



City of Maricopa

Legislation Text

File #: CON 12-038, **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 Phase 1 of the Estrella Gin Property to serve the Chief Donald N. Pearce Fire Station. Discussion and Action.

All new development 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 Chief Donald N. Pearce Fire Station or Phase 1 of the Estrella Gin Property. 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; however, with the City's current MOU with Global Water those costs are offset against the franchise fees due from Global Water to the City.
- o Refunds of Advances
Global Water will refund the City annually an amount equal to seven percent (7%) 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.

These agreements are identical to the City Complex LXA's that were approved on April 17, 2012.

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