forecast of Revenues Other Than Development Fees** contains a forecast of revenue other than development fees required by Arizona’s enabling legislation.

**Police Facilities Cash Flow**

The cash flow summary shown below provides an indication of the 10-year projected necessary expenditures to meet the demand for growth-related Police Facilities. To the extent the rate of development either accelerates or slows down, there will be a corresponding change in the development fee revenue and capital costs.

**Figure 54: Police Facilities Cash Flow Summary**

*Ten-Year Growth-Related Costs*

Police Facilities	\$2,846,018
Police Vehicles and Equipment	\$1,526,430
Police Communications Equipment	\$748,860
IIP and Development Fee Study	\$14,198
<b>TOTAL</b>	<b>\$5,135,506</b>

		<i>per Housing Unit</i>		<i>Per Square Foot of Floor Area</i>		
		<i>Single Unit</i>	<i>2+ Units</i>	<i>Commercial</i>	<i>Office</i>	<i>Industrial</i>
		<b>\$499</b>	<b>\$412</b>	<b>\$0.51</b>	<b>\$0.15</b>	<b>\$0.08</b>
<i>Year</i>		<i>Housing Units Added</i>		<i>Square Feet Added (1,000)</i>		
Base	2013	22,792	4,548	3,486	3,919	1,723
Year 1	2014	23,291	4,650	3,681	4,111	1,921
Year 2	2015	23,802	4,754	3,887	4,312	2,142
Year 3	2016	24,323	4,861	4,104	4,523	2,388
Year 4	2017	24,856	4,970	4,334	4,744	2,663
Year 5	2018	25,400	5,081	4,576	4,976	2,969
Year 6	2019	25,957	5,195	4,832	5,219	3,310
Year 7	2020	26,525	5,312	5,102	5,475	3,691
Year 8	2021	27,106	5,431	5,388	5,742	4,115
Year 9	2022	27,700	5,553	5,689	6,023	4,588
Year 10	2023	28,307	5,677	6,007	6,318	5,116
<i>Ten-Yr. Increase</i>		5,515	1,129	2,521	2,399	3,393
Projected Fees ( <i>Rounded</i> ) =>		\$2,751,985	\$465,148	\$1,285,710	\$359,850	\$271,440
<b>Total Projected Revenues</b>		<b>\$5,134,133</b>				
Cumulative Net Surplus/( <i>Deficit</i> )		<b>(\$1,373)</b>				

Source: TischlerBise. (2014).

## STREET FACILITIES – INFRASTRUCTURE IMPROVEMENTS PLAN

### OVERVIEW

ARS § 9-463.05 (T)(7)(e) defines the facilities and assets that can be included in the Street Facilities IIP:

*“Street facilities located in the service area, including arterial or collector streets or roads that have been designated on an officially adopted plan of the municipality, traffic signals and rights-of-way and improvements thereon.”*

The Street Facilities IIP includes components for improvements to city-maintained arterial roadways, and signalized intersections, and the cost of preparing the Street Facilities IIP and Development Fee Study. For the purpose of the Street Facilities IIP, arterial roadways are considered as system improvements. Street Facilities development fees are calculated using a plan-based methodology.

The Street Facilities IIP does not include an offset for future contributions to existing debt service. The City of Avondale, as part of the annual Capital Improvements Plan update, has identified capacity-improving projects for existing and new arterial road segments within the City. Development fees collected under a plan-based methodology for these identified projects. Therefore, new development is not being asked to pay twice for existing capacity.

### SERVICE AREA

The City of Avondale streets network includes local roads that connect to City-maintained collectors and arterials. For the purpose of calculating and imposing Street Facilities development fees the City-maintained arterials form a single integrated network serving the entire City. Therefore, the Base Service Area is appropriate.

### PROPORTIONATE SHARE

ARS § 9-463.05 (B)(3) states that the development fee shall not exceed a proportionate share of the cost of necessary public services needed to provide necessary public services to the development. Trip generation rates and trip adjustment factors are used to determine the proportionate impact of residential, commercial, office, and industrial land uses on the Street Facilities system.

### IIP FOR STREET FACILITIES

For each necessary public service that is the subject of a development fee, ARS § 9-463.05(E) requires the IIP to include seven elements. The sections below detail each of the required components of the Street Facilities IIP. (A forecast of new revenues generated by development can be found in **Appendix B – Forecast of Revenues Other Than Development Fees.**)

### ANALYSIS OF CAPACITY, USAGE, AND COSTS OF EXISTING PUBLIC SERVICES

ARS § 9-463.05(E)(1) requires:

*“A description of the existing necessary public services in the service area and the costs to upgrade, update, improve, expand, correct or replace those necessary public services to meet existing needs and usage and stricter safety, efficiency, environmental or regulatory standards, which shall be prepared by qualified professionals licensed in this state, as applicable.”*

ARS § 9-463.05(E)(2) requires:

*“An analysis of the total capacity, the level of current usage and commitments for usage of capacity of the existing necessary public services, which shall be prepared by qualified professionals licensed in this state, as applicable.”*

**Current Inventory**

Avondale has 212.83 lane miles of arterial streets, all of which are assumed to operate with a level of service at or above C, as reported by Lee Engineering (2012) *City of Avondale Transportation Plan Update*. A lane mile is a rectangular area of pavement, one lane wide and one mile long. The City maintains 47 signalized intersections on the Street Facilities arterials.

**Figure 55: City of Avondale Street Facilities Inventory**

Classification	Inventory
Arterial	212.83 Lane Miles
Signalized Intersections	47.00 Units

Source: Lee Engineering, City of Avondale  
 Transportation Plan Update, Draft Final Report,  
 October 2012

The steps to calculate a current level of service for the City of Avondale Street facilities involve calibrating existing development to the existing network of arterial streets. To do so, development units by type are multiplied by adjusted vehicle trip ends per development unit. The factors used to calculate the current level of service expressed in Vehicle Miles of Travel (VMT)<sup>1</sup> are discussed below, and shown in Figure 60 after the discussion.

**Trip Generation Rates**

Avondale Street Facilities development fees are based on average weekday vehicle trip ends, adjusted for commuting patterns and pass-by trips, and weighted by trip length. Trip generation rates are from the reference book Trip Generation published by the Institute of Transportation Engineers (ITE 9<sup>th</sup> Edition 2012). A vehicle trip end represents a vehicle either entering or exiting a development (as if a traffic counter were placed across a driveway). To calculate a current level of service for arterials, trip generation rates require an adjustment factor to avoid double counting each trip at both the origin and destination points. Therefore, the basic trip adjustment factor is 50 percent. The Street Facilities methodology includes additional adjustments to make the development fees proportionate to the infrastructure demand from particular types of development.

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<sup>1</sup> A VMT is a measurement unit equal to one vehicle traveling one mile.

Vehicle trip ends for residential development are from the reference book Trip Generation. The two categories shown in Figure 56 represent the proxy categories used to determine existing and projected *Weekday Vehicle Trip Ends* from residential development in the City of Avondale.

**Figure 56: The Institute of Transportation Engineers, Residential Trip Ends, 2012**

ITE Code		Vehicle Trip Ends	
		Weekday	PM-Peak Hour
210	Single Family Detached	9.52	1.02
220	Apartment	6.65	0.67

Source: Institute of Transportation Engineers. (2012). *Trip Generation*, 9<sup>th</sup> Edition.

*Weekday Vehicle Trip Ends* for nonresidential development are also from the reference book Trip Generation. The shaded categories in Figure 57 represent the proxy categories used to determine existing and projected trips from nonresidential development in the City of Avondale.

Light Industrial serves as the proxy for industrial/flex land uses. Data for an average sized General Office is used as the proxy for office/institutional land uses. Lastly, the average for Shopping Center is used as a proxy for commercial land uses.

**Figure 57: The Institute of Transportation Engineers, Nonresidential Trip Ends, 2012**

ITE Code	Land Use / Size	Demand Unit	Weekday Trip Ends per Demand Unit*	Employee*	Emp Per Dmd Unit**	Sq Ft Per Emp
<b>Commercial / Shopping Center</b>						
<b>820</b>	<b>Average</b>	<b>1,000 Sq Ft</b>	<b>42.70</b>	<b>na</b>	<b>2.00</b>	<b>500</b>
<b>General Office</b>						
<b>710</b>	<b>Average</b>	<b>1,000 Sq Ft</b>	<b>11.03</b>	<b>3.32</b>	<b>3.32</b>	<b>301</b>
<b>Other Nonresidential</b>						
770	Business Park***	1,000 Sq Ft	12.44	4.04	3.08	325
760	Research & Dev Center	1,000 Sq Ft	8.11	2.77	2.93	342
610	Hospital	1,000 Sq Ft	13.22	4.50	2.94	340
565	Day Care	student	4.38	26.73	0.16	na
550	University/College	student	1.71	8.96	0.19	na
530	High School	student	1.71	19.74	0.09	na
520	Elementary School	student	1.29	15.71	0.08	na
520	Elementary School	1,000 Sq Ft	15.43	15.71	0.98	1,018
320	Lodging	room	5.63	12.81	0.44	na
254	Assisted Living	bed	2.66	3.93	0.68	na
151	Mini-Warehouse	1,000 Sq Ft	2.50	61.90	0.04	24,760
150	Warehousing	1,000 Sq Ft	3.56	3.89	0.92	1,093
140	Manufacturing	1,000 Sq Ft	3.82	2.13	1.79	558
<b>110</b>	<b>Light Industrial</b>	<b>1,000 Sq Ft</b>	<b>6.97</b>	<b>3.02</b>	<b>2.31</b>	<b>433</b>

\* Trip Generation, Institute of Transportation Engineers, 9th Edition (2012).

\*\* Employees per demand unit calculated from trip rates, except for Shopping Center data, which are derived from Development Handbook and Dollars and Cents of Shopping Centers, published by the Urban Land Institute.

**Adjustment for Journey-To-Work Commuting**

Residential development in the City of Avondale has a slightly larger trip adjustment factor of 65 percent to account for commuters leaving Avondale for work. According to the National Household Travel Survey (2009), home-based work trips are typically 31 percent of “production” trips, in other words, out-bound trips (which are 50 percent of all trip ends). Data from the U.S. Census Bureau’s LEHD Program for 2010 indicate that 95 percent of Avondale’s employed residents travel outside the City for work. In combination, these factors ( $0.31 \times 0.50 \times 0.95 = 0.15$ ) account for 15 percent of additional production trips. The total adjustment factor for residential includes attraction trips (50% of trip ends) plus the journey-to-work commuting adjustment for a total of 65 percent (*rounded*).

**Figure 58: Adjustment for Journey-To-Work Commuting [1]**

Employed Residents	33,742
Residents Working in City	1,618
Residents Commuting Outside City for Work	32,124
<b>Percent Commuting out of the City</b>	<b>95%</b>
Additional Production Trips [2]	15%
<b>Residential Trip Adjustment Factor</b>	<b>65%</b>

[1] U.S. Census Bureau, 2010 OnTheMap Application (version 6.1.1) and LEHD Origin-Destination Employment Statistics

[2] Outbound trip statistics from National Household Travel Survey, 2009: Table 30

**Adjustments for Pass-By Trips**

For commercial development, the trip adjustment factor is less than 50 percent because retail development and some services attract vehicles as they pass by. For example, when someone stops at a convenience store on the way home from work, the convenience store is not the primary destination. For the average shopping center, the ITE data indicate that 34 percent of the vehicles that enter are passing-by on their way to some other primary destination. The remaining 66 percent of attraction trips have the commercial site as their primary destination. Because attraction trips are half of all trips, the trip adjustment factor is 66 percent multiplied by 50 percent, or approximately 33 percent of the trip ends.

**Trip Length Weighting Factor by Type of Land Use**

The Street Facilities methodology includes a percentage adjustment, or weighting factor, to account for trip length variation by type of land use. As documented in Table 6 of the 2009 National Household Travel Survey, vehicle trips from residential development are approximately 121 percent of the average trip length. The residential trip length adjustment factor includes data on home-based work trips, social, and recreational purposes. Conversely, shopping trips associated with commercial development are roughly 66 percent of the average trip length while other nonresidential development typically accounts for trips that are 73 percent of the average for all trips.

**Lane Capacity**

According to data provided by Lee Engineering in the 2012 report, *City of Avondale Transportation Plan Update*, the City of Avondale’s network of arterials operate at a level of service of C, and have a weighted average per-lane capacity of 6,200.

**Figure 59: Daily Per-Lane Capacity**

Network	Lane Miles [1]	Daily Per-Lane Capacity [1]
Arterial	212.83	6,200

[1] City of Avondale

**Current Level of Service**

Figure 60 shows the calibration of existing development to the current City arterial street network. Knowing the current lane miles (212.83), and the daily per-lane capacity (6,200) of the arterials street network, TischlerBise, using a series of spreadsheet iterations, determined the common factor necessary to distribute the vehicle miles of travel evenly on the existing network to be a weighted-average trip length of 5.34 miles. As shown in Figure 60 below, existing development within Avondale attracted an estimated 1,319,532 Vehicle Miles of Travel (VMT) in 2013, based on the trip generation, trip adjustment, trip length factor and other assumptions shown. *Vehicle Miles of Travel* is the product of vehicle trips multiplied by the average trip length.<sup>2</sup> Therefore, the current Street facilities LOS is 1.61 arterial lane miles, and 0.36 signalized intersections per 10,000 VMT.

<sup>2</sup> Typical VMT calculations for development-specific traffic studies, along with most transportation models of an entire urban area, are derived from traffic counts on particular road segments multiplied by the length of that road segment. For the purpose of development fees, VMT calculations are based on attraction (inbound) trips to development located in the service area, with the trip lengths calibrated to the streets network considered system improvements. This refinement eliminates pass-through or external- external trips, and travel on roads that are not system improvements (e.g. interstate highways).

Figure 60: Existing Level of Service on City Arterial Network

		[A]	[B]	[A]X[B]=[C]	X[D]
Development Type [1]	Dev. Unit	Avg Wkdy Veh Trip Ends per Dev. Unit [2]	Trip Adjustment Factors [3]	Trip Length	Trip Length Weighting Factor [4]
		<b>RESIDENTIAL</b>			
Single Unit	HU	9.52	65%	6.19	121%
Multi-Unit	HU	6.65	65%	4.32	121%
<b>NONRESIDENTIAL</b>					
Commercial	KSF	42.70	33%	14.09	66%
Office/ Other	KSF	11.03	50%	5.52	73%
Industrial	KSF	6.97	50%	3.49	73%
Average Trip Length (Miles)		5.34			
Capacity per Lane		6,200			
Base Year 2013					

Development Unit	
Single Unit Residential	22,792
Multi-Unit Residential	4,548
Commercial KSF	3,486
Office/ Other KSF	3,919
Industrial KSF	1,723
Vehicle Trips	
Single Unit Residential	141,037
Multi-Unit Residential	19,659
Commercial KSF	49,121
Office KSF	21,613
Industrial KSF	6,007
TOTAL Trips	237,437
Vehicle Miles of Travel (VMT)	1,319,532
Total Lane Miles	212.83
Lane Miles per 10,000 VMT	1.61
Total Signalized Intersections	47.00
Signals per 10,000 VMT	0.36

[1] Single Unit = SFD, SFA, and Mobile Homes; KSF = square feet of floor area in thousands.

[2] Residential: TischlerBise Draft Land Use Assumptions; Nonresidential: Trip Generation, Institute of Transportation Engineers, 2012.

[3] On an average weekday, half of all trip ends are inbound. Retail and institutional include 34% pass-by adjustment (i.e. 66% are primary trips) half of which are trip ends. The residential adjustment factor accounts for 65% of employed residents commuting to jobs outside Avondale.

[4] Table 6, National Household Travel Survey, 2009.

**RATIO OF SERVICE UNIT TO LAND USE**

ARS § 9-463.05(E)(4) requires:

*“A table establishing the specific level or quantity of use, consumption, generation or discharge of a service unit for each category of necessary public services or facility expansions and an equivalency or conversion table establishing the ratio of a service unit to various types of land uses, including residential, commercial and industrial.”*

Figure 61 and Figure 62 display the ratios of a service unit to various types of land uses for residential and nonresidential development. Avondale Street Facilities development fees are based on average weekday vehicle trip ends, adjusted for commuting patterns, pass-by trips, and weighted by trip length. Trip generation rates are from the reference book Trip Generation. A vehicle trip end represents a vehicle either entering or exiting a development (as if a traffic counter were placed across a driveway). To calculate Street Facilities development fees, trip generation rates require an adjustment factor to avoid double counting each trip at both the origin and destination points. Therefore, the basic trip adjustment factor is 50 percent. As discussed in the previous section, the development fee methodology includes additional adjustments to make the fees proportionate to the infrastructure demand for particular types of development.

Shown below are the ratios for arterial roadways and signalized intersections.

**Figure 61: Ratio of Service Unit to Land Use – Planned Arterial Roadways**

Development Type [1]	Development Units [2]			[A]	[B]	[C]	[D]	[A]X[B]X[C]X[D] Vehicle Miles of Travel Per Unit	Net New VMT on System Improv. [6]	
	2013	2023	Net Change 2013-2023	Avg Wkdy Veh Trip Ends per Dev. Unit [3]	Trip Adjustment Factors [4]	Trip Length on Improv.	Trip Length Weighting Factor [5]			
<b>RESIDENTIAL</b>										
Single Unit	22,792	28,307	5,515	9.52	65%	1.11	121%	8.30	45,770	
Multi-Unit	4,548	5,677	1,129	6.65	65%	1.11	121%	5.80	6,545	
<b>NONRESIDENTIAL</b>										
Commercial KSF	3,486	6,007	2,521	42.70	33%	1.11	66%	10.31	25,987	
Office/Other KSF	3,919	6,318	2,399	11.03	50%	1.11	73%	4.46	10,705	
Industrial KSF	1,723	5,116	3,393	6.97	50%	1.11	73%	2.82	9,572	
<b>RES. TOTAL</b>	<b>27,340</b>	<b>33,984</b>	<b>6,644</b>						<b>TOTAL Additional Vehicle Miles of Travel</b>	<b>98,579</b>
<b>NONRES. TOTAL</b>	<b>9,128</b>	<b>17,441</b>	<b>8,313</b>							

[1] Single Unit = SFD, SFA, and Mobile Homes; KSF = square feet of floor area in thousands.

[2] TischlerBise Draft Land Use Assumptions

[3] Residential: TischlerBise Draft Land Use Assumptions; Nonresidential

Trip Generation, Institute of Transportation Engineers, 2012.

[4] On an average weekday, half of all trip ends are inbound. Retail and institutional include 34% pass-by adjustment (i.e. 66% are primary trips) half of which are trip ends. The residential adjustment factor accounts for 65% of employed residents commuting to jobs outside Avondale.

[5] Table 6, National Household Travel Survey, 2009.

[6] Based on an average utilization of planned improvements.

