

**WORK SESSION
October 3, 2016
6:00 PM**

CALL TO ORDER BY MAYOR**1 ROLL CALL BY THE CITY CLERK****2. CO-LOCATION OF WIRELESS MICRO-ROUTERS ON CITY INFRASTRUCTURE**

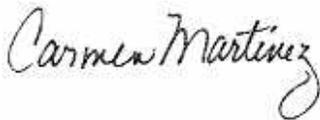
City Council will receive an update on the potential to co-locate technologically advanced wireless equipment on public infrastructure in the public right of and receive direction on whether council has interest in pursuing. For information, discussion and direction.

3. NEIGHBORHOOD AND FAMILY SERVICES DEPARTMENT UPDATE

Staff will provide an update regarding the programs and services overseen by the Neighborhood and Family Services Department. This item is for information only.

4 ADJOURNMENT

Respectfully submitted,



Carmen Martinez
City Clerk

Council Members of the City of Avondale will attend either in person or by telephone conference call.

Los miembros del Concejo de la Ciudad de Avondale participaran ya sea en persona o por medio de llamada telefonica.

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 oido, o con necesidad de impresion grande o interprete, deben comunicarse con la Secretaria de la Ciudad at 623-333-1200 o TDD 623-333-0010 cuando menos dos dias habiles 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 politica 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

SUBJECT:

Co-location of Wireless Micro-Routers on City Infrastructure

MEETING DATE:

10/3/2016

TO: Mayor and Council

FROM: Tracy Stevens, Development & Engineering Services Director (623) 333-4012

THROUGH: David Fitzhugh, City Manager

PURPOSE:

Staff will update the Mayor and City Council on the potential that exists to co-locate wireless mini/micro routers on City streetlights.

BACKGROUND:

Wireless data streaming technology has advanced rapidly in the past 5 years and has gained the interest of a niche market of companies interested in providing the best data transfer services they can to their customers. In particular micro or mini routers have become a very popular way to supplement traditional wireless arrays. In particular the mini routers assist in bridging gaps in coverage provided by the traditional wireless arrays providing faster and more seamless data transfer. The mini routers have been utilized in many of the metropolitan Cities including but not limited to the following: Cities of Phoenix, Scottsdale, Mesa, Chandler, and Glendale.

Two of the wireless providers that have shown an interest in the opportunity to utilize these mini routers in Avondale include: Verizon and Sprint.

In addition to the companies above, SRP electric has specific interest to utilize the mini routers to collect usage data from customer meters.

The City currently owns, operates and maintains approximately 7,900 street lights. However, the inventory grows with development. The price of each streetlight pole installed is about \$3,600 on average with a 20 year lifecycle and an annual operations and maintenance budget near \$117 per streetlight (\$922,000 2015 Street Light Budget = \$735,000 Electric, \$80,000 Parts, \$107,000 Labor).

DISCUSSION:

In the majority of cases Micro/Mini routers are light weight and may be mounted to City standard streetlights with little to no structural modifications and are a more stealth in appearance with a smaller array. The advances in their streaming capability make them much less noticeable. Staff has researched the opportunity to co-locate mini routers on existing streetlight poles and provide the following findings:

- Recent Legislation (HB 2497 and HB 2486)
 - The City had limited authority to charge fees for this type of application.
- Indemnity and Insurance requirements

- The License agreement would require the third party to indemnify the City from all consequences that may arise from co-locating their equipment on the City Street Lights. The third party provider would have to carry a minimum level of insurance to cover damage and or complete loss of their equipment as determined by the City Attorney. It should cover at a minimum damage/loss due to accidents, weather, and theft.
- Right of Refusal
 - The License Agreement would have to be written to allow the City the Right of Refusal to co-locate (revocability) on City Facilities should the co-location at any time infringe on the City's ability to perform its required operations in reasonable fashion. At any time it is determined a system interferes with City wireless/microwave communications, the City has the authority to request the third party to stop transmitting, shut the system off and/or change frequencies to mitigate any interference with City wireless communications if it resides on City street lights or any other City property. This must be mitigated within 24 hours upon initial contact to the third party.
- Disruptions in Service & Knockdowns
 - The most comprehensive approach demonstrated is to require the third party to provide and install a new pole capable of facilitating the co-location along with providing a spare (equipment complete) to be stored in the City Maintenance Yard. In the event of a knockdown City staff could mobilize and respond quickly to get the pole and streetlight back up and operational. Then the third party provider could mount their equipment, and restore service with minimal disruption. An alternate method would be to have the provider replace the pole/knockdown, however it would need to be written in the contract that light is restored within 24 hours of knockdown.
- Data Transmission
 - The License agreement would require that each third party that communicate/transmits data do so through a designated F.C.C. licensed frequency.
- Number of Providers
 - At this time, neither staff nor the other communities are aware of any reason to limit the number of providers. A potential concern is the aesthetics of co-locating in high concentration/frequency. It will need to be clear that it will be allowed on a first come, first serve basis.
- Anticipated Lifecycle & License Term
 - 10 years is the anticipated lifecycle per industry standard.
 - Given the anticipated lifecycle of the equipment, it does not appear prudent to extend the agreement term beyond 10 years.
- Power Requirements (SRP & APS)
 - SRP has allowed a flat rate adjustment (based on average additional power draw) per streetlight pole to the City to allow a power tap for the new wireless router from the existing power feed to the streetlight pole. Other ways to establish power include separate meters and ground mounted equipment in the public right of way or outside in private easements. Alternatively, there are meters that can be within the inside of the streetlight pole.
 - APS will not allow a flat rate adjustment. All locations in APS territory would need to have ground mounted meters at a minimum. Screening of the ground mounted equipment is also necessary.
- Community Benefits
 - The community will see improved coverage, speed, and data handling capabilities for personal handhelds and business applications. SRP's network will provide enhanced customer service improvements for the smart meters and communications system. These benefits should make Avondale a more attractive destination for residents, and economic development.
 - Timing should be strategic so as not to interfere with the project to convert the existing High Pressure Sodium (HPS) fixtures to Light Emitting Diode (LED) fixtures scheduled for later this year.

BUDGET IMPACT:

Below is a table summarizing the revenues collected last year by nearby valley communities:

Municipality	Annual Co-Location Fee	Annual Rate Increase (%)	Annual Equip. Fee (\$)	Citywide Streetlights (ea.)	Approximate number of Micro/Mini Locations (ea.)	Approximate Annual Estimated Revenues (\$)
City of Phoenix	\$3,573	3	Incl.*	80,000 +	41	\$146,493
City of Scottsdale	\$3,573	3	Incl.*	38,000 +	60	\$222,000
City of Glendale	\$3,368	3	Incl.*	20,000 +	50	\$200,000
City of Chandler	\$3,368	3	Incl.*	24,000 +	0	\$0

* Ground equipment exceeding 50 s.f. in area is subject to an additional fee.

Based on the table above staff estimates this project would have the potential in the near future to bring in at least \$74,000 in annual revenues for City of Avondale (assumes 20 separate locations); with the potential to grow with the market.

RECOMMENDATION:

Information is presented for information, discussion and Council direction.



CITY COUNCIL AGENDA

SUBJECT:

Neighborhood and Family Services Department
Update

MEETING DATE:

10/3/2016

TO: Mayor and Council**FROM:** Stephanie Small, Neighborhood and Family Services Director 623-333-2711**THROUGH:** David Fitzhugh, City Manager**PURPOSE:**

Staff will provide an update regarding the programs and services overseen by the Neighborhood and Family Services Department. This item is for information only.

BACKGROUND:

In 2006, the Neighborhood and Family Services Department was created to support the development of families and the sustainability of the neighborhoods in which they live. At that time, program areas included Code Enforcement, Housing, and Social Services. In the ten years since its inception, the Department has grown to fully embrace a holistic approach to community development and engagement. The Neighborhood and Family Services Department currently has five divisions: Code Enforcement, Housing and Community Development, Revitalization, Youth and Community Engagement, and Family Services. Its strength is in the numerous services delivery and financial partnerships it has developed over the past decade in its aim to improve the quality of life for the residents of the City of Avondale.

DISCUSSION:

In partnership with residents, the Department addresses the upkeep and rehabilitation of substandard housing and other property. This includes enforcing property maintenance and zoning regulations in the interest of health and safety, general welfare and blight elimination. The Code Enforcement, Housing and Community Development, and Revitalization Divisions work collaboratively to address systemic neighborhood concerns. In the past year, Neighborhood and Family Services completed 11 substantial/emergency rehabilitations, 36,840 housing inspections, abated 1,781 graffiti sites and removed 5,759 illegal signs. The Department completed the build for two new homes and the façade improvements for a business at the gateway of Historic Avondale.

In addition, the Neighborhood and Family Services Department provides a safety net services and prevention programs to families in need. Many of these resources are available with the Avondale Community Center that houses our Senior Services Program or the Care1st Avondale Resource Center that houses our Community Action Programs. The Senior Services program was transferred to the Neighborhood and Family Services Department in 2014. The number of older adults served by our Senior Center has increased 129% , from 33,569 individuals served in FY10 to 43,557 in FY16. Our most significant increase in residents served has been through our Resource Center. The Center has a holistic approach to human services and draws its strength in the partnerships it has fostered over the past seven years. The Center has grown 713%, from 10,313

individuals served in FY10 to 73,536 in FY16. As a result, the Department is exploring the opportunities for a new Resource Center.

The Family Services Division partners with local financial institutions and non-profits agencies to make financial tools and training available for families to become self-sufficient. The department seeks to bring new services to Avondale through partnerships, collaboration and leveraging of funds. This approach recognizes that the health of the community is a shared responsibility and that no one entity can meet all the needs of Avondale neighborhoods.

Encouraging community involvement is an important goal of the department. The Department created the Youth and Community Engagement Division in 2012 to aid in this effort. The Division oversees the City of Avondale's Kids at Hope Program and well as an array of volunteer initiatives. City Council approved the creation of several programs in partnership with the Corporation for National and Community Service in 2012. Those programs include: Volunteers in Service to America (VISTA), National Civilian Community Corps(NCCC) and Summer AmeriCorps. These organizations leveraged over \$32,939 in volunteer service in FY16.

The Neighborhood and Family Services Department is advised by three advisory bodies to assure that we are responsive to community needs. These include the Neighborhood and Family Services Commission, Youth Advisory Commission and the Senior Site Council.

As the Neighborhood and Family Services Department moves forward into the 2017 fiscal year, it has several initiatives it will lead for City Council current strategic plan. Those initiatives include but are not limited to; the creation of a community development non-profit, the collaborative efforts to support STEM/STEAM programming in our local schools and the implementation of a volunteer management system.

BUDGET IMPACT:

None.

RECOMMENDATION:

This item is for information only



CITY COUNCIL AGENDA

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

REGULAR MEETING
October 3, 2016
7:00 PM

CALL TO ORDER BY MAYOR
PLEDGE OF ALLEGIANCE
MOMENT OF REFLECTION

1 ROLL CALL AND STATEMENT OF PARTICIPATION BY THE CITY CLERK

2 CITY MANAGER'S REPORT

a. INTRODUCTION OF NEW POLICE OFFICERS

3 SCHEDULED PUBLIC APPEARANCES

a. DR. RUTH LIM - WEEK WITHOUT VIOLENCE

4 UNSCHEDULED PUBLIC APPEARANCES

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

5 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. SPECIAL EVENT LIQUOR LICENSE - BILLY MOORE DAYS

City Council will consider a request to approve a special event liquor license application submitted by Ms. Christina Underhill on behalf of Friends of the Libraries and Recreation to be used in conjunction with the Billy Moore Days festivities scheduled for Friday, October 21 and Saturday, October 22, 2016 in Historic Avondale. The Council will take appropriate action.

b. SPECIAL EVENT LIQUOR LICENSE - CATITUDES GALLERY SEASON OPENING

City Council will consider a request to approve a special event liquor license application submitted by Ms. Bonnie Lewis to be used in conjunction with Catitudes Gallery's Season Opening Gala scheduled for Saturday, November 12, 2016 from 5 pm to 9 pm at the Gallery located at 404 E Western Avenue in Avondale. The Council will take appropriate action.

c. LIQUOR LICENSE - SERIES 12 (RESTAURANT) - RESTAURANTE MARISCOS 7 MARES

City Council will consider a request to approve an application for a Series 12 (Restaurant) liquor license application submitted by Mr. Francisco Rodriguez Garcia to be used at Restaurante Mariscos 7 Mares, a new restaurant to be located at 10730 W Lower Buckeye Road, Suite 108 in Avondale. The Council will take appropriate action.

d. LIQUOR LICENSE ACQUISITION OF CONTROL - SERIES 12 (RESTAURANT) - SMASHBURGER #1393

City Council will consider a request from Andrea Lewkowitz for approval of the acquisition of control of a Series12 Restaurant license to sell all spirituous liquors at Smashburger # 1393 located at 9915 West McDowell Road, Suite 101. The Council will take appropriate action.

e. AMENDMENT #1 TO CONSTRUCTION CONTRACT - ASI ARIZONA INC. FOR WAYFINDING SIGN PHASE II DESIGN AND INSTALLATION

City Council will consider a request to approve the first amendment to the construction contract with ASI Arizona Inc. for the fabrication and installation of the second phase of Wayfinding Signs, to increase the contract amount by \$187,028.47, and authorize the Mayor, or City Manager and City Clerk to execute the necessary documents.

f. PROFESSIONAL SERVICES AGREEMENT WILSON ENGINEERS LLC - METER EVALUATION AND UPGRADE SERVICES

City Council will consider a request to enter into a Professional Services Agreement with Wilson Engineers LLC to complete a Meter Evaluation and Upgrade Services for \$23,870, and authorize the Mayor or City Manager and City Clerk to execute the necessary documents.

g. COOPERATIVE PURCHASING AGREEMENT - CACTUS TRANSPORT, INC.

City Council will consider a request to approve a Cooperative Purchasing Agreement with Cactus Transport, Inc. d/b/a Cactus Asphalt, to provide a variety of asphalt preservation materials and services for a maximum annual amount of \$600,000 and \$1,800,000 over the life of the contract, and authorize the Mayor, or City Manager and City Clerk to execute the necessary documents.

6 2017 WATER AND WASTEWATER RATE INCREASES

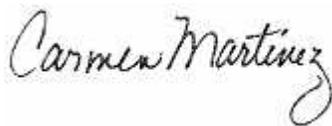
City Council will receive information regarding the rate analysis update for the water and wastewater enterprise funds. For information, discussion and direction.

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 (i) potential economic development agreement and (ii) Milledge v City of Avondale.

8 ADJOURNMENT

Respectfully submitted,



Carmen Martinez
City Clerk

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cuando menos dos días hábiles antes de la junta del Concejo.

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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

SUBJECT:

Introduction of New Police Officers

MEETING DATE:

10/3/2016

TO: Mayor and Council

FROM: Dale Nannenga, Police Chief (623) 333-7207

THROUGH: David Fitzhugh, City Manager

PURPOSE:

The following officers will be introduced to City Council:

- Officer Jennifer Goodman
- Officer Sean Doherty
- Officer Ian Blazek
- Officer Yusef Hassan
- Officer Daniel Andrade
- Officer Damian Guardiola
- Officer Eric Lady



CITY COUNCIL AGENDA

SUBJECT: Special Event Liquor License - Billy Moore Days
MEETING DATE: 10/3/2016

TO: Mayor and Council
FROM: Carmen Martinez, City Clerk (623) 333-1214
THROUGH: David Fitzhugh, City Manager

PURPOSE:

Staff is recommending approval of a special event liquor license application submitted by Ms. Christina Underhill on behalf of Friends of the Libraries and Recreation to be used in conjunction with the Billy Moore Days festivities scheduled for Friday, October 21 and Saturday, October 22, 2016 in Historic Avondale.

DISCUSSION:

The City Clerk's Department has received a request from Ms. Christina Underhill on behalf of the Friends of Libraries and Recreation for a special event liquor license to be used in conjunction with the Billy Moore Days festivities on Friday, October 21st from 5:00 pm to 8:00 pm and Saturday, October 22, 2016 from 11:00 am to 10:00 pm. The Beer Garden will be located in front of 2Di4 Popcorn located at 506 E. Western Avenue in Historic Avondale.

The required fees have been paid and the Police and Fire Departments have reviewed the application and are recommending approval. Their comments are attached.

Staff reviewed this application using the 14 factors set forth in Ordinance 1031-04. The findings are as noted below:

1. The event will be open to the public
2. Criminal history of the applicant - A background check of the representative, Ms Christina Underhill, revealed no contact with the Avondale Police Department
3. The beer garden will be sponsored by the applicant organization to raise funds as part of the Billy Moore Days festivities
4. Security measures taken by the applicant - The Police Department has reviewed the security plan and has determined it to be sufficient
5. Beer will be served
6. Beverages will be dispensed in cans
7. This event is coming back after a several years hiatus. This is a new location for the event although similar smaller events that have included alcohol have been held in the area over the years, none recently. No neighborhood disturbances are anticipated due to the location and the duration of the event
8. Event activities will be spread out along Western Avenue and in DeConcini Park. Area residents will be notified of the event ahead of time and are expected to participate in the event.

