



City of Maricopa

Legislation Text

File #: CON 12-059, **Version:** 1

The Mayor and City Council shall discuss and possibly take action to approve Line Extension Agreements with Global Water Resources for water and wastewater utilities for the Fire Station 572 project. The associated cost that is required to be paid to Global Water Resources upon execution of the agreements is \$2,764.93 and will be drawn from budget line item Capital Projects Fund - Fire Support Services, Buildings, Fire Station 572 (35022528-67720-32010). Discussion and Action.

All new developments within Global Water Resources jurisdiction (CC&N) are required to execute Line Extension Agreements (LXA) for water and wastewater utility services. The LXA's cover the extension of water and wastewater facilities, that the City is responsible for installing/constructing, to serve the Fire Station 572 project. Some of the highlighted Covenants and Agreements include:

- o Construction Standards and Requirements

This covers the approval process requirements and construction standards required by Global Water in order to connect to their facilities. City staff is aware of these requirements and standards and do not foresee any issues in adhering to them.

- o Transfer of Ownership

Upon completion and approval of as-builts, the City will transfer all right, title and interest of the utility facilities (water and sewer main lines within the right of way) to Global Water via a bill of sale. This will transfer the operation, maintenance and repair responsibilities to Global Water.

- o Reimbursement for Engineering and Other Fees and Expenses

This section covers the costs that are required to be paid by the developer (the City in this case) to Global Water for engineering plan review, construction inspections and legal fees incurred in executing and administering the agreements. The City will pay Global Water the sum of ten percent (10%) of the estimated cost of facilities itemized within Exhibit "C" of the agreements; 10% of \$19,603.27 for Water and 10% of \$8,046 for wastewater equaling \$2,764.93. The standard required fee in Global Water's LXA's is a minimum of \$7,500 each; however due to the scope/extent of the public facilities being constructed for this project, staff requested an adjustment in the fee structure and received approval from Global Water to use the 10% calculation. Prior LXA's that the City has executed of late (City Complex and Chief Donald N. Pearce Fire Station) were included in the MOU between the City and Global Water; and therefore, the fee was not required to be paid.

- o Refunds of Advances

Global Water will refund the City annually an amount equal to two and one-half percent (2.5%) of the gross annual revenues received for utility service for up to 22 years.

There are more Covenants and Agreements within the LXA's, all of which have been reviewed by staff and legal.

Staff recommends approval of the Global Water Resources Line Extension Agreements.