VMT = Net Change in development units X VMT per Dev. Unit X 1.11 mile Average Utilization of **Planned Improvements**

**Figure 62: Ratio of Service Unit to Land Use – Signalized Intersections**

Development Type [1]	Development Units [2]			[A]	[B]	[C]	[D]	[A]X[B]X[C]X[D] Vehicle Miles of Travel Per Unit	Net New VMT on System Improv. [6]
	2013	2023	Net Change 2013-2023	Avg Wkdy Veh Trip Ends per Dev. Unit [3]	Trip Adjustment Factors [4]	Trip Length on Improv.	Trip Length Weighting Factor [5]		
<b>RESIDENTIAL</b>									
Single Unit	22,792	28,307	5,515	9.52	65%	5.34	121%	40.00	220,577
Multi-Unit	4,548	5,677	1,129	6.65	65%	5.34	121%	27.94	31,542
<b>NONRESIDENTIAL</b>									
Commercial KSF	3,486	6,007	2,521	42.70	33%	5.34	66%	49.68	125,239
Office/Other KSF	3,919	6,318	2,399	11.03	50%	5.34	73%	21.51	51,591
Industrial KSF	1,723	5,116	3,393	6.97	50%	5.34	73%	13.60	46,129
<b>RES. TOTAL</b>	<b>27,340</b>	<b>33,984</b>	<b>6,644</b>					<b>TOTAL Additional Vehicle Miles of Travel</b>	<b>475,079</b>
<b>NONRES. TOTAL</b>	<b>9,128</b>	<b>17,441</b>	<b>8,313</b>						

[1] Single Unit = SFD, SFA, and Mobile Homes; KSF = square feet of floor area in thousands.

[2] TischlerBise Draft Land Use Assumptions

[3] Residential: TischlerBise Draft Land Use Assumptions; Nonresidential  
Trip Generation, Institute of Transportation Engineers, 2012.

[4] On an average weekday, half of all trip ends are inbound. Retail and institutional include 34% pass-by adjustment (i.e. 66% are primary trips) half of which are trip ends. The residential adjustment factor accounts for 65% of employed residents commuting to jobs outside Avondale.

[5] Table 6, National Household Travel Survey, 2009.

[6] Based on an average utilization of planned improvements.

VMT = Net Change in development units X VMT per Dev. Unit X 1.11 mile Average Utilization of **the Street Facilities Network**

## PROJECTED SERVICE UNITS AND FACILITIES DEMAND

ARS § 9-463.05(E)(5) requires:

*“The total number of projected service units necessitated by and attributable to new development in the service area based on the approved land use assumptions and calculated pursuant to generally accepted engineering and planning criteria.”*

ARS § 9-463.05(E)(6) requires:

*“The projected demand for necessary public services or facility expansions required by new service units for a period not to exceed ten years.”*

The projected need for arterial lane miles and signalized intersections is a function of the ten-year development forecast (see the [Land Use Assumptions](#)) and the existing infrastructure standards discussed above. As shown in the figures above, trip generation rates and trip adjustment factors convert projected development into average weekday vehicle trips. A typical vehicle trip, such as a person leaving a home and traveling to work, generally begins on a local street that connects to a collector street, which connects to an arterial road and eventually to a state or interstate highway. For the purpose of development fees, this progression of travel up and down the functional classification chain narrows the average trip length determination to the following question: “What is the average vehicle trip length on Street Facilities system improvements (i.e., the same type of arterial used to document current infrastructure standards)?”

### Arterial Roadways

With 15.9 lane miles of planned arterial improvements and a weighted average lane capacity standard of 6,200 vehicles per lane, the Street Facilities system improvements have approximately 98,579 vehicle miles of capacity (i.e., 15.9 lane miles X 6,200 vehicles per lane).

Development in Avondale attracted 237,437 average weekday vehicle trips in base year 2013. Dividing 6,200 vehicle miles of capacity by average weekday vehicle trips (237,437) yields an unweighted average trip length of 0.03 miles (*rounded*). However, the calibration of average trip length includes the same adjustment factors used in the level of service calculation above (i.e., journey-to-work commuting, commercial pass-by adjustment, and average trip length adjustment by type of land use). Using a series of spreadsheet iterations, TischlerBise determined the common factor necessary to distribute the vehicle miles of travel evenly on the planned improvements to be a weighted-average trip length of 1.11 miles (*rounded*), as shown in Figure 63.

The relationship between projected development in Avondale and the planned arterial improvements is shown in Figure 63. The table includes annual calculations, but years 6-9 are hidden from view. The top of the figure shows the trip adjustment factors discussed above, and used to relate projected development to planned improvements. Trip generation rates and trip adjustment factors convert projected development into average weekday vehicle trips, as shown in the middle section of the table.

The needs analysis inputs discussed above are used to calculate the net new Vehicle Miles of Travel (VMT) from new development on the planned arterial improvements over the next ten years. A VMT is a measurement unit equal to one vehicle traveling one mile. *Vehicle Miles of Travel* is the product of vehicle trips multiplied by the average trip length. New development in the next 10 years is projected to generate 98,579 VMT on the 15.90 lane miles of planned arterial improvements.

Figure 63: Plan-Based - Street Facilities Needs Analysis

Development Type	Dev. Unit	Avg Wkdy Veh	Trip	Trip Length
		Trip Ends per Dev. Unit	Adjustment Factors	Weighting Factor
<b>RESIDENTIAL</b>				
Single Unit	HU	9.52	65%	121%
Multi-Unit	HU	6.65	65%	121%
<b>NONRESIDENTIAL</b>				
Commercial	KSF	42.70	33%	66%
Office/ Other	KSF	11.03	50%	73%
Industrial	KSF	6.97	50%	73%
Average Trip Length (Miles)	1.11			
Capacity per Lane	6,200			

Year->	Base Yr	1	2	3	4	5	10	10-Year Increase
	2013	2014	2015	2016	2017	2018	2023	
<b>DEMAND DATA</b>								
SFD UNITS	22,792	23,291	23,802	24,323	24,856	25,400	28,307	5,515
MF RES UNITS	4,548	4,650	4,754	4,861	4,970	5,081	5,677	1,129
COMMERCIAL KSF	3,486	3,681	3,887	4,104	4,334	4,576	6,007	2,521
OFFICE KSF	3,919	4,111	4,312	4,523	4,744	4,976	6,318	2,399
INDUSTRIAL KSF	1,723	1,921	2,142	2,388	2,663	2,969	5,116	3,393
SFD TRIPS	141,037	144,125	147,287	150,511	153,809	157,175	175,164	
MF/OTHER RES TRIPS	19,659	20,100	20,549	21,012	21,483	21,963	24,539	
<b>RES TRIPS</b>	<b>160,696</b>	<b>164,224</b>	<b>167,836</b>	<b>171,522</b>	<b>175,292</b>	<b>179,138</b>	<b>199,703</b>	<b>39,007</b>
COMMERCIAL TRIPS	49,121	51,869	54,772	57,829	61,070	64,480	84,645	
OFFICE TRIPS	21,613	22,672	23,781	24,944	26,163	27,443	34,844	
INDUSTRIAL TRIPS	6,007	6,698	7,468	8,326	9,285	10,351	17,837	
<b>NONRES TRIPS</b>	<b>76,742</b>	<b>81,239</b>	<b>86,020</b>	<b>91,100</b>	<b>96,518</b>	<b>102,274</b>	<b>137,325</b>	<b>60,584</b>
<b>TOTAL TRIPS</b>	<b>237,437</b>	<b>245,463</b>	<b>253,856</b>	<b>262,622</b>	<b>271,810</b>	<b>281,412</b>	<b>337,028</b>	<b>99,591</b>
<b>Total VMT</b>	<b>273,802</b>	<b>281,960</b>	<b>290,448</b>	<b>299,264</b>	<b>308,453</b>	<b>318,004</b>	<b>372,381</b>	<b>98,579</b>
Arterial Lane Miles	44.16	45.48	46.85	48.27	49.75	51.29	60.06	
Annual Lane Mile Increase		1.32	1.37	1.42	1.48	1.54	1.91	<b>Cost per</b>
<b>CUMULATIVE Lane Miles</b>		<b>1.32</b>	<b>2.68</b>	<b>4.11</b>	<b>5.59</b>	<b>7.13</b>	<b>15.90</b>	<b>Net increase</b>
Annual Capacity Cost (millions)		\$2.5	\$2.6	\$2.7	\$2.8	\$2.9	\$3.6	<b>in VMT</b>
<b>CUMULATIVE Capacity Cost (millions)</b>		<b>\$2.5</b>	<b>\$5.1</b>	<b>\$7.7</b>	<b>\$10.5</b>	<b>\$13.5</b>	<b>\$30.0</b>	<b>\$304.32</b>

Source: TischlerBise. (2014).

**Cost per Service Unit – Arterial Roadways**

The planned investment of \$30 million to improve Street facilities capacity by 15.90 lane miles equates to a per lane mile investment of \$1,886,792. The formula to calculate a cost per net increase in VMT for the arterial component is calculated as follows: (15.90 lane miles X \$1,886,792 cost per lane mile / 98,579 net new VMT = \$304.32 per VMT). The steps to calculate the arterial fee component per type of development unit based on a cost per VMT of \$304.32 are shown below.

Figure 64: Cost per Development Unit - Arterials

<i>Street Level Of Service and Capital Costs</i>					<i>Per Vehicle Mile Traveled</i>	
Arterials					\$304.32	
<b>GROSS CAPITAL COST</b>					<b>\$304.32</b>	
<b>NET CAPITAL COST</b>					<b>\$304.32</b>	

<i>Residential Schedule</i>						
	[A]	[B]	[C]	[D]	VMT = [A] x [B] x [C] x [D]	
<i>Unit Type</i>	<i>Weekday Vehicle Trip Ends</i>	<i>Trip Rate Adjustment Factors</i>	<i>Avg Miles per Veh. Trip on System</i>	<i>Trip Length Weighting Factors</i>	<i>VMT per unit</i>	<i>Arterial Component Proposed Development Fee (Per Housing Unit)</i>
2+ Unit	6.65	65%	1.11	121%	5.80	\$1,764
Single Unit	9.52	65%	1.11	121%	8.30	\$2,525

*Nonresidential Schedule*

	<i>(Per 1,000 sq. ft.)</i>				<i>per 1,000 sf</i>	<i>(Per Square Foot of Floor Area)</i>
Commercial	42.70	33%	1.11	66%	10.31	\$3.14
Office/Institutional	11.03	50%	1.11	73%	4.46	\$1.36
Industrial/Flex	6.97	50%	1.11	73%	2.82	\$0.86

Source: TischlerBise. (2014).

**Signalized Intersections**

The relationship between projected development in Avondale and the need for additional signalized intersections in the City is shown in Figure 65. The table includes annual calculations, but years 6-9 are hidden from view. The top of the figure shows the trip adjustment factors discussed above, and used to relate projected development to planned improvements. Trip generation rates and trip adjustment factors convert projected development into average weekday vehicle trips, as shown in the middle section of the table.

Figure 60 above shows the calibration of existing development to the current City arterial street network. Knowing the current lane miles (212.83), and the daily per-lane capacity (6,200) of the arterials street network, TischlerBise, using a series of spreadsheet iterations, determined the common factor necessary to distribute the vehicle miles of travel evenly on the existing network to be a weighted-average trip length of 5.34 miles.

Existing development in Avondale generated 1,319,532 vehicle miles of travel on the existing network of arterial roadways. The needs analysis inputs discussed above are used to calculate the net new (VMT from new development on the existing network for arterial roadways over the next ten years. New development in the next 10 years is projected to generate 475,079 VMT on the entire network. To accommodate the projected growth in VMT, the City has identified 11 arterial intersections to be signalized over the next decade.

Figure 65: Plan-Based – Signalize Intersections Needs Analysis

Development Type	Dev. Unit	Avg Wkdy Veh	Trip	Trip Length
		Trip Ends per Dev. Unit	Adjustment Factors	Weighting Factor
<b>RESIDENTIAL</b>				
Single Unit	HU	9.52	65%	121%
Multi-Unit	HU	6.65	65%	121%
<b>NONRESIDENTIAL</b>				
Commercial	KSF	42.70	33%	66%
Office/ Other	KSF	11.03	50%	73%
Industrial	KSF	6.97	50%	73%

Average Trip Length (Miles)

5.34

Capacity per Lane

6,200

Year->	Base Yr 2013	1 2014	2 2015	3 2016	4 2017	5 2018	10 2023	10-Year Increase
<b>DEMAND DATA</b>								
SFD UNITS	22,792	23,291	23,802	24,323	24,856	25,400	28,307	5,515
MF RES UNITS	4,548	4,650	4,754	4,861	4,970	5,081	5,677	1,129
COMMERCIAL KSF	3,486	3,681	3,887	4,104	4,334	4,576	6,007	2,521
OFFICE KSF	3,919	4,111	4,312	4,523	4,744	4,976	6,318	2,399
INDUSTRIAL KSF	1,723	1,921	2,142	2,388	2,663	2,969	5,116	3,393
SFD TRIPS	141,037	144,125	147,287	150,511	153,809	157,175	175,164	
MF/OTHER RES TRIPS	19,659	20,100	20,549	21,012	21,483	21,963	24,539	
<b>RES TRIPS</b>	<b>160,696</b>	<b>164,224</b>	<b>167,836</b>	<b>171,522</b>	<b>175,292</b>	<b>179,138</b>	<b>199,703</b>	<b>39,007</b>
COMMERCIAL TRIPS	49,121	51,869	54,772	57,829	61,070	64,480	84,645	
OFFICE TRIPS	21,613	22,672	23,781	24,944	26,163	27,443	34,844	
INDUSTRIAL TRIPS	6,007	6,698	7,468	8,326	9,285	10,351	17,837	
<b>NONRES TRIPS</b>	<b>76,742</b>	<b>81,239</b>	<b>86,020</b>	<b>91,100</b>	<b>96,518</b>	<b>102,274</b>	<b>137,325</b>	<b>60,584</b>
<b>TOTAL TRIPS</b>	<b>237,437</b>	<b>245,463</b>	<b>253,856</b>	<b>262,622</b>	<b>271,810</b>	<b>281,412</b>	<b>337,028</b>	<b>99,591</b>
<b>Town Total VMT</b>	<b>1,319,532</b>	<b>1,358,848</b>	<b>1,399,752</b>	<b>1,442,242</b>	<b>1,486,522</b>	<b>1,532,552</b>	<b>1,794,611</b>	<b>475,079</b>
Town Lane Miles	212.83	219.17	225.77	232.62	239.76	247.19	289.45	
Annual Lane Mile Increase		6.34	6.60	6.85	7.14	7.42	9.20	
Cumulative Lane Miles		6.34	12.94	19.79	26.93	34.36	76.63	<b>76.63</b>
Signalized Intersections	30	31	32	33	34	35	41	
Annual Intersection Increase		1	1	1	1	1	2	
Cumulative Signalized Intersections		1	2	3	4	5	11	
Annual Intersection Cost (millions)		\$0.45	\$0.45	\$0.45	\$0.45	\$0.45	\$0.90	
<b>CUMULATIVE Capacity Cost (millions)</b>		<b>\$0.45</b>	<b>\$0.90</b>	<b>\$1.35</b>	<b>\$1.80</b>	<b>\$2.25</b>	<b>\$4.95</b>	<b>\$10.42</b>

Source: TischlerBise. (2014).

**Cost per Service Unit – Signalized Intersections**

The planned investment of \$4.95 million to improve capacity by constructing 11 signalized intersections equates to a per signal investment of \$450,000. The formula to calculate a cost per net increase in VMT for the signalized intersection component is calculated as follows: (11 signals X \$450,000 cost per signal / 475,079 net new VMT = \$10.42 per VMT). The steps to calculate the signalized intersection fee component per type of development unit based on a cost per VMT of \$10.42 are shown below.

**Figure 66: Cost per Development Unit – Signalize Intersections**

<i>Street Level Of Service and Capital Costs</i>					<u>Per Vehicle</u>	
					<u>Mile Traveled</u>	
					Signalized Intersections	
					\$10.42	
<b>GROSS CAPITAL COST</b>					<b>\$10.42</b>	
<b>NET CAPITAL COST</b>					<b>\$10.42</b>	
					VMT =	
					[A] x [B] x [C] x [D]	
<i>Residential Schedule</i>	[A]	[B]	[C]	[D]		
	<b>Weekday Vehicle Trip Ends</b>	<b>Trip Rate Adjustment Factors</b>	<b>Avg Miles per Veh. Trip on System</b>	<b>Trip Length Weighting Factors</b>	<b>VMT per unit</b>	<b>Signalized Intersection Component Proposed Development Fee (Per Housing Unit)</b>
<i>Unit Type</i>						
2+ Unit	6.65	65%	5.34	121%	27.94	\$291
Single Unit	9.52	65%	5.34	121%	40.00	\$416
<i>Nonresidential Schedule</i>						
	<i>(Per 1,000 sq. ft.)</i>				<i>per 1,000 sf</i>	<i>(Per Square Foot of Floor Area)</i>
Commercial	42.70	33%	5.34	66%	49.68	\$0.52
Office/Institutional	11.03	50%	5.34	73%	21.51	\$0.22
Industrial/Flex	6.97	50%	5.34	73%	13.60	\$0.14

Source: TischlerBise. (2014).

**DESCRIPTION OF NECESSARY EXPANSIONS AND COSTS ATTRIBUTABLE TO DEVELOPMENT**

ARS § 9-463.05(E)(3) requires:

*“A description of all or the parts of the necessary public services or facility expansions and their costs necessitated by and attributable to development in the service area based on the approved land use assumptions, including a forecast of the costs of infrastructure, improvements, real property, financing, engineering and architectural services, which shall be prepared by qualified professionals licensed in this state, as applicable.”*

**Current Use and Available Capacity**

The planned Street Facilities discussed above and shown in Figure 67 and Figure 68 will be necessary to accommodate net new vehicle miles of travel generated from new development.

**Arterial Roadways**

As shown below, the City of Avondale has identified nine arterial roadway projects to be constructed in the next ten years, which once constructed will improve circulation on the system. In total, there are 15.9 lane miles of system improvements planned at a cost to the City of \$30 million in 2013 dollars (i.e., not inflated over time).

**Figure 67: Street Facilities – Arterial Roadways Improvements Plan 2013 - 2023**

Classification	Project	Added Lanes	Added Lane Miles	Local Share Project Cost [1]
Arterial	McDowell Road	2	1.0	\$1,400,000
Arterial	107th Avenue & McDowell Roadway Improvements	1	0.3	\$1,900,000
Arterial	Avondale Blvd: McDowell to Thomas	2	2.0	\$1,000,000
Arterial	Dysart Rd: Harrison Dr to Lower Buckeye Rd	3	1.5	\$2,500,000
Arterial	Van Buren St: El Mirage to 122nd Ave (North half)	1	0.5	\$1,500,000
Arterial	Litchfield, Lower Buckeye-Broadway	3	3.0	\$4,500,000
Arterial	Van Buren, 107th Ave-Avondale	4	4.0	\$6,000,000
Arterial	107th Ave, Van Buren - Buckeye	2	2.0	\$5,600,000
Arterial	107th Ave., Van Buren-I-10	2	1.6	\$5,600,000
<b>TOTAL</b>			<b>15.9</b>	<b>\$30,000,000</b>
			<b>Cost per Lane Mile</b>	<b>\$1,886,792</b>

[1] City of Avondale, Capital Improvements Program

### Signalized Intersections

As shown below, the City of Avondale has identified eleven intersections to be signalized in the next ten years, which once completed will improve circulation on the system. In total, there are 11 signalized intersection projects planned at a cost to the City of \$4.95 million in 2013 dollars (i.e., not inflated over time).