9. The event will last three hours on Friday and 11 hours on Saturday.
10. Portable restrooms will be available for attendees
11. Zoning is appropriate - special events may occur on any property irrespective of zoning designation
12. Anticipated total daily attendance is 4,000 people
13. This will be a carnival type event and as such will have a variety of entertainment with corresponding sound amplification
14. The Police Department will participate in the preparation and final approval of the traffic control plan.

RECOMMENDATION:

Staff is recommending approval of a special event liquor license application submitted by Ms. Christina Underhill on behalf of Friends of the Libraries and Recreation to be used in conjunction with the Billy Moore Days festivities scheduled for Friday, October 21 and Saturday, October 22, 2016 in Historic Avondale.

ATTACHMENTS:

Description

[Application and Related Documents](#)

SERIES 15 SPECIAL EVENT
LIQUOR LICENSE APPLICATION FOR
FRIENDS OF AVONDALE LIBRARIES AND RECREATION
BILLY MOORE DAYS

DUE TO THEIR SIZE, THE FOLLOWING DOCUMENTS
HAVE BEEN POSTED SEPARATELY:

APPLICATION
DEPARTMENTAL REVIEW

<http://www.avondale.org/DocumentCenter/View/38975>



CITY COUNCIL AGENDA

SUBJECT:

Special Event Liquor License - Catitudes Gallery
Season Opening

MEETING DATE:

10/3/2016

TO: Mayor and Council**FROM:** Carmen Martinez, City Clerk (623) 333-1214**THROUGH:** David Fitzhugh, City Manager**PURPOSE:**

Staff is recommending approval of a special event liquor license application submitted by Ms. Bonnie Lewis to be used in conjunction with Catitudes Gallery's Season Opening Gala scheduled for Saturday, November 12, 2016 from 5 pm to 9 pm at the Gallery located at 404 E Western Avenue in Avondale.

DISCUSSION:

The City Clerk's Department has received a request from Ms Bonnie Lewis for a special event liquor license to be used in conjunction Catitudes Gallery Season Opening Gala scheduled for Saturday, November 12, 2016 from 5:00 pm to 9:00 pm.

The required fees have been paid. Staff has determined that the applicant is not requesting any city support other than normal city services. The Police and Fire Departments have reviewed the application and are recommending approval. Their comments are attached.

Staff reviewed this application using the 14 factors set forth in Ordinance 1031-04. The findings are as noted below:

1. The event will be open to the public
2. Criminal history of the applicant - A background check of the representative, Ms Bonnie Lewis revealed no contact with the Avondale Police Department
3. The event is a season opening gala to raise funds
4. Security measures taken by the applicant - The Police Department has reviewed the security plan and has determined it to be sufficient
5. Wine will be served
6. Wine will be dispensed in disposable cups
7. This is the first time that liquor will be served during this event, No neighborhood disturbances are anticipated due to the location and the duration of the event
8. Event activities will be confined to the galley, so there is no potential for problems in the neighborhood in terms of noise, hours and time of the event
9. The event will last three hours
10. Sanitary facilities are available within the gallery
11. Zoning is appropriate - special events may occur on any property irrespective of zoning designation

12. Anticipated total daily attendance is 350 people
13. There will not be sound amplification.
14. Per the Police Department, traffic control measures will not be necessary

RECOMMENDATION:

Staff is recommending approval of a special event liquor license application submitted by Ms. Bonnie Lewis to be used in conjunction with Catitudes Gallery's Season Opening Gala scheduled for Saturday, November 12, 2016 from 5 pm to 9 pm at the Gallery located at 404 E Western Avenue in Avondale.

ATTACHMENTS:

Description

[Application and Related Documents](#)

SERIES 15 SPECIAL EVENT
LIQUOR LICENSE APPLICATION FOR
CATITUDE GALLERY & STUDIO
SEASON OPENING GALA

DUE TO THEIR SIZE, THE FOLLOWING DOCUMENTS
HAVE BEEN POSTED SEPARATELY:

APPLICATION
DEPARTMENTAL REVIEW

<http://www.avondale.org/DocumentCenter/View/38974>



CITY COUNCIL AGENDA

SUBJECT:

Liquor License - Series 12 (Restaurant) -
Restaurante Mariscos 7 Mares

MEETING DATE:

10/3/2016

TO: Mayor and Council

FROM: Carmen Martinez, City Clerk (623) 333-1214

THROUGH: David Fitzhugh, City Manager

PURPOSE:

Staff is recommending Council approval of an application for a Series 12 (Restaurant) liquor license application submitted by Mr. Francisco Rodriguez Garcia to be used at Restaurante Mariscos 7 Mares, a new restaurant to be located at 10730 W Lower Buckeye Road, Suite 108 in Avondale.

DISCUSSION:

The City Clerk's Department has received an application for a Series 12 restaurant license to sell all spirituous liquors from Mr. Francisco Rodriguez Garcia to be used at Restaurante Mariscos 7 Mares to be located at 10730 W Lower Buckeye Road, Suite 108 in Avondale. The fees in the amount of \$1,350 have been paid.

As required by state law and city ordinance, the application was posted for the required period of time beginning on September 8, 2016. A notice was published in the West Valley View on September 21 and 28, 2016. No comments have been received.

The Arizona Department of Liquor License and Control has accepted the submitted application as complete. The Police, Fire, Development Services and Finance Departments have reviewed the application and are recommending approval. Their comments are attached.

RECOMMENDATION:

Staff is recommending Council approval of an application for a Series 12 (Restaurant) liquor license application submitted by Mr. Francisco Rodriguez Garcia to be used at Restaurante Mariscos 7 Mares, a new restaurant to be located at 10730 W Lower Buckeye Road, Suite 108 in Avondale.

ATTACHMENTS:

Description

[Application and Related Documents](#)

SERIES 12 (RESTAURANT) LIQUOR LICENSE APPLICATION FOR
RESTAURANTE MARISCOS 7 MARES

DUE TO THEIR SIZE, THE FOLLOWING DOCUMENTS
HAVE BEEN POSTED SEPARATELY:

APPLICATION
DEPARTMENTAL REVIEW
POSTING PHOTOS
VICINITY MAP

<http://www.avondale.org/DocumentCenter/View/38963>



CITY COUNCIL AGENDA

SUBJECT:

Liquor License Acquisition of Control - Series 12
(Restaurant) - Smashburger #1393

MEETING DATE:

10/3/2016

TO: Mayor and Council**FROM:** Carmen Martinez, City Clerk, (623) 333-1214**THROUGH:** David Fitzhugh, Acting City Manager (623) 333-1014**PURPOSE:**

Staff is recommending approval of a request from Andrea Lewkowitz for approval of the acquisition of control of a Series12 Restaurant license to sell all spirituous liquors at Smashburger # 1393 located at 9915 West McDowell Road, Suite 101.

DISCUSSION:

The City Clerk's Department has received an application from Ms. Andrea Lewkowitz for acquisition of control of a Series12 Restaurant license to sell all spirituous liquors at Smashburger #1393 located at 9915 West McDowell Road, Suite 101, Avondale, Arizona. The fees in the amount of \$1,350 have been paid.

The establishment has been licensed since 2009, a change of ownership was approved in 2014. Further changes in the corporate structure of the parent company require that a new license be obtained.

As required by state law and city ordinance, the application was posted for the required period of time starting September 8, 2016. A notice was published in the West Valley View on September 21 and 28th, 2016. No comments were received.

The Arizona Department of Liquor License and Control has accepted the submitted application as complete. The Development Services, Finance, Police and Fire Departments have reviewed the application and are recommending approval. Their comments are attached.

RECOMMENDATION:

Staff recommends that the City Council approve the request from Ms. Andrea Lewkowitz for approval of the acquisition of control of a Series12 Restaurant license to sell all spirituous liquors at Smashburger # 1393 located at 9915 West McDowell Road, Suite 101.

ATTACHMENTS:

Description

[Application and Related Documents](#)

SERIES 12 (RESTAURANT) LIQUOR LICENSE APPLICATION FOR
SMASHBURGER #1393
ACQUISITION OF CONTROL

DUE TO THEIR SIZE, THE FOLLOWING DOCUMENTS
HAVE BEEN POSTED SEPARATELY:

APPLICATION
DEPARTMENTAL REVIEW
POSTING PHOTOS
VICINITY MAP

<http://www.avondale.org/DocumentCenter/View/38962>



CITY COUNCIL AGENDA

SUBJECT:

Amendment #1 to Construction Contract - ASI
Arizona Inc. for Wayfinding Sign Phase II Design
and Installation

MEETING DATE:

10/3/2016

TO: Mayor and Council**FROM:** Tracy Stevens, Development and Engineering Services Director 623-333-4012**THROUGH:** David Fitzhugh, City Manager**PURPOSE:**

Staff is requesting that the City Council consider Amendment #1 to the construction contract with ASI Arizona Inc. for the fabrication and installation of the second phase of Wayfinding Signs, to increase the contract amount by \$187,028.47, and authorize the Mayor, or City Manager and City Clerk to execute the necessary documents.

BACKGROUND:

On May 18, 2015, as a result of Invitation for Bid EN15-047, City Council adopted Resolution 3252-515, the City of Avondale Wayfinding System Master Plan, and subsequently, entered into a Contract with ASI Arizona Inc. (ASI) to fabricate and install the first phase of Wayfinding Signs.

Phase I consisted of one (1) lighted monument sign (located on the west side of Avondale Boulevard south of I-10), and four (4) additional vehicular directional signs, with a contract amount of \$42,597.04. Staff is now moving forward with the second phase of Wayfinding Signs in conformance with the adopted Wayfinding Signage Master Plan.

DISCUSSION:

As a result of their work on Phase I of the Wayfinding Sign Program, ASI has accumulated process knowledge and efficiency during the implementation of Phase I, and worked closely with Staff to provide a well-received product that met the City's expectations. By utilizing ASI for Phase II, the City will benefit from their familiarity with their work on Phase I and ultimately, product consistency.

Development and Engineering Services proposes to fund the installation of three (3) lighted monument signs and nine (9) vehicular directional signs under Phase II. In addition, the Neighborhood and Family Services Department expressed their desire to install additional signage within the Historic District of Avondale. It was determined that the installation of a lighted pedestrian map plus three (3) additional vehicular directional signs (non-lighted) would be funded by NFS through the Community Development Block Grant funding. Therefore, the fabrication and installation of the following Phase II signs will be funded as follows:

To be funded by Development & Engineering Services:

Lighted monument sign at the SE corner of Dysart & McDowell Ave	\$24,659.44
Lighted monument sign at the SW corner of Dysart & Indian School Rd	\$35,987.92
Lighted monument sign at the NW corner of McDowell & 99th Ave	\$26,107.44
Vehicular Directional Sign at the SW corner of Indian School & Litchfield	\$ 5,222.40
Vehicular Directional Sign at the SE corner of Thomas & Dysart	\$ 5,222.40
Vehicular Directional Sign at the SW corner of Indian School & 99th Ave	\$ 5,222.40
Vehicular Directional Sign at the NE corner of Thomas & 107th Ave	\$ 5,222.40
Vehicular Directional Sign at the NW corner of Thomas & 99th Ave	\$ 5,222.40
Vehicular Directional Sign at the SW corner of McDowell & 107th Ave	\$ 5,222.40
Vehicular Directional Sign at the NE corner of McDowell & 107th Ave	\$ 5,222.40
Vehicular Directional Sign at the NW corner of McDowell & 99th Ave	\$ 5,222.40
Vehicular Directional Sign at the NW corner of 99th Ave & Van Buren	\$ 5,222.40
Landscaping around Existing Monument Sign (Avondale & I-10)	\$ 2,676.48
Remove Existing Old Wooden Monument Signs (10 @ \$500 ea.)	\$ 5,000.00
DES Total	\$141,432.88

To be funded by Neighborhood and Family Services:

Lighted pedestrian Map in front of the Sam Garcia Library	\$29,928.39
Vehicular directional sign at the SE corner of Western & 3rd Ave	\$ 5,222.40
Vehicular directional sign at the NW corner of Dysart & Western Ave	\$ 5,222.40
Vehicular directional sign at the SE corner of Dysart & Western Ave	\$ 5,222.40
NFS Total	\$45,595.59

The three vehicular directional signs on Western Avenue will include the words "Historic Avondale" in a purple vertical blade, in conformance with the Master Plan.

Electrical power will be provided to each of the lighted signs, with the exception of the sign at the SE corner of Dysart & McDowell, which will be solar powered. Staff will monitor the performance of the solar-powered sign, and based on its performance, staff could consider using this renewable energy source as the basis for lighted Wayfinding Signs in future phases of the project.

Construction Schedule:

- Council Award - October 3, 2016
- Begin Fabrication - October 15, 2016
- Begin Construction - November 1, 2016
- Complete Construction - January, 2017

BUDGET IMPACT:

Funding for Phase II of the project will come from the following sources:

1. \$100,000 is available in CIP One-Time Fund Line Item 322-1370-00-8420 City Wayfinding Sign Program;
2. \$41,432.88 is available in Planning Operating Budget Line Item 101-5400-00-6790;
3. \$5,595.59 is available in Neighborhood & Family Services Line Item 240-7598-16-6180; and
4. \$40,000 is available in Neighborhood & Family Services Line Item 240-7598-17-6180.

RECOMMENDATION:

Staff is recommending City Council to approve Amendment #1 to the construction contract with ASI Arizona Inc., increasing the contract amount by \$187,028.47, for an aggregate of \$229,625.51, to provide the fabrication and installation of signs under Phase II of the City of Avondale Wayfinding Sign Program, and authorize the Mayor, or City Manager and City Clerk to execute the necessary Documents.

ATTACHMENTS:

Description

[First Amendment - ASI - Arizona - 14173C](#)

**FIRST AMENDMENT
TO
CONTRACT NO. 14173C
BETWEEN
THE CITY OF AVONDALE
AND
ASI-ARIZONA, INC.**

THIS FIRST AMENDMENT TO CONTRACT NO. 14173C (this “First Amendment”) is made as of October 3, 2016, between the City of Avondale, an Arizona municipal corporation (the “City”), and ASI-Arizona, Inc. a Delaware corporation (the “Contractor”).

RECITALS

A. The City issued Invitation for Bids EN15-047 (the “IFB”) seeking bids from contractors to provide the fabrication and installation of wayfinding signs (the “Materials and Services”). The Contractor responded to the IFB and the City and Contractor entered into Contract No. 14173C, dated September 16, 2015, for the provision of the Materials and Services (the “Contract”), a true and correct copy of which is on file with the City Clerk. All of the capitalized terms not otherwise defined in this First Amendment have the same meanings as defined in the Contract.

B. The City has determined that it is necessary for the Contractor to fabricate and install signs for phase II of the wayfinding project (the “Additional Materials and Services”).

C. The City and the Contractor desire to enter into this First Amendment to (i) extend the term of the Agreement, (ii) modify the scope of work to include the Additional Materials and Services and (iii) provide for the increase in compensation to the Contractor for the Additional Materials and Services.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing introduction and recitals, which are incorporated herein by reference, the following mutual covenants and conditions, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the City and the Contractor hereby agree to amend the Contract as follows:

1. Term. The term of the Contract is hereby extended through October 2, 2017.
2. Scope of Work. Contractor shall provide the Additional Materials and Services as set forth in the Quotation, attached hereto as Exhibit 1 and incorporated herein by reference.
3. Compensation. The City shall increase the compensation to Contractor by not more than \$187,028.47, for the Additional Materials and Services as set forth in the Quotation, resulting in an increase of the aggregate not-to-exceed compensation from \$42,597.04 to \$229,625.51.

4. Effect of Amendment. In all other respects, the Contract is affirmed and ratified and, except as expressly modified herein, all terms and conditions of the Contract shall remain in full force and effect.

5. Non-Default. By executing this First Amendment, the Contractor affirmatively asserts that (i) the City is not currently in default, nor has been in default at any time prior to this First Amendment, under any of the terms or conditions of the Contract and (ii) any and all claims, known and unknown, relating to the Contract and existing on or before the date of this First Amendment are forever waived.

6. Israel. Contractor certifies that it is not currently engaged in, and agrees for the duration of this Agreement that it will not engage in, a “boycott” of Israel, as that term is defined in ARIZ. REV. STAT. § 35-393.