**Figure 68: Street Facilities - Signalized Intersection Improvements Plan 2013 – 2023**

Intersection	Project Detail	Local Share Project Cost [1]	Signalized Intersection Cost	
107th Ave and Lower Buckeye	Construct traffic signal	\$200,000	\$200,000	
Dysart and Lower Buckeye	Construct traffic signal	\$475,000	\$475,000	
107th Ave and Dealer Dr	Construct traffic signal	\$475,000	\$475,000	
107th Ave and Roosevelt St	Construct traffic signal	\$475,000	\$475,000	
119th Ave and McDowell	Construct traffic signal	\$475,000	\$475,000	
119th Ave and Lower Buckeye	Construct traffic signal	\$475,000	\$475,000	
Central Ave and Lower Buckeye	Construct traffic signal	\$475,000	\$475,000	
Van Buren St and 103rd Ave	Construct traffic signal	\$475,000	\$475,000	
107th Ave and Pierce	Construct traffic signal and associated intersection improvements	\$475,000	\$475,000	
Avondale Blvd and Lower Buckeye	Construct traffic signal and associated intersection improvements	\$600,000	\$475,000	
El Mirage and Lower Buckeye	Construct traffic signal and associated intersection improvements	\$575,000	\$475,000	
<b>TOTAL</b>		<b>\$5,175,000</b>	<b>\$4,950,000</b>	
			<b>Cost per Signalized Intersection</b>	<b>\$450,000</b>

[1] City of Avondale, Capital Improvements Program

### Excluded Costs

Development fees in Avondale exclude costs to upgrade, update, improve, expand, correct or replace those necessary public services to meet existing needs and usage, stricter safety, efficiency, environmental or regulator standards. The City of Avondale Capital Improvement Plan includes the cost of these excluded items.

In addition to the projects listed above, the City of Avondale has identified a series of capital projects to maintain, improve or expand the full Street Facilities network. Projects that do not qualify for development fee revenues are listed below for informational purposes only.

Figure 69: Street Facilities – Development Fee-Eligible Capital Improvements Plan

Project Description	CIP No.	Total 10-Yr Project Cost	Percent Eligible	Planned Development Fee-Eligible Expenditures		
				FY 2014-18	FY 2019-23	10-Yr Total
Avondale School Crosswalk Enhancement	-	\$260,230	0%			\$0
Street Drainage Issues	ST1007	\$1,000,000	0%			\$0
Citywide Pavement Overlay	ST1009	\$4,900,000	0%			\$0
Bridge Repair	ST1012	\$500,000	0%			\$0
Preventative street maintenance (Citywide)	ST1020	\$4,900,000	0%			\$0
Dysart Rd: Harrison Dr to Lower Buckeye Rd	ST1021	\$2,500,000	100%	\$2,500,000		\$2,500,000
Avondale Blvd: McDowell to Thomas	ST1125	\$1,000,000	100%	\$1,000,000		\$1,000,000
107th Ave and Pierce Traffic Signal	ST1127	\$475,000	100%		\$475,000	\$475,000
Van Buren St: El Mirage to 122nd Ave (North half)	ST1146	\$1,500,000	100%		\$1,500,000	\$1,500,000
Avondale & Buckeye Intersection Improvements	ST1148	\$2,200,000	0%	\$0		\$0
CDBG Street and Sidewalk Improvements	ST1162	\$3,850,000	0%			\$0
Streetlights Citywide	ST1164	\$500,000	0%			\$0
Avondale Boulevard-Lower Buckeye to Miami	ST1166	\$800,000	0%			\$0
Avondale Blvd and Lower Buckeye	ST1170	\$600,000	79%		\$475,000	\$475,000
El Mirage and Lower Buckeye	ST1171	\$575,000	83%		\$475,000	\$475,000
El Mirage and Lower Buckeye Roadway Improvements	ST1172	\$810,000	0%		\$0	\$0
Central Avenue: Van Buren Street south to Western Avenue	ST1178	\$314,642	0%			\$0
107th Ave and Dealer Dr Traffic Signal	ST1180	\$475,000	100%		\$475,000	\$475,000
107th Ave and Roosevelt St Traffic Signal	ST1181	\$475,000	100%		\$475,000	\$475,000
Avondale Blvd and Thomas Roundabout	ST1186	\$800,000	0%	\$0		\$0
119th Ave and McDowell Traffic Signal	ST1187	\$475,000	100%	\$475,000		\$475,000
119th Ave and Lower Buckeye Traffic Signal	ST1188	\$475,000	100%		\$475,000	\$475,000
107th Ave and Lower Buckeye	ST1189	\$200,000	100%		\$200,000	\$200,000
Litchfield, Lower Buckeye-Broadway	ST1192	\$4,500,000	100%		\$4,500,000	\$4,500,000
Central Ave and Lower Buckeye Traffic Signal	ST1195	\$475,000	100%		\$475,000	\$475,000
Pedestrian Ramps/Sidewalks Program (Citywide)	ST1220	\$950,000				\$0
Pedestrian Ramp/Sidewalks Program - Citywide	ST1220	\$1,000,000				\$0
107th Avenue & McDowell Roadway Improvements	ST1224	\$1,900,000	100%		\$1,900,000	\$1,900,000
Van Buren St and 103rd Ave Traffic Signal	ST1229	\$475,000	100%		\$475,000	\$475,000
Dysart and Lower Buckeye Traffic Signal	ST1248	\$475,000	100%		\$475,000	\$475,000
City Center Area Intersection Improvements	ST1261	\$1,500,000				\$0
McDowell Road Intersection Improvements	ST1267	\$1,500,000				\$0
McDowell Rd: Avondale Blvd. to 99th Ave	ST1267	\$1,188,000				\$0
Western - Central to 4th Ave - Mill/Overlay	ST1275	\$750,000				\$0
Van Buren Drainage Channel	ST1286	\$5,300,000				\$0
McDowell Road	ST1287	\$1,400,000	100%	\$1,400,000		\$1,400,000
Citywide Dynamic Message Signs	ST1288	\$100,000	0%			\$0
ITS Fiber Backbone Program	ST1294	\$1,800,000				\$0
Thomas Rd - 99th Ave. to 103rd Ave - Mill/Overlay	ST1306	\$500,000				\$0
Van Buren Rd - El Mirage to 119th Ave - Mill/Overlay	ST1307	\$200,000				\$0
107th Ave - McDowell Rd to Thomas - Mill/Overlay	ST1308	\$475,000				\$0
MC85 - Lichfield to Agua Fria Bridge - Mill/Overlay	ST1309	\$900,000				\$0
Van Buren St - 99th Ave to Avondale Blvd - Mill/Overlay	ST1310	\$1,000,000				\$0
Washington St - Dysart to 9th St Alignment	ST1311	\$700,000				\$0
Dysart Road ITS - Rancho Santa Fe to Indian School	ST1327					\$0
McDowell Road ITS - Avondale to Dysart	ST1328					\$0
107th Ave., Van Buren-I-10	ST1330	\$5,600,000	100%	\$5,600,000		\$5,600,000
Central Avenue: Van Buren Street to Western Ave Multi Use Path	ST9996	\$147,104				\$0
Van Buren, 107th Ave-Avondale	ST9997	\$6,000,000	100%		\$6,000,000	\$6,000,000
107th Ave, Van Buren - Buckeye	ST9998	\$5,600,000	100%		\$5,600,000	\$5,600,000
<b>Total</b>		<b>\$74,019,976</b>		<b>\$10,975,000</b>	<b>\$23,975,000</b>	<b>\$34,950,000</b>

Source: City of Avondale; Finance Department

**MAXIMUM SUPPORTABLE STREET FACILITIES DEVELOPMENT FEES**

The maximum supportable development fees for Street Facilities are shown in the figure below.

**IIP and Development Fee Study**

Included in the Street Facilities per service unit cost (i.e., VMT) is the cost to prepare the Street Facilities IIP and Development Fee Study. See **Appendix A – Cost of Professional Services** for the detailed calculations.

**Revenue Credit**

Included in the maximum supportable development fees is a *Revenue Credit* of 0.1 percent. The unadjusted Street Facilities development fees would generate more revenue over the next ten years, based on the approved **Land Use Assumptions**, than the identified growth-related planned expenditures of \$34,974,422 (planned Street Facilities expansions plus the IIP and Development Fee Study cost). To ensure that no more fee revenue is collected than the City plans to spend, the potential gross development fee per unit is reduced by the revenue credit to calculate the net development fee per development unit. Based on the gross development fee, the projected development fee revenue would equal \$34,993,348. The formula to calculate the *Revenue Credit* is as follows:  $(\$34,993,348 - \$34,974,422) / \$34,993,348 = 0.1$  percent (rounded).

**Figure 70: Maximum Supportable Street Facilities Development Fees<sup>3</sup>**

*Street Facilities Residential Development Fee Schedule*

Unit Type	[A]	[B]	[C]	[A] + [B] + [C]	Revenue Credit 0.1%	Development Fee per Housing Unit		
	Minor Arterials	Signalized Intersections	Dev. Fee Study	Gross Development Fee per Unit		Development Fee	Current Fee	Increase (Decrease)
	(Per Housing Unit)					Proposed Fee		
2+ Unit	\$1,764	\$291	\$3	\$2,058	(\$1.11)	\$2,056	\$1,137	\$1,086
Single Unit	\$2,525	\$416	\$4	\$2,945	(\$1.59)	\$2,943	\$1,857	\$919

*Street Facilities Nonresidential Development Fee Schedule*

	[A]	[B]	[C]	[A] + [B] + [C]	Revenue Credit 0.1%	Development Fee per Square Foot of Floor Area		
	Minor Arterials	Signalized Intersections	Dev. Fee Study	Gross Development Fee per Unit		Development Fee	Current Fee [1]	Increase (Decrease)
	(Per Square Foot of Floor Area)					Proposed Fee		
Commercial	\$3.14	\$0.52	\$0.01	\$3.66	(\$0.00)	\$3.65	\$4.09	(\$0.44)
Office/Institutional	\$1.36	\$0.22	\$0.00	\$1.58	(\$0.00)	\$1.58	\$1.57	\$0.01
Industrial/Flex	\$0.86	\$0.14	\$0.00	\$1.00	(\$0.00)	\$1.00	\$0.51	\$0.49

[1] The 2012 Commercial and Office fees were by size thresholds, averages are shown here.  
 An average of 2012 fees for Light Industrial, Warehousing, and Manufacturing are shown here.

<sup>3</sup> The Development Fee Study costs and revenue credits per development unit are shown as rounded figures. However, the analysis itself uses figures carried to their ultimate decimal places; therefore the sums and products generated in the analysis may not equal the sum or product if the reader replicates the calculation with the factors shown in the report (due to the rounding of figures shown, not in the analysis).

**FORECAST OF REVENUES**

**Appendix B – Forecast of Revenues Other Than Development Fees** contains a forecast of revenue other than development fees required by Arizona’s enabling legislation.

**Street Facilities Cash Flow**

The cash flow summary shown below provides an indication of the 10-year projected necessary expenditures to meet the demand for growth-related Street Facilities. To the extent the rate of development either accelerates or slows down, there will be a corresponding change in the development fee revenue and capital costs.

**Figure 71: Street Facilities Cash Flow Summary**

**Ten-Year Growth-Related Costs**

Minor Arterial Costs	\$29,999,577
Signalized Intersection Costs	\$4,950,000
IIP and Development Fee Study Cost	\$24,845
<b>TOTAL</b>	<b>\$34,974,422</b>

		<i>per Housing Unit</i>		<i>Per Square Foot of Floor Area</i>		
		<i>Single Unit</i>	<i>2+ Units</i>	<i>Commercial</i>	<i>Office</i>	<i>Industrial</i>
		\$2,943	\$2,056	\$3.65	\$1.58	\$1.00
<i>Year</i>		<i>Housing Units Added</i>		<i>Square Feet Added (1,000)</i>		
Base	2013	22,792	4,548	3,486	3,919	1,723
Year 1	2014	23,291	4,650	3,681	4,111	1,921
Year 2	2015	23,802	4,754	3,887	4,312	2,142
Year 3	2016	24,323	4,861	4,104	4,523	2,388
Year 4	2017	24,856	4,970	4,334	4,744	2,663
Year 5	2018	25,400	5,081	4,576	4,976	2,969
Year 6	2019	25,957	5,195	4,832	5,219	3,310
Year 7	2020	26,525	5,312	5,102	5,475	3,691
Year 8	2021	27,106	5,431	5,388	5,742	4,115
Year 9	2022	27,700	5,553	5,689	6,023	4,588
Year 10	2023	28,307	5,677	6,007	6,318	5,116
<i>Ten-Yr Increase</i>		5,515	1,129	2,521	2,399	3,393
<i>Projected Fees (Rounded) =&gt;</i>		\$16,230,645	\$2,321,224	\$9,201,650	\$3,790,420	\$3,393,000
<b>Total Projected Revenues</b>		<b>\$34,936,939</b>				
<i>Cumulative Net Surplus/(Deficit)</i>		<b>(\$37,483)</b>				

Source: TischlerBise. (2014).

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## WATER FACILITIES – INFRASTRUCTURE IMPROVEMENTS PLAN

### OVERVIEW

ARS § 9-463.05 (T)(7)(a) defines the facilities and assets that can be included in the Water Facilities IIP:

“Water facilities, including the supply, transportation, treatment, purification and distribution of water, and any appurtenances for those facilities.”

The Water Facilities IIP includes cost recovery components for the ground water well facilities with capacity available to serve new customers, and ground water recharge obligations. It also includes a plan-based component for system improvements identified in current capital improvement plans, the cost of preparing the Water Facilities IIP and development fees, and an offset for future contributions to existing debt service.

### Water Supply

To receive a Designation of Assured Water Supply from the Arizona Department of Water Resources (ADWR), Avondale demonstrated water supplies that are physically, legally, and continuously available to supply the projected water demands for its 2010 customer base during the next 100 years. In 2010, the City received a modification to its initial Designation to recognize a total of 28,090 acre-feet/year (AFY), or 25.1 million gallons per day of water physically available to the City to meet 2010 projected and committed demands for the next 100 years. This water supply includes the City's original 8,463 AFY of SRP entitlement water and a variety of Central Arizona Project (CAP) subcontract surface water rights totaling 5,416 AFY. In addition to these surface water resources, the City has 14,211 AFY of groundwater allowance through its membership in the Central Arizona Groundwater Replenishment District (13,148 AFY), grandfathered irrigation groundwater rights (547 AFY), and groundwater incidental recharge (515 AFY). In addition to these groundwater allowances, the City has accumulated 43,626 AFY of long-term groundwater storage credits, which amounts to 436 AFY for the next 100 years.

ADWR evaluates the physical availability of underground supplies by considering groundwater allowances, storage credits, and projected pumping and recharge over 100 years. ADWR determined that Avondale has sufficient existing and projected well capacity for the anticipated 14,211 AFY of 100-year groundwater demand. Since the City has no cost basis for the groundwater allowances or long-term storage credits, the 14,211 AFY of groundwater supplies are not recovered through the water resources component of the Water Facilities development fees. However, the City's capital investments in pumping and recharge facilities, which allow the City to maintain and utilize this groundwater, are eligible to be recovered through the water resources component.

### SERVICE AREA

The service area for the Water Facilities IIP is the Base Service Area.

### PROPORTIONATE SHARE

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ARS § 9-463.05 (B)(3) states that the development fee shall not exceed a proportionate share of the cost of necessary public services needed to provide necessary public services to the development.

The Water Facilities IIP and development fees are assessed on both residential and nonresidential development as both types of development create a burden for additional Water Facilities. Yearly customers by land use are used to determine the proportionate share of this burden. In 2012, approximately 94% of water customers in Avondale were residential units, accounting for 67% of the average day demand. Approximately 6% were non-residential customers, accounting for 33% of the average day demand.

### IIP FOR WATER FACILITIES

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For each necessary public service that is the subject of a development fee, ARS § 9-463.05(E) requires the IIP to include seven elements. The sections below detail each of the required components of the Water Facilities IIP. (A forecast of new revenues generated by development can be found in **Appendix B – Forecast of Revenues Other Than Development Fees.**)

### ANALYSIS OF COSTS, CAPACITY, AND USAGE OF EXISTING PUBLIC SERVICES

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ARS § 9-463.05(E)(1) requires:

*“A description of the existing necessary public services in the service area and the costs to upgrade, update, improve, expand, correct or replace those necessary public services to meet existing needs and usage and stricter safety, efficiency, environmental or regulatory standards, which shall be prepared by qualified professionals licensed in this state, as applicable.”*

ARS § 9-463.05(E)(2) requires:

*“An analysis of the total capacity, the level of current usage and commitments for usage of capacity of the existing necessary public services, which shall be prepared by qualified professionals licensed in this state, as applicable.”*

**System Capacity**

**Ground Water Well Facilities**

The City of Avondale relies entirely on ground water wells for its physical water supply. Because the City’s water distribution system is sized to support well production capacity, the same capacity and demand characteristics apply to distribution facilities as well.

The capacity of the Ground Water Wells system is measured in terms of firm capacity. Total firm capacity represents the total combined capacity of all active wells less the capacity of the largest capacity well. The Firm capacity is used, because the City must plan for periodic down times for maintenance to be performed on each of its wells, thus the firm capacity assumes the capacity available when the largest capacity well is not operating due to maintenance or other factors. The total firm capacity of the existing ground water wells is 32.40 million gallons per day (MGD), and the current maximum day demand is 19.35 MGD. This indicates that the City currently has 13.05 MGD of existing excess capacity available to accommodate growth.

In addition to available capacity in the existing system, the City has identified plans to increase its treated water capacity by 8.5 MGD over the next ten years by adding five new ground water wells, each capable of producing 1.7 MGD. (See the **City of Avondale Water Master Plan Update May 2013** for additional Water facilities capital investment plans). Existing water demand and existing and projected water system capacity over the next ten years are summarized in Figure 72. Over the next ten years, there will be 21.55 MGD of existing and new Ground Water Wells capacity available for new customers.

**Figure 72: Ground Water Well Capacity**

Well #	Total Capacity (MGD)
6	2.23
7	2.23
8A	2.88
10	3.17
11	2.16
12	2.59
15	1.01
16	3.17
17	1.73
18	3.02
19	2.38
20	1.73
23	1.58
24	0.94
25	1.58
<b>Total 2013, Firm</b>	<b>32.40</b>

Water Source	Total Firm Capacity (MGD)	Maximum Day Usage (MGD)	Remaining
Existing Ground Water Wells	32.40	19.35	13.05
Planned 5 New Ground Water Wells	8.50		8.50
<b>Total</b>	<b>40.90</b>	<b>19.35</b>	<b>21.55</b>

Source: City of Avondale Utilities Department

**Water Resources**

The groundwater recharge obligation must be established to document existing capacities available to serve growth. The City's available and unused capacity to recharge water at the New River-Agua Fria River Underground Storage Project (NAUSP) recharge facility forms the basis for the water recharge component. The City's NAUSP is currently unused. Consequently, the entire 1.79 MGD capacity of the NAUSP is available for new water customers.