7. Conflict of Interest. This First Amendment and the Contract may be cancelled pursuant to ARIZ. REV. STAT. § 38-511.

[SIGNATURES ON FOLLOWING PAGES]

IN WITNESS WHEREOF, the parties hereto have executed this instrument as of the date and year set forth above.

“City”

CITY OF AVONDALE,
an Arizona municipal corporation

David W. Fitzhugh, City Manager

ATTEST:

Carmen Martinez, City Clerk

(ACKNOWLEDGMENT)

STATE OF ARIZONA)
) ss.
COUNTY OF MARICOPA)

On _____, 2016, before me personally appeared David W. Fitzhugh, the City Manager of the CITY OF AVONDALE, an Arizona municipal corporation, whose identity was proven to me on the basis of satisfactory evidence to be the person who he claims to be, and acknowledged that he signed the above document, on behalf of the City of Avondale.

Notary Public

(Affix notary seal here)

[SIGNATURES CONTINUE ON FOLLOWING PAGE]

“Contractor”

ASI-ARIZONA, INC.,
a Delaware corporation

By: _____

Name: _____

Title: _____

(ACKNOWLEDGMENT)

_____)
_____) ss.
_____)

On _____, 2016, before me personally appeared _____
_____, the _____ of ASI-ARIZONA, INC., a
Delaware corporation whose identity was proven to me on the basis of satisfactory evidence to
be the person who he/she claims to be, and acknowledged that he/she signed the above document
on behalf of the corporation.

Notary Public

(Affix notary seal here)

EXHIBIT 1
TO
FIRST AMENDMENT
TO
CONTRACT NO. 14173C
BETWEEN
THE CITY OF AVONDALE
AND
ASI-ARIZONA, INC.

[Quotation]

See following pages.

Quote No. ARIZ 856

September 15, 2016
Page 1 of 8



Customer City of Avondale
Location Primary Location
Reference Avondale Wayfinding P2

Bill to City of Avondale
Anna Hudson
11465 West Civic Center Drive
Avondale, AZ 85323
US
T: 623-333-4213
Email: ahudson@avondale.org

Ship to City of Avondale
Anna Hudson
11465 West Civic Center Drive
Avondale, AZ 85323
US
T: 623-333-4213
Email: ahudson@avondale.org

Valid Until	Revision Date 09/15/2016	Terms Net 30 days	SR Shaun Booth
F.O.B. N/A	Revision No	Ship Method Installed	PM Shaun Booth
Lead Time 5 - 6 Weeks			

No.	Item	Description	Qty	UOM	Unit Price	Extension
1.	Roadway Directional Sign	Roadway Directional Sign 11' Exposed Height Round Pole. Diameter to be determined by Engineer. 5 Aluminum Panels Painted Finish with 3m Reflective Graphics. Copy TBD 3 Panels @ 12" H x 48" L 1 Panels @ 58" H x 9" L 1 Panels @ 52" H x 14" L Unit Cost - \$4,800.00 Tax Amount - \$422.40 Total Each with Tax - \$5222.40 12 Total with Tax - \$62,668.80	12	Each	4,800.00	57,600.00
2.	Pedestrian Directional Sign	6'6" H x 2'10" W - Map Cabinet to be internally LED Lit - Digital Print 2nd Surface Maps on Acrylic Non Glare (Double Sided) - Acrylic Push Through LED Lit - Historic Avondale \$12,500.00 Remove 7' x 5.5' Concrete Pad Hole Hog 18" Depth 10' Run (continued on next page)	1	Each	11,650.00	11,650.00

continued on next page

Quote No. ARIZ 856

September 15, 2016
Page 2 of 8

Customer City of Avondale
Location Primary Location
Reference Avondale Wayfinding P2



No.	Item	Description	Qty	UOM	Unit Price	Extension
		Install New 8' x 8' Concrete Pad				
		\$11,550.00				
		Provide and Install at New Location (1) Belson Outdoors 6 Bike Bike Coil Bike Rack - Power Coat Finish Surface Mount				
		\$800.00				
		Traffic Control 3 Days - Includes Police Officer and Lane Closure				
		\$3,600.00				
		Run Power from existing J-Box in sidewalk				
		Non Taxable Amount - \$11,650.00				
		Taxable Amount - \$16,800.00				
		Tax Amount - \$1,478.40				
		Total - \$29928.40				

3.	Monument Sign	Indian School & Dysart	1	Each	7,900.00	7,900.00
		Fabricated .125" Aluminum Cabinet Construction				
		12' H x 3'5" W				
		4' H x 41" W .125 Aluminum Base Tapered 60 degrees. Powder coat finish				
		Avondale letters to be LED backlit - Single Sided				
		AVI and square cutouts to be LED lit				
		Painted Finish				
		Concrete Engineered Footing Included				
		\$15356.10				
		Provide New Meter Pedestal				
		Trench Conduit 75-100 Foot Line				
		(continued on next page)				

continued on next page

Quote No. ARIZ 856

September 15, 2016
Page 3 of 8

Customer City of Avondale
Location Primary Location
Reference Avondale Wayfinding P2



No.	Item	Description	Qty	UOM	Unit Price	Extension
		\$5,800.00				
		Provide New Curb and Gutter 100 Foot Run Along with Asphalt Patch. Quote from Ace Asphalt. \$50.00 Per LF				
		\$5,000.00 Curb and Gutter \$1,500.00 for Asphalt Patching				
		Traffic Control 3 Days - Includes Police Officer and Lane Closures If needed				
		\$3,600.00				
		5 Tons 3/4 Minus Rock - Graded out to Curb height level Up to 10 landscape plants - Plant Species TBD - \$500.00 Total Plant Costs Plant Species to require no irrigation system Plants will not have warranty due to no irrigation system present when installed.				
		Includes 7 days of watering for plant establishment				
		\$2,460.00				
		Non Taxable Amount - \$7,900.00 Taxable Amount - \$25,816.10 Tax Amount - \$2,271.82 Total - \$35,987.92				

4.	Monument Sign	99th Ave & McDowell	1	Each	9,400.00	9,400.00
		Fabricated .125" Aluminum Cabinet Construction				
		12' H x 3'5" W				
		4' H x 41" W .125 Aluminum Base Tapered 60 degrees. Powder coat finish				
		Avondale letters to be LED backlit - Single Sided				
		AVI and square cutouts to be LED lit				
		(continued on next page)				

continued on next page

Quote No. ARIZ 856

September 15, 2016

Page 4 of 8

Customer City of Avondale
 Location Primary Location
 Reference Avondale Wayfinding P2



No.	Item	Description	Qty	UOM	Unit Price	Extension
		Painted Finish				
		Concrete Engineered Footing Included				
		\$15356.10				
		Run Power Off Existing Pedestal Trench Conduit 145 Foot Line				
		\$5,800.00				
		Traffic Control 3 Days - Includes Police Officer and Lane Closures If needed				
		\$3,600.00				
		Non Taxable Amount - \$9,400.00 Taxable Amount - \$15,356.10 Tax Amount - \$1,351.34 Total - \$26,107.44				

5.	Monument Sign	McDowell & Dysart	1	Each	3,600.00	3,600.00
		Fabricated .125" Aluminum Cabinet Construction				
		12' H x 3'5" W				
		4' H x 41" W .125 Aluminum Base Tapered 60 degrees. Powder coat finish				
		Avondale letters to be LED backlit - Single Sided				
		AVI and square cutouts to be LED lit				
		Painted Finish				
		Concrete Engineered Footing Included				
		\$15356.10				
		Solar Power System				
		(continued on next page)				

continued on next page

Quote No. ARIZ 856

September 15, 2016
Page 5 of 8

Customer City of Avondale
Location Primary Location
Reference Avondale Wayfinding P2



No.	Item	Description	Qty	UOM	Unit Price	Extension
		\$4,000.00				
		Traffic Control 3 Days - Includes Police Officer and Lane Closures If needed				
		\$3,600.00				
		Non Taxable Amount - \$3,600.00 Taxable Amount - \$19,356.1 Tax Amount - \$1,703.34 Total - \$24,659.44				
6.	Monument Sign	Avondale & I-10	1	Each	2,460.00	2,460.00
		5 Tons 3/4 Minus Rock - Graded out to Curb height level Up to 10 landscape plants - Plant Species TBD - \$500.00 Total Plant Costs Plant Species to require no irrigation system Plants will not have warranty due to no irrigation system present when installed. Includes 7 days of watering for plant establishment				
		\$2,460.00				
		Taxable Amount - \$2,460.00 Tax Amount - \$216.48 Total - \$2,676.48				
7.	Existing Sign Removal	Existing Sign Removal - \$500.00	10	Each	500.00	5,000.00
		Cut sign just Below Grade leave concrete footings Dispose of Sign				
8.	Taxable Items	Line 1 - Included Line 2 - \$16,800.00 Line 3 - \$25,816.10 Line 4 - \$15,356.10 Line 5 - \$19,356.10 Line 6 - Included	1	Each	77,328.30	77,328.30

continued on next page

Quote No. ARIZ 856

September 15, 2016
Page 6 of 8

Customer City of Avondale
Location Primary Location
Reference Avondale Wayfinding P2



Subtotal	174,938.30
Sales Tax (8.8 %)	12,090.17
Total	187,028.47



CITY COUNCIL AGENDA

SUBJECT:

Professional Services Agreement Wilson
Engineers LLC - Meter Evaluation and Upgrade
Services

MEETING DATE:

10/3/2016

TO: Mayor and Council**FROM:** Cindy Blackmore, Public Works Director, (623)-333-4410**THROUGH:** David Fitzhugh, City Manager**PURPOSE:**

Staff is requesting that the City Council enter into a Professional Services Agreement with Wilson Engineers LLC to complete a Meter Evaluation and Upgrade Services for \$23,870, and authorize the Mayor or City Manager and City Clerk to execute the necessary documents.

BACKGROUND:

The City of Avondale Public Works Department operates eighteen (18) water wells and six (6) booster station facilities in various locations throughout the City to supply water. The quantity of water produced at each location must be accounted for both for billing and water accounting purposes.

DISCUSSION:

The current meters are aging and are not equipped with Supervisory Control And Data Acquisition (SCADA) technology that is now available. In addition, staff has concern that in some cases the position of meters do not meet the recommended clearances required for accurate meter readings.

For these reasons, staff is requesting the consultant to complete an evaluation of the existing meters. This evaluation will include at a minimum:

- Review each location to determine if any changes are needed to obtain the most accurate meter readings.
- Identify any equipment needed for the City to begin collecting data from each meter electronically and communicate this data for easier City access and monitoring.
- Develop a cost estimate for any required improvements that are identified in the Evaluation.

Once the City has reviewed this evaluation, the Consultant may be retained to complete the design work for needs identified in the evaluation. As the extent of this work will not be known until the evaluation is completed, staff is recommending awarding only the evaluation portion of the study at this time. A contract amendment will be developed and brought back to City Council for approval if required to complete any design work when the results have been determined.

BUDGET IMPACT:

Funding is available in Line Item 501-9110-00-6180, Planning, Engineering & Professional Services.

RECOMMENDATION:

Staff recommends that the City Council enter into a Professional Services Agreement with Wilson Engineers LLC to complete a Meter Evaluation and Upgrade Services for \$23,870, and authorize the Mayor or City Manager and City Clerk to execute the contract documents.

ATTACHMENTS:**Description**

[PSA - Wilson Engineers, LLC](#)

**PROFESSIONAL SERVICES AGREEMENT
BETWEEN
THE CITY OF AVONDALE
AND
WILSON ENGINEERS, LLC**

THIS PROFESSIONAL SERVICES AGREEMENT (this “Agreement”) is entered into as of September 19, 2016, between the City of Avondale, an Arizona municipal corporation (the “City”), and Wilson Engineers, LLC, an Arizona limited liability company (the “Consultant”).

RECITALS

A. The City issued a Request for Qualifications, EN 16-027 “FY 2016/2017 Professional Consultants Selection List” (the “RFQ”), a copy of which is on file in the City’s Finance Office and incorporated herein by reference, seeking statements of qualifications from vendors for professional consulting services.

B. The Consultant responded to the RFQ by submitting a Statement of Qualifications (the “SOQ”), attached hereto as Exhibit A and incorporated herein by reference, and the City desires to enter into an Agreement with the Consultant to provide (i) an evaluation of the meters at the City’s water production sites, booster station sites and water reclamation facility (the “Evaluation Services”), as more particularly set forth in Section 2 below and (ii) design services to upgrade the meters (the “Design Services”). The Evaluation Services and Design Services are collectively referred to herein as the “Services”.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing introduction and recitals, which are incorporated herein by reference, the following mutual covenants and conditions, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the City and the Consultant hereby agree as follows:

1. Term of Agreement. This Agreement shall be effective as of the date first set forth above and shall remain in full force and effect until February 28, 2017, unless terminated as otherwise provided in this Agreement.

2. Scope of Work. Consultant shall provide the Evaluation Services as set forth in the Scope of Work, attached hereto as Exhibit B and incorporated herein by reference.

3. Compensation. The City shall pay Consultant an amount not to exceed \$23,870.00 for the Evaluation Services at the rates set forth in the Fee Proposal, attached hereto as Exhibit C and incorporated herein by reference. If requested by the City to perform the Design Services, and upon the City’s acceptance of a proposal from the Consultant for the Design Services, this Agreement shall be submitted to the City Council for amendment to include the scope and fee for the Design Services.

4. Payments. The City shall pay the Consultant monthly, based upon work performed and completed to date, and upon submission and approval of invoices. All invoices shall document and itemize all work completed to date. Each invoice statement shall include a record of time expended and work performed in sufficient detail to justify payment.

5. Documents. All documents, including any intellectual property rights thereto, prepared and submitted to the City pursuant to this Agreement shall be the property of the City.

6. Consultant Personnel. Consultant shall provide adequate, experienced personnel, capable of and devoted to the successful performance of the Services under this Agreement. Consultant agrees to assign specific individuals to key positions. If deemed qualified, the Consultant is encouraged to hire City residents to fill vacant positions at all levels. Consultant agrees that, upon commencement of the Services to be performed under this Agreement, key personnel shall not be removed or replaced without prior written notice to the City. If key personnel are not available to perform the Services for a continuous period exceeding 30 calendar days, or are expected to devote substantially less effort to the Services than initially anticipated, Consultant shall immediately notify the City of same and shall, subject to the concurrence of the City, replace such personnel with personnel possessing substantially equal ability and qualifications.

7. Inspection; Acceptance. All work shall be subject to inspection and acceptance by the City at reasonable times during Consultant's performance. The Consultant shall provide and maintain a self-inspection system that is acceptable to the City.

8. Licenses; Materials. Consultant shall maintain in current status all federal, state and local licenses and permits required for the operation of the business conducted by the Consultant. The City has no obligation to provide Consultant, its employees or subcontractors any business registrations or licenses required to perform the specific services set forth in this Agreement. The City has no obligation to provide tools, equipment or material to Consultant.

9. Performance Warranty. Consultant warrants that the Services rendered will conform to the requirements of this Agreement and to the highest professional standards in the field.

10. Indemnification. To the fullest extent permitted by law, the Consultant shall indemnify and hold harmless the City and each council member, officer, employee or agent thereof (the City and any such person being herein called an "Indemnified Party"), for, from and against any and all losses, claims, damages, liabilities, costs and expenses (including, but not limited to, reasonable attorneys' fees, court costs and the costs of appellate proceedings) to which any such Indemnified Party may become subject, under any theory of liability whatsoever ("Claims") to the extent that such Claims (or actions in respect thereof) are caused by the negligent acts, recklessness or intentional misconduct of the Consultant, its officers, employees, agents, or any tier of subcontractor in connection with Consultant's work or services in the performance of this Agreement. The amount and type of insurance coverage requirements set forth below will in no way be construed as limiting the scope of the indemnity in this Section.

11. Insurance.

11.1 General.

A. Insurer Qualifications. Without limiting any obligations or liabilities of Consultant, Consultant shall purchase and maintain, at its own expense, hereinafter stipulated minimum insurance with insurance companies authorized to do business in the State of Arizona pursuant to ARIZ. REV. STAT. § 20-206, as amended, with an AM Best, Inc. rating of A- or above with policies and forms satisfactory to the City. Failure to maintain insurance as specified herein may result in termination of this Agreement at the City's option.

B. No Representation of Coverage Adequacy. By requiring insurance herein, the City does not represent that coverage and limits will be adequate to protect Consultant. The City reserves the right to review any and all of the insurance policies and/or endorsements cited in this Agreement, but has no obligation to do so. Failure to demand such evidence of full compliance with the insurance requirements set forth in this Agreement or failure to identify any insurance deficiency shall not relieve Consultant from, nor be construed or deemed a waiver of, its obligation to maintain the required insurance at all times during the performance of this Agreement.