**Figure 73: Water Recharge Capacity**

<i>Water Resource Recharge</i>	<i>Capacity (Annual Acre Feet)</i>	<i>Capacity (MGD)</i>	<i>Current Demand (MGD)</i>	<i>Available Capacity (MGD)</i>
New River-Agua Fria River Underground Storage Project	2,000	1.79	0.00	1.79

Source: City of Avondale Utilities Department

**Level of Service**

Level of service for Water Facilities is based on average day gallons per connection. The current Water Facilities level of service for residential development is 345 average day gallons per connection. For nonresidential connections, water demand averages 2,921 gallons per day.

**Figure 74: Water Facilities Level of Service**

	<i>Avg Gallons per Day<sup>1</sup></i>	<i>2012 Connections</i>
Residential	7,384,216	21,374
Nonresidential	3,659,715	1,253
<b>TOTAL</b>	<b>11,043,932</b>	<b>22,627</b>

1. Average of water use in 2012, provided by the City of Avondale.  
Nonresidential includes Commercial, Office, Government, Schools, and City.

<i>Level of Service (LOS) Standards</i>	<i>Residential</i>
Average Residential Gallons Per Day	7,384,216
2012 Development Units (residential connections)	21,374
<b>Current LOS: Gallons per Connection per Day</b>	<b>345</b>

<i>Level of Service (LOS) Standards</i>	<i>Nonresidential</i>
Average Nonresidential Gallons Per Day	3,659,715
2012 Development Units (nonresidential connections)	1,253
<b>Current LOS: Gallons per Connection per Day</b>	<b>2,921</b>

In 2012, each nonresidential water connection averaged 10 jobs. The projected increase in jobs drives the demand for water capacity from nonresidential development.

**RATIO OF SERVICE UNIT TO LAND USE**

ARS § 9-463.05(E)(4) requires:

*“A table establishing the specific level or quantity of use, consumption, generation or discharge of a service unit for each category of necessary public services or facility expansions and an equivalency or conversion table establishing the ratio of a service unit to various types of land uses, including residential, commercial and industrial.”*

Residential Water Facilities development fees are assessed on a per unit basis, based on average day gallons per connection; they assume a residential unit in a multi-unit structure with a single meter would be served by a 0.75" meter. If not, then the corresponding meter size and capacity ratio shown below would be used to establish a ratio of service unit to land use.

Nonresidential development fees are assessed by size and type of water meter needed to serve the development. For nonresidential development fees, capacity ratios by meter size are the appropriate demand indicator for Water Facilities. Capacity ratios equate 5/8" and 3/4" meters to the average day gallons per average single residential unit. *Average Day Gallons* is the most direct relationship between development units, average water usage, and system capacity. The nonresidential water development fees are calculated by multiplying the number of gallons per unit by the capacity ratio for the corresponding size and type of water meter, which are provided by the American Water Works Association (2012) and shown in Figure 75.

**Figure 75: Water Ratio of Service Unit to Land Use**

<i>Residential Development</i>	
Land Use	Average Day Gallons per Connection [1]
Residential Unit	345

[1] City of Avondale. (2012).

Based on 2012 average water use

<i>Nonresidential Development</i>		
Meter Size (inches)		Capacity Ratio [2]
0.75	Displacement	1.00
1.00	Displacement	1.67
1.50	Displacement	3.33
2.00	Compound	5.33
3.00	Compound	10.67
4.00	Compound	16.67
6.00	Compound	33.33

[1] AWWA. (2012). M6 Water Meters–Selection, Installation, Testing and Maintenance, Fifth Edition.

## PROJECTED SERVICE UNITS, DEMAND, AND COSTS FOR SERVICES

ARS § 9-463.05(E)(3) requires:

*“A description of all or the parts of the necessary public services or facility expansions and their costs necessitated by and attributable to development in the service area based on the approved land use assumptions, including a forecast of the costs of infrastructure, improvements, real property, financing, engineering and architectural services, which shall be prepared by qualified professionals licensed in this state, as applicable.”*

ARS § 9-463.05(E)(5) requires:

*“The total number of projected service units necessitated by and attributable to new development in the service area based on the approved land use assumptions and calculated pursuant to generally accepted engineering and planning criteria.”*

ARS § 9-463.05(E)(6) requires:

*“The projected demand for necessary public services or facility expansions required by new service units for a period not to exceed ten years.”*

Over the next ten years, it is projected there will be an increase of 5,194 residential connections and 1,111 nonresidential connections. Average day water demand will increase by 1.79 MGD for residential customers and 3.24 MGD for nonresidential customers. This will result in a total demand of 5.04 MGD in 2023.

**Figure 76: Water Facilities Projected Demand**

Year	Population	Jobs	Demand Unit: Connections			Service Unit: MGD		
			Residential Connections	Nonres. Connections	Total Connections	Residential MGD	Nonres. MGD	Total MGD
Base 2013	77,099	13,317	21,375	1,330	22,705	7.38	3.88	11.27
1 2014	79,446	14,134	21,845	1,411	23,256	7.55	4.12	11.67
2 2015	81,865	15,003	22,325	1,498	23,823	7.71	4.38	12.09
3 2016	84,358	15,931	22,816	1,591	24,407	7.88	4.65	12.53
4 2017	86,926	16,920	23,318	1,690	25,008	8.06	4.94	12.99
5 2018	89,572	17,976	23,830	1,795	25,625	8.23	5.24	13.48
6 2019	92,300	19,104	24,355	1,908	26,263	8.41	5.57	13.99
7 2020	95,110	20,308	24,891	2,028	26,919	8.60	5.92	14.52
8 2021	98,005	21,595	25,438	2,157	27,595	8.79	6.30	15.09
9 2022	100,989	22,970	25,998	2,294	28,292	8.98	6.70	15.68
10 2023	104,064	24,442	26,569	2,441	29,010	9.18	7.13	16.31
<b>Ten Yr Increase</b>	<b>26,965</b>	<b>11,125</b>	<b>5,194</b>	<b>1,111</b>	<b>6,305</b>	<b>1.79</b>	<b>3.24</b>	<b>5.04</b>

Source: TischlerBise. (2014). Development Fee Land Use Assumptions.

**Ground Water Well Facilities**

**Existing System**

The cost per average day gallons for the existing system component of the Water Facilities development fee is based on the share of the system’s value that is attributable to the remaining 13.05 MGD of capacity. As shown in Figure 72 above, the existing system has the capacity to distribute 32.40 MGD, of which 13.05 MGD remains as unused capacity available to serve growth in service units. The remaining capacity represents 40.3 percent (*rounded*) of the full system’s capacity (13.05 MGD / 32.40 MGD). Therefore, 40 percent (\$127,365,757) of the full system’s value (\$316,218,431) equates to the growth share. The growth share value is divided by the capacity available to serve new development (13.05 MGD) to calculate a cost per average day gallon for the existing system component of \$9.76.

**Figure 77: Cost Recovery - Existing System**

Existing Ground Water Well Infrastructure	System Value
Ground Water Wells	\$30,071,639
Water Distribution Lines	\$260,712,979
Pumping Stations	\$1,734,941
Reservoir	\$7,200,058
Land	\$13,836,009
Equipment	\$2,662,805
<b>Total Existing Water System Replacement Cost</b>	<b>\$316,218,431</b>
<b>x Available Percent of Existing Capacity</b>	<b>40.3%</b>
<b>Replacement Cost of Existing Available Capacity</b>	<b>\$127,365,757</b>
<b>÷ Available Capacity (gpd), 2013-2024</b>	<b>13,050,000</b>
<b>Weighted Average Cost per gpd</b>	<b>\$9.76</b>

Source: City of Avondale Fixed Asset Listing adjusted by the Engineering News-Record Construction Cost Index from the acquisition year to 2012

**Planned Improvements**

The City has identified over \$70 million in capital improvements to Water facilities (see Figure 79). Of the planned improvements, about \$32.1 million is for projects that add system capacity and are eligible to be funded with development fee revenue. The identified projects will increase the City’s Water Facilities system capacity to accommodate an additional 8.5 MGD. As shown below, the capacity improving investments (\$32.1 million) is divided by the increase in capacity to the system (8.5 MGD) to calculate a cost per average day gallon of added capacity.

**Figure 78: Plan Based – Capital Improvements Plan**

Planned Water Infrastructure Investments	Planned Cost
Value of Planned Capacity Improvements	\$32,147,324
<b>÷ Increase in Available Capacity (gpd), 2013-2024</b>	<b>8,500,000</b>
<b>Cost per Gallon</b>	<b>\$3.78</b>

Source: City of Avondale Finance & Budget Department.

Figure 79: Water Facilities Capital Plan, 2013-2023

Improvement	CIP No.	Total 10-Yr Project Cost	% Eligible	Planned Impact Fee-Eligible Costs		
				FY 2014-18	FY 2019-23	10-Yr Total
127th Ave Waterline, Lower Buckeye-Dysart	WA1153	\$900,000	100%	\$900,000	\$0	\$900,000
99th Avenue Waterline, Thomas-McDowell	WA1133	\$800,000	100%	\$800,000	\$0	\$800,000
Avondale Waterline, Lower Buckeye-Gila River	WA1139	\$1,000,000	100%	\$1,000,000	\$0	\$1,000,000
Central Avondale Waterlines, Center City Area	WA1318	\$2,700,000	100%	\$0	\$2,700,000	\$2,700,000
Dysart Rd Waterline, Roeser Align-Southern	WA1302	\$1,000,000	100%	\$1,000,000	\$0	\$1,000,000
Dysart Rd Waterline, Whyman-Lower Buckeye	WA1231	\$500,000	100%	\$0	\$500,000	\$500,000
El Mirage Rd. Waterline, Buckeye-Southern	WA1320	\$3,500,000	100%	\$0	\$3,500,000	\$3,500,000
El Mirage, Waterline, Southern-Indian Springs	WA1321	\$1,500,000	100%	\$0	\$1,500,000	\$1,500,000
Future Well, North of I-10	WA1131	\$2,500,000	100%	\$0	\$2,500,000	\$2,500,000
Future Well, North of Van Buren	WA1142	\$2,500,000	100%	\$0	\$2,500,000	\$2,500,000
McDowell Rd Waterline, 117th-Avondale	WA1135	\$500,000	100%	\$500,000	\$0	\$500,000
S Avondale Waterlines, Lwr Buckeye-Southern	WA1323	\$1,000,000	100%	\$0	\$1,000,000	\$1,000,000
Southern Ave. Waterline, Dysart-El Mirage	WA1322	\$1,200,000	100%	\$0	\$1,200,000	\$1,200,000
Tertiary Filters WRF	WA1304	\$2,000,000	100%	\$2,000,000	\$0	\$2,000,000
Well #22, Van Buren /Avondale	WA1201	\$1,500,000	100%	\$1,500,000	\$0	\$1,500,000
Well #26	WA1090	\$2,500,000	100%	\$2,500,000	\$0	\$2,500,000
Well #27 Corporate/El Mirage	WA1214	\$2,500,000	100%	\$0	\$2,500,000	\$2,500,000
Well Acquisition/Relocation, McDowell/107th	WA1315	\$2,500,000	100%	\$0	\$2,500,000	\$2,500,000
Wellhead Treatment	WA1068	\$1,500,000	100%	\$1,500,000	\$0	\$1,500,000
Booster Station Upgrades	WA1283	\$300,000	0%	\$0	\$0	\$0
CDBG Waterline Improvements	WA1162	\$2,250,000	0%	\$0	\$0	\$0
Central-Western Ave Waterline Replacement	WA1282	\$1,500,000	0%	\$0	\$0	\$0
City-wide Water Improvements	WA1057	\$3,300,000	0%	\$0	\$0	\$0
Rio Vista Waterline Replacement	WA1169	\$2,900,000	0%	\$0	\$0	\$0
Water Dist - 1st Ave, Wyman to Locust - Kill 4"	n/a	\$125,000	0%	\$0	\$0	\$0
Water Dist - County Line Road - 127th to E	n/a	\$165,000	0%	\$0	\$0	\$0
Water Dist - Dysart Road - Wolf to Elwood	n/a	\$1,100,000	0%	\$0	\$0	\$0
Water Dist - Harrison - 7th to Dysart	n/a	\$100,000	0%	\$0	\$0	\$0
Water Dist - Holy Acres Replace 6" Water Main	n/a	\$300,000	0%	\$0	\$0	\$0
Water Dist - ISR - 107th to 103rd	n/a	\$150,000	0%	\$0	\$0	\$0
Water Dist - Main - Litchfield to Central	n/a	\$850,000	0%	\$0	\$0	\$0
Water Dist- Meter Replacement Program	n/a	\$1,600,000	0%	\$0	\$0	\$0
Water Dist - Pioneer - 127th to E - New 8"/6"	n/a	\$150,000	0%	\$0	\$0	\$0
Water Dist - Pioneer - 127th to E - w/Easement	n/a	\$100,000	0%	\$0	\$0	\$0
Water Dist - Replace Western - Central to 1st	n/a	\$200,000	0%	\$0	\$0	\$0
Water Dist - Rigby - Rosier to Sunland	n/a	\$200,000	0%	\$0	\$0	\$0
Water Dist. - MC 85 - 2nd to 7th	n/a	\$900,000	0%	\$0	\$0	\$0
Water Prod - Recoat Northside Reservoirs	n/a	\$1,900,000	0%	\$0	\$0	\$0
Water Prod - Upgrade to Northside Pumping	n/a	\$1,500,000	0%	\$0	\$0	\$0
Water Prod - Well & Booster Meter Replacement	n/a	\$400,000	0%	\$0	\$0	\$0
Water Treat - Del Rio Upgrade	n/a	\$4,000,000	0%	\$0	\$0	\$0
Water Treat - Expand Nitrate Removal System	n/a	\$3,000,000	0%	\$0	\$0	\$0
Water Treat - New Chlorine Generator Well 19	n/a	\$1,550,000	0%	\$0	\$0	\$0
Well #7 Site Improvements	WA1298	\$3,000,000	0%	\$0	\$0	\$0
Well #8 Rehab, Gateway Booster Station	WA1314	\$1,000,000	0%	\$0	\$0	\$0
Well Rehabilitation/Screen Modifications	WA1284	\$6,000,000	0%	\$0	\$0	\$0
Impact Fee Study Updates	WA1329	\$47,324	100%	\$23,662	\$23,662	\$47,324
<b>Total</b>		<b>\$70,687,324</b>		<b>\$11,723,662</b>	<b>\$20,423,662</b>	<b>\$32,147,324</b>

Source: City of Avondale Finance &amp; Budget Department.

### Debt Service

The City's water system has no existing deficiencies on a system-wide basis, because existing capacity is greater than current demand. The City has no source of funds for capacity expansion projects other than water rates and Water Facilities development fees. The City has not received any outside grants in recent years to fund capacity-expanding projects, nor does it anticipate any such funding over the next ten years. However, the City does have almost \$26 million in outstanding debt on existing Water facilities; a summary of which is shown below.

**Figure 80: Water Facilities Debt Service**

Bond Series	Purpose	Original Amount	Total 6/30/2014	Total Capacity
2002 MDC Bonds	Water	\$13,000,000	\$1,582,608	\$1,582,608
2003B GO Refunding Bonds	Water (wetlands)	\$2,914,286	\$933,333	\$933,333
2004 MDC Bonds	Water	\$9,300,000	\$4,796,250	\$4,796,250
2005 GO Refunding Bonds	Water (wetlands)	\$4,145,000	\$1,655,000	\$1,655,000
2005 MDC Bonds	Water	\$5,000,605	\$4,368,233	\$4,368,233
2008 MDC Bonds	Water Lines, Well, Reservoir	\$15,000,000	\$12,380,000	\$12,380,000
2010 Water/Sewer Refunding	Water	\$567,525	\$209,902	\$209,902
Total Outstanding, Water			\$25,925,326	\$25,925,326

Source: City of Avondale Finance & Budget Department.

While future debt service payments will include principal and interest costs, the debt service offset to the Water Facilities development fees is calculated based on the outstanding principal only. No financing or interest costs have been included in determining the improvement costs, and it would be inconsistent to provide an offset for a cost component that is not included in the fee calculation. The simplest and most reasonable approach to calculating the offset is to determine the current amount of outstanding debt principal per existing average day gallons of demand. This represents the cost of existing Water Facilities that is being paid by existing development. **Deducting the \$1.40 offset from the gross cost per gallon puts new development on an equal footing with existing development.**

**Figure 81: Water Facilities Debt Service Offset**

Existing Water Facilities Debt Service	System Value
Total Outstanding Debt Principal	\$25,925,326
x Percent of Existing Capacity Used by Existing Customers	59.7%
Outstanding Debt Attributable to Existing Customers	\$15,483,181
÷ Existing Usages (gpd)	11,043,932
Debt Offset per Average Day Gallon	\$1.40

Source: City of Avondale Finance & Budget Department.

## Water Resources

### **Water Resource Recharge Obligation**

The City’s available and unused capacity to recharge water at the NAUSP is the basis for the Water Resource Recharge component. The City’s NAUSP is currently unused. Consequently, the entire 1.79 MGD capacity of the NAUSP is available for new service units. The Obligation is valued at \$1,620,139; with a capacity of 1.79 MGD, the water resource recharge component cost per average day gallon is \$0.91.

**Figure 82: Cost Recovery – Existing Water Resource Recharge Obligation**

Water Resource Recharge	Obligation
Obligation Cost of New River-Agua Fria River USP	\$1,620,139
÷ Available Water Recharge Capacity (gpd), 2013-2024	1,790,000
Water Recharge Cost per gpd	\$0.91

Source: City of Avondale Finance & Budget Department.

### **Excluded Costs**

Development fees in Avondale exclude costs to upgrade, update, improve, expand, correct or replace those necessary public services to meet existing needs and usage, stricter safety, efficiency, environmental or regulator standards. The City of Avondale Capital Improvement Plan includes the cost of these excluded items.

### **Current Use and Available Capacity**

The Water Facilities discussed above will serve existing and new development. Only the portion of each project that is attributable to growth, as calculated above, will be eligible for Water Facilities development fee revenue.

## **MAXIMUM SUPPORTABLE WATER FACILITIES DEVELOPMENT FEES**

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The Maximum Supportable development fees for Water Facilities are shown below. The development fee is derived from the average daily water flow per residential unit (345), multiplied by the net cost per gallon of capacity.

Residential Water Facilities development fees are assessed on a per unit basis, based on average day gallons per connection; they assume a residential unit in a multi-unit structure with a single meter would be served by a 0.75” meter. If not, then the corresponding meter size shown below would be used to determine the appropriate fee.

### **IIP and Development Fee Study**

Included in the Water Facilities per service unit cost is the cost to prepare the Water Facilities IIP and Development Fee Study. See **Appendix A – Cost of Professional Services** for the detailed calculations.

**Revenue Credit**

Included in the maximum supportable development fees is a *Revenue Credit* of 0 percent. The unadjusted Water Facilities development fees would not generate more revenue over the next ten years, based on the approved [Land Use Assumptions](#), than the identified growth-related costs of \$82,979,263 (necessary public services plus the IIP and Development Fee Study cost). To ensure that no more fee revenue is collected than the City plans to spend, the unadjusted development fee per Gallon of Capacity is reduced by the revenue credit to calculate the net development fee per development unit. Based on the gross capital costs per service unit minus the debt offset, the projected development fee revenue would not exceed the necessary public services. Therefore, no revenue credit is necessary.