C. Additional Insured. All insurance coverage, except Workers' Compensation insurance and Professional Liability insurance, if applicable, shall name, to the fullest extent permitted by law for claims arising out of the performance of this Agreement, the City, its agents, representatives, officers, directors, officials and employees as Additional Insured as specified under the respective coverage sections of this Agreement.

D. Coverage Term. All insurance required herein shall be maintained in full force and effect until all work or services required to be performed under the terms of this Agreement are satisfactorily performed, completed and formally accepted by the City, unless specified otherwise in this Agreement.

E. Primary Insurance. Consultant's insurance shall be primary insurance with respect to performance of this Agreement and in the protection of the City as an Additional Insured.

F. Claims Made. In the event any insurance policies required by this Agreement are written on a "claims made" basis, coverage shall extend, either by keeping coverage in force or purchasing an extended reporting option, for three years past completion and acceptance of the services. Such continuing coverage shall be evidenced by submission of annual Certificates of Insurance citing applicable coverage is in force and contains the provisions as required herein for the three-year period.

G. Waiver. All policies, except for Professional Liability, including Workers' Compensation insurance, shall contain a waiver of rights of recovery (subrogation) against the City, its agents, representatives, officials, officers and

employees for any claims arising out of the work or services of Consultant. Consultant shall arrange to have such subrogation waivers incorporated into each policy via formal written endorsement thereto.

H. Policy Deductibles and/or Self-Insured Retentions. The policies set forth in these requirements may provide coverage that contains deductibles or self-insured retention amounts. Such deductibles or self-insured retention shall not be applicable with respect to the policy limits provided to the City. Consultant shall be solely responsible for any such deductible or self-insured retention amount.

I. Use of Subcontractors. If any work under this Agreement is subcontracted in any way, Consultant shall execute written agreements with its subcontractors containing the indemnification provisions set forth in this Section and insurance requirements set forth herein protecting the City and Consultant. Consultant shall be responsible for executing any agreements with its subcontractors and obtaining certificates of insurance verifying the insurance requirements.

J. Evidence of Insurance. Prior to commencing any work or services under this Agreement, Consultant will provide the City with suitable evidence of insurance in the form of certificates of insurance and a copy of the declaration page(s) of the insurance policies as required by this Agreement, issued by Consultant's insurance insurer(s) as evidence that policies are placed with acceptable insurers as specified herein and provide the required coverages, conditions and limits of coverage specified in this Agreement and that such coverage and provisions are in full force and effect. Confidential information such as the policy premium may be redacted from the declaration page(s) of each insurance policy, provided that such redactions do not alter any of the information required by this Agreement. The City shall reasonably rely upon the certificates of insurance and declaration page(s) of the insurance policies as evidence of coverage but such acceptance and reliance shall not waive or alter in any way the insurance requirements or obligations of this Agreement. If any of the policies required by this Agreement expire during the life of this Agreement, it shall be Consultant's responsibility to forward renewal certificates and declaration page(s) to the City 30 days prior to the expiration date. All certificates of insurance and declarations required by this Agreement shall be identified by referencing the RFQ number and title or this Agreement. A \$25.00 administrative fee shall be assessed for all certificates or declarations received without the appropriate RFQ number and title or a reference to this Agreement, as applicable. Additionally, certificates of insurance and declaration page(s) of the insurance policies submitted without referencing the appropriate RFQ number and title or a reference to this Agreement, as applicable, will be subject to rejection and may be returned or discarded. Certificates of insurance and declaration page(s) shall specifically include the following provisions:

(1) The City, its agents, representatives, officers, directors, officials and employees are Additional Insureds as follows:

(a) Commercial General Liability – Under Insurance Services Office, Inc., (“ISO”) Form CG 20 10 03 97 or equivalent.

(b) Auto Liability – Under ISO Form CA 20 48 or equivalent.

(c) Excess Liability – Follow Form to underlying insurance.

(2) Consultant’s insurance shall be primary insurance with respect to performance of this Agreement.

(3) All policies, except for Professional Liability, including Workers’ Compensation, waive rights of recovery (subrogation) against City, its agents, representatives, officers, officials and employees for any claims arising out of work or services performed by Consultant under this Agreement.

(4) ACORD certificate of insurance form 25 (2014/01) is preferred. If ACORD certificate of insurance form 25 (2001/08) is used, the phrases in the cancellation provision “endeavor to” and “but failure to mail such notice shall impose no obligation or liability of any kind upon the company, its agents or representatives” shall be deleted. Certificate forms other than ACORD form shall have similar restrictive language deleted.

11.2 Required Insurance Coverage.

A. Commercial General Liability. Consultant shall maintain “occurrence” form Commercial General Liability insurance with an unimpaired limit of not less than \$1,000,000 for each occurrence, \$2,000,000 Products and Completed Operations Annual Aggregate and a \$2,000,000 General Aggregate Limit. The policy shall cover liability arising from premises, operations, independent contractors, products-completed operations, personal injury and advertising injury. Coverage under the policy will be at least as broad as ISO policy form CG 00 010 93 or equivalent thereof, including but not limited to, separation of insured’s clause. To the fullest extent allowed by law, for claims arising out of the performance of this Agreement, the City, its agents, representatives, officers, officials and employees shall be cited as an Additional Insured under ISO, Commercial General Liability Additional Insured Endorsement form CG 20 10 03 97, or equivalent, which shall read “Who is an Insured (Section II) is amended to include as an insured the person or organization shown in the Schedule, but only with respect to liability arising out of “your work” for that insured by or for you.” If any Excess insurance is utilized to fulfill the requirements of this subsection, such Excess insurance shall be “follow form” equal or broader in coverage scope than underlying insurance.

B. Vehicle Liability. Consultant shall maintain Business Automobile Liability insurance with a limit of \$1,000,000 each occurrence on Consultant’s owned, hired and non-owned vehicles assigned to or used in the performance of the Consultant’s work or services under this Agreement. Coverage will be at least as broad as ISO coverage code “1” “any auto” policy form CA 00 01 12 93 or equivalent thereof. To the

fullest extent allowed by law, for claims arising out of the performance of this Agreement, the City, its agents, representatives, officers, directors, officials and employees shall be cited as an Additional Insured under ISO Business Auto policy Designated Insured Endorsement form CA 20 48 or equivalent. If any Excess insurance is utilized to fulfill the requirements of this subsection, such Excess insurance shall be “follow form” equal or broader in coverage scope than underlying insurance.

C. Professional Liability. If this Agreement is the subject of any professional services or work, or if the Consultant engages in any professional services or work in any way related to performing the work under this Agreement, the Consultant shall maintain Professional Liability insurance covering negligent errors and omissions arising out of the Services performed by the Consultant, or anyone employed by the Consultant, or anyone for whose negligent acts, mistakes, errors and omissions the Consultant is legally liable, with an unimpaired liability insurance limit of \$2,000,000 each claim and \$2,000,000 annual aggregate.

D. Workers’ Compensation Insurance. Consultant shall maintain Workers’ Compensation insurance to cover obligations imposed by federal and state statutes having jurisdiction over Consultant’s employees engaged in the performance of work or services under this Agreement and shall also maintain Employers Liability Insurance of not less than \$500,000 for each accident, \$500,000 disease for each employee and \$1,000,000 disease policy limit.

11.3 Cancellation and Expiration Notice. Insurance required herein shall not expire, be canceled, or be materially changed without 30 days’ prior written notice to the City.

12. Termination; Cancellation.

12.1 For City’s Convenience. This Agreement is for the convenience of the City and, as such, may be terminated without cause after receipt by Consultant of written notice by the City. Upon termination for convenience, Consultant shall be paid for all undisputed services performed to the termination date.

12.2 For Cause. If either party fails to perform any obligation pursuant to this Agreement and such party fails to cure its nonperformance within 30 days after notice of nonperformance is given by the non-defaulting party, such party will be in default. In the event of such default, the non-defaulting party may terminate this Agreement immediately for cause and will have all remedies that are available to it at law or in equity including, without limitation, the remedy of specific performance. If the nature of the defaulting party’s nonperformance is such that it cannot reasonably be cured within 30 days, then the defaulting party will have such additional periods of time as may be reasonably necessary under the circumstances, provided the defaulting party immediately (A) provides written notice to the non-defaulting party and (B) commences to cure its nonperformance and thereafter diligently continues to completion the cure of its nonperformance. In no event shall any such cure period exceed 90 days. In the event of such termination for cause, payment shall be made by the City to the Consultant for the undisputed portion of its fee due as of the termination date.

12.3 Due to Work Stoppage. This Agreement may be terminated by the City upon 30 days' written notice to Consultant in the event that the Services are permanently abandoned. In the event of such termination due to work stoppage, payment shall be made by the City to the Consultant for the undisputed portion of its fee due as of the termination date.

12.4 Conflict of Interest. This Agreement is subject to the provisions of ARIZ. REV. STAT. § 38-511. The City may cancel this Agreement without penalty or further obligations by the City or any of its departments or agencies if any person significantly involved in initiating, negotiating, securing, drafting or creating this Agreement on behalf of the City or any of its departments or agencies is, at any time while this Agreement or any extension of this Agreement is in effect, an employee of any other party to this Agreement in any capacity or a consultant to any other party of this Agreement with respect to the subject matter of this Agreement.

12.5 Gratuities. The City may, by written notice to the Consultant, cancel this Agreement if it is found by the City that gratuities, in the form of economic opportunity, future employment, entertainment, gifts or otherwise, were offered or given by the Consultant or any agent or representative of the Consultant to any officer, agent or employee of the City for the purpose of securing this Agreement. In the event this Agreement is canceled by the City pursuant to this provision, the City shall be entitled, in addition to any other rights and remedies, to recover and withhold from the Consultant an amount equal to 150% of the gratuity.

12.6 Agreement Subject to Appropriation. The City is obligated only to pay its obligations set forth in this Agreement as may lawfully be made from funds appropriated and budgeted for that purpose during the City's then current fiscal year. The City's obligations under this Agreement are current expenses subject to the "budget law" and the unfettered legislative discretion of the City concerning budgeted purposes and appropriation of funds. Should the City elect not to appropriate and budget funds to pay its Agreement obligations, this Agreement shall be deemed terminated at the end of the then-current fiscal year term for which such funds were appropriated and budgeted for such purpose and the City shall be relieved of any subsequent obligation under this Agreement. The parties agree that the City has no obligation or duty of good faith to budget or appropriate the payment of the City's obligations set forth in this Agreement in any budget in any fiscal year other than the fiscal year in which this Agreement is executed and delivered. The City shall be the sole judge and authority in determining the availability of funds for its obligations under this Agreement. The City shall keep Consultant informed as to the availability of funds for this Agreement. The obligation of the City to make any payment pursuant to this Agreement is not a general obligation or indebtedness of the City. Consultant hereby waives any and all rights to bring any claim against the City from or relating in any way to the City's termination of this Agreement pursuant to this section.

13. Miscellaneous.

13.1 Independent Contractor. It is clearly understood that each party will act in its individual capacity and not as an agent, employee, partner, joint venturer, or associate of the other. An employee or agent of one party shall not be deemed or construed to be the employee or agent of the other for any purpose whatsoever. The Consultant acknowledges and agrees that the Services provided under this Agreement are being provided as an independent contractor, not

as an employee or agent of the City. Consultant, its employees and subcontractors are not entitled to workers' compensation benefits from the City. The City does not have the authority to supervise or control the actual work of Consultant, its employees or subcontractors. The Consultant, and not the City, shall determine the time of its performance of the services provided under this Agreement so long as Consultant meets the requirements of its agreed Scope of Work as set forth in Section 2 above and in Exhibit B. Consultant is neither prohibited from entering into other contracts nor prohibited from practicing its profession elsewhere. City and Consultant do not intend to nor will they combine business operations under this Agreement.

13.2 Applicable Law; Venue. This Agreement shall be governed by the laws of the State of Arizona and suit pertaining to this Agreement may be brought only in courts in Maricopa County, Arizona.

13.3 Laws and Regulations. Consultant shall keep fully informed and shall at all times during the performance of its duties under this Agreement ensure that it and any person for whom the Consultant is responsible abides by, and remains in compliance with, all rules, regulations, ordinances, statutes or laws affecting the Services, including, but not limited to, the following: (A) existing and future City and County ordinances and regulations, (B) existing and future State and Federal laws and (C) existing and future OSHA standards.

13.4 Amendments. This Agreement may be modified only by a written amendment signed by persons duly authorized to enter into contracts on behalf of the City and the Consultant.

13.5 Provisions Required by Law. Each and every provision of law and any clause required by law to be in this Agreement will be read and enforced as though it were included herein and, if through mistake or otherwise any such provision is not inserted, or is not correctly inserted, then upon the application of either party, this Agreement will promptly be physically amended to make such insertion or correction.

13.6 Severability. The provisions of this Agreement are severable to the extent that any provision or application held to be invalid by a Court of competent jurisdiction shall not affect any other provision or application of this Agreement which may remain in effect without the invalid provision or application.

13.7 Entire Agreement; Interpretation; Parol Evidence. This Agreement represents the entire agreement of the parties with respect to its subject matter, and all previous agreements, whether oral or written, entered into prior to this Agreement are hereby revoked and superseded by this Agreement. No representations, warranties, inducements or oral agreements have been made by any of the parties except as expressly set forth herein, or in any other contemporaneous written agreement executed for the purposes of carrying out the provisions of this Agreement. This Agreement shall be construed and interpreted according to its plain meaning, and no presumption shall be deemed to apply in favor of, or against the party drafting this Agreement. The parties acknowledge and agree that each has had the opportunity to seek and utilize legal counsel in the drafting of, review of, and entry into this Agreement.

13.8 Assignment; Delegation. No right or interest in this Agreement shall be assigned or delegated by Consultant without prior, written permission of the City, signed by the City Manager. Any attempted assignment or delegation by Consultant in violation of this provision shall be a breach of this Agreement by Consultant.

13.9 Subcontracts. No subcontract shall be entered into by the Consultant with any other party to furnish any of the material or services specified herein without the prior written approval of the City. The Consultant is responsible for performance under this Agreement whether or not subcontractors are used. Failure to pay subcontractors in a timely manner pursuant to any subcontract shall be a material breach of this Agreement by Consultant.

13.10 Rights and Remedies. No provision in this Agreement shall be construed, expressly or by implication, as waiver by the City of any existing or future right and/or remedy available by law in the event of any claim of default or breach of this Agreement. The failure of the City to insist upon the strict performance of any term or condition of this Agreement or to exercise or delay the exercise of any right or remedy provided in this Agreement, or by law, or the City's acceptance of and payment for services, shall not release the Consultant from any responsibilities or obligations imposed by this Agreement or by law, and shall not be deemed a waiver of any right of the City to insist upon the strict performance of this Agreement.

13.11 Attorneys' Fees. In the event either party brings any action for any relief, declaratory or otherwise, arising out of this Agreement or on account of any breach or default hereof, the prevailing party shall be entitled to receive from the other party reasonable attorneys' fees and reasonable costs and expenses, determined by the court sitting without a jury, which shall be deemed to have accrued on the commencement of such action and shall be enforced whether or not such action is prosecuted through judgment.

13.12 Liens. All materials or services shall be free of all liens and, if the City requests, a formal release of all liens shall be delivered to the City.

13.13 Offset.

A. Offset for Damages. In addition to all other remedies at law or equity, the City may offset from any money due to the Consultant any amounts Consultant owes to the City for damages resulting from breach or deficiencies in performance or breach of any obligation under this Agreement.

B. Offset for Delinquent Fees or Taxes. The City may offset from any money due to the Consultant any amounts Consultant owes to the City for delinquent fees, transaction privilege taxes and property taxes, including any interest or penalties.

13.14 Notices and Requests. Any notice or other communication required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been duly given if (A) delivered to the party at the address set forth below, (B) deposited in the U.S. Mail, registered or certified, return receipt requested, to the address set forth below or (C) given to a recognized and reputable overnight delivery service, to the address set forth below:

If to the City: City of Avondale
11465 West Civic Center Drive
Avondale, Arizona 85323
Attn: David W. Fitzhugh, City Manager

With copy to: GUST ROSENFELD P.L.C.
One East Washington Street, Suite 1600
Phoenix, Arizona 85004-2553
Attn: Andrew J. McGuire

If to Consultant: Wilson Engineers, LLC
9633 South 48th Street, Suite 290
Phoenix, Arizona 85044
Attn: Phil Noonan

or at such other address, and to the attention of such other person or officer, as any party may designate in writing by notice duly given pursuant to this subsection. Notices shall be deemed received (A) when delivered to the party, (B) three business days after being placed in the U.S. Mail, properly addressed, with sufficient postage or (C) the following business day after being given to a recognized overnight delivery service, with the person giving the notice paying all required charges and instructing the delivery service to deliver on the following business day. If a copy of a notice is also given to a party's counsel or other recipient, the provisions above governing the date on which a notice is deemed to have been received by a party shall mean and refer to the date on which the party, and not its counsel or other recipient to which a copy of the notice may be sent, is deemed to have received the notice.