**Figure 83: Maximum Supportable Water Facilities Development Fees**

<i>Demand Indicators</i>	
ERU Gallons per Average Day	345
<i>Cost Factors per Gallon of Capacity</i>	
Cost Recovery -Existing Groundwater System	\$9.76
Plan Based - Ground Water Well Expansions	\$3.78
Plan Based - Water Resource Recharge Obligation	\$0.91
IIP and Development Fee Study	\$0.01
Gross Cost per Gallon of Capacity	\$14.46
<i>Credits per Gallon</i>	
Debt Offset	(\$1.00)
Revenue Credit	0% (\$0.00)
Net Cost per Gallon of Capacity	\$13.46

<i>Maximum Supportable Water Facilities Charge</i>					
<b>Residential</b>					
Residential (per dwelling unit)					\$4,651
<b>Nonresidential</b>					
Meter Size (inches)		Capacity Ratio <sup>1</sup>	Per Meter	Current Fees	Difference
0.75	Displacement	1.00	\$4,651	\$5,251	(\$600)
1.00	Displacement	1.67	\$7,767	\$8,833	(\$1,066)
1.50	Displacement	3.33	\$15,488	\$16,985	(\$1,497)
2.00	Compound	5.33	\$24,790	\$27,067	(\$2,277)
3.00	Compound	10.67	\$49,627	\$56,248	(\$6,621)
4.00	Compound	16.67	\$77,533	\$86,800	(\$9,267)
6.00	Compound	33.33	\$155,021	-	-

1. AWWA. (2012). M6 Water Meters–Selection, Installation, Testing and Maintenance, Fifth Edition.

**FORECAST OF REVENUES**

**Appendix B – Forecast of Revenues Other Than Development Fees** contains a forecast of revenue other than development fees required by Arizona’s enabling legislation.

**Water Facilities Cash Flow**

The cash flow summary shown below provides an indication of the 10-year projected necessary expenditures to meet the demand for growth-related Water Facilities. To the extent the rate of development either accelerates or slows down, there will be a corresponding change in the development fee revenue and capital costs. **The deficit shown reflects the value of existing system capacity that will remain as excess capacity after ten years of projected growth.**

**Figure 84: Water Facilities Cash Flow Summary**

<i>Ten-Year Growth-Related Costs</i>	
Growth Share of Existing System [1]	\$49,183,406
Plan Based - Ground Water Well Expansions	\$32,147,324
Plan Based - Water Resource Recharge Obligation	\$1,620,139
IIP and Development Fee Study	\$28,394
<b>TOTAL</b>	<b>\$82,979,263</b>

[1] Represents approximately ten years of new demand for existing systems

		<i>Projected Demand</i>	
		<i>Residential</i>	<i>Nonresidential</i>
		<b>\$13.46</b>	
		<b>MGD</b>	
	<i>Year</i>		
Base	2013	7.38	3.88
Year 1	2014	7.55	4.12
Year 2	2015	7.71	4.38
Year 3	2016	7.88	4.65
Year 4	2017	8.06	4.94
Year 5	2018	8.23	5.24
Year 6	2019	8.41	5.57
Year 7	2020	8.60	5.92
Year 8	2021	8.79	6.30
Year 9	2022	8.98	6.70
Year 10	2023	9.18	7.13
	<i>Ten-Yr Increase</i>	1.79	3.24
	Projected Fees ( <i>Rounded</i> ) =>	\$24,157,845	\$43,686,565
		<b>Total Projected Revenues</b>	<b>\$67,844,410</b>
		Cumulative Net Surplus/( <b>Deficit</b> )	<b>(\$15,134,853)</b>

Source: TischlerBise. (2014).

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## WASTEWATER FACILITIES – INFRASTRUCTURE IMPROVEMENTS PLAN

### OVERVIEW

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ARS § 9-463.05 (T)(7)(b) defines the facilities and assets that can be included in the Wastewater Facilities IIP:

“Wastewater facilities, including collection, interception, transportation, treatment and disposal of wastewater, and any appurtenances for those facilities.”

The Wastewater Facilities IIP includes a component for the capacity of the wastewater treatment system to serve new growth, the cost of preparing the Wastewater Facilities IIP and Development Fee Study, and a credit for future contributions to existing debt service.

### SERVICE AREA

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The service area for the Wastewater Facilities IIP is the Base Service Area.

### PROPORTIONATE SHARE

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ARS § 9-463.05 (B)(3) states that the development fee shall not exceed a proportionate share of the cost of necessary public services needed to provide necessary public services to the development.

The Wastewater Facilities IIP and development fees are assessed on both residential and nonresidential development as both types of development create a burden for additional Wastewater Facilities. Customers by land use are used to determine the proportionate share of this burden. In 2012, approximately 97% of Wastewater customers in Avondale were residential units, accounting for 77% of the average day demand. Approximately 3% were nonresidential customers, accounting for 23% of the average day demand.

### IIP FOR WASTEWATER FACILITIES

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For each necessary public service that is the subject of a development fee, ARS § 9-463.05(E) requires the IIP to include seven elements. The sections below detail each of the required components of the Wastewater Facilities IIP. (A forecast of new revenues generated by development can be found in **Appendix B – Forecast of Revenues Other Than Development Fees.**)

### ANALYSIS OF COSTS, CAPACITY, AND USAGE OF EXISTING PUBLIC SERVICES

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ARS § 9-463.05(E)(1) requires:

*“A description of the existing necessary public services in the service area and the costs to upgrade, update, improve, expand, correct or replace those necessary public services to meet existing needs and usage and stricter safety, efficiency, environmental or regulatory standards, which shall be prepared by qualified professionals licensed in this state, as applicable.”*

ARS § 9-463.05(E)(2) requires:

*“An analysis of the total capacity, the level of current usage and commitments for usage of capacity of the existing necessary public services, which shall be prepared by qualified professionals licensed in this state, as applicable.”*

Avondale has one wastewater treatment plant, which it plans to expand as necessary to serve growth. The current capacity of the Charles M. Wolf plant is 9.00 million gallons a day (MGD). According to the City of Avondale Utilities Department, current usage is approximately 5.44 MGD, leaving 3.56 MGD of excess capacity to serve new growth. In addition, the City has a ten-year capital improvements plan to increase the capacity of the Charles M. Wolf plant by 3.00 MGD.

**Figure 85: Wastewater Plant Capacity**

<i>Water Source</i>	<i>Total Capacity (MGD)</i>	<i>Usage (MGD)</i>	<i>Remaining</i>
Charles M. Wolf Wastewater Treatment Plant, 2013	9.00	5.44	3.56
Charles M. Wolf Wastewater Treatment Plant Expansion	3.00		3.00
<b>Total</b>	<b>12.00</b>	<b>5.44</b>	<b>6.56</b>

Source: City of Avondale Utilities Department

Level of service for Wastewater Facilities is based on gallons per connection per day. The current level of service for residential development for wastewater service is 226 average day gallons per connection. For nonresidential connections, wastewater demand averages 2,149 average day gallons per connection.

**Figure 86: Wastewater Level of Service**

	<i>Avg Gallons per Day<sup>1</sup></i>	<i>2012 Connections</i>
Residential	4,667,649	20,614
Nonresidential	1,405,526	654
<b>TOTAL</b>	<b>6,073,175</b>	<b>21,268</b>

1. Average of waste water use in 2012, provided by the City of Avondale.  
Nonresidential includes Commercial, Office, Government, Schools, and City.

<i>Level of Service (LOS) Standards</i>	<i>Residential</i>
Average Residential Gallons Per Day	4,667,649
2012 Development Units (residential connections)	20,614
<b>Current LOS: Gallons per Connection per Day</b>	<b>226</b>

<i>Level of Service (LOS) Standards</i>	<i>Nonresidential</i>
Average Nonresidential Gallons Per Day	1,405,526
2012 Development Units (nonresidential connections)	654
<b>Current LOS: Gallons per Connection per Day</b>	<b>2,149</b>

In 2012, each nonresidential wastewater connection averaged 19 jobs. The projected increase in jobs drives the demand for wastewater capacity from nonresidential development.

**RATIO OF SERVICE UNIT TO DEVELOPMENT UNIT**

ARS § 9-463.05(E)(4) requires:

*“A table establishing the specific level or quantity of use, consumption, generation or discharge of a service unit for each category of necessary public services or facility expansions and an equivalency or conversion table establishing the ratio of a service unit to various types of land uses, including residential, commercial and industrial.”*

Residential Wastewater Facilities development fees are assessed on a per unit basis, based on average day gallons per connection; they assume a residential unit in a multi-unit structure with a single meter would be served by a 0.75" meter. If not, then the corresponding meter size and capacity ratio shown below would be used to establish a ratio of service unit to land use.

For nonresidential Wastewater Facilities development fees, capacity ratios by meter size are the appropriate demand indicator for Wastewater Facilities. Capacity ratios equate 5/8" and 3/4" meters to the average day gallons per average single residential unit. *Average Day Gallons* is the most direct relationship between development units, usage, and system capacity. The nonresidential Wastewater Facilities development fees are calculated by multiplying the number of gallons per unit by the capacity ratio for the corresponding size and type of water meter, which are provided by the American Water Works Association (2012) and shown in below.

**Figure 87: Wastewater Facilities Ratio of Service Unit to Land Use**

<i>Residential Development</i>	
Land Use	Average Day Gallons per Connection [1]
Residential Unit	226

[1] City of Avondale. (2012).

Based on 2012 average water use

<i>Charles M. Wolf Wastewater Treatment Plant Expansion</i>		
Meter Size (inches)		Capacity Ratio [2]
0.75	Displacement	1.00
1.00	Displacement	1.67
1.50	Displacement	3.33
2.00	Compound	5.33
3.00	Compound	10.67
4.00	Compound	16.67
6.00	Compound	33.33

[2] AWWA. (2012). M6 Water Meters–Selection, Installation, Testing and Maintenance, Fifth Edition.

**PROJECTED SERVICE UNITS, DEMAND, AND COSTS FOR SERVICES**

ARS § 9-463.05(E)(3) requires:

*“A description of all or the parts of the necessary public services or facility expansions and their costs necessitated by and attributable to development in the service area based on the approved land use assumptions, including a forecast of the costs of infrastructure, improvements, real property, financing, engineering and architectural services, which shall be prepared by qualified professionals licensed in this state, as applicable.”*

ARS § 9-463.05(E)(5) requires:

*“The total number of projected service units necessitated by and attributable to new development in the service area based on the approved land use assumptions and calculated pursuant to generally accepted engineering and planning criteria.”*

ARS § 9-463.05(E)(6) requires:

*“The projected demand for necessary public services or facility expansions required by new service units for a period not to exceed ten years.”*

Over the next ten years, it is projected there will be an increase of 5,009 residential connections, 580 nonresidential connections, 1.13 residential MGD and 1.25 nonresidential MGD. The total projected need for Wastewater facilities capacity in 2023 will be 2.38 MGD.

**Figure 88: Projected Wastewater Demand**

Year	Population	Jobs	Demand Unit: Connections			Service Unit: MGD		
			Residential Connections	Nonres. Connections	Total Connections	Residential MGD	Nonres. MGD	Total MGD
Base 2013	77,099	13,317	20,615	694	21,309	4.67	1.49	6.16
1 2014	79,446	14,134	21,068	737	21,805	4.77	1.58	6.35
2 2015	81,865	15,003	21,532	782	22,314	4.88	1.68	6.56
3 2016	84,358	15,931	22,005	830	22,835	4.98	1.78	6.77
4 2017	86,926	16,920	22,489	882	23,371	5.09	1.90	6.99
5 2018	89,572	17,976	22,983	937	23,920	5.20	2.01	7.22
6 2019	92,300	19,104	23,489	996	24,485	5.32	2.14	7.46
7 2020	95,110	20,308	24,006	1,059	25,065	5.44	2.28	7.71
8 2021	98,005	21,595	24,533	1,126	25,659	5.56	2.42	7.97
9 2022	100,989	22,970	25,073	1,197	26,270	5.68	2.57	8.25
10 2023	104,064	24,442	25,624	1,274	26,898	5.80	2.74	8.54
<b>Ten Yr Increase</b>	<b>26,965</b>	<b>11,125</b>	<b>5,009</b>	<b>580</b>	<b>5,589</b>	<b>1.13</b>	<b>1.25</b>	<b>2.38</b>

Source: TischlerBise. (2014). Development Fee Land Use Assumptions.

### Cost per Gallon of Capacity

The cost per average day gallon for the Wastewater Facilities development fee includes the valuation of existing capacity to serve new growth, and the value of planned improvements to provide capacity for additional growth.

As shown in Figure 85 above, The City of Avondale will provide 6.56 MGD of water facilities capacity for new growth. At present the wastewater treatment plant has the capacity to process 9.00 MGD, of which 3.56 MGD remains as unused capacity available to serve growth in service units. The remaining capacity represents 39.6 percent (*rounded*) of the full system's capacity (3.56 MGD / 9.00 MGD). Therefore, 39.6 percent (\$170,968,708) of the full systems value (\$431,739,161) equates to the growth share of system capacity.

The City has identified over \$87.5 million in capital improvements to Wastewater facilities (see Figure 90). Of the identified planned improvements, about \$64.3 million is for projects that add system capacity and are eligible for development fee revenue. The identified projects will increase the City's Wastewater facilities system capacity by 3.00 MGD (see Figure 85).

In combination, the cost to provide 6.56 MGD of capacity for new growth equates to \$235,291,032. Therefore, the cost per average day gallon is \$35.87.

**Figure 89: Plan Based – Wastewater Treatment Facilities**

Wastewater Treatment Plant Infrastructure	Cost of Excess Capacity
Charles M. Wolf Wastewater Treatment Plant	\$104,112,895
Wastewater Collection Lines	\$324,052,966
Lift Stations	\$325,856
Land	\$2,443,702
Equipment	\$803,742
<b>Total Existing Wastewater System Replacement Cost</b>	<b>\$431,739,161</b>
<b>x Available Percent of Existing Capacity</b>	<b>39.6%</b>
<b>Replacement Cost of Existing Available Capacity</b>	<b>\$170,968,708</b>
<b>Planned Capacity Improvements</b>	<b>\$64,322,324</b>
<b>Value of Waste Water Facilities Excess Capacity</b>	<b>\$235,291,032</b>
<b>÷ Available Capacity (gpd)</b>	<b>6,560,000</b>
<b>Weighted Cost per Service Unit (GPD)</b>	<b>\$35.87</b>

Source: City of Avondale Fixed Asset Listing adjusted by the Engineering News-Record Construction Cost Index from the acquisition year to 2012

Figure 90: Wastewater Capital Plan, 2013-2023

Improvement	CIP No.	Total 10-Yr Project Cost	% Eligible	Planned Capacity Improving Costs		
				FY 2014-18	FY 2019-23	10-Year Total
Lift Station - Southern and Dysart	SW1233	\$3,500,000	100%	\$0	\$3,500,000	\$3,500,000
Southern Ave Sewerline - Dysart to Avondale	SW1234	\$3,200,000	100%	\$0	\$3,200,000	\$3,200,000
Phase II Expansion Reclamation Facility	SW1237	\$45,000,000	100%	\$0	\$45,000,000	\$45,000,000
South Avondale/PIR Sewer Line	SW1295	\$2,800,000	100%	\$2,800,000	\$0	\$2,800,000
Tertiary Filters - WRF	SW1304	\$5,400,000	100%	\$5,400,000	\$0	\$5,400,000
Secondary Clarifier at WRF	SW1325	\$3,000,000	100%	\$3,000,000	\$0	\$3,000,000
Centrifuge Additional at WRF	SW1326	\$1,000,000	100%	\$1,000,000	\$0	\$1,000,000
Central/Western Sewer Line Upsizing	SW1282	\$1,500,000	25%	\$375,000	\$0	\$375,000
WRF Master Plan Projects	n/a	\$8,500,000	0%	\$0	\$0	\$0
WRF Headworks Crane Installation	n/a	\$200,000	0%	\$0	\$0	\$0
WRF Maintenance Projects	n/a	\$1,350,000	0%	\$0	\$0	\$0
Lift Station Rehabilitation	n/a	\$1,920,000	0%	\$0	\$0	\$0
Lift Station SCADA (Phase 1 and 2)	n/a	\$250,000	0%	\$0	\$0	\$0
Collection System - Manhole Rehabilitation	n/a	\$500,000	0%	\$0	\$0	\$0
Collection System - Sewerline Rehabilitation	n/a	\$5,006,000	0%	\$0	\$0	\$0
Collection System - Large Pipe Inspection	n/a	\$375,000	0%	\$0	\$0	\$0
Collection System - Odor Control System	n/a	\$80,000	0%	\$0	\$0	\$0
City-wide Sewer Improvements	SW1047	\$970,000	0%	\$0	\$0	\$0
10th St Lift Station Back-up Force Main	SW1108	\$2,000,000	0%	\$0	\$0	\$0
McDowell/119th Sewer Replacement	SW1270	\$200,000	0%	\$0	\$0	\$0
Fire Protection System - WRF	SW1313	\$700,000	0%	\$0	\$0	\$0
Impact Fee Study Updates	SW1329	\$47,324	100%	\$23,662	\$23,662	\$47,324
<b>Subtotal, Planned Wastewater Improvements</b>		<b>\$87,498,324</b>	<b>-</b>	<b>\$12,598,662</b>	<b>\$51,723,662</b>	<b>\$64,322,324</b>

Source: City of Avondale Finance & Budget Department.

## Debt Service

The City's Wastewater Facilities have no existing deficiencies on a system-wide basis, because existing capacity is greater than current demand. The City has no source of funds for capacity expansion projects other than wastewater rates and development fees. The City has not received any outside grants in recent years to fund capacity-expanding projects, nor does it anticipate any such funding over the next ten years. However, the City does have over \$18.85 million in outstanding debt on existing Wastewater facilities, a summary of which is shown below.

**Figure 91: Wastewater Facilities Debt Service**

Bond	Name	Original Amount	Total 6/30/2014	Total Capacity
2002 MDC Bonds	Wastewater	\$3,800,000	\$462,609	\$462,609
2005 MDC Bonds	Wastewater	\$1,461,716	\$1,276,869	\$1,276,869
2005 MDC Bonds	Wastewater	\$1,489,315	\$1,300,978	\$1,300,978
2006 MDC Bonds	Wastewater	\$8,750,000	\$6,574,324	\$6,574,324
2009 GO Bonds	Wastewater - WWTP Expansion II	\$7,800,000	\$6,255,705	\$6,255,705
2010 Water/Sewer Refunding	Wastewater - WWTP Expansion I	\$8,057,475	\$2,980,098	\$2,980,098
<b>Total</b>		<b>\$31,358,506</b>		<b>\$18,850,583</b>

Source: City of Avondale Finance & Budget Department.

While future debt service payments will include both principal and interest costs, the debt service offset to the Wastewater Facilities development fee is calculated based on the outstanding principal only. No financing or interest costs have been included in determining the improvement costs, and it would be inconsistent to provide an offset for a cost component that is not included in the fee calculation. The simplest and most reasonable approach to calculating the offset is to determine the current amount of outstanding debt principal per existing average day gallons. This represents the cost of existing Wastewater facilities that is being paid for by existing development. **Deducting this amount from the cost per gallon puts new development on an equal footing with existing development.**

**Figure 92: Wastewater Debt Services Offset**

Existing Wastewater Facilities Debt Service	System Value
Total Outstanding Debt Principal	\$18,850,583
x Percent of Existing Capacity Used by Existing Customers	60.4%
Outstanding Debt Attributable to Existing Customers	\$11,385,752
÷ Existing Usage	6,073,175
Debt Offset per Service Unit (gpd)	\$2.00

Source: City of Avondale Finance & Budget Department.

### Excluded Costs

Development fees in Avondale exclude costs to upgrade, update, improve, expand, correct or replace those necessary public services to meet existing needs and usage, stricter safety, efficiency, environmental or regulator standards. The City of Avondale Capital Improvement Plan includes the cost of these excluded items.

### Current Use and Available Capacity

The Wastewater Facilities discussed above will serve existing and new development. Only the portion of each project that is attributable to growth, as calculated above, will be eligible for Wastewater Facilities development fee revenue.

### MAXIMUM SUPPORTABLE WASTEWATER FACILITIES DEVELOPMENT FEES

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The Maximum Supportable development fees for Wastewater Facilities are shown below. The development fee is derived from the average daily demand per residential unit (226 gallons), multiplied by the net cost per gallon (\$33.89).

Residential Water Facilities development fees are assessed on a per unit basis, based on average day gallons per connection; they assume a residential unit in a multi-unit structure with a single meter would be served by a 0.75" meter. If not, then the corresponding meter size shown below would be used to determine the appropriate fee.

### IIP and Development Fee Study

Included in the Wastewater Facilities per service unit cost is the cost to prepare the Wastewater Facilities IIP and Development Fee Study. See **Appendix A – Cost of Professional Services** for the detailed calculations.

**Revenue Credit**

Included in the maximum supportable development fees is a *Revenue Credit* of 11 percent. The unadjusted Wastewater Facilities development fees would generate more revenue over the next ten years, based on the approved [Land Use Assumptions](#), than the identified growth-related share of existing systems and planned investments (i.e., necessary public services plus the IIP and Development Fee Study cost). To ensure that no more fee revenue is collected than the City plans to spend, the unadjusted development fee per Gallon of Capacity is reduced by the revenue credit to calculate the net cost per gallon of capacity. Based on the gross capital costs per gallon of capacity, the projected development fee revenue would equal exceed the growth share of costs. Therefore, a *Revenue Credit* of 11 percent (rounded) is necessary to ensure no more revenue is collected than is attributable to growth-related necessary public services for Wastewater Facilities.

**Figure 93: Maximum Supportable Wastewater Development Fees**

<i>Demand Indicators</i>	
ERU Gallons per Average Day	226
<i>Cost Factors per Gallon of Capacity</i>	
Wastewater Treatment Plant	\$35.87
IIP and Development Fee Study	\$0.02
Gross Cost per Gallon of Capacity	\$35.89
<i>Credits per Gallon</i>	
Debt Offset	(\$2.00)
Revenue Credit	11% (\$3.94)
Net Cost per Gallon of Capacity	\$29.95

<i>Maximum Supportable Wastewater Facilities Charge</i>					
<b>Residential</b>					
Residential (per dwelling unit)					<b>\$6,781</b>
<b>Nonresidential</b>					
<i>Meter Size (inches)</i>		<i>Capacity Ratio</i> <sup>1</sup>	<b>Per Meter</b>	<b>Current Fees</b>	<b>Difference</b>
0.75	Displacement	1.00	<b>\$6,781</b>	\$5,493	\$1,288
1.00	Displacement	1.67	<b>\$11,324</b>	\$9,270	\$2,054
1.50	Displacement	3.33	<b>\$22,580</b>	\$17,908	\$4,672
2.00	Compound	5.33	<b>\$36,143</b>	\$28,575	\$7,568
3.00	Compound	10.67	<b>\$72,354</b>	\$59,450	\$12,904
4.00	Compound	16.67	<b>\$113,040</b>	\$91,774	\$21,266
6.00	Compound	33.33	<b>\$226,013</b>	-	-

**FORECAST OF REVENUES**

**Appendix B – Forecast of Revenues Other Than Development Fees** contains a forecast of revenue other than development fees required by Arizona’s enabling legislation.

**Wastewater Facilities Cash Flow**

The cash flow summary shown below provides an indication of the 10-year projected necessary expenditures to meet the demand for growth-related Wastewater Facilities. To the extent the rate of development either accelerates or slows down, there will be a corresponding change in the development fee revenue and capital costs. **The deficit shown reflects the value of existing system capacity that will remain as excess capacity after ten years of projected growth.**

**Figure 94: Wastewater Facilities Cash Flow Summary**

<i>Ten-Year Growth-Related Costs</i>	
Cost of Planned Capacity Improvements	\$64,322,324
Growth Share of Principal Debt Service [1]	\$7,464,831
IIP and Development Fee Study	\$21,296
<b>TOTAL</b>	<b>\$71,808,451</b>

[1] Growth share of total remaining debt obligation for existing systems

		<i>Projected Demand</i>	
		<i>Residential</i>	<i>Nonresidential</i>
		<b>\$29.95</b>	
		<b>MGD</b>	
Base	2013	4.67	1.49
Year 1	2014	4.77	1.58
Year 2	2015	4.88	1.68
Year 3	2016	4.98	1.78
Year 4	2017	5.09	1.90
Year 5	2018	5.20	2.01
Year 6	2019	5.32	2.14
Year 7	2020	5.44	2.28
Year 8	2021	5.56	2.42
Year 9	2022	5.68	2.57
Year 10	2023	5.80	2.74
	<i>Ten-Yr Increase</i>	1.13	1.25
	Projected Fees ( <i>Rounded</i> ) =>	\$33,966,423	\$37,329,483
	<b>Total Projected Revenues</b>	<b>\$71,295,906</b>	
	Cumulative Net Surplus/( <i>Deficit</i> )	<b>(\$512,545)</b>	

Source: TischlerBise. (2014).

## APPENDIX A – COST OF PROFESSIONAL SERVICES

The table below displays each section of the IIP and Development Fee Study. Each necessary public service is attributed a cost, followed by the proportion that is assessed against residential and nonresidential. Then, it displays the increase in service units from 2013 to 2018, and finally the cost per service unit to be assessed. (Because development fees are updated at least every five years, the cost is assessed against the service units for only 5 years.)

**Figure A95: IIP and Development Fee Report**

Libraries Development Fee Report

Service Unit	Residential & Nonresidential	
<b>Proportionate Share</b>	<b>100%</b>	
Consultant Fee	\$7,493	\$7,493
Demand Unit	Functional Pop.	
Increase in Demand Unit	2013-2018	10,785
Cost per Demand Unit	\$0.69	

Parks and Recreation Development Fee Report

Service Unit	Residential & Nonresidential	
<b>Proportionate Share</b>	<b>100%</b>	
Consultant Fee	\$14,198	\$14,198
Demand Unit	Functional Pop.	
Increase in Demand Unit	2013-2018	10,785
Cost per Demand Unit	\$1.32	

Water Facilities Fee Report

Service Unit	Residential & Nonresidential	
<b>Proportionate Share</b>	<b>100%</b>	
Consultant Fee	\$28,394	\$28,394
Demand Unit	Average Day Gallons	
Increase in Demand Unit	2013-2018	2,206,299
Cost per Demand Unit	\$0.01	

WasteWater Fee Report

Service Unit	Residential & Nonresidential	
<b>Proportionate Share</b>	<b>100%</b>	
Consultant Fee	\$21,296	\$21,296
Demand Unit	Average Day Gallons	
Increase in Demand Unit	2013-2018	1,058,425
Cost per Demand Unit	\$0.02	

General Government Development Fee Report

Service Unit	Residential & Nonresidential	
<b>Proportionate Share</b>	<b>100%</b>	
Consultant Fee	\$7,493	\$7,493
Demand Unit	Functional Pop.	
Increase in Demand Unit	2013-2018	10,785
Cost per Demand Unit	\$0.69	

Street Development Fee Report

Service Unit	Residential & Nonresidential	
<b>Proportionate Share</b>	<b>100%</b>	
Consultant Fee	\$24,845	\$24,845
Demand Unit	Vehicle Mile of Travel	
Increase in Demand Unit	2013-2018	213,021
Cost per Demand Unit	\$0.12	

Police Development Fee Report

Service Unit	Residential & Nonresidential	
<b>Proportionate Share</b>	<b>100%</b>	
Consultant Fee	\$14,198	\$14,198
Demand Unit	Functional Pop.	
Increase in Demand Unit	2013-2018	10,785
Cost per Demand Unit	\$1.32	

Fire Development Fee Report

Service Unit	Residential & Nonresidential	
<b>Proportionate Share</b>	<b>100%</b>	
Consultant Fee	\$14,198	\$14,198
Demand Unit	Functional Pop.	
Increase in Demand Unit	2013-2018	10,785
Cost per Demand Unit	\$1.32	

Source: TischlerBise. (2014).

## APPENDIX B – FORECAST OF REVENUES OTHER THAN DEVELOPMENT FEES

ARS § 9-463.05(E)(7) requires:

*“A forecast of revenues generated by new service units other than development fees, which shall include estimated state-shared revenue, highway users revenue, federal revenue, ad valorem property taxes, construction contracting or similar excise taxes and the capital recovery portion of utility fees attributable to development based on the approved land use assumptions, and a plan to include these contributions in determining the extent of the burden imposed by the development as required in subsection B, paragraph 12 of this section.”*

ARS § 9-463.05(B)(12) states,

*“The municipality shall forecast the contribution to be made in the future in cash or by taxes, fees, assessments or other sources of revenue derived from the property owner towards the capital costs of the necessary public service covered by the development fee and shall include these contributions in determining the extent of the burden imposed by the development. Beginning August 1, 2014, for purposes of calculating the required offset to development fees pursuant to this subsection, if a municipality imposes a construction contracting or similar excise tax rate in excess of the percentage amount of the transaction privilege tax rate imposed on the majority of other transaction privilege tax classifications, the entire excess portion of the construction contracting or similar excise tax shall be treated as a contribution to the capital costs of necessary public services provided to development for which development fees are assessed, unless the excess portion was already taken into account for such purpose pursuant to this subsection.”*

### REVENUE PROJECTIONS

Avondale does not have a higher than normal construction excise tax rate; therefore, the required offset described above is not applicable. The required forecast of non-development fee revenue from identified sources that can be attributed to new development over the next ten years are summarized below. **These funds are available for capital investments; however, the City of Avondale directs these revenues to non-development fee eligible capital needs including maintenance, repair, and replacement.**

Only revenue generated by new development that is dedicated to growth-related capital improvements needs to be considered in determining the extent of the burden imposed by new development. Offsets against development fees are warranted in the following cases: (1) new development will be paying taxes or fees used to retire debt on existing facilities serving existing development; (2) new development will be paying taxes or fees used to fund an existing deficiency, or (3) new development will be paying taxes or fees that are dedicated to be used for growth-related improvements. The analysis provided in the individual sections of this report has identified the need for the following offsets against the fees:

- Outstanding debt for past park improvements, including Friendship Park;
- Outstanding debt for water and wastewater capital investments; and
- Outstanding debt for fire equipment and Fire Stations 172.

Projected revenues generated by new development and dedicated for these purposes are shown below for informational purposes only.

**Figure B96: Revenue Characteristics of New Development**

Revenue Source	Net Rate	Use	Fiscal Year											
			2014	2015	2016	2017	2018	2019	2020	2021	2022	2023		
<b>Local Sales Tax</b>														
<b>General Sales Tax</b>														
Construction Tax														
Residential SFD	0.97%	One-Time Expenditures	\$605,591	\$620,154	\$632,290	\$646,853	\$660,203	\$675,980	\$689,330	\$705,107	\$720,884	\$736,661		
Residential MFD			\$56,639	\$57,750	\$59,415	\$60,526	\$61,637	\$63,302	\$64,968	\$66,079	\$67,745	\$68,855		
Non-Residential			\$137,002	\$147,073	\$157,846	\$170,024	\$182,670	\$196,721	\$212,412	\$228,806	\$247,073	\$267,213		
<b>Total Construction Tax</b>			\$799,232	\$824,976	\$849,551	\$877,403	\$904,510	\$936,004	\$966,710	\$999,991	\$1,035,701	\$1,072,729		
All Other														
Residential	1.50%	O&M	\$525,707	\$1,067,542	\$1,625,952	\$2,201,161	\$2,793,842	\$3,404,890	\$4,034,305	\$4,682,759	\$5,351,149	\$6,039,922		
Non-Residential			\$147,162	\$303,732	\$469,485	\$646,215	\$833,247	\$1,032,375	\$1,244,271	\$1,469,606	\$1,708,829	\$1,963,955		
<b>Total General Sales Tax</b>			\$1,472,102	\$2,196,250	\$2,944,989	\$3,724,779	\$4,531,599	\$5,373,269	\$6,245,286	\$7,152,357	\$8,095,679	\$9,076,606		
<b>Public Safety Sales Tax</b>														
Construction Tax														
Residential SFD	0.32%	Police, Fire, Courts Only	\$203,171	\$208,057	\$212,129	\$217,015	\$221,494	\$226,787	\$231,265	\$236,558	\$241,851	\$247,144		
Residential MFD			\$19,002	\$19,375	\$19,933	\$20,306	\$20,679	\$21,238	\$21,796	\$22,169	\$22,728	\$23,100		
Non-Residential			\$45,963	\$49,342	\$52,956	\$57,042	\$61,284	\$65,999	\$71,263	\$76,763	\$82,891	\$89,648		
<b>Total Construction Tax</b>			\$268,137	\$276,774	\$285,018	\$294,363	\$303,457	\$314,023	\$324,325	\$335,490	\$347,470	\$359,893		
All Other														
Residential	0.50%	Police, Fire, Courts Only	\$135,161	\$274,469	\$418,038	\$565,926	\$718,306	\$875,409	\$1,037,233	\$1,203,953	\$1,375,799	\$1,552,884		
Non-Residential			\$37,836	\$40,255	\$42,616	\$45,438	\$48,087	\$51,197	\$54,479	\$57,934	\$61,505	\$65,594		
<b>Total Public Safety Sales Tax</b>			\$441,134	\$591,497	\$745,672	\$905,726	\$1,069,850	\$1,240,628	\$1,416,037	\$1,597,378	\$1,784,774	\$1,978,371		
<b>Dedicated Sales Tax</b>														
Construction Tax														
Residential SFD	0.32%	Water, Sewer, Streets, Transit	\$203,171	\$208,057	\$212,129	\$217,015	\$221,494	\$226,787	\$231,265	\$236,558	\$241,851	\$247,144		
Residential MFD			\$19,002	\$19,375	\$19,933	\$20,306	\$20,679	\$21,238	\$21,796	\$22,169	\$22,728	\$23,100		
Non-Residential			\$45,963	\$49,342	\$52,956	\$57,042	\$61,284	\$65,999	\$71,263	\$76,763	\$82,891	\$89,648		
<b>Total Construction Tax</b>			\$268,137	\$276,774	\$285,018	\$294,363	\$303,457	\$314,023	\$324,325	\$335,490	\$347,470	\$359,893		
All Other														
Residential	0.50%	Water, Sewer, Streets, Transit	\$135,161	\$274,469	\$418,038	\$565,926	\$718,306	\$875,409	\$1,037,233	\$1,203,953	\$1,375,799	\$1,552,884		
Non-Residential			\$37,836	\$40,255	\$42,616	\$45,438	\$48,087	\$51,197	\$54,479	\$57,934	\$61,505	\$65,594		
<b>Total Other Dedicated Sales Tax</b>			\$441,134	\$591,497	\$745,672	\$905,726	\$1,069,850	\$1,240,628	\$1,416,037	\$1,597,378	\$1,784,774	\$1,978,371		
<b>Total Local Sales Tax</b>			<b>\$2,354,369</b>	<b>\$3,379,244</b>	<b>\$4,436,332</b>	<b>\$5,536,231</b>	<b>\$6,671,298</b>	<b>\$7,854,525</b>	<b>\$9,077,361</b>	<b>\$10,347,112</b>	<b>\$11,665,227</b>	<b>\$13,033,348</b>		
<b>State Shared Revenue</b>														
Income Tax		General O&M	Under Arizona State Law, State Share revenues are distributed based on the population of the most recent U.S. Census, or other approved population estimates as defined in A.R.S. 42-5033, 42-5033.1 & 28-6532. The next census would be conducted in fiscal year 2020-2021 for which the results would be available for use for the 2021-2022 fiscal year at which point new development related population would be included.								\$1,471,883	\$1,471,883		
Sales Tax											\$1,696,794	\$1,696,794		
Auto In-Lieu											\$624,006	\$624,006		
Highway User Revenue		Street O&M/Debt									\$1,028,249	\$1,028,249		
<b>Total State Shared Revenue</b>			\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	<b>\$4,820,932</b>	<b>\$4,820,932</b>

Figure B96: Revenue Characteristics of New Development (Continued)

Revenue Source	Net Rate	Use	Fiscal Year									
			2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Property Taxes</b>												
<b>Primary</b>												
Residential SFD			\$26,599	\$53,198	\$79,797	\$106,396	\$132,995	\$159,594	\$186,193	\$212,792	\$239,391	\$265,990
Residential MFD			\$2,797	\$5,594	\$8,391	\$11,188	\$13,985	\$16,782	\$19,579	\$22,376	\$25,173	\$27,970
Non-Residential		General O&M	\$13,790	\$28,214	\$43,287	\$59,084	\$76,056	\$94,334	\$114,069	\$135,328	\$158,283	\$183,111
<b>Total Primary Property Tax</b>			<b>\$43,186</b>	<b>\$87,006</b>	<b>\$131,475</b>	<b>\$176,668</b>	<b>\$223,036</b>	<b>\$270,710</b>	<b>\$319,841</b>	<b>\$370,496</b>	<b>\$422,848</b>	<b>\$477,071</b>
<b>Secondary</b>												
Residential SFD			\$46,745	\$46,745	\$93,491	\$140,236	\$186,982	\$233,727	\$280,473	\$327,218	\$373,964	\$420,709
Residential MFD			\$4,379	\$4,379	\$8,758	\$13,137	\$17,517	\$21,896	\$26,275	\$30,654	\$35,033	\$39,412
Non-Residential		GO Bonds	\$340,615	\$21,458	\$22,424	\$23,501	\$25,249	\$27,191	\$29,360	\$31,626	\$34,151	\$36,935
<b>Total Secondary Property Tax</b>			<b>\$391,739</b>	<b>\$72,583</b>	<b>\$124,673</b>	<b>\$176,875</b>	<b>\$229,747</b>	<b>\$282,814</b>	<b>\$336,107</b>	<b>\$389,498</b>	<b>\$443,147</b>	<b>\$497,056</b>
<b>Total Property Taxes</b>			<b>\$434,925</b>	<b>\$159,588</b>	<b>\$256,148</b>	<b>\$353,543</b>	<b>\$452,783</b>	<b>\$553,524</b>	<b>\$655,949</b>	<b>\$759,994</b>	<b>\$865,995</b>	<b>\$974,127</b>
<b>Water/Sewer Revenue</b>												
<b>Water</b>												
Residential SFD	\$22 Avg	9 KGM	\$132,814	\$268,822	\$407,491	\$549,354	\$694,145	\$842,396	\$993,575	\$1,148,214	\$1,306,313	\$1,467,872
Residential MFD	\$17 Avg	6 KGM	\$20,979	\$42,370	\$64,378	\$86,797	\$109,627	\$133,075	\$157,140	\$181,615	\$206,708	\$232,213
Non-Residential	\$212 Avg	95 KGM	\$205,802	\$426,848	\$663,138	\$914,674	\$1,181,453	\$1,468,559	\$1,773,450	\$2,101,209	\$2,449,293	\$2,822,784
<b>Total Water Revenue</b>			<b>\$359,595</b>	<b>\$738,039</b>	<b>\$1,135,007</b>	<b>\$1,550,825</b>	<b>\$1,985,226</b>	<b>\$2,444,031</b>	<b>\$2,924,165</b>	<b>\$3,431,038</b>	<b>\$3,962,314</b>	<b>\$4,522,869</b>
<b>Sewer</b>												
Residential SFD	\$28 Avg	7 KGM	\$170,418	\$344,935	\$522,867	\$704,897	\$890,684	\$1,080,911	\$1,274,894	\$1,473,317	\$1,676,180	\$1,883,483
Residential MFD	\$22 Avg	6 KGM	\$27,075	\$85,737	\$151,035	\$224,031	\$305,256	\$395,771	\$496,904	\$609,450	\$735,003	\$875,156
Non-Residential	\$126 Avg	60 KGM	\$64,835	\$132,686	\$205,061	\$283,466	\$366,395	\$455,356	\$550,347	\$651,370	\$758,423	\$874,524
<b>Total Sewer Revenue</b>			<b>\$262,329</b>	<b>\$563,359</b>	<b>\$878,963</b>	<b>\$1,212,395</b>	<b>\$1,562,336</b>	<b>\$1,932,037</b>	<b>\$2,322,145</b>	<b>\$2,734,137</b>	<b>\$3,169,607</b>	<b>\$3,633,162</b>
<b>Total Water &amp; Sewer Revenue</b>			<b>\$621,924</b>	<b>\$1,301,398</b>	<b>\$2,013,970</b>	<b>\$2,763,220</b>	<b>\$3,547,562</b>	<b>\$4,376,068</b>	<b>\$5,246,310</b>	<b>\$6,165,175</b>	<b>\$7,131,921</b>	<b>\$8,156,032</b>
<b>Federal Revenue</b>												
No known sources of Federal revenue to be used for development infrastructure for the authorized necessary public services based on population, new dwelling units, non-residential sq. ft. or service connections are projected for the next ten years.												