13.15 Confidentiality of Records. The Consultant shall establish and maintain procedures and controls that are acceptable to the City for the purpose of ensuring that information contained in its records or obtained from the City or from others in carrying out its obligations under this Agreement shall not be used or disclosed by it, its agents, officers, or employees, except as required to perform Consultant's duties under this Agreement. Persons requesting such information should be referred to the City. Consultant also agrees that any information pertaining to individual persons shall not be divulged other than to employees or officers of Consultant as needed for the performance of duties under this Agreement.

13.16 Records and Audit Rights. To ensure that the Consultant and its subcontractors are complying with the warranty under subsection 13.17 below, Consultant's and its subcontractor's books, records, correspondence, accounting procedures and practices, and any other supporting evidence relating to this Agreement, including the papers of any Consultant and its subcontractors' employees who perform any work or services pursuant to this Agreement (all of the foregoing hereinafter referred to as "Records"), shall be open to inspection and subject to audit and/or reproduction during normal working hours by the City, to the extent necessary to adequately permit (A) evaluation and verification of any invoices, payments or claims based on Consultant's and its subcontractors' actual costs (including direct and indirect costs and overhead allocations) incurred, or units expended directly in the performance of work under this Agreement and (B) evaluation of the Consultant's and its subcontractors' compliance with the Arizona employer sanctions laws referenced in subsection 13.17 below. To the extent necessary

for the City to audit Records as set forth in this subsection, Consultant and its subcontractors hereby waive any rights to keep such Records confidential. For the purpose of evaluating or verifying such actual or claimed costs or units expended, the City shall have access to said Records, even if located at its subcontractors' facilities, from the effective date of this Agreement for the duration of the work and until three years after the date of final payment by the City to Consultant pursuant to this Agreement. Consultant and its subcontractors shall provide the City with adequate and appropriate workspace so that the City can conduct audits in compliance with the provisions of this subsection. The City shall give Consultant or its subcontractors reasonable advance notice of intended audits. Consultant shall require its subcontractors to comply with the provisions of this subsection by insertion of the requirements hereof in any subcontract pursuant to this Agreement.

13.17 E-verify Requirements. To the extent applicable under ARIZ. REV. STAT. § 41-4401, the Consultant and its subcontractors warrant compliance with all federal immigration laws and regulations that relate to their employees and their compliance with the E-verify requirements under ARIZ. REV. STAT. § 23-214(A). Consultant's or its subcontractor's failure to comply with such warranty shall be deemed a material breach of this Agreement and may result in the termination of this Agreement by the City.

13.18 Israel. Consultant certifies that it is not currently engaged in, and agrees for the duration of this Agreement that it will not engage in, a "boycott" of Israel, as that term is defined in ARIZ. REV. STAT. § 35-393.

13.19 Conflicting Terms. In the event of any inconsistency, conflict or ambiguity among the terms of this Agreement, the Scope of Work, any City-approved Purchase Order, the Fee Proposal, the RFQ and the Consultant's SOQ, the documents shall govern in the order listed herein.

13.20 Non-Exclusive Contract. This Agreement is entered into with the understanding and agreement that it is for the sole convenience of the City. The City reserves the right to obtain like goods and services from another source when necessary.

13.21 Cooperative Purchasing. Specific eligible political subdivisions and nonprofit educational or public health institutions ("Eligible Procurement Unit(s)") are permitted to utilize procurement agreements developed by the City, at their discretion and with the agreement of the awarded Consultant. Consultant may, at its sole discretion, accept orders from Eligible Procurement Unit(s) for the purchase of the Materials and/or Services at the prices and under the terms and conditions of this Agreement, in such quantities and configurations as may be agreed upon between the parties. All cooperative procurements under this Agreement shall be transacted solely between the requesting Eligible Procurement Unit and Consultant. Payment for such purchases will be the sole responsibility of the Eligible Procurement Unit. The exercise of any rights, responsibilities or remedies by the Eligible Procurement Unit shall be the exclusive obligation of such unit. The City assumes no responsibility for payment, performance or any liability or obligation associated with any cooperative procurement under this Agreement. The City shall not be responsible for any disputes arising out of transactions made by others.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date and year first set forth above.

“City”

CITY OF AVONDALE,
an Arizona municipal corporation

David W. Fitzhugh, City Manager

ATTEST:

Carmen Martinez, City Clerk

(ACKNOWLEDGMENT)

STATE OF ARIZONA)
) ss.
COUNTY OF MARICOPA)

On _____, 2016, before me personally appeared David W. Fitzhugh, the City Manager of the CITY OF AVONDALE, an Arizona municipal corporation, whose identity was proven to me on the basis of satisfactory evidence to be the person who he claims to be, and acknowledged that he signed the above document, on behalf of the City of Avondale.

Notary Public

(Affix notary seal here)

[SIGNATURES CONTINUE ON FOLLOWING PAGE]

EXHIBIT A
TO
PROFESSIONAL SERVICES AGREEMENT
BETWEEN
THE CITY OF AVONDALE
AND
WILSON ENGINEERS, LLC

[Consultant's SOQ]

See following pages.

PSA – WILSON ENGINEERS, LLC

EXHIBIT A and B

DUE TO ITS SIZE, THIS DOCUMENT
HAS BEEN POSTED SEPARATELY

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<http://www.avondale.org/DocumentCenter/View/39016>

EXHIBIT C
TO
PROFESSIONAL SERVICES AGREEMENT
BETWEEN
THE CITY OF AVONDALE
AND
WILSON ENGINEERS, LLC

[Fee Proposal]

See following page.

**CITY OF AVONDALE
WATER RECLAMATION FACILITY
METER UPGRADE STUDY
8/20/2016**

I. LABOR SUMMARY

Task	Task Description	Project Manager \$ 195.00	Senior Engineer \$ 165.00	Project Engineer \$ 140.00	Senior Technician \$ 95.00	Admin. \$ 85.00	Total Hours	Total Fee
Task 1.0 - Filtration Evaluation								
1.1	Data Collection and Review	1	4	8			13	\$ 1,975
1.2	Develop Site Review Checklist	1	4	4			9	\$ 1,415
1.3	Conduct Site Visits		24	24			48	\$ 7,320
1.4	Identify Meter Site Upgrades	2	4	8			14	\$ 2,170
1.5	Develop Cost Estimates	1	2	4			7	\$ 1,085
Task 2.0 - Deliverable Preparation								
2.1	Draft Letter Report	1	8	16	24	4	53	\$ 6,375
2.1	Review Meeting	3		3			6	\$ 1,005
2.3	Final Letter Report	1	4	8	4	2	19	\$ 2,525
Subtotal - Wilson Labor Summary		10	50	75	28	6	169	\$ 23,870.00

II. EXPENSE SUMMARY

No.	Expense Description	Unit	Total Units	Cost / Unit	Total
1.0			0	\$ -	\$ -
2.0			0	\$ -	\$ -
SUBTOTAL - EXPENSE SUMMARY					\$ -

III. TOTAL ENGINEERING SERVICES

Item	Description	Amount
I.	LABOR SUMMARY	\$ 23,870
II.	EXPENSE SUMMARY	\$ -
III.	TOTAL LUMP SUM FEE PROPOSAL	\$ 23,870



CITY COUNCIL AGENDA

SUBJECT:

Cooperative Purchasing Agreement - Cactus Transport, Inc.

MEETING DATE:

10/3/2016

TO: Mayor and Council

FROM: Tracy Stevens, Development & Engineering Services Director (623) 333-4012

THROUGH: David Fitzhugh, City Manager

PURPOSE:

Staff is requesting that the City Council approve a Cooperative Purchasing Agreement with Cactus Transport, Inc. d/b/a Cactus Asphalt, to provide a variety of asphalt preservation materials and services, and authorize the Mayor, or City Manager and City Clerk to execute the necessary documents.

BACKGROUND:

The City strives to keep roadways in the best condition possible. As a result, the City implemented a Pavement Management System (PMS) in 2009. This fully implemented computerized system tracks past pavement treatments, current pavement conditions, and projects future pavement performance; enabling public managers to more effectively perform the financial planning necessary to stretch limited pavement preservation and reconstruction dollars.

Staff continuously researches preservative asphalt treatments to ensure the treatments used most efficiently meet the City's preservation needs. Several factors are used to evaluate pavement preservation strategies including age, history of prior treatments, current pavement conditions, and roadway usage. Using the PMS, in conjunction with the appropriated budget, staff determines the best treatment and prioritizes the streets to be treated.

DISCUSSION:

Pinal County currently has a contract with Cactus Transport, Inc. d/b/a Cactus Asphalt, to provide a variety of asphalt preservation materials and services. The Pinal County Contract contains cooperative language which extends the use of the contract to other municipalities.

Asphalt preservation treatments provided under this agreement may include: Crack-seal, Fog-seals, TRMSS (Tire Rubber Modified Surface Seal), FAST (Fractured Aggregate Surface Treatment), PMM (Polymer Modified Masterseal), Asphalt Patching and/or Profiling, Wide Crack Mastic Sealing, and Striping and Pavement Messaging.

The key to premier pavement management is applying preservation treatments at the correct time during the life cycle of city roadways. Having access to this variety of pavement preservation "tools" is optimum for staff to ensure Avondale's roads remain in good condition.

The anticipated FY 16-17 Pavement Preservation Project work plan and schedule is:

- 552,147 square yards of TRMSS (Tire Rubber Modified Surface Sealant)
 - This project is estimated to get underway in November 2016
- 52,078 square yards of FAST (Fracture Aggregate Surface Treatment)
 - This project is estimated to get underway in April 2017

For all of the FY 16-17 Pavement Preservation Projects:

- Contractors will provide advance messaging and/or door hangers to make motorists and residents aware of parking restrictions and possible delays.
- Contractors will provide adequate traffic control to protect motorists and/or residents from damage to vehicles and personal property.

The streets selected to be treated are in various locations across the city.

BUDGET IMPACT:

Pinal County's Agreement with Cactus Transport, Inc. is effective through July 14, 2017 with an option to renew up to two (2) additional one (1) year terms. During the initial term of the Agreement, the compensation amount shall not exceed \$600,000. For years 2-3 of the Agreement (renewal terms), the City shall pay the Contractor an annual aggregate amount not to exceed \$600,000. The maximum aggregate amount for this Agreement, including all renewal terms, shall not exceed \$1,800,000, subject to budget approval. Funding for the initial term of this agreement is available in CIP Street Fund Line Item 304-1020-00-8420.

RECOMMENDATION:

Staff recommends that the City Council approve a Cooperative Purchasing Agreement with Cactus Transport, Inc. d/b/a Cactus Asphalt to provide a variety of asphalt preservation materials and services and authorize the Mayor, or City Manager and City Clerk to execute the necessary documents.

ATTACHMENTS:

Description

[Cooperative Purchasing Agreement - Cactus Transport, Inc.](#)

COOPERATIVE PURCHASING AGREEMENT
CACTUS TRANSPORT d/b/a CACTUS ASPHALT

DUE TO ITS SIZE, THIS DOCUMENT
HAS BEEN POSTED SEPARATELY

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CITY COUNCIL AGENDA

SUBJECT: 2017 Water and Wastewater Rate Increases **MEETING DATE:** 10/3/2016

TO: Mayor and Council
FROM: Abbe Yacoben, Finance and Budget Director (623) 333-2011
THROUGH: David Fitzhugh, City Manager

PURPOSE:
Staff is providing information to Council regarding the rate analysis update for the water and wastewater enterprise funds.

BACKGROUND:

In Fiscal Year 2015-16 the City Council adopted a resolution to increase water and sewer rates to ensure the long-term financial stability of the Enterprise Funds, implement objectives to develop a long-range asset replacement plan for water and wastewater, and to ensure the City is prepared to deal with future economic conditions outside of our control. The City's enterprise funds rely on user charges, and do not receive the benefit of tax revenues to fund operations. In order to ensure the financial stability of these funds, it is necessary to perform rate studies each year to determine if revenues are adequate to cover expenses.

As provided to Council during water and wastewater rate discussions last year, the following table shows the history of adjustments to the water and wastewater rates:

Year	Water	Wastewater
2016	7.5%	6.0%
2015	0%	0%
2014	0%	0%
2013	0%	0%
2012	0%	0%
2011	0%	0%
2010	0%	0%
2009	3.8%	1.76%
2008	3.4%	2.4%
2007	5.5%	0%
2006	5.5%	0%

DISCUSSION:**Rate Discussion (Please see Appendix A for more information.)**

The updated results indicate the need to continue to increase revenues, according to the plan presented to Council in 2015. Staff has identified the need for increases in future years based on current cost estimates in addition to lower-than-adequate working capital and capital reserves in the water and wastewater funds. The need for the increase in rates is primarily a result of increased regulatory requirements and the costs of treatment related to the expansion of the wastewater treatment plant.

Water and Wastewater - Revenue sufficiency analysis

The rate update results indicate that water and wastewater revenues need to be increased by 6.0% in the first of five years. For details, please see the Cash Flow Analysis schedule on page 6 of the Draft Utilities Rate Report attachment.

Based on information currently available, the rate model indicates the need for the planned increases of 6% in each of the next five years for both, water and wastewater funds. However, given the continually changing economy and treatment standards, it is possible that future updates of the rate model may result in varying revenue requirements in future years.

Water - Rate Structure

The following table presents the current water rate structure and the proposed rate structure:

Water Rates	Current	Proposed
Customer Charge Per Bill - all users	\$ 3.30	\$ 3.20
<u>Meter Size-Base Fee all users</u>		
3/4" Meter	\$ 7.70	\$ 8.00
1" Meter	19.30	19.90
1 1/2" Meter	38.60	39.90
2" Meter	61.70	63.80
3" Meter	115.70	119.70
4" Meter	192.80	199.50
6" Meter	385.70	399.00
8" Meter	617.10	638.30
10" Meter	887.10	917.60
Hydrant Meter	192.80	199.50
<u>Residential Usage Charge per 1,000 gallons</u>		
0-4,000 gal	\$ 1.06	\$ 1.15
5,000 - 8,000 gal	1.69	1.83
9,000 - 12,000 gal	2.47	2.68

13,000 + gal	3.88	4.20
Non-Residential Usage Charge per 1,000 gallons		
0 - 8,000 gal	\$ 1.69	\$ 1.83
9,000 - 12,000 gal	2.47	2.68
13,000 + gal	3.88	4.20
Hydrant Usage - all gal	3.88	4.20

The rate structure incorporates a conservation rate element, in that, the higher water consumption users pay a higher usage or volume charge. For example, a residential user with consumption of 2,000 gallons per month would pay \$1.15 per thousand gallons of water for the volume charge. On the other hand, with consumption of 20,000 gallons of water the residential user is paying \$4.20 per thousand gallons for consumption in excess of 13,000 gallons. As a result of the conservation rate structure, the rate increase does not impact all customers the same. Please see the graphic on page 14 of the Draft Utilities Rate Report attachment for more information on the impact of the rate increase on different customers based upon their usage.

Sewer Rate Structure

The following table shows the proposed sewer rates compared to the current rates.

	Current	Proposed	
<u>Customer Charge - all users</u>	\$ 6.42	\$ 6.50	
<u>Customer Class</u>	<u>Volume charge per 1,000 gal</u>	<u>Volume charge per 1,000 gal</u>	<u>Return Factor</u>
Residential	\$ 3.52	\$ 3.82	80%
Multi-Family	3.52	3.82	100%
Mobile Home Park	3.52	3.82	80%
Auto Steam Cleaning	8.58	11.13	70%
Bakery Wholesale	5.41	7.49	80%
Hospital & Convalescent	2.74	2.89	80%
Markets with Garbage Disposal	6.68	6.68	80%
Repair Shop and Service Station	2.74	2.88	80%
Restaurant	7.14	7.49	80%
Schools & Colleges	2.21	2.30	80%
Bars W/O Dining	2.73	2.83	80%
Laundromat	2.32	2.42	70%
Commercial Laundry	3.93	4.13	70%

Car Wash	1.83	1.86	70%
Professional Office	2.16	2.27	80%
Department Store & Retail	2.40	2.49	80%
Hotel w/Dining	4.92	5.05	80%
Hotel w/o Dining	3.05	3.22	80%
Mortuaries	6.68	6.89	80%
*Residential charges are calculated using the average water usage for the months of December, January and February, adjusted by the listed return factor			

The graph on page 14 of the Draft Utilities Report attachment displays the impact of the rate increases to a residential user with a 3/4" meter.

The graph illustrates the impact of the rate increase ranging from 1% for the lower consumption water users to 8% for a residential user with consumption of 24,000 gallons per month.