Source: City of Avondale. (2014). Finance & Budget Department.

## APPENDIX C - LAND USE ASSUMPTIONS

The City of Avondale engaged TischlerBise to update its development fees for several categories of necessary public services pursuant to Arizona Revised Statutes § 9-463.05. Municipalities in Arizona may assess development fees to offset infrastructure costs to a municipality associated with providing necessary public services to a new development. Arizona Revised Statutes (ARS) § 9-463.05 (T)(6) requires the preparation of a Land Use Assumptions document, which shows:

*“...projections of changes in land uses, densities, intensities and population for a specified service area over a period of at least ten years and pursuant to the General Plan of the municipality.”*

TischlerBise prepared current demographic estimates and future development projections for both residential and nonresidential development that will be used in the Infrastructure Improvements Plan (IIP) and calculation of the development fees. Current demographic data estimates for 2013 are used in calculating levels-of-service (LOS) provided to existing development in the City. Although long-range projections are necessary for planning infrastructure systems, a shorter time frame of five to ten years is critical for the development fee analysis.

Arizona’s Development Fee Act requires fees to be updated at least every five years and limits the IIP to a maximum of ten years. Therefore, the use of a very long-range “build-out” analysis is no longer acceptable for deriving development fees in Arizona municipalities.

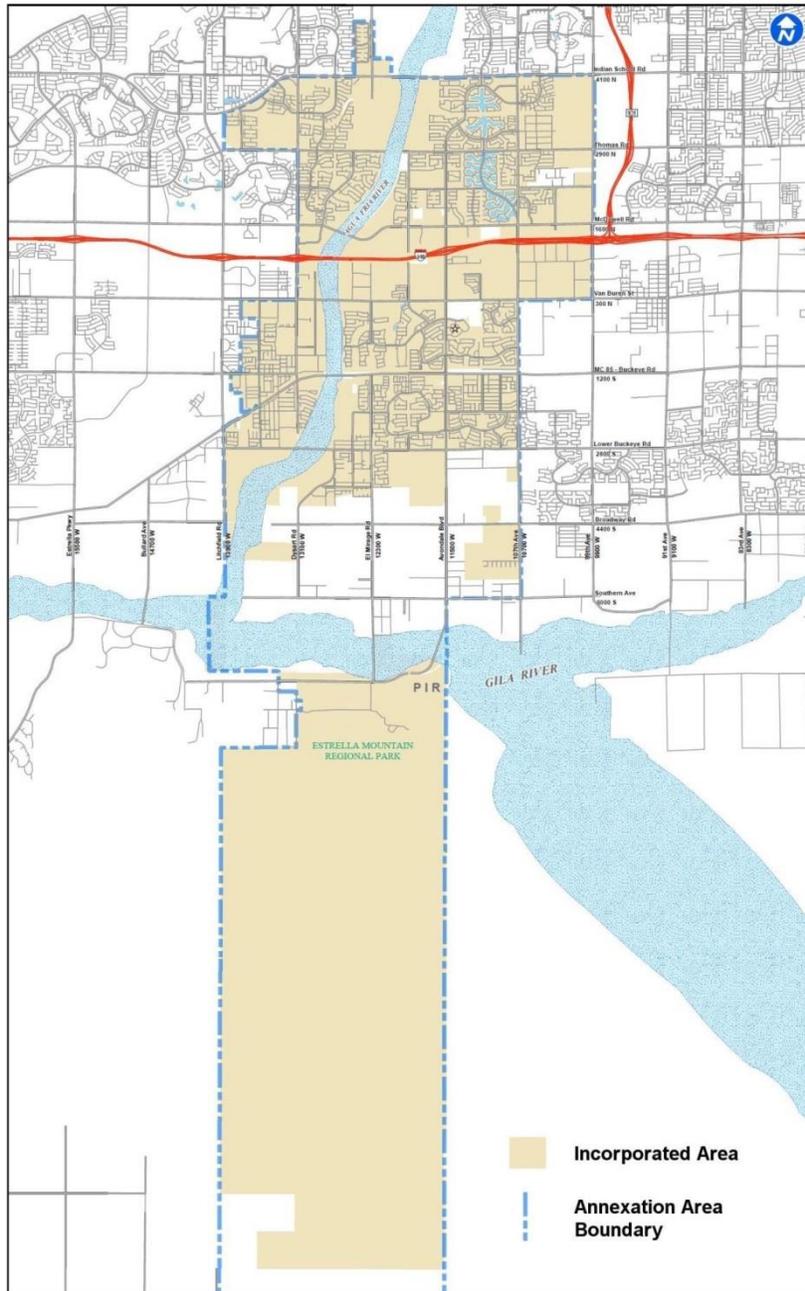
### SERVICE AREAS

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The development fee Land Use Assumptions are prepared for each service area in which a development fee will be collected in the City of Avondale. Multiple service areas are not mandated by SB 1525, so long as a “substantial nexus” can be shown between new development and the necessary public service for which a development fee is collected.

Avondale currently collects development fees for Parks and Recreational facilities, Libraries, Fire, Police, Water, Wastewater, and General Government facilities. **The City currently has a single, city-wide service area for all fee types, shown in Figure C97 below as the city limits and planned annexation area.**

Figure C97: City Limits and Annexation Area

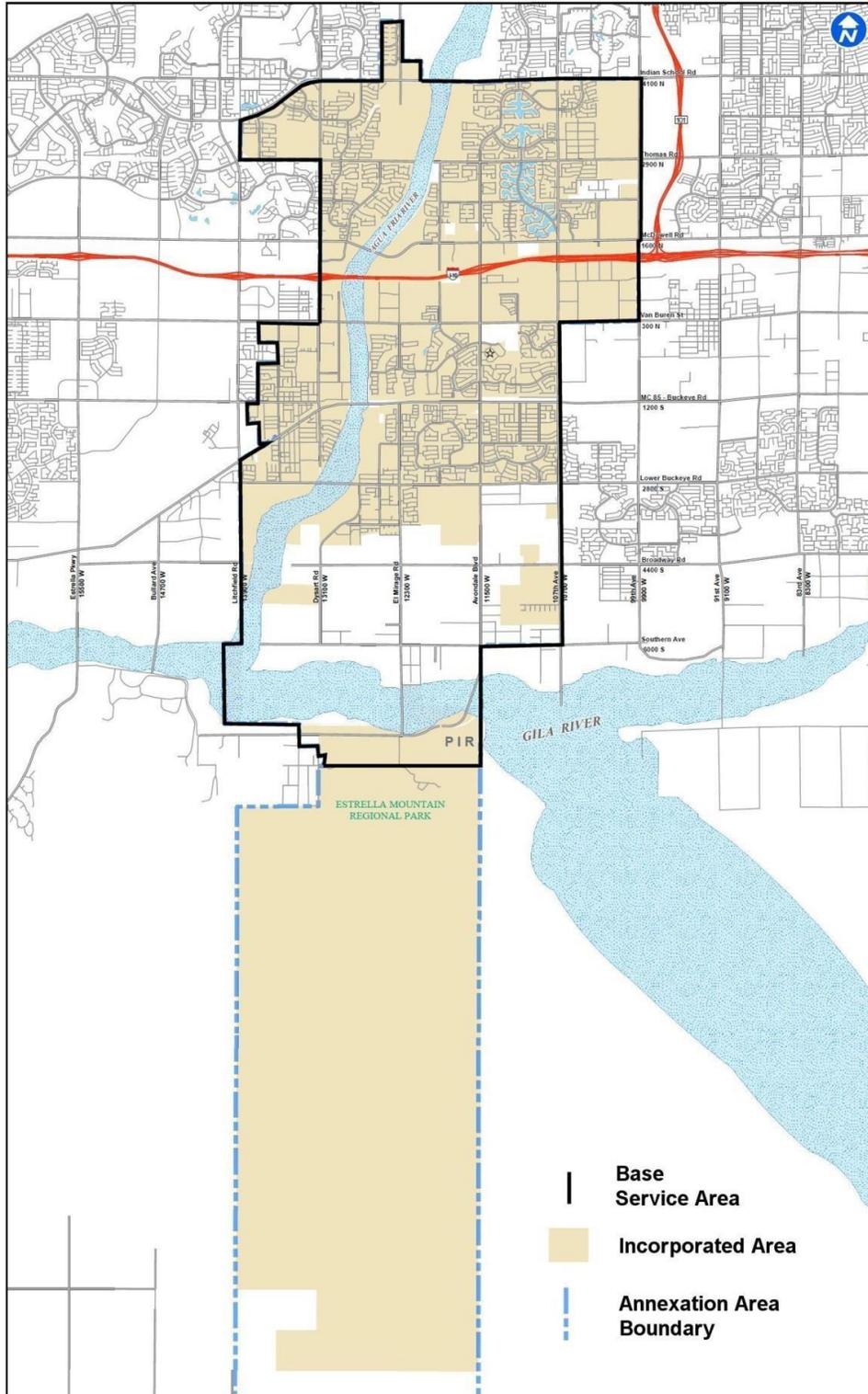


### **City Service Area**

The City has annexed a large area south of the Estrella Mountains that is completely undeveloped and unlikely to see any development over the next ten years. North of the Gila River, there are pockets of unincorporated area north of Lower Buckeye Road, as well as a large amount of unincorporated area south of Lower Buckeye that is within the future annexation area. These unincorporated areas within the annexation boundary are largely undeveloped, containing only about 300 dwelling units according to the 2010 Census (compared to the over 27,000 within the city limits).

The single service area that will be used for most of the City's development fees is defined as the area within the City's annexation boundary north of the Estrella Mountains (see Figure C98).

Figure C98: Base Service Area



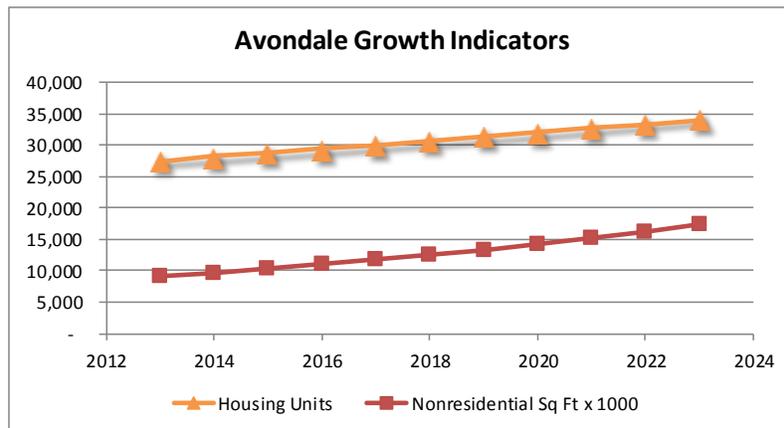
**SUMMARY OF GROWTH INDICATORS**

Short-term development projections and growth rates are summarized below. These projections will be used to estimate development fee revenue and to indicate the anticipated need for growth-related infrastructure. However, development fee methodologies are designed to reduce sensitivity to accurate development projections in the determination of the proportionate share fee amounts. If actual development is slower than projected, development fee revenues will also decline, but so will the need for growth-related infrastructure. In contrast, if development is faster than anticipated, the City will receive additional development fee revenue, but will also need to accelerate the capital improvements program to keep pace with development.

Over the next five years, the development fee study assumes an average increase of 628 housing units per year in the Base Service Area, which equates to a linear annual growth rate of 2.3 percent. During the same period, the City is projected to add approximately 679,000 square feet of nonresidential floor area annually, which equates to a linear annual growth rate of 7.4 percent.

**Figure C99: Summary of Development Projections and Growth Rates**

Year	Cumulative		2013 to 2018 Average Annual	
	Housing Units	Nonresidential Sq Ft x 1000	Increase	Linear Growth Rate
2013	27,340	9,128	Residential Units 628	2.3%
2014	27,941	9,713		
2015	28,556	10,341	Nonresidential Sq. Ft. x1,000	7.4%
2016	29,184	11,015		
2017	29,826	11,741		
2018	30,481	12,521		
2019	31,152	13,361		
2020	31,837	14,268		
2021	32,537	15,245		
2022	33,253	16,300		
2023	33,984	17,441		



**RESIDENTIAL DEVELOPMENT**

Current estimates and future projections of residential development are detailed in this section, including population and housing units by type.

**Recent Residential Construction**

Development fees require an analysis of current levels of service (LOS). For residential development, current LOS is determined using estimates of population and housing units. To estimate current housing units in Avondale, TischlerBise obtained building permit information from the City. This information was used to determine a base year estimate of housing units.

Residential housing units and building permits by type are shown below. To calculate total housing units, the distribution of 84 percent single unit structures and 16 percent 2+ units was calculated from the 2011 U.S. Census American Community Survey (ACS), 3-Year Estimates for *Units in Structure*. This distribution was applied to the total number of units reported by the 2010 decennial census (27,001) to get 22,575 single family units, and 4,426 units in structures with 2+ dwelling units.

**Figure C100: Residential Housing Units in the City of Avondale**

<b>Building Permits [1]</b>		<b>2010*</b>	<b>2011*</b>	<b>2012*</b>	<b>Total</b>	<i>Average</i>
Single Unit [2]		17	21	1	39	13
2+ Unit [3]		0	0	0	0	0
<b>Total</b>		<b>17</b>	<b>21</b>	<b>1</b>	<b>39</b>	

*\*Issued during calendar year*

<b>Housing Units [4]</b>	<i>2010</i>	<i>Base Year</i>				<i>2013</i>
	<i>Distribution [5]</i>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<i>Distribution<sup>^</sup></i>
Single Unit	84%	22,575	22,592	22,613	22,614	84%
2+ Unit	16%	4,426	4,426	4,426	4,426	16%
<b>Total</b>		<b>27,001</b>	<b>27,018</b>	<b>27,039</b>	<b>27,040</b>	

<sup>^</sup> Reflects the addition of issued permits

- [1] City of Avondale, (2012) Building Permits by Permit Type
- [2] Single Family includes detached, attached, and mobile homes
- [3] Multifamily includes structures with 2 or more units
- [4] U.S. Census Bureau, 2010 Decennial Census: DP1
- [5] U.S. Census Bureau, 2011 American Community Survey 3-Year Estimates: Table B25024

To estimate 2011, 2012, and 2013 housing units, the building permits issued each year were added to the housing units, starting with the 2010 census count. TischlerBise estimates the City had 27,040 housing units at the start of base year 2013. The 2013 rounded distribution of housing units by type of structure remains unchanged from the 2010 distribution.

### Housing Units by Service Area

According to the City of Avondale Planning Department, the development fee Base Service area includes 300 dwelling units in the City’s annexation area, of which 178 are single units, and 122 are units in multi-unit structures. Therefore, the 2013 estimate of housing units for the development fee base is 27,340.

**Figure C101: Housing Units by Development Fee Service Areas**

<i>Housing Unit by Type</i>	City	2013 Service
	Limits	Area Base
Single Unit	22,614	22,792
2+ Unit	4,426	4,548
<b>Total</b>	<b>27,040</b>	<b>27,340</b>

Source: City of Avondale, Planning Department

### Current Household Size

The 2010 census did not obtain detailed information using a “long-form” questionnaire. Instead, the U.S. Census Bureau has switched to a continuous monthly mailing of surveys, known as the American Community Survey (ACS), which is limited by sample-size constraints in areas with relatively few residents. For cities like Avondale, data on detached housing units are now combined with attached single units (commonly known as townhouses). One way to address this limitation is to derive fees by household size, as discussed further below. Because townhouses and mobile homes generally have less floor area than detached units, fees by household size ensures proportionality and facilitates construction of affordable units. According to the U.S. Census Bureau, a household is a housing unit that is occupied by year-round residents. Development fees often use per capita standards and Persons per Household to derive proportionate share fee amounts.

As will be discussed in the **Functional Population** section to follow, some development fees use a “functional population” methodology to determine proportionate share amounts. This approach is a generally accepted methodology for these development fee types and is based on the observation that demand for certain capital facilities tends to be proportional to the presence of people at a particular site (e.g., persons per household). For residential land uses, the impact of a dwelling unit on the need for capital facilities is generally proportional to the number of persons residing in the dwelling unit. This can be measured for different housing types in terms of either average household size (average number of person per occupied dwelling unit) or person per unit (average number of persons per dwelling unit, including vacant as well as occupied units). In this analysis, average household size is used to develop the functional population multipliers, as it avoids the need to make assumptions about occupancy rates.

The U.S. Census Bureau, American Community Survey estimates for population, housing units, and households were used to establish the share of each by structure type (i.e., single unit or multi-unit). These shares were then applied to 2010 Decennial Census counts for each to establish a Persons per Household factor for each type of unit.

As shown below, decennial Census data indicate that the City had 23,386 households of the 27,001 housing units. **Dwellings with a single unit per structure (i.e., detached, attached, and mobile homes) averaged 3.35 persons per household. Dwellings in structures with multiple units averaged 2.76 persons per household.** The City of Avondale has a city-wide average *Persons per Household* factor of 3.25, and occupancy rate for the existing housing stock of 87 percent.

**Figure C102: Average Household Size**

**2011 ACS Estimates**

<b>Type of Housing</b>	<b>Persons</b>	<b>Housing Units</b>	<b>Households</b>
Single Unit [1]	65,497	21,387	18,593
2+ Unit [2]	10,305	4,193	3,555
Subtotal	75,802	25,580	22,148
Group Quarters Population	186		
TOTAL*	75,988	25,580	22,148

Source: U.S. Census Bureau, 2009-2011 American Community Survey

**2010 Census Counts**

	<b>Persons</b>	<b>Housing Units</b>	<b>Persons per Housing Unit</b>	<b>Households</b>	<b>Persons per Household</b>	<b>Household Mix</b>
Single Unit*	65,735	22,575	2.91	19,632	3.35	84%
2+ Units	10,343	4,426	2.34	3,754	2.76	16%
Subtotal	76,078	27,001	2.82	23,386	3.25	Occupancy Rate
Group Quarters	160					
TOTAL	76,238					87%

Source: Totals from Summary File 1, U.S. Census Bureau.

[1] Single Family includes detached, attached, and mobile homes

[2] Multifamily includes duplex and all other units with 2 or more units per structure

\* Totals exclude units counted as "Boat, RV, van, etc."

### Population Estimates and Projections

TischlerBise analyzed recent growth trends, reviewed the City of Avondale planning documents, and had discussions with staff, to conclude the recently released Arizona department of Administration sub-county population projections for the City of Avondale to be the most accurate reflection of current and projected growth trends for the City. According to the projections, the City has a base year population of 77,099 people. According to the Arizona Department of Administration population projections, the City of Avondale is expected to reach 128,400 in population by 2040. This is a more conservative long-term growth projection than the 2009 Maricopa Association of Governments (MAG) projections used for the 2012 City of Avondale General Plan 2030, and is reflective of both recent building activity and the 2013 update to MAG socioeconomic projections.

Applying an exponential growth rate of 1.24 percent to project population between 2023 and 2040, suggests the City of Avondale will have a 2033 population of 117,757, which means the City is expect to add 40,658 over the next two decades.

**Figure C103: City of Avondale Population Estimates and Projections**

	Annual July Population Estimates [1]				MAG Projections [2]		State of AZ Projections [3]		Exponential Growth Rate [3] 2023-40
	2009	2010	2011	2012	2013	2023	2033	2040	
City of Avondale	72,360	76,468	76,392	76,870	77,099	104,064	117,757	128,400	1.24%

[1] Arizona Department of Administration, Interim Intercensal Population Estimates

[2] Maricopa Association of Governments. (2013). Socioeconomic Projections of Population, Housing and Employment

[3] 2040 population projection from Arizona Department of Administration Avondale 2012-2050 Population Projections

### Population and Housing Unit Projections

Figure C104 shows the base year population and housing unit estimates for the development fee *Base Service Area*. The distribution of housing units by type was calculated by holding steady the 2013 distribution of 84 percent single family and 16 percent multifamily units. The current relationship of year-round population to total housing units of 2.82 is maintained, on average, throughout the projections period.

**Figure C104: Population and Housing Unit Projections for the City of Avondale, 2013-2033**

	Base Yr	Five-Year Increments ==>										Cumulative Increase 2013-2033	Avg. Ann. Increase 2013-2033		
	2013	1 2014	2 2015	3 2016	4 2017	5 2018	6 2019	7 2020	8 2021	9 2022	10 2023			15 2028	20 2033
<b>SUMMARY OF DEMAND PROJECTIONS (Base Service Area)</b>															
TOTAL YEAR-ROUND POPULATION	77,099	79,446	81,865	84,358	86,926	89,572	92,300	95,110	98,005	100,989	104,064	110,699	117,757	40,658	2,033
<b>RESIDENTIAL DEVELOPMENT (Base Service Area)</b>															
<b>Housing Units</b>															
Single Family	22,792	23,291	23,802	24,323	24,856	25,400	25,957	26,525	27,106	27,700	28,307	31,257	34,515	11,723	586
Multifamily	4,548	4,650	4,754	4,861	4,970	5,081	5,195	5,312	5,431	5,553	5,677	6,282	6,950	2,402	120
<b>TOTAL</b>	<b>27,340</b>	<b>27,941</b>	<b>28,556</b>	<b>29,184</b>	<b>29,826</b>	<b>30,481</b>	<b>31,152</b>	<b>31,837</b>	<b>32,537</b>	<b>33,253</b>	<b>33,984</b>	<b>37,539</b>	<b>41,465</b>	<b>14,125</b>	<b>706</b>

## NONRESIDENTIAL DEVELOPMENT

In addition to data on residential development, the infrastructure improvements plan and development fees require data on nonresidential development in the Service Area. Current estimates and future projections on nonresidential development are detailed in this section, including jobs and floor area by three types of nonresidential development, each of which include the industry sectors listed below.

**Figure C105: Nonresidential Land Use Categories**

Category	Industry Sector
<b>Commercial/Retail</b>	Retail Trade
	Arts, Entertainment, and Recreation
	Accommodation and Food Services
	Other Services (excluding Public Administration)
<b>Office/Institutional</b>	Information
	Finance and Insurance
	Real Estate and Rental and Leasing
	Professional, Scientific, and Technical Services
	Management of Companies and Enterprises
	Administration & Support, Waste Management and Remediation
	Educational Services
	Health Care and Social Assistance
	Public Administration
<b>Industrial</b>	Agriculture, Forestry, Fishing and Hunting
	Mining, Quarrying, and Oil and Gas Extraction
	Utilities
	Construction
	Manufacturing
	Wholesale Trade
	Transportation and Warehousing

## Jobs by Type of Nonresidential Development

Figure C106 shows the City's 2013 job and floor area estimates, according to three general types of nonresidential development. TischlerBise divided floor area estimates, provided by the City of Avondale, by job estimates retrieved from the Maricopa Association of Governments to indicate current average square feet per job multipliers. Although Office/Institutional services is higher than the national average of approximately 300 square feet per office job, this category also includes public sector facilities like schools which has 1,231 square feet per employee multiplier (according to 2012 data from the Institute of Transportation Engineers and published in [Trip Generation](#)), thus explaining the higher multiplier. For both industrial and commercial, square feet per employee multipliers are held constant over the projection period.

**Figure C106: Jobs and Floor Area Estimates**

	2013 Estd Jobs [1]	Square Feet Per Employee	Nonresidential Floor Area [2]	Pct of Nonres Floor Area
Commercial/Retail	6,911	504	3,486,000	38%
Office/Institutional	5,249	747	3,919,000	43%
Industrial/Flex	1,157	1,489	1,723,000	19%
<b>TOTAL</b>	<b>13,317</b>	<b>685</b>	<b>9,128,000</b>	<b>100%</b>

[1] Maricopa Association of Governments. (2013). Socioeconomic Projections of Population, Housing, and Employment

[2] City of Avondale. (2013). CoStar Data

For nonresidential land use assumptions, 2030 employment projections retrieved from the Maricopa Association of Governments were used to create a straight-line interpolation between 2013 estimates and 2030 projections for each year past the base. The square feet per employee factors, by industry type, discussed above were used to calculate floor area by industry type for each year past the base. A summary of nonresidential development and jobs projections is shown below.

**Figure C107: Nonresidential Development and Jobs Projections for the City of Avondale, 2013-2033**

	Base Yr	Five-Year Increments ==>												Cumulative Increase	Avg. Ann. Increase
	2013	1	2	3	4	5	6	7	8	9	10	15	20		
<b>NONRESIDENTIAL DEVELOPMENT (Base Service Area)</b>															
<b>Nonres Floor Area (1,000 SF)</b>															
Commercial (1,000 SF)	3,486	3,681	3,887	4,104	4,334	4,576	4,832	5,102	5,388	5,689	6,007	7,557	9,507	6,021	301
Office (1,000 SF)	3,919	4,111	4,312	4,523	4,744	4,976	5,219	5,475	5,742	6,023	6,318	9,872	15,424	11,505	575
Industrial/Flex (1,000 SF)	1,723	1,921	2,142	2,388	2,663	2,969	3,310	3,691	4,115	4,588	5,116	7,716	11,638	9,915	496
<b>TOTAL</b>	<b>9,128</b>	<b>9,713</b>	<b>10,341</b>	<b>11,015</b>	<b>11,741</b>	<b>12,521</b>	<b>13,361</b>	<b>14,268</b>	<b>15,245</b>	<b>16,300</b>	<b>17,441</b>	<b>25,145</b>	<b>36,569</b>	<b>27,441</b>	<b>1,372</b>
<b>Employment By Type (Base Service Area)</b>															
Commercial/Retail	6,911	7,298	7,706	8,137	8,592	9,072	9,580	10,116	10,682	11,279	11,910	14,983	18,849	11,938	597
Office/Institutional	5,249	5,546	5,859	6,190	6,540	6,910	7,301	7,714	8,150	8,610	9,097	14,985	24,684	19,435	972
Industrial/Flex	1,157	1,290	1,438	1,604	1,788	1,994	2,223	2,478	2,763	3,081	3,435	5,181	7,815	6,658	333
<b>TOTAL</b>	<b>13,317</b>	<b>14,134</b>	<b>15,003</b>	<b>15,931</b>	<b>16,920</b>	<b>17,976</b>	<b>19,104</b>	<b>20,308</b>	<b>21,595</b>	<b>22,970</b>	<b>24,442</b>	<b>35,149</b>	<b>51,348</b>	<b>38,031</b>	<b>1,902</b>

Source: Maricopa Association of Governments. (2013). Socioeconomic Projections of Population, Housing and Employment.

## FUNCTIONAL POPULATION

This Development Fee Study update utilizes the “functional population” approach to calculate and assess the General Government, Library, Parks and Recreational, Fire, and Police Facilities development fees. This approach is a generally accepted methodology for establishing the potential demand for certain capital Facilities from both residential and nonresidential land uses.

Functional population is analogous to the concept of “full-time equivalent” employees. It represents the number of “full-time equivalent” people present at the site of a land use, and it is used for determining the impact of a particular development on the need for capital Facilities. For residential development, functional population is simply average household size times the percent of time people spend at home. For nonresidential development, functional population is based on a formula that factors in trip generation rates, average vehicle occupancy, employee density and average number of hours spent by employees and visitors at a land use.

### Residential Functional Population

For residential land uses, the impact of a dwelling unit on the need for capital Facilities is generally proportional to the number of persons residing in the dwelling unit. This can be measured for different housing types using either average household size (average number of persons per occupied dwelling unit) or persons per unit (average number of persons per dwelling unit, including vacant as well as occupied units). **In this analysis, average household size is used to develop the functional population multipliers, as it avoids the need to make assumptions about occupancy rates.**

Determining residential functional population multipliers is considerably simpler than the nonresidential component. It is estimated that people, on average, spend 16 hours, or 67 percent, of each 24-hour day at their place of residence and the other 33 percent away from home. The *Functional Population per Unit* factors are shown below.

**Figure C108: Functional Population for Residential Development by Type**

Housing Type	Unit	Person per Household [1]	Occupancy Factor	Functional Population per Unit
Single Unit	Dwelling	3.35	0.67	2.24
2+ Unit	Dwelling	2.76	0.67	1.85

[1] U.S. Census Bureau, American Community Survey 2011 3-Year Estimates applied to 2010 Census Summary File 1 counts

### Nonresidential Functional Population

The functional population methodology for nonresidential land uses is based on trip rates, vehicle occupancy, employee density and time spent at the site by employees and visitors. Functional population per 1,000 square feet is derived by dividing the total number of hours spent by employees and visitors during a weekday by 24 hours at a particular development. Employees are estimated to spend 8 hours per day at their place of employment, and visitors are estimated to spend one hour per visit. The formula used to derive the nonresidential functional population estimates is summarized below.

**Figure C109: Nonresidential Functional Population Formula**

FUNCPOP/UNIT	=	$(\text{employee hours}/1000 \text{ sf} + \text{visitor hours}/1000 \text{ sf}) \div 24 \text{ hours/day}$
<u>Where:</u>		
Employee hours/1000 sf	=	$\text{employees}/1000 \text{ sf} \times 8 \text{ hours/day}$
Visitor hours/1000 sf	=	$\text{visitors}/1000 \text{ sf} \times 1 \text{ hour/visit}$
Visitors/1000 sf	=	$\text{weekday ADT}/1000 \text{ sf} \times \text{avg. vehicle occupancy} - \text{employees}/1000 \text{ sf}$
Weekday ADT/1000 sf	=	$\text{one-way avg. daily trips (total trip ends} \div 2)$

Using this formula and information on trip generation rates, vehicle occupancy rates from the Institute of Transportation Engineers, National Household Travel Survey and other sources and assumptions, nonresidential functional population estimates per 1,000 square feet of gross floor area are calculated in Figure C110.

**Figure C110: Functional Population per Unit for Nonresidential Uses**

Land Use	Unit	Trip Rate [1]	Persons/Trip [2]	Employee/Unit [3]	Visitors/Unit	Functional Population per Unit
Retail/Commercial	1,000 sq. ft.	21.35	1.96	1.98	39.86	2.32
Office	1,000 sq. ft.	5.52	1.24	1.34	5.50	0.68
Industrial	1,000 sq. ft.	3.49	1.24	0.67	3.65	0.38

[1] Institute of Transportation Engineers. (2012). Trip Generation 9th Edition.

[2] Federal Highway Administration. (2009). Nationwide Household Travel Survey.

[3] TischlerBise. Development Fee Land Use Assumptions.

Service Area 2013 estimates of employees per all existing nonresidential floor area by industry type.

### Service units

Disparate types of development must be translated into a common unit of measurement that reflects the impact of new development on the demand for capital Facilities. This unit of measurement is called a service unit (e.g., functional population, population, or vehicle trips).

Similar to the concept of full-time equivalent employees, functional population represents the number of “full-time equivalent” people present at the site of a land use. Functional population represents the average number of equivalent persons present at the site of a land use for an entire 24-hour day. For residential development, functional population is simply average household size times the percent of time people spend at home. For nonresidential development, functional population is based on a formula that includes square foot per employee ratios, trip generation rates, average vehicle occupancy and average number of hours spent by employees and visitors at a land use. These all tend to be stable characteristics that do not change significantly over short periods of time. The City of Avondale functional population for base year 2013, by land use and total are shown below.

**Figure C111: Functional Population for City of Avondale, 2013**

Land Use	Unit	Existing Units [1]	2013 Functional Population	
			per Unit	Total
Single Unit	Dwelling	22,792	2.24	51,054
2+ Unit	Dwelling	4,548	1.85	8,414
Retail/Commercial	1,000 sq. ft.	3,486	2.32	8,088
Office	1,000 sq. ft.	3,919	0.68	2,665
Industrial	1,000 sq. ft.	1,723	0.38	655
<b>Total Functional Population, 2013</b>				<b>70,876</b>

[1] Development Fee Land Use Assumptions



## CITY COUNCIL AGENDA

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**SUBJECT:**

City Information Systems Security

**MEETING DATE:**

5/19/2014

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**TO:** Mayor and Council

**FROM:** Rob Lloyd, CIO/IT Director (623) 333-5011

**THROUGH:** David Fitzhugh, Acting City Manager

**PURPOSE:**

The Information Technology Department will make an informational presentation to brief the Mayor and City Council on increasing cybersecurity risks and the City's initiatives to protect municipal services and information.

**BACKGROUND:**

The City of Avondale has made significant investments in information systems security, focusing primarily on the organization's perimeter. This approach concentrates on keeping malicious activity out of the organization through mechanisms such as firewalls, spam filters, antimalware software, and isolating the portions of the City's network that are exposed for external access. The "good walls" strategy has been modestly successful to date, but can fail when malicious or careless conduct occurs *within* the organization.

Recent data provide mounting evidence that malicious actors are routinely defeating typical trust mechanisms and perimeter security. Shifts in trends also show that attacks are more organized, more sophisticated, and that malicious attackers have begun to target critical infrastructure for maximum impact. Examples covered by national media include cyber-attacks that impaired regional Internet access, large thefts of financial and health information, downing websites of businesses and government offices, and external breaches at utilities companies.

**DISCUSSION:**

Organizations have entered an era of persistent cybersecurity threat, wherein intrusion activity is almost always occurring at some level. This shift requires new security models and approaches such as better sharing of cyberthreat information, higher emphasis on protecting critical infrastructure and large stores of data, and alternative architectures for network and data access. Indeed, common interests are met by defending water and wastewater utilities, power utilities, telecommunications, traffic, public safety, and key commercial assets.

In particular, local governments have three attributes that make them attractive targets. First, governments store large amounts of historical data about citizens and businesses. Second, most cities manage critical infrastructure for traffic, public safety, and even utilities that could disrupt a community if compromised. Third, governments tend to invest less in cybersecurity than businesses of similar size.

The consequences of a security incident can be severe. Locally, Maricopa County Community Colleges is spending \$17 million to recover from breaches that exposed the data of 2.4 million students, not including class action suits, despite internal warnings from some staff members. And in recent presentations, the FBI and Department of Homeland Security both emphasized the new reality that cyberattacks and cyberterrorism are our nation's greatest consistent threat.

In defining its new security model, the City of Avondale defined six IS Security Strategies:

1. Preserve the City's organizational agility by compartmentalizing information systems and matching security measures to risks.
2. Use vendor services and contract terms for business transactions that require enhanced security.
3. Join and participate in National Infrastructure Protection alliance efforts sponsored by the FBI and DHS.
4. Obtain access to expert vendor services and products to assess the City's information systems security profile and support the ongoing security activities.
5. Maintain an effective security perimeter at the network, computer, and mobile device levels.
6. Manage internal risks, including least permissive rights, annual training for City staff, and application of current Information Systems Security policies reviewed at least annually.

In support of Strategy 4, above, the City of Avondale released a Request for Proposals for IS Security Assessments and Advanced Security Services at the end of April 2014. The RFP is a joint effort by the cities of Avondale, Goodyear, Mesa and Scottsdale, Maricopa County, and the Maricopa Association of Governments with Avondale serving as lead agency. The intent is to make multiple contract awards to vendors offering state-of-the-art cybersecurity products and services at advantageous rates. Awards would be available for use by all government jurisdictions through a cooperative purchasing clause in the contracts. The contract awards are scheduled for review at the June 16 City Council regular meeting.

Additionally, the City Attorney's Office and Information Technology Department are working on membership and non-disclosure agreements to allow the City to join Infragard and the Arizona Cyber Threat Response Alliance.

#### **BUDGET IMPACT:**

On-going funding for network and computer perimeter security is included in the Information Technology Department budget as part of the larger Infrastructure Systems Plan.

The City of Avondale 2014-2015 Recommended Budget and Financial Plan contains an Information Technology carryover funding request of \$35,000 for the City's first IS Security Assessment. Staff will attempt to address needs arising from the Assessment within budget, first. If a significant risk is identified, the Information Technology Department may request contingency funding in the 2014-2015 fiscal year.

#### **RECOMMENDATION:**

None as this item is informational only.