Code Changes Discussion

Staff has identified several sections of the City's code that are antiquated and require updating in order to keep up with current practices and prices in some cases. The changes include several clerical corrections in addition to changes in forfeiture of deposits, allowing customers to dispute bills electronically versus in person only, obstructions to the City's meters which may prevent meter readings, due dates, deposit refunds, inspections of business to ensure they are being charged at the correct strength rate, and ensuring fairness in winter-averaging.

Specific code changes will be forth-coming in the October 17th Council Meeting and will be discussed during the public participation process discussed below.

Timeline and process

In order to increase water and wastewater user fees, Arizona Revised Statute 9-511.01 requires that any municipality engaging in a domestic water or wastewater business shall comply with the following:

Prepare a written report or supply data supporting the increased rate or rate component, fee or service charge. A copy of the report shall be made available to the public by filing a copy in the office of the clerk of the municipality governing board at least thirty days prior to the required public hearing.

Adopt a notice of intention by motion at a regular council meeting to increase water or wastewater rates or rate components, fee or service charge and set a date for a public hearing on the proposed increase which shall be held not less than thirty days after adoption of the notice of intention. A copy of the notice of intention showing the date, time and place of such hearing shall be published one time in a newspaper of general circulation within the boundaries of the municipality not less than twenty days prior to the public hearing date.

After holding the public hearing, the governing body may adopt, by ordinance or resolution, the proposed rate or rate component, fee or service charge increase or any lesser increase.

The notice of intention to increase rates is scheduled to be presented to Council on October 17, 2016, and the public hearing on the proposed rate increase is scheduled to be held on November

21, 2016. The written report will be made available at the City Clerk's office upon adoption of the notice of intention.

Public Participation

Staff will hold two town hall meetings on October 25, 2016 to solicit input from the community in addition to the Neighborhood and Family Services Commission meeting on October 26, 2016. While the meeting has not taken place as of the publication of the Council agenda and packet, staff will be prepared to provide estimates for residents' monthly bills based on proposed rates in addition to discussing the five-year capital improvement program. Finally, the public hearing on November 21, 2016 will give the community another opportunity to provide feedback on the rate proposals.

BUDGET IMPACT:

Please see cash-flow analysis included in the Draft Utilities Rate report and Discussion section.

RECOMMENDATION:

This report is for information only, and does not require any action.

ATTACHMENTS:

Description

[2017 Utility Rate Increase Report](#)

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I. Introduction/Background

The City currently uses a rate revenue analysis model developed in 2004 by Red Oak Consulting, which at that time was a division of Malcolm Pirnie, Inc. The primary objective of the model is to assess water and wastewater revenue, costs and required rates. City staff regularly completes a study of the water and wastewater enterprises to determine if the current schedule of rates and charges are sufficient to generate the revenue necessary to meet operating and capital needs in an equitable manner while encouraging water conservation. Staff proposed a six-year forecast including rate increases to the City Council during December, January, and February of 2015-2016. The Council approved the first year of rate increases which became effective on March 17th, 2016 and approved the conceptual model and subsequent increases. The FY 2017 rate increase is scheduled and proposed to be six percent in both water and sewer enterprises.

This first rate increase in several years (since 2009) was necessary at this time, as increasing costs and asset depreciation in the water and sewer funds were starting to have an impact and both water and wastewater funds have had declines in net position (commonly referred to as fund balance). The City Council recently completed its first strategic planning process, and included an initiative entitled “Foster Sustainable Community Development”. This includes the concept of sturdy and stable infrastructure. As the water and sewer funds are self-sustaining and do not receive other funds, this means that rate revenue must create a sustainable enterprise. Staff has been assigned the task of updating the 2015 model for the upcoming January, 2017 increase.

The Finance & Budget staff has been working with the City’s capital improvement program in addition to operating budgets to assess the financial impact of the current operations and capital project needs. The methodology used to conduct the analysis is summarized below:

- ▣ Revenue sufficiency analysis
 - Historical trend analysis
 - Baseline projections
- ▣ Cost of service analysis
- ▣ Rate design
 - Local market comparison
 - Customer impact

The historical trends are reviewed over the last ten years while the projected study period includes the current fiscal year and five additional years. The projection years are referred to as the study period.

In summary, staff’s analysis has concluded both the water and wastewater enterprises require rate adjustments in order to sustain the current service levels, fund infrastructure improvements, add additional debt service and also establish much needed reserves. The water fund requires, at minimum, a 6% adjustment in the first year, followed by 6% adjustments to revenue each year for the following four years. The wastewater fund requires, at minimum, a 6% adjustment annually over the same five year period. While this recommended plan does not achieve all stated objectives immediately, it puts the City in a position to reach the desired goals over a period of time that softens the impact on customers. This report documents the analysis conducted by staff in updating the rate model.

II. Revenue Sufficiency Analysis

Revenue sufficiency analysis helps determine if the annual rate revenue projected over the study period is sufficient to fund the water and wastewater system financial requirements, including operating expenses, debt service and the capital improvements program. In order to update the model, staff evaluates utility expenses, current budgets, capital projects, debt requirements and the impact on operations from the capital program. These expenses are then updated in the model to keep it current. In evaluating the expenses it is clear that the rising costs of treating and distributing water and maintaining the system components have continued to accelerate at rates that are currently outpacing the normal consumer inflation rates.

Another driving factor in the rates is the need to fund the replacement of system components. As indicated in the City of Avondale's Municipal Code §24-117, the user charge rates for sewer should be revised as needed to pay for the total operations, maintenance and replacement costs for the system. While the Code is not specific on the water system it is prudent to ensure the rates also recover sufficient revenue to ensure the timely replacement of water system components. Due to the aging system in some areas of the City, additional replacement funding is required to ensure the timely replacement of system components.

A. Historical Trend Analysis

Over the last ten years, Avondale population has increased an average of 1.5% while the number of net new single family water and sewer accounts has increased an average of 2% over the same time frame. Actual billed water volume has increased an average of 4% per year and treated wastewater inflows have also increased 4.2% per year on average. The most recent completed fiscal year, however, indicates a decline in both water & wastewater volumes.

Inflation as measured by the Consumer Price Index (CPI) has averaged 2.16% per year during the ten year period. Costs have increased by approximately 3% each year in water operations while wastewater operations have increased on average by over 6.4% each year since Fiscal Year 2006. The most rapidly increasing costs in wastewater operations are salaries and electricity.

Rate increases have averaged only 2.0% in water and 1.0% in wastewater over the same ten year time frame. The 2016 rate increase was the first since 2009. The following table shows the revenue adjustment percentages from FY 2007 through FY 2016.

Table 1 - Revenue Adjustment History

Year	Water	Wastewater
2016	7.5%	6%
2015	0%	0%
2014	0%	0%
2013	0%	0%
2012	0%	0%
2011	0%	0%
2010	0%	0%
2009	3.8%	1.76%
2008	3.4%	2.4%
2007	5.5%	0%

B. Baseline Expense Projections

The model was updated to include all new expenses and other revenue needs for a five year study period in addition to the current budget year. Baseline expense projections for the forecast period assumed the following:

- ✓ Based on the historical trend analysis, the majority of operating expenses and transfers out increase by 3% per year with the exception of the following:
 - Salary related expenses – increase by 3% in year one and 2% each year thereafter in the forecast period
 - Employee Benefits – increase of 4% each year in the forecast period
 - Maintenance contracts – increase an average of 2% per year.
- ✓ Annual debt service expenses and debt service coverage requirements were taken from the current outstanding debt information and only projected to increase in years in which additional debt is projected.

Capital projects included in the baseline projections reflect the current adopted capital improvement plan (CIP) with the following additions/changes:

- ✓ Water reservoir coating and rehabilitation
- ✓ Sewer pipe relining
- ✓ Additional large diameter pipe rehabilitation
- ✓ Lift station rehabilitation
- ✓ Water reclamation facility upgrades

Complete CIP schedules are included in the appendix in exhibit 1. Additional projects have also been included in the years beyond this study period. The projects are subject to change each year based on new development and existing infrastructure conditions.

C. Baseline Revenue Projections

Baseline revenue projections were assumed to exclude additional revenue from rate increases. The following assumptions were used to project annual changes in baseline revenue during the period:

- ✓ Baseline water and wastewater rate revenue, that is, rate revenue increases that are exclusive of programmed rate increases, was projected to increase at 2.4% annually to reflect projected annual growth in the water and wastewater customer base.
- ✓ FY 2017 Budgeted miscellaneous revenue (turn on/off charges, late fees, etc.) was projected to remain constant during the forecast period.
- ✓ Water and wastewater development fee revenue was projected to remain constant during the forecast period.
- ✓ Planned bond revenue from the City's CIP is included and the model also assumes additional bonds will be issued to match development fee and/or operating transfer shortfalls.
- ✓ Interest income was calculated by the model based on projected fund balances during the period and assumed interest earnings rate of 1.0% per year.

Other Revenue Requirements

In addition to operating expenses, the City has set a management objective to maintain a working capital reserve in an amount equal to at least nine months of operations and maintenance. The City Council has also set an objective to develop a long-range asset replacement plan for water and wastewater. In order to fund such a plan a funding mechanism must be developed that will ensure the rate revenue will be sufficient to fund existing system upgrades and replacement while also funding a reserve for replacement that will be available for future or emergency needs. The current net position in both water and wastewater have declined in recent years so in order to fund replacement needs and reserves, the rate revenue must increase to improve cash flow in both funds. The full funding of these reserves will need to be implemented over a period of a few years to avoid drastic increases. Staff included an initial reserve requirement of 5% of existing asset cost for illustration purposes.

Financial Projections associated with the Revenue Sufficiency Analysis Phase

The results of the revenue sufficiency analysis are presented in Table 2 - Cash Flow Analysis. As indicated on the lines 7 and 31 of Table 2, rate increases are necessary in both funds over the next five years.

Table 2 - Cash Flow Analysis

City of Avondale, Arizona
 Revenue Sufficiency Analysis
 Pro-Forma and Cash Flow Analysis - By Fund

	FY 17	FY 18	FY 19	FY 20	FY 21	FY 22
Water Operating Fund						
Beginning Balances	28,333,338	26,888,568	24,544,578	23,938,297	23,571,336	25,171,462
Water Rate Revenue	13,312,230	14,110,964	15,316,605	16,625,255	18,045,717	19,587,543
Plus: Growth	0.0%	2.4%	2.4%	2.4%	2.4%	2.4%
Water Rate Revenue After Growth	13,312,230	14,449,627	15,684,203	17,024,261	18,478,814	20,057,644
Pct Change in Water Rates	6.00%	6.00%	6.00%	6.00%	6.00%	2.00%
Pct of Year Rate Increase Effective	50%	50%	50%	50%	50%	50%
Water Rate Revenue After Growth and Rate Increase	13,711,597	14,883,116	16,154,729	17,534,989	19,033,179	20,258,221
Other Revenue	680,420	680,420	680,420	680,420	680,420	680,420
Interest Income	276,767	258,540	243,862	240,688	248,492	268,674
Total Revenue	14,668,784	15,822,075	17,079,011	18,456,097	19,962,090	21,207,315
O&M	(11,673,011)	(14,335,068)	(14,854,607)	(15,157,415)	(15,705,571)	(16,094,385)
Debt Service	(36,934)	(330,997)	(330,685)	(665,644)	(656,393)	(680,960)
Capital Outlay	(778,610)	-	-	-	-	-
Transfers Out	(3,500,000)	(3,500,000)	(2,500,000)	(3,000,000)	(2,000,000)	(2,000,000)
Cash Funded Capital	(125,000)	-	-	-	-	-
Net Cash Flow	(1,444,770)	(2,343,990)	(606,281)	(366,962)	1,600,126	2,431,970
Restricted Reserve for Required New Debt	-	-	-	(335,338)	(335,338)	(359,984)
Restricted Reserve for Replacement/Refurbishment	-	(15,046,060)	(15,204,858)	(15,365,331)	(15,527,498)	(15,691,376)
Ending Unrestricted Balances	26,888,568	9,498,518	8,733,440	7,870,667	9,308,626	11,552,072
Working Capital Reserve	8,754,758	10,751,301	11,140,955	11,368,061	11,779,178	12,070,789
Surplus/(Deficit)	18,133,809	(1,252,783)	(2,407,515)	(3,497,394)	(2,470,552)	(518,717)
Sewer Operating Fund						
Beginning Balances	10,573,066	12,301,669	10,612,391	11,402,703	12,877,687	14,979,900
Sewer Rate Revenue	8,830,001	9,359,801	10,159,502	11,027,530	11,969,723	12,992,416
Plus: Growth	0.0%	2.4%	2.4%	2.4%	2.4%	2.4%
Sewer Rate Revenue After Growth	8,830,001	9,584,436	10,403,331	11,292,191	12,256,996	13,304,234
Pct Change in Sewer Rates	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%
Pct of Year Rate Increase Effective	50%	50%	50%	50%	50%	50%
Sewer Rate Revenue After Growth and Rate Increase	9,094,901	9,871,969	10,715,430	11,630,957	12,624,706	13,703,361
Other Revenue	1,238,840	1,238,840	1,297,766	1,328,293	1,359,554	1,391,564
Interest Income	197,016	217,144	239,829	278,623	323,593	379,065
Total Revenue	10,530,757	11,327,954	12,253,025	13,237,873	14,307,852	15,473,990
O&M	(5,811,339)	(6,059,330)	(6,146,917)	(6,237,862)	(6,545,330)	(6,711,833)
Debt Service	(1,052,265)	(1,877,359)	(2,140,092)	(2,133,770)	(2,139,070)	(2,030,417)
Capital Outlay	(208,550)	(181,875)	(48,500)	-	(310,400)	-
Transfers Out	(1,000,000)	(2,568,667)	(2,597,203)	(2,626,257)	(2,655,840)	(2,685,961)
Cash Funded Capital	(730,000)	(2,330,000)	(530,000)	(765,000)	(555,000)	(530,000)
Net Cash Flow	1,728,603	(1,689,278)	790,312	1,474,984	2,102,212	3,515,778
Restricted Reserve for Required New Debt	(417,655)	(417,655)	(687,723)	(687,723)	(822,354)	(822,354)
Restricted Reserve for Replacement/Refurbishment	-	(15,686,675)	(15,972,029)	(16,262,573)	(16,558,402)	(16,859,613)
Ending Unrestricted Balances	11,884,014	(5,491,939)	(5,257,048)	(4,072,609)	(2,400,857)	813,710
Working Capital Reserve	4,358,504	4,544,497	4,610,188	4,678,396	4,908,997	5,033,875
Surplus/(Deficit)	7,525,510	(10,036,436)	(9,867,236)	(8,751,005)	(7,309,855)	(4,220,165)
Summary Results of Combined Water and Sewer Fund						
Debt Service Coverage Calculation						
Rate Revenue	22,806,498	24,755,085	26,870,160	29,165,946	31,657,884	33,961,581
Other Revenue	1,919,260	1,919,260	1,978,186	2,008,713	2,039,974	2,071,984
Interest Income	473,783	475,684	483,691	519,311	572,084	647,739
Total Revenue	25,199,541	27,150,029	29,332,036	31,693,971	34,269,942	36,681,305
O&M	(17,484,350)	(20,394,397)	(21,001,524)	(21,395,277)	(22,250,901)	(22,806,218)
Net Income	7,715,191	6,755,632	8,330,512	10,298,694	12,019,041	13,875,087
Debt Service - Existing	1,089,199	2,208,356	2,470,777	2,799,415	2,795,462	2,711,377
Debt Service Coverage	7.08	3.06	3.37	3.68	4.30	5.12
Summary of Increase in Rate Revenue (excluding Growth related increases)						
Total Full Year Rate Revenue Increase (excluding Growth)	23,470,765	24,879,011	27,004,673	29,311,953	31,816,366	33,751,255
Total Rate Revenue Before Rate Increase	22,142,231	23,470,765	25,476,107	27,652,786	30,015,440	32,579,959
Annual Pct Rate Revenue Increase	6.00%	6.00%	6.00%	6.00%	6.00%	3.60%
Revenue Requirement Water Allocation	67.2%	67.3%	67.7%	68.8%	67.9%	69.4%
Revenue Requirement Sewer Allocation	32.8%	32.7%	32.3%	31.2%	32.1%	30.6%

III. Cost of Service Analysis

Cost of service analysis helps determine the cost to serve water and wastewater customers and allocate those costs to rate components and customer classes based on a review of line-item operating, debt service and capital costs.

A. Allocation of Costs to Water Cost Components

Customer related costs, such as billing, customer service costs and meter reading for water customers were allocated directly to the water customer charge rate component. Meter related costs, such as meter repair and replacement costs associated with maintaining the utility's readiness to serve customers were allocated to the meter, or readiness to serve, charge. Other costs, such as transmission costs and treatment costs that are associated with flow-related activity, were allocated to the flow charge.

B. Allocation of Costs to Wastewater Cost Components

Customer related costs, such as billing and customer service costs, for wastewater customers were allocated directly to the wastewater customer charge rate component. Costs related to the collection system are allocated to a volume charge and treatment costs are allocated to strength charge both of which are then combine into a single flow charge.

The cost allocation process resulted in the percentage of the rate revenue requirement identified in the revenue sufficiency analysis that is to be recovered through the following rate components for each Utility:

Table 3 - Rate Cost Components

Water Rate Components		Wastewater Rate Components	
Customer charge	6.5%	Customer Charge	18%
Readiness to serve charge	20.5%	Flow Charge	33%
Flow Charge	73%	Strength Charge	49%

As demonstrated in Table 3, the majority of the costs associated with the water and wastewater systems can be attributed to the level of usage. This helps with rate development that achieves the following objectives:

- ✓ Revenue stability
- ✓ Discouragement of wasteful water use
- ✓ Promotion of fairness and equity among rate-payers
- ✓ Understandability of rates
- ✓ Allocation of costs of wastewater treatment based on estimated contribution to the wastewater system by user class.

IV. Rate Analysis and Design

To ensure fair and equitable rates utilizing the current rate model, the rate revenue requirement for each rate component is apportioned by customer class based on the allocation of the cost components.

A. Allocation of Costs to Water Customers

- ✓ Customer charge – The number of customers, by customer class, was compiled from the most recent fiscal year’s utility billing data to determine the number of customers and number of bills issued per year. The total costs were allocated on a per bill basis to develop the monthly charge.
- ✓ Readiness to serve charge – In order to properly apportion the rate revenue requirement for the readiness to serve charge among customer classes, equivalent units for each customer class were calculated in the following manner:
 - Equivalent Residential Units (ERUs) - The number of equivalent units for all customers, except multi-unit customers, was determined by calculating the equivalent residential units by meter size by class. Equivalent residential units for each class were calculated by multiplying the number of meters times the meter equivalency factor for each meter size. The meter equivalency factors used are established by the American Water Works Association (AWWA). The number of equivalent units was calculated by multiplying the number of units for multi-unit customers by the ratio of average monthly demand for multi-unit customers (4,700 gallons per month) as compared to single family residential customers (10,000 gallons per month), or 47%.

The rate revenue requirement for the readiness to serve charge is then apportioned based on the pro-rata portion of equivalent residential units for each class based on meter size.

- ✓ Flow rate – The water conservation component of the water rate design includes the development of four (4) blocks of water usage. The volume of water flow, by customer class, was compiled in order to determine the distribution of flow by class and rate block. The rate revenue requirement for the flow rate was then apportioned based on the pro-rata portion of customers for each class. One of the main objectives in the development of the current rate structure was to incorporate a conservation rate structure which alters the apportionment of the rate revenue requirement among customer classes based on their usage patterns.

The calculation of a user's monthly water bill is represented by the following formula:

$$\text{Water Charge} = \text{CC} + (\text{R} \times \text{M} \times \text{U}) + [(\text{B1} \times \text{V1}) + (\text{B2} \times \text{V2}) + (\text{B3} \times \text{V3}) + (\text{B4} \times \text{V4})]$$

Where:

B1= Rate per 1,000 gallons in block one

B2= Rate per 1,000 gallons in block two

B3= Rate per 1,000 gallons in block three

B4= Rate per 1,000 gallons in block four

CC = Customer charge per bill

M=Meter equivalency factor

R=Readiness to serve charge for 0.75" Meter per unit

U=Number of units

V1= Water usage in thousands of gallons in block one

V2= Water usage in thousands of gallons in block two

V3= Water usage in thousands of gallons in block three

V4= Water usage in thousands of gallons in block four

The blocks for water usage are determined using the ¾" meter as the base. Except for hydrant meters and residential customers with a ¾" or 1" meter, all blocks are adjusted by the meter equivalency factor. Hydrant meters have relatively high capacity when compared to the standard meter and are therefore calculated separately.

B. Allocation of Costs to Wastewater Customers

The rate revenue requirement for each rate component for wastewater was apportioned by customer class in the following manner:

- ✓ Customer charge – The number of customers, by customer class, was compiled from the most recent fiscal year's utility billing data to determine the number of customers and number of bills issued per year. The total costs were allocated on a per bill basis to develop the monthly charge.
- ✓ Flow rate – The volume of wastewater flow, adjusted to reflect the assumed return factors by customer was compiled in order to determine the distribution of flow by class. The volume charge was developed using volume data from the last fiscal year's billing data. The costs of the collection system were reduced to a cost per 1,000 gallons based on total billed volumes. The second component is the allocation of treatment costs. Strength of wastewater is measured based on wastewater loadings of Biochemical Oxygen Demand (BOD) and Suspended Solids (SS). The costs of treatment were apportioned between the two categories based on the estimated pounds of BOD and SS removed from wastewater by user class. Except for the residential class, these estimated pounds were calculated based on typical (Industry Standards) user strength characteristics developed by the California State Water Resources Control Board in 1998. The residential strength characteristics are based on the local residential contributions estimated by the Public Works Department staff. These loadings by customer class are presented in 4.

Table 4-Typical User Strengths

Standard Classifications	BOD (mg/l)	SS (mg/l)
Residential	331	383
Auto Steam Cleaning	1,150	2150
Bakery, wholesale	1,000	600
Bars without dining facilities	200	200
Car Wash	20	150
Department and Retail Store	150	150
Hospital and Convalescent	250	100
Hotel with dining facilities	500	600
Hotel/Motel without dining	310	120
Industrial Laundry	670	680
Laundromat	150	110
Laundry, commercial	450	240
Market with garbage grinders	800	800
Mortuary	800	800
Professional Office	130	80
Repair Shop and Service Station	180	280
Restaurant	1,000	600
School and College	130	100
Septage	5,400	12,000
Soft Water Service	3	55

The calculation of a user's monthly wastewater bill is represented by the following formula:

$$\text{Wastewater Charge} = CC + Vs[(Bc \times 0.00834 \times Bm) + (Sc \times 0.00834 \times Sm)]$$

Where:

Bc= Cost of treatment per unit of Biochemical Oxygen Demand (BOD)

Bm= Concentration of BOD in milligrams per liter

CC= Customer charge per bill

Sc= Cost of treatment per unit of Suspended Solids (SS)

Sm= Concentration of SS in milligrams per liter

Vs= Volume of wastewater in thousands of gallons

Volumes of wastewater are determined based on 80% of the average winter quarter (December, January and February) water usage for single family residential customers. Multi-family customer wastewater volumes are based on 100% of billed water volume. Laundries and Car Washes wastewater volumes are based on 70% of billed water usage each month. All other customer class wastewater volumes are based on 80% of billed water usage.

C. Water Rates

The current rates for water consumption are compared to the proposed rates in Table 5. Two additional meter sizes have been added to the rate schedule.

Table 5-Water Rates

Water Rates	Current	Proposed
Customer Charge Per Bill - all users	\$ 3.30	\$ 3.20
<u>Meter Size-Base Fee all users</u>		
3/4" Meter	\$ 7.70	\$ 8.00
1" Meter	19.30	19.90
1 1/2" Meter	38.60	39.90
2" Meter	61.70	63.80
3" Meter	115.70	119.70
4" Meter	192.80	199.50
6" Meter	385.70	399.00
8" Meter	617.10	638.30
10" Meter	887.10	917.60
Hydrant Meter	192.80	199.50
<u>Residential Usage Charge per 1,000 gallons</u>		
0-4,000 gal	\$ 1.06	\$ 1.15
5,000-8,000 gal	1.69	1.83
9,000-12,000gal	2.47	2.68
13,000 + gal	3.88	4.20
<u>Non-Residential Usage Charge per 1,000 gallons</u>		
0-8,000 gal	\$ 1.69	\$ 1.83
9,000-12,000gal	2.47	2.68
13,000 + gal	3.88	4.20
Hydrant Usage – all gal	3.88	4.20

Multi-family rates are adjusted by the 47% unit equivalency factor and rate blocks are adjusted by the meter equivalency factor.

D. Sewer Rates

The current rates for wastewater services are compared to the proposed rates in Table .

Table 6 - Wastewater Rates

	Current	Proposed	
<u>Customer Charge all users</u>	\$ 6.42	\$ 6.50	
<u>Customer Class</u>	<u>Volume charge per 1,000 gal</u>	<u>Volume charge per 1,000 gal</u>	<u>Return Factor</u>
Residential	\$ 3.52	\$ 3.82	80%
Multi-family	3.52	3.82	100%
Mobile Home Park	3.52	3.82	80%
Auto Steam Cleaning	8.58	11.13	70%
Bakery Wholesale	5.41	7.49	80%
Hospital & Convalescent	2.74	2.89	80%
Markets with Garbage Disposal	6.68	6.89	80%
Repair Shop and Service Station	2.74	2.88	80%
Restaurant	7.14	7.49	80%
Schools & Colleges	2.21	2.30	80%
Bars W/O Dining	2.73	2.83	80%
Laundromat	2.32	2.42	70%
Commercial Laundry	3.93	4.13	70%
Car Wash	1.83	1.86	70%
Professional Office	2.16	2.27	80%
Department Store & Retail	2.40	2.49	80%
Hotel w/Dining	4.92	5.05	80%
Hotel w/o Dining	3.05	3.22	80%
Mortuaries	6.68	6.89	80%

*Residential charges are calculated using the average water usage for the months of December, January and February, adjusted by the listed return factor.

E. Local Rate Comparisons

The proposed water and wastewater rates are still very competitive with rates around the Phoenix valley area. Water rates for the average usage are still among the lowest in the valley. The comparison values for water assume a 9,000 gallon residential water bill and the wastewater bill assumes average water usage of 8,000 gallons during the winter months. As indicated in the media, various other cities are also considering rate hikes so the rates depicted in Figure 1 and Figure 2 may change within the next year depending on the action taken by the respective City Councils.

Figure 1 -Valley-Wide Water and Sewer Bills Total Bill Comparison

Please note that the Cities’ rates are listed effective 1/1/2016 which is before the City of Avondale adopted its current rates. Staff has included the effective rates at the time in order to compare the rates as of 1/1/2016, current rates, and the future rates vs other cities’ current rates.

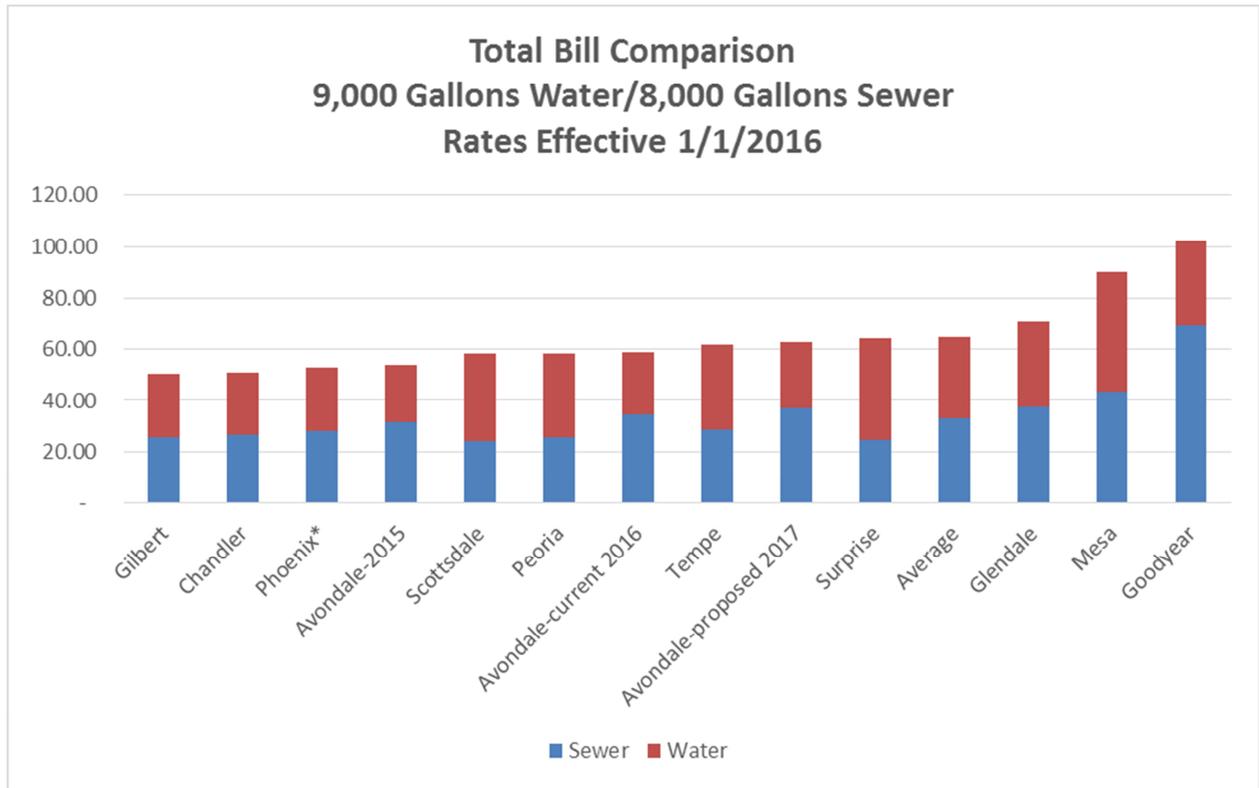
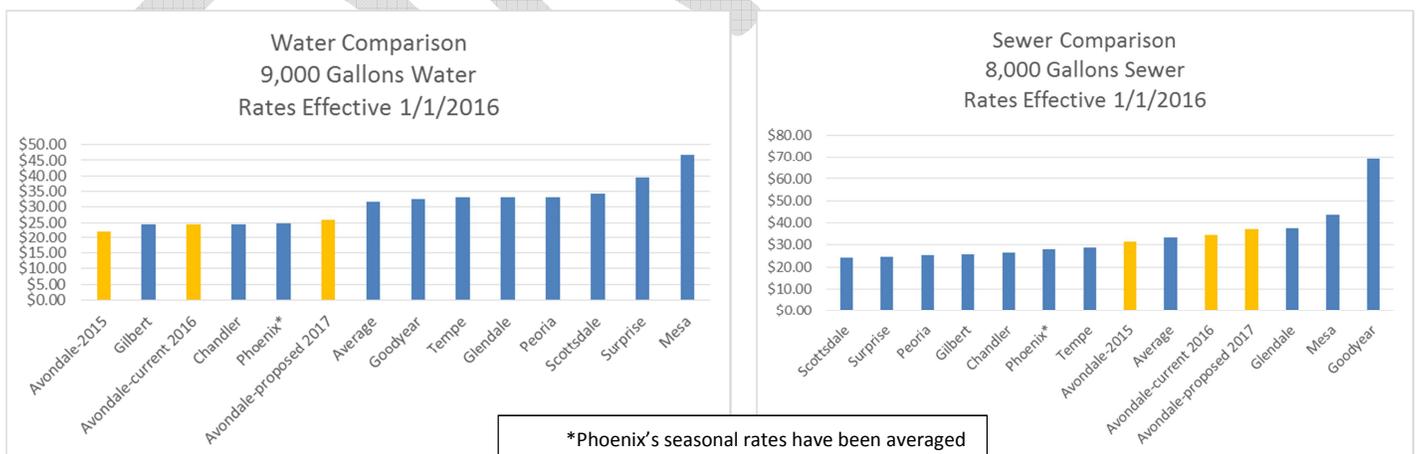


Figure 2 - Valley-Wide Individual Water and Sewer Bill Comparison



Avondale water rates remain among the lowest in the valley when comparing the City’s current rates to comparable-cities’ current rates. Staff has included the proposed rate increase in this graph

in order to show that even with the increase, the City is among the averages if sewer and water are considered together. (This assumes no other City adopts new rates.)

F. Estimated Impact on Customer Bills

The customer impact of each of this plan is presented in Figure 3 for residential customers with a 3/4" meter. The average billed volume for residential customers is 9,000 gallons per month. Sixty-five percent (65%) of all residential bills issued are between 0 and 9,000 gallons.

Figure 3 - Percent Change in Residential Monthly Water Bill

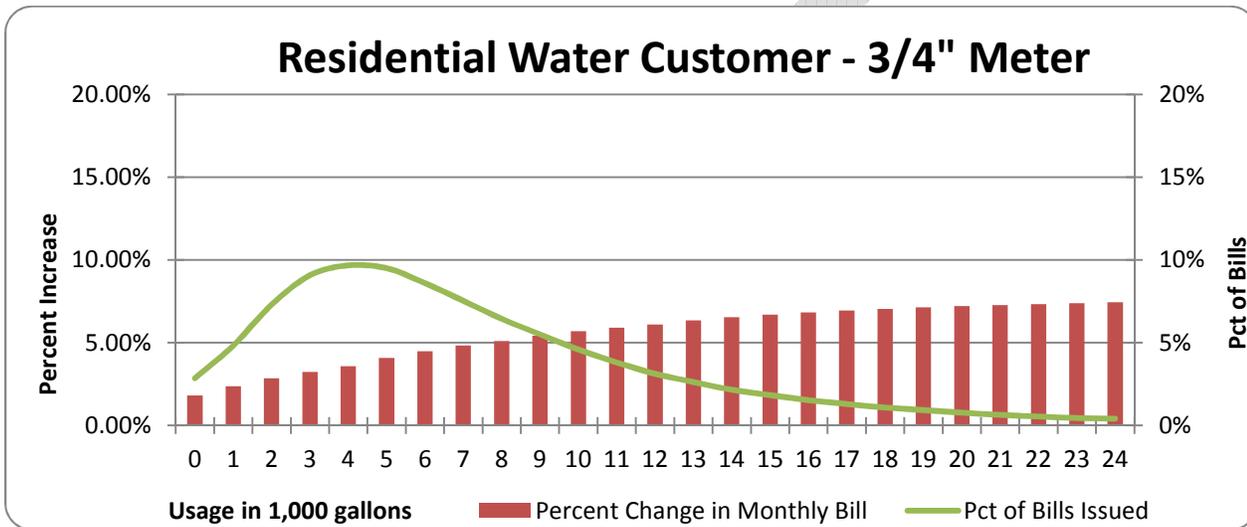
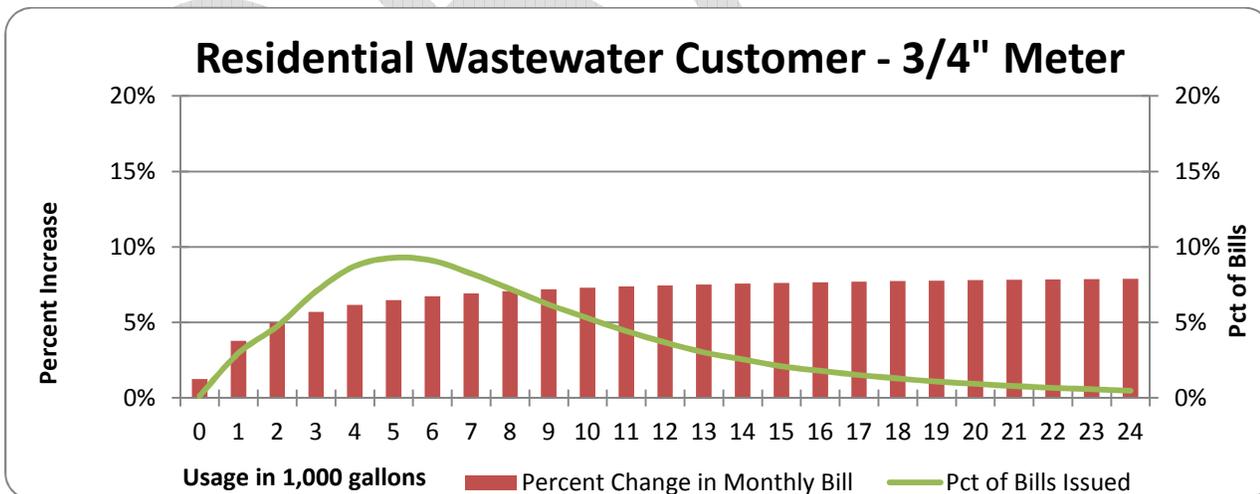


Figure 4 - Percent Change in Residential Monthly Wastewater Bill



The graphs depict the percent increase in monthly bills along with the percentage of bills issues for the billed volume on average. Water usage tends to vary while wastewater bills remain constant once set in July based on 80% of the average water usage during the winter months of December, January and February.

V. Sample Bills

For comparison purposes, examples of monthly bills are presented on the following pages. The figures include a full month utility bill including all water, wastewater and sanitation services. The impact varies from 3.1% to 5.2% for most residential customers with a ¾" or 1" meter.

Figure 5 - 5,000 Gallons Water Usage – Residential ¾" Meter

Residential	Gallons Billed	Current	Proposed
Water	5		
Base Fee <input meter"="" type="text" value="3/4"/>		\$ 11.00	\$ 11.20
Volume Charge		5.93	6.43
Sub-Total		16.93	17.63
Sewer (Winter Average)	4		
Base Fee		\$ 6.42	\$ 6.50
Volume Charge on 80%	3	10.56	11.46
Sub-Total		16.98	17.96
Sanitation		20.00	20.00
Environmental Fee		1.00	1.00
Taxes		1.53	1.60
Total		\$ 56.44	\$ 58.19
Total Bill Change		\$	1.75
% Bill Change			3.1%

Figure 6 - 12,000 Gallons Water Usage – Residential ¾" Meter

Residential	Gallons Billed	Current	Proposed
Water	12		
Base Fee <input meter"="" type="text" value="3/4"/>		\$ 11.00	\$ 11.20
Volume Charge		20.88	22.64
Sub-Total		31.88	33.84
Sewer (Winter Average)	10		
Base Fee		\$ 6.42	\$ 6.50
Volume Charge on 80%	8	28.16	30.56
Sub-Total		34.58	37.06
Sanitation		20.00	20.00
Environmental Fee		1.00	1.00
Taxes		2.95	3.13
Total		\$ 90.41	\$ 95.03
Total Bill Change		\$	4.62
% Bill Change			5.1%

Figure 8 - 105,000 Gallons Usage - Non-Residential 3" Meter

Non-Residential	Gallons Billed	Current	Proposed
<input type="text" value="Hotel w/Dining"/>			
Water	105		
Base Fee <input meter"="" type="text" value="3"/>		\$119.00	\$122.90
Volume Charge		177.45	192.15
Sub-Total		296.45	315.05
Sewer	84		
Base Fee		\$6.42	\$ 6.50
Volume Charge		413.28	424.20
Sub-Total		419.70	430.70
Environmental Fee			1.00
Taxes		18.05	20.72
Total		\$ 734.20	\$ 767.47
Total Bill Change		\$	33.28
% Bill Change			4.5%

Figure 7 - 15,000 Gallons Water Usage – Residential 1" Meter

Residential	Gallons Billed	Current	Proposed
Water	15		
Base Fee <input meter"="" type="text" value="1"/>		\$ 22.60	\$ 23.10
Volume Charge		32.52	35.24
Sub-Total		55.12	58.34
Sewer (Winter Average)	10		
Base Fee		\$ 6.42	\$ 6.50
Volume Charge on 80%	8	28.16	30.56
Sub-Total		34.58	37.06
Sanitation		20.00	20.00
Environmental Fee		1.00	1.00
Taxes		5.07	5.36
Total		\$ 115.77	\$ 121.76
Total Bill Change		\$	5.99
% Bill Change			5.2%

VI. Recommendations

Based on the findings of the rate analysis, it is recommended that the City implement a rate plan that helps the City continue to fund the water and wastewater operations, contribute to system development and improvement, meet all required debt service requirements for existing and planned bond issues, maintain working capital reserves at nine months of operations and begin building reserves for future asset replacement. The suggested rate plan includes recommended increases for the next six years.

	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22
Water	6.00%	6.00%	6.00%	6.00%	6.00%	2.00%
Wastewater	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%

In conjunction, staff recommends that a fund balance policy be considered that would begin reserving net position in an amount of at least 5% of undepreciated assets along with the working capital reserves

Staff will hold a public meeting on **DATE TO BE DETERMINED** to provide information on the system analysis and to solicit customer feedback on the required rate adjustments. In addition, the Neighborhood and Family Services Commission has asked to be briefed on the proposed increases. Staff will be attending an NFS Commission meeting on October 26th to brief that Commission.

VII. Appendix-Revenue Sufficiency Analysis-Ten Year Capital Improvements Program

Raw Project Amounts															Non Expansion											
Project Type	Eligible Project Funding Sources										% Related to Expansion of System Capacity	Project Description	FY 17	FY 18	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Expansion Portion	Non Expansion Portion	Total
	Other Fund	Water Development Fee	Bond Funds Restricted for Capital Projects - Water	EPA, State, Tribal GO Bonds	Capital Asset Replacement Fund																					
TRT	N	N	Y	N	N	25%	WA1068 Wellhead Treatment	1,600,000															400,000	1,200,000	1,600,000	
SOS	N	Y	N	N	N	100%	WA1090 Well 26	500,000	2,000,000															2,500,000	-	2,500,000
SOS	N	Y	N	N	N	100%	WA1131 Future Well					500,000	2,000,000											2,500,000	-	2,500,000
DIST	N	Y	N	N	N	100%	WA1133 99th Waterline - Thomas to McDowell							800,000										800,000	-	800,000
GEN	N	N	N	N	N	0%	TMP9286 Integrated Utility Master Plan		125,000						125,000									-	250,000	250,000
SOS	N	Y	N	N	N	100%	WA1142 Future Well										500,000	2,000,000						2,500,000	-	2,500,000
TRT	Y	N	N	N	N	0%	TMP9290 Wetland Liner Study	125,000																-	125,000	125,000
SOS	N	Y	N	N	N	100%	WA1201 Well 22				500,000	1,000,000												1,500,000	-	1,500,000
SOS	N	Y	N	N	N	100%	WA1214 Well 27									500,000	2,000,000							2,500,000	-	2,500,000
DIST	N	Y	N	N	N	100%	WA1231 Dysart Waterline - Whyman to Lower Buckeye									500,000								500,000	-	500,000
SOS	N	Y	N	N	N	25%	WA1285 White Mountain Tribe Lease		2,000,000															500,000	1,500,000	2,000,000
DIST	N	Y	N	N	N	100%	WA1302 Dysart Waterline - Reser Alignment							1,000,000										1,000,000	-	1,000,000
SOS	N	Y	N	N	N	100%	WA1315 Well Relocation - 107th & McDowell							500,000	2,000,000									2,500,000	-	2,500,000
DIST	N	Y	N	N	N	100%	WA1318 Central Avondale Waterlines									700,000	2,000,000							2,700,000	-	2,700,000
DIST	N	Y	N	N	N	100%	WA1320 El Mirage Waterlines - Lower Buckeye to Southern									1,000,000	2,500,000							3,500,000	-	3,500,000
DIST	N	Y	N	N	N	100%	WA1321 El Mirage Waterlines - Southern to Indian Springs											500,000	1,000,000					1,500,000	-	1,500,000
DIST	N	Y	N	N	N	100%	WA1322 Southern Waterline - Dysart to Avondale																	1,200,000	-	1,200,000
TRT	N	Y	Y	N	N	50%	WA1340 Nitrate Removal System		500,000	3,000,000														1,750,000	1,750,000	3,500,000
SOS	N	Y	N	N	N	100%	WA1341 Coldwater Booster Expansion					500,000	3,000,000											3,500,000	-	3,500,000
SOS	Y	N	N	N	N	0%	TMP9291 Increase in CAP Water Costs		-	12,000	140,000	250,000	205,000	205,000	205,000	205,000	205,000	205,000	205,000					-	1,427,000	1,427,000
DIST	N	N	Y	N	N	0%	WA1057 Citywide Water Improvements (combined with WA1343)																	-	-	-
DIST	N	N	Y	N	N	0%	WA1162 CDBG Waterline Improvements		1,200,000		1,000,000			1,000,000			800,000							-	4,000,000	4,000,000
DIST	N	N	Y	N	N	0%	WA1169 Rio Vista Waterline Replacement				1,400,000	1,500,000												-	2,900,000	2,900,000
SOS	N	N	Y	N	N	0%	WA1298 Well #7 Site Improvements				500,000	1,200,000												-	1,700,000	1,700,000
DIST	N	N	Y	N	N	0%	WA1343 Water System Line Replacements and Expansions	1,500,000	1,100,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000							-	14,600,000	14,600,000
DIST	N	N	Y	N	N	0%	WA1344 System Pressure Reducing Stations																	-	-	-
SOS	N	N	Y	N	N	0%	Reservoir Coating and Rehabilitation (onetime)	750,000	750,000	500,000	500,000													-	2,500,000	2,500,000
DIST	N	Y	N	N	N	100%	WA1323 Southern Avondale Waterline - Lower Buckeye to Southern																	1,000,000	-	1,000,000
							Total	\$ 4,475,000	\$ 7,675,000	\$ 5,012,000	\$ 5,540,000	\$ 6,450,000	\$ 7,830,000	6,005,000	10,205,000	6,205,000	4,905,000							\$ 32,350,000	\$ 31,952,000	\$ 64,302,000

Raw Project Amounts															Non Expansion											
Project Type	Eligible Project Funding Sources										% Related to Expansion of System Capacity	Project Description	FY 17	FY 18	FY 19	FY 20	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26	FY 27	Expansion Portion	Non Expansion Portion	Total
	Other Fund	Sewer Development Fee	Bond Funds Restricted for Sewer Capital	EPA, State, Tribal GO Bonds																						
COLL	Y	N	N	N	N	0%	SW 1047 Sewer pipe relining (ongoing)	\$ 350,000	\$ 350,000	\$ 350,000	\$ 350,000	\$ 350,000	\$ 350,000	\$ 350,000	\$ 350,000	\$ 350,000	\$ 350,000	\$ 350,000	\$ 350,000	\$ 350,000	\$ 350,000	\$ 350,000	\$ -	\$ 3,850,000	\$ 3,850,000	
LS	N	Y	N	N	N	100%	SW1233 Lift Station - Southern & Dysart																\$ 3,500,000	\$ -	\$ 3,500,000	
COLL	N	Y	N	N	N	100%	SW1234 Southern Ave Sewerline - Dysart to Avondale																\$ 3,200,000	\$ -	\$ 3,200,000	
TRT	N	Y	Y	N	N	100%	SW1237 Phase II Expansion -WRF					2,500,000				2,500,000	24,600,000	15,400,000					\$ 45,000,000	\$ -	\$ 45,000,000	
TRT	N	Y	Y	N	N	50%	SW1304 Tertiary Filters at WRF										5,400,000						\$ 2,700,000	\$ 2,700,000	\$ 5,400,000	
LS	N	N	N	N	N	0%	TMP9285 Lift Station Security System Upgrades	50,000	50,000														\$ -	\$ 100,000	\$ 100,000	
TRT	N	Y	Y	N	N	25%	TMP9242 Secondary Clarifier at WRF	3,000,000															\$ 750,000	\$ 2,250,000	\$ 3,000,000	
COLL	Y	N	N	N	N	0%	SW1108 Backup Force Main - 10th St LLS to El Mirage	200,000	1,800,000														\$ -	\$ 2,000,000	\$ 2,000,000	
COLL	N	N	N	N	N	0%	SW1270 McDowell Rd Sewerline			200,000													\$ -	\$ 200,000	\$ 200,000	
TRT	N	N	Y	N	N	0%	SW1339 - WRF Facility Upgrades	8,829,000															\$ -	\$ 8,829,000	\$ 8,829,000	
COLL	N	N	N	N	N	0%	SW1356 Large Diameter Pipe Rehab Program (ongoing)	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000			\$ -	\$ 11,000,000	\$ 11,000,000	
COLL	N	N	Y	N	N	0%	TMP9225 Sewer system repairs "hot spots" (onetime)	500,000	275,000	800,000	650,000												\$ -	\$ 2,225,000	\$ 2,225,000	
COLL	N	N	Y	N	N	0%	TMP9226 Dysart Main Replacement - Western to Riley										700,000						\$ -	\$ 700,000	\$ 700,000	
COLL	N	Y	Y	N	N	50%	TMP9227 Dysart Sewer Extension - Riley to Lower Buckeye										1,500,000						\$ 750,000	\$ 750,000	\$ 1,500,000	
COLL	N	Y	Y	N	N	50%	TMP9286 Integrated Utility Master Plan		125,000														\$ 62,500	\$ 62,500	\$ 125,000	
LS	Y	N	Y	N	N	0%	TMP9250 Lift Station Rehab Program	180,000	180,000	180,000	415,000	205,000	180,000	390,000	180,000	285,000							\$ -	\$ 2,375,000	\$ 2,375,000	
LS	N	N	Y	N	N	0%	TMP9284 Relocate Riley Lift Station							500,000									\$ -	\$ 500,000	\$ 500,000	
							Total	\$ 14,109,000	\$ 3,780,000	\$ 2,530,000	\$ 2,415,000	\$ 4,055,000	\$ 1,530,000	6,940,000	31,530,000	17,035,000	8,230,000	1,350,000					\$ 55,962,500	\$ 37,541,500	\$ 93,504,000	

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